



Town of Chino Valley

MEETING NOTICE TOWN COUNCIL

**REGULAR MEETING
Tuesday, November 13, 2012
6:00 P.M.**

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

AGENDA

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

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a)** Presentation of donation check from Davidson's Inc./ProForce for the Chino Valley Shooting Range. (Chuck Wynn, Police Chief)

3) CALL TO THE PUBLIC

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

4) RESPONSE TO THE PUBLIC

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

5) CURRENT EVENT SUMMARIES AND REPORTS

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

6) CONSENT AGENDA

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

- a) Consideration and possible action to approve the August 6, 2012 study session minutes. (Jami Lewis, Town Clerk)
- b) Consideration and possible action to approve the August 14, 2012 regular meeting minutes. (Jami Lewis, Town Clerk)
- c) Consideration and possible action to approve Amendment No. 1 to Agreement between Burgess & Niple, Inc. and the Upper Verde River Watershed Protection Coalition for Program Management Services, dated November 28, 2007, to extend the effective date of the agreement through June 30, 2013, with the understanding that the Town shall remain as a non-dues paying non-voting member until further notice. (Vice-Mayor Tenney; Mayor Marley)
- d) Consideration and possible action to authorize a \$500 expenditure for the Town of Chino Valley to join the Prescott Valley Economic Development Foundation. Funds to come from Contingency. (Robert Smith, Town Manager)
- e) Consideration and possible action to approve final change order to contract with CLM Earthmovers, for the Center Street Community Development Block Grant Project, in the amount of \$11,995. Funds to come from Community Development Block Grant. (Ron Gritman, Public Works Director)

7) **ACTION ITEMS**

- a) Consideration and possible action to approve a utility rate schedule and direct staff to post the proposed schedule in accordance with ARS §9-499.15 to its home web page and direct staff to prepare the required resolution for consideration and possible action in accordance with ARS §9-511.01 at its January 22, 2013 meeting. (Ron Gritman, Public Works Director)

Recommended Action: Approve utility rate schedule, Alternative ____, and direct staff to post the proposed the schedule in accordance with ARS §9-499.15 to its home web page and direct staff to prepare the required resolution for consideration and possible action in accordance with ARS §9-511.01 at its January 22, 2013 meeting.

- b) *Continued from September 6, 2012:* Discussion regarding the extension of Road 1 East between Road 3 South and the future alignment of Road 5 South.
- c) Consideration and possible action to approve the drawings of the proposed maquette rendition of the equine sculptures for the roundabout at Road 4 South and State Route 89. (Ron Gritman, Public Works Director)

Recommended Action: Approve the drawings of the proposed maquette rendition of the equine sculptures for the roundabout at Road 4 South and State Route 89.

- d) Consideration and possible action to adopt Resolution No. 12-1002, approving a Call of Election for Spring 2013, designating election date, purpose of election, deadline for voter registration, and location and deadline for candidates to file nomination papers. (Jami Lewis, Town Clerk)

Recommended Action: Adopt Resolution No. 12-1002, approving a Call of Election for Spring 2013.

- e) Discussion and possible action to approve 2012 LTAF II Grant Agreement between Yavapai County and Chino Valley Senior Center for Senior Center transportation needs. Funds for the required 25% match to come from Senior Center miscellaneous maintenance line in the general fund. (Cecilia Watts, General Services Director)

Recommended Action: Approve 2012 LTAF II Grant Agreement between Yavapai County and Chino Valley Senior Center.

- f) Consideration and possible action to authorize the Mayor to sign a letter of support for the proposal by Yavapai Regional Transit for a Section 5311 Federal discretionary grant for federal fiscal year (FFY) 2013 to fund establishment of a regional transit system for the City of Prescott, Town of Prescott Valley, and Town of Chino Valley area.

Recommended Action: Authorize the Mayor to sign a letter of support for a FFY 2013 Section 5311 federal discretionary grant for the regional transit system proposal, as amended per Council discussion.

- g) *Continued from October 23, 2012:* Consideration and possible action to approve the copier usage agreement and maintenance agreement for managed print services with Arizona Office Technologies (AOT). Funds to come from various department lines for equipment purchase and maintenance. (Spencer Guest, IT Specialist)

Recommended Action: Approve the copier usage agreement and maintenance agreement with Arizona Office Technologies (AOT) for a 60 month lease term.

- h) Consideration and possible action to approve Second Amendment to Professional Services Agreement dated November 1, 2010, with Marc E. Hammond for prosecutorial services. (Cecilia Watts, General Services Director)

Recommended Action: Approve Second Amendment to Professional Services Agreement with Marc E. Hammond for prosecutorial services, effective November 1, 2012 and reflecting a month-to-month contractual agreement with a 30-day notice.

- i) Consideration and possible action to approve the yearly Indigent Legal Services Contract for Court Misdemeanors with J. Andrew Jolley in the amount of \$15,000. Funds to come from Court professional services line. (John Walker, Magistrate)

Recommended Action: Approve the yearly Indigent Legal Services Contract for Court Misdemeanors with J. Andrew Jolley.

- j) Consideration and possible action to approve Professional Services Agreement with Red Oak Consulting for the calculation of the Town's Development Impact Fees pursuant to Senate Bill 1525 and Arizona Revised Statutes §9-463.05, with anticipated start date of December 2012 and completion anticipated in January 2014, in an amount not to exceed \$72,000. Funds to come from Non-Departmental expenses, with \$35,000 being budgeted for this fiscal year, and the remainder to be included in FY 2013/2014 budget. (Cecilia Watts, General Services Director)

Recommended Action: Approve Professional Services Agreement with Red Oak Consulting for Development Impact Fees calculations in a total amount not to exceed \$72,000.

- k) Consideration and possible action regarding legal services for the Town of Chino Valley. Funds for advertising in the approximate amount of \$1,000 to come from Human Resources advertising line. (Cecilia Watts, General Services Director)

Recommended Action: Authorize staff to solicit legal services through a Request for Qualification (RFQ) process.

- l) Consideration and possible action to approve the July 2, 2012 special meeting minutes. (Absent: Councilmember Turner) (Jami Lewis, Town Clerk)

Recommended Action: Approve the July 2, 2012 special meeting minutes.

8) **EXECUTIVE SESSION**

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

9) **ADJOURNMENT**

Dated this 8th day of November, 2012.

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

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

CERTIFICATION OF POSTING

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

Date: _____

Time: _____

By: _____
Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. a.**

Meeting Date: 11/13/2012

Contact Person: Jami Lewis

Phone: 928-636-2646 x-1208

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to approve the August 6, 2012 study session minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Approve the August 6, 2012 study session minutes. (Jami Lewis, Town Clerk)

Attachments

August 6, 2012 minutes

DRAFT

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

**Monday, August 6, 2012
8:00 A.M.**

The Town Council of the Town of Chino Valley, Arizona, met for a Study Session in the Days Inn Motel Conference Room, located at 688 Fletcher Court, Chino Valley, Arizona, on Monday, August 6, 2012.

Present: Mayor Chris Marley; Vice-Mayor Carl Tenney; Councilmember Mike Best; Councilmember Darryl Croft; Councilmember Dean Echols; Councilmember Linda Hatch; Councilmember Lon Turner

Staff Present: Interim Town Manager Robert Smith; General Services Director Cecilia Watts; Finance Director Joe Duffy; Police Chief Chuck Wynn; Magistrate John Walker; Town Engineer/Public Works Director Ron Grittmann; Town Clerk Jami Lewis (recorder)

Attendees: Human Resources Analyst Tiffany Resendez; Pat Walker, Consultant

1) **CALL TO ORDER; ROLL CALL**

Mayor Marley called the meeting to order at 8:10 a.m.

