



Town of Chino Valley

MEETING NOTICE TOWN COUNCIL

**REGULAR MEETING
TUESDAY, JUNE 25, 2019
6:00 P.M.**

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

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

AGENDA

1. **CALL TO ORDER, PLEDGE OF ALLEGIANCE; ROLL CALL**
2. **INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**
3. **CALL TO THE PUBLIC**

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

4. **RESPONSE TO THE PUBLIC**

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

5. **CURRENT EVENT SUMMARIES AND REPORTS**

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

- a. Status reports by Mayor and Council regarding current events.
- b. Status report by Town Manager Cecilia Grittmann regarding Town accomplishments, and current or upcoming projects.

- c. Report regarding 4th of July fireworks. (Scott Bruner, Community Services Director)
- d. Report regarding roads. (Frank Marbury, Public Works Director/Town Engineer)

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 appoint Julie Northington to fill a Regular Position vacancy on the Board of Adjustment for a term that started August 1, 2018 and will end July 31, 2021. (Jami Lewis, Town Clerk)
- b. Consideration and possible action to accept the May 21, 2019 study session minutes. (Jami Lewis, Town Clerk)
- c. Consideration and possible action to accept the May 28, 2019 regular meeting minutes. (Jami Lewis, Town Clerk)
- d. Consideration and possible action to accept the June 11, 2019 regular meeting minutes. (Jami Lewis, Town Clerk)

7. **ACTION ITEMS**

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

- a. Consideration and possible action to adopt Ordinance No. 2019-870 to rezone approximately 378 acres of real property from SR-2 (Single Family Residential-2 Acre Minimum) zoning district to SR-1 (Single Family Residential-1 Acre Minimum) zoning district. The subject property is located on the southwest corner of East Perkinsville Road and M. A. Perkins Trailway, north of the Bright Star Subdivision, Assessor's Parcel Numbers 306-02-301J and 306-02-018N. Owner: Century Ranch, LLC / Applicant: Jim Fletcher (Alex Lerma, Planner)

Recommended Action: Adopt Ordinance No. 2019-870 to rezone approximately 378 acres of real property from SR-2 zoning district to SR-1 zoning district with the recommended conditions.

- b. Consideration and possible action to approve Century Ranch Phase 1-Phase 10 Preliminary Plat subdividing 180.5 acres of the total 378 acres into 113 one (1) acre lots developed in ten (10) phases. The subject property is located on the southwest corner of East Perkinsville Road and M. A. Perkins Trailway, north of the Bright Star subdivision. (Alex Lerma, Planner)

Recommended Action: Approve adoption of Century Ranch Phase 1-Phase 10 preliminary plat

subdividing 180.5 acres of the total 378 acres of into 113 one (1) acre lots developed in ten (10) phases.

- c. Public Hearing regarding Resolution No. 2019-1143, relating to the Town's Final Budget for Fiscal Year 2019/2020 and the proposed expenditure limitation for the same year, in the amount of \$27,976,800. (Joe Duffy, Finance Director)

Recommended Action: Hold the Public Hearing.

- d. Public Hearing regarding (i) Resolution No. 2019-1141, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2019/2020, which shall constitute the budgets of the Districts for fiscal year 2019/2020 and (ii) the tax levy anticipated in conjunction with the budgets of the Districts. (Joe Duffy, Finance Director)

Recommended Action: Hold the Public Hearing.

Pursuant to state law, Council will recess the Regular Meeting and hold a Special Meeting to vote on the two proposed budgetary items.

**SPECIAL MEETING
TUESDAY, JUNE 25, 2019
6:00 P.M.**

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

AGENDA

1. CALL TO ORDER; ROLL CALL

- 2. Consideration and possible action to adopt Resolution No. 2019-1143 adopting a Final Budget for Fiscal Year 2019/2020, and proposed expenditure limitation for the same year, in the amount of \$ 27,976,800. (Joe Duffy, Finance Director)

Recommended Action: Adopt Resolution No. 2019-1143 adopting a Final Budget and proposed expenditure limitation for fiscal year 2019/2020 in the amount of \$27,976,800.

- 3. Consideration and possible action to adopt Resolution No. 2019-1141, adopting the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2019/2020, which shall constitute the budgets of the Districts for fiscal year 2019/2020. (Joe Duffy, Finance Director)

Recommended Action: Adopt Resolution No. 2019-1141, approving the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2019/2020, which shall constitute the budgets of the Districts for fiscal year 2019/2020.

4. ADJOURNMENT

REGULAR MEETING RESUMED

After the Special Meeting, Council will reconvene the Regular Meeting.

8. EXECUTIVE SESSION

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

- a. An executive session pursuant to A.R.S. § 38-431.03(A)(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 a contract that is the subject of negotiations (License and Concessionaire Agreement with Compass Training Center AZ related to management of the Chino Valley Shooting Facility). (Chuck Wynn, Police Chief)

9. ACTION ITEMS RESUMED

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

10. ADJOURNMENT

Dated this 20th day of June, 2019.

By: *Jami C. Lewis, Town Clerk*

The Town of Chino Valley endeavors to make all public meetings accessible to persons with disabilities. Please call 636-2646 (voice) or 711 (Telecommunications Arizona Relay Service) 48 hours prior to the meeting to request a reasonable accommodation to participate in this meeting.

Supporting documentation and staff reports furnished to the Council with this agenda are available for review on the Town website at <http://www.chinoaz.net/agendacenter> and in the Public Library and Town Clerk's Office.

CERTIFICATION OF POSTING

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

Date: _____ Time: _____ By: _____
Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6.a.

Meeting Date: 06/25/2019
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Town Clerk
Item Type: Consent
Estimated length of staff presentation:
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to appoint Julie Northington to fill a Regular Position vacancy on the Board of Adjustment for a term that started August 1, 2018 and will end July 31, 2021.

RECOMMENDED ACTION:

Appoint Julie Northington to complete a regular term on the Board of Adjustment that started August 1, 2018 and will end July 31, 2021.

SITUATION AND ANALYSIS:

As of our last recruitment, the Board of Adjustment still had two vacancies, one regular position and one alternate position. As there is the possibility of an upcoming case, we hoped to find someone quickly to fill the regular vacancy.

We received Ms. Northington's application after the Appointments Subcommittee's most recent meeting. We contacted her about where she was interested in serving, and she indicated that the Board of Adjustment would suit her present needs. The members of the Appointments Subcommittee individually reviewed the application and informed staff that they had no objections to staff recommending Ms. Northington for appointment.

Ms. Northington also participated in the Spring Citizens' Academy and no other applications have been received.

Fiscal Impact

Attachments

No file(s) attached.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6.b.

Meeting Date: 06/25/2019

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

Department: Town Clerk

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to accept the May 21, 2019 study session minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Accept the May 21, 2019 study session minutes.

Attachments

May 21, 2019 draft minutes

DRAFT

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

**TUESDAY, MAY 21, 2019
5:00 P.M.**

The Town Council of the Town of Chino Valley met for a Study Session in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, May 21, 2019.

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

Staff Present: Town Manager Cecilia Grittmann; Finance Director Joe Duffy; Police Chief Chuck Wynn; Human Resources Director Laura Kyriakakis; Community Services Director Scott Bruner; Development Services Director Joshua Cook; Planner Alex Lerma; Administrative Technician Kathy Frohock (videographer)

1) CALL TO ORDER; ROLL CALL

Mayor Croft called the meeting to order at 5:00 p.m.

2) Presentation and discussion regarding the Preliminary Budget for the Fiscal Year Ending June 30, 2020. (Joe Duffy, Finance Director)

Finance Director Duffy presented a budget overview:

- The Town was budgeting \$28,976,800 for FY 2019/2020 and rolling over \$573,000 in the general fund. The previous year's budget was \$24,500,000 with an estimated \$19 million spent for the year. Revenues were always exceeding expenditures because staff was underestimating revenues and over estimating expenditures. There was an emergency fund buffer in case of a natural disaster.
- The reserve requirement for the general fund was just over \$2.2 million and the Town had \$6,992,000, which left money to do large capital projects. Staff was recommending moving \$1.5 million to the capital improvement fund for the Council to develop a list of potential projects. If the money was not transferred from the general fund to the capital improvement fund, it could not be used for the projects, but if the money was transferred, it did not have to be used. It was a placeholder for the funds possible use. The Council would have a study session in July to determine the specific projects.
- Project considerations were: development of four to five lots at Old Home Manor and putting up a spec building, or water and sewer line extensions for upcoming developments. Staff had discussed the possibility of providing a subdivision utility upgrade and charging the subdivision an annual utility assessment fee.
- The budget reflected CBDG and EPA grant matching funds for drainage projects.
- HURF fund had been used for road work during the current fiscal year so the fund balance was down by \$96,000. Addition of the annual State contribution of \$400,000 to the fund

would allow necessary road equipment to be purchased while staying within the required policy fund balance limits.

- The water operation enterprise fund was flat for the year. The funds were available if a water system was available for purchase. This enterprise fund total was based on the value of the total assets minus any liabilities. The total for water and sewer funds did not reflect a cash balance as other funds did. The sewer and water fund had paid the general fund back for monies owed.
- Staff recommended one part-time Animal Control position at the Police Department to become full time. Funds will also be budgeted for a part-time police officer, if needed.
- The general fund departments did not have any major budget changes except for a 1% cost of living increase and up to a 3% employee merit increase. Health costs increased by 8%. The Town saved money on workers' comp insurance by going with a group pool.
- Mr. Duffy provided an overview of department equipment and electronic budget requests for the general fund, as well as department maintenance needs.
- Staff increased contingency funds because expenditures had gone up and staff was also recommending transferring money to the PSPRS to buy down the remaining liability.

Public Works Director Marbury reviewed budget requests for facilities, fleet, and engineering:

- Facilities projects: big expenses for roof repair and parking lot maintenance. Overall, it would be a long-term project to include all 20 town facilities, starting with the Community Center. Future annual budgets should include replacement of a facility roof. Parking lot replacements should begin where there is heavy public traffic first. The budget also included continued cleanup at Old Home Manor, beginning the process of replacing HVAC units, starting with the Library, moving around offices and replacing flooring and Town signage. The Memory Park restrooms money had rolled over to begin construction in the fall.
- Fleet: Replace the mechanic service truck with a proper service truck.
- Engineering: Move the Water Resources Consultant from the Town Manager's office to the Engineering budget and \$25,000 to hire an engineering firm to update the Maricopa Government Specifications and detail custom modifications for the Town. The last update the Town had was 1992 and future updates will be minor modifications completed in-house.
- Road maintenance equipment: Replace and purchase the water truck, a pothole patcher, and radar traffic counters. Mr. Marbury reviewed the pothole patching process, material, and equipment requirements.
- Road 1 North signal: \$80,000 had been budgeted in contingency fund. It was an ADOT project, but any budget overruns would be put on the Town.
- Old Home Manor (OHM) Water Masterplan: \$250,000 had been budgeted for the master plan, which would include water use, distribution, recharge, and water rights.
- Roads: Jerome Junction road work for the OHM business park; CBDG matching funds for the Chino Five subdivision; a Town north end Welcome to Chino Valley sign, and if the road ballot measure did not pass, funds for Road 1 North from the highway to Road 1 East in the capital project budget to widen, level and overlay the road.
- Fill station: \$50,000 for a new station to either replace the existing one or add on to the existing one. If the Town expanded water and sewer service to the west, staff recommended moving a new fill station to the west. A fill station could also be placed by OHM.
- Water system acquisitions: A place holder with \$2 million was included.
- Annual \$75,000 sewer line cleanse: Every three years, a sewer line cleaning rotation will be provided.
- New sewer plant building.
- Mr. Marbury provided an overview of necessary Public Works budget maintenance and equipment requirements.

Council and Staff discussed the following:

- Council recommended moving \$2 million from the general fund to capital improvement fund.
- The general fund could be used for whatever Council determined appropriate, but it would not be typically used for water or sewer projects. If a utility infrastructure project was a beneficial investment for the Town, the general funds could be used.
- The timeline for determining the projects and the budget.
- Reserve revenue should be considered a one-time related construction revenue for needed projects and not an annual maintenance budget for existing infrastructure.
- Drainage project funds will be rolled over but will be spent during the upcoming 2020 fiscal year. The funds could be used at Council's discretion.
- Reroofing could include any roofing the Council deemed necessary. Costs would be compared for different roofing products and staff will present Council with a recommendation.
- Staff discussed the pothole patcher equipment and material process, and other communities using the same equipment. Staff recommended getting a demo or renting the equipment before purchasing the equipment. Material availability was a concern for staff.
- The sewer building would include offices, restroom, testing laboratory, and large bay with two garage doors. The Front apron and physical connection of water and sewer to the plant would need to be done in the future and wasn't included in the budget request. The road maintenance building would be separate and a future year's budget request. They discussed types of building construction.

3) Presentation and discussion regarding the Shooting Range Proposal by Nielsen Training and Consulting. (Chuck Wynn, Police Chief)

Police Chief Chuck Wynn presented the following:

- After termination of the Prescott Sportsman's Club Shooting Range Agreement, the Town started to open the range on weekends only. Attendance averaged 35-40 people per weekend despite bad weather.
- Staff advertised a Request for Proposals for operation of the shooting range in February 2019. The Town received two submittals, and a selection committee selected Nielsen Training.
- Nielsen was currently setting up a non-profit organization to run the range. The proposed agreement provided: a ten-year term with a five-year renewal term; Council to approve the rates and operating hours; the Town to collect 5% of the gross receipts that would be paid quarterly and would be used exclusively for range improvements; and a quarterly report to be submitted to the Town detailing usage, fees and range activities.
- The Town could hire a third party to review financial books if it were deemed necessary. The Town had a checklist of items that needed to be completed before turning over operations of the range.
- Permanent improvements made to the 40-acre property needed to be maintained by the Town.

Nielsen Training Representative, Todd Nielsen, introduced himself and gave a brief history on the backgrounds of the key employees. He stated that:

- Their goal had been to have a training facility. This opportunity provided that and benefited the community.

- Goals included: Getting the range open quickly, including weekdays, and being open seven days a week; hours being flexible in the beginning due to the work they would be doing at the site; developing the site to include a junior range training opportunity; offering shooting subscriptions ranging from young users learning to use guns to competitive shooters.
- A company investor committed \$150,000 to moving dirt for the site and an additional \$20,000 into steel for the range.

Councilmembers expressed concern about hours, noise affecting the neighboring community, and the range not becoming just a profit-driven business, but remaining available for citizens wanting to shoot occasionally.

Mr. Nielsen related that:

- The range would be available to the public. The long term plan for the company was to have six 25 yard pads, the longest distance on the property at approximately 600 yards; a 100-yard bay area with 25 shooting lanes; a 50-yard bay area with 25 shooting lanes; four action bays, including a trap and skeet range; and a 10-yard bay set up specifically for junior shooters.
- Events would include competitions, retail establishment, food concessions, and a clubhouse.
- The organization was affiliated with the NRA and will offer NRA gun safety classes.
- There will not be any gun sales on the property.
- The Contract could go to Council in June.

4) Presentation and discussion regarding Unified Development Ordinance Section 4.21: Sign Regulation. (Alex Lerma, Town Planner)

Development Service Director Joshua Cook and Planner Alex Lerma presented sign code requirements specifically for temporary signs in the Town and the surrounding areas:

- The current sign code was adopted in 2017. Temporary permits dealt with signs that were posted on a limited basis not to exceed six months. Temporary signs were not to interfere with pedestrian or vehicle traffic, must be located six feet from the property lines, and were regulated upon square footage and zoning district.
- By law, municipalities could not regulate the language of the signs, but could regulate the size of the signs, where they were located, and how many and how long the signs could be onsite.
- Goodyear had the strictest guidelines and temporary signs were only permitted for certain uses: construction signs were removed 10-days after receipt of certificate of occupancy; grand openings and special promotions were not to exceed 30 consecutive days; there was no time limit on portable signs, but they were restricted for times of the day.
- Flagstaff permitted temporary signs or banners on walls only for 30 days during a calendar year.
- Camp Verde was more lenient and specified that if a temporary sign was posted for less than 30 days, a permit was not required. There were no guidelines for how long a temporary sign could be onsite.
- Staff provided an overview of surrounding municipalities' code requirements for temporary signs that included what defined a temporary sign, how long they were issued, how they were regulated, and how they were enforced.
- Staff thought some portions of the sign code needed to be more clearly defined to meet the Council's goals and to assist code enforcement officers. Staff was at odds with the job of enforcing the current code, but had been instructed not to enforce the code.
- The Town's six-month time limit for temporary signs was one of the least restrictive codes

that staff had encountered. Until it was redrafted and readopted, staff was responsible for enforcing the existing code. It was code enforcement staff's plan to immediately start enforcing the Town code.

- Staff recommended that a sign committee start redrafting the current sign code to benefit the Town and the community more appropriately.

Council and Staff discussed the following:

- Sign code inconsistencies included permit requirement language that was unclear on meaning and total scope. Such vague and nebulous sections needed to be clarified and revised.
- One of the main duties of the development services director was to ensure the code was enforced as it was written and adopted, but the Council was concerned that enforcing the current code and then changing the code to allow what was not allowed previously would become an issue. Code could not be suspended until legal counsel was consulted.
- There were many sign complaints after this was adopted but enforcement officers were put on hold for many issues including property maintenance.
- Council thought there were more important issues than signage to deal with first.
- Not enforcing a code could cause legal problems and the Town could be challenged on code regulations if it were randomly enforced.
- There were several different ways the temporary sign code could be changed depending on what the Council desired for the Town.
- Temporary sign code changes would take approximately three months to rewrite.
- Council agreed that Staff should put together new language and then present it during a couple public hearings where the community could provide input.

5) Presentation and discussion regarding administration of the Chino Valley Cemetery. (Vice-Mayor Miller)

Vice-Mayor Miller spoke about the cemetery's history and a request by the Cemetery Committee:

- One acre was originally deeded to Chino Valley Irrigation District to keep the cemetery tax free. There had been no oversight of burial plots or funds to manage it. Irrigation District secretary Ellen Ginn kept recorded names of those buried onsite. After leaving the Irrigation District, Ms. Ginn began a Cemetery Committee to oversee the cemetery and establish rules. The cemetery was expanded in 1984 by adding 1/3 of an acre. The original cemetery was full except for some companion gravesite and there were some burials in the new graveyard.
- The new graveyard had 228 casket spaces and 332 cremation spaces. At the current rate of burial, the committee estimated there would be 15-20 years before the new section was full.
- The cemetery was used on a donation basis. The average annual donations totaled \$300-\$400 per year. The donation system was only attached to the original one-acre property not to the new 1/3 acre, so fees could be charged for that portion.
- The corporation was a 501(c)(3) non-profit organization and owned the property.
- There were no deeds for the plots because the plots were not sold, but it could be a future option. Burial sites were first-come-first-served with a few reserved spots next to a spouse. The committee had begun double stacking spouses to save room.
- Operating costs were minimal because most services were volunteer.
- The cemetery committee was in need of financial and labor help and was asking the Council to commit to some type of support to the cemetery to include either manpower or financial or eventually taking the cemetery over. The Town should also consider what to do in the future once the 1/3 acre was full.
- Consideration was needed to determine what constituted a Chino Valley resident for burial

purposes.

- The Town would discuss with the attorney about the Town's legal capacity.

Council and Staff discussed the following:

- The Town needed to find out the legal boundaries before any commitment was made.
- Cremation vaults were expensive to purchase but paid for themselves as it filled.
- The Town owned the property across the road from the cemetery.
- The committee thought there might be a better opportunity for grants or other monies if the Town were involved. As a non-profit, they would be eligible for grants without the Town. The committee had only been a non-profit for approximately ten years.
- The Town could consider an annual donation similar to the Chamber of Commerce donation. The donation would allow the committee to develop an annual donation and permit them to hire out necessary maintenance work.
- The organization could consider annual fundraisers to help get money.
- The American Legion had an annual Memorial Day celebration at the cemetery. It was recommended that a request be placed with the Legion to donate to the cemetery.
- It was in the Town's benefit to support the ongoing historical value of the cemetery.

6) ADJOURNMENT

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Corey Mendoza to adjourn the meeting at 7:31 p.m.

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

PASSED - Unanimously

Darryl L. Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the Town Council of the Town of Chino Valley, Arizona held on the 21st day of May, 2019. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 25th day of June, 2019.

Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6.c.

Meeting Date: 06/25/2019

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

Department: Town Clerk

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to accept the May 28, 2019 regular meeting minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Accept the May 28, 2019 regular meeting minutes.

Attachments

May 28, 2019 draft minutes

DRAFT

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

**TUESDAY, MAY 28, 2019
6:00 P.M.**

The Town Council of the Town of Chino Valley met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, May 28, 2019.

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

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

Staff Present: Town Manager Cecilia Grittmann; Town Attorney Andrew McGuire; Finance Director Joe Duffy; Human Resources Director Laura Kyriakakis; Public Works Director/Town Engineer Frank Marbury; Community Services Director Scott Bruner; Economic Development Project Manager Maggie Tidabeck; Chief Building Official Dan Trout; Deputy Town Clerk Vickie Nipper (recorder); Administrative Technician Kathy Frohock (videographer)

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

2) **INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**

- a) Proclamation declaring June 8, 2019, as *Marine Corps League Day*, sponsored by the Marine Corps League.

Mayor Croft read the proclamation and presented it to representatives with the Marine Corps League.

- b) Presentation by Pete Gordon, Fire Staff Officer (Fire Chief), Prescott National Forest and Rick Chase, Fire Marshal/PIO, Central Arizona Fire and Medical Authority, regarding living in the wildland urban interface.

Marshal Chase and Officer Gordon spoke about the wildland urban interface. Key points were:

- Wildland Urban Interface was the area where wildland fuels were available to allow fires to move and where human infrastructure interacted with the wildland environment. Living in the wildland urban interface was not any different than living in any other natural disaster area.
- Chino Valley's brush and grassland areas dried out quicker than heavy fuels and was considered a more hazardous area. Wildland fires could affect highway corridors, commerce, and tourism.
- Residents were encouraged to take care of their own property to reduce fire risk by having a property defensible space that provided a clearing around homes and buildings.

- Responsibility was dependent upon the fire department to educate, prevent and respond; the Forest Service to analyze, care for the natural resources, and provide hazardous fuel mitigation and fire response; and law makers and residents to understand responsibility for care of properties.
- The fire district's primary responsibility was caring for and keeping fire fighters safe so that they could do their job of protecting property. All state and local fire agencies worked together and there were 43 fire wise communities within Yavapai County.
- Wildfire.az.gov provided information on fires throughout the state and firerestrictions.us provided restrictions for people to be knowledgeable about.

3) **CALL TO THE PUBLIC**

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

Beth Vicory, resident, reminded the community that every Wednesday during the summer she would be hosting the Summer Fun Kids Club and she was still looking for sponsors and volunteers.

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. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

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

Councilmember Best commended ADOT for cleaning the highway culverts in preparation for the monsoon season.

Councilmember Best reminded citizens that the next 50th Anniversary Committee meeting would be June 5th at the Community Center.

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

Town Manager Grittman reported on the following:

- UDO Rewrite Committee resuming their meetings in June.
- Upcoming June Community Outreach meeting with the Town Mayor and Manager.

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 Jack Miller, seconded by Councilmember Mike Best to approve Consent Agenda items (a), (b) and (c).

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

PASSED - Unanimously

- a) Consideration and possible action to designate Joe Duffy as the Town of Chino Valley's Chief Fiscal Officer for the fiscal year ending June 30, 2019. (Joe Duffy, Finance Director)
- b) Consideration and possible action to adopt Resolution No. 2019-1139, approving the proposed statements and estimates of expenses of the Town of Chino Valley Street Lighting Improvement Districts for fiscal year 2019/2020, pursuant to Section 48-616, Arizona Revised Statutes, as amended; setting a date for public hearing on the proposed statements and estimates as approved; and providing for notice of the hearing and publication of the proposed statements and estimates of the expenses of the districts which shall be provided for by the levy and collection of ad valorem taxes on the assessed value of all the real and personal property in the districts. (Joe Duffy, Finance Director)
- c) Consideration and possible action to adopt Resolution No. 2019-1138, declaring and adopting the results of the special election held on May 21, 2019. (Jami Lewis, Town Clerk)

7) **ACTION ITEMS**

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

- a) Consideration and possible action to approve Resolution No. 2019-1140, approving a Tentative Budget for the fiscal year 2019-2020 and proposed expenditure limitation for the same year, in the amount of \$27,976,800 and setting a public hearing date of June 25, 2019 on the tentative budget and adoption of the final budget. (Joe Duffy, Finance Director)

Recommended Action: Approve Resolution No. 2019-1140, approving a Tentative Budget and proposed expenditure limitation for FY 2019-2020, in the amount of \$27,976,800 and setting June 25, 2019, as the date for the public hearing on the tentative budget and for adoption of the final budget for FY 2019-2020

Mr. Duffy presented the Tentative Budget. Key points were:

- He had incorporated the changes discussed at the previous week's study session.
- The tentative budget set the maximum expenditure limitation; the budget could not be increased, but could be decreased thereafter.
- \$24,525,000 was budgeted last year and expenditures of \$19,000,000 were anticipated. This year's proposed budget was \$27,976,800 and staff proposed to roll over \$573,000 in general fund money not expended in the current year.
- Major projects included:
 - Facility roofing and parking areas on a five-year rotation basis
 - Remodel and flooring in Public Works building
 - Town facilities signage
 - Memory Park restrooms funds rolled over to begin construction in the fall
 - Mechanics service truck
 - Consulting and engineering funding for water resources
 - 50th year anniversary celebration
 - Increased HURF road funding
 - \$2 million to capital improvement fund for economic and capital projects to be determined by Council
 - Matching funds for the Road 1 North traffic signal
 - Old Home Manor Water Masterplan
 - Jerome Junction paving
 - CDBG matching funds
 - North end Welcome to Chino Valley sign
 - New shared utilities building
 - Possible new water fill station

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Lon Turner to approve Resolution No. 2019-1140, approving a Tentative Budget and proposed expenditure limitation for FY 2019-2020, in the amount of \$27,976,800 and setting June 25, 2019, as the date for the public hearing on the tentative budget and for adoption of the final budget for FY 2019-2020.

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

PASSED - Unanimously

- b) Consideration and possible action to adopt Ordinance No. 2019-871, repealing previous ordinances related to previous versions of the International Building Codes; adopting the "Town of Chino Valley Building and Technical Code Amendments - 2018 Edition," by reference; and amending Town Code Title XV Land Usage, Chapter 150 Building Regulations by amending sections related to the 2018 version of the International Codes and 2017 edition of the National Electrical Code. (Dan Trout, Building Official)

Recommended Action: Adopt Ordinance No. 2019-871, repealing Ordinance Nos. 04-570, 07-686, 07-689 and 09-721; adopting the "Town of Chino Valley Building and Technical Code Amendments - 2018 Edition," by reference; and amending Town Code Sections 150.001 and 150.004.

