



Town of Chino Valley

MEETING NOTICE TOWN COUNCIL

REGULAR MEETING
Tuesday, September 23, 2014
6:00 P.M.

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

AGENDA

- 1) **CALL TO ORDER, INVOCATION; PLEDGE OF ALLEGIANCE; ROLL CALL**
- 2) **INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**
 - a) Status update by Russell Duerksen on the "Arizona Sunshine-Prescott 2015" health expo and fair. (Councilmember Best; Mayor Marley)

3) **CALL TO THE PUBLIC**

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

4) **RESPONSE TO THE PUBLIC**

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

5) **CURRENT EVENT SUMMARIES AND REPORTS**

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

- a) Presentation by Finance Director Joe Duffy regarding past donations to the proposed Community Center amphitheater.
- b) Status report by Town Manager Robert Smith regarding Town accomplishments, and current or upcoming projects.

6) CONSENT AGENDA

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

- a) Consideration and possible action to approve the June 19, 2014 study session minutes. (Jami Lewis, Town Clerk)
- b) Consideration and possible action to approve disbanding the Town of Chino Valley General Plan Committee, originally established January 24, 2012. (Liz Hart, Deputy Town Clerk)
- c) Consideration and possible action to approve Financial Report for the month ended July 31, 2014. (Joe Duffy, Finance Director)

7) ACTION ITEMS

- a) *Continued from September 9, 2014:* Discussion and possible action to address a complaint filed by Vice-Mayor Croft pursuant to Town Code Chapter 35 Code of Ethics Section 35.04 Conduct in Public Office paragraph (D). (Mayor Marley; Vice-Mayor Croft)

Recommended Action: Call upon Councilmember Hatch to publicly apologize to Ms. Schimikowsky, President/CEO, Chino Valley Area Chamber of Commerce, and to refrain from conversing in an intimidating manner when discussing Town business with visitors and staff.

- b) Presentation by Pat Walker, Walker Consulting, and discussion regarding the proposed Development Impact Fee Study.
- c) Consideration and possible action to approve change order number 1 to contract with Civil Tec, Inc. for Road 4 South construction staking in an amount not to exceed \$3,175.00. Funds to come from Road Impact Fees. (Ron Gritman, Public Works Director/Town Engineer)

Recommended Action: Approve change order number 1 to contract with Civil Tec, Inc. for Road 4 South construction staking in an amount not to exceed \$3,175.00.

- d) Consideration and possible action to approve change order number 1 to contract with Civil Tec, Inc. in an amount not to exceed \$9,464.00 for additional engineering services on the Center Street and Road 4 South projects. Funds to come from Road Impact Fees. (Ron Gritman, Public Works Director)

Recommended Action: Approve change order number 1 to contract with Civil Tec, Inc. in an amount not to exceed \$9,464.00 for additional services on the Center Street and Road 4 South projects.

- e) Consideration and possible action to award the bid to and approve the construction contract with Capital Improvements, LLC, in an amount not to exceed \$352,720.00 for the base bid and \$90,540.00 for the alternative bid for a project total of \$443,260.00 for construction of the box culvert at Center Street and the Santa Cruz Wash. Funds to come from Capital Improvements Funds. (Ron Gritman, Public Works Director/Town Engineer)

Recommended Action: Award the bid to and approve the construction contract with Capital Improvements, LLC, in an amount not to exceed \$352,720.00 for the base bid and \$90,540.00 for the alternative bid for a project total of \$443,260.00 for construction of the box culvert at Center Street and the Santa Cruz Wash.

- f) Consideration and possible action regarding review, feedback, and possible revision of the 2014 Strategic Plan. (Ruth Mayday, Development Services Director)

Recommended Action: Review, receive feedback, and possibly revise the draft Strategic Plan and forward it to the October 14, 2014 agenda for adoption.

- g) Consideration and possible action to authorize the Mayor to sign all documents related to the submittal of the Economic Development Administration Public Works Grant Program (EDAP). (Ruth Mayday, Development Services Director)

Recommended Action: Authorize the Mayor to sign all documents related to the submittal of the EDAP grant application.

8) EXECUTIVE SESSION

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

- a) Pursuant to A.R.S. Section 38-431.03(A)(3) for discussion or consultation for legal advice with the Town Attorney regarding waiving the attorney-client privilege on on the following documents: 1. Memorandum from Town Attorney to Planning & Zoning Commissioners re: Conflicts of Interest on Zoning Matters, dated August 15, 2014; 2. Email from Phyllis Smiley to Planning Commissioners re: Planning Commissioners and Arizona Conflict of Interest Laws, dated June 18, 2013; 3. Email from Dava Hoffman to Mary Brasher forwarding previous email; 4. Email from Michael Edmonds to Phyllis Smiley dated June 18, 2013; and 4. Email from Phyllis Smiley to Robert Smith and Dava Hoffman re: P & Z Conflict of Interest, dated June 18, 2013. (Phyllis Smiley, Town Attorney)

- b) Pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding a Settlement and Release Agreement that is the subject of negotiations related to the Construction Manager at Risk Contract between the Town of Chino Valley and Fann Contracting, Inc. dated June 12, 2003 and all amendments thereto. (Robert Smith, Town Manager)
- c) *Continued from September 9, 2014:* Pursuant to A.R.S. § 38-431.03(A)(1) for discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of the Town Attorney. (Councilmember Hatch; Councilmember McKee; Councilmember Wojcik)

9) ACTION ITEMS RESUMED

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

- a) Consideration and possible action to waive the attorney-client privilege on the following documents: 1. Memorandum from Town Attorney to Planning & Zoning Commissioners re: Conflicts of Interest on Zoning Matters, dated August 15, 2014; 2. Email from Phyllis Smiley to Planning Commissioners re: Planning Commissioners and Arizona Conflict of Interest Laws, dated June 18, 2013; 3. Email from Dava Hoffman to Mary Brasher forwarding previous; 4. Email from Michael Edmonds to Phyllis Smiley dated June 18, 2013; and 4. Email from Phyllis Smiley to Robert Smith and Dava Hoffman re: P & Z Conflict of Interest dated June 18, 2013. (Phyllis Smiley, Town Attorney)

Recommended Action: Waive the attorney-client privilege on the following documents: 1. Memorandum from Town Attorney to Planning & Zoning Commissioners re: Conflicts of Interest on Zoning Matters, dated August 15, 2014; 2. Email from Phyllis Smiley to Planning Commissioners re: Planning Commissioners and Arizona Conflict of Interest Laws, dated June 18, 2013; 3. Email from Dava Hoffman to Mary Brasher forwarding previous; 4. Email from Michael Edmonds to Phyllis Smiley dated June 18, 2013; and 4. Email from Phyllis Smiley to Robert Smith and Dava Hoffman re: P & Z Conflict of Interest dated June 18, 2013.

- b) Consideration and possible approval of the Settlement and Release Agreement that is the subject of negotiations related to the Construction Manager at Risk Contract between the Town of Chino Valley and Fann Contracting, Inc. dated June 12, 2003 and all amendments thereto. (Robert Smith, Town Manager)

10) ADJOURNMENT

Dated this 18th day of September, 2014.

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

The Town of Chino Valley endeavors to make all public meetings accessible to persons with disabilities. Please call 636-2646 (voice) or 1-(800) 347-1695 (Arizona Relay Service) 48 hours prior to the meeting to request a reasonable accommodation to participate in this meeting.

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

CERTIFICATION OF POSTING

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

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

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **2. a.**

Meeting Date: 09/23/2014
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Council
Item Type: Presentation Only
Estimated length of Staff Presentation: 5 minutes
Physical location of item: Prescott, AZ

AGENDA ITEM TITLE:

Status update by Russell Duerksen on the "Arizona Sunshine-Prescott 2015" health expo and fair.
 (Councilmember Best; Mayor Marley)

SITUATION & ANALYSIS:

Russell Duerksen will report on the current status of the an update on the "Arizona Sunshine-Prescott 2015" health expo and fair. The organizers conducting the event are looking for the Town's participation and co-sponsorship. Council will be asked to approve a resolution of support in the near future, and in the interim, Mr. Duerksen will speak about what the organizers need from the Town to keep the planning process moving forward.

Attachments

No file(s) attached.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. a.**

Meeting Date: 09/23/2014

Contact Person: Jami Lewis, Town Clerk

Phone: 928-636-2646 x-1208

Department: Town Clerk

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to approve the June 19, 2014 study session minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Approve the June 19, 2014 study session minutes.

Attachments

June 19, 2014 minutes

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

**THURSDAY, JUNE 19, 2014
6:00 P.M.**

The Town Council of the Town of Chino Valley, Arizona, met for a Study Session in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Thursday, June 19, 2014.

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

1) CALL TO ORDER; ROLL CALL

Mayor Marley called the meeting to order at 6:12 p.m.

2) REVIEW, DISCUSSION AND REVISION OF THE GENERAL OBLIGATION BOND.

3) ADJOURNMENT

As there was a lack of quorum, the meeting was immediately adjourned at 6:12 p.m.

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. b.**

Meeting Date: 09/23/2014
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Town Clerk
Item Type: Consent
Estimated length of staff presentation: 5 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve disbanding the Town of Chino Valley General Plan Committee, originally established January 24, 2012.

RECOMMENDED ACTION:

Approve disbanding the Town of Chino Valley General Plan Committee.

SITUATION AND ANALYSIS:

On January 24, 2012, Council appointed several persons to the General Plan Committee for the purpose of drafting an updated General Plan. The Committee met for 2+ years, and after holding several public hearings and taking comments from the public, Planning and Zoning Commission, and Council, as well as outside governmental agencies, Council approved the final version of the General Plan on May 13, 2014 and called an election for the voters to ratify the plan on November 4, 2014. As the committee has fulfilled its purpose, it may now be disbanded.

Council will recognize the Committee members during its October 14, 2014 meeting.

Fiscal Impact

Fiscal Impact?: none

If Yes, Budget Code:

Available:

Funding Source:

Attachments

No file(s) attached.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. c.**

Meeting Date: 09/23/2014
Contact Person: Joe Duffy, Finance Director
 Phone: 928-636-2646 x-1211
Department: Finance
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve Financial Report for the month ended July 31, 2014.

RECOMMENDED ACTION:

Approve Financial Report for the one month ended July 31, 2014.

SITUATION AND ANALYSIS:

The Finance Department per Town Code is preparing Monthly Financial Reports for the Mayor, Council, Staff and Community.

Upon Council approval, the reports will be posted on the Town's website.

The report includes the following sections;

Revenue and Expense Summary - This section details the Revenues and Expenditures of each fund. Comparing the year to date figures to the current year's annual budget and the prior year's month to date figures..

Major Revenue Summary - This section details the year to date figures for the Town's eight major revenue sources that account for 60% of the Town's Revenue.

Other Information - This section details other pertinent financial and statistical information including the Impact Fee Fund balance and the amount of General Fund Contingencies that have been allocated this fiscal year and a debt summary.

The Finance Director will supplement these reports with periodic presentations and other information throughout the fiscal year.

Fiscal Impact

Fiscal Impact?: none

If Yes, Budget Code:

Available:

Funding Source:

Attachments

July 2014 Financial Report

Town of Chino Valley

Arizona

Financial Report



To The Town Council

For the one Month Ending July 31, 2014 9% of the Fiscal Year

Town of Chino Valley						
Revenue and Expense Summary						
For the one Month Ending July 31, 2014 9% of the Fiscal Year						
			Actual vs Prior Year			
	Actual Year to Date FY 2013-14	Actual Year to Date FY 2014-15	Amount	% FY 2014-15/ FY 2013-14	Annual Budget FY 2014-15	% of Budget YTD
GENERAL FUND						
General Fund Revenues by Category						
Franchise Taxes	\$ -	\$ - *	\$ -		\$ 142,000	0%
Tax Revenues	\$ 293,888	\$ 325,152	\$ 31,265	11%	\$ 3,755,363	9%
Licenses & Permits	\$ 20,939	\$ 9,007	\$ (11,932)	-57%	\$ 217,000	4%
Intergovernmental	\$ 229,583	\$ 246,691	\$ 17,109	7%	\$ 3,063,000	8%
Charges for Services	\$ 16,367	\$ 19,037	\$ 2,669	16%	\$ 98,200	19%
Fines and Forfeitures	\$ 1,551	\$ 3,584	\$ 2,033	131%	\$ 118,000	3%
Other Revenues	\$ 35	\$ 259	\$ 224	642%	\$ 2,300	11%
Contributions and Donations	\$ 666	\$ 241	\$ (426)	-64%	\$ 7,800	3%
Investment Earnings	\$ 28	\$ 71	\$ 43	154%	\$ 550	13%
Transfers In	\$ 4,623	\$ 8,333	\$ 3,710	80%	\$ 560,087	1%
Total Revenues	\$ 567,680	\$ 612,375	\$ 44,695	8%	\$ 7,964,300	8%
* Estimated final quarter accruals.						
Total Revenues for the General Fund are up \$44,695 over the previous fiscal year. Tax Revenues are up 11% getting the new fiscal year off to a good start. Intergovernmental Revenues are up 7% primarily due to an increase in State Shared Income Tax and State Shared Sales Tax. Transfers In were increased in the current years budget over the prior year. The total General Fund Revenues are up 8% compared to the last fiscal year.						

Town of Chino Valley						
Revenue and Expense Summary						
For the one Month Ending July 31, 2014 9% of the Fiscal Year						
			Actual vs Prior Year			
	Actual Year to Date FY 2013-14	Actual Year to Date FY 2014-15	Amount	% FY 2014-15/ FY 2013-14	Annual Budget FY 2014-15	% of Budget YTD
General Fund Expenditures by Department						
Prosecutor	\$ 8,297	\$ 8,416	\$ 119	1%	\$ 122,800	7%
Town Clerk	\$ 10,872	\$ 10,967	\$ 94	1%	\$ 244,100	4%
Town Manager	\$ 21,165	\$ 24,474	\$ 3,309	16%	\$ 406,600	6%
Human Recourses	\$ 2,230	\$ 2,597	\$ 367	16%	\$ 69,850	4%
Municipal Court	\$ 14,920	\$ 15,345	\$ 425	3%	\$ 312,550	5%
Finance	\$ 17,779	\$ 18,446	\$ 667	4%	\$ 304,450	6%
Management Information System	\$ 12,225	\$ 10,748	\$ (1,477)	-12%	\$ 245,650	4%
Mayor and Council	\$ 1,070	\$ 2,260	\$ 1,190	111%	\$ 31,750	7%
Planning	\$ 4,833	\$ 10,139	\$ 5,306	110%	\$ 170,850	6%
Building Inspection	\$ 10,049	\$ 14,103	\$ 4,054	40%	\$ 273,500	5%
Police	\$ 214,350	\$ 182,805	\$ (31,545)	-15%	\$ 2,613,000	7%
Animal Control	\$ 8,178	\$ 9,474	\$ 1,296	16%	\$ 143,850	7%
Recreation	\$ 1,502	\$ 1,480	\$ (22)	-1%	\$ 69,400	2%
Library	\$ 17,481	\$ 22,735	\$ 5,255	30%	\$ 287,700	8%
Senior Center	\$ 10,911	\$ 9,795	\$ (1,117)	-10%	\$ 230,750	4%
Parks Maintenance	\$ 42,106	\$ 13,223	\$ (28,883)	-69%	\$ 396,500	3%
Aquatic Center	\$ 30,706	\$ 22,203	\$ (8,503)	-28%	\$ 249,750	9%
Facilities Maintenance	\$ 25,866	\$ 13,113	\$ (12,753)	-49%	\$ 346,650	4%
Fleet Maintenance	\$ 23,653	\$ 10,953	\$ (12,700)	-54%	\$ 336,600	3%
Engineering	\$ 3,185	\$ 2,917	\$ (268)	-8%	\$ 74,750	4%
Non Departmental	\$ 51,413	\$ 72,209	\$ 20,796	40%	\$ 923,250	8%
Total Expenditures	\$ 532,791	\$ 478,401	\$ (54,390)	-10%	\$ 7,854,300	6%
Total Revenue Over (Under)						
Total Expenditures	\$ 34,889	\$ 133,974	\$ 99,085		\$ 110,000	
GENERAL FUND (Continued)						
Total General Fund Expenditures are down \$54,390 or 10% compared to last fiscal year. Through July each department should be less than 9%.						

Town of Chino Valley						
Revenue and Expense Summary						
For the one Month Ending July 31, 2014 9% of the Fiscal Year						
			Actual vs Prior Year			
	Actual Year to Date FY 2013-14	Actual Year to Date FY 2014-15	Amount	% FY 2014-15/ FY 2013-14	Annual Budget FY 2014-15	% of Budget YTD
HIGHWAY USER REVENUE FUND						
Total Revenues	\$ 64,337	\$ 72,054	\$ 7,717	12%	\$ 1,235,350	6%
Expenditures						
Road Maintenance	\$ 38,254	\$ 37,117	\$ (1,137)	-3%	\$ 1,200,350	3%
Total Revenue Over (Under)						
Total Expenditures	\$ 26,084	\$ 34,937	\$ 8,853		\$ 35,000	
Total Fund Revenues are up slightly over the prior fiscal year due to the budgeted increase in HURF fund distributions. . Expenditures are down slightly.						
WATER ENTERPRISE FUND						
Water Revenues	\$ 60,075	\$ 45,880	\$ (14,196)		\$ 433,000	
Transfers In	\$ 18,333	\$ 23,392	\$ 5,058		\$ 280,700	
Total Revenues	\$ 78,409	\$ 69,271	\$ (9,137)	-12%	\$ 713,700	10%
Expenditures						
Water Utility Operations	\$ 40,585	\$ 25,787	\$ (14,797)		\$ 611,800	
Debt Service/Reserve	\$ -	\$ -	\$ -		\$ 101,900	
Total Expenditures	\$ 40,585	\$ 25,787	\$ (14,797)	-36%	\$ 713,700	4%
Total Revenue Over (Under)						
Total Expenditures	\$ 37,824	\$ 43,484	\$ 5,660		\$ -	
Total Water Enterprise Fund Revenues are down due to no Water Buy In fees so far this fiscal year. However Water Service Fees are up due 10%, Expenditures are down over last fiscal year and are at 4% of budget year to date.						
SEWER ENTERPRISE FUND						
Total Revenue	\$ 127,398	\$ 119,437	\$ (7,961)	-6%	\$ 1,753,914	7%
Expenditures						
Sewer	\$ 62,817	\$ 59,150	\$ (3,667)		\$ 982,100	
Debt Service/Reserve	\$ 14,101	\$ 13,757	\$ (344)		\$ 771,814	
Total Expenditures	\$ 76,918	\$ 72,907	\$ (4,011)	-5%	\$ 1,753,914	4%
Total Revenue Over (Under)						
Total Expenditures	\$ 50,480	\$ 46,530	\$ (3,950)		\$ -	
Total Sewer Enterprise Fund Revenues are down 6% over last fiscal year due to no Sewer Buy In Fees . Sewer Service Fees are up 9%. Department Expenditures are down 5%.						

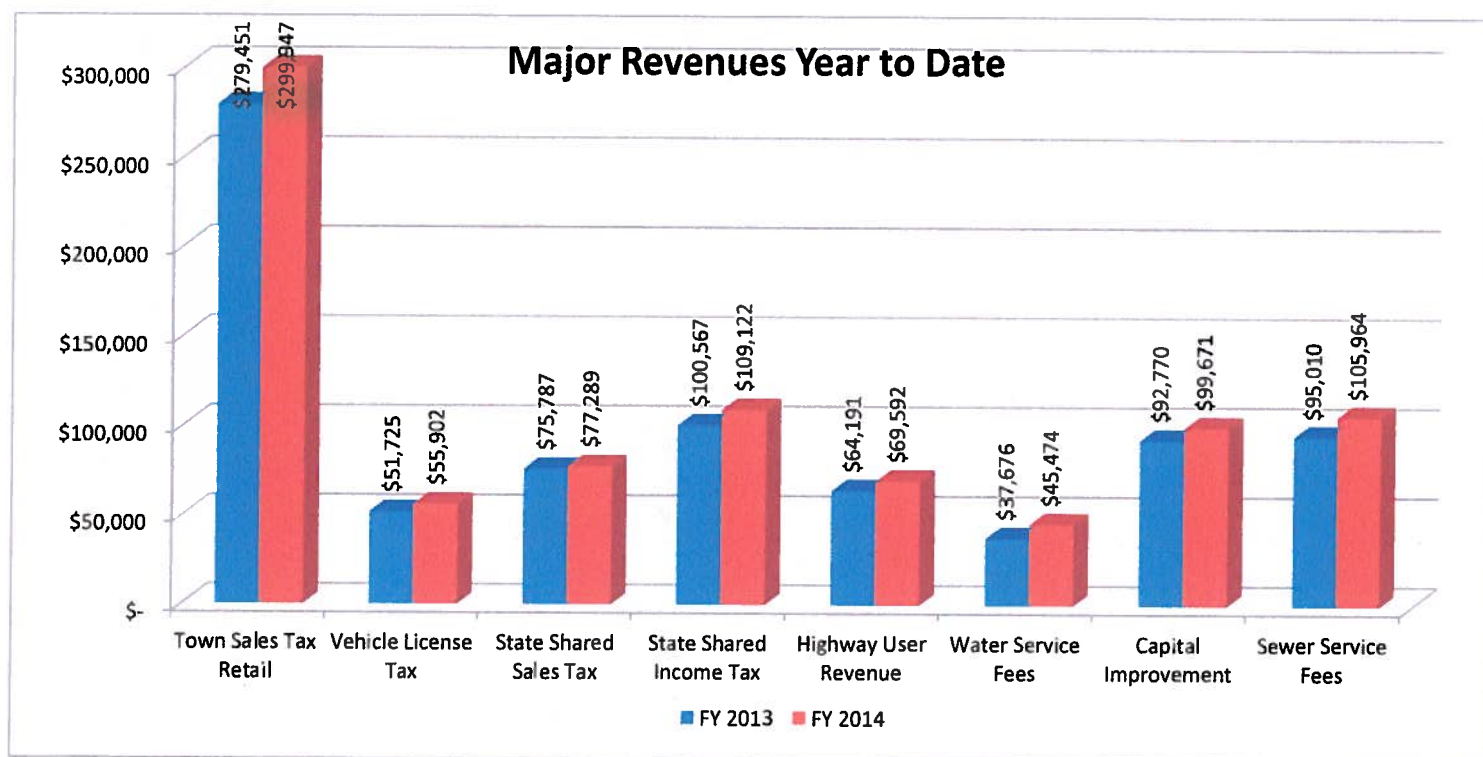
Town of Chino Valley						
Revenue and Expense Summary						
For the one Month Ending July 31, 2014 9% of the Fiscal Year						
			Actual vs Prior Year			
	Actual Year to Date FY 2013-14	Actual Year to Date FY 2014-15	Amount	% FY 2014-15/ FY 2013-14	Annual Budget FY 2014-15	% of Budget YTD
CAPITAL IMPROVEMENT FUND * (excludes bond projects)						
Total Revenues	\$ 97,963	\$ 100,384	\$ 2,421	2%	\$ 5,010,132	2%
Transfers In Road Impact Fees		\$ -	\$ -		\$ 886,000	
Capital Improvements	\$ 63,330	\$ 166	\$ (63,164)		\$ 4,776,000	
Transfers	\$ 71,508	\$ 93,334	\$ 21,826		\$ 1,120,132	
Total Expenditures	\$ 134,839	\$ 93,500	\$ (41,339)	-31%	\$ 5,896,132	2%
Total Revenue Over (Under)						
Total Expenditures	\$ (36,876)	\$ 6,884	\$ 43,760		\$ -	
Capital Improvement Fund Revenues are up slightly by 2% over the prior fiscal year. Transfers are up due to the increased amount budgeted this fiscal year.						
Detailed Capital Improvement Fund Projects Funded by Road Impact Fees		Actual Year to Date FY 2014-15	Annual Budget FY 2014-15			
Center Street Box Culvert		\$ 13	\$ 500,000			
Road 1 East & Road 3 South		\$ 132	\$ 200,000			
Center Street Rd1 E and Rail		\$ -	\$ 150,000			
Design on Peavine Trail		\$ -	\$ 36,000			
		\$ 145	\$ 886,000			

Town of Chino Valley						
Revenue and Expense Summary						
For the one Month Ending July 31, 2014 9% of the Fiscal Year						
			Actual vs Prior Year			
	Actual Year to Date FY 2013-14	Actual Year to Date FY 2014-15	Amount	% FY 2014-15/ FY 2013-14	Annual Budget FY 2014-15	% of Budget YTD
OTHER MINOR FUNDS						
Other Minor Funds -Revenues						
CDBG Grant	\$ -	\$ -	\$ -		\$ 264,000	
Grants Fund	\$ 49,554	\$ 1,281	\$ (48,273)		\$ 3,470,000	
Special Revenue Fund Court	\$ 2	\$ 3	\$ 1		\$ 15,600	
Capital Asset Replacement	\$ 16	\$ 9	\$ (7)		\$ 500	
Police Impact Fee Funds	\$ 1,709	\$ 387	\$ (1,321)		\$ 111	
Library Impact Fee Funds	\$ 567	\$ -	\$ (567)		\$ -	
Parks/Rec Impact Fee Funds	\$ 1,848	\$ 2	\$ (1,846)		\$ -	
Roads Impact Fee Funds	\$ 16,631	\$ 2,399	\$ (14,232)		\$ 1,000	
Special Revenue Fund PD	\$ 3,455	\$ 730	\$ (2,725)		\$ 40,000	
CVSLID Districts	\$ (410)	\$ -	\$ 410		\$ 4,000	
Total Revenues	\$ 73,372	\$ 4,811	\$ (68,560)	-93%	\$ 3,795,211	0%
CDBG Grant	\$ -	\$ -	\$ -		\$ 264,000	
Grants Funds	\$ 52,647	\$ -	\$ (52,647)		\$ 3,470,000	
Special Revenue Fund - Court	\$ -	\$ -	\$ -		\$ 35,000	
Capital Replacement Fund	\$ -	\$ -	\$ -		\$ 10,000	
Police Impact Fee Funds	\$ 548	\$ 198	\$ (350)		\$ 79,014	
Library Impact Fee Funds	\$ 9,465	\$ -	\$ (9,465)		\$ 7,000	
Parks/Rec Impact Fee Funds	\$ 48	\$ -	\$ (48)		\$ 24,564	
Roads Impact Fee Funds	\$ -	\$ -	\$ -		\$ 886,000	
Special Revenue Fund PD	\$ 1,569	\$ 250	\$ (1,319)		\$ 40,000	
CVSLID Districts	\$ 317	\$ 45	\$ (272)		\$ 4,000	
Total Expenditures	\$ 64,593	\$ 492	\$ (64,101)	-99%	\$ 4,819,578	0%
Total Revenue Over (Under)						
Total Expenditures	\$ 8,779	\$ 4,319	\$ (4,460)		\$ (1,024,367)	
TOTAL ALL FUNDS						
Total Revenue All Funds	\$ 1,009,158	\$ 978,332	\$ (30,826)	-3%	\$ 20,472,607	5%
Total Expenditures All Funds	\$ 887,979	\$ 708,205	\$ (179,775)	-20%	\$ 22,237,974	3%
Total Revenue Over (Under)						
Total Expenditures All Funds	\$ 121,179	\$ 270,128	\$ 148,949		\$ (1,765,367)	
(1) Budget does not include Carryover Amounts from Prior Fiscal Years						
(2) Year to date amounts include actual expenditures paid to date.						

