



Town of Chino Valley

MEETING NOTICE TOWN COUNCIL

**REGULAR MEETING
Tuesday, October 8, 2013
6:00 P.M.**

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

AGENDA

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

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a)** Proclamation declaring October 20-26 as "Bullying Awareness Week," sponsored by Beth Vicory, Lead Ambassador, The Million Misfit Sock March.

3) CALL TO THE PUBLIC

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

4) RESPONSE TO THE PUBLIC

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

- a)** Issues with an overabundance of weeds in the Town.

5) CURRENT EVENT SUMMARIES AND REPORTS

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

6) **CONSENT AGENDA**

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

- a) Consideration and possible action to approve the September 10, 2013 regular meeting minutes. (Jami Lewis, Town Clerk)
- b) Consideration and possible action to approve the September 24, 2013 regular meeting minutes. (Jami Lewis, Town Clerk)
- c) Consideration and possible action to approve Resolution No. 13-1019 disbanding the Town of Chino Valley Transit Advisory Committee. (Phyllis Smiley, Town Attorney)
- d) Consideration and possible action to adopt Resolution No. 13-1018 setting a basis for computation of worker's compensation benefits for volunteers involved in public safety. (Cecilia Watts, General Services Director)
- e) Consideration and possible action to approve Equitable Sharing Agreement with the Department of Justice to accept and expend RICO proceeds in the amount of \$110,000 for development of the Law Enforcement Tactical Range. Funds be disbursed from Grants Fund, Shooting Range Law Enforcement line item. (Chuck Wynn, Police Chief)

7) **ACTION ITEMS**

- a) Consideration and possible action to approve an Accountability Contract between the Town of Chino Valley and the Chino Valley Chamber of Commerce in the amount of \$40,500. Funding source: \$38,000 to come from Non-Departmental outside agency line and \$2,500 to come from Contingencies. (Robert Smith, Town Manager)

Recommended Action: Approve an Accountability Contract between the Town and the Chino Valley Chamber of Commerce in the amount of \$40,500.

- b) Consideration and possible action to approve Agreement for Professional Consulting Services with Economists.com for the update to the valuation of the City of Prescott water distribution system in an amount not to exceed \$55,160. Funds to come from Water Enterprise Fund, professional services line. (Ron Gritman, Public Works Director)

Recommended Action: Approve Agreement for Professional Consulting Services with Economists.com for the update to the valuation of the City of Prescott water distribution system in an amount not to exceed \$55,160.

- c) Consideration and possible action to approve change order number 1 to contract with Watkins Mendoza Construction Company in the amount of \$4,000 for additional work in the construction of the Police Tactical Shooting Range. Funds to come from the Law Enforcement Shooting Range Grant. (Ron Grittman, Public Works Director)

Recommended Action: Approve change order number 1 to contract with Watkins Mendoza Construction Company in the amount of \$4,000.

- d) Consideration and possible action to amend Personnel Policy Numbers 200: "Conditions of Employment," and 245: "Personnel Records and Privacy" to conform to the guidelines for the Town's fingerprint policy and to meet requirements established by the Arizona Department of Public Safety (DPS). (Cecilia Watts, General Services Director)

Recommended Action: Amend Personnel Policy Numbers 200: "Conditions of Employment," and 245: "Personnel Records and Privacy" to conform to guidelines for the Town's fingerprint policy and to meet requirements established by the Arizona Department of Public Safety.

- e) Consideration and possible action to approve the Monthly Financial Report for month ended June 30, 2013. (Joe Duffy, Finance Director)

Recommended Action: Approve the Monthly Financial Report for the month ended June 30, 2013.

- f) Council may recess the meeting to observe Vice-Mayor Croft's and Councilmember Best's birthdays.

8) **EXECUTIVE SESSION**

Council may vote to recess the Regular Meeting and hold an Executive Session, which will not be open to the public, for the following purposes:

- a) Pursuant to A.R.S. § 38-431.03(A)(3) and (7) for discussion or consultation with the Town Attorney for legal advice and with designated representatives of the Town in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property that is an extension of the existing Road 4 South to the east, in the immediate vicinity of the section line, consisting of approximately 8.6 acres. (Robert Smith, Town Manager)
- b) Pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding an intergovernmental agreement with the City of Prescott related to payments for the transportation of water that is the subject of negotiations. (Robert Smith, Town Manager)

9) **ACTION ITEMS RESUMED**

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

- a) Consideration and possible action to approve either or both a revised Letter of Intent and a Purchase Agreement with Deep Well Ranches #1 LLC, related to and setting forth the terms of the purchase by the Town of approximately 8.6 acres of real property, generally located in the vicinity of the section line as an extension of the existing Road 4 South to the east to lands immediately adjacent to the Peavine Right of Way's eastern limit for the purpose of extending the Road 4 South right-of-way to Peavine Road. (Robert Smith, Town Manager)
- b) Consideration and possible action to approve an Intergovernmental Agreement with the City of Prescott related to Payments for the Transportation of Water. (Robert Smith, Town Manager)

10) **ADJOURNMENT**

Dated this 3rd day of October, 2013.

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

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

CERTIFICATION OF POSTING

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

Date: _____

Time: _____

By: _____
Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 2. a.

Meeting Date: 10/08/2013
Contact Person: Jami Lewis, Town Clerk
Phone: 928-636-2646 x-1208
Department: Council
Item Type: Presentation Only
Estimated length of Staff Presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Proclamation declaring October 20-26 as "Bullying Awareness Week," sponsored by Beth Vicory, Lead Ambassador, The Million Misfit Sock March.

Attachments

Proclamation



PROCLAMATION

Bullying Awareness Week – October 20-26, 2013



Whereas, aggressive behavior patterns have been around since the beginning of recorded history and have adversely affected civilizations since society began; and

Whereas, bullying occurs not only in the schools, but in the workplace as well (albeit in more socially acceptable forms); and

Whereas, bullying is not restricted to any specific race, gender, or physical size, but rather transcends all three; and

Whereas, aggressive behavior patterns, if left unchecked, can lead to disastrous consequences; and

Whereas, recognizing that such behaviors are most easily discouraged during early childhood years; and

Whereas, recognizing that the parents (not the schools, the government, or society) have the most profound effect on discouraging such behaviors during childhood years;

*Now, Therefore, I, Chris Marley, Mayor of the Town of Chino Valley, do hereby proclaim **October 20-26, 2013** as “**Bullying Awareness Week**” in Chino Valley, Arizona, and call upon the parents and guardians of the children of Chino Valley to set an example for their children and to teach their children to respect the basic rights of those around them, and to discourage bullying behavior both in the school and in the workplace.*

In Witness Whereof, I have hereunto set my hand and caused the Seal of the Town of Chino Valley to be affixed this 8th day of October 2013.

Chris Marley, Mayor

ATTEST: Jami C. Lewis, Town Clerk





TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. a.**

Meeting Date: 10/08/2013

Contact Person: Jami Lewis, Town Clerk

Phone: 928-636-2646 x-1208

Department: Town Clerk

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to approve the September 10, 2013 regular meeting minutes.
(Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Approve the September 10, 2013 regular meeting minutes.

Attachments

September 10, 2013 minutes

DRAFT

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

**TUESDAY, SEPTEMBER 10, 2013
6:00 P.M.**

The Town Council of the Town of Chino Valley, Arizona, met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, September 10, 2013.

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

Staff Present: Town Manager Robert Smith; Town Attorney Phyllis Smiley; Finance Director Joe Duffy; Police Chief Chuck Wynn; Police Officer Deana Winn; Civil Engineer Richard Straub; Utilities Supervisor Chris Bartels; Utilities Crew Leader Joe Grassi; Town Clerk Assistant Liz Hart; Town Clerk Jami Lewis (recorder)

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

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

Mayor Marley gave the invocation and led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a) Introduction of Scott Freitag, new Fire Chief of the Chino Valley Fire District.

Mayor Marley introduced Chief Freitag, who spoke about community involvement and partnering with the Town.

b) Proclamation declaring September 2013 as "National Alcohol and Drug Addiction Recovery Month," sponsored by the Prescott Area Recovery Day Committee.

Mayor Marley read the proclamation and presented it to representatives from the Recovery Day Committee, who spoke about the upcoming Recovery Day event.

- c) Presentation by Claire Louge, Parent Awareness and Community Outreach Coordinator with First Things First.

Ms. Louge presented information on the state's First Things First program, which funded programs to prepare children for kindergarten.

- d) Presentation by Tracie Schimikowsky, Director of Operations, Chino Valley Chamber of Commerce, regarding the Tools for Business web links.

Ms. Schimikowsky demonstrated the Tools For Business Success, an online tool for economic development and business support.

3) **CALL TO THE PUBLIC**

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4) **RESPONSE TO THE PUBLIC**

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

5) **CURRENT EVENT SUMMARIES AND REPORTS**

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

Councilmember Hatch reported on an upcoming Northern Arizona Council of Governments Economic Development Committee meeting, at which Town Manager Robert Smith and Town Engineer Ron Gritman will speak about a grant application for the Town's proposed industrial park.

Councilmember Best reported on a meeting with the new fire chief and the recent Territorial Days parade.

Vice-Mayor Croft reported on a recent Appointments Subcommittee meeting.

Mayor Marley reported on the public comment deadline for the Prescott Active Management Area's Fourth Management Plan. He also presented his monthly Mayor's Report, which pertained to the true cost of providing water to Arizona communities.

6) **CONSENT AGENDA**

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

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

Vote: 7 - 0 PASSED

- a) Consideration and possible action to approve the July 23, 2013 regular meeting minutes. (Jami Lewis, Town Clerk)
- b) Consideration and possible action to approve the August 13, 2013 regular meeting minutes. (Jami Lewis, Town Clerk)
- c) Consideration and possible action to approve the change order to the Professional Services Agreement with Stroh Architects in the amount of \$1,500.00 for services to resolve structural issues found with the library remodel. Funds to come from Library Impact Fees. (Ron Grittman, Public Works Director)
- d) Consideration and possible action to approve change order number 1 to Professional Services Agreement with Lyon Engineering, in the amount of \$18,065.00, relating to the Road 3 North at Town Hall Drainage Project. Funds to come from the Road 3 North Yavapai Country Drainage Grant and the Capital Improvement Fund. (Ron Grittman, Public Works Director)

7) **ACTION ITEMS**

- a) Consideration and possible action to approve purchase of alternative chip seal material from CEMEX Prescott Valley to provide 1/2" and 3/8" chips for the 2013 Chip Seal Program in an amount not to exceed \$80,000. Funds to come from HURF Fund Road Materials line. (Ron Grittman, Public Works Director)

Mr. Grittman and Senior Engineering Project Manager Richard Straub reported that:

- On July 23, 2013, Council approved purchasing chip sealing chips from Charter Materials. When the chips were delivered, staff found that they did not meet the required specifications. When staff contacted Charter Materials about washing the chips further to remove the dirt and other material, Charter refused. As staff could not use the material, they needed to seek a alternative source.
- Staff contacted the second low bidder, CEMEX in Prescott Valley, to see if they would honor the Yavapai County bid price, and they were not willing to do so.
- Per the Town's procurement code, staff then sought three new bids. The lowest usable bid came from CEMEX at a price of \$13.96 per ton.
- As the Town had not paid for the chips from Charter Materials, staff was seeking approval to spend the allocated funds on a different supplier. The Town will have to pay additional funds for delivery, whereas Charter had included it in its purchase price.

- As staff was running out of time for chip sealing due to the dropping temperatures, staff proposed to chip seal three roads this year and complete the chipsealing program in the spring.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to approve purchase of alternative chip seal material from CEMEX Prescott Valley for the 2013 Chip Seal Program, in an amount not to exceed \$80,000.

Vote: 7 - 0 PASSED

- b) Consideration and possible action to award trucking for the 2013 Chip Seal Program to C&R Trucking, in an amount not to exceed \$10,000.00. Funds to come from HURF Fund Road Materials line. (Ron Grittmann, Public Works Director)

Mr. Grittmann and Senior Engineering Project Manager Richard Straub reported that chips for the Town's upcoming chip seal program needed to be hauled from CEMEX in Prescott Valley. As the Town did not have sufficient trucks, staff sought another hauler. C&R Trucking, the only local trucking company within the Town, quoted a lower price than CEMEX for delivery.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to award trucking for the 2013 Chip Seal Program to C&R Trucking in an amount not to exceed \$10,000.

Vote: 7 - 0 PASSED

- c) Consideration and possible action to award the oil contract for the 2013 Chip Seal Program to Western Emulsion in an amount not to exceed \$100,000. Funds to come from the HURF Fund Road Materials budget. (Ron Grittmann, Public Works Director)

Mr. Grittmann and Senior Engineering Project Manager Richard Straub reported that:

- Under the Town's procurement code, the Town could follow the bid of another public agency. In procuring oil for the Town's chip seal program, staff contacted Western Emulsion, the low bidder on Yavapai County's chip seal contract, who agreed to honor the price quoted to Yavapai County for the Town.
- Staff budgeted \$250,000 for the 2013 chip seal program. With chips to cost \$80,000 and oil to cost no more than \$100,000, this left \$70,000 for equipment rental and trucking, which was more than sufficient to complete the roadways approved on August 13.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to award the oil contract for the 2013 Chip Seal Program to Western Emulsion in an amount not to exceed \$100,000.

Vote: 7 - 0 PASSED

- d) (i) Review of ARS Section 9-500.14 as it relates to a request by the citizens' committee in support of the Chino Valley Unified School District's bond measure for Council and Town support of the measure.

(ii) Review of ARS Section 16-1019 and Chino Valley Unified Development Ordinance (UDO) Section 4.21.3 regarding posting political signs on Town rights-of-way. (Mayor Chris Marley; Town Manager Robert Smith)

Acronym used in this item:

UDO (Unified Development Ordinance)

Ms. Smiley reported that:

- This item arose from an inquiry to General Services Director Cecilia Watts by a citizens' committee asking Council to support the Chino Valley Unified School District's bond measure and to allow the committee to put signs up on Town property.
- State statute prohibited the Town from complying with both requests.
- A.R.S. Section 9-500.14 prohibited cities and towns from using their resources to influence the outcome of an election, with penalties up to \$5,000 plus any amount of misused funds subtracted from the city or town's budget against any person who knowingly violated or aided a person in violating this section.
- Section 4.21.3 of the UDO prohibited political signs on Town rights-of-way and Town-owned property. Council could not waive this Code requirement with regard to Town-owned property. However, this UDO Section was in conflict with A.R.S. Section 16-1019(C) with regard to Town rights-of-way, which made it a crime for the Town to remove political signs in the public right-of-way, during a specific time period, that were not placed in a location hazardous to public safety.
- As such, this portion of the UDO should be amended and Council could also elect to amend the UDO to allow political signs on Town property, so long as it would allow all viewpoints.
- Despite these prohibitions, individual councilmembers could support the measure, but not while using Town facilities or other Town resources, and the committee could place signs in the Town's rights-of-way as permitted by law.