Mr. Trout reported that every six years, he worked with surrounding communities to adopt the latest building codes. He acknowledged Sandy Griffis of Yavapai County Contractor's Association for ensuring the amendments were the same throughout the neighboring communities.

Council and staff noted that all four of the surrounding communities had implemented the same amendments for approval.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Mike Best to adopt Ordinance No. 2019-871 adopting the "Town of Chino Valley Building and Technical Code Amendments - 2018 Edition," by reference; and amending Town Code Sections 150.001 and 150.004.

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

PASSED - Unanimously

- c) Consideration and possible action to approve the Town of Chino Valley Personnel Policy and Administrative Guideline Manual, Vacations Policy #700 revisions, dated May 28, 2019. (Laura Kyriakakis, Human Resources Director)

Recommended Action: Approve the revised Vacations Policy #700, dated May 28, 2019, in the Town of Chino Valley Personnel Policy and Administrative Guideline Manual.

Laura Kyriakakis reported that:

- To recruit, retain, and reward staff, the town offered competitive wages and benefits that were in line with the region and other public entities within Arizona with similar population sizes.
- The Town supported the work-life balance, which required employees to spend time away from work to prevent workplace burnout and produce higher productivity and morale.
- The Personnel Committee met to review vacation benefits and was recommending two primary changes: (i) Modify the 320-hour soft vacation accrual cap to a 320-hour hard vacation accrual cap to go into effect on January 1, 2021; and (ii) Offer an annual payout to qualified staff that would go into effect on July 2019.
- The current soft accrual 320-hour cap was calculated every December 31. Any hours accrued by the employee not used before that time were eliminated unless previous arrangements were made with a supervisor to use those hours before the end of the upcoming June 30. The new policy would change the soft accrual cap to a hard accrual cap that, once the 320-vacation accrual cap is reached, the employee would stop accruing vacation hours. The January 2021 gives a transition period to employees to reduce their current vacation caps.
- The annual vacation payout to qualified staff would payout 40 hours vacation pay in conjunction with 40 concurrent hours of vacation taken to those long-term employees who accrued vacation time faster than they could take it. Qualified staff were those employed for over five years and had a minimum balance of 300 vacation hours and had taken 40 vacation hours in that fiscal year.
- The changes would affect 25% of the staff and potentially reduce the Town's financial burden by \$75,000.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Mike Best to approve the revised Vacations Policy #700, dated May 28, 2019, in the Town of Chino Valley Personnel Policy and Administrative Guideline Manual.

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

PASSED - Unanimously

- d) Consideration and possible action to approve the purchase of a Central Control Irrigation System (BaseStation 3200) for Community Center Park and Memory Park from Ewing Irrigation in the amount of \$29,648.34. (Scott Bruner, Community Services Director)

Recommended Action: Approve the purchase of a Central Control Irrigation System (BaseStation 3200) for Community Center Park and Memory Park from Ewing Irrigation in the amount of \$29,648.34

Scott Bruner reported that:

- This system had been discussed at an earlier study session.
- The system: (i) was a sensor-intelligent irrigation system that measured rain, humidity, and temperatures of the fields and parks, and reduced and conserved water use; (ii) would turn itself off and on depending on the need for water; (iii) was controlled by computer, tablet or phone and a weather station; and (iv) had a ten-year warranty.
- Staff estimated that the system would reduce water use by 62%. As staff spent approximately \$150,000 watering fields and parks, this could save \$50,000-\$60,000 per year.

Council and Staff discussed the following:

- The data on estimated savings were determined by the Finance Director.
- Prescott used the system and they reported having significant savings through its use. The current recreation director had used the system before in Prescott and through his experience was recommending the product.
- The system also warned of broken pipes, turned the water off, and gave the location of the broken pipe.
- Staff would come back to the Council to report how the system worked.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Lon Turner to approve the purchase of a Central Control Irrigation System (BaseStation 3200) for Community Center Park and Memory Park from Ewing Irrigation in the amount of \$29,648.34.

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

PASSED - Unanimously

- e) Consideration and possible action to award a contract to Asphalt Paving & Supply, Inc. for the construction of the Chino Valley Community Development Block Grant (CDBG) Street Improvements project in the amount of \$479,499.99. (Frank Marbury, Public Works Director/Town Engineer)

Recommended Action: Award a contract to Asphalt Paving & Supply, Inc. for the construction of the Chino Valley CDBG Street Improvements project in the amount of \$479,499.99.

Frank Marbury reported that:

- This project was bid on a competitive basis and the Town received two bids. The apparent low bid was from Asphalt Paving and Supply Inc. in the amount of \$479,499.99 which was within 1% of the engineer's estimate and staff recommended awarding it to them.
- The project was funded by the \$317,643.00 CDBG grant and the remaining balance was covered by the \$200,000 capital improvement budget item.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Mike Best to award a contract to Asphalt Paving & Supply, Inc. for the construction of the Chino Valley CDBG Street Improvements project in the amount of \$479,499.99.

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

PASSED - Unanimously

- f) Consideration and possible action to approve using \$300,000 out of the Town's General Fund Contingency Account to reduce the PSPRS unfunded liability amount. (Joe Duffy, Finance Director)

Recommended Action: Approve using \$300,000 from FY 2018/2019 Contingency Funds to reduce the PSPRS unfunded liability.

Joe Duffy reported that:

- This had been done the previous year and doing it again would save on the next year's premiums.
- The resolution [adopted in 2018] gave notice to PSPRS that the Town would apply a portion of the remaining funds in the contingency account to help pay down the PSPRS unfunded liability amount.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Cloyce Kelly to approve using \$300,000 from FY 2018/2019 Contingency Funds to reduce the PSPRS unfunded liability.

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

PASSED - Unanimously

- g) Consideration and possible action to adopt the forms of Uniform Video Service Application/Affidavit and Uniform Video Service License as required by A.R.S. Section 9-1411 as the standard forms for the Town for Uniform Video Services Application/Affidavit and Uniform Video Services License. (Andrew McGuire, Town Attorney)

Recommended Action: Adopt the forms of Uniform Video Service Application/Affidavit and Uniform Video Service License as required by A.R.S. Section 9-1411 as the standard forms for the Town for Uniform Video Services Application/Affidavit and Uniform Video Services License.

Mr. McGuire reported that the legislature had adopted restrictions on the ability to adopt cable licenses. The first step was to adopt a uniform licensing process. This was the same model prepared for every community in the state.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Mike Best to Adopt the forms of Uniform Video Service Application/Affidavit and Uniform Video Service License as required by A.R.S. Section 9-1411 as the standard forms for the Town for Uniform Video Services Application/Affidavit and Uniform Video Services License.

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

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.

9) ACTION ITEMS RESUMED

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

10) ADJOURNMENT

MOVED by Councilmember Lon Turner, seconded by Vice-Mayor Jack Miller to adjourn the meeting at 6:58 p.m.

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

PASSED - Unanimously

Darryl L. Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 28th day of May, 2019. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 25th day of June, 2019.

Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6.d.

Meeting Date: 06/25/2019

Contact Person: Jami Lewis, Town Clerk

Phone: 928-636-2646 x-1208

Department: Town Clerk

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to accept the June 11, 2019 regular meeting minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Accept the June 11, 2019 regular meeting minutes.

Attachments

June 11, 2019 draft minutes

DRAFT

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

**TUESDAY, JUNE 11, 2019
6:00 P.M.**

The Town Council of the Town of Chino Valley met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, June 11, 2019.

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

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

Absent: Councilmember Mike Best

Staff Town Manager Cecilia Gritman; Town Attorney Andrew McGuire; Finance Director Joe Duffy;

Present: Police Chief Chuck Wynn; Lieutenant Randy Chapman; Police Officer Tiffany Farmer; Police Officer Jay Murray; Public Works Director/Town Engineer Frank Marbury; Development Services Director Joshua Cook; Planner Alex Lerma; Community Services Director Scott Bruner; Customer Service Manager JoAnn Brookins; Economic Development Project Manager Maggie Tidaback; Town Clerk Jami Lewis (recorder); Administrative Technician Kathy Frohock (videographer)

Mayor Croft called the meeting to order at 6:02 p.m. and led the Pledge of Allegiance.

2) **INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**

a) Proclamation in Support of the *Yavapai Promise* program sponsored by Yavapai College.

Mayor Croft read the proclamation and presented it to Katherine Anderson, Programs Specialist with Yavapai College Regional Economic Development Center. Ms. Anderson reported that there were currently 356 students enrolled in the program and thanked the Council for their support.

b) Presentation by Trey Ely regarding his Eagle Scout project at the Chino Valley Cemetery.

Trey Ely spoke about his Eagle Scout project at the Chino Valley Cemetery. He received donations for a new flag pole after meeting with cemetery representatives who expressed interest in erecting a new pole with a cement slab. Donations were received from American Concrete, Chino Rentals, and the Town of Chino Valley.

3) **CALL TO THE PUBLIC**

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

Beth Vicory, an Eagle Level Frontier Girl, spoke about the weekly Summer Fun Kid Club program that she was sponsoring at the Library. Volunteers and sponsors were still needed.

Suzanne Vicory spoke about the Arizona Sunshine Health Clinic, a free healthcare clinic being held June 13-14 in Prescott Valley.

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. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

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

Councilmember Perkins reported on the Seventh Annual Wade Parker Memorial Baseball Tournament being held June 22-23, from which proceeds went toward scholarships for Tri-City students pursuing careers in public service, as well as Little League teams.

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

Town Manager Grittmann reported on:

- The Town employee and Council food drive donating 39 bags of food to the school district.
- Kathy Schultz with the Yavapai Trails Association acquiring a grant from the Arizona Community Foundation of Yavapai County for Peavine Trail signage and improvements in the amount of \$5,000.
- Upcoming Council subcommittee meetings and a Council study session next week.
- Her absence the end of June.

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.

Councilmember Perkins requested Item 6(c) be removed from the consent agenda for discussion.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Cloyce Kelly to approve Consent Agenda items (a), (b), (d), (e) and (f).

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

PASSED - Unanimously

- a) Consideration and possible action to approve Second Amendments to Agreements for Towing Services between the Town of Chino Valley and ACT Towing, Custom Towing, and Tri City Towing, effective through June 30, 2020. (Chuck Wynn, Police Chief)
- b) Consideration and possible action to accept right-of-way dedication from Prescott Thirty-Eight, LLC, in the vicinity of the north-west corner of West Center Street and North Road 1 West, known as Assessor's Parcel Numbers 306-21-011C, 306-21-0011F, and 306-21-011J. (Frank Marbury, Public Works Director/Town Engineer)
- c) Consideration and possible action to approve funding request from Yavapai Family Advocacy Center in the amount of \$4,326.00. (Chuck Wynn, Police Chief)

Councilmember Perkins requested raising the amount to an even \$4,500.00 because of the services provided by the Center to the community. Staff reported that the funding would come from the outside agency funding line item in the general fund and the funding request amount came from a formula based on population. Staff and councilmembers generally supported the proposal.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Cloyce Kelly to approve the funding request from Yavapai Family Advocacy Center in the amount of \$4,500.00.

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

PASSED - Unanimously

- d) Consideration and possible action to approve application from Gregory Collins for a Liquor License Permanent Extension of Premises for Danny B's Fish-N-Chips, located at 501 N State Route 89 in Chino Valley. (Jami Lewis, Town Clerk)
- e) Consideration and possible action to appoint applicants to the Board of Adjustment, Parks and Recreation Advisory Board, Roads and Streets Committee, Senior Center Advisory Board, Industrial Development Authority, and Municipal Property Corporation per recommendation of the Appointments Subcommittee. (Jami Lewis, Town Clerk)
- f) Consideration and possible action to accept the May 14, 2019 regular meeting minutes. (Jami Lewis, Town Clerk)

7) ACTION ITEMS

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

- a) Consideration and possible action to adopt Ordinance No. 2019-867 amending the Town of Chino Valley Unified Development Ordinance, by Amending Section 3, by adding Subsection 3.19: BP (Business Park) zoning district. (Alex Lerma, Planner)

Recommended Action: Adopt Ordinance No. 2019-867 to amend the Town of Chino Valley Unified Development Ordinance by amending Section 3, by adding Subsection 3.19: BP (Business Park) zoning district with the modifications recommended by the Planning and Zoning Commission.

Planner Lerma presented the following:

- The original vision, goals and plan for the 200-acre industrial park had been officially named as the Chino Regional Business Park at Old Home Manor (“The Park”). Staff had been working on The Park zoning area.
- The original zoning classification of the acreage was Public Lands, to which staff had initially planned to add a Planned Area District (PAD) overlay with additional regulations. Based on the goals the Town set, staff concluded it was better to create a new zoning district that would specifically meet the goals and objectives of The Park.
- A staff-organized steering committee developed a draft zoning district similar to other zoning districts with allowed and prohibited uses and business performance standards. The steering committee’s main goal was to have all business be indoors, resulting in outdoor uses being eliminated and other uses added to the zoning area.
- Staff conducted a neighborhood meeting in February with only one community attendee who liked the Town’s approach.
- The Planning and Zoning Commission reviewed the item in May. The Commissioners voted 5-2 to recommend an amended version with the two changes listed below. The opposing Commission members supported the original staff version of the draft zoning district.
 1. Include veterinary clinics and animal hospitals with outside open areas added as a conditional uses (Item 8); and
 2. Remove commercial outdoor kennels from prohibited uses and add as Item 9 under conditional uses.
- An additional amendment included a noise variable table that was removed from the performance standards because it conflicted with Town Code language. It will be added through an amendment at a later date.
- Staff recommended that Council adopt the ordinance as it was originally presented to the Council in the staff report with veterinary clinics and animal hospitals as indoor uses only and commercial outdoor clinics as a prohibited use.

Council, Town Attorney, and Staff discussed the following:

- A typo regarding the entrance being on E. Perkinsville Road and E. Perkinsville Road needed to be corrected.
- *Marijuana facilities:* While permitted uses included commercial greenhouses, accessory

uses and onsite sales, medical marijuana dispensary and cultivation facilities were prohibited. Council discussed changing the language to include wording that would address recreational marijuana use that could be passed in the future. Town Attorney McGuire didn't think the Town would be prohibited from doing that, but it could leave it open to interpretation issues and prohibiting a use that was illegal was duplicative. If the Town wanted to get rid of any agricultural use in the Business Park, prohibiting or requiring a conditional use for greenhouses in general would cause less confusion and interpretational issues.

- *Proposed zoning district:* The zoning district was not exclusive to The Park, but could be used in other areas of Town. The proposed property development standards required that others interested in developing a business park within the Town must have at least 20 acres and would require a 50-foot landscaping buffer around the entire perimeter of a business park and existing residential areas. Staff would have to do an analysis to determine the impact of the surrounding properties before such was approved.
- *Proposed district and General Plan:* Town Attorney McGuire pointed out that zoning districts had to conform to the Town's General Plan. A business park would be compatible with some areas of Town but not all areas, including residential. The Town could amend the General Plan to designate allowed use areas for business parks. Staff related that if a request came in for a business park that fell into the General Plan land use designation of business/multifamily, the request would not need to come before Council, but a rezone request that did not conform would need to come before Council. Near the north portion of The Park was a strip of land that was designated for business in the General Plan.
- *Large-scale businesses:* The definition of large-scale businesses needed to be clarified. Council discussed having plenty of other property in Town for small businesses, not competing with private property owners, and encouraging large businesses that would generate revenue for the Town and employ multiple people.
- *Business Park purpose:* The group discussed the foundational ideas and purpose of the business park and the zoning district guidance, and whether or not the businesses listed reflected the Town's intent for a business park. Staff stated that the zone was a mixture of commercial and industrial uses and should be considered a mix use zone.
- Some suggested further review at a study session.

Vice-Mayor Miller MOVED to adopt Ordinance No. 2019-867 amending the Town of Chino Valley Unified Development Ordinance, by Amending Section 3, by adding Subsection 3.19: BP (Business Park) zoning district with the modification recommended by the Planning and Zoning Commission including moving Items B11 to C8.

Town Attorney McGuire clarified that there were two versions for the Council to consider, a staff recommended version and a Commission recommended version. Councilmembers also wanted a basic description of what constituted a business park and if the Town wanted a business park classification with a follow up second consideration on what would be allowable within that business park.

Town Attorney McGuire explained that the question on the table was approval of the Ordinance that adopted the Business Park zoning category, which would add section 3.19 to the zoning code. The two recommended versions of the Business Park text were either the staff version or the Commission version. Part two of the discussion was what to do with commercial greenhouses. The Council had to determine which version they would vote on with an amendment moving greenhouses as was discussed.

Council discussed whether to vote on the ordinance or table it to a future meeting. Staff

requested that the ordinance be continued specifically to the next meeting to continue the public hearing and that staff will provide the version that Council preferred.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Annie Perkins to table Ordinance No. 2019-867 to the next meeting and bring back the staff recommended version with the changes discussed.

AYE: Councilmember Cloyce Kelly, Councilmember Annie Perkins

NAY: Mayor Darryl Croft, Vice-Mayor Jack Miller, Councilmember Corey Mendoza, Councilmember Lon Turner

FAILED

Council discussed possibly making another motion on the item. Town Attorney McGuire explained that, as the motion was not substantive, it was acceptable for Council to make another motion. If the Council wanted to make a motion to continue the item with other changes to the next meeting, they could do that.

Councilmembers preferred that the item go to either a study session or a committee meeting before hearing the item again.

- b) Consideration and possible action to adopt Ordinance No. 2019-868 rezoning 200 acres of real property located north of Perkinsville Road and east of Jerome Junction from PL (Public Land) zoning district to BP (Business Park) zoning district. (Alex Lerma, Planner)

Recommended Action: Adopt Ordinance No. 2019-868 to rezoning 200 acres of real property from PL (Public Land) zoning district to BP (Business Park) zoning district with the condition that the Town Council adopt Ordinance No. 2019-867 in purview to this adoption of the BP (Business Park) rezone.

Town Attorney McGuire advised that without the Business Park text amendment, Council could not take action on the rezone.

8) EXECUTIVE SESSION

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

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Cloyce Kelly to go into executive session at 7:03 p.m.

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

PASSED - Unanimously

- a) An executive session pursuant to A.R.S. § 38-431.03(A)(3) for discussion or consultation for legal advice with the Town Attorney regarding development standards.

- b) An executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with attorneys for the Town in order to consider the Town's position and instruct the attorneys for the Town regarding the Town's position regarding a potential intergovernmental agreement with the City of Prescott relating to water service.

9) ACTION ITEMS RESUMED

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

Mayor Croft reconvened the meeting at 8:21 p.m. and reported that Council reached no decision on Items 8(a) or (b) and gave instruction to their attorney on both issues.

10) ADJOURNMENT

MOVED by Councilmember Lon Turner, seconded by Vice-Mayor Jack Miller to adjourn the meeting at 8:21 p.m.

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

PASSED - Unanimously

Darryl L. Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 11th day of June, 2019. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 25th day of June, 2019.

Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

7.d.

Meeting Date: 06/25/2019
Contact Person: Joe Duffy, Finance Director
 Phone: 928-636-2646 x-1211
Department: Finance
Item Type: Action
Estimated length of staff presentation: None
Physical location of item: Bright Star Subdivision

AGENDA ITEM TITLE:

Public Hearing regarding (i) Resolution No. 2019-1141, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2019/2020, which shall constitute the budgets of the Districts for fiscal year 2019/2020 and (ii) the tax levy anticipated in conjunction with the budgets of the Districts. (Joe Duffy, Finance Director)

RECOMMENDED ACTION:

Hold the Public Hearing.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code:

Available:

Funding Source:

Approval will create a levy to pay for street lighting within the CVSLID street lighting districts. The districts are accounted for in a separate fund by the Town.

Attachments

RES -2019-1141 SLID Final Budget

RESOLUTION NO. 2019-1141

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, ADOPTING THE STATEMENT OF ESTIMATES AND EXPENSES OF THE TOWN OF CHINO VALLEY STREET LIGHTING IMPROVEMENT DISTRICTS, WHICH SHALL CONSTITUTE THE FINAL BUDGETS OF THE DISTRICTS FOR FISCAL YEAR 2019/2020, PURSUANT TO ARIZONA REVISED STATUTES SECTIONS 48-616 AND 42-17101 ET SEQ., AS AMENDED.

WHEREAS, the provisions of Arizona Revised Statutes ("A.R.S.") § 48-616 require the Mayor and Council of the Town of Chino Valley (the "Town Council") to levy taxes upon all property in a municipal street lighting improvement district to pay the annual expenses of said district; and

WHEREAS, in accordance with A.R.S. § 42-17102, the Town Manager prepared and filed with the Town Council the budget estimates for the fiscal year beginning July 1, 2019 and ending June 30, 2020 for the following: (i) Chino Valley, Arizona, CVSLID #1 Lighting Improvement District; (ii) Chino Valley, Arizona, CVSLID #2 Lighting Improvement District; and (iii) Chino Valley, Arizona, CVSLID #3 Lighting Improvement District (collectively, the "Lighting Districts"); and

WHEREAS, on May 28, 2019, the Town Council approved Resolution 2019-1139, adopting the estimates of expenditures for the fiscal year beginning July 1, 2019, and ending June 30, 2020, as the tentative budgets for the Lighting Districts; and

WHEREAS, Resolution 2019-1139 also directed the Town Clerk to: (i) publish in the official Town newspaper once per week for two consecutive weeks, (a) the official tentative budgets for the Lighting Districts and (b) a notice of the public hearing of the Town Council to hear taxpayers and make tax levies at designated times and places; and (ii) not later than seven business days following consideration of Resolution 2019-1139 by the Town Council, (a) make available at the Chino Valley Public Library and the Chino Valley Town Hall a complete copy of the tentative budgets for the Lighting Districts, and (b) post the tentative budgets for the Lighting Districts on the Town's website; and

WHEREAS, due notice has been given by the Town Clerk as required by law that the Town Council would meet on June 25, 2019, at the Town Council Chambers for the purposes of (i) hearing taxpayers on the proposed expenditures and proposed tax levies as set forth in said estimates and (ii) adopting the tentative budgets as final; and

WHEREAS, on June 25, 2019, the Town Council held a public hearing on the final budgets and proposed tax levies as required by law; and

WHEREAS, the expenditures/expenses in the proposed final budget for the Lighting Districts for Fiscal Year 2019/2020 do not exceed the expenditures/expenses shown on the published tentative budgets.

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

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The Statement of Estimates and Expenses shown in the schedules attached hereto as Exhibit A and incorporated herein by reference, are hereby formally adopted as the official final budgets for the Lighting Districts for the fiscal year beginning July 1, 2019 and ending June 30, 2020.

SECTION 3. This Resolution shall be effective from and after its passage and approval according to law.

SECTION 4. 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 25th day of June, 2019.

Darryl L. Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify the above foregoing Resolution No. 2019-1141 was duly passed by the Council of the Town of Chino Valley, Arizona, at a special meeting held on June 25, 2019, 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

EXHIBIT A
TO
RESOLUTION NO. 2019-1141
[Statement of Estimates and Expenses]

See following page.

EXHIBIT "A"

TOWN OF CHINO VALLEY, ARIZONA
Street Lighting Improvement Districts

Statement of Estimates and Expenses

Fiscal Year - 2019/2020

			A	B	C	D	E
Co. Dist. No.	Town ID No.	Town ID Name	2018/ 2019 Estimated Actual Expenses	2018/ 2019 Levy Request	2018/ 2019 Difference on Expenses vs. Levy	2019/ 2020 Projected Expenses	2019/ 2020 Levy Request
13004	CVSLID 1	Chino Valley, Arizona, CVSLID #1 Lighting Improvement District	\$ 2,000	\$ 2,000	\$ -	\$ 2,000	\$ 2,000
13005	CVSLID 2	Chino Valley, Arizona, CVSLID #2 Lighting Improvement District	\$ 1,000	\$ 1,000	\$ -	\$ 1,000	\$ 1,000
13006	CVSLID 3A	Chino Valley, Arizona, CVSLID #3A Lighting Improvement District	\$ 1,000	\$ 1,000	\$ -	\$ 1,000	\$ 1,000



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

7.a.

Meeting Date: 06/25/2019
Contact Person: Alex Lerma, Planner
 Phone: 928-626-4427 x-1295
Department: Development Services
Item Type: Action-Presentation
Estimated length of staff presentation: 5 minutes
Physical location of item: Located on the southwest corner of East Perkinsville Road and M.A. Perkins Trailway and north of Bright Star subdivision.

AGENDA ITEM TITLE:

Consideration and possible action to adopt Ordinance No. 2019-870 to rezone approximately 378 acres of real property from SR-2 (Single Family Residential-2 Acre Minimum) zoning district to SR-1 (Single Family Residential-1 Acre Minimum) zoning district. The subject property is located on the southwest corner of East Perkinsville Road and M. A. Perkins Trailway, north of the Bright Star Subdivision, Assessor's Parcel Numbers 306-02-301J and 306-02-018N. (Alex Lerma, Planner)

RECOMMENDED ACTION:

Adopt Ordinance No. 2019-870 to rezone approximately 378 acres of real property from SR-2 (Single Family Residential-2 Acre Minimum) zoning district to SR-1 (Single Family Residential-1 Acre Minimum) zoning district with the following conditions:

1. Subdivision on the property shall have connectivity to the Peavine Trail by way of pedestrian paths and trailways.
2. The developer shall dedicate to the Town the following: 50' half-street on East Road 2 North (for an ultimate 100' ROW), 50' half-street on East Perkinsville Road, and 40' half-street on M.A. Perkins Trailway (for an ultimate 80' ROW). The dedication shall occur at such time as the portion of the property is developed that fronts the respective street.
3. The developer shall complete street improvements along the frontages of East Road 2 North, East Perkinsville Road, and M.A. Perkins Trailway. Improvements must be approved by the Town Engineer and will include, but not necessarily be limited to, pavement widening, curb, gutter, sidewalk, and drainage improvements. The timing of the improvements shall occur when the portion of the property is developed that fronts the respective street.
4. All lots and parcels within the property shall be connected to Town utilities. Utility Extensions required by §51.060 or other sections of the Town Code shall be required at the time the portion that adjoins the Right of Way is developed.