Councilmember Lon Turner arrived at 11:20 a.m.

2) **Presentation by staff and consultant and discussion regarding the development of a Strategic Financial Plan. (Robert Smith, Town Manager; Pat Walker, Pat Walker Consulting LLC)**

Mayor Marley and Town Manager Robert Smith reported that this study session was for the purpose of reviewing the Town's current financial challenges, and developing a scope of work for a strategic financial plan.

Pat Walker, with Walker Consulting, spoke about her role as facilitator, Council focusing on policies and jointly deciding next steps. She then led discussions on the following topics.

Town investments. If Council had \$10 million to spend on something for the Town, they would spend it on:

- Infrastructure on State Route 89;
- Improved activities for youth, including skate parks and an enclosure over the pool for year-round use;
- Roads and streets construction and maintenance;
- Forming a private non-profit organization to offer all the above as needed and to use as a match for grant money;
- Water and sewer and taking over the wastewater treatment plant;
- All types of infrastructure; and
- Revenue generating enterprises, such as power plant or prison.

To summarize, the above list consisted of economic development matters, quality of life, and ways to make money.

Development of a strategic financial plan

- Its goal is to eliminate structural deficits in the general fund, capital improvement, HURF, and enterprise funds, often caused by one time revenues funding on-going expenditures.
- It should be comprehensive, balanced, and fair to encompass the necessary public services to Chino Valley citizens.
- It should cover 3-5 years.
- It should involve the community, Council, and Town staff.
- It should be developed over the next 12 months and implemented within 24 months.

Elements of a strategic financial plan

- Develop a long term plan to sustain the Town's financial health and eliminate structural deficits.
- Include 'high priority' areas that reflect the will of the community.
- Develop a work plan by defining goals and strategies to achieve over the next 12 months.
- Evaluate the impact of policy decisions on future fiscal health, including actions taken and policies implemented.
- Focus on mutual agreement between councilmembers on how to sustain financial stability while maintaining quality services to citizens; the plan should be something to be used by future councils and not set in stone.

Council asked staff and consultants to provide dollar amounts and scenarios for the ideas discussed.

Using a strategic financial plan

- Develop a 5-year plan with a 10-year vision.
- Develop a 12-month work plan with goals and objections, work them into the budget process, and implement within 24 months.
- Evaluate results through performance review by way of the Town's annual audit.
- Finance Director to lead budget workshops to help Council understand what the taxpayers were getting for their money.

Items to evaluate

- Opportunities to improve cost-efficiency of municipal services by: (i) outsourcing services or bringing something in-house that was currently contracted; (ii) regionalizing services with other entities; (ii) analyzing and minimizing liability risks; and (iv) consolidating and increasing sharing of personnel resources among municipal divisions.
- Review programs and services to get the biggest bang for the Town's buck by: (i) analyzing relative costs and benefits to the Town, both in short term and long term, of services, programs, and operating expenses not directly related to legal mandate or obligation, public safety, public health or accreditation; (ii) substituting a vacant position with one with a lower classification and reducing the associated duties as appropriate; and (iii) benchmarking staffing/unit of service in comparison with other municipalities, making sure to compare apples to apples and recognizing the Town's unique situation.

Mr. Smith added that staff will be changing the Town's financial reporting by using a program budget so that Council could see the various trends.

Budget history

- State sales tax revenues decreased from \$3.8 million in FY 2009 to \$2.5 million in FY 2012 due to a reduced census count and the economic downturn.
- Economic impacts: sales tax reductions from retail, construction, and bed tax; revenue reductions in building permits and fees; foreclosures; and expenditure increases in consumer price index, benefits costs, mandated costs, and fuel and utilities.
- Budget impacts: LTAF for transit funding eliminated; HURF reductions from \$1.1 million four years ago to \$85,000 now; inability to maintain roads after large annexations; grant funding reductions; no investments in assets; facilities maintenance not kept up, especially the Aquatic Center; and no investment in economic development;
- Budget adjustments made: reduced workforce from 125.75 in FY 2007 to 85 in FY 2013, but did not reduce level of service; reduced hourly employees to 36 hour work week; reduced administrative employee salaries by 10%; reduced employee benefits; delayed recruitment for vacant positions creating one time savings; very little employee development, training, and education; outsourced dispatch; reduced or eliminated all Town events except one; eliminated three school resource officers, school programs and neighborhood watch; reduced department expenditures; and doing more with less each year for four years in a row.

Mr. Smith stated that per the Town's recent fees study, some fees might be reduced, but that could spur some additional activity. Also, there will be another hit in the next budget when some employees were moved up from Step 1 of the pay plan.

Ms. Walker added that:

- Delaying recruitment for vacant positions only created a bridge and the employee structure will fall in if those positions were not replaced; and the Town needed to evaluate the risk/reward of hiring versus outsourcing.
- The Town needed to fix the employee work week, retain high quality people, stop requiring more with less, and invest in streets.
- The Town also needed to determine the dollar amounts it needed to maintain existing service levels, bring them up to previous levels, and improve the levels.

Council asked about the status of the transit system. Ms. Walker and Mr. Smith stated that the system must be self-sustaining and out of the Town's organization by FY 2013-2014. The Arizona Department of Transportation did not object to the system being under its own agency.

Council asked about getting sales tax, bonds, or property tax on a ballot and economic development. Ms. Walker stated that:

- Sales taxes did not require an election and a secondary property tax could only be used for debt service. She spoke about the small town she came from, which wanted to be a bedroom community, but went through this same process and determined that it could not survive without a diversified tax base.
- In order to get community buy-in, the Town needed citizen committees and involve civic organizations. It would take study, creative thinking, and willingness to make changes.

- Council may want to also develop a strategic economic development plan that could work with the financial plan.

Mr. Smith added that if the Town expanded its infrastructure, it would result in increased economic development activity. Also, Prescott's water pricing had stalled economic development growth, and he believed the citizens would support the Town taking over that system. The public needed to understand that its former vision of being a bedroom community without economic development was not sustainable.

Council and staff discussed the General Plan Committee's emphasis on jobs and employment; getting infrastructure and access to Old Home Manor to develop industry; citizens wanting more shopping and a second grocery store; and infrastructure being the key to open up available property along the highway.

Council asked staff to provide the number of renters vs. owners who were registered to vote.

Council recessed from 9:50 to 10:10 am.

Current financial condition

- General Fund: This was existing on transfers in and a \$380,000 carryforward.
- CIP (1% TPT): This was existing on a lot of carryforward and had \$781,00 in transfers out to Aquatic Center, Police, and water operations, and \$542,000 to debt service. Decreased sales taxes resulted in decreased 1%.
- HURF: This was not using carryforward or fund balance, which was good, but there was no money for street maintenance.
- Water operating fund: This was existing on transfers in and carryforward from the CIP 1%. The Town was to initiate another rate study soon, and expanding the system would create more ratepayers.
- Sewer operating fund: This was existing on carryforward and transfers in, and was short \$800,000.

Next 10 years if the Town did nothing now

- General Fund: The budget will have a \$382,000 one time deficit in FY 2013, which would grow to a cumulative \$5.9 million deficit by FY 2017.
- Water fund: This will have an ongoing deficit by FY 2016 with a total deficit of \$122,000 by FY 2017, and will be supported by transfers from CIP fund and carryforward.
- Sewer fund: This will have an ongoing deficit of \$534,000 with no fund balance by FY 2014, and a total deficit of \$2.8 million by FY 2017.
- Water and Sewer: These funds were using \$616,000 in fund balance to balance their budgets in FY 2013, and will need more in FY 2014 resulting in the deficits.
- CIP fund: Transfers to Aquatic Center, Police and Water will start decreasing in FY 2015 as the Town was not taking in enough revenues to support the transfers out. By FY 2016, transfers to Aquatics will be gone and those to Police will be reduced, due to debt service increases in FY 2016. Council will have to decide to take funding from the general fund or someplace else.