Town of Chino Valley
Major Revenue Summary
For the one Month Ending July 31, 2014 9% of the Fiscal Year

					Actual vs Prior Year	
	Actual Year to Date FY 2013-14	Annual Budget FY 2014-15	Actual Year to Date FY 2014-15*	% of Budget YTD	Amount	%
Town Sales Tax Retail	\$ 279,451	\$ 3,500,000	\$ 299,947	9%	\$ 20,495	7%
Vehicle License Tax	\$ 51,725	\$ 597,000	\$ 55,902	9%	\$ 4,177	8%
State Shared Sales Tax	\$ 75,787	\$ 977,000	\$ 77,289	8%	\$ 1,502	2%
State Shared Income Tax	\$ 100,567	\$ 1,309,000	\$ 109,122	8%	\$ 8,555	9%
Highway User Revenue	\$ 64,191	\$ 805,000	\$ 69,592	9%	\$ 5,401	8%
Water Service Fees	\$ 37,676	\$ 467,000	\$ 45,474	10%	\$ 7,799	21%
Capital Improvement	\$ 92,770	\$ 1,138,000	\$ 99,671	9%	\$ 6,900	7%
Sewer Service Fees	\$ 95,010	\$ 1,125,000	\$ 105,964	9%	\$ 10,954	12%
Major Revenues Y.T.D.	\$ 797,177	\$ 9,918,000	\$ 862,960	9%	\$ 65,784	8%
Total Revenue All Funds	\$ 1,009,158	\$ 20,472,607	\$ 978,332	5%	\$ (30,826)	-3%
	79%	48%	88%			

The Major Revenues are up \$862,960 or 9% over the prior fiscal year. Note, all major Revenues are up at least 8%.



Impact Fee Fund Recaps					
For the one Month Ending July 31, 2014 9% of the Fiscal Year					
	Police Impact Fees	Library Impact Fees	Parks/Rec Impact Fees	Roads Impact Fees	
Beginning Fund Balance @ 6/30/14	\$ 82,789	\$ -	\$ 40,614	\$ 1,374,471	
Impact Fees Revenue to Date	\$ 387	\$ -	\$ 2	\$ 2,399	
Impact Fees Expenditures to Date	\$ 190	\$ -	\$ -	\$ -	
Ending Fund Balance to Date	\$ 82,986	\$ -	\$ 40,616	\$ 1,376,870	
Budgeted Expenditures FY 14/15	\$ 790,014	\$ -	\$ 24,564	\$ 886,000	
Contingency Funds Budget					
For the one Month Ending July 31, 2014 9% of the Fiscal Year					
	Actual Year to Date FY 2014-15	Annual Budget FY 2014-15			
General Fund Budget		\$ 367,000			
General Fund Balance		\$ 367,000			
HURF Fund Budget		\$ 42,000			
Water Fund Budget		\$ 31,000			
Sewer Fund Budget		\$ 49,000			
Balance of Contingency Budget	\$ -	\$ 489,000			
Annual Debt Service Summary By Fund					
Fiscal Year Ended June 30, 2015					
Debt Issue	Date Issued	Original Amount	Outstanding Amount as of June 30, 2014	FY 2015 Principal	FY 2015 Interest
General Government					
GADA Loan 2007A	7/1/2011	\$ 3,825,000	\$ 3,620,000	\$ 235,000	\$ 172,794
US Bank Series 2010	12/15/2010	\$ 7,280,000	\$ 7,280,000		\$ 331,638
		\$ 11,105,000	\$ 10,900,000	\$ 235,000	\$ 504,432
Water Enterprise Fund					
US Bank Series 2010	12/15/2010	\$ 745,000	\$ 610,000	\$ 45,000	\$ 25,882
Sewer Enterprise Fund					
WIFA	1/10/2007	\$ 1,580,000	\$ 1,090,290	\$ 77,886	\$ 30,070
WIFA	1/11/2008	\$ 4,853,000	\$ 3,738,165	\$ 242,138	\$ 105,192
USDA	2/16/2007	\$ 1,595,000	\$ 1,413,024	\$ 38,702	\$ 57,574
USDA	4/10/2008	\$ 1,505,000	\$ 1,372,832	\$ 34,877	\$ 55,975
USDA	4/16/2008	\$ 1,332,000	\$ 1,215,957	\$ 30,820	\$ 49,580
		\$ 10,865,000	\$ 8,830,268	\$ 424,423	\$ 298,391
Total Town of Chino Valley Debt		\$ 22,715,000	\$ 20,340,268	\$ 704,423	\$ 828,705



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. a.

Meeting Date: 09/23/2014
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Council
Item Type: Action
Estimated length of staff presentation: 15 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Discussion and possible action to address a complaint filed by Vice-Mayor Croft pursuant to Town Code Chapter 35 Code of Ethics Section 35.04 Conduct in Public Office paragraph (D).

RECOMMENDED ACTION:

Call upon Councilmember Hatch to publicly apologize to Ms. Schimikowsky, President/CEO, Chino Valley Area Chamber of Commerce, and to refrain from conversing in an intimidating manner when discussing Town business with visitors and staff.

SITUATION AND ANALYSIS:

See Attached

Fiscal Impact

Fiscal Impact?: no

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Formal Complaint

Town Code of Ethics

Darryl L. Croft
1055 Parkside Village Drive
Post Office Box 5579
Chino Valley, Arizona 86323

DATE: August 17, 2014

FROM: Darryl Croft, Vice Mayor, Town of Chino Valley

TO: Chris Marley, Mayor, Town of Chino Valley

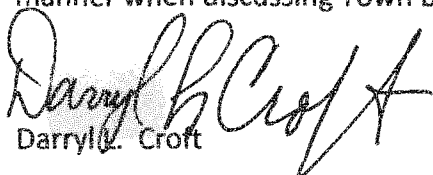
SUBJECT: Formal Complaint Concerning Town Council Member Linda Hatch.

During the August 12, 2014 Town Council meeting, Tracie Schimikowsky, President/CEO, Chino Valley Area Chamber of Commerce (Chamber) made an informational presentation concerning Chamber activities conducted for the Town of Chino Valley (Town). Later in the meeting, Ms. Schimikowsky presented information concerning the Accountability Contract between the Town and Chamber which described services to be rendered to the Town by the Chamber for which the Chamber would be compensated by the Town. This working relationship has been in force for several years.

As Ms. Schimikowsky presentation proceeded Council Member Hatch asked some pertinent questions about the Accountability Contract which were answered by Ms. Schimikowsky. When Council Member Hatch continued to question Ms. Schimikowsky her demeanor and tone changed becoming rude and abusive. The setting in the meeting room seemed to morph from a council chamber to a courtroom and Ms. Shimikowsky was the person on trial, rather than a professional member of this community conversing about offering services that support the goals of the Town of Chino Valley. Council Member Hatch continued to pose questions, such as what is Ms. Schimikowsky salary, which were not germane to the subject of the discussion. Her manner of dealing with visitors and staff in open meetings has come into question in the past.

Council Member Hatch's behavior was embarrassing to me as both a council member and a member of the board of directors of the Chino Valley Area Chamber of Commerce. Since this incident I have been approached by both chamber members and business owners concerned about the lack of professionalism displayed by members of this town council. If it is viewed as such by our citizens, it must also be evident to any person or business that is looking to Chino Valley as a place to build a future.

RESOLUTION: A reasonable resolution to my complaint is for Council Member Hatch to publically apologize to Ms. Shimikowsky and to refrain from conversing in an intimidating manner when discussing Town business with visitors and staff.


Darryl L. Croft

TOWN CODE – CODE OF ETHICS AND COMMUNICATIONS WITH STAFF

As Updated By Ordinance No. 13-768, Dated April 9, 2013

CHAPTER 31: OFFICERS

§ 31.20 TOWN MANAGER

(G)(4) Except for the purpose of inquiry, the Council and its members shall deal with the town's administrative functions solely through the Town Manager. Neither the Council nor any member thereof shall give orders directly to, or discuss job performance directly with, any subordinates of the Town Manager either publicly or privately, but may discuss the same directly with the Town Manager. No individual member of the Council shall direct or request of the Town Manager the appointment of any person to office or the removal from office of any employee or any subordinates.

CHAPTER 35: CODE OF ETHICS

Section

- 35.01 Generally
- 35.02 Responsibilities of public office
- 35.03 Conflict of interest
- 35.04 Conduct in public office

§ 35.01 GENERALLY.

(A) **ETHICS** is defined here as the rules or standards governing those persons functioning as representatives of the town. These rules and standards are based upon a set of values judged to be moral to the extent that they enhance society and an individual's relationship to others.

(B) A representative of the town is defined here as a public official, elected or appointed, salaried or unpaid, including the Mayor, Council members and any board or commission member.

(C) The purpose of this code is to establish ethical standards of conduct for these public officials acting in their official public capacity.

§ 35.02 RESPONSIBILITIES OF PUBLIC OFFICE.

(A) By oath of office each representative is responsible to uphold the Constitution of the United States, the Constitution of the State of Arizona and the ordinances and regulations of the town. The public official shall perform his obligations in a manner that is impartial and responsible to all people.

(B) The public official shall not use his position for personal or monetary gain.

(C) The public official shall not disclose confidential information concerning the property, government or affairs of the town without proper legal authorization.

§ 35.03 CONFLICT OF INTEREST.

(A) This code shall reinforce any existing affirmation regarding conflict of interest contained in the public official's oath of office. When acting in a public capacity, the public official shall abstain from participating in discussion and vote on any pending matter that would result in his or her financial or private gain.

(B) The public official shall not directly or indirectly solicit, accept or receive any gift, whether it be money, services, loan, travel, entertainment, hospitality, promise or any other form that could be reasonably inferred to influence the performance of his or her official duties and actions or serve as a reward for any official action.

§ 35.04 CONDUCT IN PUBLIC OFFICE.

(A) The public official shall not discuss or divulge confidential information acquired by him or her in the course of his or her official duties nor shall he or she use this information for his or her own personal interest or aggrandizement.

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

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

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

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

F7

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

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. b.**

Meeting Date: 09/23/2014
Contact Person: Ruth Mayday, Development Services Director
 Phone: 928-636-4427 x-1217
Department: Development Services
Item Type: Presentation Only
Estimated length of Staff Presentation: 10 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Presentation by Pat Walker, Walker Consulting, and discussion regarding the proposed Development Impact Fee Study.

SITUATION & ANALYSIS:

During the regular session of the 50th Arizona Legislature in 2011, SB 1525 was approved by both the House and Senate and signed by Governor Brewer. This legislation made significant changes to the manner in which Development Impact Fees (DIF) are calculated.

Among those changes are requirements to demonstrate a substantial nexus (connection) between DIFs charged and the necessary public services resulting from the new growth; assessment of DIFs against all residential, commercial, and industrial users (but allows for different rates for each category), and requires a refund of DIFs for infrastructure connected to a project but not constructed within ten (10) years. Finally, the statute set a drop-dead date of August 1, 2014 to adopt new infrastructure improvement plans (CIPs) and conduct fee studies.

As the Town had not completed a fee study or adopted an infrastructure improvement or Capital Improvement Plan prior to August 1, 2014, the Town can no longer charge DIFs. The purpose of the Development Impact Fee is to provide funds to the Town to mitigate the impact of growth on town facilities. For instance, a new residential development may necessitate the construction of a new park; without DIFs, the Town is not able to accommodate the impact new residents would have on the Town's recreation facilities.

The Town has worked with Pat Walker of Walker Consulting in the past to develop the fee study required to determine the DIFs that can be charged. Ms. Walker will review the process with Council and staff will re-initiate the fee study for Council's consideration and approval at a later date.

Attachments

No file(s) attached.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. c.

Meeting Date: 09/23/2014
Contact Person: Ron Grittmann, Town Engineer
 Phone: 928-636-2646 x-1223
Department: Public Works
Item Type: Action
Estimated length of staff presentation: 5 minutes
Physical location of item: Road 4 South Staking Contract

AGENDA ITEM TITLE:

Consideration and possible action to approve change order number 1 to contract with Civil Tec, Inc. for Road 4 South construction staking in an amount not to exceed \$3,175.00.

RECOMMENDED ACTION:

Move to approve change order number 1 to contract with Civil Tec, Inc. for Road 4 South construction staking in an amount not to exceed \$3,175.00.

SITUATION AND ANALYSIS:

See attached.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 05-90-5519

Available: 3175.00

Funding Source:

Funds to come from Road Impact Fees. The project is accounted for in the Capital Improvement Fund 05.

Attachments

Situation and Analysis

Supporting Information

Agenda Item Staff Report SITUATION & ANALYSIS

Issue Statement

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

On November 12, 2013, the Town entered into a professional services contract with Civil Tec for the purposes of construction staking for the Road 4 South Project. Civil Tec was asked to perform the staking for the construction of the fence by the Deep Well Ranches. This additional work was not included in their original scope of work.

Applicable “Policy”

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

- N/A

Satisfaction of “Policy”

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

- N/A

Summary of Issues and Staff Rationale

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

In order to assist Deep Well Ranches, the Town was asked to provide the staking for the right-of-way lines along Road 4 South. This additional work was not included in their scope of work and requires a change order in order to allow compensation.

Findings of Fact

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

-

EXHIBIT E **CHANGE ORDER**

CHANGE ORDER NO. 1

Distribution:	TOWN	☒
	CONSULTANT	☒
	OTHER	☐

PROJECT: Road 4 South Construction Staking DATE: September 23, 2014
 OWNER: Town of Chino Valley
 CONSULTANT: Civil Tec
 AGREEMENT DATED: 11/12/2013

CHANGES: The Agreement is changed as follows:
 See Attached

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

The original compensation was \$23,856.00

Net change by previously authorized Change Orders 0

The compensation prior to this Change Order was _____

The compensation will be increased by this Change Order in the amount of
\$3,175.00

The new compensation under the Agreement including this Change Order will be
\$27,031.00

The Contract Time will increase by N/A

ACCEPTANCE STATUS:

CIVIL TEC
 Consultant
 By [Signature]
 Date 9/9/14

Town of Chino Valley
 By _____
 Date _____



Prescott • Peoria • Monrovia

August 27 2014

Mr. Ron Grittman, P.E.
Town of Chino Valley Public Works
1020 W. Palomino Road
Chino Valley AZ 86323
Email: rgrittman@chinoaz.net

Subject: Contract amendment for the Road 4 South Construction Assistance and Surveying Services

Dear Mr. Grittman:

Thank you for your consideration of the following contract amendment for the services associated with the construction of Road 4 South in Chino Valley. There have been some elements of design and construction that has necessitated additional services in order to keep this important projects moving forward in order to result in a successful final project. They are described below.

Phase 3- Road 4 South

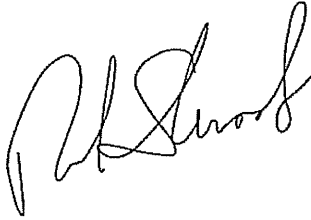
Task 1 – During final billing for the project, an honest accounting error in Phase 3, Task 1 totaling \$1080 was discovered for Project Management which was performed yet inadvertently left out of the mathematical summation in the original contract. This amendment rectifies this error.

Task 2 – During construction, it was found necessary to utilize Phase 3, Task 2 (Hourly rate citation for additional construction staking) in order to provide additional right-of-way staking to guide the property owner's fencing contractor to place fences along the roadway in the proper location. These additional survey control stakes totaled \$2095.00

Total Contract Amendment for Road 4 South Construction Surveying services is: \$3175.00

Please contact me if you have any questions or concerns.

Sincerely,
CIVILTEC ENGINEERING, INC.

A handwritten signature in black ink, appearing to read 'R. Shroads', written in a cursive style.

Richard Shroads, P.E., P.L.S.,
President

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. d.**

Meeting Date: 09/23/2014
Contact Person: Ron Grittmann, Town Engineer
 Phone: 928-636-2646 x-1223
Department: Public Works
Item Type: Action
Estimated length of staff presentation: 5 minutes
Physical location of item: Road 4 South, Center Street, Peavine Trail Road

AGENDA ITEM TITLE:

Consideration and possible action to approve change order number 1 to contract with Civil Tec, Inc. in an amount not to exceed \$9,464.00 for additional engineering services on the Center Street and Road 4 South projects.

RECOMMENDED ACTION:

Move to approve change order number 1 to contract with Civil Tec, Inc. in an amount not to exceed \$9,464.00 for additional services on the Center Street and Road 4 South projects.

SITUATION AND ANALYSIS:

See Attached

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 05-90-5521

Available: 9464.00

Funding Source:

Funds to come from Road Impact Fees and accounting for in the Capital Improvement Fund.

Attachments

Situation and Analysis

Supporting Information

Agenda Item Staff Report SITUATION & ANALYSIS

Issue Statement

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

On December 11, 2012, the Town contracted with Civil Tec Engineering for the development of partial construction plans for Road 4 South, Center Street, and Peavine Trail Road. Civil Tec was asked to perform some additional work that was not within the scope of work that was developed for the project. For the Road 4 South project, Civil Tec developed the Stormwater Pollution Prevention Plan (SWPPP) for the significant cuts that were encountered on the project. For the Center Street project, Civil Tec had to redesign portions of Center Street in order to avoid the existing aerial electrical systems along the roadway. Center Street will be small divided roadway with the existing Arizona Public Service (APS) electrical lines being located within the small median. Civil Tec has designed a small pole barrier system that will protect the power poles.

Applicable “Policy”

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

- N/A

Satisfaction of “Policy”

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

- N/A

Summary of Issues and Staff Rationale

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

For the Road 4 South project a SWPPP was determined to be necessary because of the area of disturbance and the slopes of the various cuts and fills. The preparation of the SWPPP was not included in Civil Tec’s original scope of work.

For the Center Street project, the relocation of the existing APS electric power poles would have added significant costs to the project. In an effort keep the project within acceptable budget limits the decision was made to provide a small median between the east and west bound traffic of Center Street east of Road 1 East. This separation of traffic allows the existing electric power poles to remain in place and will not need relocation. Small barriers have designed around each pole to protect from any traffic accidents.

Findings of Fact

**EXHIBIT E
CHANGE ORDER**

CHANGE ORDER NO. 1

Distribution: TOWN [x]
CONSULTANT [x]
OTHER []

PROJECT: Road 4 South, Center St., and Peavine Trail Road DATE: September 23, 2014
OWNER: Town of Chino Valley
CONSULTANT: Civil Tec
AGREEMENT DATED: 12/11/2012

CHANGES: The Agreement is changed as follows:
See Attached

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

The original compensation was \$198,894.00

Net change by previously authorized Change Orders \$0

The compensation prior to this Change Order was

The compensation will be increased by this Change Order in the amount of
 \$9,464.00

The new compensation under the Agreement including this Change Order will be
 \$208,385.00

The Contract Time will increase by N/A

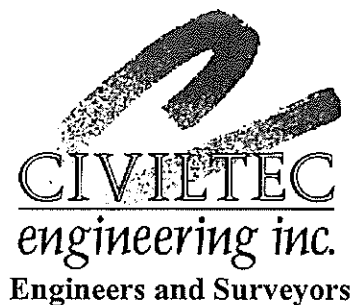
ACCEPTANCE STATUS:

Consultant
By _____

Town of Chino Valley
By _____

Date _____

Date _____



Prescott • Peoria • Monrovia

August 27 2014

Mr. Ron Grittman, P.E.
Town of Chino Valley Public Works
1020 W. Palomino Road
Chino Valley AZ 86323
Email: rgrittman@chinoaz.net

Subject: Contract amendment for Chino Valley Roadway Transportation Project – Design and Construction Surveying Services

Dear Mr. Grittman:

Thank you for your consideration of the following contract amendment for the design services associated with the Center Street, Road 4 South, and Peavine road improvement projects in Chino Valley. There have been some elements of design that has necessitated additional services in order to keep these important projects moving forward in order to result in a successful final project. They are described below.

Phase 1- Road 4 South

Task 9 – SWPPP Preparation. A Storm Water Pollution Prevention Plan was prepared Road 4 South in order for the Town to be compliant with the National Pollution Discharge Elimination System as administered by ADEQ during the construction process. \$2224.00

Phase 2 – Center Street

Task 13 – Center Street has been redesigned in plan, profile, legal description writing, due to right-of-way acquisition modifications. Center Street will now have a separated travelled way due east and due west with an unpaved median between the east-west travelled ways in order to accommodate said right-of-way modifications and implement construction cost saving measures associated with existing utility locations. \$7240.00

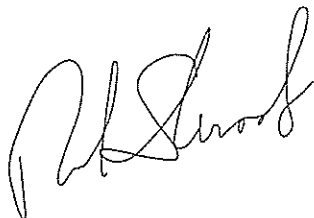
Total Contract Amendment: \$9464.00

Chino Valley Roadway Transportation Project

As mentioned, these contract modifications will result in significant savings to the Town of Chino Valley as utility pole relocations and right-of-way challenges have been avoided due to these re-design efforts.

Please contact me if you have any questions or concerns.

Sincerely,
CIVILTEC ENGINEERING, INC.

A handwritten signature in black ink, appearing to read 'R. Shroads', is positioned above the printed name.

Richard Shroads, P.E., P.L.S.,
President

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. e.

Meeting Date: 09/23/2014
Contact Person: Ron Grittmann, Town Engineer
 Phone: 928-636-2646 x-1223
Department: Public Works
Item Type: Action
Estimated length of staff presentation: 5 minutes
Physical location of item: Center Street and Santa Cruz Wash

AGENDA ITEM TITLE:

Consideration and possible action to award the bid to and approve the construction contract with Capital Improvements, LLC, in an amount not to exceed \$352,720.00 for the base bid and \$90,540.00 for the alternative bid for a project total of \$443,260.00 for the construction of the box culvert at Center Street and the Santa Cruz Wash.

RECOMMENDED ACTION:

Move to award the bid to and approve the construction contract with Capital Improvements, LLC, in an amount not to exceed \$352,720.00 for the base bid and \$90,540.00 for the alternative bid for a project total of \$443,260.00 for the construction of the box culvert at Center Street and the Santa Cruz Wash.

SITUATION AND ANALYSIS:

See attached.

Fiscal Impact

Fiscal Impact?: Yes
If Yes, Budget Code:
Available: \$500,000
Funding Source:
 Funds to come from Capital Improvements Funds

Attachments

Situation and Analysis

Bid Tabulation

Contract & Bid Documents

Agenda Item Staff Report SITUATION & ANALYSIS

Issue Statement

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

Over the past few years, the Town has developed a strategy to avoid the litigation associated with Cortez Enterprises and committed to the Deep Well Ranches that three roads are needed to be constructed, Road 4 South Extension to the east, Center Street from Road 1 East to Railroad Avenue, and The Peavine Trail Road from Center Street to Road 4 South. This box culvert is the first construction project needed to extend Center Street east to Railroad Avenue.

Applicable “Policy”

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

- N/A

Satisfaction of “Policy”

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

- N/A

Summary of Issues and Staff Rationale

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

On December 11, 2012, the Town awarded the design contract to Civil Tec Engineering for the development of the necessary construction documents to allow these projects to be constructed under the “in-house” designation. The construction of the box culvert does not lend itself to being constructed with existing town staff. Therefore, Civil Tec developed a full construction document that allows the Town to bid this project. A Letter of Map Revision (LOMR) was prepared by Civil Tec and has been approved by the Federal Emergency Management Agency.

On September 4, 2014, bids were received for the project. The following is the summary of the bid tabulation:

Contractor	Base Bid	Alternative Bid #1	Total
Capital Improvements	\$352,720.00	\$90,540.00	\$443,260.00
R. Blume Underground	\$396,762.00	\$128,000.00	\$524,762.00
Vasco	\$538,665.00	\$100,600.00	\$639,265.00
CS Construction	\$537,290.00	\$265,584.00	\$801,874.00

Staff has reviewed the bids submitted and determined that Capital Improvements, LLC, to be the lowest responsible bidder for this project.

Under a subsequent action coming to the Council during the winter of 2014/15, the construction of the roadway for Center Street will be presented for approval.

Findings of Fact

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

- N/A

Center Street Box Culvert – September 4, 2014 until 3:00 p.m.

Company Name	Addendum	Bid Bond (Y/N)	Amount of Bid Base	Amount Alternate #1	Date/Time Received	Received by
Capital Improvements LLC	none	Y	\$352,720.00	\$90,540.00	9/4/14 2:38 pm	SS
R. Blume Underground	none	Y	\$396,762.00	\$128,000.00	9/4/14 2:47 pm	JS
CS Construction, Inc	none	✓	537,290.00	265,584.00	9/4/14 2:48 pm	JH
Vastco	none	Y	538,665.00	100,600.00	9/4/14 2:54	JH

Town of Chino Valley

Contract Documents for

Center Street Box Culvert

Project #2014-3



July 7, 2014

Mayor
Chris Marley

Vice Mayor, Darryl Croft

Council Member, Mike Best

Council Member, Pat McKee

Council Member, Don Wojcik

Council Member, Lon Turner

Council Member, Linda Hatch

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CONSTRUCTION CONTRACT AND GENERAL CONDITIONS FOR DESIGN-BID-BUILD (DBB) PROJECT

THIS CONTRACT made and entered into this 23 day of September, 2014, by and between Capital Improvement, LLC, hereinafter designated as "Contractor", and the Town of Chino Valley, a municipal corporation organized and existing under and by virtue of the laws of the State of Arizona, hereinafter designated as "Chino Valley."