SITUATION AND ANALYSIS:

See attached Staff Report

Fiscal Impact

Fiscal Impact?: none

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Century Ranch Staff Report

ORD - 2019-870 Century Ranch Rezoning



TOWN OF CHINO VALLEY PLANNING AND ZONING COMMISSION Staff Report June 25, 2019

APPLICATION SUMMARY

File Number: Z19-000006

Assessor's Parcel Number: 306-02-301J, 018N

Site Location: Located southwest of East Perkinsville Road and M.A. Perkins Trailway and north of Bright Star subdivision.

Owners of Record: Century Ranch LLC

Applicant: Jim Fletcher

Request: Request to rezone approximately 378 acres of real property from SR-2 (Single Family Residential- 2 Acre Minimum) zoning district to SR-1 (Single Family Residential – 1 Acre Minimum) zoning district.

Request for approval of Century Ranch Preliminary Plat Phases 1 - 10 subdividing 180.5 acres of the total 378 acres of into 113 one (1) acre lots developed in ten (10) phases.

SITE DATA

Existing Zoning	SR-2 (Single Family Residence- 2 Acre Minimum)
Lot Size	378 acres (16,465,680 square feet)
Subdivision	N/A
General Plan Land Use Designation	Commercial and Future Growth Areas: Industrial/ Agri-business/ Contained Planned Community
Existing Land Use	Vacant

AREA	ZONING	GENERAL PLAN LAND USE DESIGNATION	LAND USE
North	State, PL, SR-2	Commercial and Employment Park/ Commercial Recreation/ Education/ Public Services	Yavapai College, Chino Valley Equestrian Park

East	SR-2, AR-4	Commercial and Future Growth Areas: Industrial/ Agri-business/ Contained Planned Community	I-U Bar Ranch Subdivision, Vacant
South	MR-1/CL	Medium Density Residential (2 ac or less)	Bright Star Subdivision
West	SR-0.16, AR-4, AR-5	Medium Density Residential (2 ac or less)	Chino Meadows Unit 3 Subdivision, Single family residence

BACKGROUND

SITE DESCRIPTION

The subject property is located on the southwest corner of East Perkinsville Road and M. A. Perkins Trailway, and north of the Bright Star subdivision. The property is accessed by East Perkinsville Road. The site has a zoning classification of SR-2 (Single Family Residential - 2 Acre Minimum) zoning district and identified with a General Plan land use designation of Commercial and Future Growth Areas: Industrial/ Agri-business/ Contained Planned Community. Currently there are no improvements on the site. **(See Attachment 1: Vicinity Map)**

The area is predominantly medium/low density single family residential development, public land and commercial development. The properties to the north are zoned State (State Land), SR-2 (Single Family Residential- 2 Acre Minimum), and PL (Public Land) along with Old Home Manor, Yavapai College and Chino Valley Equestrian Park. Properties to the east are zoned SR-2 (Single Family Residential- 2 Acre Minimum), and AR-4 (Agricultural Residential - 4 Acre Minimum), with I-U Bar Ranch Subdivision. The southern properties are zoned MR-1/CL (Multi-Family Residential- 1 Acre Minimum/ Commercial Light) with Bright Star Subdivision. Properties to the west are zoned SR-0.16 (Single Family Residential - 7,000 Square Foot Minimum), AR-4 (Agricultural Residential - 4 Acre Minimum), and AR-5 (Agricultural Residential- 5 Acre Minimum), with Chino Meadows Unit 3 Subdivision and single family residences. **(See Attachment 2: Zoning Map)**

PROJECT DESCRIPTION

The applicant is requesting to rezone 378 acres of real property from SR-2 (Single Family Residential – 2 Acre Minimum) zoning district to SR-1 (Single Family Residential – 1 Acre Minimum) zoning district. The SR-1 zoning district will allow the applicant to continue forward with a preliminary plat for a 1-acre lot subdivision.

The applicant is also requesting approval of the preliminary plat for Century Ranch Subdivision with its associated property boundaries, easements, land use, streets, utilities, drainage and other information requirements for the proposed development.

PRELIMINARY PLAT

The recordation of the plat will subdivide approximately 180.5 acres of the total 378 acres into 113 one (1) acre lots developed in ten (10) phases. **(See Attachment 4: Preliminary Plat)** The remaining 207 acres will be future phases of the development, these future phases will need to go before the public hearing process for both preliminary and final plat.

All lots will conform to the development standards set forth by the SR-1 zoning district including; building setbacks, minimum lot area, minimum lot frontage and maximum building height. Staff has reviewed the preliminary plat at length and has determined that all proposed lots meet the minimum lot area of at least one (1) acre. With exception of Lot 1, 2 and 84, all lots meet a minimum lot frontage of 100 feet. Since the applicant is not requesting a (PAD) Planned Area Development overlay for relief on development standards, staff is expecting the lots to be modified to conform to the SR-1 zoning district development standards before the recordation of the final plat.

All arterial, collector and local streets shall be dedicated to the Town of Chino Valley with all street improvements completed as required by the Unified Development Ordinance. Town utilities are available near the project. Specifically, 12-inch water and sewer mains extend along East Perkinsville Road and end at the crossing at Jerome Junction. The project will need to further extend utilities in order to connect to the development.

All arterial and collector streets will provide minimum six (6) foot wide sidewalks, separated from the roadway by a landscape strip of at least eight (8) feet. All local streets will provide a minimum of a five (5) foot sidewalk (per ADA requirement), separated from the roadway by a landscape strip of at least six (6) feet.

CITIZENS REVIEW & PUBLIC HEARING PROCESS

Town Staff notified property owners within a 300-foot radius, resulting in forty (40) notices for public notification. To date, staff has received several calls from surrounding residents. Those residents who contacted staff requested general information on the project. Other residents requested information regarding the location of the main access to the project and the timeframe for the development.

PLANNING COMMISSION HEARING AND RECOMMENDATION

The Planning and Zoning Commission meeting was held June 4, 2019 at Town Hall. Staff gave a brief overview of the area's current conditions, parcel history and staff findings. Staff indicated that the applicant was requesting a zone change and approval for a preliminary plat concurrently. Staff also discussed the future alignment of Road 2 North at the south end being connected through the subdivision during future development and would provide another access road.

The Commission stated the western portion of the subject property would be adjacent to the Peavine Trail and final approval consideration should include a stipulation that the Peavine trail remain unharmed or repaired if impacted by the development. The applicant stated that the timeframe for the development would begin by fall if approved, beginning with phase one through three.

Planning and Zoning Commission forwarded a recommendation of approval to Town Council for both zoning request and approval of the preliminary plat.

Vote: 7-0 Passed

STAFF ANALYSIS AND RECOMMENDATION

The zoning request of SR-1 zoning district will be in conformance with the area's General Plan land use designation of Commercial and Future Growth Areas: Industrial/ Agri-business/ Contained Planned Community. **(See Attachment 3: General Plan Map)**

The SR-1 zoning district will serve as a transition in lot sizes and zoning for properties located to the south and west of the subject property and those to the east. To the south and west of the subject property are Chino Meadows Unit 3 Subdivision and Bright Star Subdivision, both with a higher density in residential zoning. The 1-acre lot development proposed for the subject property will help with the transition as those residential properties to the east are medium to lower single family residential zoning.

The site will have its main access by way of East Perkinsville Road. The development will be connected to Town utilities, an existing 12" gravity main and a 12" water main both located along East Perkinsville Road.

RECOMMENDATION ON REQUESTED REZONE

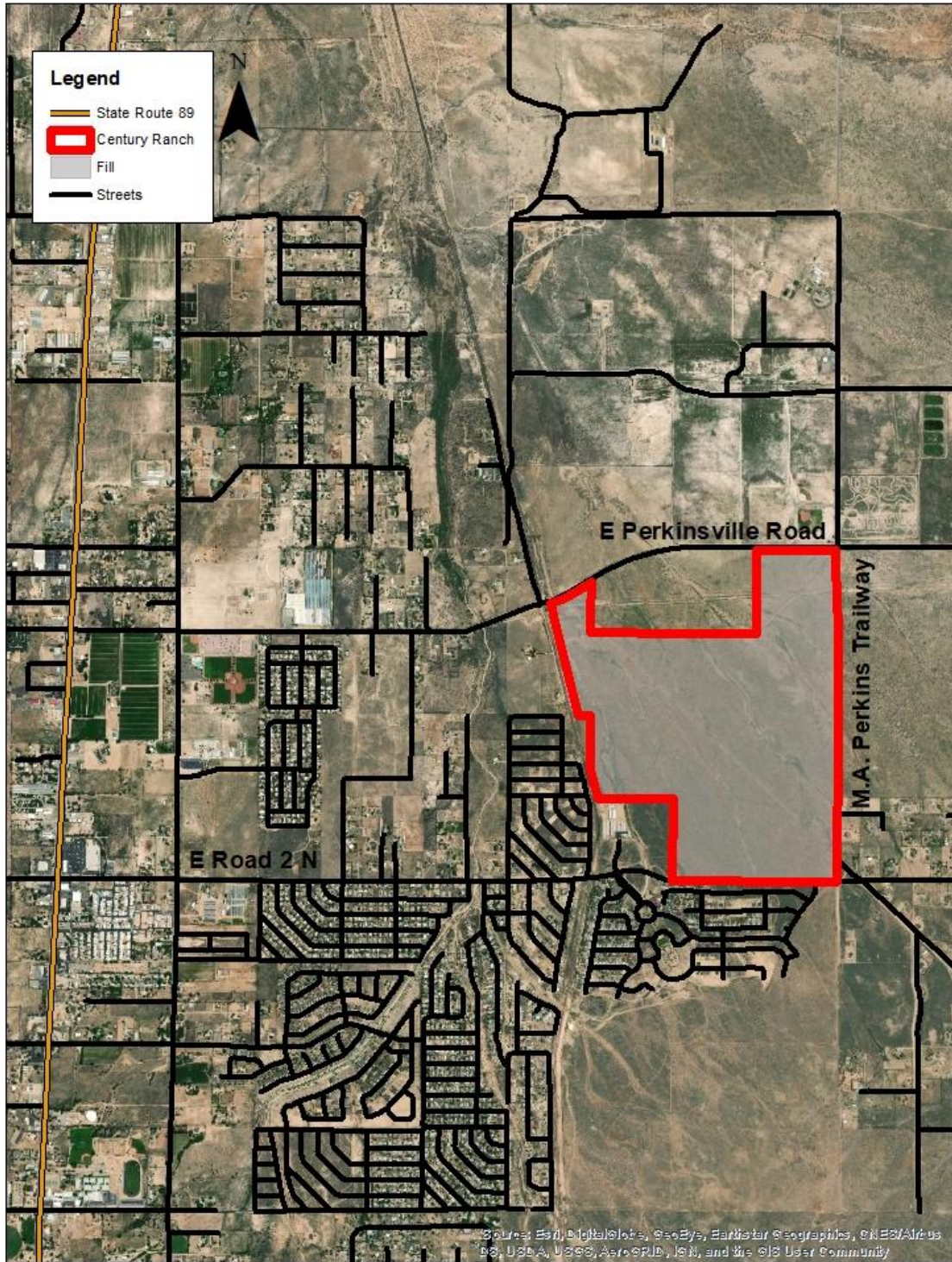
Staff and Planning and Zoning Commission forward a recommendation of approval to Town Council to adopt Ordinance 2019-870 to rezoning rezone approximately 378 acres of real property from SR-2 (Single Family Residential- 2 Acre Minimum) zoning district to SR-1 (Single Family Residential – 1 Acre Minimum) zoning district with the following conditions:

- 1) Subdivision shall have connectivity to the Pevine Trail by way of pedestrian paths and trailways.
- 2) The developer shall dedicate to the Town the following: 50' half-street on East Road 2 North (for an ultimate 100' ROW), 50' half-street on East Perkinsville Road, and 40' half-street on M.A. Perkins Trailway (for an ultimate 80' ROW). The dedication shall occur at such time as the portion of the property is developed that fronts the respective street.
- 3) The developer shall complete street improvements along the frontages of East Road 2 North, East Perkinsville Road, and M.A. Perkins Trailway. Improvements must be approved by the Town Engineer and will include, but not necessarily be limited to, pavement widening, curb, gutter, sidewalk, and drainage improvements. The timing of the improvements shall occur when the portion of the property is developed that fronts the respective street.
- 4) All Utility Extensions required by §51.060 or other sections of the Town Code shall be required at the time the portion that adjoins the Right of Way is developed.

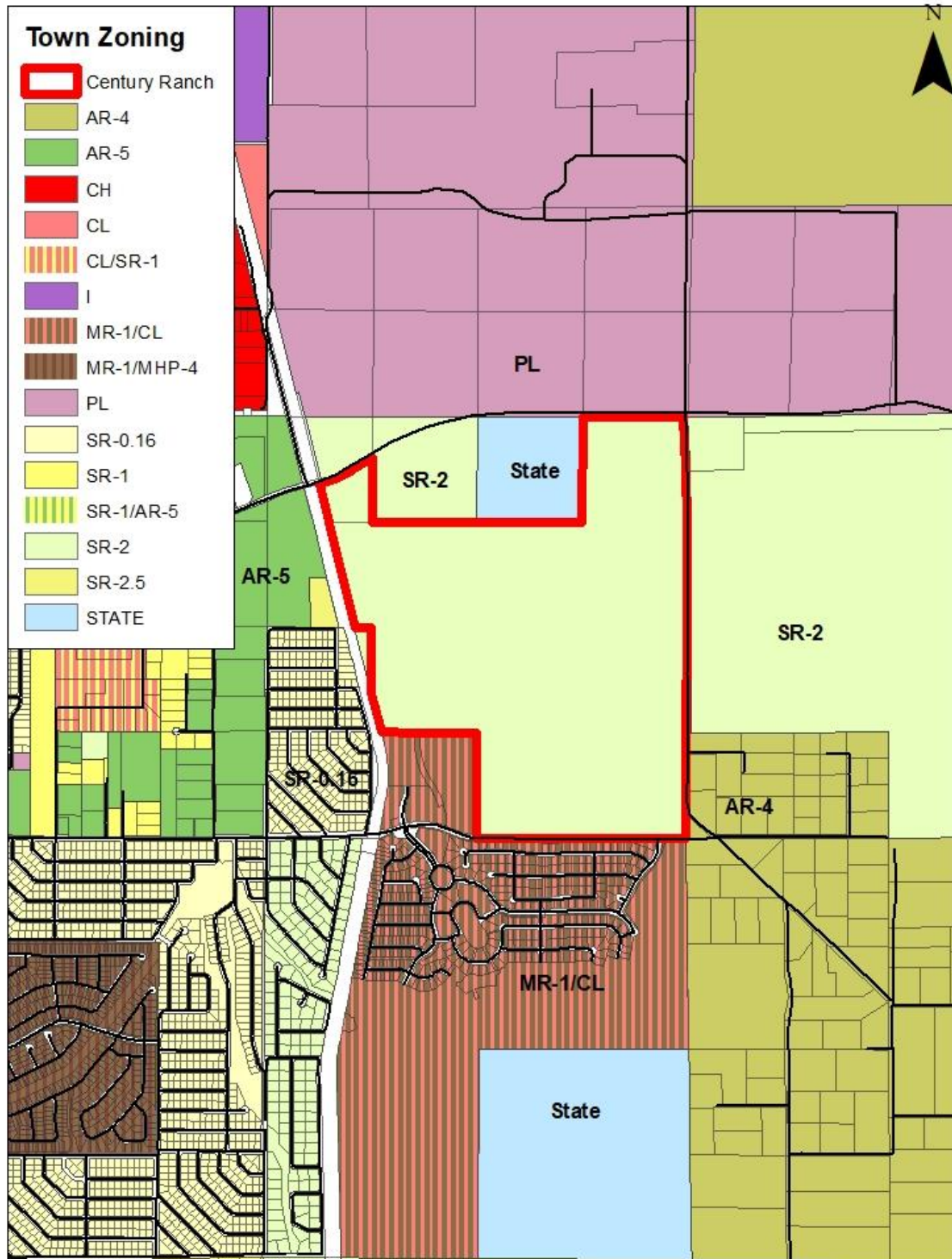
Staff recommends that Planning and Zoning Commission forward a recommendation of approval to Town Council to adopt Century Ranch Phase 1-Phase 10 preliminary plat subdividing 180.5 acres of the total 378 acres of into 113 one (1) acre lots developed in ten (10) phases.

ATTACHMENTS

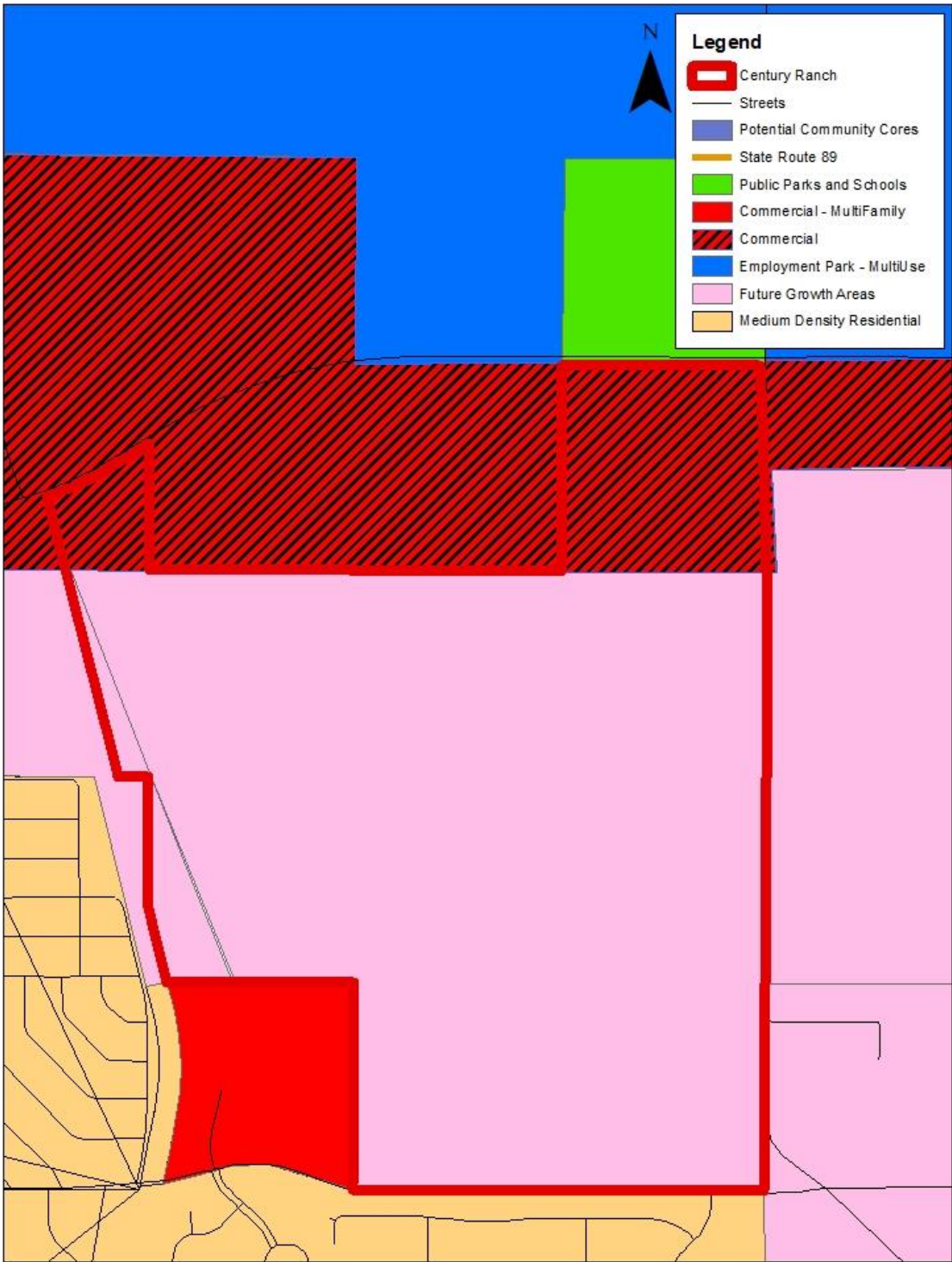
VICINITY MAP



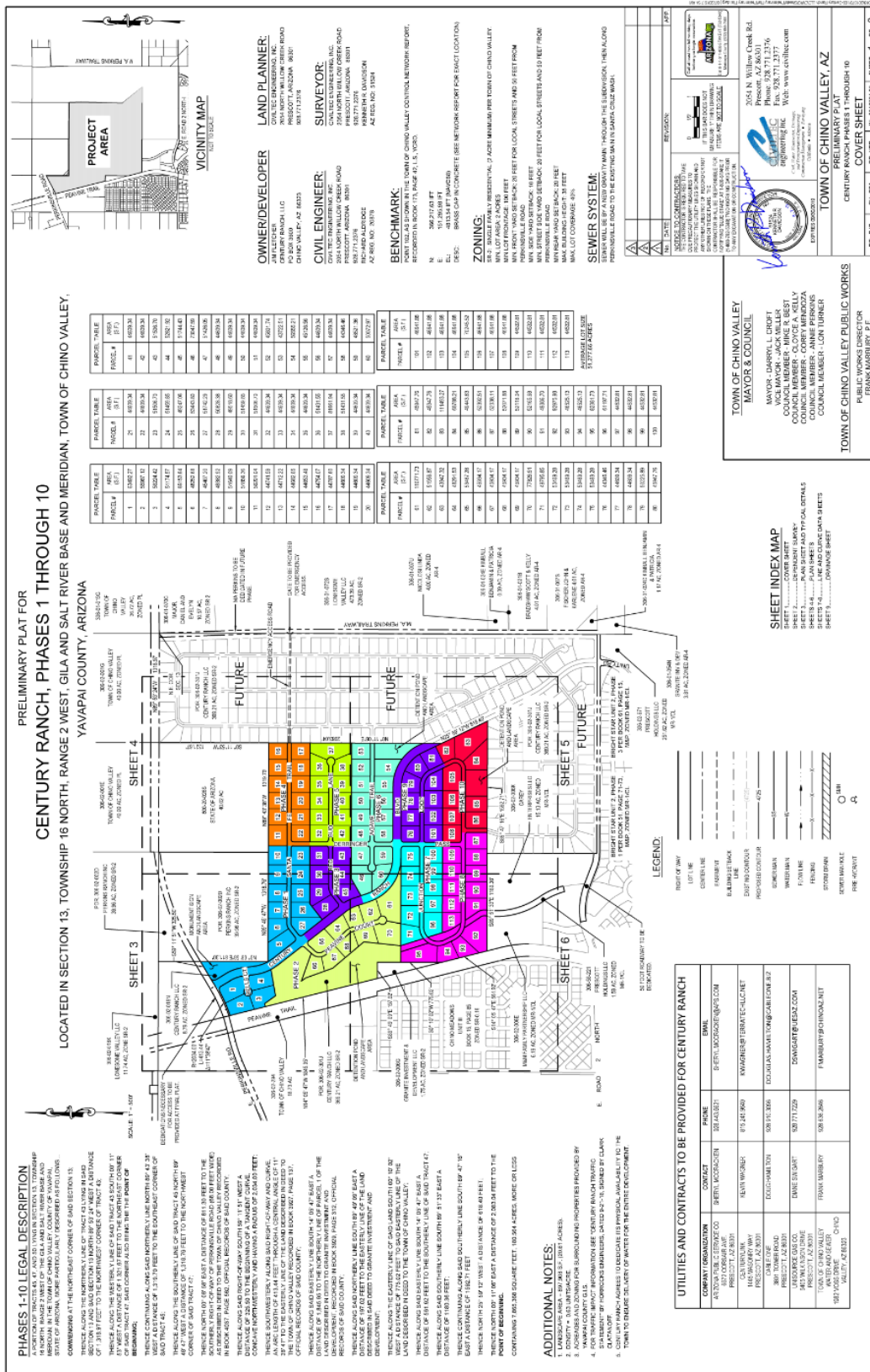
ZONING MAP



GENERAL PLAN LAND USE MAP



PRELIMINARY PLAT



ORDINANCE NO. 2019-870

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, APPROVING A CHANGE OF ZONING AND AMENDMENT TO THE OFFICIAL ZONING MAP FOR APPROXIMATELY 378 ACRES OF REAL PROPERTY GENERALLY LOCATED EAST OF THE PEAVINE TRAIL, SOUTH OF EAST PERKINSVILLE ROAD, WEST OF M.A. PERKINS TRAILWAY, AND NORTH OF EAST ROAD 2 NORTH, FROM SR-2 (SINGLE FAMILY RESIDENTIAL - 2 ACRE MINIMUM) TO SR-1 (SINGLE FAMILY RESIDENTIAL - 1 ACRE MINIMUM) ZONING DISTRICT.

WHEREAS, the Mayor and Common Council of the Town of Chino Valley (the "Town Council") desires to amend the Town of Chino Valley Official Zoning Map for a ±378 acre parcel zoned SR-2 (Single Family Residential - 2 acre minimum) to SR-1 (Single Family Residential - 1 acre minimum); and

WHEREAS, the Town Council has determined that this amendment to the Official Zoning Map conforms with the Town of Chino Valley General Plan and any applicable specific area plan, neighborhood plan, or other plan, and any overlay zoning district; and

WHEREAS, all required public notice was provided and all required public meetings and hearings were held in accordance with applicable state and local laws; and

WHEREAS, the Planning and Zoning Commission recommended approval of the rezoning and map amendment; and

WHEREAS, the Town Council has considered the individual property rights and personal liberties of the residents of the Town before adopting this Ordinance.

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

Section 1. The recitals above are incorporated as if fully set forth herein.

Section 2. The Official Zoning Map is hereby amended for property consisting of approximately 378 acres, described in Exhibit 1 and shown on the Zoning Exhibit (map) in Exhibit 2, both attached hereto and incorporated herein by this reference, to rezone it from SR-2 (Single Family Residential - 2 acre minimum) to SR-1 (Single Family Residential - 1 acre minimum), subject to the following conditions:

1. The property described herein shall be used in accordance with the Town of Chino Valley Unified Development Ordinance.
2. The subdivision on the property shall have connectivity to the Peavine Trail by way of pedestrian paths and trailways.
3. The developer shall dedicate to the Town the following: 50' half-street on East Road 2 North (for an ultimate 100' ROW); 50' half-street on East Perkinsville Road; and 40' half-street on M.A. Perkins Trailway (for an ultimate 80' ROW). The dedication shall

occur at such time as the portion of the property is developed that fronts the respective street.

4. The developer shall complete street improvements along the frontages of East Road 2 North, East Perkinsville Road, and M.A. Perkins Trailway. Improvements must be approved by the Town Engineer and will include, but not necessarily be limited to, pavement widening, curb, gutter, sidewalk, and drainage improvements. The timing of the improvements shall occur when the portion of the property is developed that fronts the respective street.
5. All lots and parcels within the property shall be connected to Town utilities. All Utility Extensions required by §51.060 or other sections of the Town Code shall be required at the time necessary to serve the lots and parcels, but in no event later than the time which the lots and parcels that adjoin the right-of-way are developed.