Mr. Smith stated that next year's gap might be reduced by how the Town spent money on programs this year while working on long-term solutions. Currently, staff was pursuing every grant it could identify, including NACOG funds for Old Home Manor improvements. Unfortunately, the Town had already lost two grants due to right-of-way problems.

Potential Solutions and Timelines

Expenditure reductions: Ms. Walker gave three examples of program costs for Aquatics, Library and Recreation, with FY 2012 actual revenues, expenditures, net result, and subsidies, if applicable.

- Council needed to know the actual cost of doing business, then determine what activities to fund.
- It was not unusual for municipalities to subsidize certain programs, such as the pool, due to quality of life issues, matching values, and overall vision.
- Recreation, for example, included program expenses, in-kind donations, cash revenues, direct and indirect costs, and internal expenses. Conversely, some departments provided mostly services and did not recoup any of their expenses.

Revenue enhancements:

- Sales tax increase: There were restrictions on categories of sales tax and a 60-day notification period required before any such tax could be effective. An increase to be effective on March 1, 2013 would need to be posted to the Town website by October 12.
- Primary property tax: This could only go to the voters in May of any year. It could be done for 2013, but would have to be fast-tracked.
- Secondary property tax: This was based on bonding capacity and required an election, which was limited to November of any year. It could fund infrastructure and a CIP would have to be developed. There was not enough time for a 2012 election.
- User fee increases.
- Any combination of the above.

Council suggested having an overview of all Town programs available for review by the community, and they asked what would happen to the three police officers if the 1% was gone. General Services Director Cecilia Watts stated that the Police Department was already at minimum staffing now due to attrition, and had been forced to use overtime to cover for any officer on leave.

Mr. Smith added that the upcoming utility rate study will include ways to develop operating capital. The current rate model barely covered operating expenses, so Utilities will need another funding source for capital. Ms. Walker added that the Town also needed to expand its customer base and increase infrastructure, which related to the bond matter. It all tied in together.

Council suggested doing nothing before the November 2012 election, and if the state's extra 1% sales tax was voted down, the Town could then consider increasing its local tax. Council also asked staff to provide a list of what was required for each of the above enhancements.

Issues to address

- Structure for financial plan;
- Activity levels in programs;
- User fee structure;
- Transit funding in June–October and possibly forming an ad hoc committee;
- Infrastructure investments to increase taxpayers and users;

- Lack of investment in economic development;
- Bond election;
- Getting control of economics with regard to water;
- Water and sewer rate study;
- Home Rule;
- Bedroom community versus diversified tax base, and educating the community on the difference;
- Development of Old Home Manor;
- Develop inventory.

Work plan process

- Develop plan over the next 12 months, with a 24-month implementation.
- Develop potential solutions and get community involvement.
- Form public committees and use existing committees to address certain matters.
- Forward details to Council regarding review of progress, setting next year's plan, budget, reports on public education, and evaluating progress.

Mr. Smith stated that Council should have a way to set short term and long term priorities, and review and adjust the work plan each year. This would be part of the budget process and would involve evaluating people and programs, determining funding sources, then educating the public and Town staff. Once accomplished, Council could evaluate their progress half way into the fiscal year.

Council asked Mr. Smith to put together a work plan for Council and staff to provide a list of decisions needing to be made, along with a timeline.

Mayor Marley requested that Council focus on the work plan in the remaining two hours.

Ms. Walker stated that committees needed to be formed to review the various aspects for the work plan. Council determined that four committees would work on this plan: the current Council Finance and Economic Development Committees, the Mayor's Ad Hoc Revenue Options Committee, and a new Program Review Committee.

Council recessed for lunch at 11:38 a.m.-1:51 p.m.

Council and staff then discussed the four committees.

Program Review Committee

- Purpose: Review all Town programs; general fund performance, gather data, prioritize programs; develop revenue goals to cover expenses, review cost recovery percentages, and make a variety of short-term and long-term recommendations and alternatives for deliverables. Forward data to the Finance Committee, then to Council.
- Outcomes: Communication plan; review of all programs and general fund performance; prioritize programs and provide alternatives; revenue goals to cover expenses; percentage covered policy.
- Timeframe: Hold first meeting on August 9.
- Members: Councilmembers Turner (Chair), Best, and Croft; Robert Smith (liaison) and other staff to be determined.

Revenue Options Committee

- Purpose: Consider revenue options aside from property and sales taxes, and expense cuts.
- Outcomes: Raise revenues outside of taxing and/or expenditure cuts; and involve the Economic Development and Finance Committees.
- Timeframe: Adopt Charter at next Council meeting; hold first meeting within a month or two.
- Members: Mayor Marley (Chair) and four community business members; Finance Director and Town Manager.

Council Finance Committee

- Purpose: Review potential revenue sources such as sales tax and property tax issues, user fees, bonding and Home Rule; obtain assessed valuation of Town; review enterprise fund and Fann Contract issues; prepare one and two-year work plans for taxes; and review Home Rule assumptions.
- Outcomes: Communication plan; sales tax exceptions; property tax combined calendar; community involvement through Chamber mixers, newspaper, progress reports at Council meetings; include Revenue Options Committee; define outcomes and deliverables; and place alternatives in priority order to solve structural deficit.
- Timeframe: Meet August 21, and September 4 and 18.
- Members: Vice-Mayor Tenney (Chair), Mayor Marley, and Councilmember Hatch; Town Manager and Finance Director (liaison).

Council Economic Development Committee

- Purpose: Study Old Home Manor industrial park and feasibility of developing with more than the current candidate; job creation, infrastructure expansion, business support; benefit analysis to determine incentives; impact sampling; and outreach to Chamber, NACOG, and local and regional agencies.
- Outcomes: Communication plan, timelines for economic development projects, feasibility of economic development project, infrastructure analysis, impact on business development; town attorney involvement; strategic recommendations; community involvement from organizations and Chamber.
- Timeframe: Not specified.
- Members: Councilmembers Echols (Chair), Best, and Croft.

Councilmember Hatch stated that the Magistrate Evaluation Committee, comprised of Mayor Marley, and Councilmembers Croft and herself, will review the Magistrate Department, and Councilmember Croft will report to the Program Review Committee.

Council asked staff to present timeframes for approval of sales and property taxes at their August 14 meeting and to provide a report on the status of impact fee issues.

Council noted that Steve Whisenhunt had disclosed that he was working with someone to transfer the Senior Center to a non-profit and the Program Review Committee should communicate with him.

Financial policies. Ms. Walker stated that the Town needed to review its financial policies, determine if it had followed them, and develop a plan to recover from policy deviations. These were especially important when bonding. Vice-Mayor Tenney noted that the Finance Committee had started reviewing those and had gotten half-way through.

Timeframes for committees

- Council approve committees at its next meeting.
- Develop timelines.
- Develop communication plan; involve other current committees and Library volunteers.
- Develop community involvement plan; involve Friends of the Library, Senior Center, Recreation, Transit, Chamber, community clubs and organizations; use news releases to give information; and give progress reports. Inform citizens on the scope of the budget challenges and deficits; provide opportunity for them to participate in the decision-making process; solicit new ideas for cost reductions and/or revenue enhancements; develop trust in difficult decisions.
- Once the committees were done gathering and reviewing data, they needed to put it all together.