Chino Valley and Contractor, in consideration of the mutual covenants hereinafter set forth, agree as follows:

1.0 PROJECT DESCRIPTION

Contractor shall do and perform, or cause to be done and performed in accordance with this Contract, the Project entitled Center Street Box Culvert, hereinafter referred to as "The Project" or "The Work," in accordance with and as more fully described in the Notice of Call for Bids, Specifications, Drawings, Bid Form, Bid Security, Performance Bond, Labor and Material Bond, and Addenda thereto, if any, hereinafter referred to as "Contract Documents," all of which are incorporated herein by reference and made a part hereof as though set forth in full.

2.0 PERFORMANCE STANDARD

The Work must be performed and completed in accordance with all requirements of law and no Work shall be undertaken until Contractor has been issued all required permits. The Work must be performed in accordance with the best modern practice and with materials and workmanship of the highest quality. Contractor shall check and verify all dimensions, grades and levels before commencement of performance and whenever necessary during the progress thereof.

3.0 CONTRACT TIME

Contractor hereby fixes the time for completion of all Work required to be within 120 days beginning with the day following the starting date specified in the Notice to Proceed. Upon failure to complete the Work within the time specified, Contractor shall pay the amount of \$100.00 per day for each day the Work remains unfinished as and for liquidated damages incurred by Chino Valley for failure to complete the Work within the specified time.

4.0 SUBCONTRACTORS

The names of subcontractors submitted at the time of the submission of the bid to Chino Valley shall be assumed to be the subcontractors which Contractor shall use for Work required to be done under the Contract Documents. Contractor shall make no substitution for any subcontractor, person, or entity previously selected if Chino Valley makes a reasonable objection to such substitution. Contractor shall not contract with any subcontractor to whom Chino Valley has made a reasonable objection. Contractor shall not be required to contract with anyone to whom he has made a reasonable objection.

5.0 INDEPENDENT CONTRACTOR

Contractor is an independent contractor and not an agent or employee of Chino Valley. Contractor shall supervise and direct the Work to be done, using Contractor's best skill and attention. Contractor shall be solely responsible for all construction means, methods, techniques, sequences, procedures, and for coordinating all portions of the Work required by the Contract Documents. Contractor shall be responsible to the subcontractors and their agents and employees, and other persons performing any of the Work under the Contract Documents.

6.0 LABOR AND MATERIALS

Contractor shall provide and pay and shall insure under the requisite laws and regulations all labor, materials, equipment, tools, construction equipment, machinery, water, heat, utilities, transportation, and other facilities and services necessary for the proper execution and completion of the Work, whether temporary or permanent and whether incorporated or to be incorporated in the Work.

7.0 TAXES

Contractor shall pay all licenses, sales, consumer, use and other similar taxes for the Work or portions thereof provided by the Contractor which are legally enacted at the time bids are received, whether effective or subsequently applicable due to acts of jurisdictions or bodies other than Chino Valley.

8.0 PERMITS AND FEES

Contractor shall secure and pay for all permits, governmental fees, licenses and inspections necessary for the proper execution and completion of Work which are customarily secured after execution of the Contract and which are legally required. Contractor shall give all notices and comply with all laws, ordinances, rules, regulations and lawful orders of any public authority bearing on the performance of the Work.

9.0 BONDS

Concurrently with the execution of the Contract, the Contractor shall furnish Chino Valley the following Bonds, which shall become binding upon the award of the Contract to the Contractor:

- 9.1 A Performance Bond: In an amount equal to the full Contract amount conditioned upon the faithful performance of the Contract in accordance with Plans, Specifications and conditions thereof. Such Bond shall be solely for the protection of Chino Valley.
- 9.2 A Payment Bond: In an amount equal to the full Contract amount solely for the protection of the claimants supplying labor or materials to the Contractor or his subcontractors in the prosecution of the Work provided for in such Contract.

- 9.3 Each such Bond shall include a provision allowing the prevailing party in a suit on such Bond to recover as a part of this judgment such reasonable attorney's fees as may be fixed by a judge of the court.
- 9.4 Each such bond shall be executed by a surety company or companies holding a certificate of authority to transact surety business in the State of Arizona issued by the Director of the Department of Insurance pursuant to Title 20, Chapter 2, Article 1 of the Arizona Revised Statutes and any amendments thereto. The Bonds shall be made payable and acceptable to Chino Valley. The Bonds shall be written or countersigned by an authorized representative of the surety who is either a resident of the State of Arizona or whose principal office is maintained in this State, and the Bonds shall have attached thereto a certified copy of the Power of Attorney of the signing official.
- 9.5 Submittal of the required bonds as set forth in this paragraph is a condition precedent to this contract becoming effective.

10.0 SUPERINTENDENT

Contractor shall employ a competent Project Superintendent and necessary assistants who shall be in attendance at the Project site during the progress of the Work. The Superintendent shall represent and be the agent of Contractor and communications given to the Superintendent shall be as binding as if given to Contractor. Important communications shall be confirmed in writing. Other communications shall be so confirmed on written request in each case.

11.0 PROGRESS SCHEDULE

Contractor, immediately after entering into the Contract, shall provide Chino Valley with any requested scheduling information and a proposed Progress Schedule for performance of the Work in a form acceptable to Chino Valley providing for commencement and completion of the Work within the Contract Time. Contractor shall prosecute the Work in a prompt and diligent manner and without hindering or delaying the Work of other Contractors or Subcontractors on the Project. Said Progress Schedule shall be supplemented thereafter upon request. Work shall not commence upon this Project until a written Notice to Proceed has been issued to the Contractor by Chino Valley. The Notice to Proceed will be considered issued on the date it is sent to Contractor by certified mail, telefacsimile or delivered to him in person.

12.0 DRAWINGS AND SAMPLES

Contractor shall furnish within three (3) working days following request therefore by Chino Valley detailed drawings of the Work and samples of materials required for the performance or coordination of the Work. Drawings and samples shall comply with the requirements of the Contract Documents or shall be rejected.

13.0 ERRORS IN THE PLANS

The plans and specifications are presumed to be correct, but Contractor shall be required to check carefully all dimensions and verify all vertical and horizontal controls using the nearest benchmark before beginning the Work. If any errors or omissions are discovered, Chino Valley's Representative shall be so notified in writing. Chino Valley's Representative shall immediately notify the Project's Engineer, who will then make such corrections, and interpretations as may be deemed necessary for fulfilling the intent of the plans and specifications and shall issue appropriate corrections. Any adjustments made by Contractor without prior review and acceptance shall be at his own risk. The settlement of any complication or disputed expenses arising from an adjustment made by contractor shall be paid by Contractor at his own expense.

14.0 CHINO VALLEY'S RIGHT TO STOP, CARRY OUT OR CORRECT THE WORK

If at any time during the performance of the Work it appears to Chino Valley, in its sole discretion, that Contractor will not complete the Work within the Contract Time and pursuant to the Progress Schedule, or if the manner in which Contractor carries out its obligations interferes with the ability of other contractors or workers to perform work on the same site, Chino Valley shall have the sole and absolute right on seventy-two (72) hours written notice delivered to Contractor to replace Contractor by taking over the Work or procuring another to complete the Work. Such taking over shall not constitute or be construed as a waiver by Chino Valley of any action, claim or demand Chino Valley may have against Contractor by reason of injury or damage resulting to Chino Valley because of Contractor's failure of performance hereunder. Contractor shall pay to Chino Valley a sum equal to Chino Valley's total cost of completing such Work, and a sum for reasonable attorneys' fees and litigation expenses in taking over and completing such Work. In no event shall any delay in performance hereunder by Contractor be excused unless, such delay is excused by Chino Valley in writing.

15.0 WARRANTY

Contractor warrants to Chino Valley that all materials and equipment furnished under this Contract will be new, and that all Work will be of good quality, free from faults and defects. Contractor further guarantees all Work and materials for a period of one year from the date of acceptance of the Project. Should any portion of the Work need replacement or repair within one year from the date of completion due to construction methods or material failure, Contractor shall replace such Work at no cost to Chino Valley. If Contractor fails within reasonable time to replace or repair any portion of the Work deemed to be needed, Chino Valley may cause said Work to be done and Contractor agrees to pay all costs incurred therein. All Work not conforming to the Contract Documents, including substitutions not properly approved and authorized, may be considered defective. If required by Chino Valley, Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment.

16.0 INDEMNIFICATION

- 16.1 To the fullest extent permitted by law, Contractor, its successors and assigns shall indemnify and hold harmless Chino Valley, its officers and employees from and against all liabilities, damages,

losses and costs (including reasonable attorney fees and court costs) to the extent caused by the negligence, recklessness or intentional wrongful conduct of Contractor or other persons employed or used by the Contractor in the performance of this Agreement. Contractor's duty to indemnify and hold harmless Chino Valley, its officers and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use of resulting there from, caused by Contractor's negligence, recklessness or intentional wrongful conduct in the performance of this Agreement and the negligence, recklessness or intentional wrongful conduct of any person employed by Contractor or used by Contractor in the performance of this Agreement

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

17.0 INSURANCE

- 17.1 Contractor shall secure and maintain throughout the term of this Contract, the following insurance in the name of Contractor, naming Chino Valley as additional insured with respect to claims which may arise out of or result from Contractor's acts, operations or negligence or those of its subcontractors, or anyone directly or indirectly employed by any of them including officers, employees, agents or representatives for matters related to this Contract. The coverage shall be provided on an "occurrence" basis rather than a "claims made" basis, shall be provided without offset against Chino Valley's existing insurance and provide for a minimum of thirty (30) calendar days' notice to Chino Valley prior to cancellation, reduction in coverage or other substantial modification. Contractor shall provide a Certificate of Insurance which sets forth the following minimum amounts and types of coverage:

<u>TYPE OF COVERAGE</u>	<u>AMOUNT NOT LESS THAN</u>
Workers' Compensation	Statutory
Employers Liability	\$100,000 each accident \$100,000 disease each employee \$500,000 disease aggregate

<u>TYPE OF COVERAGE</u>	<u>AMOUNT NOT LESS THAN</u>
Commercial General Liability (including contractual liability for this Contract; broad form property damage; completed operations; and explosion, collapse and underground coverage)	\$1,000,000 per occurrence \$2,000,000 aggregate combined single limit
Automobile Liability (including owned, hired and non-owned coverages)	\$1,000,000 combined single limit
Builders "All-risk"	Completed Value (at least 100% of the Contract)

- 17.2 Contractor shall submit to Chino Valley proof of the required insurance upon executing this Contract. Such proof of insurance shall include the Project Name, Project Number and Contract Number. Contractor shall obtain the above-described insurance from insurance companies which are duly authorized to issue such policies in the State of Arizona and "Best Rated A" or better by the A.M. Best Company, or which are otherwise acceptable to Chino Valley. Contractor shall maintain such insurance coverage until all the Work has been completed and the Project has been accepted by Chino Valley.
- 17.3 Chino Valley shall not be obligated to review any of the Contractor's Certificates of Insurance, insurance policies or endorsements or to advise Contractor of any deficiencies in such documents and any receipt of copies or review by Chino Valley of such documents shall not relieve Contractor from or be deemed a waiver of Chino Valley's right to insist on strict fulfillment of Contractor's obligations under this paragraph.
- 17.4 The insurance coverages referenced above shall apply to all operations of Contractor related to the Project which are undertaken by the insured, subcontractors or their employees and agents during the life of this Contract. These policies shall not expire until all Work has been completed and the Project has been accepted by Chino Valley. If a policy does expire during the life of the Contract, a renewal Certificate of the required coverage must be sent to Chino Valley not less than thirty (30) calendar days prior to expiration date.

18.0 CHANGE ORDERS

A change order is a written order to Contractor signed by Chino Valley's Representative or other person designated in the Contract Documents, issued after execution of this Contract, authorizing a change in the Work or an adjustment in the Contract Sum or the Contract Time. A change order signed by Contractor indicates his agreement therewith. Chino Valley, without invalidating the Contract, may order changes in the Work, in the general scope of the Contract consisting of additions, deletions, or other revisions, the Contract Sum and the Contract Time

being adjusted accordingly. All such changes in the Work shall be authorized by change order, and shall be performed under the applicable conditions of the Contract Documents. Chino Valley's Representative shall have authority to order minor changes in the Work not involving an adjustment in the Contract Sum or extension of the Contract Time and not inconsistent with the intent of the Contract Documents. Such changes shall be effected by written order, and shall be binding on Chino Valley and Contractor. Contractor shall carry out such written orders promptly. Verbal information obtained from any officer, agent or employee of Chino Valley or any other person shall not affect the obligations assumed by Contractor or relieve Contractor from complying with any of the terms of the Contract Documents. No additional changes will be made to the Contract without prior written authorization from Chino Valley pursuant to approved change order. Any change in the terms of the Contract Documents shall only occur as a result of an approved change order or written modification or amendment approved by mutual consent of Chino Valley and Contractor. If Contractor claims that any changes ordered by Chino Valley involve extra cost under the Contract Documents, he shall within forty-eight (48) hours after the receipt of such instructions, provide notice to Chino Valley's Representative of such claim, and before proceeding to execute the Work.

19.0 DISPUTED WORK

If, pursuant to Paragraph 18, Contractor claims changes ordered by Chino Valley involve extra cost, Contractor shall nevertheless perform the same if directed to do so by Chino Valley. However, to preserve Contractor's right to claim extra compensation for the disputed Work, Contractor shall, prior to proceeding with the Work, notify Chino Valley in writing that Contractor is performing the same under protest. The same procedure shall prevail as to any dispute as to a deduction for omitted Work (or as the case may be, to sustain Contractor's contention as to the appropriate compensation for extra Work that is not disputed to be an "extra"). The notice in that circumstance shall be given not later than ten (10) working days after the tender of payment by Chino Valley to Contractor of the reduced amount (or amount for the nondisputed "extra") as computed by Chino Valley. Failing such written protest, it shall be deemed that Contractor has acquiesced to Chino Valley's contention that the Work is not extra but Contract Work or that the reduction (or amount of compensation for a nondisputed "extra") is correct, as the case may be. The giving of the protest provided for above, and giving it timely, are express conditions precedent to maintaining any remedial procedure, whether arbitration or otherwise, pertaining to Contractor's claim.

20.0 PAYMENTS AND COMPLETION

In consideration of the complete and timely performance of the Work, subject to changes as provided by an approved Change Order, Chino Valley shall pay Contractor the Contract Sum of *four hundred forty three thousand two hundred 44* (\$ *443,260.00*). No adjustment will be made to the Contract Sum except by approved Change Order. The terms of this paragraph shall be governed by A.R.S. § 34-221 and any amendments thereto which is hereby incorporated by reference. Upon receipt of written notice that the Work is ready for final inspection and acceptance, Chino Valley's Representative shall promptly make a final inspection and, when Chino Valley's Representative finds the Work acceptable under the Contract

Documents, he shall promptly approve a certificate for payment stating that upon his knowledge, information and belief and on the basis of his observations and inspections, the Work has been completed in accordance with the terms and conditions of the Contract Documents and that the entire balance found to be due Contractor is due and payable. Neither the final payment nor the retained percentage determined under A.R.S. § 34-221 shall become due until Contractor submits to Chino Valley all required data establishing payment or satisfaction of all Contractor's obligations.

21.0 PROTECTION OF PERSONS AND PROPERTY

- 21.1 Contractor at all times must take all reasonable precautions to protect the persons and property of others on or adjacent to the Project from damage, loss, or injury resulting from operations under this Contract by Contractor or any other party with whom Contractor has subcontracted. Contractor's obligation to protect shall include the duty to provide, place, and adequately maintain at or about the Project suitable and sufficient guards, lights, barricades, and enclosures. Contractor shall not disturb nor displace any protection installed by others.
- 21.2 Contractor's operations shall be in accordance with the Manual on Uniform Traffic Control Devices, Latest Edition. These operations shall cause no unnecessary inconvenience to the public and public access rights shall be considered at all times. Unless otherwise authorized in the Specifications or on a temporary basis by Chino Valley, traffic shall be permitted to pass through the Work area. Contractor shall coordinate with the various agencies to include governmental, commercial and public, so that adequate services are maintained.
- 21.3 N/A
- 21.4 Safe and adequate pedestrian and vehicular access shall be provided and maintained to fire hydrants, commercial and industrial establishments, churches, schools, parking lots, motels, hospitals, fire stations, police stations, residential properties and establishments of a similar nature.
- 21.5 Grading operations, roadway excavation and fill construction shall be conducted and maintained in such a manner as to provide a reasonably satisfactory and safe surface for vehicular and pedestrian traffic. When rough grading is completed, the roadbed shall be brought to and maintained in a reasonably smooth condition, satisfactory and safe for vehicular traffic at the posted speed limit. Pedestrian walkways shall be provided and maintained in a like manner. Contractor shall accomplish any additional grading operations and/or repairs, including barricade replacement or repairs during working and non-working periods which, in the opinion of Chino Valley, are required.

22.0 GOVERNING LAW

This Contract shall be governed by the laws of the State of Arizona.

23.0 SUCCESSORS AND ASSIGNS

Chino Valley and Contractor each binds himself, his partners, successors, assigns and legal representatives to the other party hereto and to the partners, successors, assigns and legal representatives of such other party in respect to all covenants, agreements and obligations contained in the Contract Documents. Neither party to the Contract shall assign the Contract or sublet it as a whole without the written consent of the other, nor shall Contractor assign any monies due or to become due to him hereunder without the previous written consent of Chino Valley.

24.0 SERVICE OF NOTICE

All notices and demands required or permitted by this Contract shall be in writing and shall be deemed to have been given properly when (1) sent by Certified Mail (postage fully prepaid) to the respective address below or to such other address as may be furnished by either party pursuant to this paragraph; (2) delivered personally to the parties to this Contract; or (3) if given by telefacsimile, when addressed and transmitted to the respective telefacsimile number as specified below or to such other address or telefacsimile number as may be furnished by either party to the other pursuant to this paragraph, and the appropriate confirmation of transmittal is received. Any party giving notice or demand by telefacsimile immediately shall send the other party a copy of such notice or demand by Certified Mail (postage fully prepaid) to the respective address below or to such other address as may be furnished by either party pursuant to this paragraph.

CHINO VALLEY:

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

CONTRACTOR:

ALAN MINER
Representative Name
CAPITAL IMPROVEMENTS, LLC
Company Name
1071 COMMERCE DR, Suite A
Company Address
PRESCOTT, AZ 86305
City, State Zip Code

25.0 CLAIMS FOR DAMAGES

Should either party to the Contract suffer injury or damage to personal property because of any act or omission of the other party or of his employees, agents for whose acts he is legally liable, claims shall be made in writing to such other parties within a reasonable time after the first observance of such injury or damages.

26.0 RIGHTS AND REMEDIES

The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by Chino Valley or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any action or failure to act constitute an approval of or acquiescence in any breach except as may be specifically agreed in writing.

27.0 TIME IS OF THE ESSENCE

All time limits stated in the Contract Documents are of the essence. Contractor shall begin Work on the date specified in the Notice to Proceed and shall carry the Work forward expeditiously. If Contractor is delayed at any time in the progress of the Work by any act or neglect of Chino Valley or by any employee of Chino Valley or by change orders in the Work or by labor disputes, fire, unusual delay in transportation, adverse weather conditions not reasonably anticipatable, unavoidable casualties, or any causes beyond the Contractor's control, or by delay caused by Chino Valley, or by any other cause which Chino Valley determines may justify the delay, then the Contract Time shall be extended by change order for such reasonable time as Chino Valley may determine. Any claim for extension of time shall be made in writing to Chino Valley's Representative not more than five (5) working days after the commencement of the delay; otherwise said claim shall be waived by Contractor. In the case of a continuing delay, only one claim is necessary. Contractor shall provide an estimate of the probable effect of such delay on the progress of the Work. This paragraph does not exclude the recovery of damages for delay by either party under the provisions of the Contract Documents.

28.0 TERMINATION BY CHINO VALLEY

If Contractor is adjudged as bankrupt, or if he makes a general assignment for the benefit of his creditors, or if a receiver is appointed on account of his insolvency, or if he persistently or repeatedly refuses or fails, except in cases for which extension of time is provided, to supply enough properly skilled workers or proper materials, or if he fails to make prompt payment to subcontractors or for materials or labor, or persistently disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, or otherwise is guilty of a violation of the Contract Documents, then Chino Valley, upon certification by Chino Valley's Representative that sufficient cause exists to justify such action, may, without prejudice to any right or remedy and after giving Contractor and his Surety, if any, ten (10) working days written notice, terminate this Contract and take possession of the site and of all materials, equipment, tools, construction equipment and machinery thereon owned by Contractor and may finish the Work by whatever method he may deem expedient. In such case, Contractor shall not be entitled to receive any further payment until the Work is finished. If the unpaid balance of the Contract Sum exceeds the costs of finishing the Work, such excess shall be paid to Contractor; if such costs exceed the unpaid balance, Contractor shall pay the difference to Chino Valley. The amount to be paid to Contractor or to Chino Valley, as the case may be, shall be certified by Chino Valley's Representative and this obligation for payment shall survive the termination of the Contract.

29.0 CONFLICT OF INTEREST

This Contract shall be subject to the cancellation provisions of A.R.S. § 38-511 and any amendments thereto.

30.0 LITIGATION

Should litigation be necessary to enforce any term or provision of this Contract, or to collect any damage claimed or portion of the amount payable under this Contract, then all litigation and collection expenses, witness fees, court costs, and attorneys fees shall be paid to the party not at fault. Nothing herein shall preclude non-binding arbitration if the parties so elect in the event of a dispute hereunder.

31.0 PROTECTION OF PERSONS AND PROPERTY

Contractor shall adopt every practical means and comply with all laws, ordinances and regulations in order to minimize interferences to traffic and inconveniences, discomfort and damage to the public, including the provision of adequate dust control measures. All obstructions to traffic shall be guarded. If an unsafe condition arises or exists during the progress of the Work, or if Chino Valley has reason to believe an unsafe condition exists, Contractor shall suspend the Work wholly or in part for such period as may be necessary to correct the unsafe condition. Neither Contractor nor any subcontractor shall trespass upon private property. Contractor shall be responsible for all injury or damage to persons or property, directly or indirectly, resulting from operations of Contractor or subcontractors completing this Work. Contractor shall ensure that both Contractor and subcontractors comply with the laws and regulations of Chino Valley, County and State relating to the safety of persons and property. Contractor will be held responsible for any injury or damage to persons or property caused by Contractor or subcontractors or any agent or employee of either during the progress of the Work and until its final acceptance. Contractor shall protect against injury or damage to pipes, sewer conduits, electrical conduits, lawns, gardens, shrubbery, trees, fences or other structures or property, public and/or private, encountered in this Work except as stipulated elsewhere herein. Contractor shall be responsible and liable for any injury or damage to such pipes, structures and property.

32.0 IMMIGRATION LAW COMPLIANCE WARRANTY

- 32.1 As required by A.R.S. § 41-4401, Contractor hereby warrants its compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). Contractor further warrants that after hiring an employee, Contractor verifies the employment eligibility of the employee through the E-Verify program.
- 32.2 If Contractor uses any subcontractors in performance of the Work, subcontractors shall warrant their compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A), and subcontractors shall further warrant that after hiring an employee,

such subcontractor verifies the employment eligibility of the employee through the E-Verify program.

- 32.3 A breach of this warranty shall be deemed a material breach of the Contract that is subject to penalties up to and including termination of the Contract. Contractor is subject to a penalty of \$100 per day for the first violation, \$500 per day for the second violation, and \$1,000 per day for the third violation. Chino Valley at its option may terminate the Contract after the third violation. Contractor shall not be deemed in material breach of this Contract if Contractor and/or subcontractors establish compliance with the employment verification provisions of Sections 274A and 274B of the federal Immigration and Nationality Act and the E-Verify requirements contained in A.R.S. § 23-214(A).
- 32.4 Chino Valley retains the legal right to inspect the papers of any Contractor or subcontractor employee who works on the Contract to ensure that Contractor or subcontractor is complying with the warranty. Any inspection will be conducted after reasonable notice and at reasonable times.
- 32.5 If state law is amended, the parties may modify this paragraph consistent with state law.

33.0 EQUAL TREATMENT OF WORKERS

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

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed, the day and year first herein written.

TOWN OF CHINO VALLEY

Project Name: Center Street Box Culvert
Project No: 2014-3
Contract No: 2014-3

By: _____
Chris Marley, Mayor

ATTEST:

Jami Lewis, Town Clerk

APPROVED AS TO FORM:

Curtis, Goodwin, Sullivan, Udall & Schwab, PLC
Town Attorneys

CONTRACTOR

By: _____

Title: _____

BID FORM

FOR: TOWN OF CHINO VALLEY
202 North State Route 89
Chino Valley, Arizona 86323

Bid of Capital Improvements, LLC,

Contractor's License No. ROC #272683

A corporation organized and existing under the laws of the State of Arizona; or a partnership consisting of _____, partners; or an individual conducting business as hereinafter called the Bidder.

TO: THE HONORABLE MAYOR AND COUNCIL
Town of Chino Valley
202 North State Route 89
Chino Valley, AZ 86323

The undersigned acknowledges that he has received and familiarized himself with the following:

CONTRACT DOCUMENTS
PROJECT MANUAL AND DETAILS
DRAWINGS
ADDENDA No. _____ dated _____; No. _____ dated _____
No. _____ dated _____; No. _____ dated _____
No. _____ dated _____; No. _____ dated _____

The undersigned further acknowledges that he has visited the site and has familiarized himself with local conditions affecting the cost of the Work at the place where the Work is to be done. The undersigned further acknowledges that if his bid is accepted he shall be bound by the terms of the Contract Documents.