Section 3. The Mayor, the Town Manager, the Town Clerk and the Town Attorney are hereby authorized and directed to take all steps necessary to cause the execution of the Agreement and to take all steps necessary to carry out the purpose and intent of this Ordinance.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 25th day of June, 2019.

Darryl L. Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify the above foregoing Ordinance No. 2019-870 was duly passed by the Council of the Town of Chino Valley, Arizona, at a meeting held on June 25, 2019, and that quorum was present, and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Jami C. Lewis, Town Clerk

EXHIBIT 1
TO
ORDINANCE NO. 2019-870

[Legal Description]

See following pages.

306-02-018N and 306-02-301J

A portion of Government Tracts 43, 45, 46, 47 and 50, lying in Section 13, Township 16 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, more particularly described as follows:

(Basis of bearing is South 89 degrees, 54 minutes, 59 seconds West as measured from a USGLO brass capped monument at the corner common to Sections 13 and 24 Township 16 North, Range 2 West and Sections 18 and 19, Township 16 North, Range 1 West, to a USGLO brass capped monument at the Southwest corner of Government tract 46, also being the common quarter corner between Section 13 and 24, Township 16 North, Range 2 West).

BEGINNING at a USGLO brass capped monument at the corner common to Section 13 and 24 Township 16 North, Range 2 West and Section 18 and 19, Township 16 North, Range 1 West;

Thence South 89 degrees, 54 minutes, 59 seconds West along the South line of said Government tract 46, a distance of 2637.85 feet to a USGLO brass capped monument at the Southwest corner of Government tract 46, also being the common quarter corner between said Section 13 and 24;

Thence North 00 degrees, 06 minutes, 02 seconds West along the West line of said Government tract 46, a distance of 1319.61 feet to a USGLO brass capped monument on the South line of said Government tract 47;

Thence South 89 degrees, 51 minutes, 28 seconds West along said South line of Government tract 47, a distance of 1180.15 feet to a capped rebar, RLS number 27738 on the Easterly right of way line of the Peavine Trail (formerly Atchison, Topeka and Santa Fe Railway) as described in Book 2800 of Official Records, page 832, and in Book 3927 of Official Records, page 137, Yavapai County Recorder's Office;

Thence North 14 degrees, 23 minutes, 09 seconds West along said Easterly right of way line, a distance of 563.38 feet to a capped rebar, RLS number 35138 on the West line of said Government tract 47;

Thence North 00 degrees, 05 minutes, 52 seconds West along said West line of Government tract 47, a distance of 773.65 feet to a USGLO brass capped monument at the corner common to Government tract 47, 48 and 50;

Thence South 89 degrees, 54 minutes, 01 seconds West along the common line between said Government tract 48 and 50, a distance of 197.03 feet to an iron pipe, tagged RLS number 35138 on said Easterly right of way line,

Thence North 14 degrees, 23 minutes, 09 seconds West along said Easterly right of way line, a distance of 1845.71 feet to a capped rebar, RLS number 35138 on the Southerly right of way line of Perkinsville Road, as described in Book 4037 of Official records, page 562, Yavapai County Recorder's Office;

Thence along a non-tangential curve, along said Southerly right of way line, concave to the Northwest, having a radius of 2034.00 feet, a central angle of 11 degrees, 39 minutes, 21 seconds, an arc length of 413.78 feet, a chord bearing North 64 degrees, 44 minutes, 44 seconds East and a chord length of 413.07 feet to a capped rebar, RLS number 35138;

Thence North 58 degrees, 55 minutes, 04 seconds East along said Southerly right of way line, a distance of 325.41 feet to a capped rebar, RLS number 35138;

Thence South 00 degrees, 08 minutes, 01 seconds East, a distance of 811.07 feet to a brass capped monument at the Northwest corner of said Government tract 47;

Thence North 89 degrees, 54 minutes, 27 seconds East along the North line of said Government tract 47, a distance of 1318.73 feet to a USGLO brass capped monument at the Southeast corner of said of Government tract 45;

Thence North 89 degrees, 59 minutes, 16 seconds East along said North line of Government tract 47, a distance of 1319.83 feet to a USGLO brass capped monument at the Northeast corner of said Government tract 47;

Thence North 00 degrees, 05 minutes, 44 seconds West along the West line of said Government tract 43, a distance of 1321.73 feet to a USGLO brass capped monument at the Northwest corner of said Government tract 43;

Thence North 89 degrees, 50 minutes, 26 seconds East along the North line of said Government tract 43, a distance of 1269.21 feet to a capped rebar, RLS number 35138 on the West right of way line of M.A. Perkins Road, as described in Book 4037 of Official Records, page 562, Yavapai County Recorder's Office;

Thence South 02 degrees, 16 minutes, 39 seconds East along said West right of way line, a distance of 1325.68 feet to a USGLO brass capped monument at the Southeast corner of said Government tract 43;

Thence South 00 degrees, 08 minutes, 34 seconds East along the East line of said section 13, a distance of 1317.75 feet to a USGLO brass capped monument at the East quarter corner of said section 13;

Thence South 00 degrees, 01 minutes, 57 seconds East along said East line, a distance of 2638.13 feet to the TRUE POINT OF BEGINNING.

EXCEPT all coal, oil, gas and other minerals as reserved from said land.

ALSO EXCEPTING THEREFROM THE FOLLOWING:

Portions of Section 18, Township 16 North, Range 1 West and Section 13, Township 16 North, Range 2 West of the Gila and Salt River Meridian, Yavapai Country, Arizona, being a strip of land 50.00 feet wide, 25.00 feet each side of the following described centerline.

COMMENCING at the Northeast corner of said Section 13 as identified by a 3 ½ "General Land Office brass cap;

thence, along the North line of Section 13, North 89° 53' 30" West, 25.02 feet to the POINT OF BEGINNING, from which point a General Land Office brass cap identifying the Northwest corner of Government Tract 43 is North 43 is North 89° 53' 30" West, 1,294.44 feet;

Thence, departing the North line of Section 13, South $02^{\circ}00'$)" East, 1,325.23 feet, from which point a $2\frac{1}{2}$ " General Land Office brass cap identifying the corner common to Government Tract 43 and Government Tract 46 on the West line of said Section 18 is South $88^{\circ}54'59''$ West, 25.01 feet;

Thence, along a line 25.00 Easterly of and parallel with the West line of Section 18, South $00^{\circ}09'04''$ West 1,318.68 feet, from which point a $2\frac{1}{2}$ " General Land Office brass cap identifying the quarter-corner common to said Section 13 and said Section 18 is North $89^{\circ}48'34''$ West, 25.00 feet;

thence, continuing along the line 25.00 Easterly of and parallel with the West line of Section 18, South $00^{\circ}13'48''$ West, 1,317.72 feet to the North line of Parcel "A: as shown on the record of survey recorded in Book 32 of Land Surveys, Page 90 in the Yavapai County Record's Office and to the POINT OF TERMINATION, from which point a $2\frac{1}{2}$ " General Land Office brass cap is South $89^{\circ}06'14''$ West, 25.00 feet.

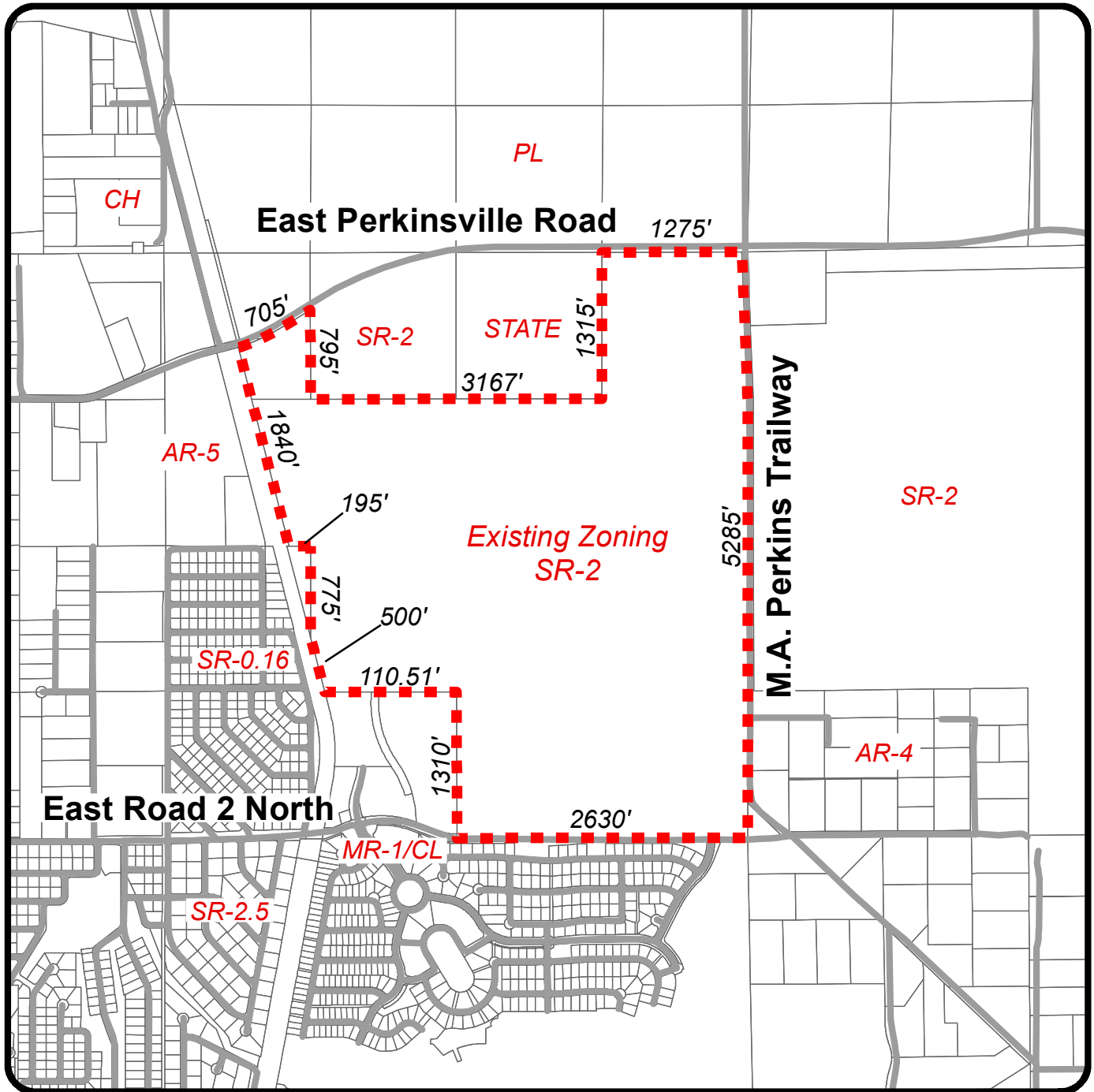
At the point of beginning the sidelines of this description are lengthened or shortened to terminate at the North line of said Section 13. At the point of termination the sidelines are lengthened or shortened to terminate at the North line of Parcel "A" as shown the record of survey recorded in Book 32 of Land Surveys, Page 90.

EXHIBIT 2
TO
ORDINANCE NO. 2019-870

[Zoning Exhibit]

See following pages.

Zoning Exhibit 2



* Property dimensions are approximated

 Subject Property
 Streets

Z19-000006: Century Ranch

Applicant: Jim Fletcher (Century Ranch LLC)

Request: Rezone 2 parcels containing approximately 378 acres from SR-2 zoning district to SR-1 zoning district.

Location: Southwest of East Perkinsville Road and M.A. Perkins Trailway, and north of the Bright Star subdivision

APN: 306-02-301J and 306-02-018N



Not to Scale



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

7.b.

Meeting Date: 06/25/2019

Contact Person: Alex Lerma, Planner
Phone: 928-626-4427 x-1295

Department: Development Services

Item Type: Action

**Estimated length
of staff presentation:** 5 minutes

Physical location of item: Located on the southwest corner of East Perkinsville Road and M.A. Perkins Trailway and north of Bright Star subdivision.

AGENDA ITEM TITLE:

Request for approval for Century Ranch Phase 1-Phase 10 Preliminary Plat subdividing 180.5 acres of the total 378 acres into 113 one (1) acre lots developed in ten (10) phases. The subject property is located on the southwest corner of East Perkinsville Road and M. A. Perkins Trailway, north of the Bright Star subdivision. (Alex Lerma, Planner)

RECOMMENDED ACTION:

Staff recommends that Planning and Zoning Commission forward a recommendation of approval to Town Council to adopt Century Ranch Phase 1-Phase 10 preliminary plat subdividing 180.5 acres of the total 378 acres of into 113 one (1) acre lots developed in ten (10) phases.

SITUATION AND ANALYSIS:

See attached Staff Report

Fiscal Impact

Fiscal Impact?: none

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Century Ranch Staff Report

Century Ranch Pre-Plat



TOWN OF CHINO VALLEY PLANNING AND ZONING COMMISSION Staff Report June 25, 2019

APPLICATION SUMMARY

File Number: Z19-000006

Assessor's Parcel Number: 306-02-301J, 018N

Site Location: Located southwest of East Perkinsville Road and M.A. Perkins Trailway and north of Bright Star subdivision.

Owners of Record: Century Ranch LLC

Applicant: Jim Fletcher

Request: Request to rezone approximately 378 acres of real property from SR-2 (Single Family Residential- 2 Acre Minimum) zoning district to SR-1 (Single Family Residential – 1 Acre Minimum) zoning district.

Request for approval of Century Ranch Preliminary Plat Phases 1 - 10 subdividing 180.5 acres of the total 378 acres of into 113 one (1) acre lots developed in ten (10) phases.

SITE DATA

Existing Zoning	SR-2 (Single Family Residence- 2 Acre Minimum)
Lot Size	378 acres (16,465,680 square feet)
Subdivision	N/A
General Plan Land Use Designation	Commercial and Future Growth Areas: Industrial/ Agri-business/ Contained Planned Community
Existing Land Use	Vacant

AREA	ZONING	GENERAL PLAN LAND USE DESIGNATION	LAND USE
North	State, PL, SR-2	Commercial and Employment Park/ Commercial Recreation/ Education/ Public Services	Yavapai College, Chino Valley Equestrian Park

East	SR-2, AR-4	Commercial and Future Growth Areas: Industrial/ Agri-business/ Contained Planned Community	I-U Bar Ranch Subdivision, Vacant
South	MR-1/CL	Medium Density Residential (2 ac or less)	Bright Star Subdivision
West	SR-0.16, AR-4, AR-5	Medium Density Residential (2 ac or less)	Chino Meadows Unit 3 Subdivision, Single family residence

BACKGROUND

SITE DESCRIPTION

The subject property is located on the southwest corner of East Perkinsville Road and M. A. Perkins Trailway, and north of the Bright Star subdivision. The property is accessed by East Perkinsville Road. The site has a zoning classification of SR-2 (Single Family Residential - 2 Acre Minimum) zoning district and identified with a General Plan land use designation of Commercial and Future Growth Areas: Industrial/ Agri-business/ Contained Planned Community. Currently there are no improvements on the site. **(See Attachment 1: Vicinity Map)**

The area is predominantly medium/low density single family residential development, public land and commercial development. The properties to the north are zoned State (State Land), SR-2 (Single Family Residential- 2 Acre Minimum), and PL (Public Land) along with Old Home Manor, Yavapai College and Chino Valley Equestrian Park. Properties to the east are zoned SR-2 (Single Family Residential- 2 Acre Minimum), and AR-4 (Agricultural Residential - 4 Acre Minimum), with I-U Bar Ranch Subdivision. The southern properties are zoned MR-1/CL (Multi-Family Residential- 1 Acre Minimum/ Commercial Light) with Bright Star Subdivision. Properties to the west are zoned SR-0.16 (Single Family Residential - 7,000 Square Foot Minimum), AR-4 (Agricultural Residential - 4 Acre Minimum), and AR-5 (Agricultural Residential- 5 Acre Minimum), with Chino Meadows Unit 3 Subdivision and single family residences. **(See Attachment 2: Zoning Map)**

PROJECT DESCRIPTION

The applicant is requesting to rezone 378 acres of real property from SR-2 (Single Family Residential – 2 Acre Minimum) zoning district to SR-1 (Single Family Residential – 1 Acre Minimum) zoning district. The SR-1 zoning district will allow the applicant to continue forward with a preliminary plat for a 1-acre lot subdivision.

The applicant is also requesting approval of the preliminary plat for Century Ranch Subdivision with its associated property boundaries, easements, land use, streets, utilities, drainage and other information requirements for the proposed development.

PRELIMINARY PLAT

The recordation of the plat will subdivide approximately 180.5 acres of the total 378 acres into 113 one (1) acre lots developed in ten (10) phases. **(See Attachment 4: Preliminary Plat)** The remaining 207 acres will be future phases of the development, these future phases will need to go before the public hearing process for both preliminary and final plat.

All lots will conform to the development standards set forth by the SR-1 zoning district including; building setbacks, minimum lot area, minimum lot frontage and maximum building height. Staff has reviewed the preliminary plat at length and has determined that all proposed lots meet the minimum lot area of at least one (1) acre. With exception of Lot 1, 2 and 84, all lots meet a minimum lot frontage of 100 feet. Since the applicant is not requesting a (PAD) Planned Area Development overlay for relief on development standards, staff is expecting the lots to be modified to conform to the SR-1 zoning district development standards before the recordation of the final plat.

All arterial, collector and local streets shall be dedicated to the Town of Chino Valley with all street improvements completed as required by the Unified Development Ordinance. Town utilities are available near the project. Specifically, 12-inch water and sewer mains extend along East Perkinsville Road and end at the crossing at Jerome Junction. The project will need to further extend utilities in order to connect to the development.

All arterial and collector streets will provide minimum six (6) foot wide sidewalks, separated from the roadway by a landscape strip of at least eight (8) feet. All local streets will provide a minimum of a five (5) foot sidewalk (per ADA requirement), separated from the roadway by a landscape strip of at least six (6) feet.

CITIZENS REVIEW & PUBLIC HEARING PROCESS

Town Staff notified property owners within a 300-foot radius, resulting in forty (40) notices for public notification. To date, staff has received several calls from surrounding residents. Those residents who contacted staff requested general information on the project. Other residents requested information regarding the location of the main access to the project and the timeframe for the development.

PLANNING COMMISSION HEARING AND RECOMMENDATION

The Planning and Zoning Commission meeting was held June 4, 2019 at Town Hall. Staff gave a brief overview of the area's current conditions, parcel history and staff findings. Staff indicated that the applicant was requesting a zone change and approval for a preliminary plat concurrently. Staff also discussed the future alignment of Road 2 North at the south end being connected through the subdivision during future development and would provide another access road.

The Commission stated the western portion of the subject property would be adjacent to the Peavine Trail and final approval consideration should include a stipulation that the Peavine trail remain unharmed or repaired if impacted by the development. The applicant stated that the timeframe for the development would begin by fall if approved, beginning with phase one through three.

Planning and Zoning Commission forwarded a recommendation of approval to Town Council for both zoning request and approval of the preliminary plat.

Vote: 7-0 Passed

STAFF ANALYSIS AND RECOMMENDATION

The zoning request of SR-1 zoning district will be in conformance with the area's General Plan land use designation of Commercial and Future Growth Areas: Industrial/ Agri-business/ Contained Planned Community. **(See Attachment 3: General Plan Map)**

The SR-1 zoning district will serve as a transition in lot sizes and zoning for properties located to the south and west of the subject property and those to the east. To the south and west of the subject property are Chino Meadows Unit 3 Subdivision and Bright Star Subdivision, both with a higher density in residential zoning. The 1-acre lot development proposed for the subject property will help with the transition as those residential properties to the east are medium to lower single family residential zoning.

The site will have its main access by way of East Perkinsville Road. The development will be connected to Town utilities, an existing 12" gravity main and a 12" water main both located along East Perkinsville Road.

RECOMMENDATION ON REQUESTED REZONE

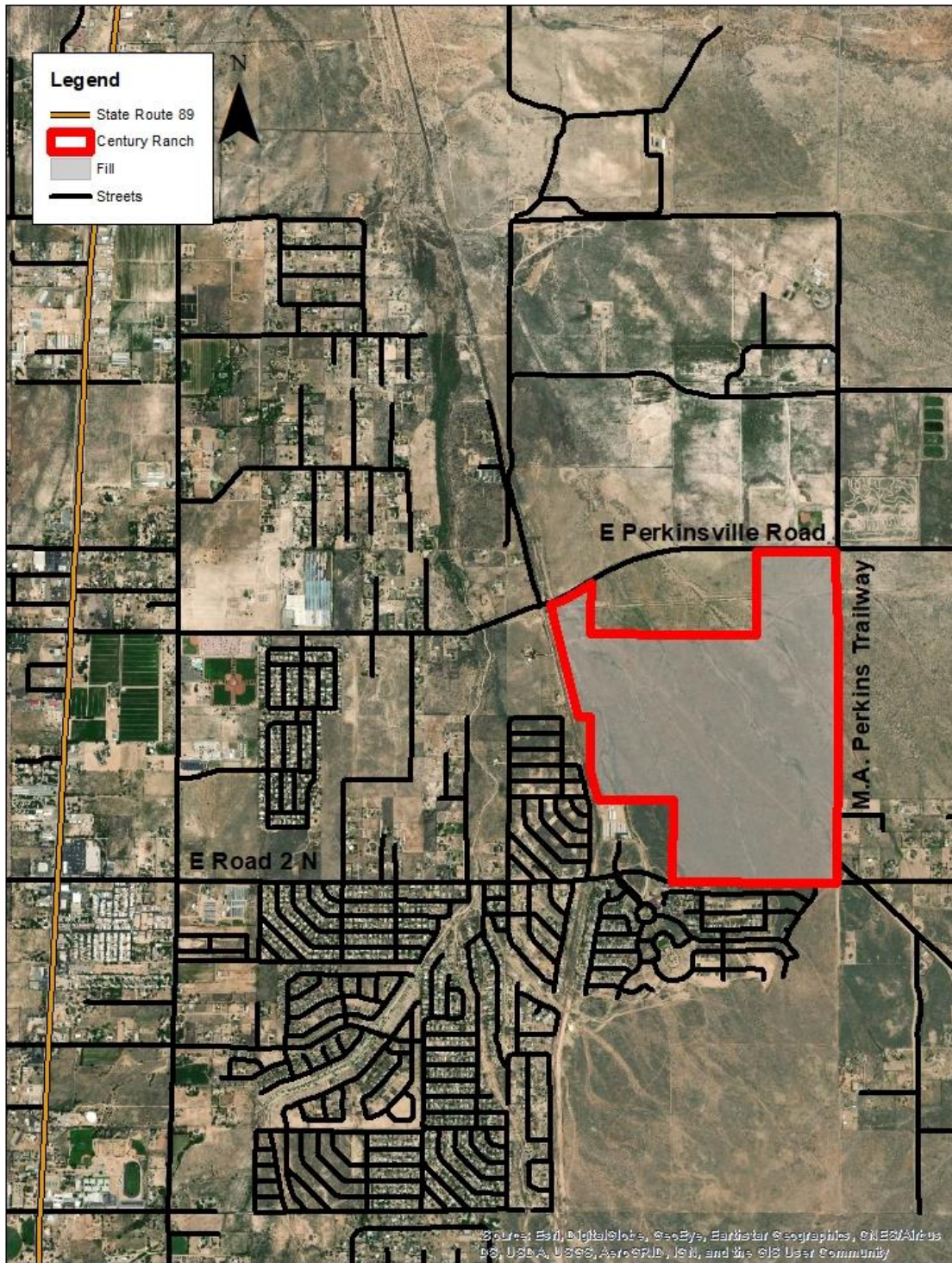
Staff and Planning and Zoning Commission forward a recommendation of approval to Town Council to adopt Ordinance 2019-870 to rezoning rezone approximately 378 acres of real property from SR-2 (Single Family Residential- 2 Acre Minimum) zoning district to SR-1 (Single Family Residential – 1 Acre Minimum) zoning district with the following conditions:

- 1) Subdivision shall have connectivity to the Pevine Trail by way of pedestrian paths and trailways.
- 2) The developer shall dedicate to the Town the following: 50' half-street on East Road 2 North (for an ultimate 100' ROW), 50' half-street on East Perkinsville Road, and 40' half-street on M.A. Perkins Trailway (for an ultimate 80' ROW). The dedication shall occur at such time as the portion of the property is developed that fronts the respective street.
- 3) The developer shall complete street improvements along the frontages of East Road 2 North, East Perkinsville Road, and M.A. Perkins Trailway. Improvements must be approved by the Town Engineer and will include, but not necessarily be limited to, pavement widening, curb, gutter, sidewalk, and drainage improvements. The timing of the improvements shall occur when the portion of the property is developed that fronts the respective street.
- 4) All Utility Extensions required by §51.060 or other sections of the Town Code shall be required at the time the portion that adjoins the Right of Way is developed.