Mayor Marley stated that he would speak about these committees in his next Mayor's Report.

Closing thoughts

Ms. Walker told Council that they had a tough road ahead, but they were entrusted by the citizens to address the issues.

Mr. Smith urged Council and staff to work as a team and leave personalities aside. He also disclosed a legal matter regarding his performance in San Juan Bautista over 10 years ago in case anyone heard about it and he offered to speak with anyone who had questions.

Mayor Marley encouraged Council and staff to be open and honest with one another as they embarked on this process.

3) ADJOURNMENT

Mayor Marley adjourned the meeting at 12:56 p.m.

ATTEST:

Chris Marley, Mayor

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 6th day of August, 2012. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 13th day of November, 2012.

Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. b.**

Meeting Date: 11/13/2012

Contact Person: Jami Lewis

Phone: 928-636-2646 x-1208

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to approve the August 14, 2012 regular meeting minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Approve the August 14, 2012 regular meeting minutes. (Jami Lewis, Town Clerk)

Attachments

August 14, 2012 minutes

DRAFT

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

**TUESDAY, AUGUST 14, 2012
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, August 14, 2012.

Present: Mayor Chris Marley; Vice-Mayor Carl Tenney; Councilmember Mike Best; Councilmember Darryl Croft; Councilmember Dean Echols; Councilmember Linda Hatch; Councilmember Lon Turner

Staff Present: Interim Town Manager Robert Smith; General Services Director Cecilia Watts; Town Attorney Tom Kack; Finance Director Joe Duffy; Police Commander Mark Garcia; Town Engineer/Public Works Director Ron Grittman; Utilities Supervisor Chris Bartels; Town Clerk Assistant Liz Hart; Town Clerk Jami Lewis (recorder)

Attendees: Utilities Crew Leader Joe Grassi

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

Mayor Marley called the meeting to order at 6:03 p.m.

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

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a)** Recognition of outgoing members of the Parks and Recreation Advisory Board, Senior Center Advisory Board, Roads and Streets Committee, and Municipal Property Corporation. (Mayor Marley; Jami Lewis, Town Clerk)

Mayor Marley presented Certificates of Appreciation to outgoing members of several Town public bodies.

- b)** Recognition of Chino Valley Library volunteers. (Mayor Marley)

Mayor Marley acknowledged the Chino Valley Library volunteers, who had saved the Library a great deal of money through their efforts.

3) CALL TO THE PUBLIC

George Garewal, resident since 2011, spoke about problems with living next to Wade's Custom Meats, which he felt was an incompatible use for a residential area. He provided a DVD and pictures of his concerns.

Joe Iaccarino, resident, spoke about submitting two public records requests and staff's response to the first being that there were no records; he questioned the Town's policy, as he believed citizens were entitled to such records. Councilmembers stated that the town attorney had already agreed to check into the matter, Council minutes addressed some of his concerns, and the Town did not hide its records.

Cara Brennon, resident, asked several questions about a Hell's Angels' event in Town relative to funding for extra duty officers, lack of event permit, drinking and riding in a motorcycle "parade," and Town regulations not being strict enough to keep such events from the Town. Police Commander Mark Garcia reported that:

- Funding for police coverage was coming out of the Police budget; all vacations and days off had been cancelled, and they will receive assistance from several other law enforcement entities.
- Per the Development Services Department, because Doreen's was a business, it did not need a permit, and Town regulations had no provisions for parades.
- Law enforcement personnel will make sure state liquor laws were followed, assist parade participants, and conduct DUI saturation patrols over the weekend.
- He agreed that this matter provided the Town an opportunity to review its ordinances.

Steve Chontos, owner of Chino Golf Range, spoke in opposition to plans to use raised medians on the highway widening project from Road 5 South to the airport, as the current medians in Town had hurt businesses and the Town did not receive promised uncurbed shoulders, resulting in a safety hazard. He suggested a wide center lane instead of medians for the future project and that Council appeal to the state engineer if they agreed with him.

Tom Payne spoke about the next Chamber of Commerce mixer at his print shop.

Ron Romley, resident, former councilmember, and former ADOT employee, spoke about the highway medians being built for drainage and safety; and his beliefs that the former Council made the right decision, the road was very safe now, and the medians did not run out businesses.

David Richardson, resident, spoke about a noise problem from a dog training business next door to his residence.

Todd League, Chair of the Parks and Recreation Advisory Board, spoke about the Board's opposition to the Town's plans to change the current recreation activity center building to other uses, especially since the Town had closed down the skate park and rodeo grounds.

4) RESPONSE TO THE PUBLIC

Mayor Marley had nothing to report.

5) CURRENT EVENT SUMMARIES AND REPORTS

Mayor Marley reported that Council will hold a special meeting on August 23 and a study session on September 6.

General Services Director Cecilia Watts recognized Utilities Supervisor Chris Bartels, Utilities Technician Joe Grassi, and Building Official Dan Trout for re-establishing a Safety Committee, which had been inactive since 2005. The group intended to perform a facility assessment, job analysis, and employee training over the next year for all departments.

Councilmember Hatch reported that the Appointments Committee was meeting on the 16th to review applications for several public body positions.

a) Status report regarding HB 2826 "Consolidated Elections." (Jami Lewis, Town Clerk)

Town Clerk Jami Lewis reported on the status of HB 2826. Key points were:

- HB 2826 mainly required that all municipal candidate elections move to the fall of even-numbered years starting in 2014. The bill's sponsor indicated a willingness to sponsor a cleanup bill to address issues such as term lengths and home rule matters.
- In light of this, the League of Arizona Cities and Towns will request that the Legislature determine whether term lengths should be shortened or lengthened or give the municipalities legal coverage to make that choice. Once the Legislature acted, the League will then draft implementation guidelines and forward them to the municipalities, hopefully in mid-Spring 2013.
- Thus, the League, as well as Yavapai County Elections Department, were now recommending that municipalities with Spring 2013 elections, especially those with a Home Rule election, proceed as usual and not implement any changes.

b) Report on the Council Study Session held on August 6, 2012 regarding strategic financial planning. (Mayor Marley)

Mayor Marley stated that he had been asked to report on the timelines for enactment of a sales tax increase, and primary and secondary property tax. Starting today, a sales tax increase could be effective about March 1, 2013. A primary property tax could only be approved by the voters on the third Tuesday of May; a tax approved on May 21, 2013 would be effective between 2013-2014. A secondary property tax/bond election would take about a year and could be on a ballot in November 2013. All three were long and involved processes.

6) CONSENT AGENDA

Council set down item 6c to send it back to committee for further review on August 23.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to approve Consent Agenda items 6a, b, d and e.

Vote: 7 - 0 PASSED - Unanimously

a) Consideration and possible action to cancel the December 25, 2012 Council meeting and authorize the Mayor to cancel the November 27, 2012 Council meeting should there be no items needing attention. (Jami Lewis, Town Clerk)

- b) Consideration and possible action to accept the Charter for the Mayor's Ad Hoc Revenue Options Committee. (Mayor Marley)
- c) Consideration and possible action to adopt Resolution No. 12-999, declaring as a public record that certain document filed with the Town Clerk and entitled "Chino Valley Town Code, Chapter 90: Animals," adopt Ordinance No. 12-760 adopting the same by reference, and amend the Town Code by replacing Town Code Chapter 90 in its entirety. (Public Safety Committee)

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Mike Best to refer item 6c to the Council Public Safety Committee for review.

