



Town of Chino Valley

MEETING NOTICE TOWN COUNCIL

REGULAR MEETING
Tuesday, July 24, 2012
6:00 P.M.

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

AGENDA

- 1) **CALL TO ORDER, INVOCATION; PLEDGE OF ALLEGIANCE; ROLL CALL**
- 2) **INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**
 - a) Introduction of the Town's new Finance Director, Joe Duffy. (Robert Smith, Interim Town Manager)
 - b) Recognition of the Chino Valley Foundation for Seniors for their years of service from 2009-2012. (Mayor Marley; Vice-Mayor Tenney)
 - c) Presentation of appreciation plaque to the Town of Chino Valley from MATForce. (Mayor Marley)

3) **CALL TO THE PUBLIC**

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

4) **RESPONSE TO THE PUBLIC**

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

5) **CURRENT EVENT SUMMARIES AND REPORTS**

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

6) **CONSENT AGENDA**

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

- a) Consideration and possible action to approve Resolution No. 12-998, amending Resolution No. 11-976, relating to the Chino Valley Roads and Streets Committee by amending Section 3 "Membership," Section 4 "Quorum," Section 5 "Meetings of the Committee," Section 8 "Meeting Agenda," and Section 9 "Standing Rules." (Mayor and Council)
- b) Consideration and possible action to approve the First Amendment to the Professional Services Agreement dated April 10, 2012 between the Town of Chino Valley and Mr. Bernie Wiegandt for finance and accounting services, in an amount not to exceed \$10,000. Funds to come from salary savings from other positions with regard to attrition that occur throughout the fiscal year. (Cecilia Watts, General Services Director)

7) **ACTION ITEMS**

- a) (i) Public Hearing regarding application from Alma Vera for a new Series 12 (Restaurant) Liquor License for Martina's Mexican Restaurant, located at 378 N. Highway 89, Chino Valley.
(ii) Consideration and possible action to recommend approval for a new Series 12 (Restaurant) Liquor License application for Martina's Mexican Restaurant. (Jami Lewis, Town Clerk)

Recommended Action: (i) Hold Public Hearing.

(ii) Recommend approval for new Series 12 Liquor License for Martina's Mexican Restaurant.

- b) Consideration and possible action to approve Agreement for Contracted Services with the Chino Valley Area Chamber of Commerce, starting July 1, 2012 and ending June 30, 2013, in the amount of \$38,000, for promotion, development, and enhancement of tourism and economic development and to render specific professional and technical services. Funds to come from outside agency funding line in the General Fund Non-Departmental account. (Robert Smith, Interim Town Manager)

Recommended Action: Approve Agreement for Contracted Services with the Chino Valley Area Chamber of Commerce starting July 1, 2012 and ending June 30, 2013, in the amount of \$38,000.

- c) Consideration and possible action to award bid and approve construction contract for the Road 2 North Roadway Widening at the Santa Cruz Wash to N.L. Booth Construction in an amount not to exceed \$566,087.56. Funds in the amount of \$370,000.00 will come from the Roads Impact Fee Fund, with the remaining \$196,087.56 to be transferred from Misc. Capital Projects in the Capital Improvement Fund to the Roads Impact Fee Fund, Roads Impact Fees Project line. (Ron Gritman, Town Engineer)

Recommended Action: Award bid and approve the bid award of the construction contract for the Road 2 North Roadway Widening at the Santa Cruz Wash to N.L. Booth Construction in an amount not to exceed \$566,087.56.

- d) Consideration and possible action to approve and authorize the Mayor to sign the Agreement for Right of Entry and Construction Easement between the Town of Chino Valley, Town of Prescott Valley, City of Prescott, Yavapai County, Yavapai-Prescott Indian Tribe and the Upper Verde River Watershed Protection Coalition for the construction of a pilot project to develop rainfall source water capture, aquifer recharge, and harvesting techniques. (Ron Gritman, Town Engineer)

Recommended Action: Approve and authorize the Mayor to sign the Agreement for Right of Entry and Construction Easement between the Town of Chino Valley, Town of Prescott Valley, City of Prescott, Yavapai County, Yavapai-Prescott Indian Tribe and the Upper Verde River Watershed Protection Coalition for the construction of a pilot project to develop rainfall source water capture, aquifer recharge, and harvesting techniques.

- e) Consideration and possible action to ratify expenditure in the amount of \$100 for rental of Chino Valley High School cafeteria for the County Supervisor District 4 candidates forum to be held on July 30, 2012 and authorize staff to expend up to \$300 to videotape the forum. Funds to come from the Mayor and Council public relations line. (Mayor Marley; Vice-Mayor Tenney)

Recommended Action: Ratify expenditure in the amount of \$100 for rental of Chino Valley High School cafeteria for the County Supervisor District 4 candidates forum to be held on July 30, 2012 and authorize staff to expend up to \$300 to videotape the forum.

- f) Discussion and possible recommendation to the Mayor regarding the 2013 Proposed Resolutions submitted for consideration by the League of Arizona Cities and Towns Resolutions Committee on August 28, 2012. (Mayor Marley)

8) EXECUTIVE SESSION

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

9) ADJOURNMENT

Dated this 20th day of July, 2012.

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

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

CERTIFICATION OF POSTING

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

Date: _____

Time: _____

By: _____
Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 6. a.

Meeting Date: 07/24/2012
Contact Person/Dept: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve Resolution No. 12-998, amending Resolution No. 11-976, relating to the Chino Valley Roads and Streets Committee by amending Section 3 "Membership," Section 4 "Quorum," Section 5 "Meetings of the Committee," Section 8 "Meeting Agenda," and Section 9 "Standing Rules."

RECOMMENDED ACTION:

Approve Resolution No. 12-998, amending Resolution No. 11-976, amending provisions relating to the membership of the Roads and Streets Committee.

SITUATION AND ANALYSIS:

The by-laws of the Roads and Streets Committee (RSC) provides for a committee of 9 members. Since the committee's inception, 3 members resigned, leaving 6. The committee's staff liaison and chair asked staff *not* to recruit new applicants to fill the vacancies, as budget cuts from the economic downturn had removed most of the opportunities for which the committee was formed.

At a Council Appointments Committee meeting on June 19, Vice-Mayor Tenney, who is also on the RSC, asked staff to place an item on a Council agenda to discuss the possibility of reducing the committee's membership.

Council discussed the matter and directed staff to amend the committee's by-laws by reducing the total number of members from 9 to 7, and amending Councilmember appointments from 3 to "up to 3" and appointments of those with engineering backgrounds from 3 to "up to 3."

Upon review of the proposed changes by the Town Attorney, the Attorney also recommends further revisions. The Attorney's revisions are denoted by yellow highlighting.

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Resolution 12-988 Council-Attorney revisions

RESOLUTION NO. 12-998

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI AND STATE OF ARIZONA, AMENDING RESOLUTION NO. 11-976 RELATING TO THE CHINO VALLEY ROADS AND STREETS COMMITTEE BY AMENDING SECTION 3 "MEMBERSHIP," SECTION 4 "QUORUM," **SECTION 5 "MEETINGS OF THE COMMITTEE," SECTION 8 "MEETING AGENDA,"** AND SECTION 9 "STANDING RULES"

WHEREAS, on August 27, 2009, the Town Council adopted Resolution No. 09-915 creating a Roads and Streets Advisory Board and setting forth its duties, responsibilities, and Rules of Procedures; and

WHEREAS, on December 31, 2011, at the recommendation of the Roads and Streets Advisory Board, the Town Council adopted Resolution No. 11-976, renaming the Roads and Streets Advisory Board as the Roads and Streets Committee and further amending Section 3: Membership; and

WHEREAS, on July 10, 2012, at the recommendation of the Roads and Streets Committee ("Committee"), the Town Council discussed reducing the membership of the Committee and elected to make certain amendments to the provisions relating to Committee membership;

NOW THEREFORE BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, County of Yavapai, State of Arizona, that Resolution No. 11-976 is hereby amended to amend Sections 3, 4, **5, 8** and 9 relating to membership of the Roads and Streets Committee as follows:

Section 1: TITLE OF PUBLIC BODY

The Roads and Streets Advisory Board shall henceforth be called the Roads and Streets Committee.

Section 2: PURPOSE OF ROADS AND STREETS COMMITTEE

The purpose of the Chino Valley Roads and Streets Committee ("Committee") is as follows:

- A. To advise the Mayor and Common Council regarding policies relating to Roads and Streets, their service, function, purpose, and for the enhancement of long term road development, geometrics, intersection configuration, planning and prioritizing based on current and future roadway demands.
- B. To establish criteria for the ranking and prioritizing of roadways and intersections to be improved.
- C. To establish roadway maintenance strategies and policies based on the best management practices of the industry and funding levels of the Town.
- D. To make recommendations to the Mayor and Common Council regarding Roads and Streets budget matters and potential funding mechanisms.
- E. To present to the Mayor and Common Council during a regularly scheduled Town Council meeting, in sufficient time to allow Council to incorporate any budget necessary item, an Annual Report describing the accomplishments of the Committee in the previous year and plans for the next year.

Section 3: MEMBERSHIP

- A. The Committee shall consist of ~~nine (9)~~ SEVEN (7) members ~~appointed by the Mayor and Common Council at the first appropriate regular Common Council meeting held after this Resolution becomes operative.~~ Thereafter, ~~u~~Upon expiration of each Committee member's term, the members of the Committee shall be appointed by the Mayor and Common Council at a Common Council meeting in June. Each member to serve for a term of two (2) years, with ~~four (4)~~ THREE (3) terms expiring on June 30 of even-numbered years and ~~five (5)~~ FOUR (4) terms expiring on June 30 of odd-numbered years. Appointments to fill un-expired terms shall be for the remainder of the term.
- B. UP TO three (3) Council Members shall be appointed to the Committee and ~~a maximum of five (5)~~ IF THEY ARE AVAILABLE AND QUALIFY, UP TO THREE (3) members of the Committee ~~must~~ SHOULD have a background in Civil Engineering, Public Works Construction, Transportation System Planning, or some combination of practical experience relating to roadways and transportation systems.
- C. The staff liaison shall make recommendations to the Council Appointments Committee for appointments to fill expired terms or vacancies on the Committee. The Council Appointments Committee shall review the applications and make a recommendation to the Mayor and Common Council for such appointment(s). A person may be appointed to serve as a Committee member for an unlimited number of terms.
- D. Members of the Committee shall serve at the pleasure of the Council.

- E. Persons eligible to serve as Committee members shall live within the Town limits, except three (3) members who may reside outside Town limits in Yavapai County and in an area normally served by the Town's transportation system.
- F. Full and part-time Town employees are not eligible to serve as voting Committee members. An individual who works for the Town in the capacity of a temporary employee is not eligible to serve as a Committee member. The Public Works Director/Town Engineer shall serve as the primary staff liaison to the Committee in a non-voting status.

Section 4: QUORUM

A majority of the Committee, ~~five (5)~~ FOUR (4) members, shall constitute a quorum.

Section 5: MEETINGS OF THE COMMITTEE

- A. The Committee shall meet monthly, or as needed; the day, time and place of such meetings to be determined by the members of the Committee.
- B. The Chair may call special meetings at least forty-eight (48) hours in advance of such meetings, or a meeting may be called at the request of ~~four (4)~~ THREE (3) members of the Committee, or, additional meetings may be established prior to the end of a regular scheduled meeting.
- C. The Committee shall adhere to all relevant provisions of Arizona Revised Statutes, the Chino Valley Town Code of Ordinances and this Resolution. For rules of procedure not otherwise set forth, Robert's Rules of Order, Newly Revised shall govern the proceedings of the Committee.

Section 6: OFFICERS

- A. Officers of the Committee shall be a Chair, Vice-Chair and Secretary. These Officers shall also serve as the Executive Committee.
- B. In the event that the term of a Committee member serving as an Officer expires and said Committee member is re-appointed to the Committee by Mayor and Council, said Committee member shall not automatically resume his previous position and duties. All appointments to serve as an Officer of the Committee must be filled by election at the annual July meeting. If an Officer position becomes vacant during the term, an election shall be conducted at the next scheduled Committee meeting to fill the position for the remainder of the term.

C. The Chair shall:

1. Set the agenda for meetings of the Committee and advise the Secretary no less than one week prior to the regular meeting.
2. Preside at all meetings of the Committee.
3. Call special meetings of the Committee, unless an additional meeting is determined during a regular meeting.
4. Make reasonable best efforts to mediate any problems arising among Committee members.
5. Present both written and verbal reports to the Mayor and Council, in a sufficient time to allow Council to incorporate any necessary budget items, as to the progress of the Committee.

D. In the absence of the Chair, the Vice-Chair shall assume the duties of the Chair.

E. The Secretary, or designee, shall:

1. Post copies of meeting agendas no less than twenty-four (24) hours prior to a meeting of the Committee.
2. Mail or deliver meeting minutes, agenda, and appropriate attachments to all members of the Committee no less than five (5) days prior to the regular meeting. The distribution of information is to include the Town Manager, for distribution to the Mayor and Council.
3. Keep a true and accurate account and minutes of all proceedings of the Committee and its meetings
4. Provide copies of the minutes of any regular or special meeting to all Committee members and to the Town Manager and, after Committee approval, to the Town Clerk. Upon request, minutes from meetings may be presented to the public and comply with the provisions of Arizona law regarding public meetings, including, without limitation, A.R.S. Sections 38-431 and 38-431.01.

Section 7: SUBCOMMITTEES

- A. The Committee shall create such Special Subcommittees as it deems necessary. These may include, but are not limited to: Speed Limit Review; Right of Way Acquisition; Construction/Specifications, Maintenance, Studies and Finance relating to the funding of roadways.

- B. At the annual July meeting, the Chair of the Committee shall appoint a Chair for each of the Subcommittees. The term for all Subcommittee Chair positions shall be for one year.
- C. Any Special Subcommittee may be disbanded after said Subcommittee has made its final report to the Committee.

Section 8: MEETING AGENDA

- A. Any agenda request shall be presented to the Chair or Secretary at least one (1) week prior to a Committee meeting.
- B. The Chair shall determine the items to be placed on the agenda.
- C. Meeting agendas shall be posted as required by state law.
- D. ~~The format of the agenda for Committee meetings may be as follows~~ EACH COMMITTEE MEETING SHOULD INCLUDE THE FOLLOWING AGENDA ITEMS IF APPLICABLE:
 - 1. CALL TO ORDER
 - 2. ROLL CALL
 - 3. APPROVAL OF MINUTES
 - 4. PUBLIC WORKS/TOWN ENGINEER'S REPORT
 - 5. COMMITTEE CHAIR REPORTS
 - 6. CALL TO THE PUBLIC
 - 7. CORRESPONDENCE
 - 8. OLD BUSINESS
 - 9. NEW BUSINESS
 - 10. FUTURE AGENDA SUGGESTIONS
 - 11. ADJOURNMENT

Section 9: STANDING RULES

The Committee may draft Standing Rules to govern procedures so long as they are not in conflict with the provisions of this Resolution. Such Rules shall be adopted by an affirmative vote of two-thirds majority (6 5) of the members of the Committee.

Section 10: ABSENCES; REMOVAL FOR UN-EXCUSED ABSENCES

- A. Except in emergencies, a Committee member shall notify the Chair or the Secretary of any intended absence from a Committee meeting not less than twenty-four (24) hours prior to that meeting.
- B. In the event that a Committee member misses three (3) consecutive meetings without being excused by the Chair or Secretary, or in the event that a Committee member misses five (5) regular meetings without being excused by the Chair or Secretary within a twelve (12) month period, the Committee shall forward a recommendation to the Town Manager for consideration by the Council of removal of said Committee member.

Section 11: RESIGNATIONS

- A. A Committee member who wishes to resign shall submit the resignation in writing to the Chair stating the effective date of the resignation.
- B. The Chair shall immediately forward the resignation to the Town Manager for Council action.

Section 12: COMMITTEE MEMBERS SHALL COMPLY WITH THE LAW

Committee members shall be bound by the Town Code of Ordinances, Chapter 35; Code of Ethics, and by all other provisions of applicable law.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 24th day of July, 2012.

Chris Marley, Mayor

ATTEST:

APPROVED AS TO FORM:

Jami C. Lewis, Town Clerk

Musgrove, Drutz & Kack, PC
Town Attorney



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. b.**

Meeting Date: 07/24/2012
Contact Person/Dept: Cecilia Watts, General Services
 Phone: 928-636-2646 x-1202
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: Town Hall

AGENDA ITEM TITLE:

Consideration and possible action to approve the First Amendment to the Professional Services Agreement dated April 10, 2012 between the Town of Chino Valley and Mr. Bernie Wiegandt for finance and accounting services, in an amount not to exceed \$10,000.