Planner Ruth Mayday informed Council that she and Ms. Smiley were working on several amendments to the UDO, including this section.

MOVED by Councilmember Don Wojcik, seconded by Councilmember Linda Hatch to table this discussion until Council had something from staff to vote on.

Vote: 3 - 4 FAILED

NAY: Mayor Chris Marley
 Vice-Mayor Darryl Croft
 Councilmember Mike Best
 Councilmember Lon Turner

Council discussed this item being a priority and staff bringing it to the next meeting. Ms. Smiley and Town Manager Robert Smith explained that UDO amendments needed to go to the Planning Commission first, so it would take at least a month to get back to Council; and in the meantime, state standards would take precedence over the UDO.

MOVED by Councilmember Lon Turner, seconded by Vice-Mayor Darryl Croft to direct the town manager to inform staff of the issue with the UDO and that it will not be legal to take down political signs in the Town's right-of-way.

Vote: 7 - 0 PASSED

- e) Notification and possible discussion regarding incident at Library on July 25, 2013 and public disclosure of email discussion among Councilmembers and Staff. (Councilmember Don Wojcik; Councilmember Linda Hatch)

Ms. Smiley reported that:

- A question arose about events involving Town staff and Councilmembers at the library during the week of July 22, 2013, where a few of the Councilmembers met in the librarian's office and interacted with Town employees and/or a contractor's employee[s]. Following this, there was a series of emails about these interactions.
- Councilmembers Wojcik and Hatch questioned whether the emails, and one in particular from Vice-Mayor Croft, violated the Arizona Open Meeting Law. They contacted the Arizona State Assistant Ombudsman for Public Access, who determined that a violation did occur and recommended that Councilmember Wojcik contact the Town Attorney as to what action to take.
- She then advised that the offending emails be made available to the public and that a discussion of the incident and the email be held at a public meeting. She further recommended that Council and staff participate in Open Meeting Law training, which was scheduled for September 17, 2013.
- When a Councilmember willingly violated the Open Meeting Law, the Council had the option to censure the member, but that was not an official penalty. She will review the statutory penalties at the training.

Councilmembers Wojcik, Hatch, and McKee added further details about the subject events. The three of them visited the library; two went into a meeting and Councilmember Wojcik asked a question of the library director about the Library remodeling contract. The library director initiated a visit to the construction site. Shortly thereafter, the town manager sent a memo to the councilmembers about the events that transpired, to which Vice-Mayor Croft sent a reply to all recipients. The memo and email series contained some misinformation about who participated in the visit to the construction site and Vice-Mayor Croft's email violated the Open Meeting Law in that he replied to all the recipients. Only Councilmember Wojcik visited the construction area at the initiation of the library director; the other two councilmembers did not leave their meeting.

Vice-Mayor Croft apologized for offending anyone in his email.

Council discussed:

- Town/Council policy with regard to following the chain of command by making inquiries of the town manager;
- Town/Council policy with regard to councilmembers making inquiries of staff;
- the town manager neglecting to speak with the councilmembers involved before sending out his memo.

Town Manager Robert Smith related that due to safety issues associated with the incident, he had to get the memo out quickly, and he also worked out an appropriate method with Public Works and the Library staff to schedule a tour for the Council before sending the memo. From staff's viewpoint, his memo focused on safety and clarity and efficiency of communication between councilmembers and staff. Staff desired Council to have any and all information, and councilmembers could enter any place for any inquiry. However, as councilmembers did not always recognize the affect they had on staff when they entered the production line and asked questions, the most accurate way to obtain information was to go through management. Because of the questions being asked and the library director's office being used for a meeting, which was an unusual occurrence, staff and Library volunteers expressed some feelings of intimidation and fear about the subject of the meeting and Councilmember Wojcik's inquiries.

- f) *Continued from August 13, 2013:* Consideration and possible action to approve the Agreement for Professional Consulting Services with Lyon Engineering for design of the stormwater improvements at Chino Meadows Unit 5 in an amount not to exceed \$119,980.00. Funds to come from Capital Improvement Program fund. (Ron Gritman, Public Works Director)

Town Attorney Phyllis Smiley reported that this item was on the previous agenda, but as the agreement was still under revision, Council postponed the item. The agreement was now ready for approval.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve the Agreement for Professional Consulting Services with Lyon Engineering for design of the stormwater improvements at Chino Meadows Unit 5 in an amount not to exceed \$119,980.

Vote: 7 - 0 PASSED

- g) Discussion and possible action to schedule a study session or otherwise direct staff with regard to developing an ordinance to regulate the growing of any plant that can be used for medicinal purposes. (Councilmember Pat McKee; Councilmember Don Wojcik)

Councilmember McKee reported that several citizens had asked her about the Town enacting an ordinance to regulate locations for medical marijuana cultivation facilities. While the Town had no such regulations, most communities had some sort of ordinance in place. Some were very restrictive, while some were very lax. She was requesting that Council hold a study session to discuss developing an ordinance to protect the Town from any crops grown for medicinal purposes.

Council discussed distances of such facilities from schools or churches, staff including the state standards in the study session agenda packet, and inviting growers to attend the

meeting. They asked staff to schedule a meeting as soon as possible.

8) EXECUTIVE SESSION

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

Town Attorney Phyllis Smiley advised that the requested action items under 8c and 8e could not be acted upon as they were mistakenly placed on the executive session agenda. They will need to be brought back at a later time.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to go into executive session for items 8a, b and d at 7:34 p.m.

Vote: 7 - 0 PASSED

Mayor Marley reconvened the meeting into Regular Session at 8:51 p.m.

- a) Council may vote to go into executive session pursuant to A.R.S. § 38-431.03(A)(3) for discussion or consultation for legal advice with the Town Attorney regarding the Peavine right-of-way. (Robert Smith, Town Manager)
- b) Council may vote to go into executive session pursuant to A.R.S. § 38-431.03(A)(3) and (7) for discussion or consultation with the Town Attorney for legal advice and with designated representatives of the Town in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property that is an extension of the existing Road 4 South to the east, in the immediate vicinity of the section line, consisting of approximately 8.6 acres. (Robert Smith, Town Manager)
- c) Consideration and possible approval of Letter of Intent and Contract relating to the acquisition of right-of-way for the Road 4 South extension project.
- d) Council may vote to go into executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding an intergovernmental agreement with the City of Prescott related to payments for the transportation of water that is the subject of negotiations. (Robert Smith, Town Manager)
- e) Consideration and possible approval of an Intergovernmental Agreement with the City of Prescott related to Payments for the Transportation of Water. (Robert Smith, Town Manager)

9) ADJOURNMENT

MOVED by Councilmember Lon Turner, seconded by Councilmember Pat McKee to adjourn the meeting at 8:52 p.m.

Vote: 7 - 0 PASSED

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 10th day of September, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 8th day of October, 2013.

Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. b.**

Meeting Date: 10/08/2013

Contact Person: Jami Lewis, Town Clerk

Phone: 928-636-2646 x-1208

Department: Town Clerk

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to approve the September 24, 2013 regular meeting minutes.
(Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Approve the September 24, 2013 regular meeting minutes.

Attachments

September 24, 2013 minutes

DRAFT

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

**TUESDAY, SEPTEMBER 24, 2013
6:00 P.M.**

The Town Council of the Town of Chino Valley, Arizona, met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, September 24, 2013.

Present: Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Linda Hatch; Councilmember Pat McKee; Councilmember Don Wojcik

Absent: Councilmember Mike Best; Councilmember Lon Turner

Staff Present: Town Manager Robert Smith; General Services Director Cecilia Watts; Town Attorney Phyllis Smiley; Police Chief Chuck Wynn; Police Lieutenant Vince Schaan; Police Officer Gary Bruso; Police Officer Mike Pereda; Town Engineer/Public Works Director Ron Gritman; Town Clerk Assistant Liz Hart (recorder)

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

Mayor Marley called the meeting to order at 6:05 p.m.

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

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

- a)** Proclamation declaring September 22-28, 2013 as "Employer Support of the Guard and Reserve Week," sponsored by ESGR.

Vice-Mayor Croft read the proclamation and presented it to Darren Venters with ESGR, who acknowledged the Town's support.

- b)** Presentation of \$10,000 donation from Sturm, Ruger to the Chino Valley Police Department for the new canine, Bronco. (Chuck Wynn, Police Chief)

Chief Wynn spoke about expanding the Police Department's canine program by bringing on a second canine, Gus. Mark Lang with Sturm, Ruger spoke about their desire to support the Town's Police Department and presented the check to Chief Wynn Vice-Mayor Croft.

3) **CALL TO THE PUBLIC**

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

Marti Klein spoke about a problem with weeds through the center of Town, and needing to make the Town more appealing to prospective residents and businesses.

Rob Layhee spoke about times past in which the citizens themselves cleaned up the highway and roadways, rather than depending on the government.

4) **RESPONSE TO THE PUBLIC**

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

5) **CURRENT EVENT SUMMARIES AND REPORTS**

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

Councilmember Hatch reported that District 22 Arizona Senator Judy Burgess was in attendance and she reported on a recent Magistrate Evaluation Subcommittee meeting.

Mayor Marley acknowledged Councilmember Hatch for her efforts on the rural economic development grant, and read a letter to the Town from the Prescott Recreation Services Department, Senior Olympic Games Committee, regarding the success of their shooting events held at the Town's shooting facility.

6) **CONSENT AGENDA**

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

7) **ACTION ITEMS**

- a) Consideration and possible action to approve License Agreement between the Town of Chino Valley and Yavapai Regional Transit for continued use of Town property and/or right of ways and/or easements for picking up and dropping off passengers, effective October 1, 2013. (Councilmember Linda Hatch; Councilmember Pat McKee)

Acronym used in this item:

YRT (Yavapai Regional Transit)

Councilmember Hatch and Town Attorney Phyllis Smiley reported that:

- On October 1, 2013, Chino Valley Transit will complete its transition to YRT, a 501(c)(4) organization, which will assume ownership of the transit signs, bus stops, and benches, some of which were located on Town property and/or rights-of-way.
- As part of the transition process, YRT needed an agreement with the Town, authorizing them to use Town rights-of-way and/or roadway easements to retain, maintain, repair and replace these facilities as needed, as well as add more facilities in the Town rights-of-way in the future, should that be needed.
- As there was some difficulty in determining whether several of these facilities were on Town or private property, further research was needed.
- Staff was recommending that Council approve a license agreement giving YRT the right to be on these properties, and as the facilities were accurately located, Exhibit A, which listed the facilities with photographs and GIS coordinates, will be amended.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Linda Hatch to approve the License Agreement between the Town of Chino Valley and Yavapai Regional Transit, effective October 1, 2013.

Vote: 5 - 0 PASSED - Unanimously

- b) Consideration and possible action to appoint applicants to fill vacancies on various public bodies. (Jami Lewis, Town Clerk)

Town Clerk Assistant Liz Hart reported that the Council Appointments Subcommittee met on September 9, 2013 to review applications for several public bodies and they were recommending that Council:

- Re-appoint Lillian Morales to the Board of Adjustment.
- Re-appoint Travis Bard to the Industrial Development Authority.
- Re-appoint Eric Smith and Sue Spahr, and appoint Bruce Thomson to the Parks and Recreation Advisory Board.
- Re-appoint Darryl Croft and Ron Romley, and appoint Glenda Williamson to the Roads and Streets Committee.
- Appoint Nancy Herrero and Delores Barwick to the Senior Center Advisory Board.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to appoint applicants to the Chino Valley Board of Adjustment, Industrial Development Authority, Parks and Recreation Advisory Board, Roads and Streets Committee, and Senior Center Advisory Board as recommended by the Appointments Subcommittee.

Vote: 7 - 0 PASSED - Unanimously

8) EXECUTIVE SESSION

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

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to go into executive session for items 8a and 8b at 6:40 p.m.

Vote: 7 - 0 PASSED - Unanimously

- a) Council may vote to go into executive session pursuant to A.R.S. § 38-431.03(A)(3) and (7) for discussion or consultation with the Town Attorney for legal advice and with designated representatives of the Town in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property that is an extension of the existing Road 4 South to the east, in the immediate vicinity of the section line, consisting of approximately 8.6 acres. (Robert Smith, Town Manager)
- b) Council may vote to go into executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding an intergovernmental agreement with the City of Prescott related to payments for the transportation of water that is the subject of negotiations. (Robert Smith, Town Manager)

9) ACTION ITEMS RESUMED

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

Mayor Marley reconvened the Regular Meeting at 7:45 p.m.

- a) Consideration and possible action to approve either or both a Letter of Intent and a Purchase Agreement with Deep Well Ranches #1 LLC, related to and setting forth the terms of the purchase by the Town of approximately 8.6 acres of real property, generally located in the vicinity of the section line as an extension of the existing Road 4 South to the east to lands immediately adjacent to the Peavine Right of Way's eastern limit for the purpose of extending the Road 4 South right-of-way to Peavine Road. (Robert Smith, Town Manager)

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Don Wojcik to approve Letter of Intent between the Town and Deep Well Ranch #1, LLC, for the Town to purchase 8.569 acres of land with changes to Exhibit "B" to: delete the second paragraph of subsection 6.b; and in Subsection 6.c delete "and on both sides of Buyer's Peavine Trail public right-of-way;" and add subsection 6.h to read "The amount of the reimbursement by Buyer to Seller for construction of the improvements set forth herein

shall not exceed \$55,000.”

Vote: 5 - 0 PASSED - Unanimously

- b) Consideration and possible action to approve an Intergovernmental Agreement with the City of Prescott related to Payments for the Transportation of Water. (Robert Smith, Town Manager)

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Linda Hatch to approve an Intergovernmental Agreement with the City of Prescott related to payment for transportation of water, if there are no material changes.

Vote: 5 - 0 PASSED - Unanimously

10) ADJOURNMENT

MOVED by Councilmember Linda Hatch, seconded by Councilmember Don Wojcik to adjourn the meeting at 7:50 p.m.

Vote: 7 - 0 PASSED - Unanimously

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 24th day of September, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 8th day of October, 2013.

Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. c.**

Meeting Date: 10/08/2013
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Town Clerk
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve Resolution No. 13-1019 disbanding the Town of Chino Valley Transit Advisory Committee.

RECOMMENDED ACTION:

Approve Resolution No. 13-1019 disbanding the Town of Chino Valley Transit Advisory Committee.

SITUATION AND ANALYSIS:

The Town of Chino Valley had been operating a transit system through Chino Valley Transit (CVT) since February 2010. On February 22, 2011, Council approved Resolution 11-952 establishing the Transit Advisory Committee, as required by the ADOT Section 5311 Rural Transportation Grant program, for certain purposes related to the Town's administration and operation of a rural public transit system.

Over the past several months, CVT has formed a corporation, Yavapai Regional Transit (YRT) and applied to become a 501(c)(4) tax-exempt organization. On August 13, 2013, the Chino Valley Town Council approved an agreement transferring responsibility for managing the Transit program and ownership of the Transit facilities to YRT, effective October 1, 2013.