Vote: 7 - 0 PASSED - Unanimously

- d) Consideration and possible action to approve the June 12, 2012 Regular Meeting minutes. (Jami Lewis, Town Clerk)
- e) Consideration and possible action to approve the June 19, 2012 Special Meeting minutes. (Jami Lewis, Town Clerk)

7) ACTION ITEMS

- a) Financial report by Ed Steinback regarding Chino Valley Transit System operations. (Robert Smith, Town Manager)

Mayor Marley reported that Mr. Steinback was unable to attend tonight's meeting.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to postpone item 7a to August 23.

Vote: 7 - 0 PASSED - Unanimously

- b) Consideration and possible action to approve the Chino Valley Transit Advertising Policy and Procedures, and Transit Advertising Contract.

Ron Romley, Chair, Transit Advisory Committee (TAC), reported that at Council's request, TAC researched other transit entities and prepared these documents. Nine entities had already indicated an interest in advertising, and funds received for this will be used to keep the system budget neutral.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to approve Chino Valley Transit Advertising Policy and Procedures, and Transit Advertising Contract.

Vote: 7 - 0 PASSED - Unanimously

- c) Consideration and possible action to approve Letter of Interest and Ground Lease Agreement Amendment from SBA Structures, Inc. regarding cell site lease and lump sum payment of rents, in the amount of \$300,000. This item was budgeted as a one time Revenue in Fiscal Year 2012/2013.

Mr. Smith reported that through negotiations with SBA, the Town could secure a lump sum payment in lieu of monthly rents for SBA's continued use of the site.

Mayor Marley pointed out that the dollar amount in the agenda item title was incorrect and should be \$330,000.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Darryl Croft to approve Letter of Interest and Ground Lease Agreement Amendment to accept a lump sum payment from SBA in the amount of \$330,000.

Vote: 7 - 0 PASSED - Unanimously

- d) Consideration and possible action to establish and accept a Charter for the Ad Hoc Program Review Committee. (Mayor & Council)

Town Clerk Jami Lewis reported that during the August 6, 2012 study session, the Council discussed forming two new committees, the Mayor's Ad Hoc Revenue Options Committee and an Ad Hoc Program Review Committee, to assist with researching issues for the strategic financial plan.. The Program Review Committee will review the Town's current programs for impacts on the general fund and submit their findings to the Finance Committee, who will then combine the data with that of the other committees and report back to Council.

Councilmember Turner added that he met with staff to identify discussion topics for the committee, which will hold its first meeting soon.

Councilmember Hatch requested that staff include the strategic financial plan meetings in the Council Quorum Notices in case additional councilmembers wanted to attend the meetings.

Vice-Mayor Tenney invited the public to help the Town find ways to manage its budget.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Darryl Croft to establish and accept Charter for the Ad Hoc Program Review Committee.

Vote: 7 - 0 PASSED - Unanimously

- e) Discussion and possible direction to staff regarding mandatory connection to the Town of Chino Valley sewer system. (Ron Grittman, Town Engineer)

Mr. Grittman reported that:

- Per Town Code Section §51.155 (A), "When the town's sanitary sewer mains are extended to within 400 feet of the property, property owners with existing businesses or residences requiring sewer service are required to connect to the town's sewer system within 120 days of written notice by the town that the service is available."
- Over the last several years, at the direction of previous councils, staff had interpreted the 400-foot distance to be measured from the sewer main to the septic system rather than the property line.
- Recently, after staff re-issued letters to 39 residents whose properties met the code requirement to tie into the sewer system, the town manager directed staff to delay further efforts to implement the current code until staff received further direction from

Council.

Mayor Marley added that although Council wanted to pay the Town's debts, they wanted to be as fair to the citizens as possible.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Darryl Croft to refer this item to the Utilities Committee for further discussion and recommendations to Council.

Vote: 7 - 0 PASSED - Unanimously

- f) Consideration and possible action to approve the right-of-way abandonment and the settlement terms for the abandonment of nine feet (9') of right-of-way for Perkinsville Road across the frontage of Assessor's Parcel Number 306-20-006B. (Owner: Sally Brown) (Ron Grittmann, Town Engineer)

Acronym used in this item:

ROW (Right of Way)

Mr. Grittmann reported that:

- Assessor's Parcel No. 306-20-006B had two ROW dedications along Perkinsville Road: one dedication for nine feet, executed on December 8, 1994 and one for 25 feet on December 23, 1994. Staff found no documentation as to why these dedications occurred, and the nine-foot dedication encroached on the structure located on this property by approximately four to seven feet.
- This encroachment created a "nonconforming use," which disallowed any building permits from being issued, resulting in the current property owner, Sally Brown, not being able to refinance the residence.
- Ms. Brown purchased the property during the time between the dedications, and neither she nor her title company, First American Title, were aware of the December 8, 1994 dedication. Upon learning of it, she entered into litigation with the title company.
- In 2007, the Town had some negotiations with Ms. Brown to acquire the additional ROW and compensate her for the property by paying for demolition of the existing home. She, in turn, could construct a new home that met all setback requirements. These negotiations were never finalized.
- In 2011, the office of Musgrove, Drutz, and Kack, P.C., the town attorney, who also represented First American Title, met with staff several times to discuss a resolution.
- The resolution that seemed most acceptable to all parties was that First American Title will pay the Town of Chino Valley \$10,000 for the value of the ROW due to the belief that at some point in the future, another more significant ROW dedication for Perkinsville Road will be required. Because of the location of Ms. Brown's home, in all likelihood, a taking of the complete home will be required.
- The \$10,000 will also compensate the Town for giving up the rights that it already had to the nine-foot dedication and these funds could be used as compensation to Ms. Brown for the future ROW acquisition. It must be noted that no appraisal was performed to determine the exact cost to cure for acquisition of the structure.

Council asked about problems with utility extensions. Mr. Grittmann stated that staff will make sure utility lines were within the 25 feet.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to approve the abandonment of nine feet of right-of-way at Perkinsville Road and approve the settlement outline across the frontage of Assessor's Parcel Number 306-20-006B.

Vote: 7 - 0 PASSED - Unanimously

8) EXECUTIVE SESSION

Council held no executive sessions.

9) ADJOURNMENT

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to adjourn the meeting at 7:20 p.m.

Vote: 7 - 0 PASSED - Unanimously

ATTEST:

Chris Marley, Mayor

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 14th day of August, 2012. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 13th day of November, 2012.

Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 6. c.

Meeting Date: 11/13/2012
Contact Person: Jami Lewis
 Phone: 928-636-2646 x-1208
Department: Council
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve Amendment No. 1 to Agreement between Burgess & Niple, Inc. and the Upper Verde River Watershed Protection Coalition for Program Management Services, dated November 28, 2007, to extend the effective date of the agreement through June 30, 2013.

RECOMMENDED ACTION:

Approve Amendment No. 1 to Agreement between Burgess & Niple, Inc. and the Upper Verde River Watershed Protection Coalition for Program Management Services, dated November 28, 2007, with the understanding that the Town shall remain as a non-dues paying non-voting member until further notice.

SITUATION AND ANALYSIS:

On June 8, 2006, the Upper Verde River Watershed Protection Coalition (Coalition) was created by Intergovernmental Agreement (IGA) between the Town of Chino Valley and other jurisdictions in the area to address water management issues in the Prescott Active Management Area and to protect the base flows of the Upper Verde River. In November 2007, the Coalition hired the engineering firm Burgess & Niple, Inc.(B&N) to provide program management services for the Coalition and to complete the projects identified and approved by the Coalition Board.

The initial contract with B&N expires on November 27, 2012. On October 24, 2012, the Coalition Board approved a 7-month extension of the contract that introduces cost-saving measures such as reduced hourly fees and a reduced meeting schedule. The contract amendment, which will expire at the end of the fiscal year (June 30, 2013), establishes a trial period for the change in services and provides time to negotiate a longer-term program management contract.