In submitting this Bid, the undersigned agrees:

1. To furnish all material, labor, tools, expendable and construction equipment, and all utility and transportation services necessary to furnish and install, in a workmanlike manner, all Work at the Project listed herein in strict conformity with the Construction Documents prepared by Civiltec Engineering, Inc. for the consideration hereinafter set forth.
2. To hold his Bid open for not less than ninety days (90) Days after the receipt of Bids and to accept the provisions of the instructions to Bidders regarding disposition of Bid Security.
3. To enter into and execute a Contract if awarded on the basis of this Bid within ten (10) days after Award of the Bid, and to furnish a Performance Bond, a Labor & Material Payment Bond and certificates of insurance in accord with the General Conditions and General Requirements of

this Contract and to deliver executed Bonds and Insurance Certificates to Chino Valley's representative within ten (10) working days following the issuance of the Notice of Award.

4. To utilize the subcontractors and suppliers attached to this Bid Form unless authorized by Chino Valley to substitute another subcontractor or supplier.
5. To achieve substantial completion and final completion within the time period stated in the Contract Documents taken from the date of Notice to Proceed or the date otherwise established for the commencement of Work.
6. The undersigned agrees that time is of the essence and Chino Valley will suffer financial damages due to Contractor's failure to complete the Work within the Contract Time. The liquidated damages shall be as follows for each calendar day beyond the Contract Time for which Contractor shall fail to complete the Work:

Substantial completion - \$ N/A per calendar day

Final completion - \$ 100.00 per calendar day

7. The undersigned has attached the required Bid Security and other items required in the Instructions to Bidders. The Bid Security shall become the property of Town of Chino Valley, Arizona, as liquidated damages for the delay and additional Work caused thereby in the event the Contract and Bonds are not executed within the time set forth above.

Project Name: Center Street Box Culvert
Project No: 2014-3
Contract No: 2014-3

NAME OF BIDDER: Capital Improvements, LLC

**TOWN OF CHINO VALLEY
BID SCHEDULE**

Project Name: Center Street Box Culvert

Project No: 2014-3

Contract No: 2014-3

No.	Description	Est. Qty.	Unit	Unit Price	Extended Price
1	Mobilization	1	LS	\$ 25,000.00	\$ 25,000.00
2	Construction Staking	1	LS	\$10,000.00	\$10,000.00
3	As-Built Plan Preparation	1	LS	\$ 3,200.00	\$ 3,200.00
4	Clearing and Grubbing	1	LS	Town	-
5	Remove existing wire fence	180-LF	LS	Town	-
6	Earthwork and Excavation (1/3 of total)	1570-CY	LS	\$ 18,000.00	\$ 18,000.00
7	Traffic Control	1-EA	LS	\$ 5,000.00	\$ 5,000.00
8	Two MAG 535F Grated Catch Basins, aprons, and Connector laterals	2-EA	LS	\$ 4,500.00	\$ 4,500.00
9	ADOT 6.06 6 barrel 10x8 box culvert with extended edge beam and ADOT 6.10 wing walls	1	LS	\$190,000.00	\$190,000.00
10	Grouted rip-rap outlet apron	1020-SF	LS	\$ 15,300.00	\$ 15,300.00
11	Structural Backfill	430-CY	LS	\$ 17,200.00	\$ 17,200.00
12	Quality Control and Testing	1	LS	\$ 9,200.00	\$ 9,200.00
13	Erosion Control and Prevention Plan (SWPPP) and installation of Measures	1	LS	\$ 2,200.00	\$ 2,200.00
14	Hand Rail	250-LF	LS	\$ 9,100.00	\$ 9,100.00
15	Utility Relocations	1	LS	\$ 750.00	\$ 750.00
16	Install 4" diameter blank PVC conduit with end sweeps and caps	130-LF	LS	\$ 5,850.00	\$ 5,850.00
17	Install new wire fence	70-LF	LS	\$ 1,260.00	\$ 1,260.00
18	Hydroseeding	20,000-SF	LS	\$ 2,360.00	\$ 2,360.00
19	Four Guard Rail Terminal End Section	4-EA	LS	\$ 13,000.00	\$ 13,000.00
20	Rip-rap roadside channel D50=6" Fabric	80-SY	LS	\$ 10,800.00	\$ 10,800.00
21	Client Directed Work			\$10,000.00	\$10,000.00
	BASE BID SUBTOTAL				\$352,720.00

Project Name: Center Street Box Culvert
 Project No: 2014-3
 Contract No: 2014-3

No.	Description	Est. Qty.	Unit	Unit Price	Extended Price
	ALTERNATIVE BID ITEMS				
1	Rip-rap Blanket D50=18" with Fabric and Toe-in U/S and D/S of R/W	2012-SY	LS	\$ 90,540.00	\$ 90,540.00
	BID ALTERNATIVE 1 SUBTOTAL				\$ 90,540.00

This is a lum sum job. The units are for client directed changes.

Total Base Bid Price \$ 352,720.00 (This is a Lum Sum Contract)

Total Alternative 1 Price \$ 90,540.00

TOTAL BID PRICE \$ 443,260.00 Lum Sum

In the event a contract is awarded, the Town may, at its sole option, elect as follows:

1. Award the Base Bid only; or
2. Award the Base Bid plus Bid Alternative 1

In evaluating Bids, discrepancies in the multiplication of units of work and unit prices will be resolved in favor of the unit prices. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum.

Bidders are required to fill in all blank spaces with an entry. Bids submitted with blank spaces may be considered "Non-Responsive".

Quantities shown in this bid schedule are approximate only, and are used for the purpose of bid comparison.

In submitting this Bid, it is understood that the right to reject any and all Bids and to waive irregularities in the Bidding has been reserved by Chino Valley.

The undersigned hereby certifies that the information submitted herewith, including any attachment is true to the best of his knowledge and belief.

Project Name: Center Street Box Culvert
 Project No: 2014-3
 Contract No: 2014-3

The unit prices on the bid schedule will be used by the Town for any additional work or for reduction in the work as approved by the Town.

Dated this 4th day of September, 2014.

Capital Improvements, LLC
 Name of Bidder (Company)

1071 Commerce Dr., Suite A
 Address of Bidder

Prescott, AZ 86305
 City, State, Zip Code

928-777-8399
 Area Code/Telephone Number

928-776-7848
 Area Code/Fax Number

Alan Miner, Principal
 Authorized Officer/Title

Alan Miner
 Authorized Officer Signature

(I) (We), the undersigned (Corporate Secretary) (Partners), hereby certify that the above-named Officer is hereby authorized to execute all documents relative this bid and the administration of this bid for and on behalf of the Company named above.

 Corporate Secretary (signature) or

 Partner Signature

 Partner Signature

Project Name: Center Street Box Culvert
Project No: 2014-3
Contract No: 2014-3

COPY(s) OF BIDDER'S STATE OF ARIZONA CONTRACTOR'S LICENSE(S)

Attach copy of required license(s)

STATE OF ARIZONA

Office of the Registrar of Contractors

License No. ROC 272683

This is to Certify That

Capital Improvements LLC

DBA (if any)

*Having been shown to possess all the necessary qualifications, and having complied with all the requirements of the law,
is by order of the Registrar of Contractors duly licensed and admitted to engage in and pursue the business of*

A

General Engineering

*Contractor in the State of Arizona. Given my hand and the seal of the Registrar of Contractors
in my office, City of Phoenix, on 05/06/2011*



William A. Mundell

DIRECTOR, ARIZONA REGISTRAR OF CONTRACTORS

BID BOND
(Surety Bond)

KNOW ALL MEN BY THESE PRESENTS:

That we, _____, (hereinafter "Principal"), and the _____, a corporation duly organized under the laws of the State of _____, duly licensed in and holding a certificate of authority to transact surety business in the State of Arizona issued by the Director of the Department of Insurance pursuant to Title 20, Chapter 2, Article 1, (hereinafter "Surety"), as Surety, are held and firmly bound unto Town of Chino Valley, a municipal corporation as Obligee, in the sum of ten percent (10%) of the amount of the bid included in the proposal, submitted by the Principal to the Mayor and Council of Town of Chino Valley, for the Work described below, for the payment of which sum, well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, and administrators, successors and assigns, jointly and severally, firmly by these presents, and in conformance with A.R.S. § 34-201.

WHEREAS, the Principal is herewith submitting its Bid for

_____.

NOW, THEREFORE, if Town of Chino Valley shall accept the Proposal of the Principal and the Principal shall enter into a Contract with Town of Chino Valley, in accordance with the terms of such proposal and give the Bonds and Certificates of Insurance as specified in the Specifications with good and sufficient surety for the faithful performance of the Contract and for the prompt payment of labor and material furnished in the prosecution of the Contract, or in the event of the failure of the Principal to enter into the Contract and give the Bonds and Certificates of Insurance, if the Principal pays to Town of Chino Valley the difference not to exceed the penalty of the bond between the amount specified in the Proposal and such larger amount for which Town of Chino Valley may in good faith Contract with another party to perform the Work covered by the Proposal, then this obligation is void. Otherwise it remains in full force and effect provided, however, that this Bond is executed pursuant to the provisions of Section 34-201, Arizona Revised Statutes, and all liabilities on this Bond shall be determined in accordance with the provisions of the Section to the extent as if it were copied at length herein.

This Surety Bond shall not be executed by an individual surety or sureties, even if the requirements of A.R.S. Section 7-101 are satisfied.

Witness:

Surety

Title

BID BOND
(Surety Bond)

KNOW ALL MEN BY THESE PRESENTS:

Bid Date: September 4, 2014

That we, Capital Improvements, LLC, (hereinafter "Principal"), and the The Guarantee Company of North America, USA, a corporation duly organized under the laws of the State of Michigan, duly licensed in and holding a certificate of authority to transact surety business in the State of Arizona issued by the Director of the Department of Insurance pursuant to Title 20, Chapter 2, Article 1, (hereinafter "Surety"), as Surety, are held and firmly bound unto Town of Chino Valley, a municipal corporation as Oblige, in the sum of ten percent (10%) of the amount of the bid included in the proposal, submitted by the Principal to the Mayor and Council of Town of Chino Valley, for the Work described below, for the payment of which sum, well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, and administrators, successors and assigns, jointly and severally, firmly by these presents, and in conformance with A.R.S. § 34-201.

WHEREAS, the Principal is herewith submitting its Bid for
Santa Cruz Wash at Center St Box Culvert Chino.

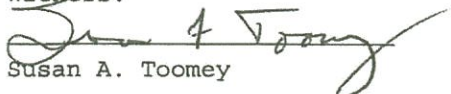
NOW, THEREFORE, if Town of Chino Valley shall accept the Proposal of the Principal and the Principal shall enter into a Contract with Town of Chino Valley, in accordance with the terms of such proposal and give the Bonds and Certificates of Insurance as specified in the Specifications with good and sufficient surety for the faithful performance of the Contract and for the prompt payment of labor and material furnished in the prosecution of the Contract, or in the event of the failure of the Principal to enter into the Contract and give the Bonds and Certificates of Insurance, if the Principal pays to Town of Chino Valley the difference not to exceed the penalty of the bond between the amount specified in the Proposal and such larger amount for which Town of Chino Valley may in good faith Contract with another party to perform the Work covered by the Proposal, then this obligation is void. Otherwise it remains in full force and effect provided, however, that this Bond is executed pursuant to the provisions of Section 34-201, Arizona Revised Statutes, and all liabilities on this Bond shall be determined in accordance with the provisions of the Section to the extent as if it were copied at length herein.

This Surety Bond shall not be executed by an individual surety or sureties, even if the requirements of A.R.S. Section 7-101 are satisfied.

Witness:


SHEILA RAMIREZ

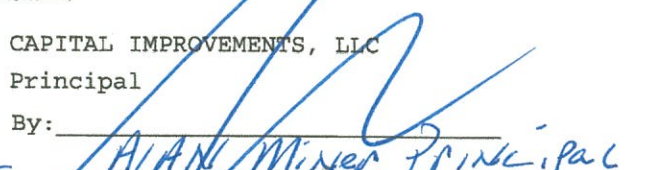
Witness:


Susan A. Toomey

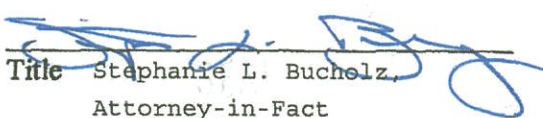
CAPITAL IMPROVEMENTS, LLC

Principal

By:


ALAN MINER, Principal
THE GUARANTEE COMPANY OF NORTH AMERICA, USA

Surety


Title Stephanie L. Bucholz

Attorney-in-Fact

Project Name: Center Street Box Culvert
Project No: 2014-3
Contract No: 2014-3

Address of Surety:

One Tower Square, Suite 1470

Southfield, MI 48076-3725

* Attach Power of Attorney



POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS: That THE GUARANTEE COMPANY OF NORTH AMERICA USA, a corporation organized and existing under the laws of the State of Michigan, having its principal office in Southfield, Michigan, does hereby constitute and appoint

*David J. McKee, Barry R. Farr, Susan A. Toomey,
Patrick R. Hedges, Stephanie L. Bucholz
Constructors Bonding, Inc.*

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise.

The execution of such instrument(s) in pursuance of these presents, shall be as binding upon THE GUARANTEE COMPANY OF NORTH AMERICA USA as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at the principal office.

The Power of Attorney is executed and may be certified so, and may be revoked, pursuant to and by authority of Article IX, Section 9.03 of the By-Laws adopted by the Board of Directors of THE GUARANTEE COMPANY OF NORTH AMERICA USA at a meeting held on the 31st day of December, 2003. The President, or any Vice President, acting with any Secretary or Assistant Secretary, shall have power and authority:

1. To appoint Attorney(s)-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof; and
2. To revoke, at any time, any such Attorney-in-fact and revoke the authority given, except as provided below

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of the Company adopted at a meeting duly called and held on the 6th day of December 2011; of which the following is a true excerpt:

RESOLVED that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, contracts of indemnity and other writings obligatory in the nature thereof, and such signature and seal when so used shall have the same force and effect as though manually affixed.



IN WITNESS WHEREOF, THE GUARANTEE COMPANY OF NORTH AMERICA USA has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 23rd day of February, 2012.

THE GUARANTEE COMPANY OF NORTH AMERICA USA

Stephen C. Ruschak

Stephen C. Ruschak, Vice President

Randall Musselman

Randall Musselman, Secretary

STATE OF MICHIGAN
County of Oakland

On this 23rd day of February, 2012 before me came the individuals who executed the preceding instrument, to me personally known, and being by me duly sworn, said that each is the herein described and authorized officer of The Guarantee Company of North America USA; that the seal affixed to said instrument is the Corporate Seal of said Company; that the Corporate Seal and each signature were duly affixed by order of the Board of Directors of



Cynthia A. Takai
Notary Public, State of Michigan
County of Oakland
My Commission Expires February 27, 2018
Acting in Oakland County

IN WITNESS WHEREOF, I have hereunto set my hand at The Guarantee Company of North America USA offices the day and year above written.

Cynthia A. Takai

I, Randall Musselman, Secretary of THE GUARANTEE COMPANY OF NORTH AMERICA USA, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney executed by THE GUARANTEE COMPANY OF NORTH AMERICA USA, which is still in full force and effect.

IN WITNESS WHEREOF, I have thereunto set my hand and attached the seal of said Company this 4th day of September, 2014.

Randall Musselman

Randall Musselman, Secretary



Project Name: Center Street Box Culvert
Project No: 2014-3
Contract No: 2014-3

Witness:

Address of Surety:

* Attach Power of Attorney

BIDDERS' QUESTIONNAIRE[To be submitted with Bid]**Organizational Information**

BIDDER: Capital Improvements, LLC
(Bidder's name)

Submitted by:

Name of Organization: Capital Improvements, LLC

Name of Individual: Alan Miner

Title: Principal

Address: 1071 Commerce Dr., Suite A

Prescott, Az 86305

Telephone: (928)777-8399

I. Bidder's General Business Information

Check If: ☒ Corporation ☐ Partnership ☐ Joint Venture ☐ Sole Proprietorship

If Corporation:

a. Date and State of Incorporation:
February 14, 2011 - Arizona

b. List of Executive Officers:

Name	Title
<u>Alan Miner</u>	<u>Principal</u>
<u></u>	<u></u>
<u></u>	<u></u>

Project Name: Center Street Box Culvert

Project No: 2014-3

Contract No: 2014-3

If Partnership:

- a. Date and State of Organization:

- b. List of Current General Partners:

Name

Title

- c. Type of Partnership:

☐ General ☐ Publicly Traded ☐ Limited☐ Other (describe):

If Joint Venture:

- a. Date and State of Organization:

- b. Name and Address of Owner or Owners:

Is your organization a member of a controlled group of corporations as defined in IRC Sec. 1563?

☐ Yes ☐ No

If yes, show names and addresses of affiliated companies:

Project Name: Center Street Box Culvert
Project No: 2014-3
Contract No: 2014-3

Furnish the following information with respect to an accredited banking institution familiar with your organization:

Name of Bank: National Bank of Arizona

Address: 1500 Willow Creek Rd.

Prescott, AZ 86301

Account Manager: _____

Telephone Number: 028) 541-3680

Project Name: Center Street Box Culvert
 Project No: 2014-3
 Contract No: 2014-3

Similar Projects
(Use Separate Sheets as needed)

Provide information for at least TWO (2) similar projects successfully completed within the last FIVE (5) years. (See Section 1.1.2.)

BIDDER: Capital Improvements, LLC
 (Bidder's name)

a. Name of Similar Project #1: See Attached

b. Contracting Party (Owner):
 Name: _____
 Address: _____
 Telephone Number: (____) _____

c. If Joint Venture, names of each participant:

d. Contract Price: _____

e. Description of Similar Project #1: _____

(Briefly describe here, and attach a copy of the description in the Contract. Technical specifications may be requested by Chino Valley.)

f. Construction Manager(s) during the Similar Project #1:
 Name: _____
 Address: _____
 Telephone Number: (____) _____

g. Start date (notice to proceed issued): _____

h. Completion date provided for in the Contract: _____

i. Substantial completion date (approved by Owner): _____

j. Reasons why work was completed early, or why delays occurred:

- All answers should be complete and informative. Attach additional sheets if needed to give a full answer. Chino Valley may in its discretion request Bidder to provide additional information concerning this Similar Project as part of its evaluation of the responsibility of the Bidder prior to award of the Contract.**

Projects Completed as the General Contractor

PROJECT REFERENCES

Project Name	Description	Budget	Dates	Owner	Contact
Southside Community Facilities District	Sewer lines, sanitary sewer manholes	\$1.98M	03/03/08 - 01/15/09	Town of Prescott Valley	Neil Wadsworth - 928-759-3070; Michael Lopez - 928-778-7587
Zone 39 Water Main & Pioneer Pump Station	Water lines, remove existing pump station, construct new pump station	\$3.2M	05/04/09 - 05/10	City of Prescott	Ben Mokhtari - 928-777-1130; David Brinkley - 928-777-1130
Groom Creek Water Users Association Water System Upgrade	Water lines, fire hydrants, repave asphalt roads	\$985K	01/04/10 - 08/12/11	Groom Creek Water Users Association	Kal Miller - 602-725-3001; Jerry Hodgson - 928-925-0204
Prescott Campus Chiller Plant Site Piping Distribution	Water lines, hot and cold lines, and road paving	\$985K	06/15/10 - 09/2010	Yavapai Community College	Jeff Rose - 928-776-2178; Scott Eisenfeld - 520-881-4546
Virginia Street Sewer Line Replacement	Sewer lines, sanitary sewer manholes, concrete curb and gutter, sidewalks, and road paving	\$1.1M	11/01/10 - 05/12/11	City of Prescott	Ben Burns - 928-777-1130; Doug DeBusk 928-777-1130
Penn Alley Sewer Replacement	Sewer lines, sanitary sewer manholes, concrete curb and gutter, sidewalks, and road paving	\$457K	05/09/11 - 10/25/11	City of Prescott	Ben Burns - 928-777-1130; Dave Olague - 928-777-1130
Surface Water Recharge Pipeline Replacement	Reclaimed water lines, concrete diversion structures, manholes	\$1.7M	06/01/11 - 02/01/12	City of Prescott	Ben Burns - 928-777-1130; Doug DeBusk - 928-777-1130

Washington Alley Sewer Project	Replace sanitary sewer lines, sanitary sewer manholes, curb and gutter, sidewalks, and paving	\$122K	11/28/11 - 01/12/12	Town of Wickenburg	Rick Austin - 928-684-2761
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Yavapai County Courthouse Sanitary & Storm Sewer Improvements	Replace sanitary sewer lines, sanitary sewer manholes, storm drain manholes	\$188K	03/20/12 - 05/03/12	Yavapai County	Ken VanKeuren - 928-771-3115
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Project Name	Description	Budget	Dates	Owner	Contact
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Prescott Airport - Runway 3R-21L RSA Improvements	Replace Storm Drains, sanitary sewer & water lines, asphalt runways	\$7.8M	05/08/12 - 05/15/13	City of Prescott	Roy Stryker - 602-463-3610; Ray Buettner - 928-308-0772
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North Plains Recharge Basins Phase One	Recharge basins, sewer lines, meter vault, solar powered system, access road, fencing & seeding	\$874K	10/15/12 - 04/18/13	Town of Prescott Valley	Gary McConnell - 928-759-3086; Mark Kieren - 928-759-3085
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Hillside Sewer Replacement	New water main, new sewer main, new water and sewer services, new sidewalk ramps, curb & gutter, sidewalk, and new asphalt pavement	\$322.5K	05/20/13 - 12/13	City of Flagstaff	Tiffin Miller - 928-213-2679; Jason Toback - 928-213-2724
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Barnette Waterline Improvements	Installation of new water lines and replacing existing lines	\$195.5K	01/20/14 - 04/01/14	Town of Wickenburg	Rick Austin - 928-668-0516 OR 928-231-2065
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FY 13 & 14 Water Main Upgrades Phase 1	Installation of new water lines, meter boxes, trench paving, backwater devices, sewer line replacement	\$1.1M	05/05/14 - Present	City of Prescott	Ben Burns - 928-777-1130; Chuck Moore - 928-777-1130
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Northside Sewer Installation Project	Install new sewer lines, sanitary sewer manholes, boring, new ABC utility road and shoulder pullouts	\$1.2M	8/11/2014 - Present	Town of Prescott Valley	Gary McConnell - 928-759-3086
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Project Name: Center Street Box Culvert
 Project No: 2014-3
 Contract No: 2014-3

Similar Projects
(Use Separate Sheets as needed)

Similar Project #2

BIDDER: Capital Improvements, LLC
 (Bidder's name)

a. Name of Similar Project #2: See Attached

b. Contracting Party (Owner):
 Name: _____
 Address: _____
 Telephone Number: (____) _____

c. If Joint Venture, names of each participant:

d. Contract Price: _____

e. Description of Similar Project #2: _____

(Briefly describe here, and attach a copy of the description in the Contract. Technical specifications may be requested by GILBERT.)

f. Construction Manager(s) during the Similar Project #2:
 Name: _____
 Address: _____
 Telephone Number: (____) _____

g. Start date (notice to proceed issued): _____

h. Completion date provided for in the Contract: _____

i. Substantial completion date (approved by Owner): _____

j. Reasons why work was completed early, or why delays occurred:

- All answers should be complete and informative. Attach additional sheets if needed to give a full answer. Chino Valley may in its discretion request Bidder to provide additional information concerning this Similar Project as part of its evaluation of the responsibility of the Bidder prior to award of the Contract**

Projects Completed as the General Contractor
PROJECT REFERENCES

Project Name	Description	Budget	Dates	Owner	Contact
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Yavapai County Courthouse Sanitary & Storm Sewer Improvements	Replace sanitary sewer lines, sanitary sewer manholes, storm drain manholes	\$188K	03/20/12 - 05/03/12	Yavapai County	Ken VanKeuren - 928-771-3115
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Project Name	Description	Budget	Dates	Owner	Contact
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--	---	--------	---------------------	-------------------------	--

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---------------------------------	--	----------	---------------------	--------------------	--

FY 13 & 14 Water Main Upgrades Phase 1	Installation of new water lines, meter boxes, trench paving, backwater devices, sewer line replacement	\$1.1M	05/05/14 - Present	City of Prescott	Ben Burns - 928-777-1130; Chuck Moore - 928-777-1130
--	--	--------	--------------------	------------------	--

Northside Sewer Installation Project	Install new sewer lines, sanitary sewer manholes, boring, new ABC utility road and shoulder pullouts	\$1.2M	8/11/2014 - Present	Town of Prescott Valley	Gary McConnell - 928-759-3086
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Project Name: Center Street Box Culvert
 Project No: 2014-3
 Contract No: 2014-3

Personnel/Subcontractor Qualifications

BIDDER: Capital Improvements, LLC
 (Bidder's name)

- a. List details of the construction experience of the Key Personnel (as defined in Paragraph 1.1.2 of the Contract Documents) directly involved in construction activities:

See Attached

- b. Does Bidder have an adequate workforce to complete the Work if awarded the Contract? Describe, including general types of work performed with your own work force:

Yes

- c. What additional personnel may need to be hired by Bidder as employees, if awarded the Contract?

None

- d. What other major projects is Bidder currently under contract to perform? (Describe the projects, completion dates)

FY 13 & 14 Water Main Upgrade Completion 09/15/2014

Northside Sewer Installation Project 02/11/2015

- e. Are subcontractors proposed by Bidder ready, willing, and able to perform the work? Yes x No _____. (Chino Valley may request additional information concerning subcontractors' past performance, personnel, equipment, licenses, and other pending projects)

- f. If proposed subcontractors are not available, how does Bidder propose to replace the subcontractors?