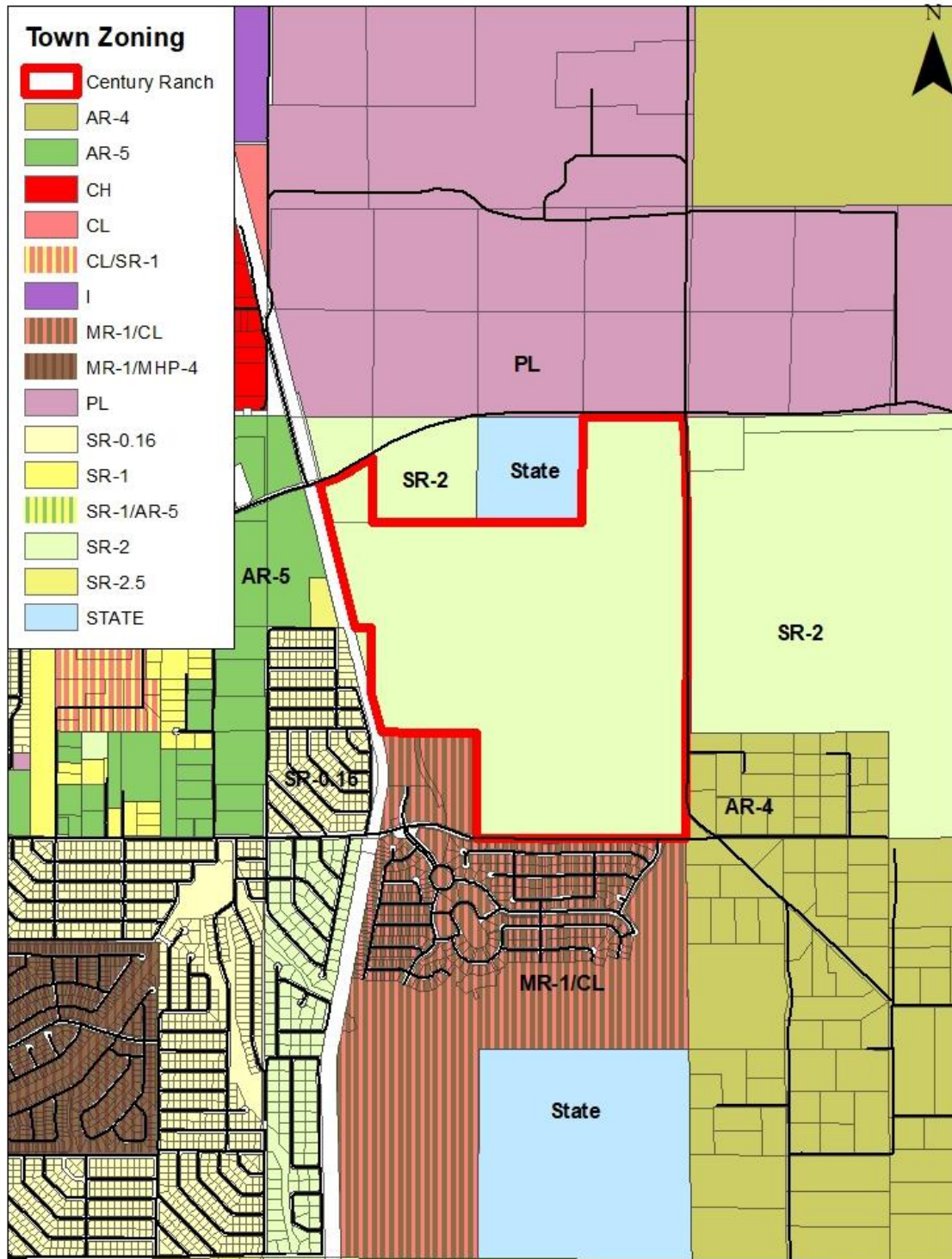
Staff recommends that Planning and Zoning Commission forward a recommendation of approval to Town Council to adopt Century Ranch Phase 1-Phase 10 preliminary plat subdividing 180.5 acres of the total 378 acres of into 113 one (1) acre lots developed in ten (10) phases.

ATTACHMENTS

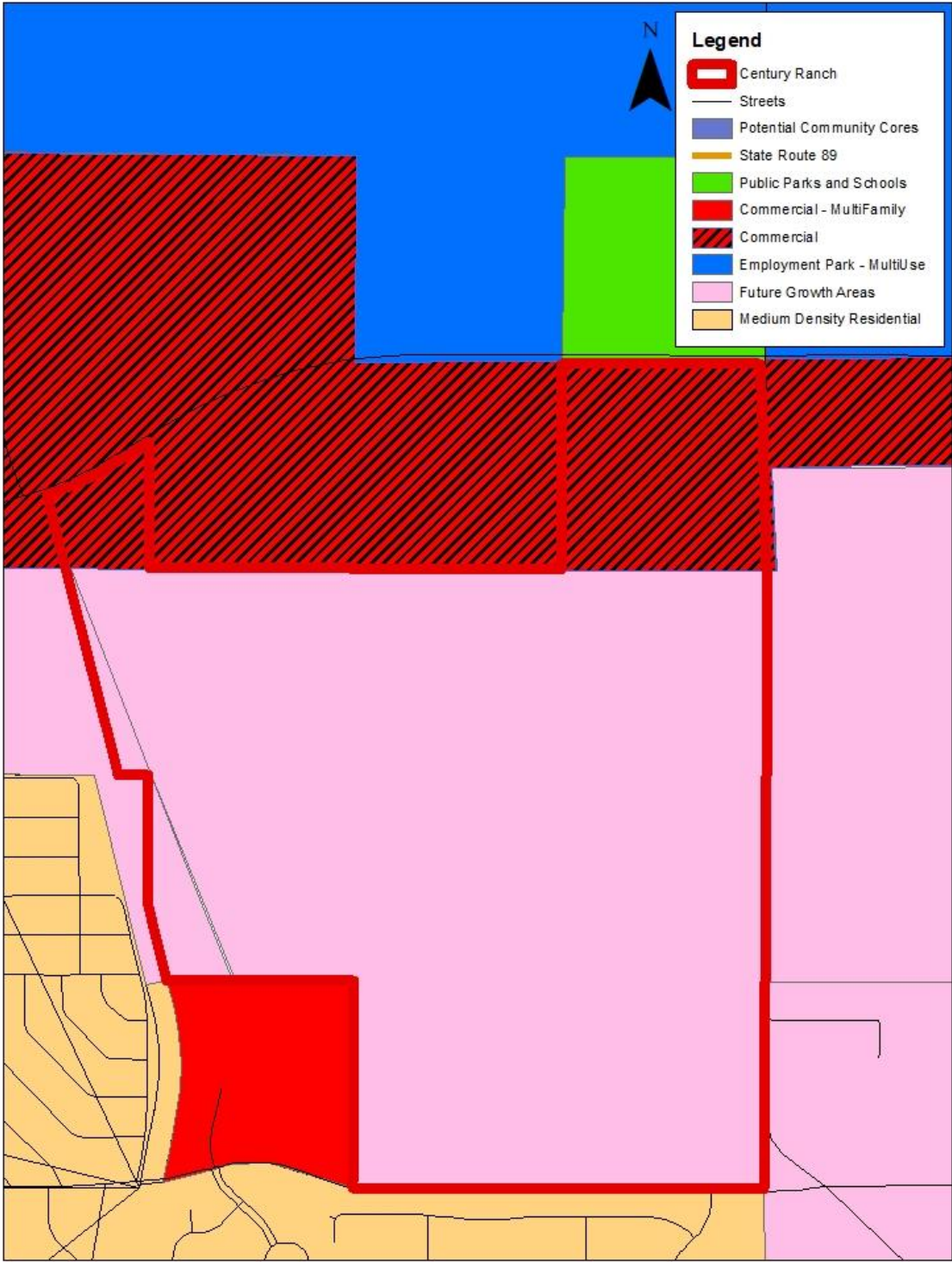
VICINITY MAP



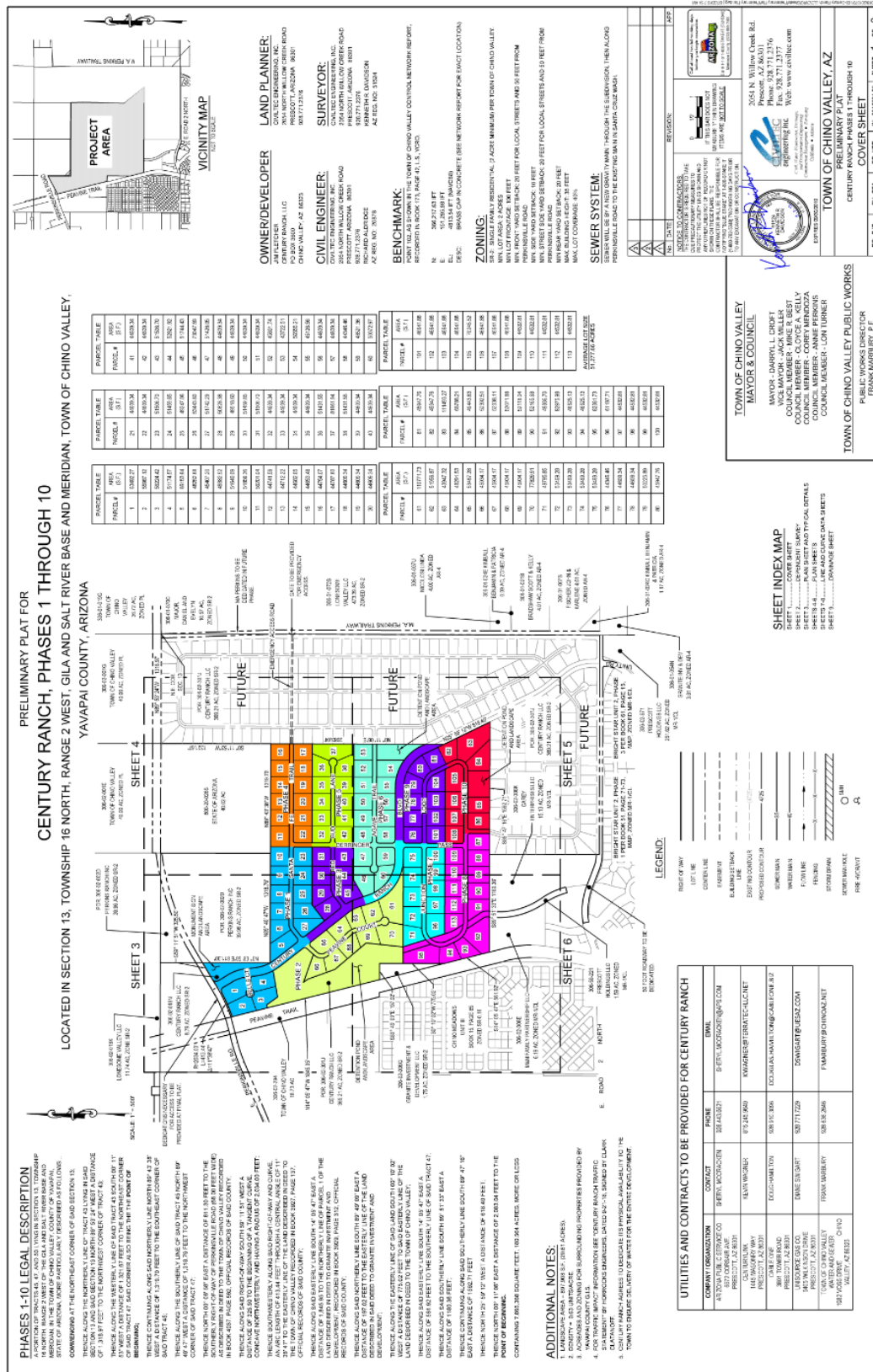
ZONING MAP



GENERAL PLAN LAND USE MAP



PRELIMINARY PLAT



PHASES 1-10 LEGAL DESCRIPTION

A PORTION OF TRACTS 45, 47, AND 50 LYING IN SECTION 13, TOWNSHIP 16 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, IN THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, STATE OF ARIZONA. MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 13,

THENCE ALONG THE NORTHERLY LINE OF TRACT 45 LYING IN SAID SECTION 13 AND SAID SECTION 13 NORTH 89° 53' 24" WEST A DISTANCE OF 1,318.97 FEET TO THE NORTHWEST CORNER OF TRACT 45;

THENCE ALONG THE WESTERLY LINE OF SAID TRACT 45 SOUTH 00° 11' 53" WEST A DISTANCE OF 1,321.67 FEET TO THE NORTHEAST CORNER OF SAID TRACT 47, SAID CORNER ALSO BEING THE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID NORTHERLY LINE NORTH 89° 43' 38" WEST A DISTANCE OF 1,319.70 FEET TO THE SOUTHEAST CORNER OF SAID TRACT 45;

THENCE ALONG THE SOUTHERLY LINE OF SAID TRACT 45 NORTH 89° 48' 47" WEST A DISTANCE OF 1,319.78 FEET TO THE NORTHWEST CORNER OF SAID TRACT 47;

THENCE NORTH 00° 08' 58" EAST A DISTANCE OF 811.30 FEET TO THE SOUTHERLY RIGHT-OF-WAY OF PERKINSVILLE ROAD (86.00 FEET WIDE) AS DESCRIBED IN DEED TO THE TOWN OF CHINO VALLEY RECORDED IN BOOK 4037, PAGE 582, OFFICIAL RECORDS OF SAID COUNTY;

THENCE ALONG SAID RIGHT-OF-WAY SOUTH 59° 11' 51" WEST A DISTANCE OF 328.50 TO THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 2,034.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID RIGHT-OF-WAY AND CURVE, AN ARC LENGTH OF 413.44 FEET THROUGH A CENTRAL ANGLE OF 11° 39' 47" TO THE EASTERLY LINE OF THE LAND DESCRIBED IN DEED TO THE TOWN OF CHINO VALLEY RECORDED IN BOOK 3929, PAGE 312, OFFICIAL RECORDS OF SAID COUNTY;

THENCE ALONG SAID EASTERLY LINE SOUTH 14° 05' 47" EAST A DISTANCE OF 1,845.95 TO THE NORTHERLY LINE OF PARCEL 1 OF THE LAND DESCRIBED IN DEED TO GRANITE INVESTMENT AND DEVELOPMENT, RECORDED IN BOOK 3929, PAGE 312, OFFICIAL RECORDS OF SAID COUNTY;

THENCE ALONG SAID NORTHERLY LINE SOUTH 89° 49' 09" EAST A DISTANCE OF 197.02 FEET TO THE EASTERLY LINE OF THE LAND DESCRIBED IN SAID DEED TO GRANITE INVESTMENT AND DEVELOPMENT;

THENCE ALONG THE EASTERLY LINE OF SAID LAND SOUTH 00° 10' 02" WEST A DISTANCE OF 778.02 FEET TO SAID EASTERLY LINE OF THE LAND DESCRIBED IN DEED TO THE TOWN OF CHINO VALLEY;

THENCE ALONG SAID EASTERLY LINE SOUTH 14° 05' 47" EAST A DISTANCE OF 561.92 FEET TO THE SOUTHERLY LINE OF SAID TRACT 47;

THENCE ALONG SAID SOUTHERLY LINE SOUTH 89° 51' 33" EAST A DISTANCE OF 1180.36 FEET;

THENCE CONTINUING ALONG SAID SOUTHERLY LINE SOUTH 89° 47' 16" EAST A DISTANCE OF 1592.71 FEET

THENCE NORTH 25° 59' 12" WEST A DISTANCE OF 616.40 FEET;

THENCE NORTH 00° 11' 05" EAST A DISTANCE OF 2,053.04 FEET TO THE POINT OF BEGINNING.

CONTAINING 7,865,368 SQUARE FEET, 180.564 ACRES, MORE OR LESS

ADDITIONAL NOTES:

1. LANDSCAPE AREA = 899.508 S.F. (20.61 ACRES).
2. DENSITY = 0.63 UNITS/ACRE.
3. ACRES AND ZONING FOR SURROUNDING PROPERTIES PROVIDED BY YAVAPAI COUNTY G.I.S.
4. FOR TRAFFIC IMPACT INFORMATION SEE "CENTURY RANCH TRAFFIC STATEMENT" BY HORROCKS ENGINEERS, DATED 9-21-18, SIGNED BY CLARK CLATONOFF.
5. CENTURY RANCH AGREES TO DEDICATE ITS PHYSICAL AVAILABILITY TO THE TOWN TO ENSURE DELIVERY OF WATER FOR THE ENTIRE DEVELOPMENT.

UTILITIES AND CONTRACTS TO BE PROVIDED FOR CENTURY RANCH

COMPANY / ORGANIZATION	CONTACT	PHONE	EMAIL
ARIZONA PUBLIC SERVICE CO 6672 CORSAIR AVE PRESCOTT, AZ 86301	SHERYL MCCracken	928.443.6621	SHERYL.MCCRACKEN@APS.COM
CENTURYLINK 1445 MASONRY WAY PRESCOTT, AZ 86301	KEVIN WAGNER	815.245.9640	KWAGNER@TERRATECHLLC.NET
CABLE ONE 3801 TOWER ROAD PRESCOTT, AZ 86301	DOUG HAMILTON	928.910.3096	DOUGLAS.HAMILTON@CABLEONE.BIZ
UNISOURCE GAS CO. 6405 WILKINSON DRIVE PRESCOTT, AZ 86301	DIANE SWIGART	928.771.7229	DSWIGART@UESAZ.COM
TOWN OF CHINO VALLEY WATER AND SEWER 1982 VOSS DRIVE CHINO VALLEY, AZ 86323	FRANK MARBURY	928.636.2646	FMARBURY@CHINOAZ.NET

RIGHT OF WAY	---
LOT LINE	---
CENTER LINE	---
EASEMENT	---
BUILDING SETBACK LINE	---
EXISTING CONTOUR	---
PROPOSED CONTOUR	---
SEWER MAIN	---
WATER MAIN	---
FLOW LINE	---
FENCING	---
STORM DRAIN	---
SEWER MANHOLE	---
FIRE HYDRANT	---

PRELIMINARY PLAT FOR

CENTURY RANCH, PHASES 1 THROUGH 10

LOCATED IN SECTION 13, TOWNSHIP 16 NORTH, RANGE 2 WEST, GILA AND SALT RIVER BASE AND MERIDIAN, TOWN OF CHINO VALLEY,

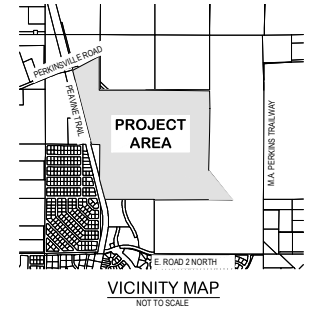
YAVAPAI COUNTY, ARIZONA



PARCEL #	AREA (S.F.)	PARCEL #	AREA (S.F.)	PARCEL #	AREA (S.F.)
1	63492.27	21	44609.34	41	44609.34
2	59987.12	22	44609.34	42	44609.34
3	56224.42	23	51506.70	43	51506.70
4	51174.57	24	51459.85	44	52821.92
5	66153.64	25	49247.06	45	51744.43
6	48252.68	26	53443.80	46	73047.59
7	45407.20	27	51742.29	47	51426.05
8	49382.92	28	50828.38	48	44609.34
9	51640.09	29	49518.60	49	44609.34
10	51856.36	30	51459.85	50	44609.34
11	56201.04	31	51506.70	51	44609.34
12	44741.59	32	44609.34	52	45801.74
13	44712.22	33	44609.34	53	43722.51
14	44682.85	34	44609.34	54	56555.21
15	44653.48	35	44609.34	55	45126.56
16	44754.07	36	51431.55	56	44609.34
17	44787.60	37	81681.94	57	44609.34
18	44609.34	38	51431.55	58	44346.46
19	44609.34	39	44609.34	59	48521.38
20	44609.34	40	44609.34	60	50072.97

PARCEL #	AREA (S.F.)	PARCEL #	AREA (S.F.)	PARCEL #	AREA (S.F.)
61	110771.73	81	45947.76	101	46641.88
62	51956.87	82	45947.76	102	46641.88
63	42947.32	83	111493.27	103	46641.88
64	48291.53	84	88798.21	104	46641.88
65	53467.28	85	49443.63	105	70245.52
66	45934.17	86	52392.51	106	46641.88
67	45934.17	87	52039.11	107	46641.88
68	45934.17	88	52077.88	108	46641.88
69	45934.17	89	52118.04	109	44532.81
70	77829.91	90	52165.68	110	44532.81
71	49795.85	91	49898.70	111	44532.81
72	53469.28	92	92975.98	112	44532.81
73	53469.28	93	46525.13	113	44532.81
74	53469.28	94	46525.13		
75	53469.28	95	82361.73		
76	44346.46	96	61197.71		
77	44609.34	97	44532.81		
78	44609.34	98	44532.81		
79	50225.89	99	44532.81		
80	45947.76	100	44532.81		

AVERAGE LOT SIZE
51,277.66 ACRES



OWNER/DEVELOPER

JIM FLETCHER
CENTURY RANCH, LLC
PO BOX 3600
CHINO VALLEY, AZ 86323

CIVIL ENGINEER:

CIVILTEC ENGINEERING, INC.
2054 NORTH WILLOW CREEK ROAD
PRESCOTT, ARIZONA 86301
928.771.2376
RICHARD ALDRIDGE
AZ REG. NO. 20878

LAND PLANNER:

CIVILTEC ENGINEERING, INC.
2054 NORTH WILLOW CREEK ROAD
PRESCOTT, ARIZONA 86301
928.771.2376

SURVEYOR:

CIVILTEC ENGINEERING, INC.
2054 NORTH WILLOW CREEK ROAD
PRESCOTT, ARIZONA 86301
928.771.2376
KENNETH R. DAVIDSON
AZ REG. NO. 51524

BENCHMARK:

POINT 102, AS SHOWN IN THE TOWN OF CHINO VALLEY CONTROL NETWORK REPORT, RECORDED IN BOOK 173, PAGE 42, L.S., YCRO.

N: 366,217.63 FT
E: 151,295.98 FT
EL: 4813.54 FT (NAVD83)
DESC: BRASS CAP IN CONCRETE (SEE NETWORK REPORT FOR EXACT LOCATION)

ZONING:

SR-2: SINGLE FAMILY RESIDENTIAL (2 ACRE MINIMUM) PER TOWN OF CHINO VALLEY.
MIN. LOT AREA: 2 ACRES
MIN. LOT FRONTAGE: 100 FEET
MIN. FRONT YARD SETBACK: 20 FEET FOR LOCAL STREETS AND 50 FEET FROM PERKINSVILLE ROAD
MIN. SIDE YARD SETBACK: 10 FEET
MIN. STREET SIDE YARD SETBACK: 20 FEET FOR LOCAL STREETS AND 50 FEET FROM PERKINSVILLE ROAD
MIN. REAR YARD SETBACK: 20 FEET
MAX. BUILDING HEIGHT: 35 FEET
MAX. LOT COVERAGE: 40%

SEWER SYSTEM:

SEWER WILL BE BY A NEW GRAVITY MAIN THROUGH THE SUBDIVISION, THEN ALONG PERKINSVILLE ROAD TO THE EXISTING MAIN IN SANTA CRUZ WASH.

TOWN OF CHINO VALLEY MAYOR & COUNCIL

MAYOR - DARRYL L. CROFT
VICE MAYOR - JACK MILLER
COUNCIL MEMBER - MIKE R. BEST
COUNCIL MEMBER - CLOYCE A. KELLY
COUNCIL MEMBER - COREY MENDOZA
COUNCIL MEMBER - ANNIE PERKINS
COUNCIL MEMBER - LON TURNER

TOWN OF CHINO VALLEY PUBLIC WORKS

PUBLIC WORKS DIRECTOR
FRANK MARBURY, P.E.



Old, Water, Sewerage, Drainage, and Transportation Engineering
Construction Management • Surveying
Civil • Arizona

EXP. 06/30/2019

2054 N. Willow Creek Rd.
Prescott, AZ 86301
Phone: 928.771.2376
Fax: 928.771.2377
Web: www.civiltec.com

Call us at 928.771.2376 or 928.771.2377
Before you begin excavation
Arizona
928.771.2376 or 928.771.2377
Maricopa County (928) 698-7500

IF THIS BAR DOES NOT MEASURE 1" THEN DRAWING ITEMS ARE NOT TO SCALE

0 12 1

DATE: REVISION: APP:

NOTICE TO CONTRACTORS:
THE CONTRACTOR IS REQUIRED TO TAKE DUE PRECAUTIONARY MEASURES TO PROTECT THE UTILITY LINES SHOWN AND ANY OTHER LINES NOT OF RECORD OR NOT SHOWN ON THESE PLANS. THE CONTRACTOR SHALL BE RESPONSIBLE FOR NOTIFYING BLUE STAKE AT 1-800-STAKE-IT (1-800-782-7842) TWO WORKING DAYS PRIOR TO ANY EXCAVATION OR CONSTRUCTION.

TOWN OF CHINO VALLEY, AZ
PRELIMINARY PLAT
CENTURY RANCH, PHASES 1 THROUGH 10
COVER SHEET

DE: RUB CH: REA DR: KR D JN: 20180701.00 SHEET 1 OF 9



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

7.c.

Meeting Date: 06/25/2019
Contact Person: Joe Duffy, Finance Director
 Phone: 928-636-2646 x-1211
Department: Finance
Item Type: Action
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Public Hearing regarding Resolution No. 2019-1143, relating to the Town's Final Budget for Fiscal Year 2019/2020 and the proposed expenditure limitation for the same year, in the amount of \$27,976,800. (Joe Duffy, Finance Director)

RECOMMENDED ACTION:

Hold the Public Hearing.

SITUATION AND ANALYSIS:

On May 28, 2019 the Mayor and Council adopted Resolution No. 2019-1140 adopting the Tentative Budget for the Fiscal Year 2019/2020, and setting the Expenditure Limitation at \$27,976,800. The Tentative Budget was posted on the Town's website.

The State Budget Forms were published two times in the Chino Valley Review.

A public hearing was held on June 25, 2019.

Staff recommends approving Resolution No. 2019-1143 and adopting the Final Budget for Fiscal Year 2019/2020.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: All

Available:

Funding Source:

Adoption of this item establishes a final budget and the expenditure limitation for FY 2019-2020.

Attachments

RES - 2019-1143 Final Budget

RESOLUTION NO. 2019-1143

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, ADOPTING THE FINAL BUDGET FOR THE FISCAL YEAR 2019/2020; SETTING AN EXPENDITURE LIMITATION TO GOVERN THE TOWN OF CHINO VALLEY BUDGET FOR FISCAL YEAR 2019/2020; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE FROM AND AFTER ITS PASSAGE AND APPROVAL ACCORDING TO THE LAW.

WHEREAS, pursuant to the provisions of the laws of the State of Arizona, the Mayor and Common Council of the Town of Chino Valley (the "Town Council") is required to adopt an annual budget for the Town of Chino Valley (the "Town"); and

WHEREAS, pursuant to Article 9, Section 20(9) of the Arizona Constitution, and Arizona Revised Statutes ("A.R.S.") §§ 41-563.03(C), (E) and (G), the qualified voters of the Town of Chino Valley, on August 30, 2016, approved Proposition 436, adopting an Alternative Expenditure Limitation for the Town; and

WHEREAS, Proposition 436 provided that, as part of the budget process and after a public hearing, the Town Council shall annually adopt an expenditure limitation to govern the budget; and

WHEREAS, in accordance with A.R.S. § 42-17102, the Town Manager prepared and filed with the Town Council the Town Manager's Budget estimates for the fiscal year beginning July 1, 2019 and ending June 30, 2020; and

WHEREAS, on May 28, 2019, the Town Council approved Resolution 2019-1140, adopting (i) an expenditure limitation and (ii) the estimates of expenditures for the fiscal year beginning July 1, 2019, and ending June 30, 2020, as the tentative budget for the Town; and

WHEREAS, Resolution 2019-1140 also directed the Town Clerk to: (i) publish in the official Town newspaper once per week for two consecutive weeks, (a) the official tentative budget and (b) a notice of the public hearing of the Town Council to hear taxpayers and make tax levies at designated times and places; and (ii) not later than seven business days following consideration of Resolution 2019-1140 by the Town Council, (a) make available at the Chino Valley Public Library and the Chino Valley Town Hall a complete copy of the tentative budget, and (b) post the tentative budget on the Town's website; and

WHEREAS, due notice has been given by the Town Clerk as required by law that the Town Council would meet on June 25, 2019, at the Town Council Chambers for the purposes of (i) hearing taxpayers on the proposed expenditures and proposed tax levies as set forth in said estimates and (ii) adopting the tentative budget as final; and

WHEREAS, on June 25, 2019, the Town Council held a public hearing on the final budget and proposed tax levy as required by law; and

WHEREAS, the expenditures/expenses in the proposed final budget for Fiscal Year 2019/2020 do not exceed the expenditures/expenses shown on the published tentative budget.