RECOMMENDED ACTION:

Approve the First Amendment to the Professional Services Agreement dated April 10, 2012 between the Town and Mr. Bernie Wiegandt, CPA, PC in an amount not to exceed \$10,000.

SITUATION AND ANALYSIS:

Mr. Wiegandt was hired with the Town on April 10, 2012 to cover the day-to-day accounting functions because of the termination of our previous Finance Director. The Town began a search for a new Finance Director immediately but was unable to fill the position by the conclusion of the Agreement, which expired June 30, 2012. The Town has now hired a Finance Director who will begin July 23rd, 2012.

This Agreement will cover Mr. Wiegandt's fees for the conclusion of July and the first week in August (5 weeks at \$1,250 per week = \$6,250) plus an additional \$3,750 should the Town have need of additional Accounting Services through the remainder of the fiscal year.

It is anticipated that there may be certain projects, such as the annual audit, that staff may need to request Mr. Wiegandt's assistance. This agenda item allows some capacity for staff to request his services this fiscal year without having to request the appropriation through Council every time.

Funds to come from salary savings from other positions (attrition) that occur throughout the fiscal year.

Other Pertinent Documents Available Upon Request:

Professional Services Agreement dated April 10, 2012

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: TBD

Available:

Funding Source:

Funds to come from salary savings from other positions with regard to attrition that occur throughout the fiscal year.

Attachments

1st Amendment, PSA, Bernie Wiegandt

**FIRST AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
DATED APRIL 10, 2012
(TOWN OF CHINO VALLEY AND BERNIE J. WIEGANDT, CPA, PC)**

This First Amendment is made and entered into this _____ day of _____, 2012 (“Effective Date”) by and between the Town of Chino Valley, a municipal corporation of the State of Arizona (“Town”) and Bernie J. Wiegandt, CPA, PC (“Consultant”). The Town and Consultant are collectively referred to as the “Parties”.

RECITALS

A. The Parties have heretofore entered into an Agreement known as Professional Services Agreement dated effective April 10, 2012 (the “PSA Agreement”).

B. In accordance with Section 12(g) of the PSA Agreement and action taken by the Council on April 10, 2012, the Parties desire to amend the PSA Agreement.

NOW, THEREFORE, in consideration of the agreements and promises hereinafter set forth and those set forth in the PSA Agreement, the Parties agree as follows:

AGREEMENT

1. Paragraph 4 of the Agreement shall be amended to extend the term of the PSA Agreement through June 30, 2013.

2. Paragraph 6 of the Agreement shall be amended to provide that The Town shall pay to Consultant on a time and materials basis an additional amount not in excess of the total sum of Ten Thousand Dollars (\$10,000.00) at the rate of One Thousand Two Hundred and Fifty Dollars (\$1,250.00) per week for the complete performance of all services specified in Exhibit A, using the rates set forth in Exhibit A, at page 2, paragraph entitled “Compensation” for the five weeks from July 1, 2012 through August 3, 2012. Thereafter, for Consultant’s work which is project-based, Consultant will charge the Town on a per-hour basis as outlined in Exhibit A.

3. Except as amended in Section 1 above, all other terms and conditions of the PSA Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this First Amendment to Professional Services Agreement to be effective as of the Effective Date.

Town:

THE TOWN OF CHINO VALLEY

By: _____
Chris Marley, Mayor

Consultant/Prosecutor:

MARC E. HAMMOND, ESQ.

Printed: _____

APPROVED AS TO FORM:
MUSGROVE DRUTZ & KACK, PC
Town Attorney

By: _____
Thomas P. Kack, Esq.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. a.**

Meeting Date: 07/24/2012

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

Item Type: Action-Presentation

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

Physical location of item: Martina's Mexican Restaurant, 378 N. Highway 89, Chino Valley

AGENDA ITEM TITLE:

- (i) Public Hearing regarding application from Alma Vera for a new Series 12 (Restaurant) Liquor License for Martina's Mexican Restaurant, located at 378 N. Highway 89, Chino Valley.
- (ii) Consideration and possible action to recommend approval for a new Series 12 (Restaurant) Liquor License application for Martina's Mexican Restaurant.

RECOMMENDED ACTION:

- (i) Hold Public Hearing.
- (ii) Recommend approval for new Series 12 Liquor License for Martina's Mexican Restaurant.

SITUATION AND ANALYSIS:

A.R.S. § 4-201 provides that provides that a person desiring a liquor license shall apply with the State Liquor Board. Upon receipt of an application, the State forwards the application to the local governing body, which is tasked with making a recommendation to the Board for granting or denying the license. If the recommendation is for disapproval, a statement of the specific reasons containing a summary of the testimony or other evidence supporting the recommendation for disapproval must be provided to the Liquor Board.

Alma Vera has applied with the state for a new Series 12 (Restaurant) Liquor License for Martina's Mexican Restaurant. The Police and Planning Departments reviewed the application and recommended approval with no comments.

Staff posted the establishment with the necessary notices to meet the required 20-day period from June 27, 2012 through July 24, 2012. As of the date of this report, staff has not received any written arguments in favor of or in opposition to the application.

Other Pertinent Documents Available Upon Request:

Liquor License application (also posted at establishment)

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code:

Available:

Funding Source:

This is a revenue item, should the establishment obtain a license from the State Liquor Board.

Attachments

Series 12 Summary

Series 12 Restaurant License

This non-transferable, on-sale retail privileges liquor license allows the holder of a restaurant license to sell and serve all types spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food. Failure to meet the 40% food requirement may result in revocation of the license.

THIS PAGE INTENTIONALLY LEFT BLANK



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. b.**

Meeting Date: 07/24/2012
Contact Person/Dept: Robert Smith, Town Manager
 Phone: 928-636-2646 x-1201
Item Type: Action
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve Agreement for Contracted Services with the Chino Valley Area Chamber of Commerce, starting July 1, 2012 and ending June 30, 2013, in the amount of \$38,000, for promotion, development, and enhancement of tourism and economic development and to render specific professional and technical services.

RECOMMENDED ACTION:

Approve Agreement for Contracted Services with the Chino Valley Area Chamber of Commerce starting July 1, 2012 and ending June 30, 2013, in the amount of \$38,000.

SITUATION AND ANALYSIS:

The Town of Chino Valley has traditionally partnered with the local Chamber of Commerce by providing funding for certain economic development and other activities. The proposed Agreement for Contracted Services sets forth the provisions for funding for fiscal year 2012-2013.

Fiscal Impact

Fiscal Impact?: Yes
If Yes, Budget Code: 01-95-5563
Available: \$38,000

Funding Source:

Funds to come from outside agency funding line in the General Fund Non-Departmental account.

Attachments

Agreement for Contracted Services

AGREEMENT FOR CONTRACTED SERVICES

This agreement by and between the Chino Valley Area Chamber of Commerce, a nonprofit corporation, hereafter referred to as "Chamber" and the Town of Chino Valley, a municipal corporation, hereafter referred to as "Town" is effective the 1st day of July 2012 and, unless terminated under the provisions set forth below, shall run through June 30, 2013.

RECITALS

Whereas, the Town desires to invest in economic development, enhance tourism, and assist visitors and tourists while in Chino Valley by providing information and facilities which improve the quality of their experience when in Chino Valley; and

Whereas, the Chamber is qualified and has the experience, organization, and personnel to provide visitor services, and to promote Chino Valley as a destination for tourists and as a cultural-historical center, and such efforts will generate tax revenue to assist the Town in providing facilities and services to all residents of Chino Valley; and

Whereas, the Town receives a portion of its tax revenue from tourists spending in the community and from sales tax revenue from businesses; and

Whereas the Town desires to maintain a strong and vital local economy and to assist in the retention of existing businesses and the attraction of new businesses that are deemed desirable: and

Whereas, the Chamber is qualified and has the experience, organization, and facilities to attract new retail business to the community as well as provide business services to new and existing commercial and retail businesses in the community: and now therefore the Chamber and Town agree as follows:

PURPOSE OF THE AGREEMENT

The purpose of this agreement is to delineate and define the terms by which the Town will retain the services of the Chamber to promote, develop, and enhance tourism and economic development for the Town and to render specific professional and technical services to the Town as delineated in this agreement. It is understood and agreed that the Chamber, while retained under this agreement, will also be rendering other services to its members.

The Chamber will not use Town funds or resources for political purposes. For all parts of the agreement, it is understood that the provisions of ARS 9-500.14 are in effect.

PROVISIONS OF THIS AGREEMENT

Now, therefore, in consideration of the mutual promises and covenants of the parties, and other good and valuable consideration, the parties agree as follows:

The Town of Chino Valley agrees to tender to the Chino Valley Area Chamber of Commerce the sum of thirty-eight thousand dollars (\$38,000) for services delineated and defined in this agreement and attachments.

1. Maintaining and staffing the Visitor Center located within the Town. The Visitor Center shall be open to the public during normal working hours and staffed adequately to answer all correspondence, telephone or walk-in inquiries for general information relating to Chino Valley. The Visitor Center will be closed on all posted Chamber holiday observances, a 24/7 Kiosk on Chamber premises will be available at any time with community information.

2. The Chamber agrees to update/keep current, produce and/or distribute through its Visitor Center and other venues the following documents: (a) Relocation guides and packets, (b) Chino Valley maps, (c) Chino Valley Business Directory, (d) Community brochures such as lodging and dining guides and literature regarding doing business in Chino Valley.

3. The Chamber agrees to assist the Town in developing a balanced mix of retail businesses, restaurants, shopping, night life and social activities that attract visitors and residents to shop in Chino Valley. Towards those ends the Chamber shall:

- a. Promptly refer economic development and business development inquiries to the Town Manager's office,
- b. Assist the Town Manager with information to help facilitate business development in the Town, and
- c. Work with the Town's Small Business Development Center (once complete) to support the development of new local businesses, via the provision of informational materials (already developed by the Chamber) and referrals to supportive business development services

4. The Chamber agrees to promote marketing and tourism development, including but not limited to promotion and creation of tourism activity through destination marketing. The Chamber agrees to continuation of its Tourism Committee.

5. The Chamber agrees to the support, update and operation of a Chino Valley Community Calendar on its website and to provide linkage with the Town of Chino Valley website on the Chamber website. The Chamber also agrees to keep information and contact data about the Town of Chino Valley on the Chamber website, and to keep that information current.

6. Chamber will provide the Town with a regular membership in the Chamber as part of this agreement.

7. The Town agrees to pay the Chamber Thirty Eight Thousand Dollars (\$38,000) on or before July 27, 2012.

8. In order to maintain fairness between the many industries and retail businesses inside the Town, The Chino Valley Area Chamber of Commerce shall practice the concept of being community focused. The Chamber's Mission is to promote economic growth, serve as a voice for the business community and enhance the quality of life for Chino Valley.

9. Upon request of the Chamber, the Town shall disclose to the Chamber any information that pertains to the business community that may be legally and practically released.

REPORTING

The Chamber shall present a report addressing activities, progress and accomplishments of the Chamber on a semi-annual basis to the Town Council. The Chamber agrees to supply the Town with a copy of its annual operating statement.

TERMINATION

The Town may terminate this contract, with or without cause, for any reason upon 30 days notice. In the event the termination was for good cause, then the Town shall be entitled to reimbursement of a pro-rata portion of the sums paid to the Chamber. (For example, if termination is effective at the end of the sixth-month, the Town shall be refunded ½ of the funds paid to the Chamber.) Good cause is defined as the material failure of the Chamber to perform its obligations under this Agreement (a "Breach"). However, in the event the Breach is one that is subject to cure, then the good cause will only exist if the Chamber: fails to cure the breach within 14 days after receipt of Notice from the Town of the breach; or, if the Breach is such that a longer cure period is needed, fails to promptly commence, diligently pursue and complete, within a reasonable time, the cure of the Breach.

If, and in the event that a dispute between parties arises as to the service provided under the agreement, the Town and Chamber shall attempt to resolve said dispute.

COORDINATION

The Chamber President/CEO and the Town Manager shall have regular meetings to discuss the coordination between the Town and Chamber on various issues to promote tourism, economic development, and visitor information.

THIS AGREEMENT is entered into in the State of Arizona and shall be construed and interpreted under the laws of the State of Arizona, including and without limitation the provisions of ARS 38-511.

THE RECITALS AND PURPOSE set forth at the beginning of this agreement are hereby acknowledged and incorporated herein and the parties hereby confirm the accuracy thereof. Time is of the essence in implementing the terms of this agreement.

The Chamber may not assign any of the Chamber's rights and duties under this contract without the Town's prior written consent, which may be given or withheld in the Town's sole

discretion. Any assignment by the Chamber without the Town's written consent shall be both a breach of this Agreement and null and void.

NOTICE

All notices provided for herein will be in writing and will be delivered: (i) in person; or (ii) by facsimile with a copy mailed by regular U.S. Mail postage prepaid; or (iii) by certified mail, return receipt requested; as follows:

To Town at: Attn: Town Manager
 Town of Chino Valley
 1020 W Palomino Road
 P O Box 406
 Chino Valley, AZ 86323

To Chamber at: Attn: President and Board of Directors
 Chino Valley Area Chamber of Commerce
 175 E Road 2 South
 P O Box 419
 Chino Valley, AZ 86323

Notice will be deemed given when sent as provided above and will be deemed received on: the day delivered in person; the day sent by Facsimile and receipted as received, if also mailed that day, first class postage prepaid; or two (2) days after mailed certified return receipt requested. A party may change their/its address by giving notice of the same under this section.

INDEPENDENT CONTRACTOR

1. The parties agree that the Chamber provides specialized services and that the Chamber enters into this contract with the Town as an independent contractor. Nothing in this contract shall be construed to constitute the Chamber, nor any of its personnel, volunteers, or directors as agents, employees, or representatives of the Town of Chino Valley.

2. As an independent contractor, the Chamber is solely responsible for all labor and expenses in connection with this agreement and for any and all damages that may arise during the operation of this agreement.

3. The Chamber shall carry appropriate insurance and shall indemnify and hold the Town and its Officials, employees, and agents harmless from any and all claims, demands, actions, and causes of actions)including administration or alternative dispute resolution proceedings) penalties and costs (including attorney's fees) or liability for damages for personal injury or property damage resulting from the acts or omissions of the Chamber's officers, directors, agents, employees, or volunteers in connection with this agreement or in any way arising from the activities or services of the Chamber as set forth in this agreement.

4. It is understood that the Chamber is free to contract with other parties or otherwise provide additional services.

GENERAL PROVISIONS

1. This Agreement is not intended to create any rights on behalf of any third parties.
2. This Agreement has been made and entered into in the State of Arizona, and shall be governed by the laws of the State of Arizona in all respects, including, without limitation, matters of construction, validity, enforcement, rights, remedies and performance. If any provision of this Agreement is rendered or declared illegal or unenforceable by reason of any existing or subsequently enacted statute, rule or regulation, or by order of or Judgment of a Court, all other terms and provisions of this Agreement shall remain in full force and effect as stated and set forth herein.
3. This Agreement may be executed in multiple counterparts, each of which shall serve as an original for all purposes, but all counterparts shall be construed together and constitute one and the same Agreement.
4. The parties acknowledge and agree that this Agreement shall not be construed for or against a party solely by virtue of all or any portion of the Agreement having been drafted by a party's attorney.
5. The recitals and purpose set forth at the beginning of this agreement are hereby acknowledged and incorporated and made a portion of this Agreement by this reference.
6. This Agreement contains the entire understanding among the parties and supersedes any prior written or oral agreements between them respecting the subject matter of this Agreement. There are no representations, agreements, arrangements, or understandings, oral or written, between the parties relating to the subject matter of this Agreement that are not fully set forth herein.
7. This Agreement, and all of the rights and obligations contained herein, shall be binding upon and inure to the benefit of the heirs, legal representatives, successors and permitted assigns of the respective parties hereto.
8. Time is of the essence in this Agreement.
9. This Agreement is subject to the terms of A.R.S. § 38-511.
10. The Chamber understands and acknowledges the applicability to it of the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989. The Chamber must also comply with A.R.S. § 34-301, "Employment of Aliens on Public Works Prohibited," and A.R.S. § 34-302, as amended, "Residence Requirements for Employees."
11. Under the provisions of A.R.S. § 41-4401, the Chamber hereby warrants to Town that the Chamber and any of its subcontractors ("Subcontractors") will comply with, and are contractually obligated to comply with, all Federal Immigration laws and regulations that relate to their employees and A.R.S. §23-214(A). At the Town's request, the Chamber shall provide reasonable evidence of its compliance with said statutes.