This contract extension, like the original contract, requires final approval by the elected Councils or Boards that are members of the Coalition and the signature of the Mayors or Chairman of those jurisdictions.

Although the Town had formerly been a dues paying, voting member of the Coalition, due to the Town's budget

difficulties, on September 13, 2011, Council voted to continue participating with the Coalition as a non-dues paying, non-voting member. In reviewing the Agreement Amendment, the Town Attorney pointed out that: *"Exhibit "A", Section 3, of Amendment provides that Consultant is to be reimbursed for "materials" and "out of pocket" expenses. These terms are quite open-ended. The concern is the Town's exposure to reimburse Consultant for a major "out-of-pocket" expense that it is not anticipating."* Thus, staff recommends that Council's motion includes language to clarify that the Council approves the Agreement Amendment with the understanding that the Town shall remain as a non-dues paying non-voting member until further notice.

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Amendment No. 1, Program Mananagement Services Agreement

**AMENDMENT NO. 1
TO
AGREEMENT BETWEEN
BURGESS & NIPLE, INC.
AND
UPPER VERDE RIVER WATERSHED PROTECTION COALITION
FOR PROGRAM MANAGEMENT SERVICES**

SECTION I - GENERAL

This is an AMENDMENT to the AGREEMENT dated November 28, 2007, between Burgess & Niple, Inc., hereinafter referred to as CONSULTANT, and the Upper Verde River Watershed Protection Coalition, hereinafter referred to as PROTECTION COALITION, being formed by the Intergovernmental Agreement between Yavapai County, the Yavapai-Prescott Indian Tribe, the City of Prescott, the Town of Prescott Valley, the Town of Chino Valley, and the Town of Dewey-Humboldt, dated June 8, 2006.

WITNESSETH: All stipulations in the AGREEMENT between CONSULTANT and PROTECTION COALITION remain in effect except as hereinafter amended;

NOW, THEREFORE, in consideration of these premises and the mutual covenants hereinafter set forth, it is agreed as follows:

SECTION II - NECESSITY

In accordance with ARTICLE 3, "AGREEMENT TERM", of the AGREEMENT, this AMENDMENT is necessary so that CONSULTANT can continue work on tasks remaining to be completed and begin work on additional new tasks. These tasks include program management, capital projects, grant research and application services, public relations, website maintenance, water conservation efforts, and watershed restoration efforts.

SECTION III - TERMS AND CONDITIONS

- A. Exhibit "A"** – The scope of services and corresponding rate schedule is revised and is attached to this AMENDMENT.
- D. Time** – This AMENDMENT will extend the effective date of the AGREEMENT through June 30, 2013.

SECTION III - SIGNATURES

IN WITNESS WHEREOF the parties hereto have affixed their hands and seals this _____ day of _____, 2012.

PROTECTION COALITION Members:

Town of Prescott Valley (a Municipal Corporation of
Arizona)

Harvey C. Skoog, Mayor

ATTEST:

Diane Russell, Town of Prescott Valley Clerk

APPROVED AS TO FORM:

Ivan Legler, Town of Prescott Valley Attorney

City of Prescott (a Municipal Corporation of Arizona)

Marlin Kuykendall, Mayor

ATTEST:

Lynn Mulhall, City of Prescott Clerk

APPROVED AS TO FORM:

City of Prescott Attorney

Town of Chino Valley (a Municipal Corporation of
Arizona)

Chris Marley, Mayor

ATTEST:

Jami Lewis, Town of Chino Valley Clerk

APPROVED AS TO FORM:

Town of Chino Valley Attorney

Yavapai County

Thomas Thurman, Board Chairman

ATTEST:

Ana Wayman-Trujillo, Clerk of the Board, Yavapai County

APPROVED AS TO FORM:

Dave Hunt, Board Attorney, Yavapai County

Yavapai-Prescott Indian Tribe

Ernest Jones Sr., President

ATTEST:

Tribal Clerk

APPROVED AS TO FORM:

Tribal Attorney

Burgess & Niple, Inc. (CONSULTANT)

Edwin J. Muccillo Jr.
Vice President

ATTEST:

Revised Exhibit “A”

1. The Program Manager for the CONSULTANT is designated as Mr. Edwin J. Muccillo Jr., PE.

2. CONSULTANT will provide Program Management services to include the following:
 - a. Generate and develop project ideas
 - b. Manage/oversee and implement approved projects
 - c. Facilitate PROTECTION COALITION Board Meetings
 - d. Attend PROTECTION COALITION TAC Meetings
 - e. Perform research as directed by the PROTECTION COALITION
 - f. Generate position papers as directed by the PROTECTION COALITION
 - g. Prepare and provide project updates to the PROTECTION COALITION
 - h. Coordinate with other organizations as directed by the PROTECTION COALITION
 - i. Provide administration of PROTECTION COALITION functions including preparing meeting agendas, preparing meeting minutes, reproduction, and invoicing
 - j. Communicate with PROTECTION COALITION member governments as directed by the PROTECTION COALITION

3. CONSULTANT will provide the services outlined in Item 2 on an hourly rate basis in accordance with the PROTECTION COALITION’s budget. Invoices will be sent monthly based on hourly billing rates provided below and reimbursable expenses. Subconsultants will also be invoiced on an hourly rate basis in accordance with the PROTECTION COALITION’s budget. Subconsultants will be marked up at \$5 per hour. These hourly rates are valid through June 30, 2013. Reimbursable expenses will include mileage at the IRS standard mileage rate, technology/computer charges, materials, and out-of-pocket expenses.

a. Program Manager (Ed Muccillo)	\$195 per hour
b. Assistant Program Manager (Rick Shroads)	\$140 per hour
c. Program Coordinator (Dana Biscan)	\$125 per hour
d. Grants Coordinator (Melody Reifsnyder)	\$80 per hour
e. Project Engineer	\$130 - 150 per hour
f. Administrative	\$75 per hour

4. The fiscal agent for the PROTECTION COALITION is designated as the Town of Prescott Valley. Mr. John Munderloh, Water Resources Manager, will be the point of contact for invoicing and issues concerning this Agreement.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 6. d.

Meeting Date: 11/13/2012
Contact Person: Robert Smith
 Phone: 928-636-2646 x-1201
Department: Town Manager
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to authorize a \$500 expenditure for the Town of Chino Valley to join the Prescott Valley Economic Development Foundation.

RECOMMENDED ACTION:

Authorize an expenditure of \$500 for the Town of Chino Valley to join the Prescott Valley Economic Development Foundation

SITUATION AND ANALYSIS:

The Town of Chino Valley has significant resource limitations which make it virtually impossible for it to staff and run a stand-alone economic development effort. Prescott Valley has an existing organization that would welcome Chino Valley's membership -- and the Prescott Valley Foundation represents the closest thing to a regional economic development organization that's currently in operation in our area. Participation in the Prescott Valley organization will enable Chino Valley to easily connect with business developers and job creators in our area, and may result in referrals to Chino Valley which generate jobs and business opportunities. The \$500 expenditure is minimal, and leverages many opportunities for our community to improve the local economy.

Fiscal Impact

Fiscal Impact?: Yes
If Yes, Budget Code: 01-43-5231
Available: 500

Funding Source:

Funding to come from the Subscriptions and Memberships line in the Town Managers budget.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. e.**

Meeting Date: 11/13/2012
Contact Person: Ron Grittman
 Phone: 928-636-2646 x-1223
Department: Public Works
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: Center Street between Railroad and Cottonwood

AGENDA ITEM TITLE:

Consideration and possible action to approve final change order to contract with CLM Earthmovers, for the Center Street Community Development Block Grant Project, in the amount of \$11,995.00.