Next Lowest Quote

-
-
-

-
-
-

Capital Improvements, LLC
 1071 Commerce Drive, Suite A
 Prescott Arizona 86305

Sub-Contractor/Material Supplier List

Center Street Box Culvert
 Town of Chino Valley
 Project Number 2014-13

Line	Sub-Contractor	Function
1	JSC Contracting, Inc. - ROC 159238	Concrete Structures
2	Red Butte Engineering, LLC	Quality Control and Testing
3	Lyon Engineering, Inc.	SWPPP and As-Builts
4	Hot AZ Hell Welding & Fabrication, LLC - ROC 225494	Hand Rail
5	Arizona Highway Safety Specialists - ROC 101441	Guardrail
6	Revegetation Services - ROC 102875	Hydroseeding

A. Miner Contracting, Inc.

(928) 778 2204 A-General Engineering 1071 Commerce Drive, Suite "A"
Fax (928) 445 4162 ROC No. 079027 Prescott, Arizona 86305

RONALD K. RONK

Project Manager Experience – 40 Years

- Rio De Flag 2004 Interceptor Sewerline
— Project Manager, \$692K, September 2004 to April 2005
- Sunnyside Improvements Phase III B
— Project Manager, \$1.57M, July 2005 to February 2006
- Reach D Reclaim Waterline Extension
— Project Manager, \$975K, August 2005 to January 2006
- Villages at Flagstaff Mall
— Project Manager, \$5.1M, March 2006 to October 2007
- Southside Improvement District
— Project Manager, \$1.98 M, March 2008 to January 2009
- Zone 39 Water Main & Pioneer Pump Station Upgrade
— Project Manager, \$3.2M, May 2009 to May 2010
- Groom Creek Water Users Assoc. Water System Upgrade
— Project Manager, \$985K, January 2010 to August 2011
- Prescott Campus Chiller Plant Site Piping Distribution
— Project Manager, \$985K, May 2010 to September 2010
- Virginia Street Sewer Line Replacement
— Project Manager, \$1.1M, November 2010 to May 2011
- Penn Alley Sewer Replacement
— Project Manager, \$457K, May 2011 to October 2011
- Surface Water Recharge Pipeline Replacement
— Project Manager, \$1.7M, June 2011 to February 2012
- Washington Alley Sewer Project
— Project Manager, \$122K, November 2011 to January 2012
- Yavapai County Courthouse Sanitary & Storm Sewer Improvements
— Project Manager, \$188K, March 2012 to May 2012

- Prescott Airport – Runway 3R-21L RSA Improvements
– Project Manager, \$7.8M, May 2012 to May 2013
- North Plains Recharge Basins Phase One
– Project Manager, \$874K, October 2012 to May 2013
- Hillside Water and Sewer Replacement Project
– Project Manager, \$322.5K, May 2013 to December 2013
- Barnette Waterline Improvements – Project Manager, \$195.5K, January 2014 to April 2014
- FY 13 & 14 Water Main Upgrades Phase 1 – Project Manager, \$1.1M, May 2014 to Present

A. Miner Contracting, Inc.

(928) 778 2204 A-General Engineering 1071 Commerce Drive, Suite "A"
Fax (928) 445 4162 ROC No. 079027 Prescott, Arizona 86305

MICHAEL TODD WHITE

Project Superintendent Experience – 23 Years

- Rio De Flag 2004 Interceptor Sewerline
— Project Superintendent, \$692K, September 2004 to April 2005
- Sunnyside Improvements Phase III B
— Project Superintendent, \$1.57M, July 2005 to February 2006
- Reach D Reclaim Waterline Extension
— Project Superintendent, \$975K, August 2005 to January 2006
- Villages at Flagstaff Mall
— Project Superintendent, \$5.1M, March 2006 to October 2007
- Southside Improvement District
— Project Superintendent, \$1.98 M, March 2008 to January 2009
- Zone 39 Water Main & Pioneer Pump Station Upgrade
— Project Superintendent, \$3.2M, May 2009 to May 2010
- Groom Creek Water Users Association Water System Upgrade
— Project Superintendent, \$985K, January 2010 to August 2011
- Prescott Campus Chiller Plant Site Piping Distribution
— Project Superintendent, \$985K, May 2010 to September 2010
- Virginia Street Sewer Line Replacement
— Project Manager, \$1.1M, November 2010 to May 2011
- Penn Alley Sewer Replacement
— Project Manager, \$457K, May 2011 to October 2011
- Surface Water Recharge Pipeline Replacement
— Project Manager, \$1.7M, June 2011 to February 2012
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- Prescott Airport – Runway 3R-21L RSA Improvements
— Project Superintendent, \$7.8M, May 2012 to May 2013
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— Project Superintendent, \$874K, October 2012 to May 2013
- Hillside Water & Sewer Replacement Project
— Project Superintendent, \$322.5K, May 2013 to December 2013
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- FY 13 & 14 Water Main Upgrades Phase 1 – Project Superintendent, \$1.1M, May 2014 to Present

Project Name: Center Street Box Culvert
Project No: 2014-3
Contract No: 2014-3

Equipment

BIDDER: Capital Improvements, LLC
(Bidder's name)

- a. Does Bidder own equipment necessary to complete the work if awarded the Contract?
Explain:

See Attached

- b. Will any equipment need to be rented or leased by Bidder? Explain:

NO

Capital Improvements, LLC
1071 Commerce Drive, Suite A
Prescott Arizona, 86305

**Center Street Box Culvert
Town of Chino Valley
Available Equipment**

	Year	Serial Number
DT 466 International's		
International Mechanics Truck	1988	7457
International Mechanics Truck	1992	1HSHANXN3NH410550
International Water Truck, Standard Transmission	1983	9982
International Water Truck, Automatic Transmission	1981	5984
Dump Truck's		
Peterbilt Dump Truck	2006	2NPLLZ0X56M884544
Tractors		
John Deere 210 LE Ganon Tractor	2007	888278
Backhoe's		
John Deere 310 C Backhoe	1986	729920
John Deere 310 C Backhoe	1986	729918
Caterpillar 446 B Backhoe	1994	5BL00367
NPK Hydro Hammer Attachment for 5BL00367	1997	27715
Caterpillar 446 B Backhoe	1996	5BL01034
7 x NPK Hammer Attachment for 5BL01034	1996	51315
WB-140-2N Komatsu Backhoe	2004	A20838
WB-146-5 Komatsu Backhoe	2007	24049
Grader's		
John Deere 670 A Motor Grader	1986	510115
John Deere 770BH Motor Grader	1995	DW770BH553944
John Deere 770BH Motor Grader	1993	DW770BH539500
Excavator's		
Komatsu PC 300 - LC-5 Excavator	1992	A71039
Komatsu PC 220 LC-3 Excavator	1986	21369
Komatsu PC 220 LC-6 Excavator	1996	A82103
Komatsu PC 228 LC-3 Excavator	2005	31422
Komatsu PC308 LC-3 Excavator	2005	20208
Loader's		
Komatsu WA 250-1 Loader	1996	A65900
Komatsu WA 250-1 Loader	1991	12232
Komatsu WA250-6 Loader	2008	A76074
Cat Skid Steer Loader Model 226	1999	5FZ03250
Komatsu Fork Lift Model FG25	1996	590631A
Road Equipment		
Broce Model T20 Road Broom	1989	3060
Blaw Knox PF 410 Paving Machine	1994	41003
Miscellaneous		
BS-60-2i Jumping Jack Wacker	2008	748194
BS-60-2i Jumping Jack Wacker	2008	766325
BS-60-2i Jumping Jack Wacker	2008	
BS-60-2i Jumping Jack Wacker	2008	
BS-60-2i Jumping Jack Wacker	2008	
BS-60-2i Jumping Jack Wacker	2008	
BS-60-2i Jumping Jack Wacker	2008	
Sulair 60LB 60A 1-1/8" Pavement Breaker	2008	68253072
Concrete Saw PAC IV-20H	1998	283972
Husquavarna Concrete Saw	2011	5693312
Trailer's		
Fruehauf Trailer	1968	8015

**TOWN OF CHINO VALLEY, ARIZONA
AUTHORIZED SIGNATURE FORM**

WHEREAS Capital Improvements, LLC, an Arizona corporation, is required to execute certain documents which are necessary for the prompt and efficient execution of the corporate business;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Capital Improvements, LLC that Alan Miner
(Corporate Name) (Name of Parties Authorized)

is/are authorized to execute and sign on behalf of said corporation/company the following documents:

- | | |
|-----------------|---|
| 1. The Contract | 5. Change Orders |
| 2. The Bond | 6. All other papers necessary |
| 3. Payrolls | for the conduct of the corporation's |
| 4. Claims | affairs and the execution of the Contract |

The above-named person(s) is/are granted the authority and duties herein referenced for the duration of the Contract for this Project or until express notice of revocation has been duly given in writing, whichever is the lesser period.

2014 DATED and passed by the Board of Directors this 3rd day of September,

<u>Alan Miner</u>	<u>Principal</u>	<u>09032014</u>
(Signature of Persons Authorized to Sign)	(Title)	(Document No.)

Project Name: Center Street Box Culvert
 Project No: 2014-3
 Contract No: 2014-3

CERTIFICATE

STATE OF ARIZONA)
) ss.
 County of Yavapai)

I, Alan Miner of the Capital Improvements, LLC, a corporation, do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Directors of said corporation, at a meeting of said Board held on 09/03, 2014, and that the same is in full force and effect at this time.

DATED September 03, 2014

(Officer of Corporation) Alan Miner

(Seal of Corporation)

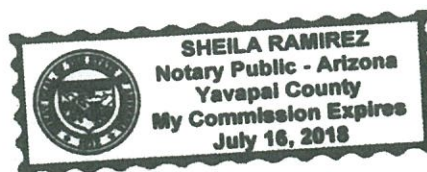
STATE OF ARIZONA)
) ss.
 County of YAVAPAI)

This instrument was acknowledged before me this 3rd day of September, 2014 by ALAN MINER, appearing before the undersigned Notary Public, and stated that he executed such instrument on behalf of said corporation for the purpose and consideration therein expressed.

Sheila Ramirez
 Notary Public

My Commission Expires:

July 16, 2018



Project Name: Center Street Box Culvert
 Project No: 2014-3
 Contract No: 2014-3

PERFORMANCE BOND

STATUTORY PERFORMANCE BOND PURSUANT TO
 TITLE 34, CHAPTER 2, ARTICLE 2,
 OF THE ARIZONA REVISED STATUTES
 (Penalty of this bond must be 100% of the CONTRACT amount)

KNOW ALL MEN BY THESE PRESENTS:

That, _____ (hereinafter
 “Principal”), and _____, a
 corporation organized and existing under the laws of the State of _____, duly
 licensed in and holding a certificate of authority to transact surety business in the State of Arizona
 issued by the Director of the department of Insurance pursuant to Title 20, Chapter 2, Article 1,
 (hereinafter “Surety”), as Surety are held and firmly bound unto the Town of Chino Valley,
 County of Yavapai, State of Arizona in the amount of _____ Dollars
 (\$ _____), for the payment of which, the Principal and Surety bind themselves, and
 their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these
 presents.

WHEREAS, the Principal has entered into a certain written Contract with the Town of
 Chino Valley, entitled Center Street Box Culvert.

NOW THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the
 Principal faithfully performs and fulfills all of the undertakings, covenants, terms, conditions and
 agreements of the Contract during the original term of the Contract and any extension of the
 Contract with or without notice to the Surety, and during the life of the guaranty required under
 the Contract, and also performs and fulfills all of the undertakings, covenants, terms, conditions
 and agreements of all duly authorized modifications of the Contract that may hereinafter be made,
 notice of which modifications to the Surety being hereby waived, the above obligation is void.
 Otherwise it remains in full force and effect.

PROVIDED, HOWEVER, that this Bond is executed pursuant to the provisions of Title
 34, Chapter 2, Article 2, Arizona Revised Statutes, and all liabilities on this Bond shall be
 determined in accordance with the provisions of Title 34, Chapter 2, Article 2, Arizona Revised
 Statutes, to the extent as if it were copied at length in this Agreement.

The prevailing party in a suit on this Bond shall recover as part of the judgment reasonable
 attorney fees that may be fixed by a judge of the court.

This Bond shall not be executed by an individual surety or sureties, even if the
 requirements of A.R.S. Section 7-101 are satisfied.

Project Name: Center Street Box Culvert
Project No: 2014-3
Contract No: 2014-3

Witness our hands this _____ day of _____, 20____.

PRINCIPAL SEAL

By _____

SURETY SEAL

By _____

Address of Surety:

AGENT OF RECORD

AGENT ADDRESS

* attach Power of Attorney

Project Name: Center Street Box Culvert
 Project No: 2014-3
 Contract No: 2014-3

LABOR AND MATERIALS BOND

STATUTORY PAYMENT BOND PURSUANT TO
 TITLE 34, CHAPTER 2, ARTICLE 2,
 OF THE ARIZONA REVISED STATUTES
 (Penalty of this bond must be 100% of the CONTRACT amount)

KNOW ALL MEN BY THESE PRESENTS:

That, _____ (hereinafter
 “Principal”), as Principal and _____, a corporation
 organized and existing under the laws of the State of _____, duly licensed in and
 holding a certificate of authority to transact surety business in the State of Arizona issued by the
 Director of the Department of Insurance pursuant to Title 20, Chapter 2, Article 1, (hereinafter
 “Surety”), as Surety are held and firmly bound unto the Town of Chino Valley, County of
 Yavapai, State of Arizona in the amount of _____ Dollars
 (\$_____), for the payment of which the Principal and Surety bind themselves, and their
 heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these
 presents.

WHEREAS, the Principal has entered into a certain written Contract with the Town of
 Chino Valley, entitled _____.

NOW THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the
 Principal promptly pays all monies due to all persons supplying labor or Materials to the Principal
 or the Principal’s Subcontractors in the prosecution of the Work provided for in the Contract, this
 obligation is void. Otherwise it remains in full force and effect.

PROVIDED, HOWEVER, that this Bond is executed pursuant to the provisions of Title
 34, Chapter 2, Article 2, Arizona Revised Statutes, and all liabilities on this Bond shall be
 determined in accordance with the provisions, conditions and limitations of Title 34, Chapter 2,
 Article 2, Arizona Revised Statutes, to the extent as if it were copied at length in this Agreement.

The prevailing party in a suit on this Bond shall recover as part of the judgment reasonable
 attorney fees that may be fixed by a judge of the court.

This Bond shall not be executed by an individual surety or sureties, even if the
 requirements of A.R.S. Section 7-101 are satisfied.

Project Name: Center Street Box Culvert
Project No: 2014-3
Contract No: 2014-3

Witness our hands this _____ day of _____, 20____.

PRINCIPAL SEAL

By _____

SURETY SEAL

By _____

Address of Surety:

AGENT OF RECORD

AGENT ADDRESS

* Attach Power of Attorney

Project Name: Center Street Box Culvert
 Project No: 2014-3
 Contract No: 2014-3

NOTICE TO PROCEED

DATE:

TO:

Subject: NOTICE TO PROCEED AND RETURN OF EXECUTED CONTRACT

Project Name: Center Street Box Culvert

Contract No: 2014-3

Contract Amount: \$

Effective Date:

P.O. Number:

Council Approval:

Project Number: 2014-3

Liquidated Damages: \$ 100.00/day

Substantial Completion Date: N/A

Final Completion Date: 120 days after notice
to proceed.

Item Number: N/A

This letter serves as _____, NOTICE TO PROCEED with performance of the above-referenced project contract.

A fully executed and approved copy of the contract and the project's purchase order are enclosed for your files. Also attached is a Notice-to-Proceed CD containing forms required for project completion and a Purchase Order. Please indicate the above-referenced contract number and project number on all correspondence. Failure to do so may cause unnecessary delays.

When submitting payment requests, the following information is needed:

1. Cover Letter transmitting the Pay Application, an updated cash flow, updated schedule and a summary of the project status.
2. A completed "Application and Certification for Payment", on approved Chino Valley format.
3. A clear, detailed billing invoice, indicating the Contract Number, Project Number and Purchase Order Number referenced above.

If you have any questions please contact Richard Straub at (928) 636-7140.

Sincerely,

 Richard Straub, Senior Engineer Project Manager

ACCEPTANCE OF NOTICE

Receipt of the foregoing NOTICE TO PROCEED is hereby acknowledged by _____,
 this ____ day of _____, 20__.

By _____

Title _____

Project Name: Center Street Box Culvert
 Project No: 2014-3
 Contract No: 2014-3

CHANGE ORDER NO. _____
(Contractor)

PROJECT
 DATE:
 OWNER: Town of Chino Valley
 PROJECT NO:
 CONTRACT NO:
 CONTRACTOR:
 CONTRACT DATED:

CHANGES: The Contract is changed as follows: (Insert brief description)

<u>COST/TIME</u> : Original Contract Sum:	\$0
Previously Authorized Change Orders:	\$0
Contract Sum prior to this Change Order:	\$0
Change Order # _ Amount:	\$0
New CONTRACT SUM:	\$0

CONTRACT TIME will be increased by:
 SUBSTANTIAL COMPLETION as of this Change Order:

Approved/Accepted by:

CONTRACTOR:	_____	_____
	(Name)	(Date)
CHINO VALLEY	_____	_____
	(Name)	(Date)

Not valid until signed by Chino Valley. Signature of Contractor indicates acceptance, including CONTRACT SUM and CONTRACT TIME.

Contractor agrees that the adjustment of the Contract Price and Contract Time reflected in this Change Order represents the entire and complete adjustment of the Contract Price and Contract Time for the changes set forth in this Change Order. The adjustment of the Contract Price includes all direct costs of labor materials, services and equipment to complete such changes as well as any and all indirect costs of impacts, delays, interference or hindrances in performing, providing and completing the changes set forth in this Change Order. The adjustment of the Contract Time includes all adjustments of time necessary to perform, provide and complete the changes set forth in this Change Order and any and all impacts, delays, interference or hindrances in performing, providing and completing the changes.

Project Name: Center Street Box Culvert
 Project No: 2014-3
 Contract No: 2014-3

**TOWN OF CHINO VALLEY, ARIZONA
 CONTRACTOR'S AFFIDAVIT
 REGARDING SETTLEMENT OF CLAIMS**

PROJECT _____

To Town of Chino Valley, Arizona
 _____ Department:

The undersigned hereby certifies that (1) all lawful claims for Materials, rental of equipment and labor used in connection with the construction of the above Project, whether by Subcontractor or claimant in person, have been duly discharged; and (2) to the best of undersigned's knowledge, there are not any disputed or unresolved claims of any type for Materials, equipment or labor in connection with this Project. .

The undersigned, for the consideration of \$ _____, as set out in the final pay estimate, as full and complete payment under the terms of the Contract, hereby waives and relinquishes any and all further claims or right of lien under, in connection with, or as a result of the above-described Project. The undersigned further agrees to indemnify and save harmless Town of Chino Valley against any and all liens, claims of liens, suits, actions, damages, charges and expenses whatsoever, which said Chino Valley may suffer arising out of the failure of the undersigned to pay for all labor performance and Materials furnished for the performance of said installation.

Signed and dated at _____, this ____ day of _____, 20____.

 Contractor
 By _____

STATE OF ARIZONA)
) ss.
 County of Yavapai)

The foregoing instrument was subscribed and sworn to before me this ____ day of _____, 20____.

 Notary Public

My Commission Expires:

SUPPLEMENTARY CONDITIONS

These Supplementary Conditions amend or supplement the Standard General Conditions of the Construction Contract and other provisions of the Contract Documents as indicated below. All provisions that are not so amended or supplemented remain in full force and effect.

The terms used in these Supplementary Conditions have the meanings stated in the General Conditions. Additional terms used in these Supplementary Conditions have the meanings stated below, which are applicable to both the singular and plural thereof.

SC-1.01.:

1. Type III Barricades shall be placed on Town controlled right of way on each side of the work zone. Appropriate advance warning signs shall be used.
2. Access to the work site shall only be from the east side of Center Street. No access will be permitted from Road 1 East.

Project Name: Center Street Box Culvert

Project No: 2014-3

Contract No: 2014-3

TECHNICAL SPECIFICATIONS

INTENT AND PURPOSE:

The work performed and materials used in this project shall be in accordance with the 2010 Uniform Standard Specifications and Details for Public Works Construction, sponsored and distributed by the Maricopa Association of Governments (M.A.G.). The intent and purpose of these Special Provisions is to interpret, correct, modify, and supplement the Uniform Standard Specifications (MAG) to the extent and in the manner specifically referred to, and to provide additional Specifications. The 2008 Arizona Department of Transportation (A.D.O.T.) Standard Specifications for Road and Bridge Construction are referenced herein, and supplement and/or replace M.A.G. Specifications. The standard specifications listed above, together with these Special Provisions, shall constitute the Contract Specifications for this project.

PRIORITY

In the event of any conflict, seeming or real, between these Special Provisions and said Standard Specifications, these Special Provisions shall prevail. In the event that the M.A.G. and A.D.O.T. specifications conflict, the more conservative guideline shall govern.

GENERAL REQUIREMENTS:**Standard Specifications and Detail Drawings:**

The TOWN OF CHINO VALLEY uses and refers to the following Standard Specification and Standard Drawing for this project:

MAG Specifications and Details Drawings:

Uniform Standard Specifications for Public Works Construction (current updates)

Chino Valley Supplements, Updates, and Standards

ADOT Standard Specifications and Standard Drawings:

General Notes:

- The Contractor shall maintain the current water line system and services in a fully operational condition during construction operation and activities of the relocation, construction, and installation of new lines and testing. All appurtenant valves and fittings to complete this work are incidental to the water line relocation bid price cost.
- No placement and/or disposal of waste materials within the Town limits will be allow without prior written approval and including an approved D & G plan and written owner permission. No measurement or direct payment will be made for the D & G plan associated required for the disposal & placement of wasted materials.
- In addition to the Notes specified herein, the Contractor's attention is also directed to the various notes listed on the project plans.
- Town forces will perform rough grading operations generally outside of the right of way of Center Street, and the Contractor is responsible for grading operations generally within the right of way – see project plans for particulars of limits.

- An approved dump site for clean excavated material from the grading operations and water and storm drain line trenching construction shall be submitted to the Town Engineer for review prior to placement of material.
- Steel reinforcing bars shall be kept clean at all times prior to installation. Under no circumstances will steel reinforcing bars be laid directly on ground surface. If reinforcing bars are deemed soiled by the Engineer or Town forces, they shall be replaced or cleaned to their satisfaction.
- Homeowners and their respective guests shall have continuous access to their properties during the construction process. No access is permitted to the jobsite from the west.
- All correspondence with homeowners in the project vicinity or citizen inquiries in general shall be memorialized in writing and provided to Town forces.
- Traffic control shall be maintained at all times during construction.
- Construction shall be complete on or before "120 days after notice to proceed is received".
- Construction activities, storage of equipment, stockpiling of materials and such activities shall be limited to Town right-of-way and Town owned properties. No such activities are permitted to take place on private property other than Town owned parcels.
- Construction surveying shall be performed by Engineer of Record.
- Weekly progress meetings or as called for by Town Staff shall be attended by Contractor's representative.
- All concrete shall be fully cured. Concrete specifications for Santa Cruz Wash Box Culvert and Wings shall be in accordance with ADOT Specifications Section 601.
- Existing pipes to be removed shall be backfilled with competent native material with the final top four inch (4") lift to be aggregate base course compacted to 95% Standard Proctor.
- New Storm Drain or Storm Drain appurtenances constructed in travelled roadway areas shall be backfilled in accordance with trench detail on project plans, including a 4 inch lift of compacted ABC at the final top surface of the trench. This ABC shall be compacted to 95% Standard Proctor Density.
- Right of way and easement lines shall be staked by engineer of record, retained by the Contractor. Contractor shall not encroach on private property for any reason and all work shall be performed within the easement and/or right of way confines.
- Concrete when poured shall not be allowed to free-fall in excess of that allowed by MAG and/or ADOT specifications.

- Questions concerning plans and specifications shall be made to the Town prior to bidding.
- Payment for work completed will be made once per month after approval of Contractor's Pay Request. Pay Requests shall be submitted on a monthly basis.
- This will be a lump-sum project in its entirety.
- Performance Bond must be secured and furnished to the Town in a timely manner.
- The Pre-Bid meeting will be held at Chino Valley Town Hall.
- The Contractor is responsible for hiring a Professional Testing Consultant holding a current ADOT accredited Laboratory, and acceptable to the Town. Said Consultant shall be responsible for all Quality Control testing including but not limited to:
 1. Soil Compaction under Box Culvert at at least 3 random test locations.
 2. AB Compaction under Box Culvert at at least 3 random test locations.
 3. Structural backfill compaction on each side of Box Culvert at 24 inch minimum vertical lifts of fill.
 4. Concrete slump for each load of concrete, Air on each load of concrete, and 7 day and 28 day compression tests for every 20 cubic yards of concrete supplied or as specified in ADOT Specifications, whichever is more stringent.

In the event of any conflict, seeming or real, between these Technical Specifications and said MAG, and ADOT Specifications, these Technical Specifications shall prevail. In the event that the MAG and ADOT, specifications conflict, the more conservative guideline shall govern. The order of precedence for contract documents are as follows:

1. Change Orders
2. Addenda
3. Project Special Provisions and Technical Specifications
4. Project Plans
5. MAG Standards, Specifications and Details (most current)
6. ADOT Standards, Specifications and Details (most current)

In the event of any discrepancies between Construction Drawings and/or Specifications, the decision of the Engineer thereon shall be decisive. The written dimensions on the Construction Drawings are presumed to be correct, but the Contractor is required to check carefully all dimensions and quantities before beginning work thereon. Should any errors or omissions be discovered, the Engineer shall be so advised and the proper corrections made. Any such adjustments made by the Contractor without prior approval shall be at his own risk, and the settlement of any complications arising from such adjustments shall be made by the Contractor at his own expense. All notes on the Construction Drawings shall be carefully observed by the Contractor and are a part of the Contract.

The following changes are hereby made to the abbreviations and definitions contained in Section 101:

"City" or "Town" shall mean the TOWN OF CHINO VALLEY.

"Owner" and "Town" shall be used interchangeably and carry the same meaning.

"Engineer" is augmented to include the Owner's duly authorized representative(s) for this project:

Design Engineers:

Civiltec Engineering Inc.
2054 Willow Creek Road
Prescott AZ 86301
Phone: (928) 771-2376
Fax No: (928) 771-2377

Contact: Mr. Richard Shroads

Standards and/or specifications referenced in these Specifications mean the most recent publication thereof, and are made a part hereof, and carry the same force as if they were printed here in their entirety.

Description:

Quality control measures sufficient to produce materials and workmanship of acceptable quality are the responsibility of Contractor. Upon request Contractor shall provide factory certificates of compliance or analysis or both to the Town Engineer. The Contractor shall provide compaction testing in accordance with MAG requirements for all trenches associated with water mains, sewer mains, utilities, and other underground improvements. All sewer main testing, water line testing, excavation and fill testing, and other testing shall be performed in accordance with MAG specifications with the exception of concrete testing for box culvert, box culvert wing walls and extended edge beam which shall be tested in conformance with ADOT section 1006.