INSURANCE

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

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

3. Commercial/Business Automobile Liability insurance with a minimum coverage for bodily injury and personal injury of Two Hundred Fifty Thousand Dollars (\$250,000) per occurrence and Five Hundred Thousand Dollars (\$500,000) aggregate; and minimum coverage of Five Hundred Thousand Dollars (\$500,000) per occurrence/aggregate for property damage with respect to any owned, leased, hired and non-owned vehicles assigned to or used in the performance of this Agreement. Such policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, or any provision which would serve to limit third party action over claims.

4. All insurance and bonds required pursuant to this Agreement must be written by an insurance company duly licensed and subject to legal process within the State of Arizona, to be evidenced by a Certificate of Authority as defined in A.R.S. § 20-217, a copy of which certificate is to be attached to each applicable bond or binder. All insurance required herein shall be maintained in full force and effect until all services required to be performed under the terms of this Agreement are satisfactorily completed and formally accepted; failure to do so may, at the sole discretion of the Town, constitute a breach of this Agreement. Chamber's insurance shall be primary insurance with respect to the Town, and any insurance maintained by the Town shall not contribute to it. Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the Town. The insurance policies shall contain a waiver of transfer rights of recovery (subrogation) against the Town, its agents, officers, officials and employees for any claims arising out of the Chamber's acts, errors, mistakes, omissions, work or service. The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to the Town, under such policies. The Chamber shall be solely responsible for the deductible and/or self-insured retention. The Town reserves the right to request and to receive, within ten (10) working days, certified copies of any or all of the herein required insurance policies and/or endorsements. The Town shall not be obligated, however, to review same or to advise the Chamber of any deficiencies in such policies and endorsements, and such receipt shall not relieve the Chamber from or be deemed a waiver of, the Town's right to insist on strict fulfillment of the Chamber's obligations under this Agreement. The insurance policies, except Workers' Compensation and Professional Liability, required by this Agreement, shall name the Town, its agents, officers, officials and employees as additional insured. Insurance required herein shall not expire, be cancelled, or materially changed without fifteen (15) days prior written notice to the Town.

AUTHORITY

5. The Chamber represents and warrants that it is a corporation in good standing with the Arizona Corporation Commission and that it will maintain such status throughout the duration of this Agreement. The Chamber shall provide proof of such status upon request by the Town within five (5)

days of the execution hereof. The Chamber further represents that the person signing this contract for the Chamber is authorized to bind the Chamber to its terms.

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officials.

Mayor Chris Marley
For the Town of Chino Valley

Date: _____

Attest: Jami Lewis, Town Clerk

Date: _____

Approved as to Form-Town Attorney

Date: _____

Tom Payne, Chairman of the Board
For the Chamber of Commerce

Date: _____

Approved to as Form- Tom Payne
Chairman of the Board

Date: _____

THIS PAGE INTENTIONALLY LEFT BLANK



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. c.**

Meeting Date: 07/24/2012
Contact Person/Dept: Ron Grittman, Public Works
 Phone: 928-636-2646 x-1223
Item Type: Action-Presentation
Estimated length of staff presentation: 5 minutes
Physical location of item: Road 2 North and the Santa Cruz Wash

AGENDA ITEM TITLE:

Consideration and possible action to award bid and approve construction contract for the Road 2 North Roadway Widening at the Santa Cruz Wash to N.L. Booth Construction in an amount not to exceed \$566,087.56.

RECOMMENDED ACTION:

Award bid and approve construction contract for the Road 2 North Roadway Widening at the Santa Cruz Wash to N.L. Booth Construction in an amount not to exceed \$566,087.56.

SITUATION AND ANALYSIS:

On February 11, 2010, Town Council approved the professional services contract for the design of roadway widening improvements for Road 2 North at the Santa Cruz Wash. This project will create construction plans that add a right turn lane to the existing two travel lanes of Road 2 North at the Santa Cruz Wash.

Bids were opened on July 14, 2012 on the project. Five bids were received:

N.L. Booth Construction.	\$566,087.56
Asphalt Paving and Supply	\$574,568.45
Alliance Construction	\$599,550.00
Fann Contracting	\$629,500.00
Vasco	\$669,404.05

Asphalt Paving and Supply did provide a email that questions the award of this project to N.L. Booth which stated:

Gentlemen, As you are aware the Chino Road 2 North Widening bid last Thursday. The apparent low bidder is to our knowledge historically is a

building contractor. This raises a question as to their ability to complete 51% of the work as clarified in the pre bid meeting and also re-clarified by our Concrete superintendent on Wednesday 07/11, 2012 by telephone with Chino staff. Our company self-performs concrete, earthwork, grading, underground and paving. We believe that it is impossible to meet this requirement without completing concrete work and other related items with in-house staff (51%), as it would appear is the case with the apparent low bidder. The question also would be project history with current contractor staff that has completed projects that are similar to this one with current employees that are qualified to perform such work in the areas of construction specified in this particular project.

We believe the bid documents of the apparent low bidder should be reviewed based on their ability to meet the 51% self-performed requirement of this project. These are specifications and requirements that keep the integrity of the bidding system held to the highest standards and allow the contracting agency to be assured that the most qualified and responsible contractor is awarded the project. If through the review it is found that apparent lower bidder has met all requirements, the system has worked as it should.

Asphalt Paving & Supply does formally also request the bid tabulations and related subcontractors listed by all bidders that have submitted in bids for the Chino Road 2 North @ Santa Cruz project. Thank you in advance for your attention to this matter. Please feel free to contact me if you should have any questions.

We have reviewed the issues raised in the email and have determined that they are without merit. N.L Booth has provided documentation that they will be performing 58% of the project and have demonstrated that they have constructed other box culverts.

Under the Roads Impact Fee Fund (Account Number 15-78) \$370,000.00 was budgeted as Road Impact Fees Projects. This is where the Road 2 North Project is budgeted. The project total is \$566,087.56 leaving a budget deficit (not a cash deficit) of \$196,087.56. Under the Capital Improvement Fund (Account Number 05-90) \$2,000,000 is listed as Misc. Capital Projects, thereby creating a \$2,000,000 contingency with the Capital Improvement Fund. This \$2,000,000 is a place holder for any future grant projects that the Town may receive in this fiscal year. The \$196,087.56 budget deficit will be transferred from Misc. Capital Projects to the Road Impact Fees Project line item to accommodate the Road 2 North Project. This transfer will create the necessary budget capacity for the Road 2 North Project while leaving other contingency accounts at the approved funding levels.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 15-78-5470

Available: \$370,000

Funding Source:

Roads Impact Fee Fund, road impact fees projects line.

Fiscal Impact?: Yes

If Yes, Budget Code: 05-90-5430

Available: \$2,000,000

Funding Source:

\$196,087.56 will be transferred from Misc. Capital Projects in the Capital Improvement Fund to the Road Impact Fees Projects line item to accommodate this project.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. d.**

Meeting Date: 07/24/2012
Contact Person/Dept: Ron Grittman, Public Works
 Phone: 928-636-2646 x-1223
Item Type: Action-Presentation
Estimated length of staff presentation: 5 minutes
Physical location of item: Old Home Manor

AGENDA ITEM TITLE:

Consideration and possible action to approve and authorize the Mayor to sign the Agreement for Right of Entry and Construction Easement between the Town of Chino Valley, Town of Prescott Valley, City of Prescott, Yavapai County, Yavapai-Prescott Indian Tribe and the Upper Verde River Watershed Protection Coalition for the construction of a pilot project to develop rainfall source water capture, aquifer recharge, and harvesting techniques.

RECOMMENDED ACTION:

Approve and authorize the Mayor to sign the Agreement for Right of Entry and Construction Easement between the Town of Chino Valley, Town of Prescott Valley, City of Prescott, Yavapai County, Yavapai-Prescott Indian Tribe and the Upper Verde River Watershed Protection Coalition for the construction of a pilot project to develop rainfall source water capture, aquifer recharge, and harvesting techniques.

SITUATION AND ANALYSIS:

Over the past several years, the Town of Chino Valley has been working as a partner with the Upper Verde River Watershed Protection Coalition to examine the effectiveness of rainwater harvesting techniques. Approximately 4 years ago, this project was funded through a grant from the Bureau of Reclamation. However, because of Federal budget concerns, the project was cut. Because of the interest in this type of project, the State of Arizona will now fund the project.

The project consists of the construction of five detention basins that will each be treated with various surface treatments. Each basin will be monitored to measure the amount of additional discharge from stormwater events. The basins will be constructed immediately east of the existing WWTP recharge basins on Old Home Manor Property.

Fiscal Impact

Fiscal Impact?: None

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Agreement for Right of Entry and Construction Easement

Agreement for Right of Entry and Construction Easement

This Agreement is entered into for valuable consideration this ____ day of _____, 2012 by and between the Town of Chino Valley (the “Town”) and the Town of Prescott Valley, Yavapai County, City of Prescott, and the Yavapai-Prescott Indian Tribe, members of the Upper Verde River Watershed Protection Coalition, (hereinafter the “Coalition”), formed under the Intergovernmental Agreement recorded on May 23, 2007, with the Yavapai County Recorder #B-4509 P-87;

RECITALS:

The Town is a member of the Coalition and is interested in assisting the Coalition with the development of rainfall source water capture, aquifer recharge and harvesting pilot projects (the “Projects”) as approved by the Coalition Board. The Coalition needs a location at which to construct improvements related to the foregoing projects. The Town has property well suited to such activities and the Town and the Coalition desire to arrange for the use of such site by the Coalition.

WHEREFORE the parties covenant and agree as follows:

1. The Town hereby grants to the Coalition members, their employees, agents, and designees, the right to enter upon and to construct improvements upon the property located within the Town of Chino Valley along Rodeo Drive and Santa Fe Trail, also known as APN 306-01-019B, as further shown on the map attached as Exhibit “A” (the “Property”). The right of entry and grant of a construction easement is for the purpose of engineering, constructing, monitoring, and measuring the performance of the improvements associated with the source water capture, harvesting and recharge facilities Pilot Projects of the Coalition as defined in the project plans prepared by Civiltec Engineering, Inc. and attached as Exhibit “B” hereon.

2. The right of entry and construction easement shall commence upon the date of the full execution of this document and shall continue for a period of 5 years unless terminated sooner due to agreement between the parties, the completion or discontinuation of the projects or a material breach of this Agreement. Said right of entry and easement may be extended for up to three (3) additional one (1) year periods.

3. Prior to the termination of its right of entry, the Coalition members shall repair and restore the Property to a like and equivalent condition as existed prior to the construction activity. During the period of its right of entry, the Coalition members shall maintain the Property in a neat and safe condition.

4. Coalition members shall not use, suffer or permit the use at or on or the discharge of any hazardous substance on or about the Property nor shall it utilize the property in any manner or for any purpose that violates State, local or Federal Law. [Hazardous substances are as defined under State and Federal Law.] The Coalition members shall have no responsibility or liability for environmental contamination or

pollution on or about the Property which it did not cause or contribute to or which pre-existed this Agreement.

5. The Coalition members shall be responsible for complying with all applicable governmental rules, laws and regulations in its use of and improvements on the Property and shall obtain all permits which may be required for such activities. The Town shall waive fees for any permits that may be required to be obtained from the Town.

6. The Coalition members consisting of the City of Prescott, Town of Prescott Valley, and County of Yavapai shall maintain and provide Town evidence of a Commercial General Liability insurance policy with a reputable company in the amount of not less than One Million Dollars (\$1,000,000.00) for injuries sustained by one person, and Two Million Dollars (\$2,000,000.00) per occurrence and property damage and loss coverage of Five Hundred Thousand Dollars (\$500,000.00). The Town shall be named as an additional insured under such policy. Town shall have no liability for loss or damage to Coalition member's Property or improvements on the property and Coalition members shall be responsible for insuring and the costs of insuring its personal property and improvements to the Property in such amounts as it may determine.

7. The Coalition members agree to hold Town harmless and indemnify it for, from and against any liability, losses, claims, fees, costs or damages caused by, or arising from the Coalition member's intentional or negligent acts or those of the Coalition member's agents, employees, contractors and representatives regarding or on or about the Property.

8. This document may be signed in any number of separate copies, each of which shall be effective as an original, but all of which taken together shall constitute a single document. An electronic transmission or other facsimile of this document or any related document shall be deemed an original and shall be admissible as evidence of the document and the signer's execution.

Grantor and Upper Verde River Watershed
Protection Coalition member

Town of Chino Valley (a municipal
corporation of Arizona)

_____	_____
Chris Marley, Mayor	Date

ATTEST:

Jami Lewis, Town of Chino Valley Clerk

APPROVED AS TO FORM:

_____,
Town of Chino Valley Attorney

Upper Verde River Watershed Protection
Coalition member

Yavapai County

_____ Carol Springer, Supervisor	_____ Date

ATTEST:

Julie Ayers, Clerk of the Board, Yavapai County

APPROVED AS TO FORM:

Dave Hunt, Board Attorney, Yavapai County

Upper Verde River Watershed Protection
Coalition member

Yavapai-Prescott Indian Tribe

_____ Ernest Jones, President	_____ Date

ATTEST:

_____,
Tribal Clerk

APPROVED AS TO FORM:

Tribal Attorney

Upper Verde River Watershed Protection
Coalition member

City of Prescott (a municipal corporation of
Arizona)

_____	_____
Marlin Kuykendall, Mayor	Date

ATTEST:

Liz Burke, City of Prescott Clerk

APPROVED AS TO FORM:

Gary Kidd, City of Prescott Attorney

Upper Verde River Watershed Protection
Coalition member

Town of Prescott Valley (a municipal
corporation of Arizona)

Harvey C. Skoog, Mayor
7501 E. Civic Circle
Prescott Valley, AZ 86314
928-759-3100

ATTEST:

Diane Russell, Town of Prescott Valley Clerk

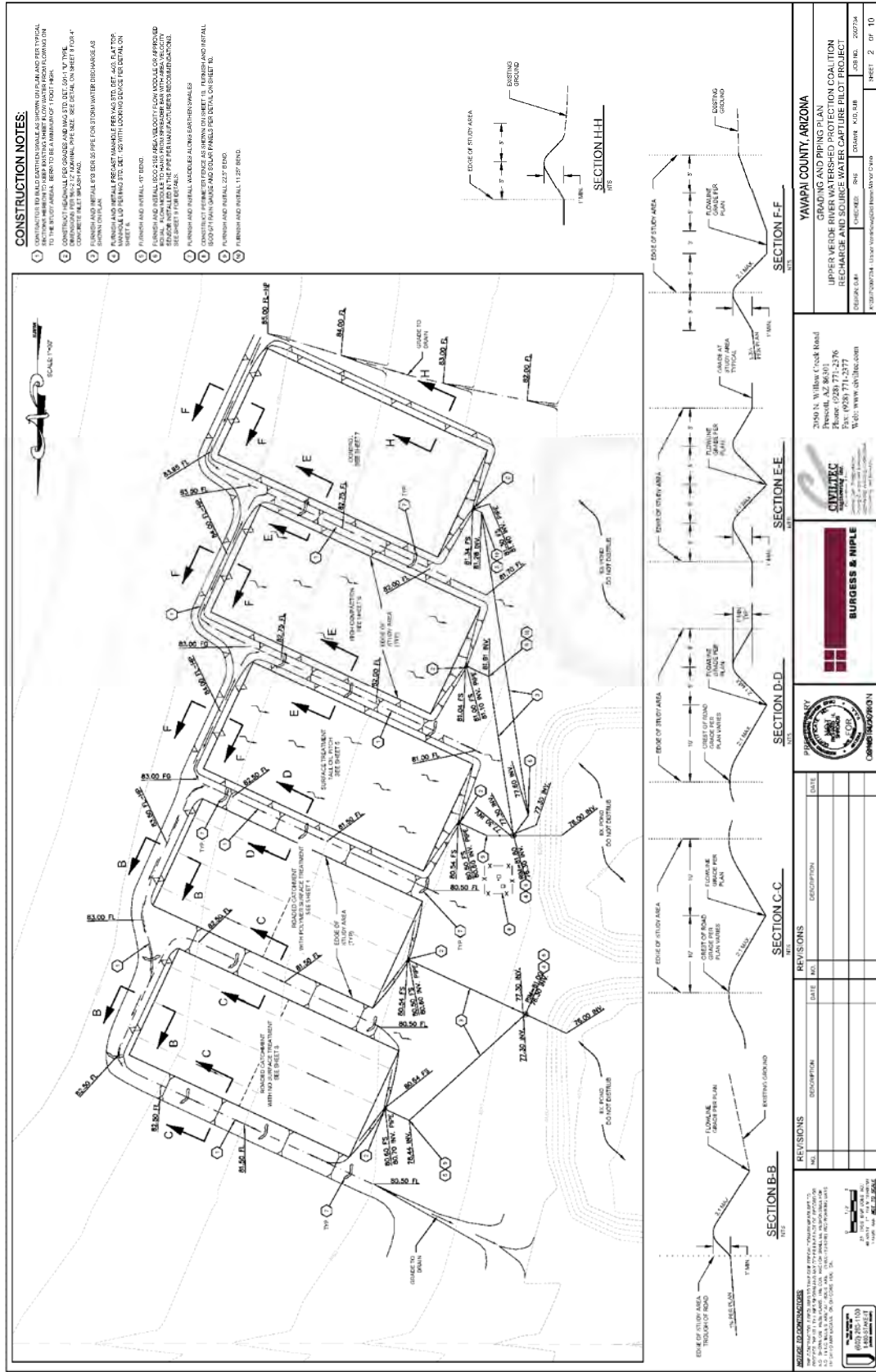
APPROVED AS TO FORM:

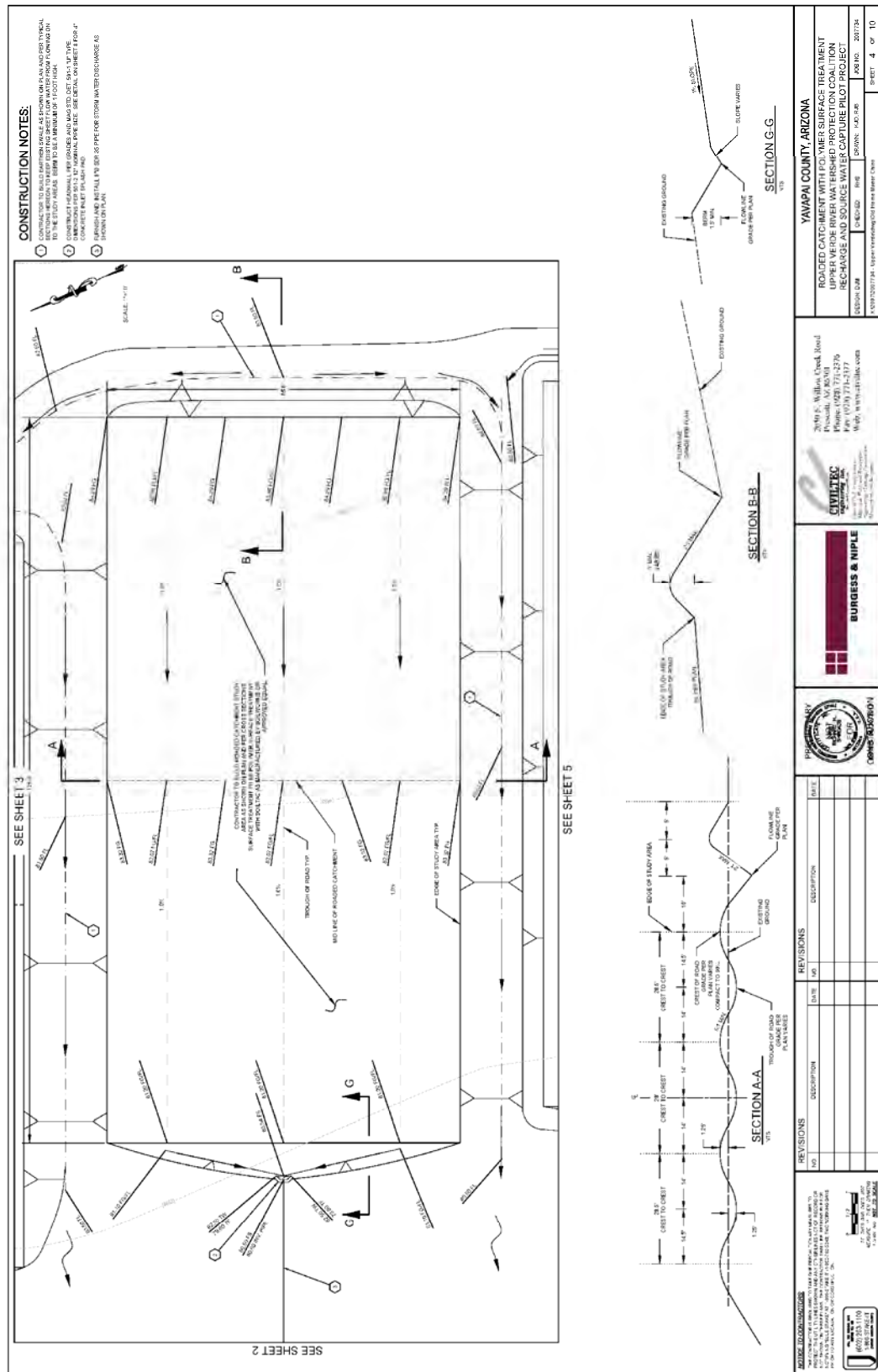
Ivan Legler, Town of Prescott Valley Attorney

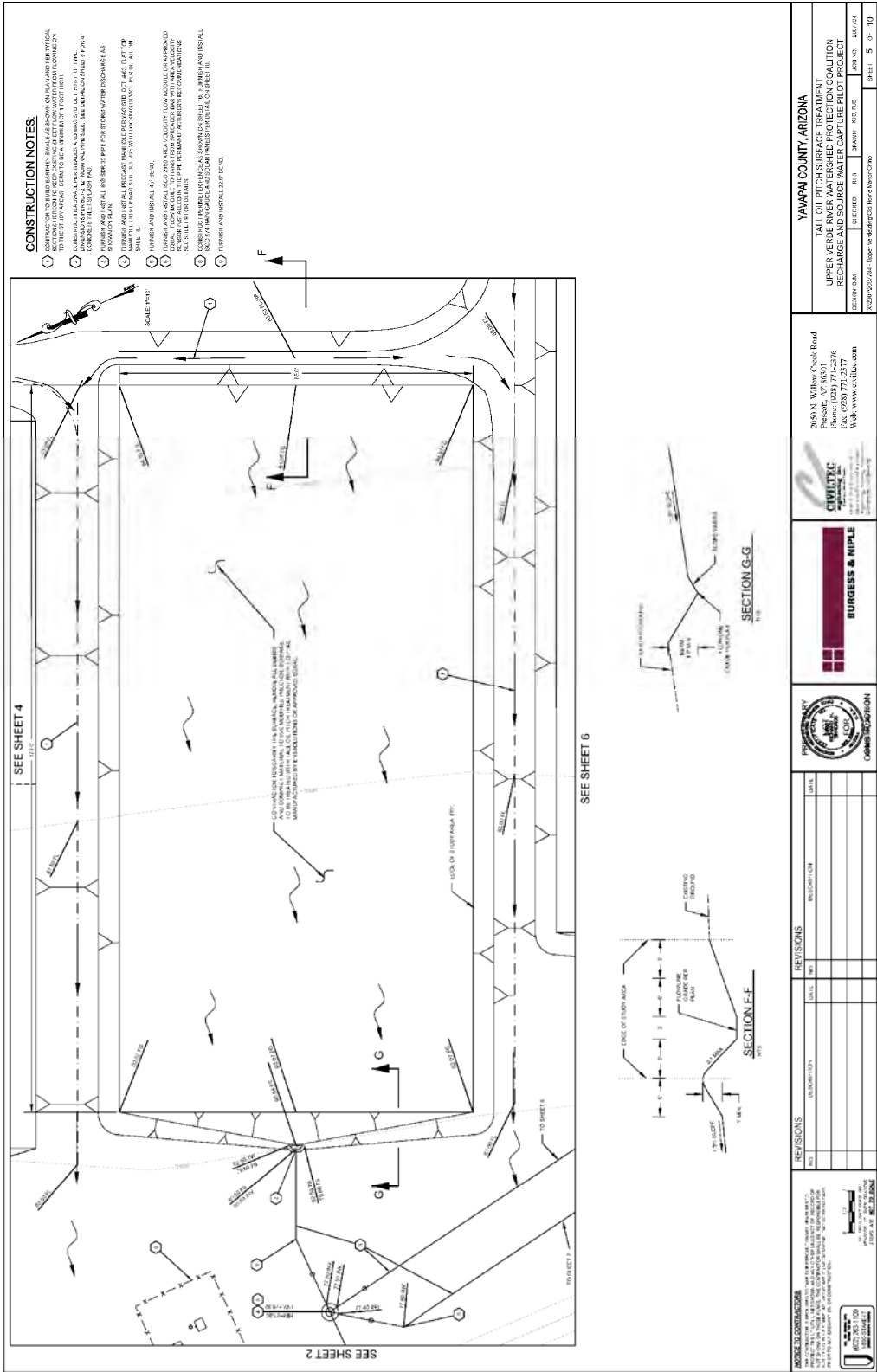


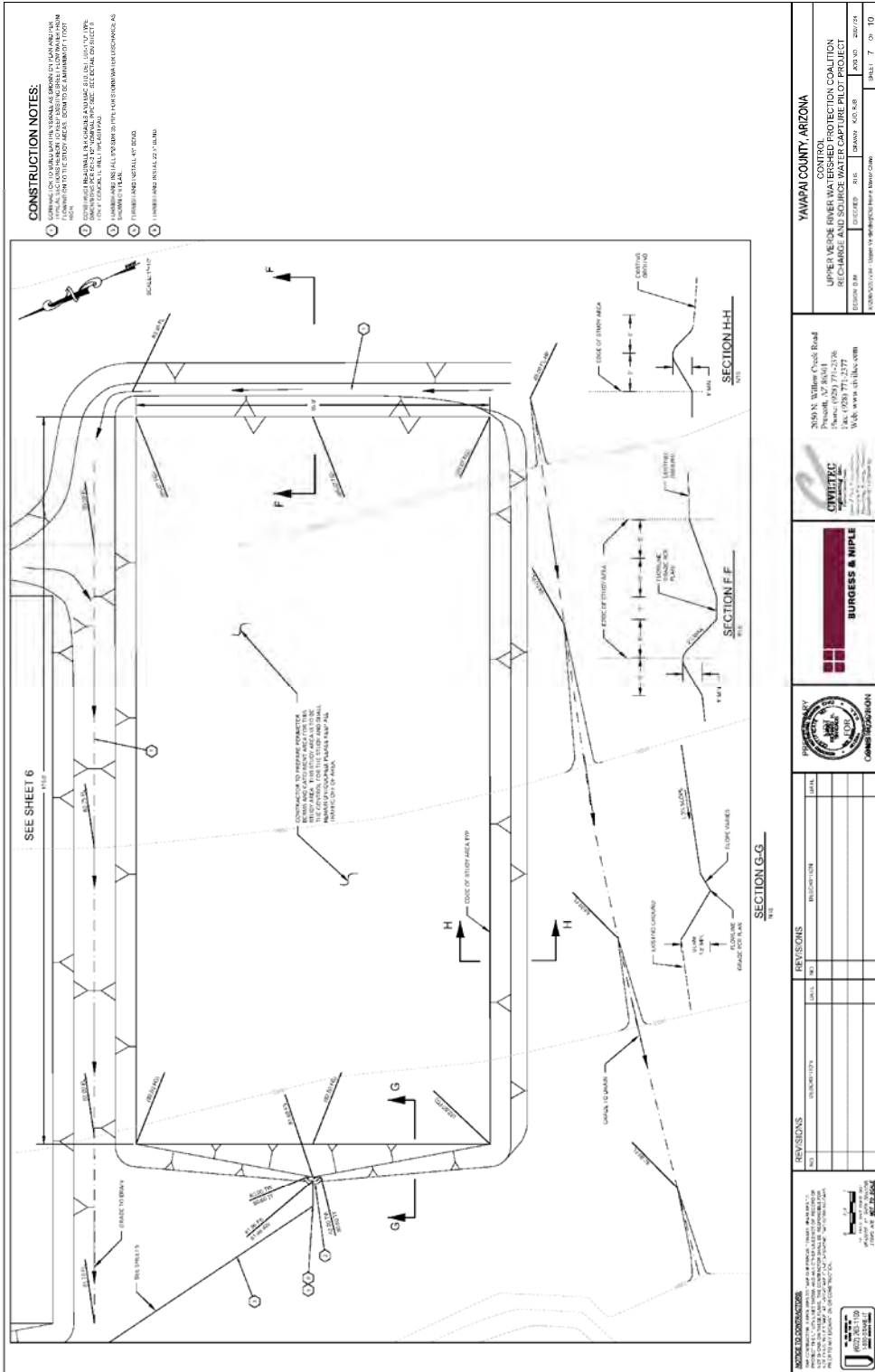
Exhibit "A" - Map of Area subject to right of entry and temporary construction easement

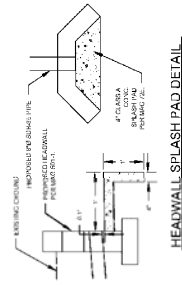
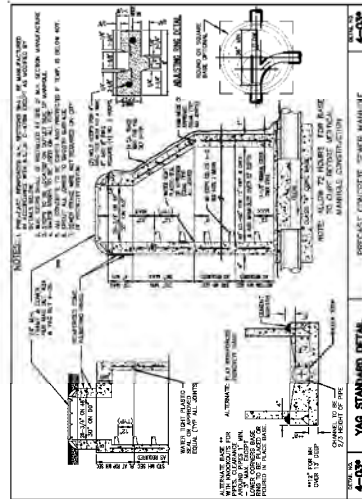
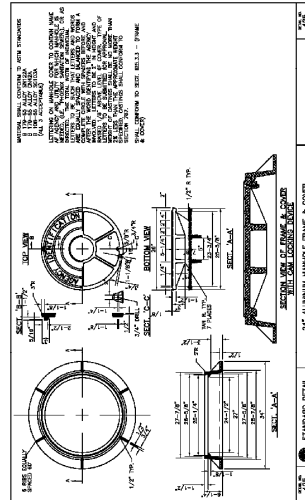
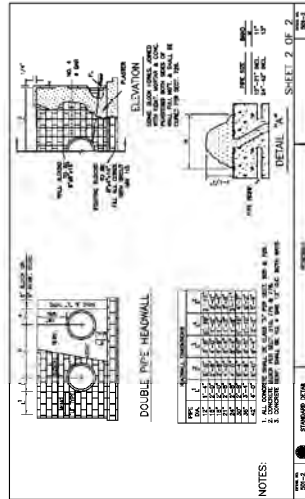
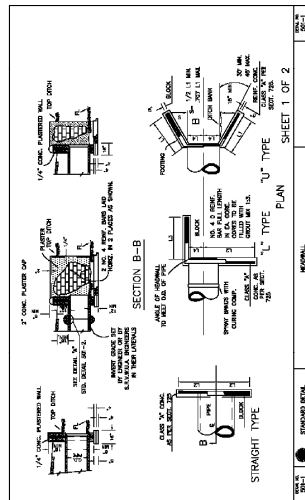
Exhibit “B” – Project Plans