As such, the Town's Transit Advisory Committee's responsibilities and duties are now under the purview of YRT and the committee has no function and is no longer needed by the Town. Resolution 13-1019 will disband the Committee.

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Resolution 13-1019

RESOLUTION NO. 13-1019

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, DISBANDING THE TOWN OF CHINO VALLEY TRANSIT ADVISORY COMMITTEE; AND PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES

WHEREAS, on February 22, 2011, the Town of Chino Valley Town Council approved Resolution No. 11-952, establishing the Transit Advisory Committee for certain purposes related to the Town's administration and operation of a rural public transit system; and

WHEREAS, effective October 1, 2013, the Town transferred responsibility for the operation and management of that public transit system to Yavapai Regional Transit; and

WHEREAS, the Transit Advisory Committee therefore is no longer needed by the Town;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, County of Yavapai, Arizona, that the Town of Chino Valley Transit Advisory Committee is hereby disbanded and all of its members are relieved of their responsibilities.

BE IT FURTHER RESOLVED that all resolutions and parts of resolutions in conflict with the provisions of this Resolution, are hereby repealed.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 8th day of October, 2013.

Chris Marley, Mayor

ATTEST:

APPROVED AS TO FORM:

Jami C. Lewis, Town Clerk

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

I hereby certify the above foregoing Resolution No. 13-1019 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on October 8, 2013, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 6. d.

Meeting Date: 10/08/2013
Contact Person: Cecilia Watts, General Services Director
 Phone: 928-636-2646 x-1202
Department: General Services
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to adopt Resolution No. 13-1018 setting a basis for computation of worker's compensation benefits for volunteers involved in public safety.

RECOMMENDED ACTION:

Adopt Resolution No. 13-1018 setting a basis for computation of worker's compensation benefits for volunteers involved in public safety.

SITUATION AND ANALYSIS:

Our Police Department has many types of volunteers: Reserve Officers, Citizens on Patrol, Records and Evidence volunteers, and miscellaneous Administrative help. According to ARS §23-901(6)(e), which concerns Worker's Compensation, "*Members of the department of Public Safety Reserve are deemed to be employees. The basis for computing wages for premium payments and compensation benefits for a member of the department for public safety reserve who is a peace officer shall be the salary received by officers of the department of public safety for their first month of regular duty as an officer. For members of the department of public safety reserve who are not peace officers, the basis for computing premiums and compensation benefits is four hundred dollars a month.*" Therefore, this resolution formally establishes Town policy regarding compensation and benefits for Worker's Compensation purposes for public safety volunteers.

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Resolution 13-1018

ARS 23-901(6)(e)

RESOLUTION NUMBER 13-1018

A RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, DEEMING AUTHORIZED VOLUNTEERS WHO PROVIDE SERVICES FOR THE TOWN OF CHINO VALLEY AS RESERVE OFFICERS AND AS MEMBERS OF CITIZENS ON PATROL OFFICERS TO BE EMPLOYEES FOR PURPOSES OF ENTITLEMENT TO WORKER'S COMPENSATION BENEFITS AS SET FORTH IN TITLE 23, CHAPTER 6 OF THE ARIZONA REVISED STATUTES AND SETTING THE BASIS FOR COMPUTATION OF WORKER'S COMPENSATION INSURANCE PREMIUMS THEREFOR

WHEREAS, the Town of Chino Valley utilizes the services of Reserve Officers and volunteer Citizens on Patrol officers to support and assist its police officers; and

WHEREAS, pursuant to Arizona Revised Statutes § 23-901.06, Chino Valley volunteers (Citizens on Patrol and Reserve Officers) are deemed to be employees for purposes of worker's compensation benefits; and

WHEREAS, pursuant to A.R.S. § 23-901(6)(e), the basis for computing wages for premium payments and compensation benefits for a member of the department of public safety reserve who is a sworn peace officer shall be the salary received by officers of the department of public safety for their first month of regular duty as an officer; and

WHEREAS, pursuant to A.R.S. § 23-901(6)(e), the basis for computing premiums and compensation benefits for members of the department of public safety reserve who are not sworn peace officers is four hundred dollars (\$400) per month; and

WHEREAS, the Town of Chino Valley desires to use the same basis for computing premiums and compensation benefits as the department of public safety for its reserves and Citizens on Patrol; and

WHEREAS, the Town's police department utilizes both police officer reserves and Citizens on Patrol (C.O.P.s) officers;

NOW, THEREFORE, BE IT RESOLVED, the Mayor and Common Council of the Town of Chino Valley resolves as follows:

1. That the basis for computation of worker's compensation insurance premium payment and benefits for a volunteer police officer reserve (sworn peace officer) shall be at the range and first step at which all officers of the Chino Valley Police Department receive for their first month of regular duty as an officer, and

2. That the basis for computation of worker's compensation insurance premium payment and benefits for a volunteer Citizens on Patrol officer who is not a sworn peace officer shall be four hundred dollars a month.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 8th day of October, 2013.

Chris Marley, Mayor

ATTEST:

APPROVED AS TO FORM:

Jami C. Lewis, Town Clerk

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

I hereby certify the above foregoing Resolution No. 13-1018 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on October 8, 2013, 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

6. "Employee", "workman", "worker" and "operative" means:

(a) Every person in the service of the state or a county, city, town, municipal corporation or school district, including regular members of lawfully constituted police and fire departments of cities and towns, whether by election, appointment or contract of hire.

(b) Every person in the service of any employer subject to this chapter, including aliens and minors legally or illegally permitted to work for hire, but not including a person whose employment is both:

(i) Casual.

(ii) Not in the usual course of the trade, business or occupation of the employer.

(c) Lessees of mining property and their employees and contractors engaged in the performance of work that is a part of the business conducted by the lessor and over which the lessor retains supervision or control are within the meaning of this paragraph employees of the lessor, and are deemed to be drawing wages as are usually paid employees for similar work. The lessor may deduct from the proceeds of ores mined by the lessees the premium required by this chapter to be paid for such employees.

(d) Regular members of volunteer fire departments organized pursuant to title 48, chapter 5, article 1, regular firemen of any volunteer fire department, including private fire protection service organizations, organized pursuant to title 10, chapters 24 through 40, volunteer firemen serving as members of a fire department of any incorporated city or town or an unincorporated area without pay or without full pay and on a part-time basis, and voluntary policemen and volunteer firemen serving in any incorporated city, town or unincorporated area without pay or without full pay and on a part-time basis, are deemed to be employees, but for the purposes of this chapter, the basis for computing wages for premium payments and compensation benefits for regular members of volunteer fire departments organized pursuant to title 48, chapter 5, article 1, or organized pursuant to title 10, chapters 24 through 40, regular members of any private fire protection service organization, volunteer firemen and volunteer policemen of these departments or organizations shall be the salary equal to the beginning salary of the same rank or grade in the full-time service with the city, town, volunteer fire department or private fire protection service organization, provided if there is no full-time equivalent then the salary equivalent shall be as determined by resolution of the governing body of the city, town or volunteer fire department or corporation.

(e) Members of the department of public safety reserve, organized pursuant to section 41-1715, are deemed to be employees. For the purposes of this chapter, the basis for computing wages for premium payments and compensation benefits for a member of the department of public safety reserve who is a peace officer shall be the salary received by officers of the department of public safety for their first month of regular duty as an officer. For members of the department of public safety reserve who are not peace officers, the basis for computing premiums and compensation benefits is four hundred dollars a month.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 6. e.

Meeting Date: 10/08/2013
Contact Person: Chuck Wynn, Police Chief
 Phone: 928-636-2646 x-1258
Department: Police
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve Equitable Sharing Agreement with the Department of Justice to accept and expend RICO proceeds in the amount of \$110,000 for development of the Law Enforcement Tactical Range.

RECOMMENDED ACTION:

Approve Equitable Sharing Agreement to accept and expend RICO proceeds in the amount of \$110,000.

SITUATION AND ANALYSIS:

RICO funds, in the amount of \$110,000, have been allotted for Chino Valley Police Department for use exclusively to develop the Law Enforcement Tactical Range. The Town is required to set up an Equitable Sharing Agreement with the Department of Justice to receive and expend these funds. Funds will be used to construct a 1400 sq ft shade canopy, concrete sidewalks, target holders and utility work.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 07-60-5448

Available: \$110,000

Funding Source:

Activity will be accounted for in the Grants Fund, Shooting Range Law Enforcement line item.

Attachments

Equitable Sharing Agreement



Equitable Sharing Agreement and Certification



OMB Number 1123-0011
Expires 9-30-2014

- ☒ **Police Department**
 ☐ **Sheriff's Office**
 ☐ **Task Force (Complete Table A)**
☐ **Prosecutor's Office**
 ☐ **National Guard Counterdrug Unit**
 ☐ **Other**

** Please fill each required field. Hover mouse over any fillable field for pop-up instructions. **

Agency Name: Town of Chino Valley Police Department

NCIC/ORI/Tracking Number:

A	Z	0	1	3	1	2	0	0
---	---	---	---	---	---	---	---	---

Mailing Address: 1950 Voss Dr, #301

City: Chino Valley **State:** AZ **Zip:** 86323

Finance Contact: First: Joe Last: Duffy

Phone: 928-636-2636 E-mail: jduffy@chinoaz.net

Preparer: First: Laurie Last: Whisenand

☐ Same as
Finance Contact

Phone: 928-636-4223 E-mail: lwhisenand@chinoaz.net

Independent Public Accountant: E-mail: _____

Last FY End Date: 07/31/2013

Agency Current FY Budget: \$2,491,650.00

- ☒ **New Participant:** Read the Equitable Sharing Agreement and sign the Affidavit.
☐ **Existing Participant:** Complete the Annual Certification Report, read the Equitable Sharing Agreement, and sign the Affidavit.
☐ **Amended Form:** Revise the Annual Certification Report, read the Equitable Sharing Agreement, and sign the Affidavit.

Annual Certification Report

Summary of Equitable Sharing Activity		Justice Funds ¹	Treasury Funds ²
1	Beginning Equitable Sharing Fund Balance (must match Ending Equitable Sharing Fund Balance from prior FY)		
2	Federal Sharing Funds Received		
3	Federal Sharing Funds Received from Other Law Enforcement Agencies and Task Forces (To populate, complete Table B)		
4	Other Income		
5	Interest Income Accrued Non-Interest Bearing ☐ Interest Bearing ☐		
6	Total Equitable Sharing Funds (total of lines 1 - 5)	\$0.00	\$0.00
7	Federal Sharing Funds Spent (total of lines a - m below)	\$0.00	\$0.00
8	Ending Balance (difference between line 7 and line 6)	\$0.00	\$0.00

¹ Justice Agencies are: FBI, DEA, ATF, USPI, USDA, DCIS, DSS, and FDA.

² Treasury Agencies are: IRS, ICE, CBP, TTB, USSS, and USCG.

Summary of Shared Funds Spent		Justice Funds	Treasury Funds
a	Total spent on salaries under permitted salary exceptions		
b	Total spent on overtime		
c	Total spent on informants, "buy money", and rewards		
d	Total spent on travel and training		
e	Total spent on communications and computers		
f	Total spent on weapons and protective gear		
g	Total spent on electronic surveillance equipment		
h	Total spent on buildings and improvements		
i	Total transfers to other participating state and local law enforcement agencies (To populate, complete Table C)		
j	Total spent on other law enforcement expenses (To populate, complete Table D)		
k	Total Expenditures in Support of Community-Based Programs (To populate, complete Table E)		
l	Total Windfall Transfers (To populate, complete Table F)		
m	Total spent on matching grants (To populate, complete Table G)		
n	Total	\$0.00	\$0.00
o	Did your agency receive non-cash assets? ☐ Yes ☐ No If yes, complete Table H.		

Please fill out the following tables, if applicable.

Table A: Members of Task Force

Agency Name	NCIC/ORI/Tracking Number										
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Table B: Equitable Sharing Funds Received from other Agencies

Transferring Agency Name, City, and State	Justice Funds	Treasury Funds										
Agency Name:												
NCIC/ORI/Tracking Number: <table border="1"> <tr> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </table>												

Table C: Equitable Sharing Funds Transferred to Other Agencies

Receiving Agency Name, City, and State	Justice Funds	Treasury Funds										
Agency Name:												
NCIC/ORI/Tracking Number: <table border="1"> <tr> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </table>												

Table D: Other Law Enforcement Expenses

Description of Expense	Justice Funds	Treasury Funds

Table E: Expenditures in Support of Community-Based Programs

Recipient	Justice Funds	

Table F: Windfall Transfers

Recipient	Justice Funds	Treasury Funds

Table G: Matching Grants

Matching Grant Name	Justice Funds	Treasury Funds

Table H: Other Non-Cash Assets Received

Source	Description of Asset
Justice ☐	
Treasury ☐	

Table I: Civil Rights Cases

Name of Case	Type of Discrimination Alleged			
	☐ Race	☐ Color	☐ National Origin	☐ Gender
	☐ Disability	☐ Age	☐ Other	

Paperwork Reduction Act Notice

Under the Paperwork Reduction Act, a person is not required to respond to a collection of information unless it displays a valid OMB control number. We try to create accurate and easily understood forms that impose the least possible burden on you to complete. The estimated average time to complete this form is 30 minutes. If you have comments regarding the accuracy of this estimate, or suggestions for making this form simpler, please write to the Asset Forfeiture and Money Laundering Section, 1400 New York Avenue, N.W., Washington, DC 20005.

Equitable Sharing Agreement

This Federal Equitable Sharing Agreement, entered into among (1) the Federal Government, (2) the above-stated law enforcement agency ("Agency"), and (3) the governing body, sets forth the requirements for participation in the federal Equitable Sharing Program and the restrictions upon the use of federally forfeited cash, property, proceeds, and any interest earned thereon, which are equitably shared with participating law enforcement agencies. By its signatures, the Agency agrees that it will be bound by the statutes and guidelines that regulate shared assets and the following requirements for participation in the federal Equitable Sharing Program. Receipt of the signed Equitable Sharing Agreement and Certification (this "Document") is a prerequisite to receiving any equitably shared cash, property, or proceeds.