Testing Requirements:

An independent geotechnical firm shall perform all quality control testing for tests of items in their purview and other independent firms shall perform quality control testing for items such as pressure testing, disinfection, manhole testing, sewer exfiltration testing, and other such tests as required per MAG. The Contractor shall furnish copies of all test results to the Town on a weekly basis.

Results from testing shall be submitted to the Town in a weekly report. The weekly reports shall state the type of work performed during the report period and other process control measures taken to assure quality. Type of work must be identified by activity, location, station, and offset, purpose of test, and any other relevant information that the Engineer needs to identify or replicate the quality control testing. Results of all tests, corrective actions, re-tests, and control charts shall be attached to the weekly reports. Although hand written documentation can be included, the quality control report narrative and test results must be typed to insure that clear reproductions of the documents can be made. If quality control tests have been deemed to have failed by interpretation by the Engineer, re-tests shall be performed at the discretion of the Engineer and upon his analysis, may require replacement of the item that has failed at the expense of the Contractor.

Method of Measurement:

No Measurement for Contractor Quality Control and Testing will be considered.

Basis of Payment:

Payment for Contractor Quality Control and Testing will be on a lump-sum basis.

Pay Item:

Quality Control and Testing

Pay Unit:

Lump Sum (L.S.)

Description:

The work under this section shall be in accordance with Section 105 of MAG standard specifications for Control of Work with the following clarifying provisions:

Construction Requirements:

Field notes and record drawings shall be provided to the Town and include surveyed-in-place observations for critical project elements described below and as defined by the Engineer. Field notes shall be submitted in field-book or equivalent electronic formats and record drawings shall be prepared on 3 mil mylar and electronically in MicroStation or AutoCAD 2011 format.

Acceptable record drawing shall contain hand written notations verifying the finished horizontal and vertical construction on the project. The notes shall be made adjacent to relevant design information shown on the project plans.

Data required will include verification of all roadway centerline features: furnish horizontal and vertical information for all PC's, PT's, vertical curves, and intersections with adjoining streets. Measured widths and elevation cross sections will be required at design station locations at a minimum of every 100 linear feet. Widths and elevations for cross sections shall be measured at lip of gutter or edge of pavement, top back of curb, and roadway centerline.

Finish elevations will be recorded for all drainage facilities i.e. inlets, catch basins, manholes, and headwalls. Throat/inlet openings and pipe/basin inverts shall be verified. Drainage ditches shall be vertically profiled and cross-sectioned at 100-foot intervals at design station locations.

All water valve and water main appurtenances, fire hydrants, meter boxes, blow off, air release, etc. locations shall be identified by survey point coordinate information.

Elevations for sanitary sewer manholes will be provided at rim and invert locations in conjunction with survey point coordinate information. Inverts, in and out, will be verified.

The as-builts shall be certified by a registered land surveyor in good standing with the Arizona State Board of Technical Registration.

Vertical separations of water and sewer mains shall be certified by the registered surveyor where crossings occur.

Method of Measurement:

No Measurement for As-Built Plan Preparation will be considered.

Basis of Payment:

Payment for the work under this section shall be made on a lump sum basis.

Pay Item:

As-Built Plan Preparation

Pay Unit:

Lump Sum (L.S.)

Description:

The work under this section shall be in accordance with Section 203-5 of ADOT standard specifications for structural excavation and backfill associated with the box culvert. Structural Excavation will be considered part and parcel to earthwork and excavation and will not be considered separately for measurement or payment. Structural Backfill locations shall be in accordance with the recommendations of the Geotechnical Report by ETC Inc. dated January 3, 2014 including but not limited to 12 inches of structural backfill under the box culvert and wing wall foundations, at least 3 feet beyond the limits of the box culvert and wing walls.

Construction Requirements:

The Construction requirements for this section shall be in accordance with Sections 203-5.03 of ADOT standard specifications. Structural Excavation will be considered part and parcel to earthwork and excavation and will not be considered separately for measurement or payment.

Method of Measurement:

ADOT Section 203-5.04 of the ADOT standard specifications is hereby amended to replace the method of measurement to be "no measurement for Structural Excavation and Backfill will be considered".

Basis of Payment:

Payment for the work under this section shall be as shown within the bid schedule with the exception of the fact that Structural Excavation will be included in the pay item "Earthwork and Excavation" as described herein and not be considered as a separate pay item.

Pay Item:

Structural Backfill

Pay Unit:

Lump Sum (LS)

DESCRIPTION:

Work under this item shall be done in accordance with MAG Specs Section 205, 211 and 301 as clarified herein and in accordance with Subsurface Soil Exploration for Santa Cruz Wash Box Culvert at Santa Cruz Wash, Chino Valley, AZ prepared by ETC Inc. dated January 3, 2014. Earthwork herein described is limited generally to the area within the existing right-of-way of Center Street as depicted on project plans.

Remaining earthwork which lies north of the north right of way line of Center Street and south of the south right of way line of Center Street will be performed by others.

CONSTRUCTION REQUIREMENTS:

If material is encountered during excavation that the Engineer determines to be unsuitable, the following shall apply:

Material which is located in a cut section at an elevation above finished sub-grade shall not be utilized in fill construction but shall be removed and disposed of at a site secured by Contractor.

Material which is located below the natural ground surface in embankment areas and below the finished sub-grade elevation in excavation areas shall be removed to the limits as determined by the Engineer and the resultant cavity backfilled with suitable material as directed.

The price bid for excavation shall include all costs for excavating, hauling, placing and constructing fills as per MAG 211, sub-grade preparation, removal and disposal of unsuitable and excess material. There will be no separate payment made for overhaul.

The Contractor is responsible for calculating the quantities for Earthwork and Excavation for his/her use in preparing a Lump Sum fee for all elements of work necessary for operations to achieve finished grades as shown on the project plans to a tolerance of ± 0.10 feet.

Variations caused by shrink of materials shall not be considered for quantity adjustments.

Embankment quality control testing frequency shall be one per soil type for proctor density testing and one per 500' per 8" lift for compaction testing. Sub-grade quality control testing shall be one per 500' for compaction testing. All excavation and earthwork activities shall be done in conformance with Subsurface Soil Exploration for Center Street Box Culvert at Santa Cruz Wash, Chino Valley, AZ prepared by ETC Inc. dated January 3, 2014.

Method of Measurement:

No Measurement for Earthwork and Excavation will be considered.

Pay Item:

Earthwork and Excavation

Pay Unit:

Lump Sum (LS)

A. Definition of Rock.

When rock is encountered, it shall be stripped of earth and shale, and the Town Engineer notified in order that he may measure or cross-section the same. In lieu of stripping the earth overburden prior to excavation/blasting, the Town Engineer and the Contractor may mutually agree on a method to define the vertical limits of rock. Rock excavation shall be defined to include: all hard, solid rock in ledges; bedded deposits and unstratified masses; all natural conglomerate deposits so firmly cemented as to present all the characteristics of solid rock; and masonry or concrete structures not shown on the plans. Shales, hard pan, masonry and concrete rubble boulders less than one cubic yard which are not a part of or attached to substrata of rock, shall not be considered rock excavation. Additionally, material to be considered "rock" shall be of such hardness that it cannot be excavated using hydraulic backhoe with combined breakout force, for bucket and stick cylinders, of at least 100,000 pounds.

B. Blasting

1. It is the Contractor's responsibility to determine the type of material he will encounter and whether blasting will be necessary.
2. Blasting shall be done only by experienced, qualified blasters. Blasting shall be done in accordance with the recommendations for best practice in Section 9 of the AGC Manual of Accident Prevention in Construction and in accordance with the recommendations for best practices of the Institute of Makers of Explosives. Also, all blasting must comply with the requirements of the Division of Industrial Safety and OSHA and all other federal, state and local ordinances.
3. When work requires blasting or explosive conditions, precautions shall be taken to protect life and property, and give proper warning to persons who may be in vicinity of work before blast is set off.
4. Blasting shall be performed in such a manner that no damage will result to any building, structure, pipeline, or facility on or off the site of work, above or below ground. Any damage suffered as a result of blasting shall be immediately settled, including repair or replacement.
5. Blasting shall be done in such a manner that the earth is not loosened or disturbed below the footing or foundation of any proposed structure. Loosened material below footings or foundations shall be replaced with Class C concrete.
6. The stemming of each hole or cover over explosive shall be sufficient to prevent surface blast wave, but in no case less than three (3) feet six (6) inches. Multiple holes shall be shot using millisecond delays.
7. The Contractor shall enlist the services of an experienced explosives engineer for advice on blasting methods and for the protection of existing structures or facilities.
8. Blasting procedures shall comply with all rules and regulations as specified and determined by the Fire Marshall of the Chino Valley Fire Department or the Town Engineer of Chino Valley.

No measurement of rock excavation shall be considered.

Payment:

No separate payment for rock excavation shall be considered. Rock excavation, hauling, removal, and disposal shall be incidental to the unit costs of the appropriate project components where rock is encountered.

DESCRIPTION:

Work under this section shall consist of furnishing all materials and constructing riprap bank protection and channel bottom protection in accordance with the details shown on the project plans and per the requirements of MAG Std. Section 220 as modified and clarified herein.

CONSTRUCTION REQUIREMENTS:

RIPRAP size shall conform to D50 requirements as shown on project plans. Riprap blankets shall have a minimum thickness of two (2) times D50. D50 indicates median rock diameter size and may contain size gradation per the following table: Riprap on channel side slopes shall be toed in as shown on the project plans. Excavation for this toe-in shall be included in this specification as a non-pay item, incidental to the construction of said riprap stabilization measures.

Stone Size Range	Percent of Gradation
1.5xD50 to 1.7xD50	100
1.2xD50 to 1.4xD50	85
1.0xD50 to 1.15xD50	50
0.4xD50 to 0.6xD50	15

RIPRAP shall be of blocky shape rather than elongated, with angular edges and be placed in a nested pattern for stability. Material type shall conform to MAG section 703. Rounded stones are not acceptable and are subject to removal at contractor's expense. Determination of riprap shape acceptance shall be by Town staff or Engineer.

All riprap shall be placed over high survivability filter fabric – Polyspun 350 or accepted equal in accordance with ADOT specification 913-3 and manufacturer's specifications.

Method of Measurement:

No Measurement of Riprap Blanket with Fabric and Toe-in or Riprap roadside channel with fabric will be considered. Filter fabric shall be considered incidental to the measurement and payment for the associated rip-rap pay item below.

Pay Item:**Pay Unit:**

Riprap Blanket with Fabric and Toe-in D50=18"

Lump Sum (LS)

Riprap roadside channel D50=6" w/ fabric

Lump Sum (LS)

Description:

The work under this section shall be in accordance with Section 350 of MAG standard specifications for removal and replacement of existing improvements with the following clarifications.

Construction Requirements:

Fences shall be removed and replaced with like-kind fencing materials in the same location as existing fencing existed prior to removal. Contractor shall take measures to ensure no animals or improper ingress/egress occurs due to fence removals.

Other existing improvements such as landscaping, planting, decorative rock, and other existing improvements are replaced in as close to a like-kind manner as possible. Contractor is required to photograph all improved areas with still photography and motion photography prior to disturbance of any improved areas. Contractor shall be required to replace existing improvements in accordance with pre-disturbed characteristics as interpreted by the Engineer from such photography.

Upon completion of construction and before Final Acceptance can be made by the Engineer, the Contractor shall clean up each individual construction area to the satisfaction of the Engineer. Small trees, weeds, and brush, which were removed as part of construction work, shall be removed from the project site and properly disposed of. Restoration of incidental items impacted by construction activity shall be in accordance with MAG Section 104.1.3 and 104.1.4. All debris, broken pipe, concrete and other construction debris shall be removed from the project site and properly disposed. The Contractor shall restore each individual work site to grades existing before construction work, including wheel ruts and other scarring. Mailboxes and traffic signs removed during construction shall be reinstalled in "like kind".

Existing drainage culverts to be removed shall be backfilled with competent native material and equipped with four inches (4") of Aggregate Base Course compacted to 95% Standard Proctor Density.

Method of Measurement:

No separate measurement shall be made for Removal (and Replacement) of Existing Improvements or backfilling operations.

Basis of Payment:

No separate payment shall be made for Removal (and Replacement) of Existing Improvements or backfilling operations. This work shall be considered incidental and included in the unit price bid for construction or installation of the appropriate contract pay items.

Description:

Mobilization shall consist of preparatory work and operations, including but not limited to, the movement of personnel, equipment, supplies and incidentals to the project site; the establishment of all office buildings and other facilities necessary for work on the project, and for all other work and operations that must be performed and costs incurred prior to beginning work on the various items on the project site.

Method of Measurement:

No separate Measurement for Mobilization will be considered.

Basis of Payment:

Payment for Mobilization shall be on a Lump Sum basis as identified on the Bid Schedule.

Pay Item:**Pay Unit:**

Mobilization

Lump Sum

UNIFORM STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION - 1979, AND SUPPLEMENTS AND UPDATES (MAG SPECIFICATIONS), AS MODIFIED BY M.A.G. STANDARDS, AND CHINO VALLEY SUPPLEMENTS, UPDATES, AND STANDARDS WITH THE FOLLOWING ADDITIONAL AND/OR CLARIFYING PROVISIONS:

ITEM 401.0 TRAFFIC CONTROL (MAINTENANCE AND PROTECTION OF TRAFFIC):**401.1 DESCRIPTION:**

MAG Section 401.1 shall be deleted:

Work under this item shall be in accordance with MAG Standard Specifications Section 401, the Manual of Uniform Traffic Control Devices (MUTCD) and the 1996 ADOT Traffic Control Supplement, all latest editions.

Traffic control shall consist of traffic control devices, barricades, signs and posts, changeable message boards, temporary pavement markings, lights, off-duty police officers, flagmen, etc., needed to keep traffic from entering the project site.

Traffic control shall consist of the removal of temporary equipment and facilities and the restoration of the area to original condition.

All traffic control signing, haul routes, and barricading plans shall be submitted to the Town for approval prior to starting the work; any changes to these plans will be approved before being made.

The Contractor shall notify the Town seven days in advance of the time work will be started in areas requiring the rerouting of traffic, traffic lane striping, and removal of street signs. The foregoing shall apply to progressive modifications of traffic routing within an area in which work is in progress.

The Contractor shall submit a traffic control plan for review at the pre-construction meeting. The traffic control plan shall include all phases of construction planned or anticipated.

The construction phasing plan and traffic control plan will need to be approved by the Town and all other required agencies.

401.2 TRAFFIC CONTROL DEVICES:

MAG Section 401.2 shall be appended with the following:

All existing signs in conflict with the construction signs shall be removed or covered with plywood or relocated.

Temporary sign mounting height shall be seven feet. The measurement shall be from the bottom of the sign to shoulder.

All Type II barricades, Type III barricades, and vertical panels shall be equipped with steady burning lights.

All orange construction signs shall use high reflectivity sheeting. All other signs shall use standard reflective sheeting. All signs to be used on the job during periods of darkness shall be reflectorized.

The Contractor shall provide and maintain all necessary traffic control devices until acceptance of the project by Engineer.

All persons used as flaggers shall be properly trained and certified by a recognized source prior to their use on the project.

401.4 TRAFFIC CONTROL MEASURES:

MAG Section 401.4 shall be appended with the following:

Provide traffic control for work in or adjacent to streets, alleys, and highways.

General:

Whenever construction operations create a condition hazardous to the public, the Contractor shall furnish such flagmen and guards as necessary to give adequate warning to the public of any dangerous conditions. Flagmen and guards, while on duty, and safety devices shall conform to the applicable Town, county, and state requirements. It is the Contractor's responsibility to inform the Town of hazardous conditions immediately.

Should the Contractor appear to be neglectful or negligent in furnishing adequate warning and protection measures, the Town may direct attention to the existence of a hazard, and the necessary warning and protective measures shall be furnished and installed by the Contractor without additional cost to the Town. Should the Town point out the inadequacy of warning and protective measures, such action of the Town shall not relieve the Contractor from any responsibility for public safety or discontinue his obligation to furnish any pay for those devices. The installation of any general illumination shall not relieve the Contractor of his responsibility for furnishing and maintaining any protective facility.

Pedestrian Traffic Control:

Protect pedestrians and residents from construction operations and vehicular traffic traveling through the construction area.

Stockpile materials so as not to block streets, alleys, drives, sidewalks, and crosswalks. Grade backfilled trenches and uniformly install temporary pavements as required to permit safe crossing by vehicles. Contractor shall install bridging and handrails where necessary for safe

Traffic Control for Construction Equipment:

Where equipment enters or leaves public roadways, provide warning signs or barricades.

When traveling in lanes open to public traffic, Contractor's vehicles shall always move with, not against or across flow of traffic. Vehicles shall enter or leave work areas in a manner, which will not be hazardous to, or interfere with, traffic and shall not park or stop except within designated work areas. Personal vehicles shall not park within right-of-way except in areas approved by the Town of Chino Valley.

401.5 GENERAL TRAFFIC REGULATIONS:

MAG Section 401.5 shall be appended with the following:

The Contractor will develop routes for haul trucks on public streets, which will be submitted in writing through the Town for review and approval. The submittal shall include, but not be limited to, the proposed travel direction, turn movements, hours of use, street sweeping, watering, and clean up. Currently, established truck routes must be used.

The Town shall determine approach speed limits and speed limits within the construction area.

401.6 MEASUREMENT:

Delete text in MAG Section 401.6 and insert the following:

No Measurement for traffic control work, as described herein and as required for the project, will be considered.

401.7 PAYMENTS:

Delete text in MAG Section 401.7 and insert the following:

Payment for all traffic control work will be paid for at the amount/unit price indicated on the Schedule of Bid items, which payment will be considered full compensation for the work completed as described herein and on the plans. Traffic control costs shall be paid for as monthly allotment of Contract lump sum price. Eligible monthly allotment shall be calculated as follows:

First month = $0.40 \times$ Contract lump sum price.

Last month = $0.30 \times$ Contract lump sum price.

Intervening month = $0.30 \times$ Contract lump sum price

Description:

The work under this section shall be in accordance with Section 505 of MAG standard specifications, and standard and modified ADOT details shown on the project drawings.

Construction Requirements:

The construction requirements under this section shall be in accordance with Section 505 of MAG standard specifications and standard and modified ADOT details shown on the project drawings.

All inlets shall be constructed per MAG Section 535 type F as modified per the project plans. Inlets shall be provided with concrete aprons as shown on project plans.

Box Culvert shall be constructed in accordance with ADOT standard details and specifications described in SECTION 618-BX herein.

Method of Measurement:

Delete text in MAG Section 505-10 and insert the following:

No Measurement for Catch Basin inlets with connector pipes, concrete aprons, and complete box culvert protrusion construction will be considered.

Basis of Payment:

Payment for work under this section shall be for two Catch Basins, connector pipes, concrete aprons, and complete box culvert protrusions, all inclusive, on a Lump Sum Basis.

Pay Item:**Pay Unit:**

Two MAG 535 type F Catch Basins with concrete Aprons, connector Pipes and RCB protrusions

Lump Sum (LS)

Section 601, MAG Specifications, is hereby included and made a part of this specification with the following additional and/or clarifying provisions:

Trench excavation, bedding, backfill, and compaction for utility lines shall conform to the standard detail shown on project plans.

Trench backfill shall be compacted in accordance with Section 601.4.4, Table 611-2, of MAG Standards and the following:

MATERIAL	MOISTURE CONTENT	DEGREE OF COMPACTION
Subgrade Clay Soils	3% Below Optimum to Optimum	Minimum of 95% of Maximum Dry Density Minimum of 100% of Maximum Dry Density Below ten feet
Subgrade Granular Soils	+/- 2% of Optimum	Minimum of 95% of Maximum Dry Density Minimum of 100% of Maximum Dry Density Below ten Feet

Trenches excavated and backfilled within travelled roadway shall be equipped with a final lift of four inches (4") of ABC compacted to 95% Standard Proctor Density.

Method of Measurement and Payment:

No separate measurement or payment will be made for trench excavation, bedding, backfill and compaction, or ABC final lift which shall all be considered incidental to the related construction.

SECTION 618: STORM DRAIN CONSTRUCTION (General):

Section 618, MAG Specifications, is hereby included and made a part of this specification with the following additional and/or clarifying provisions:

Work shall consist of furnishing all materials and equipment to construct the storm drain connector pipe system to the lines and grades and at the locations indicated on the project plans and/or as established by the Engineer and in accordance with the requirements of these specifications.

Corrugated metal pipe sections shall have a minimum of 0.138" wall thickness, aluminized Type 2 coating ASTM A929 and AASHTO 274.

All CMP shall have $2\frac{2}{3}$ " x $\frac{1}{2}$ " corrugations with a minimum gauge of 10.

If during excavation, the Engineer determines the native soil unsuitable for backfill material, he may direct Contractor to dispose of said materials and to use ABC. This additional work shall be paid for in accordance with the "Contract Allowance" section of the project specifications.

Method of Measurement and Payment:

No Measurement or payment is to be considered for Storm Drain Construction (General). All measurements and payments for storm drain piping is incidental to the construction of Catch Basins as specified herein.

SECTION 618-BX – CONCRETE BOX CULVERT AND WINGS

Work under this item shall be in accordance with ADOT Standard Detail SD 6.06 and SD 6.01, and 6.10, and ADOT Specifications Sections 601, 602 and 605 inclusive. Concrete testing shall be performed in conformance with ADOT Standard Specifications Section 1006.

The concrete box culvert is to be a six barrel 10' x 8' reinforced concrete box utilizing Table No. 1 (0-15' of fill) and constructed with a 20° skew as shown on project plans as modified in accordance with the project plans. The concrete box shall be constructed over structural backfill per ADOT Specs Section 203-5 as described in subsequent sections of this document.

The edge beam for the box culvert shall be extended as shown and detailed on the project plans and be equipped with handrails as shown. The extended edge beam and associated granular backfill and weephole pipes as shown on project plans shall be considered as an integral part of the box culvert and wing walls, and no separate measurement or payment will be considered for it.

Inlet and outlet wings shall be in accordance with ADOT Standard Detail 6.10 respectively accommodating a 20° skew with modified angular placement as shown on project plans and extended (modified) edge beam.

Concrete for Box Culvert, extended edge beam, associated wings, and inlet and outlet cutoff walls shall be Class "S" with a minimum f'_c of 3000 psi. Reinforcement steel for #6 diameter and smaller bars shall be either Grade 40 or Grade 60. Reinforcement steel for #7 and larger diameter bars shall be Grade 60.

Method of Measurement:

Concrete Box Culvert, extended edge beam, associated wings and inlet and outlet cutoff walls shall be measured as a combined unit (each), said unit comprised of the combination of the box culvert structure, extended edge beam, cutoff walls and associated wings.

Payment:

Payment for Concrete Box Culvert, extended edge beam and associated wings shall be all inclusive on a LUMP SUM basis.

Pay Item:

Pay Unit:

Concrete Box Culvert, extended edge beam, cutoff walls and wings	Lump Sum (LS)
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DESCRIPTION:

Work under this section shall consist of furnishing all materials and constructing riprap channel bottom outlet apron in accordance with the details shown on the project plans and per the requirements of MAG Std. Section 220.6 as modified and clarified herein.

CONSTRUCTION REQUIREMENTS:

Portland cement grout shall be placed at a thickness of 3.0 feet. Riprap shall be consolidated into the grout such that 50% of the riprap is exposed and 50% embedded. D50 for the outlet apron riprap shall be 12".

Stone Size Range	Percent of Gradation
1.5xD50 to 1.7xD50	100
1.2xD50 to 1.4xD50	85
1.0xD50 to 1.15xD50	50
0.4xD50 to 0.6xD50	0

RIPRAP shall be of blocky shape rather than elongated, with angular edges and be placed in a nested pattern for stability. Material type shall conform to MAG section 703. Rounded stones are not acceptable and are subject to removal at contractor's expense. Determination of riprap shape acceptance shall be by Town staff or Engineer.

Method of Measurement:

No separate Measurement for Grouted Riprap Outlet Apron will be considered.

Pay Item:**Pay Unit:**

Grouted riprap outlet apron

Lump Sum (LS)

810 Erosion Control and Pollution Prevention (SWPPP)

Erosion Control shall be in accordance with Section 810, Erosion Control and Pollution Prevention, of the ADOT Standard Specifications, unless modified herein and shall be known as SWPPP herein.

810-1 Description: is revised to read:

The Contractor shall be responsible for employing Best Management Practices (BMP's) and appropriate control measures to implement storm water controls during project construction to ADEQ requirements for storm water pollution prevention and the satisfaction of the Town Engineer. The Contractor shall monitor the erosion control and pollution prevention measures regularly during construction and shall perform maintenance as necessary to insure that they continue to function properly until the area is stabilized after construction. The Contractor shall submit a Notice of Intent (NOI) to ADEQ prior to the project commencing and shall file a Notice of Termination (NOT) upon completion of the project once the area has been stabilized.

The Contractor shall be responsible for maintaining all erosion and pollution control devices in proper functioning condition at all times during Construction. The Contractor shall be responsible for any failures in the storm water control measures. Underperforming or damaged BMP's and control measures shall be repaired or replaced as soon as they are determined to be non-functional. After completion and final approval of construction activities the Owner shall be responsible for maintaining all erosion and pollution control devices.

The Contractor is required to prepare and submit a Storm Water Pollution Prevention Plan (SWPPP) and obtain a National Pollutant Discharge Elimination System (NPDES) permit from the Arizona Department of Environmental Quality. A Storm Water Pollution Prevention Plan (SWPPP) has not been prepared by the Engineer for this project.

All work specified in this subsection will be temporary for use during construction, unless designated otherwise.

When deficiencies in the erosion control devices or other elements of work listed herein are noted by inspection or other observation, specified corrections shall be made by the contractor by the end of the day or work shift, or as directed by the Town Engineer.

Work specified herein which is lost, destroyed, or deemed unacceptable by the Engineer as a result of the Contractor's operations shall be replaced. Work specified herein which is lost or destroyed, as a result of natural events, such as excessive rainfall, shall be replaced by the Contractor.

In cases of serious or willful disregard for the protection of the waters of the U.S. and/or natural surroundings by the contractor, the Town Engineer will immediately notify the Contractor of such non-compliance.