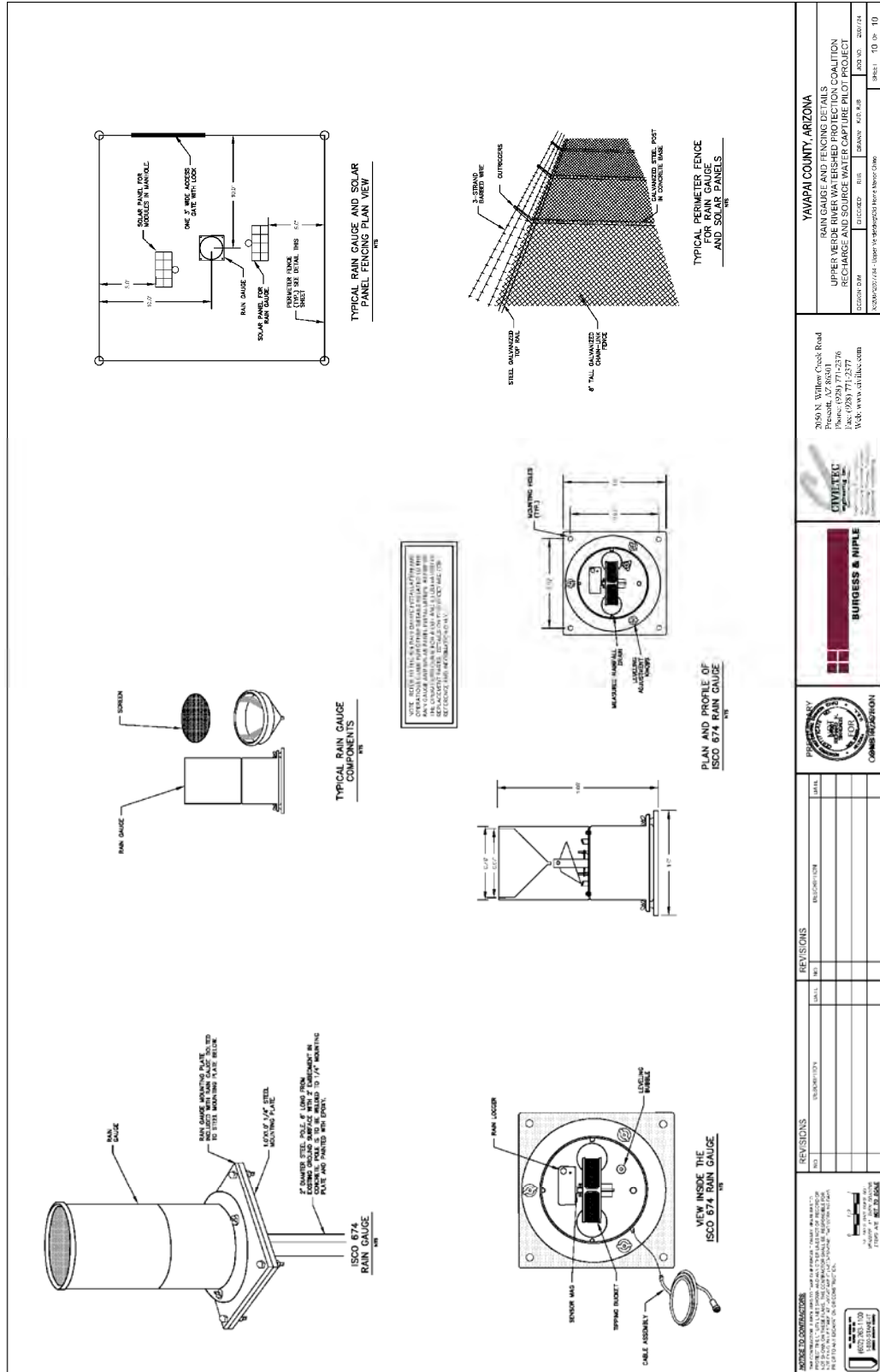








[illegible]





TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. e.**

Meeting Date: 07/24/2012
Contact Person/Dept: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: Chino Valley High School Cafeteria, 650 E. Center Street

AGENDA ITEM TITLE:

Consideration and possible action to ratify expenditure in the amount of \$100 for rental of Chino Valley High School cafeteria for the County Supervisor District 4 candidates forum to be held on July 30, 2012 and authorize staff to expend up to \$300 to videotape the forum.

RECOMMENDED ACTION:

Ratify expenditure in the amount of \$100 for rental of Chino Valley High School cafeteria for the County Supervisor District 4 candidates forum to be held on July 30, 2012 and authorize staff to expend up to \$300 to videotape the forum.

SITUATION AND ANALYSIS:

During a previous Council meeting, Council asked staff to contact the League of Women Voters about moderating a forum for District 4 County Supervisor candidates in order to give the Town's citizens and citizens in ourlying areas an opportunity to interact with the candidates without having to drive into Prescott. As this is technically not a Town event and was not in the budget, Council will need to approve the expenses associated with the forum, as the League of Women Voters does not provide such funding.

Staff needed to incur the \$100 rental expense before it could be approved in order to reserve the room at the high school, and Council later asked about videotaping the event. As the Town no longer has a video specialist, staff will have to go to an outside source for these services. The Town's former video specialist now charges \$50 per hour and the League anticipates that the forum will take about 2.5 hours.

Fiscal Impact

Fiscal Impact?: Yes
If Yes, Budget Code: 01-50-5225

Available:

Funding Source:

Funds to come from Council public relations line; this was not a budgeted item.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. f.**

Meeting Date: 07/24/2012
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Item Type: Action
Estimated length of Staff Presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Discussion and possible recommendation to the Mayor regarding the 2013 Proposed Resolutions submitted for consideration by the League of Arizona Cities and Towns Resolutions Committee on August 28, 2012. (Mayor Marley)

SITUATION & ANALYSIS:

The primary activity of the League of Arizona Cities and Towns is to represent the collective interests of Arizona's 90 incorporated cities and towns at the Capitol. During each legislative session and throughout the year, the League provides a number of services and publications to assist Arizona cities in more effectively communicating and monitoring issues that affect their local communities.

Each year the League asks cities and towns to submit resolutions based on issues of concern to their local communities. The resolutions are considered by representatives from the cities and towns at the Annual League Conference, and some are elected to go into the League's Municipal Policy Statement, which outlines the League's legislative priorities for the coming year.

The League Resolutions Committee will meet on August 28, 2012, at which meeting, Mayor Marley will represent the Council. Staff has sent the proposed resolutions packet to Councilmembers and Department Heads, who are invited to inform Mayor Marley of particular comments they have on any of the proposed resolutions and/or to offer insight about how these may positively or negatively affect the Town.

Attachments

Memo to Resolutions Committee Members (web only)
2013 Proposed Resolutions packet (web only)



1820 W. Washington · Phoenix, AZ 85007 · Phone: (602) 258-5786 · Fax: (602) 253-3874
 Email: league@azleague.org · Web site: www.azleague.org

DATE: July 12, 2012

TO: Members of the Resolutions Committee

FROM: Mayor Jay Tibshraeny; Chairman

SUBJECT: Proposed Resolutions and Meeting Reminder

This memo is to remind you that the Resolutions Committee meeting will be held at the League Annual Conference at the following time and location:

***Tuesday, August 28, 2012, Hyatt Regency Scottsdale at Gainey Ranch
 Lunch- 12:30 pm The Arizona Ballroom; Meeting- 1:30 pm The Arizona Ballroom***

Please find the enclosed meeting agenda and the full Resolutions Packet. Please review the packet and bring it with you to the meeting. If your city or town is sponsoring any resolutions, you may be asked to explain and possibly answer questions regarding the resolution. Also, please talk with your City or Town Manager and appropriate staff to research the other resolutions and their potential impact to your community. A contact from the sponsoring city or town is listed on each resolution and will be able to answer any questions that you may have. Seeking these answers prior to the meeting will allow the Committee to spend our limited amount of time on debate and voting rather than learning about each resolution.

The Committee will be considering 17 municipal resolutions, plus three League staff resolutions. As such, your preparation prior to the meeting and your prompt attendance will allow the Committee to complete its work in a timely fashion. The meeting will begin promptly at 1:30 pm with a report of the Resolutions Subcommittee, which met on July 2, 2012. The Subcommittee put the resolutions into categories (Recommend for Adoption, Recommend with Amendments, Not Recommend, etc.). The Subcommittee also recommended the merger of some resolutions, therefore reducing the number to 17 from 19. You will have the option to remove items for individual discussion. After the report, action will be taken on any motions followed by discussion and voting on individual resolutions.

Late resolutions will not be considered except in the case of emergency as determined by the Resolutions Committee Chairman. The Resolutions approved by the Resolutions Committee will be formally adopted at the Annual Business Meeting, scheduled for Thursday, August 30, 2012 at 4:00 p.m.

We look forward to seeing you at the meeting. If you have any questions or a change in your plans to attend, please call the League office at (602) 258-5786.

Enclosure

cc: City and Town Managers or Clerks
 Intergovs, Intergovs2



2013 *Proposed* RESOLUTIONS

**To be reviewed
By the Resolutions Committee
On August 28, 2012**

Resolution #1

The cities and towns of Arizona request that the Arizona Legislature demonstrate its commitment for fiscal accountability and economic development by enacting a budget that does not interfere with existing statutory formulas for the distribution of funds to local governments as well as restores funding to programs that aid local government with infrastructure and job creation. The Legislature is especially urged to discontinue diversions of Highway User Revenue Fund monies to fund the operations of state agencies.

Submitted by: Bullhead City, City of Kingman, Lake Havasu City, Yuma, Apache Junction, Sierra Vista

A. Purpose and Effect of Resolution

The purpose of the resolution is to assert that the League and its members believe in fiscal accountability; money collected and designated for a specific purpose should be used for that purpose. The effect of the resolution will be to restore proper funding streams, resulting in increased funding for an array of projects. Specifically, the Highway User Revenue Fund (HURF), State Lake Improvement Fund (SLIF), Statewide Transportation Acceleration Needs (STAN) account, the Heritage Fund, and Local Transportation Assistance Fund (LTAF) are all areas where funds have been swept, diverted or eliminated. This resolution seeks to return those programs to a fully funded status.

With respect to HURF, funding sources include fuel taxes, motor carrier fees, vehicle license taxes and motor vehicle registration fees. Statutes provide a method of distributing these funds among the state, counties, and cities for the purpose of construction, improvements and maintenance of streets and roadways within their jurisdictions. The State has swept portions of these revenues for several years, mainly to support DPS. These sweeps affect every municipality and county in the state. Delayed maintenance on streets has caused many streets to now need total replacement, at a much greater cost. Arizona is no longer a place for new commerce and industry to locate because of the poor condition of transportation infrastructure.

In addition to the direct impact on cities' streets and roadways, this slowdown and halt of street construction and maintenance has cost jobs. The Arizona chapter of the Associated General Contractors estimated in 2011 that an estimated 42,000 jobs have been lost due to the lack of highway construction. This loss has had a negative impact on the economic viability of the State.

B. Relevance to Municipal Policy

Municipalities rely on items like HURF, LTAF, SLIF and Heritage funds to help bear the costs of local projects that provide both local and statewide benefits. Every municipality will benefit if funds like HURF, LTAF, SLIF and Heritage funds are allowed to distribute monies as specified in state law.

With regard to HURF, the longer the attention to street maintenance is neglected, the more costly it becomes to bring streets up to even average condition. Many Arizona counties, cities, and towns experience a significant rise in population during the winter months. The declining street infrastructure negatively affects the state's tourism industry and makes other warm states more attractive to these visitors.

C. Fiscal Impact to Cities and Towns

The current diversion of HURF annually costs cities and towns \$36.5 million. A restoration of LTAF would provide millions in funding to municipalities outside of "Area A."

D. Fiscal Impact to the State

Generally there will be a negative impact to the state only to the extent that funds are not currently being distributed according to statutory formulas and are instead being diverted to the state general fund.

E. Contact Information

<u>Name: Toby Cotter</u>	<u>Title: City Manager</u>
<u>Phone: 928-763-0122</u>	<u>Email: tcotter@bullheadcity.com</u>
<u>Name: Connie Scoggins</u>	<u>Title: Assistant City Attorney</u>
<u>Phone: 928-373-5055</u>	<u>Email: Connie.scoggins@yumaaz.gov</u>

Resolution #2

Urges the Legislature to support economic development of cities and counties, and to increase access to new tools, such as the formation of Revenue Allocation Districts, which allow cities and towns to invest future revenue in economic development projects.

Submitted by: City of Yuma, Lake Havasu City, City of Sierra Vista, City of Kingman, City of Bullhead City

A. Purpose and Effect of Resolution

The purpose of this resolution is to encourage greater economic development through collaborative partnerships between cities, counties and the state. By working together, a synergy can be formed that will increase the effectiveness beyond the sum of each working individually. It is important that economic development continue to be a goal for the League and partnerships will help achieve that goal.

Large-scale economic development projects are a tremendous catalyst for job creation and economic growth in Arizona cities and towns. However, in today's financial environment, financing the upfront costs of large projects, which often include substantial public components, can often be difficult, if not daunting. Creating a Revenue Allocation District may help solve this dilemma by allowing anticipated revenues from a completed project to be used to finance key components of the project itself.

For example, if Lake Havasu City wanted to encourage redevelopment of the English Village area around the London Bridge, the city could form a Revenue Allocation District around the area. The dollar amount of TPT and property tax collected from within the English Village district would be established as the base on the date that district was formed. In future years, any increase in either of these revenue streams above the established base could be used by the district to fund public improvements within the district. Most importantly, the district would have the authority to issue bonds to help finance the project and those bonds would be repaid by new revenue generated within that district.

B. Relevance to Municipal Policy

Cities and towns drive the economy. Joint economic development efforts will strengthen the ability of all to accomplish the common goal of improving our economy. Revenue Allocation Districts would give cities another option for supporting economic development projects.

C. Fiscal Impact to Cities and Towns

By partnering, a greater economic effect is possible for all entities involved. Partnering for economic development will bring jobs, reduce unemployment, and provide new revenues for cities, counties and the state. Supporting local governments' efforts to bring business to Arizona

would allow both the state and local governments to experience increased employment and tax revenues.

Revenue Allocation Districts capture only the city portion of new revenue that is generated as a result of a project being built. Other taxing jurisdictions such as schools and community colleges would not be affected. Municipal taxpayers located outside the district would also be held harmless.

D. Fiscal Impact to the State

State programs are critical in the effort to attract new business to Arizona and to assist local businesses considering expansion in Arizona versus another state. By creating and funding economic development programs to support local governmental efforts' to bring business to Arizona, both the state and local governments would experience increased employment and tax revenues. Encouraging and supporting economic development partnerships between cities and counties to bring business into the state can increase revenues to the State.

No state funds would be involved in the funding of Revenue Allocation Districts because the district pertains only to the city portion of the TPT and property tax. However, the state would receive increased income tax collections from the new employees that work within the district as well as increased corporate income tax receipts from the companies that move into the district.

E. Contact Information

<u>Name: Connie Scoggins</u>	<u>Title: Assistant City Attorney</u>
<u>Phone: 928-373-5055</u>	<u>Email: connie.scoggins@yumaaz.gov</u>
<u>Name: Charlie Cassens</u>	<u>Title: City Manager, Lake Havasu City</u>
<u>Phone: 928-453-4141</u>	<u>Email: cassensc@lhcaz.gov</u>

Resolution #3

Allow municipalities to receive credit for excess solar generation beyond that needed at publicly owned sites where the solar generation may occur, and apply that credit to power consumption at other city, town, or county sites/facilities.

Submitted by: City of Sedona, City of Flagstaff, Town of Clarkdale, City of Kingman

A. Purpose and Effect of Resolution

This will clearly provide a basis for use of solar generated power to generate power more nearly commensurate with an agency's total power consumption where the area to do so exists. This is consistent with increasing the use of alternative energy sources within the State in a sustainable way.

B. Relevance to Municipal Policy

The reduction of municipal costs can often be secured through allowing development of alternative energy facilities on municipal properties. Currently the amount of energy that can be developed for municipal use at beneficial pricing is limited to that which can be used at the facility where the energy is being generated. This means that development of more energy is discouraged, even though the municipality has energy demands at locations where it may not be possible to place an energy generation facility. This resolution, by allowing the power generated at one location to be credited for other municipal locations, encourages efficient development of alternative energy sources on a municipal scale, which is likely to be more economic for the benefit received.

C. Fiscal Impact to Cities and Towns

Cities may be able to more economically develop alternative energy sources.

D. Fiscal Impact to the State

None is anticipated.

E. Contact Information

Name: Charles Mosley	Title: Public Works Director/City Engineer
Phone: 928-204-7132	Email: cmosley@SedonaAZ.gov

Resolution #4

Request that A.R.S. 34-603 C1e, concerning the use of the procurement or final list for qualification based selection processes; allow the use of such final list until a contract for construction is entered into. The Agent may pursue negotiations for pre-construction services with other persons on the list provided that the agent shall not in that procurement recommence negotiations or enter into a contract for the construction or professional services covered by the final list with any person or firm on the final list with whom the agent has terminated negotiations.

Submitted by: City of Sedona, Town of Camp Verde, Town of Clarkdale

A. Purpose and Effect of Resolution

In 2010 section 34-603 C1e was added to A.R.S regarding procurement of construction services using non-bid methods (alternative procurement). The impact of this addition was to require agents to restart the alternative procurement process or bid construction projects in the event that a construction price could not be negotiated. The impact of the proposed change is to allow the agent to utilize another person or firm on the list in the event that a construction price could not be negotiated with the initially selected party. The resolution prohibits reopening negotiations with a party if they have been terminated. Only one party may be negotiated with at a time.