1. **Submission.** This Document must be submitted to aca.submit@usdoj.gov within 60 days of the end of the Agency's fiscal year. This Document must be submitted electronically with the Affidavit/Signature submitted by fax. This will constitute submission to the Department of Justice and the Department of the Treasury.
 2. **Signatories.** This agreement must be signed by the head of the Agency and the head of the governing body. Examples of Agency heads include police chief, sheriff, director, commissioner, superintendent, administrator, chairperson, secretary, city attorney, county attorney, district attorney, prosecuting attorney, state attorney, commonwealth attorney, and attorney general. The governing body's head is the person who allocates funds or approves the budget for the Agency. Examples of governing body heads include city manager, mayor, city council chairperson, county executive, county council chairperson, director, secretary, administrator, commissioner, and governor.
 3. **Uses.** Any shared asset shall be used for law enforcement purposes in accordance with the statutes and guidelines that govern the federal Equitable Sharing Program as set forth in the current edition of the Department of Justice's *Guide to Equitable Sharing for State and Local Law Enforcement (Justice Guide)*, and the Department of the Treasury's *Guide to Equitable Sharing for Foreign Countries and Federal, State, and Local Law Enforcement Agencies (Treasury Guide)*.
 4. **Transfers.** Before the Agency transfers cash, property, or proceeds to other state or local law enforcement agencies, it must first verify with the Department of Justice or the Department of the Treasury, depending on the source of the funds, that the receiving agency is a current and compliant Equitable Sharing Program participant.
 5. **Internal Controls.** The Agency agrees to account separately for federal equitable sharing funds received from the Department of Justice and the Department of the Treasury. Funds from state and local forfeitures and other sources must not be commingled with federal equitable sharing funds. The Agency shall establish a separate revenue account or accounting code for state, local, Department of Justice, and Department of the Treasury forfeiture funds. Interest income generated must be accounted for in the appropriate federal equitable sharing account.
- The Agency agrees that such accounting will be subject to the standard accounting requirements and practices employed for other public funds as supplemented by requirements set forth in the current edition of the *Justice Guide* and the *Treasury Guide*, including the requirement in the *Justice Guide* to maintain relevant documents and records for five years.
- The misuse or misapplication of shared resources or the supplantation of existing resources with shared assets is prohibited. Failure to comply with any provision of this agreement shall subject the recipient agency to the sanctions stipulated in the current edition of the *Justice or Treasury Guides*, depending on the source of the funds/property.
6. **Audit Report.** Audits will be conducted as provided by the Single Audit Act Amendments of 1996 and OMB Circular A-133. The Department of Justice and Department of the Treasury reserve the right to conduct periodic random audits.

Affidavit - New Participant

Before you can print this form, you must correct the following errors:

Enter the e-mail address for the Independent Public Accountant on page 1. _____

Subscribe to Equitable Sharing Wire:

The Equitable Sharing Wire is an electronic newsletter that gives you important, substantive, information regarding Equitable Sharing policies, practices, and procedures.

Final Instructions:

Step 1: Click to save for your records

Step 2: Click to save in XML format

Step 3: E-mail the XML file to aca.submit@usdoj.gov

Step 4: Fax THIS SIGNED PAGE ONLY to (202) 616-1344

FOR AGENCY USE ONLY

Entered by _____

Entered on _____

● FY End: 07/31/2013

Date Printed: October 03, 2013 13:03

○ NCIC: AZ0131200

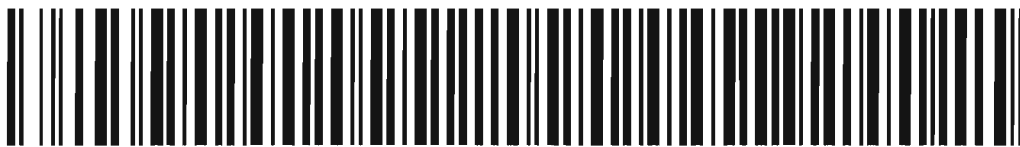
Agency: Town of Chino Valley Police Department

Phone: 928-636-2636

○

State: AZ Finance Contact: Joe Duffy

E-mail: jduffy@chinoaz.net



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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. a.

Meeting Date: 10/08/2013
Contact Person: Robert Smith, Town Manager
 Phone: 928-636-2646 x-1201
Department: Town Manager
Item Type: Action-Presentation
Estimated length of staff presentation: 15 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve an Accountability Contract between the Town of Chino Valley and the Chino Valley Chamber of Commerce in the amount of \$40,500.

RECOMMENDED ACTION:

Approve an Accountability Contract between the Town and the Chino Valley Chamber of Commerce in the amount of \$40,500.

SITUATION AND ANALYSIS:

The Chino Valley Chamber of Commerce has re-organized and employed a new director who, under the guidance of a new strategic plan that the Chamber Board has developed, is making tangible progress in improving the Town of Chino Valley's business environment. The standing agreement between the Town and the Chamber is in need of revision, and consideration of the terms in the agreement are timely with the Chamber's new interests and directions for local business development and support. The Town of Chino Valley Development Services Department has also been focusing on local business support and development, and would like to work in partnership with the Chamber on several items to bring additional supportive resources to local business developers in our community.

The contract draft proposed has been created through a cooperative process between Town of Chino Valley staff and the Chamber's Board and Director. The proposal outlines a set of specific objectives and deliverables, as well as regular reporting, that would be expected from the Chamber, and requests a set amount of consideration for that suite of services. The proposal also offers a range of services that the Chamber, through discussions with the Town of Chino Valley's administration, believes might be beneficial to strengthening the Town's local economy and assisting with economic developments within the Town. These services are

offered in an 'a la carte' format, meaning, if Council desires it can pick and choose those items it would like for the Chamber to pursue, if any, and add them to the proposal offered for consideration.

As the Town of Chino Valley begins to encounter sustained recovery from the recent economic downturn, it has the opportunity to engage and take advantage of several local resources. The Chamber of Commerce is one of those resources and can serve as a force multiplier for the Town's economic development efforts. Staff has identified several mechanisms by which the Town and Chamber can cooperatively work together to secure business and economic development improvements for the Community -- several of which are highlighted in the proposal presented herein.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 01-95-5563

Available: 38,000

Funding Source:

The Town budgeted \$38,000 in the Non-Departmental budget for outside agency funding this fiscal year.

Fiscal Impact?: Yes

If Yes, Budget Code: 01-95-5600

Available: 2,500

Funding Source:

The additional \$2,500 will come from Contingencies.

Attachments

Accountability Contract

Accountability Contract
between Town of Chino Valley and
Chino Valley Chamber of Commerce

This Contract is entered into this ____ day of _____, 2013 by and between the Town of Chino Valley, Arizona, an Arizona municipal corporation (hereinafter "Town") and the Chino Valley Chamber of Commerce (hereinafter "Chamber").

It is the finding of the Chino Valley Town Council that the Chamber is offering services that benefit the Chino Valley community and Town and that the Chamber should receive public funds in support of its facility, services and operations.

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

1. DURATION OF AGREEMENT: The duration of this Agreement shall be from its effective date until _____, 20____. If funds for this Agreement are not appropriated or budgeted by July 1, 20____, Town may terminate this Agreement by giving written notice to Chamber.

2. COMPENSATION: Town shall compensate Chamber in the amount of forty thousand five hundred dollars (\$40,500) for Services delineated and defined in this agreement.

3. SCOPE OF SERVICES: Chamber agrees to use funds received from Town to provide Visitor Center, Promotion/Marketing, Economic Development, Tourism and Education services ("Services"), as set forth in Exhibit A, which is attached hereto and incorporated herein and to use the funds from the Town for those purposes only. Chamber also agrees to maintain accurate financial records to enable Town to verify that the funds provided under this Agreement are expended in accordance with this Agreement. Chamber shall be responsible for compliance with all applicable federal, state and local laws and regulations.

4. ADDITIONAL SERVICES: In addition to the Services listed in Exhibit A, Chamber may, at the written request of Town, provide any of the services listed in Exhibit B, which is attached hereto and incorporated herein, at an additional cost to the Town, as shown on Exhibit B. In the event Chamber provides any Additional Services, Chamber shall, within thirty (30) days of completion of the Additional Service, provide Town with a written itemized invoice. Town shall pay the invoice promptly, but no later than fifteen (15) days of receipt thereof.

5. REPORTING: At the completion of the Services, Chamber shall submit to Town an itemized report setting forth how the funds received from Town were expended.

6. INSPECTION: Within five (5) days of receipt of a written request from Town, Chamber agrees to open for inspection and to make available all financial records relating to the Services.

7. CONTRACT NONCOMPLIANCE: If Town, in its sole discretion, determines Chamber is in breach of this Agreement, Town shall give written notice to Chamber of the specific area of noncompliance. Chamber shall comply within 30 calendar days of the date of notice.

8. TERMINATION FOR CAUSE: If Chamber does not comply within 30 calendar days from the date of the notice of breach, Town may terminate this Agreement. Chamber shall immediately return to Town all funds not spent for the services described in Exhibit A.

8. TERMINATION PURSUANT TO A.R.S. § 38-511: Town may terminate this Agreement pursuant to A.R.S. § 38-511.

9. INDEMNIFICATION: Chamber agrees to hold harmless and indemnify Town from any loss, damage, liability, cost, charge or expense, whether direct or indirect, including reasonable attorney's fees, and whether to any person or property to which Town, its agents, employees or said parties may be subject to related to the Services, including, but not limited to, actions for bodily injury, illness, death or property damage.

10. INDEPENDENT CONTRACTOR: Chamber is an independent contractor and not an agent or employee of Town. Chamber shall supervise and direct the Services using Chamber's best skill and attention. Chamber shall be solely responsible for all staffing, curriculum, scheduling, supplies, equipment for and transportation of participants to events for Services. Chamber shall be responsible to its employees, volunteers, Town employees and other persons performing any services related to the Services as set forth in this Agreement.

11. ENTIRE AGREEMENT; AMENDMENTS: This Agreement represents the entire agreement between the parties with respect to the subject matter hereof. This Agreement may not be amended except through an appropriate writing signed by both parties.

12. ASSIGNMENT PROHIBITED: Chamber shall not assign any rights acquired hereby, without first obtaining the written consent of Town.

13. NO DISCRIMINATION: Neither Chamber nor its employees or agents will discriminate on the basis of race, religion, handicap, gender or national origin in providing the Services.

14. IMMIGRATION LAW WARRANTY: As required by A.R.S. § 41-4401, Chamber hereby warrants its compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). Chamber further warrants that after hiring an employee, Chamber verifies the employment eligibility of the employee through the E-Verify program. If Chamber uses any subcontractors in performance of the services, 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. 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. Chamber 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. Town at its option may terminate the Contract after the third violation. Chamber shall not be deemed in material breach of this Contract if the Chamber 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. § 3-214(A). Town retains the legal right to inspect the papers of any Chamber or subcontractor employee who works on the Contract to ensure that the Chamber or subcontractor is complying with the warranty. Any inspection will be conducted after reasonable notice and at reasonable times. If state law is amended, the parties may modify this paragraph consistent with state law.

16. NOTICES: All notice provided for herein shall be hand delivered, delivered by overnight courier (e.g., Federal Express) or sent by certified or registered mail, return receipt requested, addressed to all parties hereto at the address designated for each party beside its signature or at such other address as the party who is to receive such notice may designate in writing. Notice shall be deemed completed upon: (i) such hand delivery or courier delivery or (ii) three (3) days after the deposit of same in a letter box or other means provided for the posting of mail, addressed to the party and with the proper amount of postage affixed thereto. Except as otherwise herein provided, actual receipt of notice shall not be required to effect notice hereunder.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names,

For Chamber

For Town

(Signature)

Chris Marley, Mayor

Title

Town of Chino Valley
202 North State Route 89
Chino Valley, Arizona 86323
(928) 636-2646

Address

Attest:

City

Zip Code

Jami Lewis, Town Clerk

Telephone No.

Approved as to Form:

By:

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

EXHIBIT A

SCOPE OF SERVICES

The Chamber agrees to use the funds received from the Town to provide the following services:

Visitor Center~

Maintain and staff the Visitor Center located within the Town. The Visitor Center will abide by the criteria set forth by the Arizona Office of Tourism to be a state designated LVIC (Local Visitor Information Center). The Visitor Center will be open to the public during normal working hours and staffed adequately to answer all correspondence, telephone or walk-in inquiries for general information relating to Chino Valley. The Visitor Center will be closed on posted Chamber holiday observances, a 24/7 kiosk on Chamber premises will be available at anytime with community information.

Shared Use of Meeting Spaces

Meeting space at the Chamber facilities may be used by the Town with advance coordination (and vice versa).

Promotion/Marketing ~

1. Distribute a relocation/community guide
2. Distribute maps of the Chino Valley area
3. Provide link to the Town's business directory from the Chamber website. Printed copies of the listing will be made available at the Visitor Center.
4. Provide an accommodation, attraction, event & dining guide including members & non-members
5. Promote the \$20 on the 20th ("Build Community, Buy Local") campaign
6. Coordinate with the Town staff to build and maintain a community calendar and provide linkage to the Town's website from the Chamber website.
7. Provide a Town booth at the Chamber's Health & Business Expo
8. Co-sponsor a variety of Town and Chamber activities and participate in Town-Sponsored and other Community Events (ie 4th of July Celebrations, Springfest and others)
9. Feature the Town's "Business Support Center" in the Chamber Visitor's Center
10. One (1) radio show per month to be hosted by the Town, if desired
11. "Platinum Sponsorship" for all Chamber events

The Chamber agrees that all printed materials created and distributed by the Chamber with funds from the Town will contain a statement recognizing and acknowledging that funding has been provided by the Town for such documents.

Economic Development~

1. Coordinate with the Town and other Economic Development organizations such as NACOG, PVEDF, GPREP and Yavapai College to represent the Chino Valley Business Sector and to foster business development in the Town of Chino Valley.
2. Assist the Town in developing a balanced mix of base jobs, retail businesses, restaurants, shopping, nightlife and social activities that attract families, visitors and residents to live and shop in Chino Valley.

3. Participate and support the development of business incubator resources in Chino Valley, in cooperation with the Town of Chino Valley's Small Business Support Center and tie it to the chamber's web based online business tools.

Tourism~

1. Destination Marketing programs
2. Continue Tourism Committee

Education~

1. Annually conduct a "Citizens Academy"

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

Where appropriate, the Chamber shall be involved in Town planning efforts such as General Plan Updates and the consideration of amendments to Codes and Ordinances, to provide helpful feedback from the business sector. The Chamber may also choose to offer feedback on project proposals brought before the Council as deemed appropriate by the Chamber Board.

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

EXHIBIT B

ADDITIONAL SERVICES

Promotion/Marketing ~

- | | |
|---|----------|
| 12. Kiosk for the Town's "Business Support Center" in the Chamber Visitor's Center | \$ 500* |
| 13. Expand Visitor Center <i>(additional brochure holders for marketing pieces on things to do throughout Arizona, WiFi & 1-2 donated public computers)</i> | \$1,000* |
| 14. Redesign Chamber website to include Economic Development & Business Support Center pages as well as existing pages pertinent to the Town/Community | \$1,500* |
| 15. Community photo library | \$ 500* |

Economic Development~

- | | |
|---|----------|
| 3. Renew "Tools for Business" subscription on chamber website <i>(Due June 2014)</i> | \$1,500 |
| 4. Economic Development Community Asset Inventory <i>(Education, Quality of life, Infrastructure, Transportation, Demographics & Workforce)</i> | \$1,000* |

Tourism~

- | | |
|---|----------|
| 1. Develop a Chino Valley Branding Campaign | \$2,500* |
| 2. Develop a tourism inventory to support the marketing program | \$ 250* |
| 3. Attend the 2014 Annual Governor's Conference on Tourism | \$ 500 |

Education~

- | | |
|---|--------|
| 2. Coordinate training with SCORE/SBDC/Community College at Chamber & Business Support Center | \$ 500 |
| 3. Conduct Informational/Education Forums as needed | \$ 500 |

Grand Total	\$10,250
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*One-time cost

Note: One-time cost total is \$7,250



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. b.