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

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The expenditure limitation to govern the Town of Chino Valley budget for Fiscal Year 2019/2020 is hereby approved in an amount not to exceed \$27,976,800.

SECTION 3. The estimates of revenues and expenditures shown in the schedules attached hereto as Exhibit A and incorporated herein by reference, are hereby formally adopted as the official final budget for the Town for the fiscal year beginning July 1, 2019 and ending June 30, 2020.

SECTION 4. This Resolution shall be effective from and after its passage and approval according to law.

SECTION 5. 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 25th day of June, 2019.

Darryl L. Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify the above foregoing Resolution No. 2019-1143 was duly passed by the Council of the Town of Chino Valley, Arizona, at a special meeting held on June 25, 2019, 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

EXHIBIT A
TO
RESOLUTION NO. 2019-1143

[Schedule of Estimated Revenues and Expenditures]

See following pages

OFFICIAL BUDGET FORMS

Town of Chino Valley

Fiscal Year 2020

Town of Chino Valley
TABLE OF CONTENTS
Fiscal Year 2020

Resolution for the Adoption of the Budget

Schedule A—Summary Schedule of Estimated Revenues and Expenditures/Expenses

Schedule B—Tax Levy and Tax Rate Information

Schedule C—Revenues Other Than Property Taxes

Schedule D—Other Financing Sources/⟨Uses⟩ and Interfund Transfers

Schedule E—Expenditures/Expenses by Fund

Schedule F—Expenditures/Expenses by Department (as applicable)

Schedule G—Full-Time Employees and Personnel Compensation

Town of Chino Valley
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2020

Fiscal Year	S c h	FUNDS							
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds
2019	Adopted/Adjusted Budgeted Expenditures/Expenses*	10,146,800	5,245,200	849,100	2,949,000	0	5,335,100	0	24,525,200
2019	Actual Expenditures/Expenses**	9,595,700	4,771,900	849,100	1,504,400	0	2,403,900	0	19,125,000
2020	Fund Balance/Net Position at July 1***	7,492,701	1,038,503	455,694	1,450,059		12,872,869		23,309,826
2020	Primary Property Tax Levy	0							0
2020	Secondary Property Tax Levy								0
2020	Estimated Revenues Other than Property Taxes	10,105,700	4,929,000	0	5,778,000		5,882,000		26,694,700
2020	Other Financing Sources	0	0	0	0	0	0	0	0
2020	Other Financing (Uses)	0	0	0	0	0	0	0	0
2020	Interfund Transfers In	400,000	100,000	891,000	2,000,000	0	0	0	3,391,000
2020	Interfund Transfers (Out)	2,100,000	0	0	1,291,000	0	0	0	3,391,000
2020	Reduction for Amounts Not Available:								
LESS:	Amounts for Future Debt Retirement:								0
									0
									0
									0
2020	Total Financial Resources Available	15,898,401	6,067,503	1,346,694	7,937,059		18,754,869	0	50,004,526
2020	Budgeted Expenditures/Expenses	11,009,400	5,360,000	891,300	4,916,000	0	5,800,100	0	27,976,800

EXPENDITURE LIMITATION COMPARISON

1. Budgeted expenditures/expenses
2. Add/subtract: estimated net reconciling items
3. Budgeted expenditures/expenses adjusted for reconciling items
4. Less: estimated exclusions
5. Amount subject to the expenditure limitation
6. EEC expenditure limitation

	2019	2020
1.	\$ 24,525,200	\$ 27,976,800
2.		
3.	24,525,200	27,976,800
4.		
5.	\$ 24,525,200	\$ 27,976,800
6.	\$	\$

☒ The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes Expenditure/Expense Adjustments Approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

Town of Chino Valley
Tax Levy and Tax Rate Information
Fiscal Year 2020

	2019	2020
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ _____
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ _____	\$ _____
B. Secondary property taxes	\$ _____	\$ _____
C. Total property tax levy amounts	\$ _____	\$ _____
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	\$ _____	
(3) Total primary property taxes	\$ _____	
B. Secondary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	\$ _____	
(3) Total secondary property taxes	\$ _____	
C. Total property taxes collected	\$ _____	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	_____	_____
(2) Secondary property tax rate	_____	_____
(3) Total city/town tax rate	_____	_____
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating <u> 3 </u> special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

**Town of Chino Valley
Revenues Other Than Property Taxes
Fiscal Year 2020**

SOURCE OF REVENUES	ESTIMATED REVENUES 2019	ACTUAL REVENUES* 2019	ESTIMATED REVENUES 2020
GENERAL FUND			
Local taxes			
Sales Taxes	\$ 4,611,000	\$ 5,239,792	5,148,000
Franchise Taxes	121,500	127,435	128,000
Licenses and permits			
Building Permits	350,000	285,277	350,000
Business Licenses	60,000	62,166	63,000
Plan Check Fees	150,000	117,911	140,000
Other Licenses and Permits	19,000	15,908	17,500
Intergovernmental			
State Shared Sales Tax	1,117,000	1,104,555	1,230,000
State Shared Income Tax	1,381,000	1,417,468	1,549,200
Vehicle License Tax	784,000	821,699	862,000
Yavapai County Library Funds	102,000	100,066	102,000
Police Dept Grants	7,500	10,120	7,500
Senior Nutrition Grant	75,000	86,086	86,000
Charges for services			
Engineering Fees	5,000	19,262	5,000
Senior Nutrition Program Fees	17,000	10,395	10,000
Facility Use Fees	20,000	25,075	24,500
Police Report Fees	3,500	4,656	4,500
Aquatic Center Fees	73,500	76,232	77,000
Other Charges for Services	10,000	28,237	11,500
Fines and forfeits			
Animal Control Fees	30,000	33,084	30,000
Library Fines	3,500	2,864	3,500
Court Fines and Forfeitures	150,000	138,761	140,000
Interest on investments			
Interest	30,000	116,483	115,000
Contributions			
Sponsorships			
Senior Center Thrift Store	1,500	468	1,500
Miscellaneous			
Other Revenues			
Total General Fund	\$ 9,122,000	\$ 9,844,000	\$ 10,105,700

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**Town of Chino Valley
Revenues Other Than Property Taxes
Fiscal Year 2020**

SOURCE OF REVENUES	ESTIMATED REVENUES 2019	ACTUAL REVENUES* 2019	ESTIMATED REVENUES 2020
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Highway User Revenue	\$ 899,000	\$ 1,012,000	1,010,000
Interest	1,500	9,195	5,000
Miscellaneous	2,000	5,605	2,000
	\$ 902,500	\$ 1,026,800	\$ 1,017,000
 CDBG Grants	 \$ 325,000	 \$	 \$ 325,000
	\$ 325,000	\$	\$ 325,000
 Miscellaneous Grants	 \$ 3,500,000	 \$ 3,500,000	 3,500,000
	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000
 Special Revenue Fund-Court	 \$ 14,900	 \$ 28,700	 28,000
Special Revenue Fund-PD	55,000	25,000	55,000
Lighting Improvement Districts #1, #2, #3	4,000	4,000	4,000
	\$ 73,900	\$ 57,700	\$ 87,000
 Total Special Revenue Funds	 \$ 4,801,400	 \$ 4,584,500	 \$ 4,929,000
CAPITAL PROJECTS FUNDS			
Impact Fee Funds	\$	\$	
Capital Improvements Fund	4,621,900	2,202,800	5,764,000
Replacement Fund	11,000	118,401	14,000
	\$ 4,632,900	\$ 2,321,201	\$ 5,778,000
 Total Capital Projects Funds	 \$ 4,632,900	 \$ 2,321,201	 \$ 5,778,000
ENTERPRISE FUNDS			
Water Enterprise Fund	\$ 2,665,600	\$ 749,900	2,974,000
Sewer Enterprise Fund	2,365,000	2,106,000	2,908,000
	\$ 5,030,600	\$ 2,855,900	\$ 5,882,000
 Total Enterprise Funds	 \$ 5,030,600	 \$ 2,855,900	 \$ 5,882,000
 TOTAL ALL FUNDS	 \$ 23,586,900	 \$ 19,605,601	 \$ 26,694,700

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Town of Chino Valley
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2020

FUND	OTHER FINANCING 2020		INTERFUND TRANSFERS 2020	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Capital Improvement Fund	\$	\$	\$ 400,000	\$
General Fund				2,100,000
Total General Fund	\$	\$	\$ 400,000	\$ 2,100,000
SPECIAL REVENUE FUNDS				
HURF Fund			100,000	
Total Special Revenue Funds	\$	\$	\$ 100,000	\$
DEBT SERVICE FUNDS				
Capital Improvement Fund	\$	\$	\$ 891,000	\$
Total Debt Service Funds	\$	\$	\$ 891,000	\$
CAPITAL PROJECTS FUNDS				
Capital Improvement Fund	\$	\$	\$ 2,000,000	\$ 1,291,000
Road Impact Fee Fund				
Total Capital Projects Funds	\$	\$	\$ 2,000,000	\$ 1,291,000
ENTERPRISE FUNDS				
Water Enterprise	\$	\$	\$	\$
Total Enterprise Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$	\$	\$ 3,391,000	\$ 3,391,000

**Town of Chino Valley
Expenditures/Expenses by Fund
Fiscal Year 2020**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2019	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2019	ACTUAL EXPENDITURES/ EXPENSES* 2019	BUDGETED EXPENDITURES/ EXPENSES 2020
GENERAL FUND				
Prosecutor	\$ 119,800	\$	\$ 117,600	\$ 126,200
Town Clerk	247,600		220,000	214,000
Town Manager	383,500		361,300	418,100
Human Resources	252,200		253,300	258,200
Magistrate Court	275,900		277,800	287,300
Finance	372,600		391,400	455,600
Mgmt Info Systems	275,900		264,800	307,300
Mayor & Council	50,200		45,800	51,200
Planning	207,200		202,800	211,300
Building Inspection	193,600		194,300	198,400
Police	3,423,000		3,376,600	3,531,700
Animal Control	124,800		114,800	158,100
Recreation	132,900		111,500	137,300
Library	350,700		332,800	375,200
Senior Center	303,300		297,300	354,600
Parks	491,600		509,000	618,800
Aquatic Center	235,700		233,900	251,600
Facilities Maintenance	508,500		384,200	772,400
Fleet Maintenance	279,100		282,700	345,700
Engineering	373,300		350,000	438,300
Customer Service	295,400		250,300	260,100
Non-Departmental	775,000		631,000	738,000
Contingency	475,000		392,500	500,000
Total General Fund	\$ 10,146,800	\$	\$ 9,595,700	\$ 11,009,400
SPECIAL REVENUE FUNDS				
Highway User Revenue Fund	\$ 1,322,700	\$	\$ 1,198,700	1,417,500
CDBG Grant	325,000			325,000
Miscellaneous Grants Fund	3,500,000		3,500,000	3,500,000
Special Revenue Fund -- Court	38,500		14,200	58,500
Special Revenue Fund -- PD	55,000		55,000	55,000
Lighting Improvement Districts	4,000		4,000	4,000
Total Special Revenue Funds	\$ 5,245,200	\$	\$ 4,771,900	\$ 5,360,000
DEBT SERVICE FUNDS				
Debt Service Fund	\$ 849,100	\$	\$ 849,100	\$ 891,300
Total Debt Service Funds	\$ 849,100	\$	\$ 849,100	\$ 891,300
CAPITAL PROJECTS FUNDS				
Capital Improvements Fund	\$ 2,889,000	\$	\$ 932,000	\$ 4,856,000
Impact Fees Funds			510,600	
Asset Replacement Fund	60,000		61,800	60,000
Total Capital Projects Funds	\$ 2,949,000	\$	\$ 1,504,400	\$ 4,916,000
ENTERPRISE FUNDS				
Water Enterprise Fund	\$ 2,897,400	\$	\$ 674,200	\$ 2,914,200
Sewer Enterprise Fund	2,437,700		1,729,700	2,885,900
Total Enterprise Funds	\$ 5,335,100	\$	\$ 2,403,900	\$ 5,800,100
TOTAL ALL FUNDS	\$ 24,525,200	\$	\$ 19,125,000	\$ 27,976,800

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Town of Chino Valley
Expenditures/Expenses by Department
Fiscal Year 2020

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2019	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2019	ACTUAL EXPENDITURES/ EXPENSES* 2019	BUDGETED EXPENDITURES/ EXPENSES 2020
Prosecutor				
General Fund	\$ 119,800	\$	\$ 117,600	\$ 126,200
Department Total	\$ 119,800	\$	\$ 117,600	\$ 126,200
Town Clerk				
General Fund	\$ 247,600	\$	\$ 220,000	\$ 214,000
Department Total	\$ 247,600	\$	\$ 220,000	\$ 214,000
Town Manager				
General Fund	\$ 383,500	\$	\$ 361,300	\$ 418,100
Department Total	\$ 383,500	\$	\$ 361,300	\$ 418,100
Human Resources				
General Fund	\$ 252,200	\$	\$ 253,300	\$ 258,200
Department Total	\$ 252,200	\$	\$ 253,300	\$ 258,200
Municipal Court				
General Fund	275,900		277,800	287,300
Special Revenue Fund	\$ 38,500	\$	\$ 14,200	\$ 58,500
Department Total	\$ 314,400	\$	\$ 292,000	\$ 345,800
Finance				
General Fund	\$ 372,600	\$	\$ 391,400	\$ 455,600
Department Total	\$ 372,600	\$	\$ 391,400	\$ 455,600
Mgmt Info Systems				
General Fund	\$ 275,900	\$	\$ 264,800	\$ 307,300
Department Total	\$ 275,900	\$	\$ 264,800	\$ 307,300
Mayor and Council				
General Fund	\$ 50,200		45,800	51,200
Department Total	\$ 50,200	\$	\$ 45,800	\$ 51,200
Planning				
General Fund	\$ 207,200	\$	\$ 202,800	\$ 211,300
Department Total	\$ 207,200	\$	\$ 202,800	\$ 211,300
Building Inspection				
General Fund	\$ 193,600		194,300	198,400
Department Total	\$ 193,600	\$	\$ 194,300	\$ 198,400
Police				
General Fund	3,423,000		3,376,600	3,531,700
Special Revenue Fund	55,000		55,000	55,000
Department Total	\$ 3,478,000	\$	\$ 3,431,600	\$ 3,586,700
Animal Control				
General Fund	\$ 124,800		114,800	158,100
Department Total	\$ 124,800	\$	\$ 114,800	\$ 158,100
Recreation				
General Fund	\$ 132,900	\$	\$ 111,500	\$ 137,300
Department Total	\$ 132,900	\$	\$ 111,500	\$ 137,300

**Town of Chino Valley
Expenditures/Expenses by Department
Fiscal Year 2020**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2019	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2019	ACTUAL EXPENDITURES/ EXPENSES* 2019	BUDGETED EXPENDITURES/ EXPENSES 2020
Library				
General Fund	\$ 350,700	\$	\$ 332,800	\$ 375,200
Department Total	\$ 350,700	\$	\$ 332,800	\$ 375,200
Senior Center				
General Fund	\$ 303,300	\$	\$ 297,300	\$ 354,600
Department Total	\$ 303,300	\$	\$ 297,300	\$ 354,600
Parks Maintenance				
General Fund	\$ 491,600	\$	\$ 509,000	\$ 618,800
Department Total	\$ 491,600	\$	\$ 509,000	\$ 618,800
Aquatics Center				
General Fund	\$ 235,700	\$	\$ 233,900	\$ 251,600
Department Total	\$ 235,700	\$	\$ 233,900	\$ 251,600
Facilities Maintenance				
General Fund	\$ 508,500	\$	\$ 384,200	\$ 772,400
Department Total	\$ 508,500	\$	\$ 384,200	\$ 772,400
Fleet Maintenance				
General Fund	\$ 279,100	\$	\$ 282,700	\$ 345,700
Department Total	\$ 279,100	\$	\$ 282,700	\$ 345,700
Engineering				
General Fund	\$ 373,300	\$	\$ 350,000	\$ 438,300
Department Total	\$ 373,300	\$	\$ 350,000	\$ 438,300
Customer Service				
General Fund	\$ 295,400	\$	\$ 250,300	\$ 260,100
Department Total	\$ 295,400	\$	\$ 250,300	\$ 260,100
Non-Departmental				
General Fund	\$ 1,250,000	\$	\$ 1,023,500	\$ 1,238,000
Debt Service Fund	849,100		849,100	891,300
Capital Improvement Fund	2,889,000		1,442,600	4,856,000
Grant Fund	3,500,000		3,500,000	3,500,000
CDBG Grant	325,000			325,000
Asset Replacement Fund	60,000		61,800	60,000
Department Total	\$ 8,873,100	\$	\$ 6,877,000	\$ 10,870,300
Water Utilities				
Water Enterprise Fund	\$ 2,897,400	\$	\$ 674,200	\$ 2,914,200
Department Total	\$ 2,897,400	\$	\$ 674,200	\$ 2,914,200
Sewer Utilities				
Sewer Enterprise Fund	\$ 2,437,700	\$	\$ 1,729,700	\$ 2,885,900
Department Total	\$ 2,437,700	\$	\$ 1,729,700	\$ 2,885,900
Roads				
HURF	\$ 1,322,700	\$	\$ 1,198,700	\$ 1,417,500
Department Total	\$ 1,322,700	\$	\$ 1,198,700	\$ 1,417,500
Street Lighting Improvement District				
SLID Fund	\$ 4,000	\$	\$ 4,000	\$ 4,000
Department Total	\$ 4,000	\$	\$ 4,000	\$ 4,000
TOTAL ALL DEPARTMENTS	\$ 24,525,200	\$	\$ 19,125,000	\$ 27,976,800

Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Town of Chino Valley
Full-Time Employees and Personnel Compensation
Fiscal Year 2020

FUND	Full-Time Equivalent (FTE) 2020	Employee Salaries and Hourly Costs 2020	Retirement Costs 2020	Healthcare Costs 2020	Other Benefit Costs 2020	Total Estimated Personnel Compensation 2020
GENERAL FUND	85.0	\$ 4,908,699	\$ 938,843	\$ 825,038	\$ 464,820	= 7,137,400
SPECIAL REVENUE FUNDS						
Highway User Revenue	7.0	\$ 312,317	\$ 37,821	\$ 51,661	\$ 47,601	= 449,400
Total Special Revenue Funds	7.0	\$ 312,317	\$ 37,821	\$ 51,661	\$ 47,601	= 449,400
ENTERPRISE FUNDS						
Water Enterprise Fund	2.5	\$ 147,062	\$ 17,809	\$ 22,318	\$ 15,411	= 202,600
Sewer Enterprise Fund	2.5	\$ 147,062	\$ 17,809	\$ 22,318	\$ 15,411	= 202,600
Total Enterprise Funds	5.0	\$ 294,124	\$ 35,618	\$ 44,636	\$ 30,822	= 405,200
TOTAL ALL FUNDS	97.0	\$ 5,515,140	\$ 1,012,282	\$ 921,335	\$ 543,243	= 7,992,000



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

7.2.

Meeting Date: 06/25/2019
Contact Person: Joe Duffy, Finance Director
 Phone: 928-636-2646 x-1211
Department: Finance
**Estimated length
 of Staff Presentation:**
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to adopt Resolution No. 2019-1143 adopting a Final Budget for Fiscal Year 2019/2020, and proposed expenditure limitation for the same year, in the amount of \$ 27,976,800.
 (Joe Duffy, Finance Director)

Recommended Action: Adopt Resolution No. 2019-1143 adopting a Final Budget and proposed expenditure limitation for fiscal year 2019/2020 in the amount of \$27,976,800.

Attachments

No file(s) attached.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

7.3.

Meeting Date: 06/25/2019
Contact Person: Joe Duffy, Finance Director
 Phone: 928-636-2646 x-1211
Department: Finance
**Estimated length
 of Staff Presentation:**
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to adopt Resolution No. 2019-1141, adopting the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2019/2020, which shall constitute the budgets of the Districts for fiscal year 2019/2020. (Joe Duffy, Finance Director)

Recommended Action: Adopt Resolution No. 2019-1141, approving the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2019/2020, which shall constitute the budgets of the Districts for fiscal year 2019/2020.

Attachments

No file(s) attached.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

8.a.

Meeting Date: 06/25/2019

Contact Person: Chuck Wynn, Police Chief
Phone: 928-636-2646 x-1258

Department: Police

Estimated length None

of Staff Presentation:

Physical location of item: Chino Valley Public Shooting Range, 3926 Shooting Range Road

AGENDA ITEM TITLE:

An 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 a contract that is the subject of negotiations (License and Concessionaire Agreement with Compass Training Center AZ related to management of the Chino Valley Shooting Facility). (Chuck Wynn, Police Chief)

Attachments

Agreement

**LICENSE AND CONCESSION AGREEMENT
FOR
THE CHINO VALLEY SHOOTING FACILITY**

THIS LICENSE AND CONCESSION AGREEMENT (this “Agreement”) is made July 1, 2019, by and between the Town of Chino Valley, an Arizona municipal corporation (the “Town”), and Compass Training Center AZ, an Arizona nonprofit corporation (“Concessionaire”).

RECITALS

A. The Town owns the facility commonly known as the Chino Valley Shooting Facility consisting of approximately 40 acres of real property, which is depicted and legally described on Exhibit A, attached hereto and incorporated herein by this reference, and the shade structures, office, restrooms, storage units and parking area improvements located thereon (the “Facility”).

B. The Town solicited the services of an experienced entity to operate the Facility pursuant to a request for proposals, attached hereto as Exhibit B and incorporated herein by reference (the “RFP”).

C. Concessionaire responded to the RFP by submitting a proposal, in the form attached hereto as Exhibit C and incorporated herein by reference (the “Proposal”), to manage and operate the Facility. The Town desires to have Concessionaire render such services upon the terms and conditions set forth in this Agreement (the “Permitted Use”).

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Concessionaire hereby agree as follows:

1. License and Term.

1.1 Grant of License. The Town hereby grants to the Concessionaire a temporary, non-exclusive license (the “License”) on, over, through and across the Facility for the Permitted Use. This License shall be for the benefit and use of the Concessionaire, its employees, subcontractors and assigns (including without limitation employees, officers and agents) and no others. The License period shall run conterminously with the term of this Agreement. In the event of termination of this Agreement for any reason, the License shall immediately terminate without further act of the parties.

1.2 Term of License.

A. Initial Term. This Agreement shall be effective from the date first set forth above and shall remain in effect until May 27, 2029, unless terminated or canceled earlier as set forth below (the “Initial Term”).

B. Renewal Terms. After the expiration of the Initial Term, this Agreement may be renewed for up to five successive one-year terms (each, a “Renewal Term”) if (i) it is deemed in the best interests of the Town, subject to availability and appropriation of funds for renewal in each subsequent year, (ii) at least 30 days prior to the end of the then-current term of this Agreement, the Concessionaire requests, in writing, to extend this Agreement for an additional one-year term and (iii) the Town approves the additional one-year term in writing (including any price adjustments approved as part of this Agreement), as evidenced by the Town Manager’s signature thereon, which approval may be withheld by the Town for any reason. The Concessionaire’s failure to seek renewal of this Agreement shall cause this Agreement to terminate at the end of the then-current term of this Agreement; provided, however, that the Town may, at its discretion and with the agreement of the Concessionaire, elect to waive this requirement and renew this Agreement. The Initial Term and any Renewal Term(s) are collectively referred to herein as the “Term.” Upon renewal, the terms and conditions of this Agreement shall remain in full force and effect.

C. Non-Default. By requesting extension for a Renewal Term as set forth above, or by consenting to a Renewal Term in any manner, Concessionaire shall be deemed to affirmatively assert that (i) the Town is not currently in default, nor has been in default at any time prior to the Renewal Term, under any of the terms or conditions of the Agreement and (ii) any and all Concessionaire claims, known and unknown, relating to the Agreement and existing on or before the commencement date of the Renewal Term, are forever waived.

1.3 Manner of Use of the Facility. Concessionaire shall use due care and diligence in the use of the Facility for the duration of the Term and in the exercise of its rights hereunder, and it will at all times exercise its rights hereunder at such times and in such manner as approved by the Town and will not cause (i) any interference with the business operations (if any) of the Town on or near the Facility, (ii) any interference with the Town’s customary access to or from the Facility, or (iii) any damage or injury to the Facility, or to any agents, employees or invitees of the Town, ordinary wear and tear to the Facility excepted. Additionally, Concessionaire, at its sole expense, without reimbursement from the Town, shall adhere to all of the following:

A. Property Protection. Concessionaire shall ensure that all physical improvements on or near the Facility are protected from damage by Concessionaire’s use of the Facility. If Concessionaire’s use of the Facility results in damage to the improvements thereon, Concessionaire shall repair or replace such damages to the satisfaction of the Town, at no cost to the Town. Prior to first utilizing the Facility pursuant to this Agreement, Concessionaire shall provide photographic evidence to the Town of all existing damage to

improvements to the Facility, if any. Photographs will clearly show the location of existing damage to the Facility.

B. Property Restoration. Concessionaire shall restore or cause to be restored the portions of the Facility accessed or utilized by Concessionaire pursuant to this Agreement to substantially its original condition prior to the completion of the Term, ordinary wear and tear excepted.

C. No Hazardous Materials. Concessionaire shall not release, discharge or deposit any toxic, hazardous or petroleum products onto the Facility or emit any obnoxious or offensive odor, dust, smoke, gas, noise, vibration, electromagnetic disturbance, radiation or other similar matter that is detrimental to the public health, safety or general welfare. Notwithstanding the foregoing, the Town recognizes that certain hazardous materials are inherently related to a shooting facility, and that so long as Concessionaire complies with the Environmental Stewardship Plan (the “ESP”) set forth in Exhibit D, attached hereto and incorporated herein by reference, it shall not be in violation of this subsection with respect to the substances referred to in the ESP.

D. Limitations on Use; Security. Concessionaire shall not use any portion of the Facility for staging or storage of materials or equipment other than those necessary for operation of the Facility. Upon exiting the Facility, and at the end of each day during the Term, Concessionaire shall secure the Facility to prevent access by unauthorized persons.