The current law prohibits an option that had been previously allowed, due to silence of prior legislation. The restriction imposed by the current legislation places the agent at the mercy of a contractor late into the project development process when the construction price is being negotiated. The contractor may insist on unreasonably high negotiated price. In this case the agent is forced to bid the project, or restart the procurement process, or accept the high price. Bidding the project may not be desirable when project familiarity is important to an agent in pursuing construction of a project (for instance business area improvement projects), and may result in loss of the ability to contain construction claims. Restarting the procurement procedure may unreasonably delay the project. Accepting the high price is a disservice to the public.

The City of Sedona was able in 2009 to construct a project by using the second low proposer when it could not obtain a satisfactory price from the first ranked proposer. This allowed the project to successfully continue to construction, using the benefits of the Construction-Manager-at-Risk approach. The first ranked proposer's price was well above the engineer's estimated price, while the second was much more in line. The project was successfully completed, with return of some unneeded funds.

B. Relevance to Municipal Policy

Alternative Delivery Methods have benefits beyond costs, however, when the process allows a contractor to attempt to push an agent to reject excessive costs, at the risk of losing these benefits for the project, the public is placed at an unfair disadvantage. Modifying the process to give the

agent the option to continue with the Alternative Delivery Method without excessive loss of time due to starting the procurement over again, or other disadvantages seems to be in keeping with allowing the use of Alternative Delivery Methods in the first place. As a matter of public policy it does not seem that qualification based selection processes should reduce incentives for unfair pricing. The public policy concern regarding bid-shopping is dealt with by the allowing negotiations with only one proposer at a time, and prohibiting reopening closed negotiations.

C. Fiscal Impact to Cities and Towns

Cities would be more assured of being able to secure realistic pricing using Alternative Delivery Methods, from the initially selected proposer, while maintaining the benefits on appropriate projects of using these delivery methods.

D. Fiscal Impact to the State

None anticipated

E. Contact Information

Name: Charles Mosley

Title: Public Works Director/City Engineer

Phone: 928-204-7132

Email: cmosley@sedonaaz.gov

Resolution #5

Amend the Arizona State Statutes to require the Alternative Contribution Rate (ACR) paid by employers to the Arizona State Retirement System (ASRS) for employees who retire from an employer participating in ASRS and later return to work for an employer participating in ASRS to be applicable only to employees hired after July 1, 2011. This essentially holds employers harmless for hiring decisions made prior to the passage of pension reform legislation in 2011. For hires made after July 2011, employers knew that they would be responsible for paying the ACR for employees who met the criteria.

Submitted by: Town of Queen Creek, City of Apache Junction, City of Kingman

A. Purpose and Effect of Resolution

In 2011 the Arizona State Legislature passed a comprehensive pension reform package that included the establishment of an Alternative Contribution Rate (ACR). The ACR is to be paid by employees who retire from an employer participating in the Arizona State Retirement System (ASRS) and later return to work for an employer participating in ASRS. The employer is responsible for paying the ACR. As the law was passed the ACR is to be paid for employees hired both before and after the passage of the legislation. This resolution would amend Arizona State Statutes to require the ACR paid to ASRS be applicable only to employees hired after July 1, 2011. This essentially holds employers harmless for hiring decisions made prior to the passage of pension reform legislation in 2011. For hires made after July 2011, employers knew that they would be responsible for paying the ACR for employees who met the criteria.

B. Relevance to Municipal Policy

This is relevant to municipal policy because it impacts local hiring decisions as well as municipal budgets. Many smaller cities and towns have difficulty attracting experienced applicants to fill senior positions within their organizations. Often times budget limitations prevent small cities from being able to offer competitive salary packages. The solution for many cities and towns is to hire individuals who have retired from other communities. This allows the municipality to hire an experienced individual at a salary the municipality can afford. The pension reform package passed by the Arizona State Legislature in 2011 now requires municipalities to pay an ACR to ASRS for these types of employees. This is not an expense that municipalities anticipated for employees hired before 2011. The proposed resolution does not oppose the concept of the ACR, but does make it applicable only to employees hired after July 2011. This insures that municipalities have the opportunity to be informed about the costs associated with hiring individual before making that hiring decision and holding cities and towns harmless for hiring decisions made prior to 2011.

C. Fiscal Impact to Cities and Towns

The anticipated positive fiscal impact to cities and towns is \$250,000. The total amount of ACR paid by cities and towns statewide for employees hired before July 1, 2011 is unknown. For the Town of Queen Creek if this legislation is signed into law, it will translate to an annual savings of \$20,000.

D. Fiscal Impact to the State

The estimated positive impact to the State of Arizona budget is \$2 million dollars because the State and other ASRS employers will not have to pay the ACR for applicable employees. There is a potential negative actuarial impact to ASRS, but the impact is unknown without further fiscal analysis from the system. This legislation would not impact ASRS's ability to collect the ACR for all hires made after July 2011.

E. Contact Information

Name: Bruce Gardner	Title: Workforce and Technology Director
Phone: 480-358-3200	Email: bruce.gardner@queencreek.org

Resolution #6

Urges the Legislature to amend A.R.S. § 39-121.01 to place reasonable limitations on requests for public records that are overbroad or abusive. Such limitations may include the scope of requests, the time period covered in a request, and the number of requests from a single individual during a specified time period and allowing charges for requests that exceed statutorily established limitations.

Submitted by: City of Yuma, Town of Oro Valley, City of Apache Junction, City of Bullhead City

* * * * *

A. Purpose and Effect of Resolution

This Resolution seeks amendments to public records laws to discourage overbroad and abusive requests for public records.

Municipalities receive and process thousands of requests for public records each year. Most of these requests are reasonable, coming from persons who may or may not make other requests but whom seek specific and limited information or specific requests from the media. Other requests require preparation of voluminous amounts of documents or materials and substantial amounts of staff time in multiple departments to locate, review, and prepare the documents for review and/or copying.

But other requests are overbroad, such as requests for “All documents, e-mail, memoranda, etc. pertaining to the city action” These documents can cover many years, require production of hundreds or thousands of documents, and involve research and review by several City departments.

Municipalities also receive and process numerous requests for public records from only a few individuals. For example, in Yuma, one individual is responsible for the following statistics:

<u>Year</u>	<u>Number of requests</u>
2008	114
2009	120
2010	85
2011	155

These requests, some of which require locating massive amounts of documents from across city departments in different locations, have a significant impact on city resources. Such requests from one or two individuals require a disproportionate amount of city-wide staff time to locate, review, and prepare the records for examination. Oftentimes, a requestor may never review the documents after being notified they are ready for inspection. As an example, Yuma has received 46 requests in 44 business days from a single individual, including nine filed in one day, while 25 filled requests waited to be reviewed. These overbroad and abusive requests by a few individuals abuse the rights and privileges these laws were enacted to protect.

Amending Title 39 to give municipalities authorization in certain instances to restrict the number or frequency of requests made by a single individual and to limit certain requests such as those with a broad scope or that cover an extensive time period will allow cities to both comply with spirit and intent of public records laws while discouraging overbroad and abusive requests.

B. Relevance to Municipal Policy

Transparency is an essential component of a responsive representative government. Cities endeavor at all times to be open, accessible and responsive to their citizens. Making records available for inspection by the public and the media is important to maintaining transparency and trust in government. Most citizens and the media are conscientious and purposeful in their requests. However, requests by a few individuals which are overbroad or abusive and require disproportionate amounts of city-wide staff time do not further the goal of transparency.

C. Fiscal Impact to Cities and Towns

Cities will still respond to public records requests in the spirit of transparency and openness in government. Allowing cities some relief from abusive public records requests or to identify potentially abusive practices will free staff to perform other governmental functions.

D. Fiscal Impact to the State

There will be no fiscal impact to the State. However an amendment could include public records requests of the State, which will result in savings.

E. Contact Information

Name: Connie Scoggins

Title: Assistant City Attorney

Phone: (928) 373-5055

Email: Connie.Scoggins@YumaAz.gov

Resolution #7

This resolution requests that ARS 9-441.01 be amended to exempt cities and towns of less than a certain population from requiring that the local governing body adopt a resolution declaring specific portions of the jurisdiction a “housing development area,” for the purpose of assisting with the acquisition, construction or rehabilitation of housing.

Submitted by: City of Sedona, Town of Clarkdale

A. Purpose and Effect of Resolution

Per ARS 9-441.01 it is a valid public purpose of municipalities to assist in providing for the acquisition, construction or rehabilitation of housing and other facilities necessary or incidental to the housing and primarily for the use of those residing in the housing, in areas that are declared by the municipality to be housing development areas.

ARS 9-441.01 also requires that before exercising any of the powers conferred on municipalities by this article, and before any public moneys can be spent, the local governing body must adopt a resolution finding that a shortage of housing, or a certain type of housing, exists in a certain area of the municipality. These areas must be declared to be “housing development areas,” thereby designating those areas as areas where assisting in the development of housing is in the interests of the public health, safety, morals or welfare of the residents. The resolution must also establish specific boundaries depicting what constitutes the housing development area.

The resolution requests a change to ARS 9-441.01 to exempt cities and towns of less than a certain population from having to designate certain areas as housing development areas. In small cities or towns, such a designation of an entire area of the city for housing development is impractical. Often, small municipalities merely want to develop or improve individual parcels or lots throughout the city in order to provide better overall housing.

B. Relevance to Municipal Policy

While it is critical to engage the citizens of the community in any planning around housing development or redevelopment, the requirement to adopt a map depicting an entire area as a “housing development area” could create an inaccurate impression that the city or town intends to undergo large-scale housing development projects throughout such an area. Given the concerns and stigmatization that arise as a result of following the public process to adopt such areas, this requirement may mislead residents and/or derail a process which is intended to assist the city or town with limited housing needs that are dispersed throughout the entirety of a small community. The locality should be allowed to determine what methods of citizen participation and engagement would be appropriate for that community and for those areas in which housing development was deemed necessary.

C. Fiscal Impact to Cities and Towns

N/A.

D. Fiscal Impact to the State

N/A

E. Contact Information

Name: Nicholas Gioello

Title: Assistant to the City Manager

Phone: 928-203-5100

Email: NGioello@sedonaaz.gov

Resolution #8

Urges the Governor and the State Legislature to develop and pass legislation that allows greater flexibility in annexing county islands.

Submitted by: Marana, Sierra Vista, Oro Valley, Tucson

A. Purpose and Effect of Resolution

Over the past 30 years, the State Legislature has made changes in annexation law in response to actions by local governments that have unintended, and often negative, consequences. In 1980, the Legislature disallowed “strip” annexation by communities wanting to annex only highly lucrative commercial properties. That same legislation also changed the law further to disallow the creation of county islands, recognizing that having such islands completely surrounded by an incorporated city or town is not good public policy. Other steps have been taken within state law to improve the process, but more are needed.

Although new county islands can no longer be created, unfortunately a number of cities and towns in Arizona still have such areas within their incorporated limits. The islands are governed by the laws of their respective county, which is a branch of local government largely designed to provide rural services and a one size fits all approach to planning and growth management. Depending on the individual county/city, disparities between county and city regulations may exist, and in many cases, these services and/or enforcement differences are taking place literally across the street from areas with the same density and neighborhood type.

It is time to allow a city or town more flexibility to extend urban services to these islands. This could include: allowing a city to shrink an island annexation area once the process has started if there is not enough interest to proceed with the entire area; removing the tie to assessed valuation in the process; allowing property owners with multiple properties within an annexation area to have a vote for each property; requiring property owners to sign a petition to opt out of a county island annexation rather than opt in, to address those areas with high out-of-town owners; or any combination of these methods. The ideas would be discussed with legislators to determine the most viable.

B. Relevance to Municipal Policy

Consistent service delivery to a community’s residents insures that all areas of a city or town are appropriately managed. Counties, by design, are funded to provide a rural level of service. But such a service level within the middle of an urban area can, and has, led to problems that bleed over into incorporated cities.

C. Fiscal Impact to Cities and Towns

If legislation moves forward that allows greater flexibility in annexing county islands, it would be up to cities and towns themselves to determine timing on annexing these areas if they choose. Those communities that choose to move forward will need to extend their services to newly annexed areas. Those costs would be different for each community. But nothing in the legislation should require a city or town to annex county islands if they feel they cannot provide services. It should be noted that counties currently providing services to these islands, if annexed, would save money not doing so in the future.

D. Fiscal Impact to the State

There is no fiscal impact to the state when it comes to which local government provides local services. Minor adjustments in state-shared revenues would be made based on population changes, but it would be a reshuffling of the total allocation, not an increase in state revenues to local government. Eliminating barriers to annexation would also encourage economic development that would ultimately result in increased revenue to the state.

E. Contact Information

Name: Del Post, Marana	Title: Deputy Town Manager
Phone: 520-382-1904	Email: dpost@marana.com

Resolution #9

Urges the Legislature to partner with cities and towns for the operation and maintenance of Arizona State Parks (ASP) under long term leases, for a nominal amount, and to participate financially by providing for a dedicated funding mechanism to share a portion of the costs.

Submitted by: City of Yuma, Town of Oro Valley, Town of Camp Verde, City of Kingman, City of Bullhead City

A. Purpose and Effect of Resolution

When the State became unable to continue full support of its parks, local governments and non-profit groups in Arizona stepped up to the plate and entered into short term agreements to operate and maintain the parks in or near their jurisdictions (Alamo Lake, Boyce Thompson Arboretum, Fort Verde, Homolovi, Jerome, Lost Dutchman, Lyman Lake, McFarland, Picacho Peak, Red Rock, Riordan Mansion, Roper Lake, Tombstone Courthouse, Tonto Natural Bridge, Tubac Presidio, Yuma Prison, Yuma Quartermaster Depot) so Arizona residents and visitors alike could continue to enjoy the rich recreational experiences that state parks provide. This arrangement has proven to be successful. This resolution asks the State to continue and to expand this partnership with local jurisdictions on a long term basis.

Making the current partnerships sustainable in the long-term and increasing the number of partnerships will make the entire park system more viable over time. Further utilization of partnerships (non-profit, public and private) will necessitate financial support from local governments, non-profits, and the State.

This resolution will assure that State Parks remain open to the public as a recreational, environmental, and cultural benefit that supports and generates tourism, and provides important revenue to not only local, but also to the regional and statewide economies. In addition, the availability of the State Parks System will continue to provide a high quality of life for Arizona residents and serve as an attraction to new residents.

B. Relevance to Municipal Policy

State Parks are essential to the rural economies and people of Arizona, and the continued threat to their operation leaves a continued threat to the still weak local economies in rural Arizona. In addition, Arizona's natural environment, including access to the environment through availability of State Parks across the state draws millions of tourists to Arizona, benefiting every entity that relies on tourism as part of its economy.

Increasingly, ASP is reliant on partnerships with local governments to make its state parks viable. This comes at a time when local resources are shrinking.

C. Fiscal Impact to Cities and Towns

Visitors' expenditures combined with their direct and induced impacts resulted in \$21,171,627 in Federal Government taxes and \$22,762,326 in state and local government taxes. The total tax impact of Arizona State Park visitors in 2007 was \$43,933,953.

D. Fiscal Impact to the State

The economic benefit of the State Park System is statewide. Calculated at the state level for FY07, the total economic impact of Arizona State Parks (direct, indirect and induced) on the state was \$266,436,582. This total state income resulted in 2,397 direct jobs and 950 indirect jobs for a total of 3,347 jobs statewide. The jobs provided were generated directly, through State Parks employment, but also indirectly, for the tourism industry that is supported and enhanced by the existence of State Parks.

Visitors' expenditures combined with their direct and induced impacts resulted in \$21,171,627 in Federal Government taxes and \$22,762,326 in state and local government taxes. The total tax impact of Arizona State Park visitors in 2007 was \$43,933,953.

(Economic figures cited are from "The Economic Impact of Arizona State Parks 2007" study prepared by The Arizona Hospitality Research & Resource Center, Center for Business Outreach and The W. A. Franke College of Business, Northern Arizona University in February 2009.)

E. Contact Information

<u>Name: Connie Scoggins</u>	<u>Title: Assistant City Attorney</u>
<u>Phone: 928-373-5055</u>	<u>Email: Connie.scoggins@yumaaz.gov</u>

Resolution #10

Requests that A.R.S. 36-1606, concerning consumer fireworks regulation; state preemption; further regulation of fireworks by local jurisdiction, be amended to allow an incorporated city or town and a county within the unincorporated areas of the county to regulate the sale and use of permissible consumer fireworks.