RECOMMENDED ACTION:

Approve final change order to CLM Earthmovers contract in the amount of \$11,995.00.

SITUATION AND ANALYSIS:

On June 26, 2012, CLM Earthmovers was awarded the construction contract for the Community Development Block Grant Project (CDBG.) This project constructed a box culvert under Center Street at an unnamed wash between Railroad Avenue and Cottonwood Lane along with a detention basin and outlet pipe. This project was awarded in the amount of \$302,288.04. The actual funds remaining under the CDBG project that the Town had was approximately \$316,406.00. This leaves \$14,117.96 of grant funding available.

In order to expend as close to the full amount of the funding as possible that is available under the grant this change order added additional aggregate base course (AB) to the roadway impacted from construction along with adding some stabilizing rip rap along the roadway shoulders over the box culvert. This change order will complete the project and expend the maximum available funds available under the grant. The improvements were needed to provide an AB roadway surface of approximately 6"-8" in depth and a protected roadway slope.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 03-90-5440

Available:

Funding Source:

Funds to come from Community Development Block Grant.

Attachments

Change Order


Transmittal 120601

CLM EARTHMOVERS, LLC

P. O. Box 12002

Prescott, AZ 86304

928/445-1918

928/445-4773 Fax

To: Town of Chino Valley

Richard Straub, Project Manager

202 N. State Route 89

Chino Valley, AZ 86323

Ph. 928/636-2646/fax 928/636-2144

We are sending you via:

Email

Date: 02-Oct-12

Agency: Town of Chino Valley

Project Name/No.: Chino Meadows Unit V CDBG 2012

CLM Job No. 120601

These are transmitted as checked below:

Prints Correspondence Copies

Specifications Other

Product Samples Photocopies

Change Orders Photographic Materials

Reviewed And Approved By CLM Earthmovers, LLC

For Your Approval

For Your Use

As Requested

☒ For Review/Comment

Note Markings

Comments Attached

Rejected

No Exception Taken

Copies	Date	Description
1	10/02/12	Change Order #4 for additional AB & Rip-Rap. Previously approved via email.

REMARKS:

cc: Job File 120601

Signature:

Drew Curry, Project Manager



Office (928) 445-1918
Fax (928) 445-4773
E-mail: Drew@CLMearthmovers.com
PO Box 12002 Prescott, AZ 86304
ROC No. 253879

CHANGE ORDER REQUEST

Requested By : Drew Curry
Contract Extension of 3 Working Days

Job Name:	Chino Meadows Unit V CDBG Project 2012
Date:	10/2/2012
CO# :	4
Job Number:	

Description of Work:

Placement of additional AB on the roadway, and Rip-Rap

Labor and Equipment Per Hour

Labor and Equipment Per Hour			
Description	Total Hours	Hourly Rate	Total Price
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
		Total	\$ -

Material / Unit price

[illegible]

Material Total Price	\$ 11,995.00
Equipment and Labor Total Price	\$ -
15% Markup	
Total Price	\$ 11,995.00

Authorized Signature:

Name: _____

Date: _____



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. a.

Meeting Date: 11/13/2012
Contact Person: Ron Grittman
 Phone: 928-636-2646 x-1223
Department: Public Works
Item Type: Action-Presentation
Estimated length of staff presentation: 20 minutes
Physical location of item: Townwide

AGENDA ITEM TITLE:

Consideration and possible action to approve a utility rate schedule and direct staff to post the proposed schedule in accordance with ARS §9-499.15 to its home web page and direct staff to prepare the required resolution for consideration and possible action in accordance with ARS §9-511.01 at its January 22, 2013 meeting.

RECOMMENDED ACTION:

Approve utility rate schedule, Alternative ____, and direct staff to post the proposed the schedule in accordance with ARS §9-499.15 to its home web page and direct staff to prepare the required resolution for consideration and possible action in accordance with ARS §9-511.01 at its January 22, 2013 meeting.

SITUATION AND ANALYSIS:

In June 2012 the Town contracted with Economist.com to develop a utility rate schedule that would address certain deficiencies within the Utilities Division. These issues relate to the Utility Division being funded by approximately \$900,000 from the one percent sales tax. In addition, other issues relating to impacts with the operation and maintenance of the current wastewater treatment plant present limitations on the Town's extension of infrastructure. This utility rate schedule develops various alternatives that address the issues with various successes.

On October 4, 2012 the first draft of the proposed rate schedule was presented to the Council. In addition to the null alternative, the initial proposal developed was based on a four year phase out of the subsidy, acquiring the operation and maintenance contract in August 2014, and increasing the number of water customers by 435. This increase in customer base could be accomplished through private or public water company acquisition.

The Utility Committee has reviewed the first draft and provided additional comment. In short,

the committee asked that two additional scenarios be developed. These additional alternatives were to look at 1) holding the current rates for a two year period then allowing an increase and 2) increasing the water and sewer fees by \$6.00 per month in the first two years and reducing subsequent increases. A detailed PowerPoint presentation will be given during the staff report.

Fiscal Impact

Fiscal Impact?: None

If Yes, Budget Code:

Available:

Funding Source:



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. b.

Meeting Date: 11/13/2012

Contact Person: Ron Gritman
Phone: 928-636-2646 x-1223

Item Type: Action

**Estimated length
of Staff Presentation:** None

Physical location of item: Road 1 East between Road 4 South and the future alignment of Road 5 South
Road 5 South

AGENDA ITEM TITLE:

Continued from September 6, 2012: Discussion regarding the extension of Road 1 East between Road 3 South and the future alignment of Road 5 South.

SITUATION & ANALYSIS:

ADOT has proposed two alternatives regarding the configuration of Highway 89 between Road 4 South and the southern town limits of Chino Valley (Road 5 South.) ADOT is attempting to complete the design of this portion of the roadway so that the project can be ready for bid July 2013.

The first alternative will have only two left turns for south bound traffic. One left turn will be at the approximate location of Road 4½ South and the other will be at Road 5 South. Unfortunately neither of these locations will allow for the southbound left turn into the businesses.

The second alternative proposes to construct three left turns for south bound traffic provided that the Town of Chino Valley will construct Road 1 East between Road 4 South and Road 5 South. In an effort to better provide circulation, Council expressed a desire to look at extending Road 1 East between Road 3 South and Road 4 South. This alternative will construct a left turn into Windy Plaza in addition to the two left turns in the first alternative.

ADOT will provide the Town with all the millings from the Highway 89 project for the construction of Road 1 East. The construction will be performed by Public Works Staff and is estimated at approximately \$30,000 to complete. Drainage culverts and a low water crossing will be constructed at Autumn Wash south of Road 3 South.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. c.**

Meeting Date: 11/13/2012
Contact Person: Ron Grittman
 Phone: 928-636-2646 x-1223
Department: Public Works
Item Type: Action-Presentation
Estimated length of staff presentation: 5 minutes
Physical location of item: Road 4 South at Highway 89

AGENDA ITEM TITLE:

Consideration and possible action to approve the drawings of the proposed maquette rendition of the equine sculptures for the roundabout at Road 4 South and Highway 89.

RECOMMENDED ACTION:

Approve the drawings of the proposed maquette rendition of the equine sculptures for the roundabout at Road 4 South and Highway 89.

SITUATION AND ANALYSIS:

Attached is a series of photographs that depict the three equine sculptures that Jon Hair has proposed for the roundabout at Road 4 South and Highway 89. This agenda item will provide Mr. Hair the necessary authorization to approve the proposed artwork prior to casting and finalizing the design.