Meeting Date: 10/08/2013
Contact Person: Ron Gritman, 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: Town Wide

AGENDA ITEM TITLE:

Consideration and possible action to approve Agreement for Professional Consulting Services with Economists.com for the update to the valuation of the City of Prescott water distribution system in an amount not to exceed \$55,160.

RECOMMENDED ACTION:

Approve Agreement for Professional Consulting Services with Economists.com for the update to the valuation of the City of Prescott water distribution system in an amount not to exceed \$55,160.

SITUATION AND ANALYSIS:

In May of 2007, the Town of Chino Valley developed a scope of work to determine the value of the water distribution system that the City of Prescott has within the Town of Chino Valley. At that time, Prescott had 642 water customers within Chino Valley. This project will provide an update to the 2007 valuation and will allow the Town of Chino Valley to begin negotiations with the City of Prescott in an effort to acquire the City of Prescott water distribution system and customer base within the Town of Chino Valley.

Based on recent improvements to the City of Prescott (COP) water distribution system, the Town of Chino Valley may be capable of converting their water distribution system over to the Town of Chino by a few simple interconnections, disconnects and adding new meter reading software. This will allow the current Prescott Water customers who are Chino Valley residents to realize a reduction in their water billings by both removing the 30% surcharge that COP assesses and bringing customers under the Chino Valley water rate structure which is lower than the current COP water rates.

The original valuation contemplated acquiring both the COP water system and customer base and possibly the Chino Valley Irrigation District (CVID) water rights. The CVID water rights proved to be too complicated and convoluted and ultimately were the undoing of further negotiations of the acquisition. This project will examine any pertinent CVID issues, but there is no intent to alter or relieve the COP of any CVID benefits or obligations. This project will only be determining the value of the actual pipes in the ground and the existing customer base.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 04-82-5212

Available: 55,160

Funding Source:

Funds to come from the Professional Services Line in the Water Enterprise Fund.

Attachments

Agreement for Professional Consulting Services

Scope of Work

AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES

THIS Agreement is entered into as of this 8th day of October, 2013, by and between the Town of Chino Valley, Arizona, a municipal corporation, hereinafter referred to as “Town” and Economists.com, Inc., hereinafter referred to as the “Consultant.”

FOR THE PURPOSE of providing professional consulting services for the Town to determine the value of the City of Prescott Water Distribution System and its respective Customer Base, hereinafter referred to as the “Project,” Town and Consultant do hereby mutually agree to the following:

1. SERVICES AND RESPONSIBILITIES

1.1 Retention of the Consultant. In consideration of the mutual promises contained in this Agreement, Town engages the Consultant to render professional services set forth herein, in accordance with all the terms and conditions contained in this Agreement.

1.2 Scope of Services. The Consultant shall do, perform and carry out in a satisfactory and proper manner, as determined by Chino Valley, the services set forth in this Agreement, including all exhibits (“Services”). The specific scope of work for this Project is set forth in Exhibit A.

1.3 Responsibility of the Consultant.

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

1.3.2 Consultant shall tour the Project site and become familiar with existing conditions, including utilities, prior to commencing the Services and notify Town of any constraints associated with the Project site relevant to Consultant’s Services.

1.3.3 Consultant shall procure and maintain during the course of this Agreement insurance coverage required by Section 4 of this Agreement.

1.3.4 Consultant shall designate Dan Jackson, as Project Manager and all communications shall be directed to him. Key Consultant Personnel are set forth in Exhibit B. “Key Personnel” includes the Consultant employee who will place his license number and signature on key documents and those employees who have significant responsibilities regarding the Services and Project. Prior to changing such designation Consultant shall first obtain the approval of Town.

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

1.3.6 Consultant shall obtain its own legal, insurance and financial advice regarding Consultant's legal, insurance and financial obligations under this Agreement.

1.3.7 Consultant shall coordinate its activities with Town's representative and submit its reports to Town's representative.

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

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

1.4 Responsibility of Town.

1.4.1 Town shall cooperate with the Consultant by placing at his disposal all available information concerning the site of the Project. Town agrees to obtain its own legal, insurance and financial advice Town may require for the Project.

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

1.5 Contract Term. The term of this Agreement shall be from October 8, 2013 through June 30, 2014. All services identified herein shall be completed to the satisfaction of the Town no later than June 30, 2014.

2. COMPENSATION AND METHOD OF PAYMENT

2.1 Compensation. All compensation for complete and satisfactory completion of services rendered by Consultant, including its subconsultant(s), shall be set forth in Exhibit D and shall not exceed \$55,160.00 unless agreed to in writing by the Town.

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

3. CHANGES TO THE SCOPE OF SERVICES

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

4. INSURANCE REPRESENTATIONS AND REQUIREMENTS

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

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

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

4.4 Coverage Term. All insurance required herein shall be maintained in full force and effect until all Services required to be performed under the terms of this Agreement is satisfactorily performed, completed and formally accepted by Town, unless specified otherwise in this Agreement. Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to Town.

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

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

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

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

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

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

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

- a. Commercial General Liability-Under ISO Form CG 20 10 11 85 or equivalent.
- b. Auto Liability-Under ISO Form CA 20 48 or equivalent.
- c. Excess Liability-Follow Form to underlying insurance.

4.10.2 Consultant’s insurance shall be primary insurance as respects performance of this Agreement.

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

4.11 Required Coverage:

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

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

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

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

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

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

5. INDEMNIFICATION

5.1 To the fullest extent permitted by law, Consultant shall indemnify and hold harmless Town, its, officers, officials and employees from and against all demands, claims, proceedings, suits, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), and all claim adjustment and handling expenses, relating to, arising out of, or alleged to have resulted from acts, errors, mistakes, omissions, Services caused by Consultant, its agents, employees or any tier of Consultant's subconsultants (hereinafter collectively "Consultant") related to the Services in the performance of this Agreement. Consultant's duty to hold harmless and indemnify Town, its officers, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use of resulting therefrom, caused by Consultant's acts, errors, mistakes, omissions, Services in the performance of this Agreement including any employee of Consultant, any tier of Consultant's subconsultant or any other person for whose acts, errors, mistakes, omissions, Services Consultant may be legally liable including Town. Such indemnity does not extend to Town's negligence.

5.2 If any claim, action or proceeding is brought against Town by reason of any event that is the subject of this Agreement and or described herein, upon demand made by Town, Consultant shall reasonably cooperate with Town in the Town's defense of those issues related to Consultant's Services. Town shall likewise cooperate with all reasonable efforts in the handling and defense of such claim. Included in the foregoing, Town may engage its own attorney to defend or assist in its defense. Any settlement of claims shall fully release and discharge the indemnified parties from any further liability for those claims. The release and discharge shall be in writing and shall be subject to approval by Town, which approval shall not be unreasonable withheld or delayed. If Consultant neglects or refuses to defend Town as provided by this Agreement, any recovery or judgment against Town for a claim covered under this Agreement shall conclusively establish Consultant's liability to Town in connection with such recovery or judgment, and if Town desires to settle such dispute, Town shall be entitled to settle such dispute in good faith and Consultant shall be liable for the amount of such settlements and all expenses connected to the defense, including reasonable attorney fees, and other investigative and claims adjusting expenses.

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

paragraph shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

6. TERMINATION OF THIS AGREEMENT

6.1 Termination. Town may, by written notice to the Consultant, terminate this Agreement in whole or in part with seven (7) days' notice, either for Town's convenience or because of the failure of the Consultant to fulfill his contract obligations. Upon receipt of such notice and payment of all fees and expenses due to Consultant for Services performed through the date of termination, Consultant shall: (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to Town copies of all data, drawings, reports, estimates, summaries, and such other information and materials by Consultant in performing this Agreement, whether completed or in process, subject to the terms of this Agreement regarding document ownership. This Agreement may be terminated in whole or in part by Consultant in the event of substantial failure by Town to fulfill its obligations.

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

7. ASSURANCES

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

7.2 Examination of Records. Consultant agrees that duly authorized representatives of Town shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine any directly pertinent books, documents, papers, and records of Consultant involving transactions related to this Agreement.

7.3 Ownership of Document and Other Data. Original documents, such as tracings, plans, specifications, maps, basic survey notices and sketches, charts, computations, and other data prepared or obtained under the terms of this Agreement or any change order are and will remain the property of Gilbert unless otherwise agreed to by both parties. Town may use such documents for other purposes without further compensation to the Consultant; however, any reuse without written verification or adaptation by Consultant for the specific purpose intended will be at Town's sole risk and without liability or legal exposure to Consultant. Any verification or adaptation of the documents by Consultant for other purposes than contemplated herein will entitle Consultant to further compensation as agreed upon between the parties.

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

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

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

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

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

7.9 Sole Agreement. There are no understandings or agreements except as herein expressly stated.

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

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

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

TOWN:

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

CONSULTANT:

Mr. Dan Jackson
Economists.com, Inc.
5500 Democracy Drive Suite 130
Plano, TX 75024

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

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

8. SUSPENSION OF WORK

8.1 Order to Suspend. Town may order the Consultant, in writing, to suspend all or any part of the Services for such period of time as he may determine to be appropriate for the convenience of Town.

8.2 Adjustment to Contract Fee. If the performance of all or any part of the Services is, for any unreasonable period of time, suspended or delayed by an act of Town in the administration of this Agreement, or by its failure to act within the time specified in this Agreement (or if no time is specified, within a reasonable time), an adjustment shall be made for any increase in cost of performance of this Agreement necessarily caused by such unreasonable suspension or modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension or delay to the extent (1) that performance was suspended or delayed for any other cause, including the fault or negligence of Consultant, or (2) for which an equitable adjustment is provided for or excluded under any other provision of this Agreement.

9. INTERESTS AND BENEFITS

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

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

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

10. ASSIGNABILITY

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

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

TOWN OF CHINO VALLEY

By: _____
Chris Marley, Mayor

ATTEST:

By: _____
Jami Lewis, Town Clerk

APPROVED AS TO FORM:

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

CONSULTANT

By: _____
Its: _____

EXHIBIT A
SCOPE OF WORK

See Attached

EXHIBIT B
CONSULTANT'S KEY PERSONNEL AND SUBCONSULTANTS

KEY PERSONNEL:

Dan Jackson

SUBCONSULTANTS:

Coe & Van Loo
Eric Lauren, P.E.

EXHIBIT C
SCHEDULE OF SERVICES

See Attached Scope of Work

EXHIBIT D PAYMENT SCHEDULE

A. Compensation

1. The consideration of payment to Consultant, as provided herein shall be in full compensation for all of Consultant's work incurred in the performance hereof, including offices, travel, per diem or any other direct or indirect expenses incident to providing the services.
2. Attached hereto as Exhibit D-1 is the Consultant's hours and fee estimate for the Project. Consultant's fee shall not exceed the amounts:

Description	Amount
See Attached	

B. Method of Payment

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

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

C. Reimbursable Costs

Consultant will be reimbursed for expenses up to a maximum amount of \$_____. The items allowable for reimbursement are as follows:

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

2. Costs of printing, as required by the contract.
3. Cost of long distance telephone, postage, UPS, Federal Express, etc.
4. Costs of faxes at \$_____ per page.
5. Cost of other items as required, with prior approval from Town.

All reimbursable costs must be submitted with monthly bill.

**EXHIBIT E
CHANGE ORDER**

CHANGE ORDER NO. _____

Distribution: TOWN	[]	
CONSULTANT	[]	
OTHER	[]	

PROJECT: _____	DATE: _____
OWNER: Town of Chino Valley	
CONSULTANT: _____	
AGREEMENT DATED: _____	

CHANGES: The Agreement is changed as follows:

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

The original compensation was _____

Net change by previously authorized Change Orders _____

The compensation prior to this Change Order was _____

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

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

The Contract Time will increase by _____

ACCEPTANCE STATUS:

Consultant
By _____

Town of Chino Valley
By _____

Date _____

Date _____

Portland
Dallas



August 8, 2013

Mr. Ron Grittmann
Town Engineer
Town of Chino Valley, Arizona
1020 W. Palomino
Chino Valley, AZ 86323

Dear Mr. Grittmann:

Thank you for allowing **Economists.com** the opportunity to present this proposal for an updated Water Connection Valuation Analysis of the City of Prescott's system residing in the Town of Chino Valley, Arizona ("The Town").

Economists.com is an economic and financial consulting firm with offices in Dallas, Texas and Portland, Oregon. Our principal clients are national, state and local governments. Our firm contains professionals with decades of experience in water and wastewater utility operations and economic/financial management. Our specific water and wastewater services include:

- **Water and Wastewater Rate Studies**
- Sanitation Rate Studies
- Economic evaluation of water resources
- Water Planning and Management
- Connection and Impact Fee Studies
- Expert Witness Testimony on Reasonableness of Rate Structure
- Resource Allocation Studies
- Privatization Analysis
- Economic Impact and Development Studies

More information is available on our firm and professionals at our web site, www.economists.com. We are proud to have served as the Town's rate consultants for the past five years and look forward to continuing to provide such service to the Town.

5500 Democracy Drive, Suite 130, Plano, Texas 75024
Office: (972) 378-6588 ♦ Fax: (972) 378-6988
Web Site: www.economists.com

Background and Work Plan

It is our understanding that the Town is seeking to review and update our comprehensive 2007 Water System Connection Analysis prepared for the Town of Chino Valley and the City of Prescott. The analysis developed an overall estimate of the value of the Water System owned by Prescott and contained within the City Limits of Chino Valley. This updated study will be used as the basis for the development of a just and reasonable offering and acquisition price from Chino Valley to Prescott.

Our analysis will be composed of the following tasks:

Task 1 – Kick-Off Meeting and Data Collection

This task will take place at the outset of the engagement. The project team will submit a formal Request for Information to the City of Prescott for the data required to complete this analysis. This will contain the same requests listed in our original analysis and will include but not be limited to current year budgets, consumption and account data both city-wide and for the CCN areas, debt service schedules, rate schedules and detailed system maps of the areas to be sold to Chino Valley. Project team members will attend an initial meeting with representatives of the cities of Prescott and Chino Valley to review project goals, timeframes and data requirements. Project team members will review data, tour system facilities and assess additional needs. As a result of this initial analysis, additional data requests may be submitted to the City.

Task 2 – Existing Connection Analysis

In this task the project team will review and assess the value of the approximately 630 existing connections possessed by the City of Prescott that intend to be sold to the Town of Chino Valley. As discussed in Section 4, there are three components to this analysis. The first component is the asset or engineering analysis. The project team will employ the **Replacement Cost New Less Depreciation** methodology for conducting this asset valuation. Under this method, each asset component is evaluated with respect to size, length, age and general condition. A replacement cost is developed which tabulates the cost of constructing an identical new system at today's dollars. This replacement cost is then discounted by the depreciated remaining useful life of the current asset. The resulting net value represents the RCNLD assessment or valuation. This methodology is endorsed and utilized by such bodies as district courts and the Arizona Corporation Commission to determine the value of systems throughout the state and the nation. Our partners at Coe and Van Loo Consultants will prepare this analysis under our direction on behalf of the Town.