E. On-Site Storage. Concessionaire’s equipment may be stored at the Facility only in such areas and by such methods as approved by the Town. All weapons and ammunition stored at the Facility must be properly secured at all times, with access to such locked areas only permitted for Concessionaire’s officers and employees.

1.4 Changes to Town Property. In no event shall Concessionaire make any alterations or improvements to any portion of the Facility except as permitted by the Town, in writing, or as expressly permitted under this Agreement. The Town, in its sole discretion, may allow Concessionaire to modify the Facility to accommodate the Concessionaire’s use or development of the Facility. Any improvements to the Facility to accommodate the Concessionaire’s use thereof shall be at the Concessionaire’s sole cost and expense, unless, at its sole discretion, the Town agrees to participate in the cost thereof.

1.5 Permits; Compliance with Laws. The Concessionaire shall secure, maintain and comply with all required licenses, permits and certificates relating to, or otherwise necessary or appropriate for Concessionaire’s use of the Facility during the Term. Concessionaire shall comply with all applicable federal, state and local laws, rules, regulations, statutes, codes, orders and ordinances, including, but not limited to, those governing the prevention, abatement and elimination of pollution and/or protection of the environment, and the employment of workers. In exercising any rights and privileges under this Agreement, the Concessionaire shall comply fully with all applicable permits, authorizations, approvals and other requirements.

1.6 Liens and Encumbrances. The Concessionaire represents and warrants that it will maintain the Facility free and clear from any liens or encumbrances of any nature whatsoever in connection with the Concessionaire's use of the Facility.

1.7 Reservation of Rights. The Town hereby reserves all such rights and privileges in the Facility as may be used and enjoyed by the Town without interfering with or abridging the rights conveyed to the Concessionaire.

1.8 Not a Public Dedication. Nothing herein contained shall be deemed to be a gift or dedication of any portion of any Facility to the general public, or for any public use or purpose whatsoever. Except as herein specifically provided, no right, privileges or immunities of any party hereto shall inure to the benefit of any third party person, nor shall any third party person be deemed to be a beneficiary of any of the provisions contained herein.

1.9 No Rights to Facility. Concessionaire acknowledges that it is acquiring no rights whatsoever in the Facility, or any portion thereof, except a nonexclusive and revocable license, during the Term, to enter upon the Facility to carry out its obligations pursuant to this Agreement. In acknowledging that Concessionaire is acquiring no rights whatsoever in the Facility, Concessionaire further agrees that it will not assert, in any legal action or otherwise, any right or interest in the Facility, or any portion thereof.

2. Concessionaire Agreement.

2.2 Grant of Concession; Purpose. The Town grants to Concessionaire the privilege of a concession for the purpose of managing the Facility, including shooting range operations, equipment rentals, food/beverage sales (specifically excluding alcoholic beverages, other than those permitted pursuant to a special event permit approved by the Town in its sole discretion), pro shop administration and operation, membership administration, marketing, maintenance, and administrative services for day-to-day management and for special events utilizing the Facility.

2.3 Location of Concession. The Concession shall be operated only within the boundary of the Facility, and Concessionaire shall ensure that its employees, agents, contractors, members, guests and invitees do not utilize any portion of the adjacent Town property.

2.4 Performance Standards; Relationship between the Parties. Concessionaire accepts the relationship of trust and confidence established between Concessionaire and the Town by the terms of this Agreement. Concessionaire covenants with the Town to furnish its best skill and judgment in performing its obligations hereunder, and shall at all times provide such consulting, operational and managerial services in a manner that maintains the good name and business reputation of the Town and the Facility. Concessionaire shall perform its duties and obligations under this Agreement in an efficient, expeditious, prudent and economical manner, consistent with the best interests of the Town, in accordance with the standards followed by Concessionaire in its role as manager of similarly-situated facilities operated by Concessionaire,

in such manner so as to maximize all gross revenues and minimize expenses and otherwise in connection with operation and maintenance of the Facility.

A. Quality of Service.

(1) Quality Standards. It is the intention of the Town that the Facility concession service be of the highest quality attainable. All concession service areas shall be kept clean, orderly and sanitary at all times and in strict accordance with all applicable laws, ordinances, rules and regulations.

(2) Regulatory Requirements. All refreshments sold or kept for sale shall be first quality, wholesome and pure and shall conform in all respects to federal, state, county and municipal food and other laws, ordinances, and regulations and shall be comparable in quality to similar items sold in other recreational facilities in the Yavapai County area. No imitation, adulterated or misbranded article shall be sold or kept for sale. All refreshments kept on hand shall be stored and handled with due regard for sanitation. In the event that the Town notifies the Concessionaire that the quality of a food or beverage item is below the standard outlined herein, Concessionaire shall forthwith cease the sale of such item and the parties shall negotiate in good faith regarding the proper remedy for the matter.

(3) Health Department Rating. If applicable to products sold at the Facility, Concessionaire shall maintain a rating with the Yavapai County Health Department to permit the continuous sale of refreshments in accordance with the Yavapai County Health Code at all times during the Term of this Agreement. Concessionaire shall provide the Town with a copy of any inspection report within three business days after receipt thereof.

(4) Inspections. All refreshments kept for sale by Concessionaire shall be subject to inspection and approval or rejection by the Town and duly authorized representatives of appropriate governmental agencies in the reasonable discharge of their governmental responsibilities.

(5) Prohibited Practices. The Town shall have the right to require that practices of Concessionaire or its employees and agents which are prohibited or unauthorized by this Agreement be discontinued or remedied. Failure of Concessionaire to take appropriate corrective action after notification from the Town shall constitute a breach of this Agreement.

(6) Sanitary Conditions. Concessionaire shall be responsible for the sanitary condition and cleaning of all food service production, storage, and service areas within the Facility.

(7) Waste Removal. Concessionaire shall provide a complete and proper arrangement for the adequate and sanitary handling of all garbage and trash and other refuse caused as a result of the operation of the Facility and shall provide for its

timely removal from the concession areas to a central point designated for removal from the Facility. Concessionaire shall provide and use suitable covered, leak-proof receptacles for all trash and barrels, or other similar items when trash is in view of the public. Concessionaire shall keep any areas for trash and garbage storage prior to removal from Facility in a clean and orderly condition so as not to attract rodents, pests, or birds and shall have all trash and refuse transferred to collection areas designated by the Town. In transporting garbage, trash, and refuse from the Facility, Concessionaire shall use only carts, vehicles, or conveyances that are leak-proof.

B. General Operating Requirements.

(1) Opening Date. Concessionaire shall be open and ready for business (able to receive customers) at the Facility not later than July 1, 2019.

(2) Non-Interference. The public's right to reasonably enjoy the event for which it is in attendance shall not be infringed upon by any activity of Concessionaire or any of its employees or agents. The activities of Concessionaire shall be such as to render service to the public in a dignified manner and no pressure, coercion or persuasion shall be used by Concessionaire in an attempt to influence the public to use the services or product of Concessionaire. All sales shall be conducted and operated in such a manner so as to not interfere with the orderly operation of any event. Neither Concessionaire nor its employees shall distribute campaign or political literature or any literature of any kind at any time in or on the Facility.

(3) No Town Responsibility for Inventory. The Town shall not be responsible for any inventory of refreshments, merchandise, supplies or concession equipment or other assets used or stored by Concessionaire at the Facility, nor will the Town be responsible for damage resulting from a power failure, flood, fire, explosion and/or other causes. However, the Town will use all reasonable efforts to reestablish power in the event of a loss.

(4) Town Entry. Representatives of the Town shall have the reasonable right to enter upon, and inspect all spaces occupied by Concessionaire during the time events are in operation and at all other times when Concessionaire's employees are present, as long as they do not interfere with the operations of Concessionaire. The Town, upon reasonable notice to Concessionaire and in the company of a Concessionaire employee, shall have the right to inspect all locked areas of the Facility and storage areas used by Concessionaire.

C. Employees. Concessionaire shall be the employer of all employees at the Facility, and shall be solely responsible for all human resource issues, including but not limited to wages, payroll taxes, tax withholding, worker's compensation, hiring and firing, compliance with applicable federal occupational, health, and safety laws and regulations, and all other matters. Concessionaire shall be responsible for any employment-related liability, fine, penalty or award (including the cost of defense and attorney fees) with respect to claims, demands, arbitration or litigation brought by an

employee or employees of Concessionaire at the Facility resulting from violations of federal, state or local laws, ordinances or regulations governing the employment or working conditions of the employees at the Facility ("Damages") by Concessionaire's corporate office, and/or Facility supervisory staff. Concessionaire shall not be entitled to any reimbursement by the Town for such Damages unless such Damages were the result of a policy or procedure that was required in writing by the Town.

(1) Sufficient Personnel. Concessionaire shall employ and supervise such personnel as shall be necessary for the safe and efficient performance of its obligations under this Agreement.

(2) Employee Appearance. Concessionaire's employees shall be appropriately attired in apparel identifying such persons as Concessionaire employees.

D. Observance of Laws, Rules and Regulations, Permits. Concessionaire shall, at all times, observe and comply, at its own expense, with all statutes, ordinances, orders, regulations and requirements of all governmental authorities (including without limitation, the requirements of Title I of the Americans With Disabilities Act) that may be applicable to this Agreement. Concessionaire shall use the Facility only for the Permitted Use and for no unlawful purposes whatsoever.

E. Payment of Impositions. Concessionaire shall pay when they become due and payable, all assessments, excises, license and permit fees, real and personal property taxes, transaction privilege ("sales") taxes and other governmental levies of any kind whatsoever (collectively, "Impositions") which may be assessed or levied by a governmental agency against Concessionaire or grow or become due and payable by Concessionaire out of or caused by this Agreement or any activity or use of the Facility by Concessionaire, its employees, contractors, agents and invitees.

F. Nondiscrimination. Concessionaire shall not discriminate against any worker, employee or applicant, or any member of the public, because of race, color, religion, gender, sexual orientation, national origin, age or disability nor otherwise commit an unfair employment practice. Concessionaire will take action to ensure that applicants are employed, and that employees are dealt with during employment, without regard to their race, color, religion, gender, sexual orientation, or national origin, age or disability. Concessionaire further agrees that this clause will be incorporated in all subcontracts with all labor organizations furnishing skilled, unskilled and union labor, or who may perform any such labor or services in connection with this Agreement.

G. Compliance with Immigration Reform and Control Act of 1986 (IRCA). Concessionaire understands and acknowledges the applicability of the IRCA to it and agrees to comply with the IRCA in performing under this Agreement. Concessionaire warrants that verification checks have been put into effect by Concessionaire. Concessionaire agrees to indemnify the Town against damages arising from any verification violations or violations arising from the hiring of undocumented workers.

H. Operational Requirements. Concessionaire shall operate and maintain the Facility in a manner and on a schedule that is substantially similar to that of other similar facilities in Yavapai County.

(1) Maintenance. Concessionaire shall be responsible for regular and continuous maintenance of the Facility, including but not limited to, the interior and exterior of all structures, the grounds and other amenities, and all equipment and fixtures. Subject to Town approval, Concessionaire will implement a maintenance plan, and shall thereafter regularly and continuously maintain the Facility and all landscaped areas in accordance with the approved plan.

(2) Inspections. Concessionaire shall consent to and provide access for Town inspection of the Facility to confirm continued compliance with the approved maintenance plan. Said inspections shall, if possible, be timed so as not to interfere with the regular operation of the Facility.

(3) Costs and Expenses. Concessionaire shall be solely responsible for all costs and expenses incurred in the operation, management, and maintenance of the Facility, including, but not limited to, (a) all expenditures incurred by Concessionaire in the performance of its obligations under this Agreement; (b) the costs and expenses of re-ordering, restocking, maintaining, repairing and/or replacing equipment and supplies; (c) the costs and expenses of ordering/reordering foodstuffs and beverages; and (d) all other related expenses.

(4) Financial Reporting. Within 45 days after the end of each calendar quarter, Concessionaire shall deliver to Town the following information, in a form reasonably acceptable to Town: (a) a profit and loss statement, balance sheet, cash flow statement, and budget variance report showing the results of operation of the Facility for such quarter and for the operational year to date; and (b) a report indicating the number of general public patrons who use the Facility.

(5) Marketing. Concessionaire shall be responsible for the development of all marketing materials, including brochures, promotional fliers, scorecards, etc., and shall be responsible for all advertising and marketing, including but not limited to website, internet and/or email marketing efforts. The parties agree that the Town may use, at no cost, Concessionaire's marketing and advertising materials on the Town's website, billboards, publications and in other promotional materials.

(6) Utilities. Concessionaire shall be responsible for establishing and paying for all utilities at the Facility.

(7) Signs. Concessionaire shall provide a minimum of two signs on the premises identifying the Concessionaire as managing the Facility and providing for the days and hours of operation. The signs shall list a telephone number and website address where the Concessionaire may be reached. Concessionaire shall erect no advertising signs on the Facility except with the written consent of the Town

Manager and in accordance with the Town's sign regulations. Concessionaire shall also install at least one permanent sign, in a form and at a location approved by the Town, crediting the Arizona Game and Fish Department for its contributions to the Facility.

(8) User Fees. Concessionaire shall be permitted to establish rates and fees for use of the Facility, provided such fees are reasonable. The Town and Concessionaire agree that the initial rates and fees to be charged by Concessionaire at the Facility, as set forth in Exhibit E and incorporated herein by reference, are hereby determined to be reasonable, and all future increases shall be justified in relation to the rates and fees in Exhibit E. Concessionaire shall provide the Town with prior, written notice of any proposed rate or fee change, which notice shall be delivered to the Town Manager not later than 6 days prior to the proposed date of the rate or fee change.

I. Taxes, Compensation Insurance, Licenses. Concessionaire shall pay promptly all taxes and excise or license fees of whatever nature, applicable to this concession, and obtain and keep current all licenses required for the conduct of this concession. Concessionaire shall not permit any of said taxes, or excise or license fees to become delinquent. Concessionaire shall at all times maintain adequate Workers Compensation Insurance and ensure the payment of compensation to all employees engaged in the operation of said concession.

2.5 Restricted Activities of Concessionaire. Without the prior, written consent of the Town, which consent may be granted or withheld in Town's sole discretion, Concessionaire shall not do, or cause or permit to be done, any of the following throughout the Term:

A. Borrow or Lend. Borrow or lend money in the name of the Facility or the Town.

B. Leases or Agreements. Enter into any lease, license, management or other agreement or contract relating, directly or indirectly, to occupancy or operation of the Facility, other than rental agreements related to private parties.

C. Assignment of Interests. Make, execute or deliver in Town's name, or with respect to any of Town's assets or the Facility, any assignment for the benefit of creditors or any bond, confession of judgment, chattel mortgage, security instrument, deed, guarantee, indemnity bond or surety bond.

D. Guaranty. In the name of or on behalf of the Town, endorse any note, or become a surety, guarantor, or accommodation party to any obligation.

E. Legal Action. Commence or maintain in the name of or on behalf of the Town any action or proceeding, whether judicial, administrative or otherwise.

F. Protected Marks. Use any trade names, trademarks, logos, emblems or similar identifying marks of the Town.

2.6 Not a Lease. Concessionaire shall not by virtue hereof be deemed to have become the tenant of Town; provided, however, that as to the location of the concession as described below in this Agreement, Concessionaire is entitled to use such premises and shall be deemed merely to be a licensee entitled to enter therein for the purpose of exercising the rights and privileges granted by the concession. Upon any termination of this Agreement, Town shall have the right through such means as it sees fit to remove and exclude therefrom Concessionaire and any of Concessionaire's employees without being deemed guilty of any unlawful entry, trespass or injury of any sort whatsoever.

3. Town Obligations.

3.1 Condition of Facility. At the time Town turns over possession and control of the Facility to Concessionaire, all portions of the Facility shall be fully functional and operational, in a condition that comports with industry standards.

3.2 Capital Improvements. It is expressly understood and agreed by the parties that all capital improvement projects to the Facility are solely in the Town's control and discretion. All costs and expenses of capital improvement projects shall be paid from Concessionaire funds, unless otherwise agreed in writing by the parties. Ownership of all capital improvements shall remain with the Town at all times during and after the Term of this Agreement.

4. Compensation; Invoices: Concessionaire shall pay the Town an amount for the privilege of occupying the Facility (the "License Fee") according to the calculation procedure and schedule of payment set forth below:

4.1. License Fee Calculation. The License Fee shall be 5% of Gross Revenues (defined below) for all activities at the Facility.

4.2. License Fee Payment. The License Fee shall be calculated annually; however Concessionaire shall pay the License Fee to the Town in quarterly estimates, with an annual reconciliation amount equal to the difference between the quarterly estimates and the actual, calculated License Fee. Concessionaire shall pay to the Town quarterly in arrears with respect to each calendar quarter during the Term, an estimate of the License Fee due for that calendar year based on Gross Revenues earned to date (each, an "Estimated Payment"), less prior Estimated Payments thereof. Each Estimated Payment shall be due within 45 days after the end of the quarter. Concessionaire shall pay to the Town annually in arrears any License Fee due for that calendar year less prior Estimated Payments. Each annual payment shall be due within 90 days after the end of the calendar year. In the event this Agreement is terminated prior to the end of the Term hereof, Concessionaire shall pay the Town, not later than 30 days after the early termination date, any portion of the License Fee due on the date of such early termination.

4.3. Liquidated Damages. If Concessionaire fails to operate the Facility or breaches the terms of this Agreement at any time prior to the natural expiration of the Agreement, Concessionaire hereby agrees that, upon its default hereunder and expiration of the

cure period set forth in Section 5 below, it shall pay the Town, as liquidated damages and in addition to any amounts otherwise due, within 30 days of receipt of the Town's written demand therefore, an amount equal to 100% of the License Fee for the prior six-month period, according to the calculation set forth above, as of the date of the Town's written demand.

4.4 Gross Revenues.

A. Operating Account. Prior to July 1, 2019, Concessionaire shall establish an interest-bearing account with a financial institution of its choice (the "Operating Account") to be used in the operation of the Facility. All Gross Revenues from the operations of the Facility shall be paid into the Operating Account and all Facility Expenses (as defined in Section 4.5 below) shall be paid from the Operating Account. Concessionaire shall own the Operating Account, shall have check writing authority with respect to it and shall be entitled to all interest accruing on it. Funds in the Operating Account in excess of those necessary to pay for Facility Expenses, to pay fees and to provide adequate cash reserves may be withdrawn by Concessionaire.

B. Gross Revenues Defined. "Gross Revenues" means and includes all receipts and revenues received by Concessionaire or any affiliate relating to or derived from the Facility, in whatever form, unless such item of revenue is specifically excepted or excluded below. By way of example, and in no way limiting the all-inclusive nature of the term, "Gross Revenues" expressly include all of the following:

(1) Commissions, fees or profit shares received by Concessionaire (or any affiliate) from revenues generated from sales by concessionaires at the Facility where the gross revenues from such sales are not received by or payable to Concessionaire or any affiliate, including, for example, vending machine commissions, ATM commissions, etc.

(2) All finance charges to customers, in case of sales on credit, whether or not payment is actually made, at, in, on or from the Facility.

(3) Revenues from the sale of gift certificates, when such revenues are received.

(4) All service fees or other consideration paid to Concessionaire as compensation for Concessionaire's sale or distribution of any item approved by the Town to be sold or distributed at the Facility.

(5) All charges for services, alterations or repairs made at, in, on or from the Facility.

(6) The proceeds of business interruption insurance, if applicable, received by Concessionaire with respect to the Facility.

(7) Payments or other compensation from any user of all or

part of the Facility (including, without limitation, compensation for interior signage), unless the revenues derived by such user's operations from the Facility have already been included in the calculation of Gross Revenues.

C. Exclusions from Gross Revenues. Gross Revenues shall exclude (or be reduced by, as the case may be) all of the following:

(1) The amount of all sales tax receipts required to be accounted for by Concessionaire and paid to any government or governmental agency, but not the amount of any excise tax (except a consumer excise tax) or other governmental obligation in the nature of a tax on the privilege of doing business.

(2) The amount of any sales initially included in Gross Revenues that are subsequently subject to refund or credit.

(3) The amount of any revenues received by any licensee, contractor or concessionaire (unless such licensee, contractor or concessionaire is an affiliate) operating in or from the Facility which are not paid or required to be paid to Concessionaire.

(4) The amount of any revenues received by non-affiliate special, corporate or group business events or tournament promoters, impresarios, outside catering companies or similar third party independent contractors (including revenues derived from the sale of food or beverages) involved in the promotion or conduct of special, corporate or group business events or tournaments, which revenues are not paid or required to be paid to Concessionaire; provided, however that any fees paid to Concessionaire by such group for use of the Facility shall be included in Gross Revenues.

(5) The amount of sponsorship or advertising revenues generated from the Facility which are received by Concessionaire from sponsors or advertisers but are paid to advertising agencies or brokers as commissions.

(6) Gratuities paid or given by customers to employees of Concessionaire or food and beverage service charges billed to group business clients.

(7) Proceeds of insurance other than business interruption insurance applicable to the Facility.

(8) Loan proceeds, if any.

(9) Credits or refunds received from vendors or other third parties as a result of damage claims made by Concessionaire with respect to defective goods or services previously purchased.

(10) Checks or other instruments returned for insufficient funds.

(11) Late charges or interest assessed and received on delinquent accounts receivable, and merchant card fees paid by Concessionaire.

(12) Grants or donations received by Concessionaire from unrelated third parties for capital improvements at the Facility.

D. Special Rules regarding Gross Revenues.

(1) Multi-Facility Tournaments. Concessionaire and its affiliates may seek to organize jointly tournaments, camps or clinics to be held at the Facility and one or more other facilities (the “Joined Facilities”) as a sponsor. In such event, the revenues from such Joined Facilities tournament, camp or clinic shall be allocated among the Joined Facilities on the basis of the number of hours used in each Joined Facilities (or other equitable basis, subject to Town approval), and Gross Revenues will include only the revenues allocated to the Facility.

(2) Multi-Facility Sponsorships. Concessionaire and its affiliates may seek “Sponsorships” meaning any agreement entered by Concessionaire and its affiliates with any entity by which such entity is given the right to identify commercially with Joined Facilities as a sponsor, preferred company or other designation of similar import. In such case, the Sponsorship revenues shall be allocated among the Joined Facilities equally (or other equitable basis, subject to Town approval), and Gross Revenues will include 90% of such revenues from National or Regional Sponsors (such “National or Regional Sponsors” means, for the purposes of this Agreement, sponsors with operations in areas outside of Arizona), and 100% of such revenues from other sponsors, allocated to the Facility.

(3) Facility-Only Sponsorships. For Sponsorships applicable only to the Facility, Gross Revenues will include 90% of such revenues from National or Regional Sponsors, and 100% of such revenues from other sponsors.

4.5 Facility Expenses. During the Term, Concessionaire shall bear and pay all of the following (“Facility Expenses”): all routine and ordinary maintenance and repairs to the Facility required to preserve them in good working repair during their projected useful life, including (A) any costs incurred by or imposed on Concessionaire in the performance of its obligations under this Agreement, (B) all fees payable to Town under this Agreement, and (C) any cost expressly identified as a Facility Expense in this Agreement.

4.6 Financials

A. Sales Recording and Records. Concessionaire shall record at the time of sale, in the presence of the customer, receipts from sales or other transactions, whether cash or credit, in a cash register or registers, or a point of sale terminal or terminals, having a tape or recording device that accumulates and consecutively numbers all transactions. A receipt from any transaction showing the correct amount of purchase shall be offered to the customer at the time of any transaction, including any cash sale.

Transactions not ordinarily recorded in a cash register or point of sale terminal shall be noted on and kept in a ledger format. The Annual P&L Statement and the Balance Sheet to be furnished to the Town as provided herein shall be prepared in accordance with generally accepted accounting principles (either cash or accrual basis). Concessionaire shall keep all of the following for the purpose of audit by the Town:

(1) Accounting Records. Full and accurate books of account and records including, without limitation, a sales journal, general ledger and all bank account statements showing deposits of Gross Revenues.

(2) Receipts. All cash register or point of sale terminal receipts with regard to the Gross Revenues, credits, refunds and other pertinent transactions made from or on the Facility.

(3) Record of Exclusions. Detailed original records of any exclusions or deductions from Gross Revenues.

B. Quarterly and Annual P&L Statements and Balance Sheets.

(1) Quarterly Financial Reports. Within 45 days after the end of each calendar quarter during the Term, commencing with respect to the first calendar quarter of the first full calendar year, Concessionaire shall furnish the Town with a Quarterly P&L Statement and a Quarterly Balance Sheet certified as correct by an authorized member or officer of Concessionaire.

(2) Annual Financial Reports. Within 90 days following the end of each calendar year commencing with respect to the first full calendar year, Concessionaire shall furnish the Town with an Annual P&L Statement and an Annual Balance Sheet certified as correct by an authorized member or officer of Concessionaire.

(3) Form and Content. Each Quarterly P&L Statement and Annual P&L Statement shall be in the form acceptable to the Town Mayor or authorized designee. The parties may change the form of the P&L Statements from time to time by mutual agreement. The P&L Statements and the Balance Sheets shall be prepared on a cash or accrual basis, as determined by Concessionaire, provided the method chosen for a particular calendar year shall be consistently used throughout such calendar year.

C. Audit and Examination Rights.

(1) Audit Procedures. The Town shall be entitled at any time and from time to time during the Term, until three years after the end of the calendar year for which any Annual P&L Statement relates, to question the sufficiency or accuracy of the Gross Revenue and License Fee calculations. At any time during the Term and within one year after the end of the Term, the Town may cause an audit or examination of Concessionaire's Gross Revenue and License Fee calculations by Town employees or an independent accountant of the Town's own selection for the three most recently ended

calendar years. If Gross Revenues for such calendar year(s) delivered by Concessionaire to the Town are found to be less than the amount of Concessionaire's actual Gross Revenues, Concessionaire shall immediately pay to the Town earned but unpaid payments of License Fees due to the Town. If the audit reveals an understatement of Gross Revenues for such calendar year(s) by more than 5%, Concessionaire shall immediately pay to the Town the reasonable cost of the audit. Otherwise, the cost of the audit shall be paid by the Town. If, 10 days after written request therefor, Concessionaire fails to provide to the Town any Quarterly P&L Statement or Annual P&L Statement in the manner specified in this Agreement, this failure shall constitute a default under this Agreement. In such an event, the Town shall have the right in addition to any other rights or remedies it may have under this Agreement, to conduct an audit to enable the Town independently to determine the Gross Revenues for the Facility. Concessionaire shall reimburse the Town for the cost of such audit within 10 days of written demand by the Town.