810-4 Method of Measurement: of the Standard Specifications is revised to read:

No separate Measurement for Erosion Control (SWPPP) Plan and installation of associated erosion control measures will be considered.

810-5 Basis of Payment: the second paragraph of the Standard Specifications is hereby deleted:

810-5 Basis of Payment: the last two paragraphs of the Standard Specifications are revised to read:

The Basis of Payment for the Erosion Control (SWPPP) Plan and implementation of associated measures shall be based on a Lump Sum Basis.

Pay Item:

Pay Unit:

Erosion Control (SWPPP) Plan and Installation of Erosion Control Measures	Lump Sum (LS)
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Description:

The work under this section shall conform to Section 905 of ADOT Standard Specifications and as modified herein.

Construction Requirements:

The construction requirements for this section shall be in accordance with Section 905 of ADOT Standard Specifications.

Guardrail terminal end treatment assemblies shall be constructed in accordance with ET-Plus standard detail SS-151 (25') manufactured by Trinity Industries as shown on project plans.

Where guardrails are to be installed directly over box culvert, they shall be attached to box culvert top in accordance with ADOT standard detail C-10.07

Reflectors are to be installed to include reflector tabs per ADOT Std. C10.01 at a spacing no greater than 25 foot intervals, and Carsonite white delineators (3-inches wide with brackets for mounting to steel guardrail posts model No. CGR302701), or equivalent, and shall be installed at a spacing no greater than 25 foot intervals, with the top of the delineator 19 inches above the top of the guardrail post and oriented so the retro reflective surface is facing on-coming traffic. Object markers (OM2-2V for new installations shall be installed at the approach and departure of each length of guardrail. Object markers installed at the departure are to face towards opposing traffic.

Guardrail end treatments shall include all posts, blocks, W-Beam, terminal end treatment assemblies, connectors, reflectors, object markers, anchors, and all necessary hardware for complete unit.

Method of Measurement:

Section 905-4 of the ADOT Standard Specifications is hereby revised to read "No separate Measurement for guardrails, end sections, delineators, or object markers will be considered".

Basis of Payment:

Payment for this item shall be on a Lump Sum basis.

Pay Item:

Guard Rail Terminal End Section, reflectors, delineators, and object markers.

Pay Unit:

Lump Sum (LS)

Description:

Railing systems shall be designed and fabricated by companies normally engaged in the manufacturing of such systems. Railing products of like materials shall be from a single supplier and the installed systems shall have a uniform appearance throughout the project. Handrails shall be installed atop all project headwalls.

Construction Requirements:

For metal railing systems, at the Contractor's option, handrailing shall be either shop fabricated welded systems or prefabricated nonwelded systems designed for field assembly. Welded railing systems shall be fabricated from steel pipe and accessories by metal fabricators experienced in designing and fabricating welded railing. All railing systems shall be designed and fabricated in compliance with the most stringent requirements of the applicable local building code, OSHA 29 CFR Part 1926 Subpart R, and all other pertinent OSHA regulations and local safety regulations. In case of conflicting requirements the more stringent requirements shall be applicable. Maximum spacing for railing posts shall be 6 feet.

Unless noted otherwise, all fasteners shall be stainless steel. Where galvanized bolts are indicated on the drawings or specified, the use of zinc-plated bolts will not be acceptable. Metal railings shall be fastened to fittings with through bolts or flush set screws. Glued or pop riveted connections are not permitted.

Railing in outdoor locations shall have slip joints at least every 60 feet and at all concrete expansion joints to permit expansion and contraction. The gap at each slip joint shall not be less than ¼ inch.

Handrails shall be mounted to structures as indicated on the project plans. Base flanges shall be installed with minimal disturbance to the reinforcing steel. Bolts shall be set in epoxy grout. All angles, offsets or other alignment changes in welded pipe railings shall be made with railing ells and welded connectors. Welded joints shall be flush. Railings shall be smooth, with all projecting joints and sharp corners ground smooth. Members shall be neatly coped and continuously welded or mechanically connected at all junctions. Top rails shall run continuously over posts. All rails and posts shall be in the same plane and shall not be offset. All welding shall be done neatly and substantially by a process (e.g. TIG or MIG) producing a smooth weld. All weld spatter and burrs shall be removed and all welds shall be thoroughly brushed with a stainless steel power wire brush. All steel pipe shall be coated with an ultravioletly cured cross link acrylic coating. This coating shall serve as a primer for the final coat of tan color applied in field.

Method of Measurement:

No separate measurement for Handrails will be considered.

Basis of Payment:

Payment for handrails will be on Lump Sum basis.

Pay Item:

Handrails

Pay Unit:

Lump Sum (LS)

Description:

The work under this section shall be in accordance with Section 805 of the 2000 ADOT Standard Specifications for Road and Bridge Construction, as designated on the project drawings, and as modified herein.

Construction Requirements:

The work under this section shall be in accordance with Section 805 of the 2000 ADOT Standard Specifications for Road and Bridge Construction, as designated on the project drawings, and as modified herein.

Method of Measurement:

Measurement for work under this item shall be in accordance with Section 805-4 of the ADOT Standard specifications and as modified herein.

Basis of Payment:

Payment for work under this section shall be in accordance with Standard 805-5 of the ADOT Standard Specifications and as modified herein.

805-1 Description: of the Standard specifications is modified to add:

Seeding consists of tillage, furnishing and applying chemical fertilizer; furnishing and planting grass and wildflower seed and furnishing, applying and affixing mulch. The areas to be seeded are disturbed or unvegetated areas as designated by the Engineer.

805-2 Materials: of the Standard Specifications is modified to add:

Seed:

All seed shall be clearly tagged or labeled showing the type of seed, purity, germination, test date and weed content. Tetrazolium staining shall be acceptable to test for germination and hard seed. Cut or fill testing will not be allowed.

A certificate of analysis from an accredited Seed-testing lab shall accompany each container of seed. Seed shall be delivered to the site in individual seed containers by species.

Application rates of seed as specified are for Pure Live Seed (PLS). PLS is determined by multiplying the sum of the germination and hard or dormant seed by the purity.

Tackifier:

Tackifier shall be a naturally occurring organic compound and be non-toxic. It shall be a product typically used for binding soil and mulch in seeding or erosion control operations. Approved types shall consist of mucilage or gum by dry weight as active ingredient obtained from guar or plantago. The tackifier shall be labeled indicating the type and mucilage purity.

Wood Cellulose Fiber Mulch:

Wood fiber mulch shall be from thermo mechanically processed wood, processed to contain no growth germination inhibiting factors. The mulch shall be from minimum 70% virgin wood and be manufactured and processed so the fibers will remain in uniform suspension in water under agitation to form homogenous slurry. The wood fiber mulch shall have the following properties:

Virgin Wood Cellulose	70% min.
Recycled Cellulose Fiber	30% max.
Ash Content	0.8% +/-0.3% (max.)
pH	4.5 +/- 1.0
Water Holding Capacity	10:1 (water:fiber)

Fertilizer:

Chemical fertilizer shall conform to the requirements of Subsection 805-2.06 of the Standard Specifications and shall be the kind as hereafter specified. The sulfur coated area specified herein shall have 80% of the nitrogen defined as slow release, and contain 5% Iron, 10% Sulfur and trace amounts of Zinc and Manganese shall also be included.

850-3 Construction Requirements: of the Standard Specifications is modified to add:

Seeding shall be accomplished as soon as possible after the slopes and those portions of the right-of-way, sides of drainage channel and other areas of bare soil that have been disturbed have been finished in accordance with the requirements of the applicable portions of Section 203 of ADOT Standard Specifications.

Within 30 days after the award of contract, the Contractor shall submit the name of the seeding subcontractor he will use and written confirmation that the source for the seed specified herein has been secured. The Contractor shall notify the Engineer if any of the seed specified is currently unavailable and the prospects of its availability throughout the duration of the contract. Any requested changes in seed varieties in the seed mix due to unavailability shall be submitted to the Engineer for review.

Hydroseeding:

Tackifier shall be applied at the rate shown on the following chart, with 200 pounds per acre of wood fiber mulch for slopes up to 3:1, 600 pounds per acre from slopes exceeding 3:1 and 1000 pounds per acre for extremely erosive slopes, along with fertilizer at 150 pounds per acre in the slurry with the seed. Seed shall not be in the slurry more than 30 minutes. Seed planted by this method will not require covering with soil. The contractor shall submit a batch (tank) mix of the Engineer's approval prior to mixing any seed/mulch slurry. Batch mixing and coverage will be monitored throughout the seeding operations. The contractor shall coordinate the mixing operations with the Engineer in advance of all mixing.

Place tackifier in hydromulch slurry with seed, fertilizer, wood fiber mulch and water at the following rates:

Slope	Tackifier amount Per mucilage per acre
Flat to 4:1	40 pounds
4:1 to 3:1	60 pounds
3:1 to 2:1	80 pounds
2:1 +	100 pounds

The type of seed and the pure live seed rate is as follows:

Common Name	Botanical Name	Pounds per Acre
Sideoats grama	<i>Bouteloua curtipendula</i>	3
Sand dropseed	<i>Sporobolus cryptandrus</i>	1
Plains lovegrass	<i>Eragrostis inermis</i>	1
Galletagrass	<i>Hilaria jamesii</i>	2
Curly mesquitegrass	<i>Hilaria helanderi</i>	3
Desert globemallow	<i>Sphaeralcea amigua</i>	1
Desert lupine	<i>Lupinus sparsiflorus</i>	1
Arroyo lupine	<i>Lupinus succulentus</i>	1
Blue Flax	<i>Linum lewisii</i>	3

850-3.06 Seeding Acceptance:

After application the Engineer will inspect seeded areas or sub-areas for conformance to the contract requirements. The contractor shall correct, to the satisfaction of the Engineer, any areas not conforming to the specifications.

The contractor shall maintain and stabilize each area or sub-area, including shoulder build-up areas, until final acceptance of the project, or for a minimum period of 45 calendar days after application of the seeding and mulching materials, and acceptance by the Engineer, whichever is longer. Any areas damaged from erosion, or with less than 90 percent of applied mulch remaining, shall be re-seeded, re-mulched, and re-tacked at no additional cost to the Owner.

Seeding shall be completed before the end of the contract time, or sooner if required in the SWPPP or elsewhere in the contract documents. If the Contractor requests final acceptance prior to the end of the 45 calendar day seeding maintenance period, the County may hold up to 5% retention until the end of the maintenance period.

850-4 Method of Measurement: of the Standard Specifications is amended to read:

No separate measurement will be made for Seeding.

850-5 Basis of Payment: of the Standard Specifications is amended to read:

Basis of payment for Seeding will be on a Lump Sum basis.

Pay Item:

Seeding

Pay Unit:

Lump Sum (LS)

Description:

Fencing systems shall be designed and fabricated by companies normally engaged in the manufacturing of such systems. Fencing products of like materials shall be from a single supplier and the installed systems shall have a uniform appearance throughout the project. Fencing shall be installed in accordance with the project plans.

Construction Requirements:

Fencing shall be installed in accordance with wire fence as specified in ADOT standard specification no. 903 with the following modifications. The fence shall be wire fence with posts and footings in accordance with said specification. The bottom wire on the fence shall be barless wire. Top wires shall be barbed in accordance with section 903-2.04.

Method of Measurement:

No separate measurement will be made for Fencing.

Basis of Payment:

Payment for fencing will be on a Lump Sum basis.

Pay Item:

Wire Fence

Pay Unit:

Lump Sum (LS)



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. f.

Meeting Date: 09/23/2014
Contact Person: Ruth Mayday, Development Services Director
 Phone: 928-636-4427 x-1217
Department: Development Services
Item Type: Action-Presentation
Estimated length of staff presentation: 5 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action regarding review, feedback, and possible revision of the 2014 Strategic Plan.

RECOMMENDED ACTION:

Review, receive feedback, and possibly revise the draft Strategic Plan and forward it to the October 14, 2014 agenda for adoption.

SITUATION AND ANALYSIS:

Town Council met with facilitator Lance Decker on December 11, 2013 and December 27, 2013 to develop a Strategic Plan. The purpose of the Plan is to create a single unified document that represents the broad policies of Town Council, and prioritizes those policies so they can be implemented in a manner that best serves the community.

Staff reviewed notes with the facilitator, compiled a draft document and presented it to Council for review and consideration. After making revisions, staff has completed a final draft for review and comment by Council. After final revisions, Staff is now submitting the final draft for approval and adoption by Town Council.

Fiscal Impact

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

Attachments

Final Draft, Strategic Plan

BACKGROUND

Chino Valley is a beautiful, semi-rural town with open land, sunny skies and friendly people. Excellent schools, quality healthcare providers and an enviable climate are just a few of the many reasons so many people call this wonderful place home.

Conveniently located approximately 90 miles from Phoenix and Flagstaff, Chino Valley straddles State Highway 89 just fifteen miles north of Prescott. Incorporated in 1970, the Town encompasses 63 square miles in the mountains of north central Arizona at an elevation of 4,656 feet. It enjoys comfortable, mild temperatures throughout all four seasons with over 300 days of sunshine per year.

It's no surprise that people are drawn to this open western way of life. The population has grown to about 11,000 within recent years but still retains its rural tranquility and small-town charm. Affordable land, plenty of open space and modern amenities make living in the area attractive to young families and retirees alike. . Mountains, hills, and forests provide picturesque views and serene surroundings. Wildlife is abundant and sustained by fresh, clean air and crystal-clear water. Wide-open land and modern amenities abound. The weather is warm and comfortable, and the people are friendly.

Recreational opportunities are plentiful. The close proximity of the Town to Prescott National Forest makes thousands of acres of land available for hiking, biking, and off-road vehicle use. Ranching is still alive and well in Chino Valley, and oftentimes traffic will wait for a herd of cattle to be ushered across a road by a cowboy riding a horse – just like they were one hundred years ago. Old Home Manor, located east of State Route 89, hosts a public shooting range, a radio-controlled airplane park, softball and soccer leagues, dog shows, and a number of community oriented activities.

Like many rural communities across the state and country, Chino Valley has experienced its share of challenges over the past five years. By setting forth specific goals and objectives, this document can provide the foundation necessary to foster a sense of mutual understanding so that the residents, town staff, and the Town Council can come together to work for a more secure future for Chino Valley.

PURPOSE AND APPROACH

The purpose of the Chino Valley Strategic Plan is to develop a clear picture of its future as a local government enterprise and how it will serve the community. The Plan sets into writing a vision of what Chino Valley will be five years from now, identifies the milestones to be achieved over those five years, and creates an action plan by which the Mayor, Town Council, Town Manager and staff can guide their efforts and measure progress.

The secret of change is to focus all
of your energy not on fighting the
old, but on building the new.

~Socrates

OBJECTIVES OF COMPLETING A STRATEGIC PLAN

The objectives of the Town of Chino Valley Strategic Plan are to...

- identify the business factors (strengths, weaknesses, opportunities and threats) that will affect the organization over the next five years;
- confirm the mission, vision, values and principles that guide the organization's Mayor, Town Council, Town Manager and staff;
- identify and develop a limited number of key result areas on which the organization will focus:
- create objectives, strategies and action plans for the next five years; and,
- Build a clear direction for the entire organization.
- Set timelines and schedules for review of progress and possible revisions to the plan.

Organization of the Strategic Plan

The Town Council, working in concert with the Town's professional staff, has developed a set of Key Result Areas that define the overarching needs of the community. Each Key Result Area has a set of Goals that must be achieved to resolve the issues related to that Key Result.

A number of objectives, supported by underlying action items, have been outlined to better clarify the means by which Council and staff will undertake to realize the desired results in each Key Result Area.

In order to adequately plan a course of action for each Key Result Area, a review of the current Strengths, Weaknesses, Opportunities, Threats, and Trends has been included. Similarly, each goal and objective has been reframed in terms of being "SMART": Specific, Measurable, Attainable, Relevant, and Time limited.

The ability to work to achieving the tasks set forth in each Key Result Area is dependent upon the ability of staff, Council, and the community to agree upon three foundational statements: a Mission Statement, Community Vision, and Corporate Vision. A discussion of these statements and how they help define the direction of the Town precedes the KRA (Key Results Area) analysis.

Mission Statements

The existing Corporate Mission Statement is included in the Strategic Plan found within the General Plan adopted in 2003:

“We exist to provide public services to the citizens of Chino Valley, an economically self-sustaining Town that cherishes and preserves its historic rural lifestyle. We support Economic Development for the betterment of our citizens.”

During the most recent strategic planning sessions, Town Council developed the following Mission Statement:

The mission of the Town of Chino Valley government is to provide thoughtful, affordable, timely, cost effective, forward-looking government for its citizens.

Vision Statements: Community

A number of Vision Statements have been developed for both the community over the past ten years. The following Community Vision Statement and a Corporate Vision Statement were adopted as a part of the Strategic Plan within the General Plan adopted in 2003:

Community Vision Statement: *“The Town of Chino Valley is a forward-looking, diverse community which, true to its small town/rural values, treasures its historic and natural environments, enhances its economic vitality, protects its neighborhoods and its quality of life, values community-wide interest, and retains its family-friendly heritage.”*

A new Community Vision Statement was developed by Town Council during the most recent strategic planning sessions:

Chino Valley! An economically viable community filled with good jobs and schools, recreational opportunities and businesses. We are a community where people come to build their futures, together. It's a great place to live, learn, work, play and raise a family.

Concurrent to the development of the Strategic Plan is the finalization of the General Plan. Mandated by Arizona Revised Statutes, the General Plan sets forth the community's vision for the physical development of the Town for the next ten years and beyond. The new General Plan includes the following Community Vision Statement:

“Chino Valley: A community looking to its future that envisions diverse business and employment expansion, varieties in housing, and options in transportation; all while maintaining its valued farming heritage, recreational and environmental assets, and its small town image.

The underlying sentiment in the Community Vision Statements has been consistent: a desire to protect the small town attributes that have attracted new residents to the community, a focus on retaining a family-centric outlook, and desire for growth that will cement the Town's economic viability. While economic growth and retaining a small town atmosphere appear to be mutually exclusive, balancing these needs offers the community a unique opportunity to define what success looks like for both.

Chino Valley has been able to maintain its small town atmosphere, but at a cost. While surrounding communities are seeing economic rejuvenation, Chino Valley is stuck in neutral. A lack of a cohesive vision, an inability to acknowledge past failures and move beyond them, and a recognition of consistent themes in what appear to be conflicting future visions for the Town have hampered progress. Throughout the Strategic Planning process as well as the Visioning Process for the General Plan, six common themes reoccur:

- 1) Community and Economic Development, including planning and construction of infrastructure, have been neglected and the local economy is suffering as a result.
- 2) The Town needs a broader economic base: Grow The Pie.
- 3) Manage housing growth to fit the water supply.
- 4) A broader range of housing types needs to be made available across all income levels
- 5) Economic development will rebuild town coffers and reduce reliance on state and federal governments, enabling the Town to save for the future and better survive coming economic downturns.
- 6) Focus on broad policy that will result in a rising tide that lifts all boats, not just maintain the status quo.

In order for the Town of Chino Valley to achieve the results set forth in this Strategic Plan, all sides need acknowledge commonalities of philosophies and work together to achieve the goals upon which we can all agree.

Vision Statements: Corporate

The Town also functions as a municipal corporation, managing the day-to-day services statutorily required of various incorporated political subdivision throughout the state. The following Vision Statement was adopted by Town Council and reflects the most recent vision for the Town as a corporate body:

Corporate Vision Statement: *“The Town of Chino Valley is an employer of choice. We provide competitive salaries and benefits. We seek to hire and retain quality employees who work hard and efficiently. We are worthy of public trust and the respect and trust of fellow employees. We provide prompt and courteous service to all citizens. We efficiently utilize our resources.”*

During the Strategic Planning process, Council reviewed and set forth a number of Organizational Values. These values represent the guiding principles by which Town Council, Management, and staff will interact with each other and the public.



We will always...**1) Be informed about issues that impact the Town, and make decisions based on what is best for Chino Valley.**

- a) Listen to all sides of an issue, without bias, before making a decision that affects the Town.
- b) Present constructive ideas, and be willing and able to support ideas with well-researched facts.
- c) Seek expertise when considering an action that may affect the Town. Carefully consider the consequences of rejecting professional advice.

2) Be mindful of our obligation to good stewardship of Town resources.

- a) The vision for the Town needs to reflect the will and needs of all citizens. Consider the public interest above all.
- b) Council members need to balance the needs of their constituents and the long-range best interests of the Town.
- c) Staff is here to serve the residents of the Town of Chino Valley and should always strive to make Chino Valley a better place to live and do business.

3) Be fiscally responsible and consider the consequences of our decisions, many generations into the future.

- a) Politics should always take a back seat to the financial burden placed on citizens.
- b) Consider the financial impacts of our decisions and how they will affect the citizens.
- c) Remember that there are financial and workload consequences to policy-maker demands for legal and staff time.

4) Communicate respectfully and professionally.

- a) Remember that we are all here to build a better Chino Valley that will prosper and grow long after we are gone.
- b) Focus on the issue and not the person. Consider how statements made may be construed by staff, council, or the public.
- c) Once Council has established policy, Management, Staff, and Council will speak with one unified voice.
- d) Be professional, respectful, honest, and courteous at all times. Honesty does not excuse rude, discourteous, or subversive behavior.

We will never...

- Promise actions, policies, or decisions that we cannot provide.
- Recognize limits to capabilities; do not promise outcomes over which you do not have direct control.
- Hide concerns and issues that may be unpopular to discuss.

We're part of an elite team that, working together, can accomplish more than expected.

Key Result Area 1: Strong Fiscal Health





Strong Fiscal Health

The Town of Chino Valley continues to recover from the recession, but lags behind neighboring communities. A lack of infrastructure precludes commercial and industrial development that could increase employment and retail choices, and by extension, disposable income that could be spent in the Town, increasing sales tax revenues. Without infrastructure, the growth of the community is stymied, creating a vicious circle of increasing sales taxes, decreasing revenues, and decreasing services.

Careful planning can help mitigate, if not avoid, the damages that will be incurred in the next economic downturn. Ensuring that legal and financial controls are in place will provide transparency and accountability. Continued vigilance in

finding savings will accelerate the rate at which a Rainy Day Fund can be established and funded. Funding the development of infrastructure is necessary to ensure the sustained viability of the Town now and for decades to come.

Strengths

Fiscal Strength speaks to the ability of the town to manage its finances and meet its obligations. Income streams such as sales taxes and state revenue sharing, as well as debt obligations, are included.

- a) *No property tax*
- b) *Financial stability*

Weaknesses

Fiscal Strife resulting from limited funding streams and outstanding debt obligations have the potential to stymie forward movement

- a) *Decreased state shared revenues*
- b) *Existing, significant pending, or potential litigation*
- c) *Inability to fund infrastructure expansion*
- d) *Community Lack of support for taxing for infrastructure*

Opportunities

Opportunities are potential future actions that can positively impact the community. Leadership should direct their energies to developing those broad actions that will result in commercial, industrial, and residential development across all economic strata.

- a) *Ready for business growth due to significant amount of commercially zoned properties along the SR89 corridor*
- b) *Old Home Manor presents an opportunity for economic and job development efforts including manufacturing, industrial, entertainment & sports activities*
- c) *Shopping and other commercial business opportunities can develop where sewer and water is available*
- d) *Senior care facilities and other deficiencies in the residential market provide opportunities for additional housing development.*
- e) *When properly managed, bond indebtedness can help the town grow its economic base through the extension of infrastructure Increases in construction will provide employment and tax revenues.*

Threats

Overreliance on construction industry has undermined economic and employment foundation

- a) *Shortage of new business and jobs*

- b) *Unrealistic optimism about business coming to Town.*
- c) *Residents desire to preserve rural setting/ lifestyle conflicts with the need for growth that will sustain the Town. Uninformed citizens “not wanting any growth”*
- d) *Sales tax revenues inadequate to meet financial obligations; no clear path to increase this revenue stream*
- e) *If care is not taken, Town could conceivably become bankrupt, or required to make drastic reductions in services.*
- f) *Increasing demand for development will tax existing infrastructure; Town needs to meet long-range water and wastewater capacity needs sooner rather than later.*

Trends

For the next few years, we will experience an improving economy.

- a) *New home construction will continue to increase, albeit at a much more even pace than in previous years.*
- b) *The community will need to consider more dense forms of residential development in addition to preservation of “ranchettes”; higher densities will require new infrastructure.*
- c) *Regional growth will help Chino Valley recover. However, availability of infrastructure would ensure more localized improvement.*
- d) *Retail follows rooftops- as population grows, more retailers will be interested in meeting the increased demand. Careful planning will allow both retail chains and Mom-and-Pops to coexist and prosper.*
- c) *The Chamber of Commerce will become more active, and function as a powerful economic development and community engagement tool, providing leadership from the resident/citizen side while working with elected leaders and town management to advance the economic interests of the Town.*

Goal 1: Develop adequate revenue instruments for full funding of budget and CIP				2014				2015				2016				2017				2018			
				1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Objective A: Council Policy on Contingency Funds																							
Strategy: Develop Policy for management and expenditure of Contingency Funds				X	X																		
Objective B: Committee for taxing MMJ																							
Strategy: Establish Council Committee to develop means to tax cultivation of Medical Marijuana to provide revenues to offset additional expenses																							
Action 1: Craft policy for taxing cultivation of medical marijuana; determine fiscal impact to the Town for both revenues received and monitoring of activity																							
Action 2: Adopt policy																							
Action 3: Forward policy to relevant stakeholders at State legislature and regulatory agencies																							
Objective C: Set up funding for Unique Programs/Sustainable Development				FIN	TC																		
Strategy: Determine need for programs that will best support development																							
Action 1: Coordinate with other organizations to avoid duplication of efforts																							
Action 2: Develop awareness programs to inform community																							
Action 3: Incentivize use of sustainable construction practices																							
Objective D: Establish plan for Rainy Day Fund				FIN	TC																		
Strategy: Determine needed reserves in light of recent recession																							
Action 1: Prioritize funding of town obligations																							
Action 2: Recognize efforts to reduce spending and carry funds forward																							

SMART:

Specific: Develop new tax revenues from medical marijuana; management of contingency funds; establish adequate reserves

Measurable: Growth in budget balances held in reserves; increasing ability to fund Capital Investment Projects.