The second component to this analysis is the financial valuation of the system. In this component the project team will seek to determine the "going concern" value of the existing connections by estimating current and future cash flow. Net cash flow is determined by first calculating the gross revenues of the connections (based on consumption data) and then subtracting marginal expenses associated with the connections. The net present value of the resulting cash flow is then determined using standard discount rates.

The third component to this analysis will be to determine the market value per connection based on similar transactions in the state of Arizona. Numerous small water utilities have been acquired by cities and private companies in the past decade across Arizona and the United States. The value per active

connection represents a reasonable benchmark on which to determine a value of the City's existing connections. The project team will utilize existing contacts and industry databases to develop a comparative list of transactions.

Task 3 – Undeveloped CCN Analysis

In this task the project team will determine the financial value of the undeveloped CCN to be acquired by the Town of Chino Valley. Because this CCN area is undeveloped and there are no assets in place, an engineering analysis is not necessary. The project team will review such data as current customer usage patterns, growth projections, CVID allocations and infrastructure needs assessments prepared by Chino Valley's engineers to develop a forecast of future growth and revenues and expenses in this CCN area. Importantly, the project team will meet with representatives of both cities to review growth projections in order to achieve a general consensus on the reasonableness of these projections. The financial analysis is fairly similar to the financial calculation prepared in Task 2, with the exception that there is a greater emphasis on forecasts of future development. The result of this task will be a new present value based on the forecast revenues and expenses from the future connections in this CCN area.

Task 4 – Report Preparation

In this task the project team will prepare draft and final reports. The reports will outline in detail the methodologies employed, data utilized, and the project team's findings and recommendations. Hardcopies of all electronic models used to calculate valuations will be included in the report. Electronic copies of the report and models will be provided to the city at the conclusion of the engagement.

Task 5 – Meeting Preparation and Attendance

This task includes all meetings between the project team and the cities of Chino Valley and Prescott. Because there are multiple staffs and councils involved in this engagement, the number of meetings delineated in this task is significant and is therefore separated into a distinct task. It should be noted that the City may review and revise the number of meetings as it deems necessary.

After the initial meeting described above, this task involves the following additional meetings:

Preliminary Recommendations Meeting – to review the project team's initial findings and recommendations with Prescott and Chino Valley staff. Revisions may be made to the preliminary recommendations based on feedback from this meeting.

Prescott Council Workshop – initial briefing to the Prescott City Council on the approach, findings and recommendations of the study

Prescott Council Meeting – formal meeting to discuss final results and findings before Prescott City Council

Chino Valley Council Workshop – initial briefing to the Chino Valley City Council on the approach, findings and recommendations of the study

5500 Democracy Drive, Suite 130, Plano, Texas 75024

Office: (972) 378-6588 ♦ Fax: (972) 378-6988

Web Site: www.economists.com

Chino Valley Council Meeting – formal meeting to discuss final results and findings before Chino Valley City Council

Project Fees and Budget

The initial rate recommendations will be presented to the staff and Council 90 days after the completion of data collection.

I will serve as Project Manager for this engagement and will have sole responsibility for its successful outcome. I will also utilize the services of Ms. JoLynn Rains, Principal Consultant. Coe and Van Loo Consultants will provide the Engineering Consulting Services related to the development of the RCNLD calculation.

Estimated hours for this project are presented in **Table 1**. The project fees and out of pocket expenses for this engagement are presented in **Table 2**. As shown in the table, the professional fees and expenses will not exceed **\$55,160**. This cost represents a cap on fees and expenses. Please note that this is approximately 20% less than the cost of the original valuation study we prepared in 2007. Considerable economies have been realized due to the fact that we are now familiar with the budget, operation and service territory of the area to be acquired. Further, the valuation model has already been constructed and need only be updated. However, a significant number of meetings have been requested by the Town, and the cost of this has served to offset some of the cost savings.

If this proposal is acceptable to you, please execute one copy of this letter and return it to our Dallas office. Thank you for this opportunity; we look forward to working with the Town of Chino Valley again.

Very Truly Yours,



Dan V. Jackson
Managing Director

ACCEPTED BY:

Date

Table 1

TOWN OF CHINO VALLEY PRESCOTT WATER SYSTEM VALUATION PROPOSED PROFESSIONAL FEES AND EXPENSES				
	D. Jackson Economists Project Manager	J. Rains Economists Project Analyst	CVL Project Engineer	Total
	TOTAL HOURS			
1 Kick Off Meeting and Data Collection	8.00	8.00	8.00	24.00
2 Existing Connection Analysis				
2A RCNLD Analysis	-	-	62.00	62.00
2B NPV/Financial Analysis	24.00	24.00	-	48.00
Total	24.00	24.00	62.00	110.00
3 Undeveloped Area Analysis	24.00	24.00	-	48.00
4 Report Preparation	24.00	24.00	24.00	72.00
5 Meetings -- Preparation and Attendance				
5B Prelim Recommendations Meeting	8.00	-	8.00	16.00
5C Prescott Council Workshop	8.00	-	-	8.00
5D Prescott Council Meeting	8.00	-	-	8.00
5E CV Council Workshop	8.00	-	-	8.00
5F CV Council Meeting	8.00	-	-	8.00
Total	40.00	-	8.00	48.00
TOTAL	120.00	80.00	102.00	302.00

Table 2

TOWN OF CHINO VALLEY WATER SYSTEM VALUATION -- PRESCOTT PROPOSED PROFESSIONAL FEES AND EXPENSES								
	PROFESSIONAL FEES				ESTIMATED EXPENSES			TOTAL
	D. Jackson Economists Project Manager	J. Rains Economists Project Analyst	CVL Project Engineer	Total Professional Fees	Estimated Expenses Economists	Estimated Expenses CVL	Estimated Expenses Total	Total Fees and Expenses
PROFESSIONAL FEES AND EXPENSES								
Hourly Billing Rate	\$ 195.00	\$ 150.00	\$ 130.00	na	na	na	na	na
1 Kick Off Meeting and Data Collection	1,560	1,200	1,040	3,800	800	-	800	4,600
2 Existing Connection Analysis								
2A RCNLD Analysis	-	-	8,060	8,060	-	-	-	8,060
2B NPV/Financial Analysis	4,680	3,600	-	8,280	-	-	-	8,280
Total	4,680	3,600	8,060	16,340	-	-	-	16,340
3 Undeveloped Area Analysis	4,680	3,600	-	8,280	-	-	-	8,280
4 Report Preparation	4,680	3,600	3,120	11,400	1,000	1,500	2,500	13,900
5 Meetings -- Preparation and Attendance								
5A Prelim Recommendations Meeting	1,560	-	1,040	2,600	800	-	800	3,400
5B Prescott Council Workshop	1,560	-	-	1,560	800	-	800	2,360
5C Prescott Council Meeting	1,560	-	-	1,560	800	-	800	2,360
5D CV Council Workshop	1,560	-	-	1,560	800	-	800	2,360
5E CV Council Meeting	1,560	-	-	1,560	800	-	800	2,360
Total	7,800	-	1,040	8,840	4,000	-	4,000	12,840
TOTAL	23,400	12,000	13,260	48,660	5,000	1,500	6,500	55,160



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. c.

Meeting Date: 10/08/2013
Contact Person: Ron Gritman, Town Engineer
 Phone: 928-636-2646 x-1223
Department: Public Works
Item Type: Action
Estimated length of staff presentation: None
Physical location of item: Old Home Manor, Shooting Range

AGENDA ITEM TITLE:

Consideration and possible action to approve change order number 1 to contract with Watkins Mendoza Construction Company in the amount of \$4,000 for additional work in the construction of the Police Tactical Shooting Range.

RECOMMENDED ACTION:

Approve change order number 1 to contract with Watkins Mendoza Construction Company in the amount of \$4,000.

SITUATION AND ANALYSIS:

On May 23, 2007, the Town of Chino Valley awarded the construction of the Police Tactical Shooting Range to Watkins Mendoza Construction Company (WMC) in the amount of \$128,578.00. The approval of this change order is the culmination of negotiations between WMC and the Town of Chino Valley. WMC contended that the design of the slope of the berms for the tactical shooting range wasn't constructible, because of the characteristics of the soil to stand at the required 45 degree angle. This constructibility issue forced WMC to move more dirt than the quantities called out on the construction documents and the bid schedule. WMC claims \$34,000 of additional work.

The Town acknowledges that WMC has provided sufficient documentation to support that they have moved more dirt than the quantities called out for on the construction documents. However, the Town contends that the additional work that WMC performed was a choice of the contractor because of how the contractor chose to construct the project. The angle of repose that the soil sought would have been within the contract limits if the contractor would not have constructed the base of berm wider than called out on the construction documents.

Since this project was funded with grant monies, the ability to absorb any change order is extremely limited. On August 28, 2013 staff met with the Police Department (the originator of the initial grant funding) regarding the options of additional funding. The Police Department felt that they could incur an additional \$4,000 without impacting the completion of the overall project. WMC has agreed to accept \$4,000 as settlement of the claim, provided that the Town releases them from the 1 year warranty period. We believe that this is an appropriate settlement. Any necessary repairs to the berms will be performed by the Public Works Department.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 07-60-5448

Available: \$4,000

Funding Source:

Funds to come from the Law Enforcement Shooting Range Grant.

Attachments

Change Order No. 1

Project Name:
Project No:
Contract No:

CHANGE ORDER NO. 1
The Watkins / Mendoza Companies, LLC

PROJECT: Police Shooting Range 360
DATE: 9/25/2013
OWNER: Town of Chino Valley
PROJECT NO: 2013-1
CONTRACT NO: N/A
CONTRACTOR: The Watkins / Mendoza Companies, LLC
CONTRACT DATED: 4/23/2013

CHANGES: The Contract is changed as follows: (Insert brief description)
Project required additional excavation and fill material.

<u>COST/TIME:</u> Original Contract Sum:	\$111,681.98
Previously Authorized Change Orders:	\$ 0
Contract Sum prior to this Change Order:	\$111,681.98
Change Order # 1 Amount:	\$4000.00
New CONTRACT SUM:	\$115,681.98

CONTRACT TIME will be increased by: N/A

SUBSTANTIAL COMPLETION as of this Change Order: N/A

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.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. d.

Meeting Date: 10/08/2013
Contact Person: Cecilia Watts, General Services Director
 Phone: 928-636-2646 x-1202
Department: General Services
Item Type: Action-Presentation
Estimated length of staff presentation: 5 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to amend Personnel Policy Numbers 200: Conditions of Employment, and 245: Personnel Records and Privacy to conform to the guidelines for the Town's fingerprint policy and to meet requirements established by the Arizona Department of Public Safety (DPS).

RECOMMENDED ACTION:

Amend Personnel Policy Numbers 200: Conditions of Employment, and 245: Personnel Records and Privacy to conform to guidelines for the Town's fingerprint policy and to meet requirements established by the Arizona Department of Public Safety.

SITUATION AND ANALYSIS:

The Arizona Department of Public Safety (DPS) implemented the Noncriminal Justice Fingerprint Compliance Program in January 2013 in response to changes in federal guidelines concerning the dissemination of criminal history record information. DPS requires an Agency (which the Town is considered for this purpose) to designate an Agency Security Contact (ASC) who is the primary liaison with DPS and is responsible for coordinating Agency compliance with federal and state laws and regulations pertaining to the access, use, handling, dissemination and destruction of criminal justice information and criminal history record information. The ASC for the Town will be our Human Resources Analyst or Director.

The Town of Chino Valley passed Ordinance 405 on 5/20/2000, which gives the Town the authority to process fingerprints on volunteers or employees who meet certain criteria. The changes to the Personnel Policies incorporates the language into our policies as well as includes the language for privacy as required by the Compliance Program.

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Ordinance 405, May 25, 2000

Policy 200: Conditions of Employment

Policy 245: Personnel Records and Privacy

ORDINANCE NO. 405

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF CHINO VALLEY, YAVAPAI COUNTY, ARIZONA, REQUIRING FINGERPRINTING OF ALL CURRENT AND PROSPECTIVE EMPLOYEES AND ALL VOLUNTEERS WHOSE DUTIES INCLUDE INTER-ACTION WITH JUVENILES AND SENIOR CITIZENS AND THE OPERATION OF TOWN OWNED VEHICLES FOR THE PURPOSE OF TRANSPORTING CITIZENS, FOR THE PURPOSE OF OBTAINING CRIMINAL HISTORY RECORD INFORMATION FROM THE ARIZONA DEPARTMENT OF PUBLIC SAFETY AND THE FEDERAL BUREAU OF INVESTIGATION.

WHEREAS, it would be in the best interest of the Town of Chino Valley to inquire into the character and past criminal conduct of all current and prospective employees and all volunteers under the direction of the Town whose duties include interaction with juveniles and senior citizens, and the operation of Town owned vehicles used to transport citizens; and

WHEREAS, the Arizona Department of Public Safety maintains a Central State Repository for the purpose of maintaining information concerning arrests and convictions of persons for public offenses in Arizona; and

WHEREAS, the Arizona Department of Public Safety is authorized pursuant to A.R.S. Section 41-1750 to provide criminal history record information to the Town of Chino Valley to evaluate the fitness of current and prospective employees and volunteers.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA:

Section 1. Each applicant identified in this Ordinance shall provide fingerprint identification to the Town of Chino Community Services Department. The Administrative Assistant for the Chino Valley Community Services Department shall forward the fingerprints of eligible applicants to the Arizona Department of Public Safety for the purpose of obtaining a state and federal criminal records check pursuant to A.R.S. Section 41-1750 and P.L. 92-544. The Arizona Department of Public Safety is authorized to exchange this fingerprint information with the Federal Bureau of Investigation.

Section 2. The adoption of this Ordinance is necessary for the preservation of the public peace, health and safety of the Town of Chino Valley. This Ordinance shall come into full force and effect by its terms 30 days after its passage by a majority vote of the Council and approval by the Mayor.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 25th day of May, 2000.

Dan Main, Mayor

ATTEST:	APPROVED AS TO FORM:
Delores Sliger, Town Clerk	Robert S. Pecharich, Esq. Town Attorney

Ordinance 405 May 25, 2000 Page 2

Document Properties	
Title:	ORDINANCE NO
Author:	Eric M. Moore
Template:	Normal.dot
Last saved by:	Jami Lewis
Revision number:	19
Application:	Microsoft Word 8.0
Total editing time:	01:36:00
Last printed:	2000/08/10 08:25:00
Created:	2000/05/09 16:45:00
Last saved:	2000/08/10 08:35:00
Company:	Town of Chino Valley

CONDITIONS OF EMPLOYMENT

Loyalty Oath. Unless an employee asserts a legitimate claim that doing so would violate his or her right to the free exercise of religion pursuant to the federal or state constitution, all employees of the Town are required to sign the loyalty oath required by state law (*i.e.*, A.R.S. §38-231).