Submitted by: City of Prescott, Town of Prescott Valley, Town of Chino Valley, Town of Camp Verde, Town of Clarkdale, City of Sedona.

A. Purpose and Effect of Resolution

In 2010 the Arizona State Legislature lifted the statewide ban of the sale of consumer fireworks. The Legislature allowed municipalities to ban the use of consumer fireworks within incorporated limits but not the sale. This resolution seeks to enable the elected governing body of each municipality and county in Arizona to decide for their constituents whether or not to allow the sale in addition to use of consumer fireworks within their geographic boundaries (unincorporated areas in the case of counties).

On May 2, 2011, a fire was started in the backyard of a home in Prescott Valley, Arizona, as a result of an unattended 11 year old child playing with a consumer firework (sparkler). Central Yavapai Fire District personnel were called to respond to the scene. Upon their arrival the fire had been extinguished by the residents after burning about a tenth of an acre. This incident occurred even though the Prescott Valley Town Council enacted an ordinance that banned the use of all consumer fireworks within Town limits.

B. Relevance to Municipal Policy

In addition to the potential cost and damage of fires, HB2246 which allowed fireworks to be sold in Arizona, intruded into local control. The evaluation of risk and the decision to allow consumer fireworks to be sold and used in a community is best left to the governing body of that community. This resolution does not place any restrictions or mandates on any community, rather it allows each to decide what is best.

C. Fiscal Impact to Cities and Towns

There will a minimal loss in sales tax collection if a municipality chooses to ban the sale of consumer fireworks. The local control aspect of this resolution would allow each city and town to weigh the potential costs of damage to property and public safety response with the benefit of allowing the sale of consumer fireworks.

D. Fiscal Impact to the State

The State could experience a minimal negative reduction in revenue dependent upon the number of municipalities that choose not to allow the sale of consumer fireworks.

E. Contact Information

Name: Alison Zelms

Title: Deputy City Manager

Phone: 928-777-1220

Email: alison.zelms@prescott-az.gov

Resolution #11

To seek legislative actions that assist local, collaborative groups with resources and funding for planning and proactive actions to improve forest health and reduce wildfire threats, promote the economic engine of tourism dollars coming to the state, driving down the costs and human toll wildfires take as well as the cost of watershed sustainability.

Submitted by: City of Flagstaff, City of Sedona, City of Scottsdale, City of Sierra Vista

A. Purpose and Effect of Resolution

Statewide awareness and attention to the value of collaborative planning, implementation, and monitoring of our forests to improve forest health, reduce the human and economic costs from catastrophic disasters resulting in the loss of property, life and recreational destinations for our residents and tourists who generate revenues. As we have learned from the many fires of the past decade, particularly the Rodeo-Chediski Fire of 2002, the Schultz Fire of 2010 and the Wallow and Monument fires of 2011, there are things we must do to greatly reduce catastrophic losses from occurring wherever they strike. Proactive, coordinated efforts have been studied and proven to reduce impacts from and costs of such events.

B. Relevance to Municipal Policy

Communities across the state face increasing economic and life threats as the result of degrading, unsustainable, forest-and-range conditions. The threat is not only catastrophic wildfire that destroys the natural environment our residents enjoy for recreation, but also includes post-fire effects. Loss of property, sales tax and tourism, livelihood, displacement of residents, erosion, flooding, loss of wildlife habitat, etc. exists for all jurisdictions and ownerships because of the statewide impact on economic factors such as reduced State Shared Revenues. Joint-action by all parties (local, county, state, and federal) is required to adequately and satisfactorily address the issue which starts with planning at the local and regional levels.

Community-based stakeholder groups working on landscape scale areas and focused upon appropriately-scaled treatments, using a science-based model, are critical to our success. Adequate environmental analysis, transparent decision making, application of Firewise practices, and sufficiently sized and appropriate forest treatments must be planned for. Selective thinning, debris disposal, prescribed fire, and biomass utilization, are crucial to the future of our State's forests and rangelands, communities, and our corporate well-being.

C. Fiscal Impact to Cities and Towns

The negative economic impact of such events is beyond the capacity of any single community to bear. The costs of the past catastrophic fires to each area of the state rose to the millions of dollars levels.

D. Fiscal Impact to the State

The economic impact of such events that have already occurred is in the millions of dollars and it would be economically sound for the state to appropriate planning funds for forest health. The Federal government has identified four of northern Arizona's forests to be part of the 4FRI Initiative with federal funds appropriated to that effort as a pilot program for the nation.

E. Contact Information

<u>Name: Jerene Watson,</u>	<u>Title: Deputy City Manager,</u>
<u>Phone: 928-213-2073;</u>	<u>Email: jerenewatson@flagstaffaz.gov</u>
<u>Name: Paul Summerfelt</u>	<u>Title: Wildland Fire Manager</u>
<u>Phone: 928-213-2509</u>	<u>Email: psummerfelt@flagstaffaz.gov</u>

Resolution #12

Urges the Governor and the State Legislature to develop and pass legislation that supports efforts to reduce the shortage of physicians in the State of Arizona. The League encourages the Legislature to consider: expanding the level of Graduate Medical Education (GME) funding; expanding medical school capacity within the state universities; addressing issues affecting the attraction and retention of physicians from out-of-state; reducing obstacles to medical practice in Arizona; and addressing any other major issues that affect a physician's decision to locate or remain in Arizona to practice.

Submitted by: City of Sierra Vista, City of Bisbee, City of Yuma, Town of Marana, City of Douglas, City of Flagstaff, Town of Clarkdale.

A. Purpose and Effect of Resolution

Part II of the 2005 Arizona Physician Workforce Study, conducted by specialists from the University of Arizona and Arizona State University, identified that since 1992 to 2004, Arizona's physician supply is not keeping up with its population growth. The situation has not gotten any better. Arizona has 219 physicians per 100,000 population, well below the national average of 293 per 100,000. Rural communities in the state are affected by the shortage even more, with one county at under 60 physicians per 100,000. Specialty physicians are particularly difficult to recruit and retain. By way of example, the City of Sierra Vista's regional hospital is now the only location in all of Cochise County in which a woman can deliver a baby outside of a setting in which emergency services are available. In addition, as the Baby Boomer population ages, more of the older doctors in rural communities will retire, potentially exacerbating the situation.

Since approximately 60% of physicians who complete their training in Arizona teaching hospitals remain to practice within the state, enhancing the Graduate Medical Education (GME) program is a critical component to addressing this shortfall, and has been identified by previous gubernatorial task forces. Also recommended were efforts to reduce obstacles to medical practice in Arizona. Recruitment and retention of physicians is hampered throughout the state by higher professional liability premiums as compared to other states, and this is certainly an obstacle needing attention. Recent actions to reduce funding to the State's Medicaid program will only exacerbate the issue statewide. Now, more than ever, action is needed to retain existing physicians, and insure Arizona is a desirable place to practice for others.

B. Relevance to Municipal Policy

Health care is a key component of the overall quality of life for any community. It is an attraction and retention component for both business and military activities, both of which are the backbone of the state's economy. An adequate supply of physicians is the foundation of quality healthcare, and although most barriers to physician recruitment and retention are beyond the direct control of local government, the health of our citizens should be a strong consideration

for local legislative input and advocacy. The National League of Cities has incorporated citizen health in its overall federal legislative platform by developing and advocating for health programs for children and youth.

C. Fiscal Impact to Cities and Towns

There should be no negative fiscal impact on Cities and Towns. To the contrary, not only will there be an intrinsic gain to Cities and Towns in overall quality of life of their residents if accessibility to health care is improved, but all communities in the state can use improved health care as an economic development tool in the future.

D. Fiscal Impact to the State

There are some solutions, such as investing in the graduate medical program, which will require additional investment by the state in medical education. However, some recommendations can be implemented with little to no effect on state finances. But like the cities and towns, improvement in access to health care results in an improvement in the ability of the State to attract corporations who value health care access as a major factor in relocation to Arizona. In addition, more physicians in the rural areas of the state will reduce the number of trips on already overcrowded roadways that residents from those areas make to the Phoenix or Tucson metropolitan areas to seek treatment.

E. Contact Information

Name: Mary Jacobs

Title: Assistant City Manager

Phone: 520-458-3315

Email: mary.jacobs@sierravistaaz.gov

Resolution #13

Urges the Governor and the State Legislature to develop and pass legislation or engage in other activities that supports and advocates for resources to improve Arizona's ports of entry with Mexico and related infrastructure, and will enhance international trade and improve the global competitiveness for Arizona with Mexico.

Submitted by: City of Sierra Vista, City of Douglas, City of Bisbee

A. Purpose and Effect of Resolution

Mexico is Arizona's top trading partner. Our shared border is the gateway for \$26 billion worth of imports and exports and 44 million people (crossings) each year. Mexican visitors spend approximately \$7.3 million each day in Arizona, providing an annual impact of \$2.3 billion. Trade with Mexico supports six million jobs in the U.S. and tens of thousands jobs in Arizona. In addition, Mexico is now the third-ranked commercial partner of the U.S. and the second largest market for U.S. exports.

Despite this wealth of opportunity, recent studies show that competing border states such as Texas are far outpacing Arizona when it comes to developing trade relations with Mexico. While Arizona exports to Mexico totaled about \$5.7 billion in 2011, in Texas the total was \$87 billion. Mexico is the 13th largest economy in the world, and in 2010, Mexico invested an unprecedented five percent of its Gross Domestic Product (GDP) in infrastructure.

Arizona's ports of entry face significant challenges, including aging infrastructure and an often inadequate number of customs and border protection agents needed to staff them. A heavy focus on security has impacted the tourism industry by diverting investments from needed improvements and leaving a multibillion dollar deficit in border infrastructure. For example, while investments of \$200 million into the expansion to the Nogales port of entry are progressing, no funding is allocated at this time (pending completion of appropriate studies and reviews) toward improving Arizona State Route 189, which connects the Mariposa Land Port of Entry to I-19. The U.S. General Services Administration (GSA) describes the Mariposa Land Port of Entry as "...one of the United States' busiest land ports...serving as the main entry point for fresh produce entering from Mexico..."

With 23 million northbound visitor border crossings and 373,000 northbound truck crossings, long waits at the border and congestion north of our ports of entry suppress economic development. In addition, greater emphasis is needed to upgrading southbound passenger vehicle and pedestrian crossings. And with significant public safety concerns arising from the 602 train crossings annually, there is clearly a need to develop an alternative to Arizona's sole rail port of entry in Nogales in order to respond to increasing manufacturing and sea port expansions in Mexico. According to the Arizona State University North American Center for Transborder Studies, needed enhancements include staffing, technology, infrastructure and communications.

Through the League of Arizona Cities and Towns, Arizona's cities and towns should unite in support of legislation or other policies that will enhance international trade and improve the global competitiveness for Arizona with Mexico, which is the 13th largest economy in the world and the State's number one trading partner.

B. Relevance to Municipal Policy

The vast majority of the economic benefit generated by trade passing through Arizona's ports of entry is realized within the State's cities and towns. For example, nearly half (43%) of all of the Winter produce consumed in the United States comes through the Nogales port of entry. Along with produce, which makes up 28 percent of Arizona imports from Mexico, other major commodities include electrical machinery and equipment (18%); machinery and mechanisms (12%); edible fruits and nuts (11%); vehicles (6%); and optical, photographic and cinemagraphic equipment (4%).

The logistics centers, warehousing and distribution facilities, and value-added manufacturing facilities for these commodities are located primarily within the State's cities and towns, along with the associated sustainable wage jobs that are created as a result of this economic activity. The economic multiplier effect that these jobs create adds to the prosperity in these communities and enhances tax revenue at a time when every dollar of local revenue is even more precious to cities and towns. Enhancing trade opportunities with Mexico will only further stimulate the economies in Arizona's cities and towns.

C. Fiscal Impact to Cities and Towns

As described above, enhancing international trade and improving the global competitiveness for Arizona with Mexico will have a positive fiscal impact to cities and towns.

D. Fiscal Impact to the State

Similarly, supporting the requested legislation and policies will have a positive fiscal impact to the State and will further diversify our economic base. Failure to do so will sustain the advantage that other border states currently enjoy over Arizona.

E. Contact Information

Name: Mary Jacobs

Title: Assistant City Manager

Phone: 520-458-3315

Email: mary.jacobs@sierravistaaz.gov

Resolution #14

Urges the Governor and the State Legislature to develop and pass legislation that supports the long-term retention of Arizona's military installations, and provides opportunities to use the synergies connected to the military operations in the attraction of new or expanded governmental and non-governmental missions or businesses.

Submitted by: City of Sierra Vista, City of Bisbee, City of Peoria, City of Yuma, Town of Marana, City of Flagstaff, Town of Clarkdale.

A. Purpose and Effect of Resolution

Arizona's military sector is an essential component of the state economy, and most local economies within the state. There are five major military installations in Arizona, plus four principal National Guard operations. According to a 2008 report by The Maguire Group, commissioned by the Arizona Department of Commerce at the time, it is conservatively estimated that this sector produces over 96,000 direct, indirect and induced jobs in the state, with over \$9.1 billion in economic impact.

The Maguire report further quantified the amount of revenue Arizona's military installations contribute directly to state and local governments at just over \$400 million annually, split nearly evenly between the two. In general, jobs connected to the military are especially valuable to the Arizona economy because they are largely unaffected by routine economic cycles, which means revenues associated with their presence are more stable.

The Maguire report noted "Arizona would do well to guard this economic asset and preserve its viability." It further stated "Maintaining these operations and the jobs and economic output they support should be a priority of state and local government."

Support from Arizona's local governments, through the League of Arizona Cities and Towns, for legislation that could enhance military effectiveness or protect against efforts to erode military missions is critical in the state's long term success retaining Luke AFB, Davis-Monthan AFB, Fort Huachuca, Marine Corp Air Station Yuma and the Yuma Army Proving Ground.

Arizona's cities and towns must be unified in our support for the military, working together to identify opportunities to demonstrate that support through such things as: encouraging officials from state and local government to elevate needs identified by military installations for legislative action; supporting the continued activity and existence of the Governor's Military Affairs Commission; supporting funding for economic development efforts at the state level to attract new/expanded military and military-connected missions and businesses; encouraging the use and continued funding of the Military Installation Funds (MIF) to help mitigate encroachment; and supporting legislative proposals regarding state land transfers to reduce potential encroachment around military installations.

B. Relevance to Municipal Policy

At a time in which every dollar of local revenue is even more precious to cities and towns, we must guard against inadvertent or blatant measures that could jeopardize existing military installations and the over \$200 million it directly contributes to local government. Encroachment is a major issue across the state, and is not only associated with new subdivisions. Water use, electromagnetic interference, lighting, airspace and other issues can ultimately affect military missions, or could result in the state's five major bases not being considered for realigned missions in the future.

The Maguire study excluded military-related businesses such as Raytheon, Boeing and those associated with the redeveloped Williams Center in Gilbert, which take advantage of synergies with the state's military community but separately add hundreds of millions more in economic impact to the state and local economies. But if the military missions are not retained, then opportunities to grow or expand these types of businesses, and the resulting impact on the state and local economy, could be missed.

C. Fiscal Impact to Cities and Towns

Failure to protect such a valuable asset to the state will have a direct and potentially devastating effect on local government. The military industry directly contributes approximately \$200 million in tax revenues annually to local government alone.

D. Fiscal Impact to the State

Similarly, Arizona's military installations contribute about \$200 million in revenue annually to the state government. Any loss of missions could erode that revenue, as well as impact future expansion opportunities for both military and non-military missions.

E. Contact Information

Name: Mary Jacobs	Title: Assistant City Manager
Phone: 520-458-3315	Email: mary.jacobs@sierravistaaz.gov

Resolution #15

Urges the State Legislature to support implementing a pilot program to restrict trucks to the two right-most lanes when traveling on Arizona highways in urban areas with three or more lanes in each direction.

Submitted by: City of Apache Junction and City of Douglas

A. Purpose and Effect of Resolution

The purpose of this resolution is to improve traffic mobility, improve safety and facilitate the flow of goods on freeways in Arizona's busy urban areas. An initial step is to implement a pilot program to determine and compare the feasibility, impacts, and effectiveness of restricting trucks to operating only in certain lanes on highways in urban areas that have three or more lanes in each direction, which have a moderate or high level of truck traffic, and do not have left hand exits. The lane restrictions would apply to "trucks" as defined by Arizona State law. Trucks would be restricted to the two right-most lanes, leaving one lane for truck-free operation; assuring that trucks will always have access to at least two lanes.