Achievable: Judicious use of funding will enable Town to set aside funds to build reserves.

Relevant: Must be implemented to secure fiscal health of Town.

Time Bound: Complete by December 31, 2017.

Goal 2: Resolve Town's budgetary/financial issues				2014				2015				2016				2017				2018			
				Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
Objective A: Plan for bond election to finance infrastructure acquisition																							
Strategy 1: Create calendar of statutory deadlines	TM	TC	L																				
Action 1: Complete actions required by statutory deadlines		TC	L																				
Action 2: Staff to prepare appropriate support information for bond issuance.	PW	TM	ALL																				
Action 3: Council to determine what is to be included in the bond issuance			TC																				
Action 4: Hold Bond Election			TC																				
Strategy 2: Develop alternative in the event of failure of bond election																							
Strategy 3: Initiate purchase of Prescott Water System																							
Action 1: Open Discussions with Prescott to Agree Upon Value		L	TM																				
Action 2: Attorneys to Develop Agreement			L																				
Action 3: Begin WIFA Processes/funding available		PW	TC																				
Action 4: Commence Construction after Council Approval		TC	PW																				
Action 5: Fund City of Prescott and Complete Acquisition		TC	L																				
Action 6: Begin Construction 2015			PW																				
Strategy 4: Purchase WWTP from private owner	FIN	PW	TC																				
Action 1: Begin Negotiations for WWTP Acquisition	PW	L	TM																				
Action 2: Attorneys to Develop Agreement		TC	L																				
Action 3: Complete WWTP Acquisition		TC	L																				
Objective B: Reach consensus regarding Cameron Ranch																							

SMART:

Specific: Develop actionable plan for acquisition of water and sewer infrastructure

Measurable: Community approval of General Obligation bonds

Achievable: Acquisition possible through two means of financing

Relevant: Town cannot control its future when it does not control its utility infrastructure

Time Bound: Hard deadlines for voter approval

Economic and Community development activities in the Town of Chino Valley have lagged behind similar undertakings in neighboring municipalities. In order to maintain its economic independence and community identity, the Town needs to formulate broad policies that remedy long-standing deficiencies in the structure and implementation of land use, economic development, and public works planning.

There is a precarious balance between unfettered growth and overregulated development. Ensuring that the often stated desire to maintain a small town atmosphere is respected while providing new and expanded economic opportunities can be achieved if carefully planned. Ignoring the proverbial “wolf at the door” will not make growth go away; it will simply occur in surrounding areas and undermine the already fragile economic foundation of the town.

The interconnectedness of land use, economic, and public works planning must be addressed in broad policy plans that consider the needs of the community, both now and in the future. The General Plan serves as the unified document for mapping future growth and development and serves as the basis for managing the growth of the Town.

- Development of Industrial Park and recreational facilities at Old Home Manor
- Sustainable Development with the right kind of Business and Industry
- Create healthy local economic growth that is self-sustaining
- Create an interesting and comfortable downtown atmosphere
- Prepare for a downturn in the economy.
- Water & sewer acquisition and expansion to facilitate investment on SR 89

Strengths

Economic Strength refers to the capability/capacity of the town to provide opportunities for economic investment in the community.

- a) Development of Old Home Manor as employment and recreation center that will stimulate sales tax revenues directly and indirectly
- b) A forward thinking Town Manager with good business experience
- c) Knowledgeable professional staff with ability to implement improvement plans





Weaknesses

Fiscal Stress: Decreases in state shared revenues and local sales tax collections have strained coffers; lack of infrastructure limits commercial and industrial base.

- a) Low retail sales tax base
- b) No property tax to make up gap
- c) Huge financial deficit as a result of imbalance between enterprise funds and generated revenues negatively impacting General Fund

Opportunities

Economic Development: Direct energies to those actions that will result in commercial, industrial, and residential development across economic strata.

- f) Available development land for commercial and industrial users

- g) Senior care facilities and other unmet housing needs create new residential construction opportunities
- h) Room for business growth – significant amount of commercially zoned properties along the SR89 corridor
- i) Room for industrial growth along SR89 corridor now, and Old Home Manor when the Chino Valley extension is completed with the Eastern Corridor enhancement
- j) Shopping
- k) Economic and jobs development efforts.
- l) Develop Old Home Manor to accommodate Manufacturing Industrial Shooting sports Entertainment & sports activities

Community Development: Establish a framework for private sector growth and development

- m) Increased residential construction coming out of recession
- n) Infrastructure expansion (water & sewer)
- o) Room for sustainable residential growth
- p) Become more proactive in activities related to Community Development

Unrealized Economic Opportunities

- Scarcity of rental and affordable housing
 - Good: demand for housing is returning to market; people with greater wealth are moving to town.
 - Bad: low-wage earners and young families have fewer housing options.
- Manufacturing inquiries
 - Good: business community is realizing Chino Valley is worthy of consideration for growth.
 - Bad: no infrastructure to meet need/demand.
- Large retirement community
 - Good: rising home values/sales prices indicate wealthier retirees moving to area.

- Bad: Don't need jobs to survive; less affected by lack of employment and different view of employment situation
- Water & sewer expansion
 - Good: Interest in spine infrastructure in several locations; would spur economic growth.
 - Bad: Expensive; limited rights-of-way limit extensions.

Threats

Lack of Infrastructure and Resources: Inability to provide water and sewer service puts town at distinct competitive disadvantage

- a) Lack of fire flows negatively impact business recruitment activities.
- e) Lack of infrastructure owned by Town; Prescott Water System and Fann Environmental do not always act with best interests of community at forefront
- f) Exhaustion of the water supply; decrease in water table and inability to import water

Trends

For the next few years we will experience an improving economy.

- a) Availability of infrastructure would ensure more localized improvement; however, regional growth will help Chino Valley recover.
- b) Lower housing costs will be attractive to young families that work both in Chino Valley and adjoining communities.
- c) Business will increase as population increases. Not just the number of businesses, but the goods and services offered will broaden to meet needs of residents. Growth will be limited by availability of infrastructure but will provide opportunities for entrepreneurs.
- d) Jobs will come to the Town. Increased employment will add to aggregate income of residents, increasing disposable income which should in turn increase sales tax revenues. The ability to accommodate commercial/industrial growth will be dependent on infrastructure.



[illegible]

Goal 1: Complete the CV Industrial and Commercial Development Plan (con't)

			2014	2015	2016	2017	2018
Strategy: Partner with Chamber of Commerce to promote local businesses and entrepreneurs							
Action: Develop local business promotion program with use quarterly updates at Council meetings (Choose Chino)							
Action: Increase in use of social media							
Objective D: Complete 5 year flood management plan							
Strategy: Complete a set of action plans and submit subsequent reports to the Flood Control District in support of CV receiving continued funding.							
Action: Apply for and receive Flood Control Grants.		PW					
Action: Public Works reports the status of the work on the flood control plan for the first two years to Council		PW					
Center Street Box Culvert at Santa Cruz Wash Complete Design of Box Culvert		PW					
Bid, Council Award, and Construction of Box Culvert		PW					
Action: Submit the next phase of the flood control plan to the county		PW					
Chino Meadows 5 Flood Control Complete Design and Secure Army Corp Approval		PW					
Bid, Award and Construct Flood Control Project		PW					
Continue WR2S Drainage Project Bid, Council Award, and Construction		PW					

SMART

Specific: Identification of fundamental economic and community development issues narrows focus to well-defined areas

Measureable: Installation of infrastructure, businesses attracted and retained, and dollars spent on flood control projects will indicate success

Achievable: Development of special purpose plans will focus on actions to achieve single purposes rather than broad initiatives

Relevant: Resolution of infrastructure, business attraction/retention, and flood/street issues are integral to Economic and Community Development

Time Bound: Must be completed prior to next economic downturn

Goal 2: Complete the CV Water and Wastewater Infrastructure Plan				2014				2015				2016				2017				2018			
Strategy: Acquire Prescott Water and Fain Environmental Wastewater Treatment Plant				1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Action: Finance through General Obligation Bonds																							
Alternative Action: A) Finance through Industrial Revenue Bonds																							
Alternative Action: B) Do nothing																							
Strategy: Interconnection of Prescott & Chino Water systems																							
Action: Design interconnection for looped system																							
Action: Complete construction of connections																							
Action: Migrate accounts from Prescott to Chino Valley																							
Strategy: Acquire Wastewater Treatment System																							
Action: Expand service areas to commercial corridors																							
Action: coordinate installation of dry lines during roundabout construction on SR 89																							
Strategy: Develop long-range water resource program																							
Action: Research feasibility of rainwater capture systems																							
Action: Cameron Ranch																							
Action: Study feasibility of injection wells for effluent recharge																							

SMART

Specific: Creates plan for acquisition of utility infrastructure

Measurable: Number of water accounts migrated from Prescott; expansion of wastewater system

Achievable: Alternative plan if bond resolution does not pass

Relevant: Necessary to complete Town's Economic and Community Development strategies

Time Bound: Acquisition and integration are essential before next economic downturn

Goal 3: Complete the Chino Valley Road Projects Infrastructure Plan	2014				2015				2016				2017				2018			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Action: Extend Road 4 to Peavine Trail																				
Action: Complete Loop Road project																				
Action: Continue to direct CDBG funds to road repairs																				

SMART

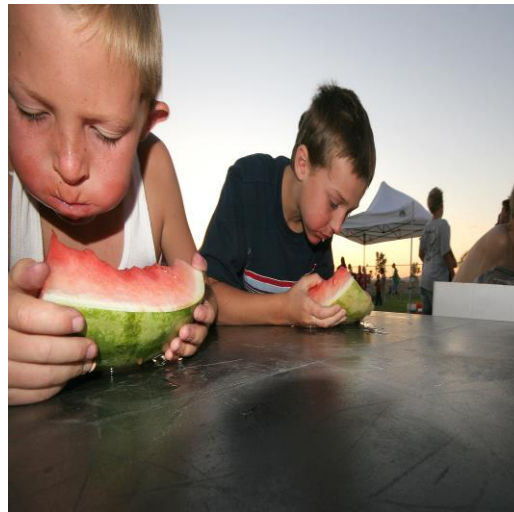
Specific: Creates plan for improving traffic flows

Measurable: Completion of road construction projects

Achievable: A combination of ADOT and CDBG funds can be allocated; qualified staff can design/build as allowed

Relevant: Necessary to provide alternative circulation to existing spine roads

Time Bound: Road 4 South is tied to Cortez agreement; other actions dependent upon funding



Key Result Area 3: Community Engagement and Communication



The real citadel of strength of any community is in the hearts and minds and desires of those who dwell there.

-Everett Dirksen

Historically, the Town has functioned separately and apart from other organizations, political subdivisions, and service sectors whose presence and success reflects upon and affects the reputation of the Town. This disconnect has created voids in non-governmental services that impact the citizens of the community. A lack of communication between the Town and these organizations as well as the Town and its citizens have led to an atmosphere of mistrust and suspicion. This mistrust undermines the ability of the community to work together to create a better Chino Valley.

Although the town does not have responsibility for these areas, it is fundamentally important that the Town work with critical organizations and entities such as schools, medical service providers, the Chamber of Commerce, and similar groups to ensure that the non-governmental needs of the community are met. Similarly, the Town needs to engage with the surrounding communities in regional economic development efforts as well as those focused solely on Chino Valley. Developing more expedient and direct communication between these groups, the Town, and the citizens of Chino Valley will broaden the shoulders upon whom these responsibilities rest, and provide opportunities for better civic engagement.

- Top of the line Educational facilities
- Medical
- Transit
- Chamber of Commerce
- Recreational Facilities

A successful relationship will bring members of these organizations and entities together with Town staff to plan for

future growth and development in the community. By interconnecting these seemingly independent entities, the town and its partners can work towards a community that considers the needs of all residents. Better communication with the public will foster a greater sense of trust and community. It will also empower the citizens to take a more active role in the development of their community.

Strengths

Feeling of Community: The sense of belonging and common purpose held by the residents of the Town, Council and Commission members, and Management and Staff that describes those traits and amenities most valued by the community as a whole.

- a) Despite disagreements, most citizens have a positive feeling of community
- b) Cohesive sense of identity and qualities that define being a part of Chino Valley

Leadership: Forward looking, visionary Council setting policy to guide the Town's future

- a) Works with administration to develop "SMART" plans
- b) Ensures quality service for the Community.
- c) Growing Chamber of Commerce providing a unified voice for business community in Chino Valley

Planning: A process by which a structure and hierarchy of tasks are conceptualized before they are needed, then set forth in documents that provide a framework for action to address future growth and development.

- a) Planning processes and tools are used to create goals and objectives that include other organizations and partners.
- b) General Plan provides community input in physical planning of the Town.

- c) Department heads work together to develop plans that create a better Chino Valley.

Weaknesses

Policy-maker Strife: Council, staff, and the community have not yet created a solid sense of trust with each other

- a) Divided council
- b) Perceived lack of Transparency
- c) Long-term lawsuits
- d) Chino Valley politics/"Good Old Boys"
- e) Not distrust but frustration with the Town.
- f) General apathy

Lack of Organizational Metrics: Management and staff are emerging from survival mode to firmer footing and lack a cohesive, unified plan to move town forward

- a) No established goals or objectives for Management and staff
- b) Lack of coordination between General Plan, Overall Economic Development Plan, Capital Improvement Plan, Infrastructure Development Plan, Old Home Manor Development Plan.
- c) Economic downturn forced staffing reductions, furloughs, and wage freezes which have resulted in mixed and multiple responsibilities among management and staff
- d) New modes of communication with public and partners underutilized

Opportunities: Uptick in economy provides opportunity to re-establish neglected community relations

- a) Interagency and intergovernmental partnerships with neighboring groups and communities will increase opportunities for regional growth
- b) Cooperation and communication among public and non-public providers of amenities (transit, medical services, education) can better match available services to market demand
- c) New means of communication are instantaneous – Facebook, Twitter, and webpage provide endless opportunities to engage the community in communication with staff and council.

Threats: The tug-of-war between residents who want to preserve the town of 50 years ago, those that want some limited growth, and those want all the modern services and amenities.

- Pervasive negativity in both Council and general populace
- Citizen distrust of Town
- Decisions of previous councils loom large

Trends

Community mistrust of Town government will continue.

- Evidence is the failure of the community to approve school bond issues.
- An atmosphere of mistrust combined with a lack of communication and a desire to hold onto the status quo is an expected result, given the circumstances and a lack of cohesive planning.
- By focusing first on long range planning, the Town can become proactive in responding to challenges rather than reactive.

- Demand for amenities such as schools, recreation, transit, and will correspond with residential growth.



Goal 1: Certify a partnership agreement for joint cooperation between Chino Valley leaders and Town partners to work cooperatively on advancing Strategic Plan Goals

				2014				2015				2016				2017				2018			
				1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Strategy 1: Craft partnership agreements with community partners		DS	TM																				
Action 1: Meet with Chamber of Commerce, CVUSD, Transit, and related organizations			MG																				
Action 2: Develop specific goals and a timeline for collective action in advancing the Town's Strategic Plan			TC																				
Action 3: Provide regular reports to Town Council highlighting organizational interaction with key community groups, leaders and the Town's partners			TC																				

SMART:

Specific: Links municipality with non-government partners.

Measurable: Number of joint committees established.

Achievable: Coordination will facilitate execution of strategic plan.

Relevant: Ensures community input and policies.

Time Bound: Limited to 5-year horizon of Strategic Plan

Goal 2: Engage citizens in ongoing dialog																			
				2014				2015				2016				2017			
				1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Strategy: Instiute annual surveys of residents to gauge sentiment about Town Policies			TC																
Action: Create a system for considering and addressing suggestions, recommendations and complaints from the Town's customers	M G	M G	TC																
Action: Create a tracking system to report compliments and complaints from Town's customers			P W																
Action: Recognize outstanding customer service events at Town Council meetings			T M																

SMART:

Specific: Survey specific to Town's policies.

Measurable: Number of surveys received.

Achievable: Smaller population size is do-able.

Relevant: Continue to engage community in policy decisions.

Time Bound: Annual activity is opportunity for fine-tuning policies.

Goal 3: Improve communications between Town and Citizens

				2014				2015				2016				2017				2018			
				1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Action 1: Update/Upgrade Town Website	MG																						
<i>Increase use of Facebook page to communicate with residents</i>	MG																						
Action 2: Implement Software as Service (SAS) for Development Services	DS	FIN	TC																				
<i>Website link to report code violations</i>	DS	MG																					
<i>Website link to apply for/track permits, licenses, etc.</i>	DS	MG																					
Action 3: Departments to provide activity reports to Council on a quarterly basis	All	TC																					
Action 4: Public Works provides an annual schedule for road maintenance	PW																						

SMART:

Specific: Increase use of new media formats.

Measurable: Number of "hits", "friends", or "followers".

Achievable: Smaller population size is do-able.

Relevant: Increased communication between citizens, staff, and town council is critical in formulating policy.

Time Bound: Short timelines with big impacts.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. g.

Meeting Date: 09/23/2014
Contact Person: Ruth Mayday, Development Services Director
 Phone: 928-636-4427 x-1217
Department: Development Services
Item Type: Action-Presentation
Estimated length of staff presentation: 5 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to authorize the Mayor to sign all documents related to the submittal of the Economic Development Administration Public Works Grant Program (EDAP).

RECOMMENDED ACTION:

Staff recommends authorizing the Mayor to sign all documents related to the submittal of the EDAP Grant Application.

MOTION: Motion to authorize the Mayor to sign all documents related to the submittal of the Economic Development Administration Public Works (EDAP) grant submittal, and authorize staff staff to take all actions necessary to submit the grant to the EDA.

SITUATION AND ANALYSIS:

This funding will be used to install infrastructure at Old Home Manor (OHM) to provide local economic and employment opportunities for citizens of the Town. By providing construction-ready sites, the Town will be in a better position to attract new employers to the area and provide additional land for expansion of existing businesses.

Once submitted, EDA will review the economic conditions analysis and determine the amount of the required match. EDA uses two economic distress criteria: Unemployment rate and per capita income, and Special Needs. The previous application was submitted using the Unemployment/per capita income method, under which the Town qualified for a 50% match. EDA staff recommended and staff concurred that the Town would likely be eligible for more assistance based on the high level of underemployment in the region. Staff will provide EDA with an analysis of the demographics for the region that will enable EDA to determine the final amount of the match; the minimum match is 20%.

Should the Town be awarded funding as a result of this application, the item will come back to Town Council for final approval. If the required match exceeds the funding available from the Town, the Town is not obligated to accept the funds and can decline the grant. Staff will review the process and

the financial obligations with Council as a part of its presentation on September 23, 2014.

Other Pertinent Documents Available Upon Request:

Draft Application

Fiscal Impact

Fiscal Impact?: NO

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Resolution 14-1049

RESOLUTION NO. 14- 1049

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, AUTHORIZING SUBMISSION OF AN APPLICATION TO THE ECONOMIC DEVELOPMENT AUTHORITY OF THE US DEPARTMENT OF COMMERCE FOR A PUBLIC WORKS ECONOMIC DEVELOPMENT GRANT RELATED TO CERTAIN SEWER WATER, AND NATURAL GAS UTILITY INFRASTRUCTURE IMPROVEMENTS AT OLD HOME MANOR, AND EXTENSION OF EAST ROAD 4 NORTH; AUTHORIZING EXECUTION OF DOCUMENTS NEEDED FOR THE APPLICATION, AND AGREEING TO ACCEPT AND MAINTAIN THE IMPROVEMENTS THAT ARE CONSTRUCTED AND INSTALLED WITH GRANT FUNDS

WHEREAS, the Town Council of the Town of Chino Valley desires to improve the economy of the community by creating jobs through economic development; and

WHEREAS, the Town Council has determined that the property located in what is known as Old Home Manor would be an ideal location for development of certain industrial and commercial uses; and

WHEREAS, sewer, water, and natural gas infrastructure, which is currently not available, is imperative in order to attract industrial and commercial users to the Old Home Manor property; and

WHEREAS, the Town Council has determined that installation of water, sewer, and natural gas infrastructure in extensions of the Jerome Junction and Tree Farm Road rights-of-way is necessary for development of Old Home Manor for industrial and commercial uses; and

WHEREAS, the U. S. Economic Development Authority offer funding to rural communities like Chino Valley through economic development grants; and

WHEREAS, the Town of Chino Valley intends to install water, sewer, and natural gas utility infrastructure within the extensions of Tree Farm Road and Jerome Junction with grant funds and, upon final acceptance by the Town Engineer, to maintain said infrastructure in perpetuity;

WHEREAS, The Town also desires to provide secondary access to Old Home Manor by the extension of East Road 4 North to Jerome Junction Road;

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

1. That it hereby authorizes submission of a grant application to the Economic Development Administration for an economic development grant for the purpose of utility and road infrastructure improvements to facilitate economic development of Old Home Manor; and

2. That it authorizes the Mayor and, in the Mayor's absence the Vice Mayor, to execute all documents to reasonably necessary for submission of the grant application; and

3. That it agrees to construct said improvements if the funding is made available and, upon final acceptance of the improvements by the Town Engineer, to accept the improvements and maintain them in perpetuity.

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

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

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 23rd day of September, 2014.

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

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

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

Jami C. Lewis, Town Clerk

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **8. a.**

Meeting Date: 09/23/2014
Contact Person: Phyllis Smiley, Town Attorney
Department: Town Attorney
Item Type: Executive
Estimated length of Staff Presentation: 10 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Pursuant to A.R.S. Section 38-431.03(A)(3) for discussion or consultation for legal advice with the Town Attorney regarding waiving the attorney-client privilege on on the following documents: 1. Memorandum from Town Attorney to Planning & Zoning Commissioners re: Conflicts of Interest on Zoning Matters, dated August 15, 2014; 2. Email from Phyllis Smiley to Planning Commissioners re: Planning Commissioners and Arizona Conflict of Interest Laws, dated June 18, 2013; 3. Email from Dava Hoffman to Mary Brasher forwarding previous email; 4. Email from Michael Edmonds to Phyllis Smiley dated June 18, 2013; and 4. Email from Phyllis Smiley to Robert Smith and Dava Hoffman re: P & Z Conflict of Interest, dated June 18, 2013. (Phyllis Smiley, Town Attorney)

SITUATION & ANALYSIS:

N/A

Attachments

No file(s) attached.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **8. b.**

Meeting Date: 09/23/2014
Contact Person: Robert Smith, Town Manager
Phone: 928-636-2646 x-1201
Department: Town Manager
Item Type: Executive
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

An executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding a Settlement and Release Agreement that is the subject of negotiations related to the Construction Manager at Risk Contract between the Town of Chino Valley and Fann Contracting, Inc. dated June 12, 2003 and all amendments thereto. (Robert Smith, Town Manager)

RECOMMENDED ACTION:

None

Fiscal Impact

Attachments

No file(s) attached.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **8. c.**

Meeting Date: 09/23/2014
Contact Person: Liz Hart, Deputy Town Clerk/Records Technician
 Phone: 928-636-2646 x-1210
Department: Council
Item Type: Executive
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

An executive session pursuant to A.R.S. § 38-431.03(A)(1) for discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of the Town Attorney.

RECOMMENDED ACTION:

None.

Fiscal Impact

Attachments

No file(s) attached.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **9. a.**

Meeting Date: 09/23/2014
Contact Person: Phyllis Smiley, Town Attorney
Department: Town Attorney
Item Type: Action
Estimated length of staff presentation: 5 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to waive the attorney-client privilege on on the following documents:
 1. Memorandum from Town Attorney to Planning & Zoning Commissioners re: Conflicts of Interest on Zoning Matters, dated August 15, 2014; 2. Email from Phyllis Smiley to Planning Commissioners re: Planning Commissioners and Arizona Conflict of Interest Laws, dated June 18, 2013; 3. Email from Dava Hoffman to Mary Brasher forwarding previous; 4. Email from Michael Edmonds to Phyllis Smiley dated June 18, 2013; and 4. Email from Phyllis Smiley to Robert Smith and Dava Hoffman re: P & Z Conflict of Interest dated June 18, 2013. (Phyllis Smiley, Town Attorney)

RECOMMENDED ACTION:

Move to waive the attorney-client privilege on the following documents: 1. Memorandum from Town Attorney to Planning & Zoning Commissioners re: Conflicts of Interest on Zoning Matters, dated August 15, 2014; 2. Email from Phyllis Smiley to Planning Commissioners re: Planning Commissioners and Arizona Conflict of Interest Laws, dated June 18, 2013; 3. Email from Dava Hoffman to Mary Brasher forwarding previous; 4. Email from Michael Edmonds to Phyllis Smiley dated June 18, 2013; and 4. Email from Phyllis Smiley to Robert Smith and Dava Hoffman re: P & Z Conflict of Interest dated June 18, 2013.

SITUATION AND ANALYSIS:

Issue Statement

The Town Council, as the client of the Town Attorney, holds the attorney-client privilege on certain memoranda and email communications between the Town Attorney and Staff. The documents have been requested by the Chino Valley Police Department who is conducting an investigation into alleged conflict of interest violations by certain Town Council appointees.

Applicable "Policy"

Arizona Rules of Professional Conduct of Attorneys, Rule 1.6.

Satisfaction of “Policy”**Summary of Issues and Staff Rationale**

Arizona Rules of Professional Conduct of Attorneys, Rule 1.6 prohibits an attorney from revealing information, including communications between the attorney and the client, unless the client gives informed consent (with certain exceptions, none of which apply in this case). The Chino Valley Police Department has requested the above-listed documents from the Town Attorney as part of an ongoing investigation related to alleged violations of the Arizona conflict of interest laws. The Town Attorney cannot provide the documents unless the Council waives the privilege.

Findings of Fact

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

Attachments

No file(s) attached.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **9. b.**

Meeting Date: 09/23/2014
Contact Person: Robert Smith, Town Manager
Phone: 928-636-2646 x-1201
Department: Town Manager
Item Type: Action
Estimated length of Staff Presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible approval of the Settlement and Release Agreement that is the subject of negotiations related to the Construction Manager at Risk Contract between the Town of Chino Valley and Fann Contracting, Inc. dated June 12, 2003 and all amendments thereto. (Robert Smith, Town Manager)

SITUATION & ANALYSIS:

N/A

Attachments

No file(s) attached.