Employment Authorization. All employees of the Town are required to furnish evidence of compliance with the United States Immigration Reform and Control Act of 1986.

Physical Examination. A physical examination may be required by the Department Head or Town Manager prior to an employee commencing employment. Such physical examination shall comply with the Americans with Disabilities Act requirements.

The Town has the option of testing for current/recent use of certain illegal drugs in all cases where such testing is not required by law, and may require such testing as a condition of employment.

Fingerprinting: The Town shall fingerprint all new employees and volunteers. The Police Department will perform the fingerprinting and, upon completion, return the fingerprints to the Human Resources Department who will process them through the Department of Public Safety (DPS).

Fingerprinting for Town employees / volunteers shall occur under the following circumstances:

- a) New employees;
- b) Employees who move to departments or positions in which they interact with children and / or senior citizens;
- c) Employees who will be operating a town-owned vehicle;
- d) Volunteers, especially those who will be interacting with children or senior citizens, or may be operating a town-owned vehicle.

Employees and volunteers should receive a work order from the Human Resources department to submit to the Police Department for fingerprinting to occur. The Police Department will forward the fingerprint card back to Human Resources who will process the card through DPS.

Upon return of the results from DPS, the Human Resources Analyst or Director shall make a determination of employment or volunteer eligibility. If the HR

Analyst or Director is unable to decipher the Criminal History Report (CHR), he/she may request assistance from the Chief of Police or his/her designee. These results will be returned in writing from the Police Department with one of two findings:

- a) Eligible for hire / volunteer status;
- b) Ineligible for hire / volunteer status.

This status will be communicated by the Human Resource Analyst or Director to the appropriate supervisor.

The Town may also establish at the date of employment or volunteer service that the employee or volunteer has a valid driver's license.

- Modified by Council Action 10/8/2013

PERSONNEL RECORDS AND PRIVACY

I. PURPOSE:

To establish standards by which information contained in personnel records will be managed to achieve accuracy, privacy and legal compliance.

II. SCOPE:

This policy applies to all departments and Town employees.

III. POLICY AND GUIDELINES:

- A. Personnel records will be maintained containing information on each Town employee to meet state and federal legal requirements and to assure efficient administration.
- B. Notification of Changes. Changes of address, telephone number and/or family status (birth, marriage, death, divorce, legal separation, etc.) must be reported immediately to the Personnel department's office, as an employee's income tax status and group insurance may be affected by these changes.
- C. Files Access. Access to personnel files is restricted to authorized employees of the Town Manager's office, the Town's legal counsel and Personnel Department's office and supervisors or managers on a need to know basis as determined by the Town Manager. Personnel files are the property of the Town and may not be removed from the Personnel department's office.
- D. Information Requests and Employment References. Requests for information from employee files received from other departments and inquiries from outside the Town, including requests for references on former employees, will be directed to the Personnel Director. Supervisors and other employees are prohibited from providing personal or employment references on ex-employees or current employees.

IV. PROCEDURE:

- A. Personnel File Contents. When an employee is hired at the Town, a personnel file will be established generally containing the following information:
 - 1. Application for employment and related hiring documents, such as resumes and course transcripts.

Policy No. 245
September 12, 2002
Page 2 of 4

2. Personal information changes and personnel action notices of pay and employment status changes.
3. Performance documents including performance appraisals.
4. Tuition reimbursement documentation.
5. Pay advance requests.
6. Employee history updating information submitted by employees including recent education, records of outside achievements, changes affecting withholding tax, etc.
7. Other documents pertaining to employment such as appreciation letters, corrective action reports, employment verifications, training records, and references from previous employers.

Medical records, documents necessary for the administration of Town benefit programs, and any investigatory information will be kept in a separate confidential file. I-9 forms are also kept in a separate file. These files may be examined only by individuals who have the approval of the Town Manager for legitimate purposes.

Fingerprints and Criminal History Reports. All Town staff and volunteers who handle the processing of fingerprint cards, fingerprints, and / or criminal records for the express purpose of employment or volunteer service, must undergo the training offered by the Arizona Department of Public Safety (DPS). All personnel or volunteer records containing information pertaining to fingerprinting and / or criminal history records will be kept in a separate file from the employee's personnel file.

All Town staff and volunteers who handle the processing of fingerprints and / or criminal history records must adhere to this handling policy, the privacy guidelines established by the Town, and the records retention policy associated with fingerprints and criminal history records.

The assignment of the Town's Agency Security Contact (ASC) required by DPS will generally be the Human Resources Analyst or Director. He / she may designate the appropriate personnel who will be handling the fingerprints, the criminal history reports, or both. These designated personnel will be responsible for completing the training offered by DPS, and following the procedures.

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September 12, 2002
Page 3 of 4

guidelines, and record retention policy of fingerprints and criminal history reports as established by state statute.

Records containing information about fingerprints or criminal history will be retained while the employee or volunteer is still gainfully employed or on active volunteer status. The Town will administer record destruction as established by the Town Clerk's office, who is the official record keeper of the Town's records and its retention policies. The ASC will shred the documents / material in accordance of the appropriate dates established by state statute.

B. Examination of an Employee's Personnel File. Inspection of an employee's personnel file may be accomplished at reasonable times during office hours under the following conditions:

1. Employee. Employees may examine their files at reasonable times, and upon prior 24 hour notice submitted to the Personnel Director's office. This review will take place in the Personnel Director's office with a representative present. Notes of legal or disciplinary investigations in progress, if any, will be removed before the employee views the file.

Employees may obtain a copy of documents in the file that contains their signature.

2. Management Staff. Management staff may examine active and separated employee files on a need to know basis.
3. Government Inquiries. The Town generally will cooperate with federal, state and local government agencies investigating an employee if the investigators furnish proper identification and proof of legal authority to investigate. However, the Town may first seek advice from legal counsel. The Town may permit a government investigator to review a personnel file on Town premises, but the investigator will not be allowed to remove or reproduce this information without consent from the Town Manager and/or the Town's attorneys.
4. The Town will maintain a record of individuals granted access to personnel files and will make that record available to the respective employee.

Policy No. 245
September 12, 2002
Page 4 of 4

- C. Information Requests and Employment References. If employees wish the Town to verify information requested by outside sources for credit or other purposes, a release form with the employee's signature must accompany the request.

Employment references on former employees will be provided by the Personnel Director or representative, as follows:

1. References with Written Approval: Salary history, job chronology and performance information may be released with written approval of the employee or ex-employee. This information will be released in writing and a copy retained in the employee's personnel file.
2. Telephone Inquiries: Information will be verified by the Personnel Director or representative via telephone (after a reasonable caller identification) but will be limited to the following:
 - * date of hire and date of separation
 - * job title(s)
 - * confirmation of salary stated by caller
3. Written Inquiries: If the request for information is in writing, salary information will be verified in addition to the above. This verification will be in writing and a copy retained in the employee's file and sent to the employee's last known address if the employee is no longer employed by the Town.
4. Law Enforcement Inquiries: The Chief of Police or his or her designee may discuss with other law enforcement personnel facts relative to the employment of former police officers of the Town.
 - Modified by Council Action 10/8/2013



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. e.

Meeting Date: 10/08/2013
Contact Person: Joe Duffy, Finance Director
 Phone: 928-636-2646 x-1211
Department: Finance
Item Type: Action-Presentation
Estimated length of staff presentation: 10 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve the Monthly Financial Report for month ended June 30, 2013.

RECOMMENDED ACTION:

Approve the Monthly Financial Report for the month ended June 30, 2013.

SITUATION AND ANALYSIS:

Hinton Burdick, CPAs & Advisors completed the field work portion of the annual audit on September 24th through September 26th. The audited year end figures have been included in the final report for the fiscal year ended June 30, 2013.

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. Additional items will be added in the future.

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

June 30, 2013 Reports

Town of Chino Valley

Arizona

Monthly Financial Report



To The Town Council

For the fiscal year ending June 30, 2013

Town of Chino Valley						
Revenue and Expense Summary						
For the Twelve Months Ended June 30, 2013 100% of the Fiscal Year						
			Actual vs Prior Year			
Revenues	Actual Year to Date FY 2011-12	Actual Year to Date 2012-13	Amount	% FY 2012-13/ FY 2011-12	Annual Budget 2012-13 (1)	% of Budget YTD
GENERAL FUND						
General Fund Revenues by Category						
Franchise Taxes	\$ 138,431	\$ 133,055	\$ (5,376)		\$ 143,500	
Tax Revenues	\$ 2,338,596	\$ 2,588,151	\$ 249,555		\$ 2,292,000	
Licenses & Permits	\$ 280,541	\$ 177,154	\$ (103,388)		\$ 180,030	
Intergovernmental	\$ 2,575,389	\$ 2,737,473	\$ 162,084		\$ 2,797,095	
Charges for Services	\$ 148,318	\$ 438,798	\$ 290,480		\$ 427,132	
Fines and Forfeitures	\$ 152,186	\$ 149,004	\$ (3,182)		\$ 186,100	
Other Revenues	\$ 30,809	\$ 6,134	\$ (24,674)		\$ 14,850	
Contributions and Donations	\$ 18,202	\$ 12,870	\$ (5,332)		\$ 23,800	
Investment Earnings	\$ 672	\$ 567	\$ (104)		\$ 500	
Transfers In	\$ 537,955	\$ 438,654	\$ (99,301)		\$ 438,654	
Total Revenues	\$ 6,221,099	\$ 6,681,862	\$ 460,762	7%	\$ 6,503,661	103%
Total Revenues for the General Fund increased by \$460,762 over the previous fiscal year. Tax Revenues are up 11% due to a one time construction sales tax receipt. Intergovernmental Revenues are up 7% primarily due to a 21% increase in State Shared Income Tax. Both revenue categories show a favorable trend. The largest increase is in Charges for Services due to a one time Tower Rental Payment of \$328,990. Transfers In were reduced in the current years budget over the prior year. The total General Fund Revenues are up 7% compared with last fiscal year.						

Town of Chino Valley						
Revenue and Expense Summary						
For the Twelve Months Ended June 30, 2013 100% of the Fiscal Year						
			Actual vs Prior Year			
Revenues	Actual Year to Date FY 2011-12	Actual Year to Date 2012-13	Amount	% FY 2012-13/ FY 2011-12	Annual Budget 2012-13 (1)	% of Budget YTD
General Fund Expenditures by Department						
Prosecutor	\$ 108,160	\$ 107,009	\$ (1,151)		\$ 107,737	
Town Clerk	\$ 187,533	\$ 182,620	\$ (4,913)		\$ 213,351	
Town Manager	\$ 309,400	\$ 321,672	\$ 12,271		\$ 306,844	
Human Resources	\$ 54,527	\$ 52,364	\$ (2,163)		\$ 67,179	
Municipal Court	\$ 237,216	\$ 265,100	\$ 27,885		\$ 268,554	
Finance	\$ 246,911	\$ 252,580	\$ 5,668		\$ 248,154	
Management Information System	\$ 112,511	\$ 128,231	\$ 15,720		\$ 138,889	
Geographical Info Systems	\$ 50,084	\$ 64,731	\$ 14,648		\$ 68,659	
Mayor and Council	\$ 26,790	\$ 28,142	\$ 1,351		\$ 29,730	
Planning	\$ 157,139	\$ 124,618	\$ (32,521)		\$ 128,598	
Building Inspection	\$ 83,179	\$ 175,600	\$ 92,420		\$ 150,893	
Dispatch	\$ 145,876	\$ 140,200	\$ (5,675)		\$ 140,201	
Police	\$ 2,042,258	\$ 2,111,265	\$ 69,007		\$ 2,134,957	
Animal Control	\$ 69,082	\$ 84,394	\$ 15,313		\$ 87,120	
Recreation	\$ 60,644	\$ 28,472	\$ (32,173)		\$ 62,815	
Library	\$ 258,556	\$ 260,325	\$ 1,769		\$ 261,281	
Senior Center	\$ 178,689	\$ 188,156	\$ 9,467		\$ 195,577	
Parks Maintenance	\$ 280,141	\$ 331,009	\$ 50,868		\$ 350,883	
Aquatic Center	\$ 358,257	\$ 206,791	\$ (151,465)		\$ 276,247	
Public Works Administration	\$ 17,108	\$ 17,557	\$ 449		\$ 19,355	
Facilities Maintenance	\$ 272,904	\$ 270,730	\$ (2,174)		\$ 342,319	
Fleet Maintenance	\$ 289,047	\$ 302,821	\$ 13,773		\$ 319,774	
Engineering	\$ 33,821	\$ 43,312	\$ 9,491		\$ 43,252	
Non Departmental	\$ 582,026	\$ 507,028	\$ (74,998)		\$ 923,740	
Total Expenditures	\$ 6,161,858	\$ 6,194,725	\$ 32,867	1%	\$ 6,886,109	90%
Total Revenue Over (Under)						
Total Expenditures	\$ 59,241	\$ 487,137	\$ 427,895		\$ (382,448)	
GENERAL FUND (Continued)						
Total General Fund Expenditures ended at 90% of budget for the fiscal year. Expenditures ended \$32,867 higher than last fiscal year. The General Fund ended the fiscal year under budget by \$691,384.						

Town of Chino Valley						
Revenue and Expense Summary						
For the Twelve Months Ended June 30, 2013 100% of the Fiscal Year						
			Actual vs Prior Year			
Revenues	Actual Year to Date FY 2011-12	Actual Year to Date 2012-13	Amount	% FY 2012-13/ FY 2011-12	Annual Budget 2012-13 (1)	% of Budget YTD
HIGHWAY USER REVENUE FUND						
Total Revenues	\$ 690,761	\$ 785,860	\$ 95,099	14%	\$ 771,261	102%
Expenditures						
Road Maintenance	\$ 582,250	\$ 609,786	\$ 27,537	5%	\$ 784,257	78%
Total Revenue Over (Under)						
Total Expenditures	\$ 108,511	\$ 176,074	\$ 67,563		\$ (12,996)	
Total Fund Revenues ended the fiscal year up 14% over the prior fiscal year, while department expenses are up slightly at 5%. The HURF Fund ended the fiscal year under budget by \$ 174,471.						
WATER ENTERPRISE FUND						
Water Revenues	\$ 420,164	\$ 439,577	\$ 19,412		\$ 419,060	
Transfers In	\$ 244,016	\$ 362,988	\$ 118,972		\$ 362,990	
Total Revenues	\$ 664,180	\$ 802,565	\$ 138,384	21%	\$ 782,050	103%
Expenditures						
Water Utility Operations (3)	\$ 347,361	\$ 435,212	\$ 87,851		\$ 518,667	
Water Resources Division	\$ 92,087	\$ 92,514	\$ 427		\$ 141,964	
Capital Improvements	\$ -	\$ -	\$ -			
Debt Service/Reserve	\$ 35,292	\$ 28,020	\$ (7,272)		\$ 173,208	
Total Expenditures	\$ 474,739	\$ 555,746	\$ 81,007	17%	\$ 833,839	67%
Total Revenue Over (Under)						
Total Expenditures	\$ 189,441	\$ 246,819	\$ 57,377		\$ (51,789)	
Total Water Enterprise Fund Revenues are up 21% over the prior fiscal year. Water Service Fees are up 6%. Expenditures increased 17% over the prior fiscal year.						
SEWER ENTERPRISE FUND						
Total Revenue	\$ 1,355,252	\$ 1,211,934	\$ (143,318)	-11%	\$ 1,389,920	87%
Expenditures						
Sewer (3)	\$ 811,777	\$ 850,168	\$ 38,391		\$ 900,253	
Grant Expenditures	\$ -	\$ -	\$ -		\$ 130,000	
Debt Service/Reserve	\$ 336,305	\$ 323,838	\$ (12,467)		\$ 976,642	
Total Expenditures	\$ 1,148,082	\$ 1,174,006	\$ 25,924	2%	\$ 2,006,895	58%
Total Revenue Over (Under)						
Total Expenditures	\$ 207,171	\$ 37,928	\$ (169,242)		\$ (616,975)	
Total Sewer Enterprise Fund Revenues are down 11% over last fiscal year due to the receipt of \$157,790 in grant funds from the EECBG Solar Plant Project. Excluding this item Revenues are up 2% over last fiscal year. Operating expenditures are up 9% over the prior fiscal year.						