(2) Examination of Books. Concessionaire shall, for a period of seven years following the delivery of each Annual P&L Statement, including the seven year period following the end of the Term, keep and maintain, safe and intact, all of the records, books and accounts required under this Section, and shall from time to time, upon request, make these records available to the Town, the Town's auditor, representative or agent for examination at any reasonable time on five days advance written notice. Concessionaire's books and records shall be made available for inspection by the Town or its representative at the Facility at Chino Valley, Arizona. The Town shall also have the right to make abstracts from the records, to make copies of any or all of the records and to examine and make copies of any or all contracts, licenses and concession agreements. In addition, on request of the Town or the Town's representatives, Concessionaire shall furnish copies of Concessionaire's state and local sales and use tax returns.

(3) Town Staff Inspections. Concessionaire hereby waives, for the term of this Agreement any rights it may have to keep confidential any records indicating the amount of sales generated by at or related to the Facility. Concessionaire further agrees to (a) take all steps necessary and to execute any required documents to permit the Town's authorized representative to examine any such records and (b) require, as part of any contract or agreement between Concessionaire and any person, firm or entity operating any business related to the Facility (the "Facility Occupants"), that such Facility Occupants agree to waive, for the term of this Agreement, any rights it may have to keep confidential any records indicating the amount of taxable activity relating to the Facility. Town staff shall have the right, from time to time to visit and inspect the operations of the Facility to confirm compliance with this Agreement.

4.7 Capital Improvements and Repairs.

A. Capitalized Repairs. "Capitalized Repair" means any maintenance and repair expense required to be capitalized in accordance with sound accounting practice, including without limitation (1) major repair or reconstruction of the Facility's

mechanical, electrical or plumbing systems and structural items, including building roofs, slabs, foundations or walls, (2) heating, ventilation, air conditioning, plumbing, sewer, utility, irrigation and drainage systems, (3) parking lot paving and slurring, (4) perimeter lighting, (5) paved areas other than parking areas, (6) kitchen equipment and (7) safety beams and fencing.

(1) Capitalized Repairs and Replacements. Concessionaire shall be responsible for all Capitalized Repairs, which shall be attended to according to the procedure set forth in this subsection.

(a) Concessionaire shall notify the Town Manager or authorized designee, in writing, of the nature, extent and cost of any Capitalized Repairs not later than 10 business days prior to undertaking any such repair. The Town Manager or authorized designee shall evaluate Concessionaire's assessment of the need for and cost of a Capitalized Repair and shall notify Concessionaire of the Town's approval or disapproval of the Capitalized Repair, in writing, within 10 business days after receipt of Concessionaire's notification.

(b) Once approved by the Town, Concessionaire shall contract for and make all Capitalized Repairs without undue interruption or delay, with due diligence and in a good, workmanlike manner, using first class quality construction practices and materials.

B. Capital Improvements. Concessionaire shall, on an annual basis (or more frequently if circumstances require), provide the Town with a report regarding any improvements that reasonably in accordance with sound practice should be made to the Facility, if any, to ensure that it remains a competitive, first-class venue ("Capital Improvements"). If Concessionaire recommends that any Capital Improvements projects should be completed within any full calendar year, it shall provide the Town with an estimate the cost of doing so. All Capital Improvements projects shall require the Town's prior authorization, which shall not be unreasonably withheld. The Town may, at its sole discretion, choose to contribute to the cost of Capital Improvements.

4.8 Damage or Destruction. If the Facility is damaged prior to July 1, 2019, the Town shall repair such damage at its expense. Thereafter, should the Facility be substantially damaged by a Force Majeure Event, either the Town or Concessionaire, by written notice to the other given within 60 days following the occurrence of such event, shall have the right to terminate this Agreement. If either does so, neither party shall have any further obligation to the other party under this Agreement, except with respect to liabilities accruing, or based upon events occurring, prior to the effective date of such termination. The Facility shall be deemed to have been "Substantially Damaged" if: (A) the cost of restoring the Facility to their condition immediately before such damage, after applying any insurance proceeds ("Casualty Cost"), is 50% or more of the replacement cost of the Facility Improvements or (B) the Casualty Cost is more than 25% of the replacement cost of the Facility Improvements and the Term has less than three years remaining. If this Agreement is not terminated in the event of damage to the Facility either because the damage does not amount to "substantial damage" as described above, or

notwithstanding substantial damage to the Facility, neither party elects to terminate this Agreement, then the Town shall proceed, at the Town's own expense (after application of any insurance proceeds), with all due diligence to commence and complete restoration of the Facility to its condition and character just prior to the occurrence of such casualty. During any repair period resulting from an event causing the Facility to be Substantially Damaged, the License Fee shall not apply, but only for such time until such repairs have been substantially completed in a manner that would allow for the primary uses of the Facility to be conducted.

5. Default; Termination; Cancellation.

5.1 Default; Cure Period.

A. Default and Cure Process. Failure or delay by either party to perform or otherwise act in accordance with any term or provision hereof shall constitute a breach of this Agreement. Any breach not cured within 30 days after written notice is received from the non-breaching party, shall constitute a default under this Agreement, provided, however, that if the failure is such that more than 30 days would reasonably be required to perform such action or comply with any term or provision hereof, then the breaching party shall have such additional time as may be necessary to perform or comply so long as the breaching Party commences performance or compliance within said 30-day period and diligently pursues such cure to completion; provided, however, that no "Cure Period" shall exceed 90 days. Any notice of a breach shall specify the nature of the alleged breach and the manner in which said breach may be satisfactorily cured, if possible. The 30-day period shall not apply where an ordinance or statute requires the Town to perform or otherwise act in a period in excess of 30 days.

B. Parties' Remedies. In the event of a default, the non-defaulting party may, in that party's sole discretion, terminate this Agreement. Upon such termination, all rights and obligations under this Agreement shall become null and void (except for those rights and obligations designated in this Agreement to survive the termination of this Agreement), and the defaulting party shall be liable to the non-defaulting party for any damages resulting from the breach.

5.2 Additional Termination Rights for Town. In addition to the rights set forth in Section 5.1 above, the Town shall have the right to immediately terminate this Agreement without regard to the Cure Period if any of the following events shall occur:

A. Insolvency. Concessionaire shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or a petition or answer seeking an arrangement or its reorganization or the readjustment of its indebtedness under the Federal bankruptcy laws or under any other law or statute of the United States or of any State thereof, or consent to the appointment of a receiver, trustee, or liquidator of all or substantially all of its property.

B. Court Order. By order or decree of the court Concessionaire shall be adjudged bankrupt or an order shall be made approving a petition filed by any of its creditors or by any of its stockholders or partners, seeking its reorganization or the readjustment of its indebtedness under the Federal bankruptcy laws or under any law or statute of the United States or any State thereof.

C. Petitions Against Concessionaire. A petition under any part of the Federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against Concessionaire and shall not be dismissed or stayed within 30 days after the filing thereof.

D. Unauthorized Assignment. Concessionaire, without having obtained the consent of the Town as required in this Agreement, Assigns (as such term is defined below) any interest requiring the consent of the Town.

E. Health Conditions Failure. Concessionaire, as a result of Concessionaire's actions or inaction within the Concessionaire's control, fails to maintain a rating in accordance with the Yavapai County Health Code that would permit continued sale of refreshments at the Facility and after finally exhausting all of the Concessionaire's rights to appeal before the Yavapai County Health Department, Concessionaire has failed to cure such default with a time, period acceptable to the Yavapai County Health Department.

5.3 Continued Operation by Town. In the event this Agreement is terminated pursuant to any of the provisions of this Section 5, the Town shall have the right to operate the Facility or to separately contract with an entity to provide services at the Facility; Concessionaire shall have no right to any revenues therefrom.

5.4 Due to Work Stoppage. This Agreement may be terminated by the Town upon 30 days' written notice to Concessionaire in the event that the Services are permanently abandoned. In the event of such termination due to work stoppage, Concessionaire shall immediately surrender to the Town any proceeds existing from the Facility's operations as of the termination date.

5.5 Conflict of Interest. This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. The Town may cancel this Agreement without penalty or further obligations by the Town or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Town or any of its departments or agencies is, at any time while this Agreement or any extension of this Agreement is in effect, an employee of any other party to this Agreement in any capacity or a contractors to any other party of this Agreement with respect to the subject matter of this Agreement.

5.6 Gratuities. The Town may, by written notice to the Concessionaire, cancel this Agreement if it is found by the Town that gratuities, in the form of economic opportunity, future employment, entertainment, gifts or otherwise, were offered or given by the

Concessionaire or any agent or representative of the Concessionaire to any officer, agent or employee of the Town for the purpose of securing this Agreement. In the event this Agreement is canceled by the Town pursuant to this provision, the Town shall be entitled, in addition to any other rights and remedies, to recover and withhold from the Concessionaire an amount equal to 150% of the gratuity.

5.7 Agreement Subject to Appropriation. The Town is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the Town's then current fiscal year. The Town's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered legislative discretion of the Town concerning budgeted purposes and appropriation of funds. Should the Town elect not to appropriate and budget funds to pay its Agreement obligations, this Agreement shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose and the Town shall be relieved of any subsequent obligation under this Agreement. The parties agree that the Town has no obligation or duty of good faith to budget or appropriate the payment of the Town's obligations set forth in this Agreement, if any, in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. The Town shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The Town shall keep the Concessionaire informed as to the availability of funds for this Agreement. The obligation of the Town to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the Town. Concessionaire hereby waives any and all rights to bring any claim against the Town from or relating in any way to the Town's termination of this Agreement pursuant to this Section.

5.8 Transition to New Management Company or Operator. Subsequent to Concessionaire receiving written notification of the termination or expiration of this Agreement as set forth above, Concessionaire shall cooperate reasonably with the Town in the transition of management responsibility to a new management company or operator. In connection therewith, Concessionaire shall provide reasonable training, assistance, and direction to the new management company or operator, and shall, in good faith, endeavor to facilitate a smooth, seamless and efficient transition of management responsibility. Concessionaire's failure to comply with this Section shall constitute a material default of this Agreement. The Concessionaire and the Town acknowledge that in the event that the Concessionaire fails to perform its obligations under this Section 5.8, the Town will incur substantial damages and the extent of such damages shall be incapable of accurate measurement. Nonetheless, the parties acknowledge that on the date of this Agreement, an amount of liquidated damages of \$5,000 represents a good faith estimate as to the actual potential damages that the Town would incur as a result of Concessionaire's breach of its obligations under this Section 5.8. Such liquidated damages shall be the sole and exclusive remedy of the Town for Concessionaire's breach of its obligations under this Section 5.8, and the Town hereby waives all other remedies available at law or in equity. The amount of the liquidated damages calculated hereunder does not include any penalty.

5.9 Right to Exclude Concessionaire. In the event of any breach of any of the terms and conditions of this Agreement, the Town shall have, in addition to any other recourse,

the right to terminate this Agreement and remove and exclude any and all persons from the premises and to remove and exclude all property of Concessionaire therefrom.

6. Limitations on Assignment of Agreement.

6.1 Prior Consent Required. Concessionaire shall not have the right to “Assign” this Agreement, without having first obtained prior, written consent thereto from the Town. Such consent may be based, in part, on whether the proposed purchaser, assignee or transferee (A) is capable of meeting the Concessionaire’s obligations, and (B) has acknowledged in a form satisfactory to the Town that it shall assume all obligations hereunder of the Concessionaire. For purposes of this Agreement, “Assign” (or as the context may require, “Assignment”) shall be defined as (A) transferring or conveying any interest in, or transferring or delegating responsibilities under, this Agreement, or (B) the occurrence of a merger, change of control, or transfer of substantially all the assets of a party, whether by operation of law or otherwise.

6.2 Effect of Denial of Consent. If the Town decides to withhold its consent, then Concessionaire’s only remedy shall be to terminate this Agreement by giving 90 days’ prior, written notice thereof to the Town. Such termination shall be effective at the end of the then-current Town fiscal year.

6.3 Assignment to Affiliate. Notwithstanding anything herein to the contrary, Concessionaire shall have the right to assign, transfer or convey this Agreement to an affiliate of Concessionaire, provided that Concessionaire shall guarantee thereafter the payment and performance obligations of such affiliate. Such guarantee shall be given in a form that is satisfactory to the Town.

6.4 Subcontracts. Notwithstanding anything herein to the contrary, Concessionaire shall have the right to enter into subcontracts for vendors to provide any portion or all of the concession services set forth above; provided, however, that such subcontract shall not act as an assignment of this Agreement and Concessionaire shall remain solely responsible for the obligations set forth in this Agreement.

7. Indemnification. To the fullest extent permitted by law, the Concessionaire shall indemnify, defend and hold harmless the Town and each Council Member, officer, employee or agent thereof (the Town and any such person being herein called an “Indemnified Party”), for, from and against any and all losses, claims, damages, liabilities, costs and expenses (including, but not limited to, reasonable attorneys’ fees, court costs and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever (“Claims”), insofar as such Claims (or actions in respect thereof) relate to, arise out of, or are caused by or based upon the negligent acts, intentional misconduct, errors, mistakes or omissions, in connection with the work or services of the Concessionaire, its officers, employees, agents, or any tier of subcontractor in the performance of this Agreement. The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section.

8. Insurance.

8.1 General.

A. Insurer Qualifications. Without limiting any obligations or liabilities of Concessionaire, Concessionaire shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Arizona pursuant to ARIZ. REV. STAT. § 20-206, as amended, with an AM Best, Inc. rating of A- or above with policies and forms satisfactory to the Town. Failure to maintain insurance as specified herein may result in termination of this Agreement at the Town's option.

B. No Representation of Coverage Adequacy. By requiring insurance herein, the Town does not represent that coverage and limits will be adequate to protect Concessionaire. The Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement, but have 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 Concessionaire 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.

C. Additional Insured. All insurance coverage, 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, the Town, its agents, representatives, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Agreement. Concessionaire shall ensure all necessary endorsements are executed related to the Additional Insured coverage.

D. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement are satisfactorily performed, completed and formally accepted by the Town, unless specified otherwise in this Agreement.

E. Primary Insurance. Concessionaire's insurance shall be primary insurance with respect to performance of this Agreement and in the protection of the Town as Additional Insured.

F. 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 years past completion and acceptance of the services. Such continuing coverage shall be evidenced by submission of annual Certificates of Insurance and endorsements citing applicable coverage is in force and contains the provisions as required herein for the three-year period.

G. Waiver. All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the Town, its agents, representatives, officials, officers and employees for any claims arising out of the work or services of Concessionaire. Concessionaire shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

H. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that 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 the Town. Concessionaire shall be solely responsible for any such deductible or self-insured retention amount.

I. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, Concessionaire shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Section and insurance requirements set forth herein protecting the Town and Concessionaire. Concessionaire shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance and endorsements verifying the insurance requirements.

J. Evidence of Insurance. Prior to commencing any work or services under this Agreement, Concessionaire will provide the Town with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies as required by this Agreement, issued by Concessionaire's insurance insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages (including necessary endorsements), conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Confidential information such as the policy premium may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. The Town shall reasonably rely upon the certificates of insurance and declaration page(s) of the insurance policies as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the policies required by this Agreement expire during the life of this Agreement, it shall be Concessionaire's responsibility to forward renewal certificates and declaration page(s) to the Town 30 days prior to the expiration date. All certificates of insurance and declarations required by this Agreement shall be identified by referencing this Agreement. A \$25.00 administrative fee shall be assessed for all certificates or declarations received without a reference to this Agreement. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing this Agreement will be subject to rejection and may be returned or discarded. Certificates of insurance and declaration page(s) shall specifically include the following provisions:

(1) The Town, its agents, representatives, officers, directors, officials and employees are Additional Insureds as follows:

(a) Commercial General Liability – Under Insurance Services Office, Inc., (“ISO”) Form CG 20 10 03 97 or equivalent.

(b) Auto Liability – Under ISO Form CA 20 48 or equivalent.

(c) Excess Liability – Follow Form to underlying insurance.

(2) Concessionaire’s insurance shall be primary insurance with respect to performance of this Agreement.

(3) All policies, except for Professional Liability, including Workers’ Compensation, waive rights of recovery (subrogation) against the Town, its agents, representatives, officers, officials and employees for any claims arising out of work or services performed by Concessionaire under this Agreement.

(4) ACORD certificate of insurance form 25 (2014/01) is preferred. If ACORD certificate of insurance form 25 (2001/08) 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.

8.2 Required Insurance Coverage.

A. Commercial General Liability. Concessionaire shall maintain “occurrence” form Commercial General Liability insurance with an unimpaired limit of not less than \$2,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate and a \$5,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as ISO policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured’s clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, officials and employees shall be cited as an Additional Insured under ISO, Commercial General Liability Additional Insured Endorsement form CG 20 10 03 97, 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 subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

B. Vehicle Liability. Concessionaire shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 each occurrence on Concessionaire's owned, hired and non-owned vehicles assigned to or used in the performance of the Concessionaire's work or services under this Agreement. Coverage will be at least as broad as ISO 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 the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

C. Professional Liability. If this Agreement is the subject of any professional services or work, or if the Concessionaire engages in any professional services or work in any way related to performing the work under this Agreement, the Concessionaire shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the professional services performed by the Concessionaire, or anyone employed by the Concessionaire, or anyone for whose negligent acts, mistakes, errors and omissions the Concessionaire is legally liable, with an unimpaired liability insurance limit of \$2,000,000 each claim and \$2,000,000 annual aggregate.

D. Workers' Compensation Insurance. If Concessionaire employs anyone who is required by law to be covered by Workers' Compensation Insurance, Concessionaire shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over Concessionaire's employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

8.3 Cancellation and Expiration Notice. Insurance required herein shall not expire, be canceled, or be materially changed without 30 days' prior, written notice to the Town.

9. Miscellaneous.

9.1 Independent Contractor.

A. Business Operations. It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. Concessionaire is not an agent or employee of the Town, for all purposes including the Federal Insurance Contributions Act, the Federal Unemployment Tax Act, the withholding of income tax under the Income Tax Act, the Arizona Workers Compensation Act, the Arizona Economic Security Act, and any and all other applicable

Federal or State statutes, rules or regulations. The Concessionaire acknowledges and agrees that the services provided under this Agreement are being provided as an independent contractor, not as an employee or agent of the Town. Concessionaire is neither prohibited from entering into other contracts nor prohibited from practicing its profession elsewhere. Town and Concessionaire do not intend to nor will they combine business operations under this Agreement.

B. Concessionaire Employees. Concessionaire, its employees and subcontractors are not entitled to workers' compensation benefits from the Town. The Town does not have the authority to supervise or control the actual work of Concessionaire, its employees or subcontractors. The Concessionaire, and not the Town, shall determine the time of its performance of the services provided under this Agreement so long as Concessionaire meets the requirements of this Agreement. Town shall not be responsible for the wages or salaries of any employee or representative of Concessionaire, nor for any debts, liabilities or other obligations of Concessionaire. Concessionaire's employees shall not be considered as Town's employees and shall not be eligible for the benefits incident to Town's employees or subject to supervision by Town officials; provided that the Town reserves the right to require Concessionaire to employ in and about the operation of this concession only persons who in appearance, character, general manner and conduct are suitable to employment in the capacities in which they are engaged, and to require Concessionaire to promptly discharge any employee who in the judgment of the Town is not suitable for the work in which such employee is engaged, or does not conduct himself in a manner suitable and appropriate to the concession. The Town shall have the right through its officers and agents, including its police officers, to eject from the premises any employee of Concessionaire whose conduct is improper, inappropriate or offensive, and Concessionaire for itself and for such employee or employees waives any and all claims for damages against the Owners, their officers and agents on account thereof.

9.2 Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona and suit pertaining to this Agreement may be brought only in courts in the Yavapai County, Arizona.

9.3 Laws and Regulations. Concessionaire shall keep fully informed and shall at all times during the performance of its duties under this Agreement ensure that it and any person for whom the Concessionaire is responsible abides by, and remains in compliance with, all rules, regulations, ordinances, statutes or laws affecting the services, including, but not limited to, the following: (A) existing and future Town and County ordinances and regulations, (B) existing and future State and Federal laws and (C) existing and future Occupational Safety and Health Administration standards.

9.4 Amendments. This Agreement may be modified only by a written amendment signed by persons duly authorized to enter into contracts on behalf of the Town and the Concessionaire.

9.5 Provisions Required by Law. Each and every provision of law and any clause required by law to be in this Agreement will be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, this Agreement will promptly be physically amended to make such insertion or correction.

9.6 Severability. The provisions of this Agreement are severable to the extent that any provision or application held to be invalid by a Court of competent jurisdiction shall not affect any other provision or application of this Agreement which may remain in effect without the invalid provision or application.

9.7 Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of, or against the party drafting this Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting of, review of, and entry into this Agreement.

9.8 Subcontracts. No subcontract shall be entered into by the Concessionaire with any other party to furnish any of the material or services specified herein without the prior, written approval of the Town. The Concessionaire is responsible for performance under this Agreement whether or not subcontractors are used. Failure to pay subcontractors in a timely manner pursuant to any subcontract shall be a material breach of this Agreement by Concessionaire.

9.9 Rights and Remedies. No provision in this Agreement shall be construed, expressly or by implication, as waiver by the Town of any existing or future right and/or remedy available by law in the event of any claim of default or breach of this Agreement. The failure of the Town to insist upon the strict performance of any term or condition of this Agreement or to exercise or delay the exercise of any right or remedy provided in this Agreement, or by law, or the Town's acceptance of and payment for services, shall not release the Concessionaire from any responsibilities or obligations imposed by this Agreement or by law, and shall not be deemed a waiver of any right of the Town to insist upon the strict performance of this Agreement.

9.10 Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforced whether or not such action is prosecuted through judgment.

9.11 Liens. All materials or services shall be free of all liens and, if the Town requests, a formal release of all liens shall be delivered to the Town.

9.12 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the Town may offset from any money due to the Concessionaire any amounts Concessionaire owes to the Town for damages resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

B. Offset for Delinquent Fees or Taxes. The Town may offset from any money due to the Concessionaire any amounts Concessionaire owes to the Town for delinquent fees, transaction privilege taxes and property taxes, including any interest or penalties.

9.13 Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below or (C) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to Town: Town of Chino Valley
 202 N. State Route 89
 Chino Valley, Arizona 86323
 Attn: Cecilia Grittmann, Town Manager

With copy to: GUST ROSENFELD P.L.C.
 One East Washington Street, Suite 1600
 Phoenix, Arizona 85004-2553
 Attn: Andrew McGuire

If to Concessionaire: Compass Training Center AZ
 3392 Wendingo Trail
 Chino Valley, Arizona 86323
 Attn: John Stankewicz, Chief Executive Officer

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (A) when delivered to the party, (B) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (C) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

9.14 Confidentiality of Records. The Concessionaire shall establish and maintain procedures and controls that are acceptable to the Town for the purpose of ensuring that information contained in its records or obtained from the Town or from others in carrying out its obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to perform Concessionaire's duties under this Agreement. Persons requesting such information should be referred to the Town. Concessionaire also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Concessionaire as needed for the performance of duties under this Agreement.

9.15 Records and Audit Rights. To ensure that the Concessionaire and its subcontractors are complying with the warranty under subsection 9.16 below, Concessionaire's and its subcontractors' books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any Concessionaire and its subcontractors' employees who perform any work or services pursuant to this Agreement (all of the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit (A) evaluation and verification of any invoices, payments or claims based on Concessionaire's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (B) evaluation of the Concessionaire's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in subsection 10.16 below. To the extent necessary for the Town to audit Records as set forth in this subsection, Concessionaire and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to Concessionaire pursuant to this Agreement. Concessionaire and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this subsection. The Town shall give Concessionaire or its subcontractors reasonable advance notice of intended audits. Concessionaire shall require its subcontractors to comply with the provisions of this subsection by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

9.16 E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Concessionaire and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). Concessionaire's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

9.17 Israel. Concessionaire certifies that it is not currently engaged in, and agrees for the duration of this Agreement that it will not engage in a "boycott," as that term is defined in ARIZ. REV. STAT. § 35-393, of Israel.

9.18 Conflicting Terms. In the event of any inconsistency, conflict or ambiguity among the terms of this Agreement, the Town's Request for Proposal issued in connection herewith, or the Concessionaire's Proposal, the documents shall govern in the order listed herein.

9.19 Equal Treatment of Workers: Concessionaire 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 concession operations. Concessionaire shall at all times observe and comply with all such laws, ordinances, regulations, codes, orders and decrees; this includes, but is not limited to laws and regulations ensuring equal treatment for all employees and against unfair employment practices, including the Fair Labor Standards Act. Concessionaire shall protect and indemnify the Town and its representatives against any claim or liability arising from or based on the violation of such, whether by Concessionaire or its employees.

9.20 Subcontractor Solicitation; Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the Concessionaire for services to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by Concessionaire of Concessionaire's obligations under this Agreement and any regulations relative to nondiscrimination on the grounds of race, color or national origin.

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

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first written above.

“Town”

TOWN OF CHINO VALLEY, an
Arizona municipal corporation

Darryl L. Croft, Mayor

ATTEST:

Jami Lewis, Town Clerk

APPROVED AS TO FORM:

Andrew McGuire, Town Attorney
Gust Rosenfeld, PLC

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

“Concessionaire”

COMPASS TRAINING CENTER AZ,
an Arizona nonprofit corporation

By: _____

Name: _____

Title: _____

(ACKNOWLEDGMENT)

STATE OF _____)
) ss.
COUNTY OF _____)

On _____, 2019, before me personally appeared _____
_____, the _____ of COMPASS TRAINING
CENTER AZ, an Arizona nonprofit corporation, whose identity was proven to me on the basis of
satisfactory evidence to be the person who he/she claims to be, and acknowledged that he/she
signed the above document on behalf of the corporation.

Notary Public

(Affix notary seal here)

EXHIBIT A
LICENSE AGREEMENT
AND
SHOOTING FACILITY CONCESSION AGREEMENT

[Facility]

See following pages.

EXHIBIT B
LICENSE AGREEMENT
AND
SHOOTING FACILITY CONCESSION AGREEMENT

[Town's RFP]

See following pages.

EXHIBIT C
LICENSE AGREEMENT
AND
SHOOTING FACILITY CONCESSION AGREEMENT

[Concessionaire's Proposal]

See following pages.

EXHIBIT D
LICENSE AGREEMENT
AND
SHOOTING FACILITY CONCESSION AGREEMENT

[Environmental Stewardship Plan]

See following pages.

EXHIBIT E
LICENSE AGREEMENT
AND
SHOOTING FACILITY CONCESSION AGREEMENT

[Initial Rate and Fee Schedule]

See following pages.