Demand for trucking services continues to increase. According to statistics available from the Bureau of Transportation Statistics (BTS) trucking accounts for an estimated 70% of the total value, 60% of the weight, and 34% of the ton-miles of freight moved in the U.S (Bureau of Transportation Statistics, 2006). In addition, between 1980 and 2020, truck travel is predicted to increase by over 90% while lane-miles of public roads will increase by only 5% (FHWA, 2006). This increase will have significant negative influences on traffic congestion and safety. A truck lane restriction strategy is used in many states nationwide as a way to address some of these impacts.

With regard to improving safety and mobility, here are several safety benefits of truck lane restriction:

- Prevents "No-Zone" Wrap, Tractor trailer's on two (2) sides of passenger cars at same time
- Positions largest vehicles out of the highest speed lanes
- Reduces the frequency of passenger vehicles being "boxed-in" by large trucks
- Reduces evasive truck maneuvers to the right, or into the trucker's "blind" side
- Provides additional spacing from life-saving median barrier systems.
- Provides additional truck clearance from opposing direction traffic.
- Improves visibility and clearance for disabled vehicles in or along median shoulders.

By improving traffic mobility, the flow of transporting goods through the State positively impacts economic development. The Freight Industry has welcomed lane restrictions in other

states because passenger vehicles are able to stay in the fast lanes, which gives more mobility for the trucks in the slower lanes. Trucks then reach their destinations in a timelier manner.

B. Relevance to Municipal Policy

Arizona residents directly benefit from improved traffic operations and improved safety on freeways in Arizona's busy urban areas. In addition, by improving the flow of transporting goods and services in Arizona, economic development of the State, cities and towns could also increase.

C. Fiscal Impact to Cities and Towns

As the State of Arizona is able to reap the positive economic effects of improved traffic flow which in turn improves the efficient movement of goods thru the State; this will positively impact cities and towns as well.

D. Fiscal Impact to the State

Positive fiscal impact to the State:

Whereas large metropolitan areas (e.g. North Texas) that are in direct competition with the Sun Corridor have successfully implemented 'Goods Movement' oriented traffic restrictions to facilitate enhanced traffic flow have experienced positive economic development effects, the City of Apache Junction and the City of Douglas urge implementation within Arizona so that we also experience positive economic effects.

Negative fiscal impact to the State include:

Costs associated with developing and implementing a pilot program, which would include conducting a study before and after restrictions are implemented. If the new restrictions were put in place permanently there are costs associated with selecting, designing, implementation administration, advertising, enforcing, and monitoring of the truck lane restrictions.

E. Contact Information

Name: George Hoffman

Title: City Manager

Phone: 480-474-5066

E-mail: ghoffman@ajcity.net

Resolution #16

Amend Arizona Revised Statutes Title 13 (Criminal Code) and amend Title 8 (Children) to include criminal damage by graffiti to ensure that crimes of graffiti are treated more seriously.

Submitted by: City of Yuma, City of Sierra Vista

* * * * *

A. Purpose and Effect of Resolution

Graffiti is a continuing and fast growing problem for cities and towns. The level of punishment for individuals committing illegal acts of graffiti is a difficult and complex issue. Abatement of graffiti and apprehension and prosecution of the perpetrator is costly to cities and these costs are seldom if ever recovered. Arizona statutes allow prosecution of graffiti under the criminal code as criminal damage. Because graffiti is such an immediate and growing problem on both public and private property, it needs to be addressed in statutes setting forth stricter penalties and full restitution of all economic loss to the victim. Economic loss includes all reasonable costs of repair by municipalities, including but not limited to, materials, labor and equipment. As it stands now, some courts have been reluctant to severely punish offenders, or order restitution for economic loss, especially where juveniles are involved. A community service component should also be added to the penalty where available.

B. Relevance to Municipal Policy

The physical appearance of communities is a source of pride for Arizona cities. It is one of the factors that attract people to visit or relocate into an area. While graffiti was once limited to older and deteriorating communities or facilities, it has become prevalent in all areas of cities, regardless of age, appearance, or use. Despite the penalties for selling instruments of graffiti to minors enacted in the last few years, the numbers of incidents and the extent of damages have continued to increase. Stiffer penalties are needed to deter the rising tide of this vandalism.

C. Fiscal Impact to Cities and Towns

Graffiti abatement in this fiscal year has so far cost the City of Yuma \$117,645.00, despite a policy to aggressively pursue restitution from the courts. The costs to Yuma are high; therefore, it would follow that statewide costs may be in the millions of dollars. Increasing the penalties for criminal damage may deter graffiti vandals, and reduce the number of incidents and the extent of damages, thereby reducing costs of abatement. Any additional revenue generated from the stronger penalties could be directed to reduce the costs to cities for abatement. Also, if violators are required to perform community service, they would be able to witness the consequences their actions have on the community.

D. Fiscal Impact to the State

Because graffiti may also occur on state owned properties, abatement costs to the state could be reduced.

E. Contact InformationName: Connie ScogginsTitle: Assistant City AttorneyPhone: (928) 373-5055Email: Connie.Scoggins@YumaAz.gov

Resolution #17

Urges the Legislature to amend A.R.S §42-5010, as enacted in SB1442 last session, so that state shared revenues to cities and towns are distributed prior to the recapture of construction sales tax to be used for funding infrastructure projects. Further, urges the Legislature to find additional mechanisms for funding infrastructure that is necessary for economic development projects that are beneficial to the entire state.

Submitted by: City of Chandler, City of Peoria

A. Purpose and Effect of Resolution

When manufacturing facilities locate in a municipality, there are often infrastructure improvements needed to support the project. If these are incremental improvements, the host municipality is able to fund them through its regular capital improvement program without over burdening their ratepayers.

However, large manufacturing projects, such as the construction of the \$5 billion Intel Fab 42, require significant industrial infrastructure. That project alone will require in excess of \$200 million in water and wastewater improvements. The magnitude of costs such as these makes it impossible for the host city to fund the infrastructure by itself and requiring the company to do so places this state at a competitive disadvantage.

Last session, SB1442 was introduced in an effort to provide a mechanism for the state to help fund these infrastructure needs. It was intended to allow the construction sales tax to be recaptured and used to pay for any water, wastewater or transportation projects needed to support a manufacturing facility that met certain capital investment requirements.

Unfortunately, the bill was amended on the last day of the session and the result was a negative impact on state shared revenues. The intent of this resolution is to change the statute so that the funds used to pay for infrastructure come from the state's portion of sales tax.

Additionally, SB1442, as originally drafted, would have been only a partial solution to the problem of infrastructure funding. Other mechanisms should also be explored in order to address this problem more comprehensively.

B. Relevance to Municipal Policy

Cities are already responsible for the majority of the costs of infrastructure related to economic development and should not have to also contribute through a loss of shared revenues. The intent of SB1442 was to create a mechanism for the State to participate in funding the infrastructure that is necessary to attract and retain these manufacturing facilities and the jobs they create.

C. Fiscal Impact to Cities and Towns

The total loss of cities' shared revenue attributed to SB1442 is approximately \$2.5 million. However, if an equitable solution cannot be developed, our inability to continue to attract these businesses will also have a long term negative impact on economic development and the increase in shared revenues attributable to these projects.

D. Fiscal Impact to the State

If the distribution formula of cities' state shared sales tax is restored, the state will lose the approximately \$2.5 million in construction sales tax monies that would be recaptured to fund the cost of infrastructure under the provisions of SB1442. Again, if a solution cannot be agreed upon and cities are not able to fund the infrastructure necessary for these businesses, the state risks losing the future economic activity created by new or expanded manufacturing facilities.

E. Contact Information

Name: Patrice Kraus	Title: Intergovernmental Affairs Coordinator
Phone: 480-782-2215	Email: patrice.kraus@chandleraz.gov

League Staff Resolution #1

The League of Arizona Cities and Towns urges the Legislature to address serious issues related to the enactment of HB 2826, (consolidated election dates, political subdivisions).

Submitted by: League Staff

A. Purpose and Effect of Resolution

HB 2826 (Laws 2012, Chapter 353) requires that cities and towns hold all candidate elections in the fall election cycle of even years. Multiple technical issues associated with implementation of this law must be addressed by clarifying legislation. Issues regarding the length of terms for incumbent councilmembers, alternative expenditure limitation renewal elections and municipal incorporation elections need clarity before the law takes effect in 2014. Although HB 2826 must overcome review and preclearance by the Justice Department (as well as possible court challenges), this resolution would empower League staff to pursue needed changes to address significant shortcomings of the new statute. These changes will be absolutely necessary to ensure that the new law doesn't create dire, unintended consequences.

B. Relevance to Municipal Policy

This issue is fundamentally relevant as elections are a foundational part of our system of government.

C. Fiscal Impact to Cities and Towns

Although many of the fiscal impacts of this bill cannot be calculated at this time, there could be significant problems for local budgets if election law related to the home rule option isn't changed.

D. Fiscal Impact to the State

Not applicable

E. Contact Information

Name: Tom Belshe

Title: Deputy Director

Phone: 602-258-5786

Email: tbelshe@azleague.org

League Staff Resolution #2

The League and its members support meaningful and effective regulatory reform efforts. The League will oppose any proposal that does not promote greater efficiency, effect significant cost savings, or improve existing regulatory frameworks for the mutual benefit of stakeholders. Furthermore, the League shall work to enact changes to SB 1598 (Laws 2011, Chapter 312) that enable the law to serve its intended function of improving the licensing and permitting process.

Submitted by: League Staff

A. Purpose and Effect of Resolution

The purpose of the resolution is to express the League's commitment to working with the Legislature to: 1) enact legislation that respects municipal autonomy; and 2) partner with cities and towns to create an attractive business climate for new and existing businesses. The effect of the resolution would be to empower the legislative staff of the League to work with interested parties on mutually beneficial changes to existing laws while exploring new opportunities for improvement of regulatory frameworks. Specific goals include: preservation of local authority; opposition to state mandates; encouragement of municipal flexibility and timeliness; and avoidance of additional bureaucracy and paperwork.

B. Relevance to Municipal Policy

This issue is fundamentally relevant as licensing and permitting is the primary way in which municipalities interact with the businesses in their community. Regulatory design represents a core function of municipal governance, to the extent it operates to promote the safety and welfare of city residents.

C. Fiscal Impact to Cities and Towns

Enacting changes to SB 1598 will likely lead to a positive fiscal impact, resulting from the increased clarity and paperwork reduction those changes will bring. Additionally, there is the potential for a positive fiscal impact from increased business activity as a result of reforms.

D. Fiscal Impact to the State

Increased business activity would benefit the state because of increased sales and income tax collections.

E. Contact Information

Name: René Guillen

Title: Legislative Associate

Phone: 602-258-5786

Email: rguillen@azleague.org

League Staff Resolution #3

A RESOLUTION OF THE LEAGUE OF ARIZONA CITIES AND TOWNS CALLING UPON THE ARIZONA LEGISLATURE TO RESPECT THE AUTHORITY OF CITIES AND TOWNS TO GOVERN THEIR COMMUNITIES FREE FROM LEGISLATIVE INTERFERENCE AND TO REJECT LEGISLATION THAT CONFLICTS WITH CHARTER PROVISIONS OF ARIZONA’S CHARTER CITIES

WHEREAS, the League of Arizona Cities and Towns is concerned about the extent to which Arizona’s 50th Legislature considered legislation to micromanage local government, enact decisions best made at the local level and impose one-size-fits all mandates on municipalities; and

WHEREAS, the League further shares the conservative belief that the most effective, responsible and responsive government is government closest to the people; and

WHEREAS, the Arizona Constitution specifically provides that any city, “may frame a charter for its own government” [emphasis added]; and

WHEREAS, once a city has successfully completed the city charter process, the charter becomes the organic law of the city; and

WHEREAS, charter cities draw their power from their citizens, are governed by their charters, and do not require legislative authority from the State to exercise power; and

WHEREAS, the provisions of the charter, as the organic law of the city, supersede all laws of the State in conflict with the charter provisions, insofar as such laws relate to purely municipal affairs; and

WHEREAS, the Arizona Constitution thus establishes a home rule mechanism to render charter cities independent of the Legislature with respect to matters of local concern; and

WHEREAS, the Arizona Supreme Court recently affirmed, in Tucson v. Arizona, that provisions of a city’s charter supersede conflicting statutes with respect to matters of local concern; and

WHEREAS, all municipalities are no less affected by the imposition of burdensome mandates by the State than is the State by the imposition of similar mandates by the Federal government;

NOW, THEREFORE, BE IT RESOLVED, that the League of Arizona Cities and Towns calls upon the Arizona’s 51st Legislature to affirmatively reject, oppose and renounce legislative proposals that diminish local authority, address matters of purely local concern, and conflict with the organic law of Arizona’s charter cities.

League of Arizona Cities & Towns
Outcome of Resolutions Subcommittee

Summary	Sponsor	Co-Sponsor	Subcommittee Recommendation
Keep local funding formulas intact.	Bullhead City	Kingman, Lake Havasu City	Merge 1 and 1 Recommend v Amendments
Support economic development tools.	Yuma	Bullhead City, Sierra Vista	Merge 2 and 3 Recommend v Amendments
Develop revenue allocation districts.	Lake Havasu City	Bullhead City, Kingman	Merge 2 and 3 Recommend v Amendments
Limit for excess solar generation.	Sedona	Flagstaff, Clarkdale, Kingman	Significant M Issue
Alternative Delivery Methods.	Sedona	Camp Verde, Clarkdale	Recommend f
Alternative Contribution Rate (ACR)/Arizona State Retirement System (ASRS).	Queen Creek	Apache Junction, Kingman	Recommend f
Public record requests.	Yuma	Oro Valley, Apache Junction, Bullhead City	Significant M Issue
Limiting development areas/population threshold.	Sedona	Clarkdale	Significant M Issue
Water flexibility in annexing county islands.	Marana	Sierra Vista, Oro Valley, Tucson	Recommend f
Partner with cities and towns for the operation and maintenance of Arizona State Parks.	Yuma	Oro Valley, Camp Verde, Kingman, Bullhead City	Significant M Issue
Undo future sweeps of Highway User Revenue Funds allocated to Arizona cities and towns, to restore HURF funding to FY2008 levels.	Yuma	Lake Havasu City, Bullhead City, Apache Junction, Sierra Vista, Kingman	Merge 1 and 1 Recommend v Amendments
Allow an incorporated city or town and a county within the unincorporated areas of the county to regulate the sale and use of combustible consumer fireworks.	Prescott	Prescott Valley, Chino Valley, Camp Verde, Clarkdale, Sedona	Recommend f
Improve forest health and reduce wildfire threats.	Flagstaff	Sedona, Scottsdale, Sierra Vista	Recommend f
Reduce the shortage of physicians.	Sierra Vista	Bisbee, Yuma, Marana, Douglas, Flagstaff, Clarkdale	Significant M Issue
Resources to improve Arizona's ports of entry with Mexico and related infrastructure.	Sierra Vista	Douglas, Bisbee	Recommend f
Support the long-term retention of Arizona's military installations.	Sierra Vista	Bisbee, Peoria, Yuma, Marana, Flagstaff, Clarkdale	Recommend f
Restrict trucks to the two right-most lanes.	Apache Junction	Douglas	Significant M Issue
Minimize damage by graffiti/restitution.	Yuma	Sierra Vista	Recommend v Amendments
Extend §42-5010, as enacted in SB1442 last session, so that the capture of construction sales tax to be used for funding	Chandler	Peoria	Recommend f

League of Arizona Cities & Towns
Outcome of Resolutions Subcommittee

Infrastructure projects is made after the distribution of state shared venues.			
---	--	--	--

League Staff Recommendations

Summary	Subcommittee Recommendation
Statutory fixes to HB2826, consolidated elections dates; political subdivisions.	Recommend Adoption
Support meaningful and effective regulatory reform.	Recommend Adoption
Oppose unfunded mandates and preserve local authority.	Recommend Adoption

Key to Subcommittee Recommendations

Recommend for Adoption – Becomes a part of the Municipal Policy Statement, and will help guide legislative activity in the coming session.

Recommend with Amendments - Becomes a part of the Municipal Policy Statement, and will help guide legislative activity in the coming session, but needed amending for either content or technical reasons.

Significant Municipal Issue – Although an important concept to cities and towns, does not quite rise to the level of legislative activity. League staff may address the issue with state agencies and/or other stakeholders.

Not Recommended for Passage – The resolution may be too confined to one community, be on its face contrary to core principles, or not in line with current agreements with other stakeholders.