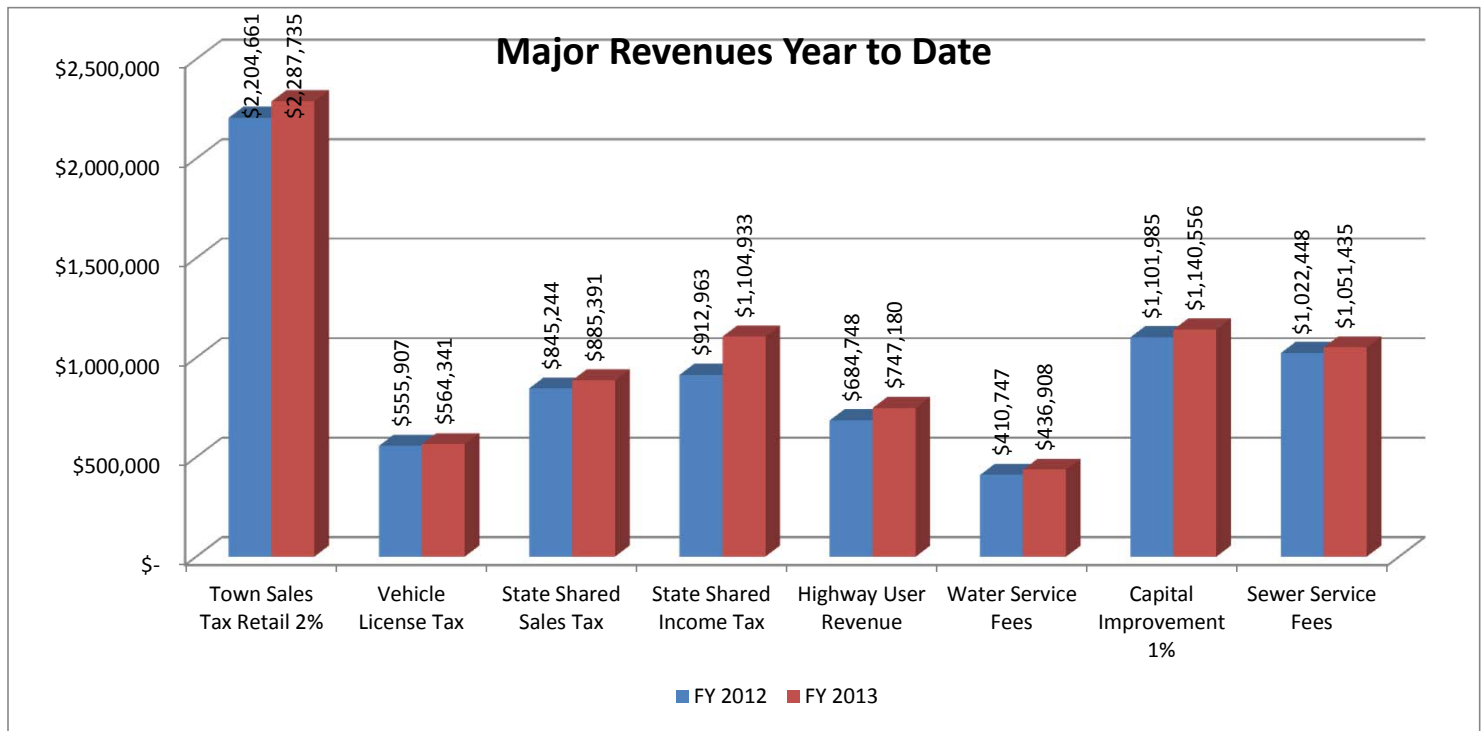
Town of Chino Valley						
Revenue and Expense Summary						
For the Twelve Months Ended June 30, 2013 100% of the Fiscal Year						
			Actual vs Prior Year			
Revenues	Actual Year to Date FY 2011-12	Actual Year to Date 2012-13	Amount	% FY 2012-13/ FY 2011-12	Annual Budget 2012-13 (1)	% of Budget YTD
CAPITAL IMPROVEMENT FUND						
Total Revenues	\$ 1,172,266	\$ 1,498,461	\$ 326,195	28%	\$ 3,146,650	48%
Capital Improvements	\$ 45,420	\$ 315,424	\$ 270,004		\$ 2,000,000	
Transfers	\$ 1,340,854	\$ 1,358,388	\$ 17,534		\$ 1,358,390	
Total Expenditures	\$ 1,386,275	\$ 1,673,812	\$ 287,538	21%	\$ 3,358,390	50%
Total Revenue Over (Under) Total Expenditures	\$ (214,009)	\$ (175,351)	\$ 38,657		\$ (211,740)	
Capital Improvement Fund Revenues are up 28% over the prior fiscal year primarily due to the increase in construction sales tax collections. Capital Improvements included the Road 2 North Box Culvert projected to cost \$196,087. \$370,000 was paid with Road Impact Fees. Transfers were increased in the Fiscal Year 12/13 Budget.						
OTHER MINOR FUNDS						
Other Minor Funds -Revenues						
CDBG Grants	\$ 56,311	\$ 315,162	\$ 258,851		\$ 313,000	
Grants Fund	\$ 233,662	\$ 527,910	\$ 294,248		\$ 650,915	
Special Revenue Fund Court	\$ 16,214	\$ 14,901	\$ (1,313)		\$ 17,065	
Capital Asset Replacement	\$ 148,194	\$ 494	\$ (147,700)		\$ 45,050	
Police Impact Fee Funds	\$ 984	\$ 3,471	\$ 2,487		\$ 1,530	
Library Impact Fee Funds	\$ 532	\$ 682	\$ 150		\$ 635	
Parks/Rec Impact Fee Funds	\$ 1,726	\$ 1,969	\$ 243		\$ 1,915	
Roads Impact Fee Funds	\$ 9,278	\$ 26,270	\$ 16,992		\$ 16,440	
Special Revenue Fund PD	\$ 17,111	\$ 28,730	\$ 11,619		\$ 20,002	
CVSLID Districts	\$ 4,042	\$ 3,809	\$ (233)		\$ 3,958	
Total Revenues	\$ 488,053	\$ 923,398	\$ 435,344	89%	\$ 1,070,510	86%
CDBG Grants	\$ 56,311	\$ 315,162	\$ 258,851		\$ 313,000	
Grants Funds	\$ 281,533	\$ 461,735	\$ 180,202		\$ 650,915	
Special Revenue Fund - Court	\$ 36,336	\$ 4,940	\$ (31,396)		\$ 74,687	
Capital Replacement Fund	\$ 88,000	\$ 1,426	\$ (86,574)		\$ 268,865	
Police Impact Fee Funds	\$ 59,430	\$ 1,218	\$ (58,212)		\$ 58,354	
Library Impact Fee Funds	\$ 19,250	\$ 23,014	\$ 3,764		\$ 111,608	
Parks/Rec Impact Fee Funds	\$ 5,847	\$ 96,575	\$ 90,729		\$ 117,952	
Roads Impact Fee Funds	\$ 68,204	\$ 669,304	\$ 601,100		\$ 370,000	
Special Revenue Fund PD	\$ 11,400	\$ 35,400	\$ 24,000		\$ 20,002	
CVSLID Districts	\$ 3,394	\$ 3,726	\$ 332		\$ 3,958	
Total Expenditures	\$ 629,705	\$ 1,612,500	\$ 982,795	156%	\$ 1,989,341	81%
Total Revenue Over (Under) Total Expenditures	\$ (141,652)	\$ (689,103)	\$ (547,451)		\$ (918,831)	
Road Impact Fees Expenditure are up due to the Road 2 North Box Culvert. Total Road Impact projects are \$ 268,000 over what was budgeted in the Road Impact Fee Fund.						

Town of Chino Valley						
Revenue and Expense Summary						
For the Twelve Months Ended June 30, 2013 100% of the Fiscal Year						
			Actual vs Prior Year			
Revenues	Actual Year to Date FY 2011-12	Actual Year to Date 2012-13	Amount	% FY 2012-13/ FY 2011-12	Annual Budget 2012-13 (1)	% of Budget YTD
TOTAL ALL FUNDS						
Total Revenue All Funds	\$ 10,591,613	\$ 11,904,080	\$ 1,312,467	12%	\$ 13,664,052	87%
Total Expenditures All Funds	\$ 10,382,908	\$ 11,820,576	\$ 1,437,667	14%	\$ 15,858,831	75%
Total Revenue Over (Under) Total Expenditures All Funds	\$ 208,704	\$ 83,504	\$ (125,201)		\$ (2,194,779)	
(1) Budget does not include Carryover Amounts from Prior Fiscal Years						
(3) Less Depreciation Expense						

Town of Chino Valley
Major Revenue Summary
For the Twelve Months Ending June 30, 2013

					Actual vs Prior Year	
	Actual Year to Date FY 2011-12	Annual Budget 2012-13	Actual Year to Date 2012-13	% of Budget YTD	Amount	%
Town Sales Tax Retail 2%	\$ 2,204,661	\$ 2,165,000	\$ 2,287,735		\$ 83,074	4%
Vehicle License Tax	\$ 555,907	\$ 562,089	\$ 564,341		\$ 8,434	2%
State Shared Sales Tax	\$ 845,244	\$ 904,520	\$ 885,391		\$ 40,148	5%
State Shared Income Tax	\$ 912,963	\$ 1,104,833	\$ 1,104,933		\$ 191,971	21%
Highway User Revenue	\$ 684,748	\$ 762,561	\$ 747,180		\$ 62,432	9%
Water Service Fees	\$ 410,747	\$ 408,240	\$ 436,908		\$ 26,160	6%
Capital Improvement 1%	\$ 1,101,985	\$ 1,082,500	\$ 1,140,556		\$ 38,571	4%
Sewer Service Fees	\$ 1,022,448	\$ 1,025,000	\$ 1,051,435		\$ 28,987	3%
Major Revenues Y.T.D.	\$ 7,738,704	\$ 8,014,743	\$ 8,218,480	103%	\$ 479,776	6%
Total Revenue All Funds	\$ 10,591,613	\$ 13,664,052	\$ 11,904,080	87%	\$ 1,312,467	12%
	73%	59%	69%			

The Major Revenues are up \$479,776 or 6% over the prior fiscal year continuing a positive trend. Total Revenues All Funds are up \$1,312,467 or 12% over the prior fiscal year.



Impact Fee Fund Recaps
For the Twelve Months Ended June 30, 2013 100% of the Fiscal Year

	Police Impact Fees	Library Impact Fees	Parks/Rec Impact Fees	Roads Impact Fees
Beginning Fund Balance @ 6/30/12	\$ 76,636	\$ 106,295	\$ 118,000	\$ 2,594,975
Impact Fees Revenue to Date	\$ 3,471	\$ 682	\$ 1,969	\$ 26,270
Impact Fees Expenditures to Date	\$ 1,218	\$ 23,014	\$ 96,575	\$ 669,304
Ending Fund Balance to Date	\$ 78,889	\$ 83,963	\$ 23,394	\$ 1,951,941
Budgeted Expenditures FY 12/13	\$ 58,354	\$ 111,608	\$ 117,952	\$ 370,000

General Fund Contingency Budget
For the Twelve Months Ended June 30, 2013 100% of the Fiscal Year

	Actual Year to Date 2012-13	Annual Budget 2012-13 (1)
Adopted Budget FY 2012/13	\$ 323,047	\$ 323,047
Encumbered to Date		
Caselle Software Upgrade	\$ 22,231	\$ 17,925
Citizens Survey	\$ 5,894	\$ 6,000
Strategic Financial Plan	\$ 28,200	\$ 28,340
Prescott Valley EDF Membership	\$ 500	\$ 500
Abatement Program	\$ 918	\$ 10,000
Town Hall Storage Additions	\$ 12,720	\$ 13,000
Year End Budget Adjustments	\$ 7,446	
Total	\$ 77,909	\$ 75,765
Unencumbered Balance	\$ 245,138	\$ 247,282

Annual Debt Service Summary By Fund
Fiscal Year Ended June 30, 2013

Debt Issue	Date Issued	Original Amount	Outstanding Amount as of June 30, 2012	FY 2013 Principal	FY 2013 Interest
General Government					
GADA Loan 2007A	7/1/2011	\$ 3,825,000	\$ 3,825,000	\$ 65,000	\$ 178,744
US Bank Series 2010	12/15/2010	\$ 7,280,000	\$ 7,280,000		\$ 331,638
		\$ 11,105,000	\$ 11,105,000	\$ 65,000	\$ 510,382
Water Enterprise Fund					
US Bank Series 2010	12/15/2010	\$ 745,000	\$ 745,000	\$ 45,000	\$ 28,020
Sewer Enterprise Fund					
WIFA	1/10/2007	\$ 1,580,000	\$ 1,311,629	\$ 71,782	\$ 34,195
WIFA	1/11/2008	\$ 4,853,000	\$ 4,425,536	\$ 222,795	\$ 118,265
USDA	2/16/2007	\$ 1,595,000	\$ 1,486,130	\$ 35,642	\$ 60,634
USDA	4/10/2008	\$ 1,505,000	\$ 1,438,422	\$ 32,120	\$ 58,732
USDA	4/16/2008	\$ 1,332,000	\$ 1,273,917	\$ 28,383	\$ 52,016
		\$ 10,865,000	\$ 9,935,634	\$ 390,722	\$ 323,842
Total Town of Chino Valley Debt		\$ 22,715,000	\$ 21,785,634	\$ 500,722	\$ 862,244