Fiscal Impact

Fiscal Impact?: None

If Yes, Budget Code:

Available:

Funding Source:

Attachments

[Image 1](#)

[Image 2](#)

[Image 3](#)

Image 4

Image 5



TOWN OF CHINO VALLEY

THREE MUSTANGS
Maquette Sculptures Shown





CHINO VALLEY HORSES

3 HORSES

2 Standing (approx 7' 4" tall)

1 Rearing (approx height) 10' 0"





TOWN OF CHINO VALLEY
THREE MUSTANGS
Maquette Sculpture Shown





TOWN OF CHINO VALLEY
THREE MUSTANGS
Maquette Sculpture Shown





TOWN OF CHINO VALLEY
THREE MUSTANGS
Maquette Sculpture Shown



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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. d.

Meeting Date: 11/13/2012
Contact Person: Jami Lewis
 Phone: 928-636-2646 x-1208
Department: Town Clerk
Item Type: Action
Estimated length of staff presentation: 5 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to adopt Resolution No. 12-1002, approving a Call of Election for Spring 2013, designating election date, purpose of election, deadline for voter registration, and location and deadline for candidates to file nomination papers.

RECOMMENDED ACTION:

Adopt Resolution No. 12-1002, approving a Call of Election for Spring 2013.

SITUATION AND ANALYSIS:

The Town's next election is scheduled for Spring 2013, with the Primary Election on March 12, 2013 and the General Election on May 21, 2013. The election will be a vote-by-mail ballot election pursuant to the Elections Services Agreement with the Yavapai County Recorder approved in November 2009. Pertinent election dates are attached.

Proposed ballot items include the election of a mayor and three Councilmembers, and a ballot measure for Alternative Expenditure Limitation - Home Rule Option. Elected officials whose terms expire in June 2013 are Mayor Chris Marley, Vice-Mayor Carl Tenney, and Councilmembers Dean Echols and Linda Hatch.

Potential candidates should take note that pursuant to House Bill 2826, passed during the previous legislative session, the Town's General Elections will move from the Spring of odd-numbered years to the Fall of even-numbered years starting in 2014. Thus, current councilmembers elected in 2011 and candidates elected in 2013 will not serve a standard 4-year term; their terms will either be shortened to 3.5 years or lengthened to 5.5 years. Shortening or lengthening these terms will not be decided until next spring.

Candidate packets are available from Town Clerk's Office and candidates will have from

November 13 to December 12 to file their nomination papers. For more information, see the attachments below and the Town of Chino Valley website at <http://www.chinoaz.net/clerk/elections.shtml>.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 01-42-5285

Available: \$32,633

Funding Source:

Funds to come from Town Clerk budget, election costs expenditure line in the general fund.

Attachments

Resolution 12-1002 Call of Election

Election - Important Dates

CALL OF ELECTION

RESOLUTION NO. 12-1002

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, DESIGNATING THE ELECTION DATE AND PURPOSE OF ELECTION; DESIGNATING THE DEADLINE FOR VOTER REGISTRATION; AND DESIGNATING THE PLACE AND THE LAST DATE FOR CANDIDATES TO FILE NOMINATION PAPERS

BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, AS FOLLOWS:

Section 1: Designation of Election Date

That March 12, 2013, has been set as the time for holding the Primary Election in the Town of Chino Valley.

Section 2. Purpose of Election

That a Primary Election will be held for the purpose of nominating candidates for Mayor and Councilmember whose names shall appear on the ballot at the General Election to be held May 21, 2013. Any candidates receiving a majority of all the votes cast at the Primary Election will be declared elected without running in the General Election.

Section 3. Propose the Approval of the Home Rule Expenditure Limitation Option

A proposal to adopt a local alternative expenditure limitation – home rule option – will be considered at the Town Primary Election on Tuesday, March 12, 2013.

Section 4 Designation of a “Vote-By-Mail-Ballot Election”

That the Town of Chino Valley will hold a “Vote-By-Mail-Ballot Election” for the March 12, 2013 Primary Election and for the May 21, 2013 General Election (if applicable).

Section 5. Designating Deadline for Voter Registration

Yavapai County registration and voting lists will be used for the municipal election. In order to be qualified to vote in the Primary Election, one must be registered

by February 11, 2013. The last day to register for the General Election will be April 22, 2013.

Section 6. Designating Date and Place to File Candidate Nomination Papers

Candidates seeking municipal office may obtain nomination papers and other materials which must be filed by candidates at the Town Clerk's Office, Town Hall, 202 N. State Route 89, beginning November 13, 2012. Candidates must file nomination papers and other nomination forms by 5:00 p.m. on December 12, 2012 in order for their names to appear on the Primary Election ballot.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 13th day of November, 2012.

Chris Marley, Mayor

ATTEST:

APPROVED AS TO FORM:

Jami C. Lewis, Town Clerk

Musgrove Drutz & Kack, PC
Town Attorney

CONVOCACIÓN DE UNA ELECCIÓN

RESOLUCIÓN NÚM. 12-1002

UNA RESOLUCIÓN DEL ALCALDE Y DEL CONCEJO COMÚN DEL PUEBLO DE CHINO VALLEY, CONDADO YAVAPAI, ARIZONA, DESIGNANDO LA FECHA DE LA ELECCIÓN Y EL PROPÓSITO DE LA ELECCIÓN; DESIGNA LA ÚLTIMA FECHA PARA REGISTRARSE PARA VOTAR; Y DESIGNANDO EL LUGAR Y LA ÚLTIMA FECHA EN QUE LOS CANDIDATOS PUEDEN PRESENTAR SUS FORMULARIOS DE NOMBRAMIENTO

RESUELVE EL ALCALDE Y EL CONCEJO COMÚN DEL PUEBLO DE CHINO VALLEY, CONDADO DE YAVAPAI, ARIZONA, COMO LO QUE SIGUE:

Sección 1: Designación de la Fecha de la Elección

Se ha fijado el día 12 de marzo de 2013 como la fecha para celebrar la Elección Primaria en el Pueblo de Chino Valley.

Sección 2. Propósito de la Elección

La Elección Primaria se celebrará con el propósito de nombrar a candidatos para el cargo de Alcalde y para Miembros del Concejo cuyos nombres aparecerán en la boleta de la Elección General que se celebrará el 21 de mayo de 2013. Cualesquier de los candidatos que reciban una mayoría de todos los votos emitidos en la Elección Primaria serán declarados elegidos sin tener que participar en la Elección General.

Sección 3. Propone la Aprobación de la Limitación de Gastos - Opción de Autonomía

Una propuesta para adoptar una limitación de gastos alternativa local - opción de autonomía - que se considerará en la elección Primaria del Pueblo en martes, día 12 de marzo de 2013.

Sección 4. Designación de una "Elección de Boleta Enviada por el Correo"

El Pueblo de Chino Valley celebrará una "Elección de Boleta Enviada por el Correo" para la Elección Primaria del día 12 de marzo de 2013 y para la Elección General del día 21 de mayo de 2013 (si aplicable).

Sección 5 Designación de la Última Fecha para Registrarse para Votar

El registro y las listas de votantes del Condado Yavapai se usarán para la elección municipal. Para estar capacitado para votar en la Elección Primaria, uno tiene que estar registrado para votar para el día 11 de febrero de 2013. La última fecha para registrarse para votar para la Elección General será el 22 de abril de 2013.

Sección 6. Designa la Fecha y el Lugar en donde Entablar los Formularios de Nombramiento de Candidatura

Los candidatos procurando un cargo municipal pueden obtener los formularios de nombramiento y otros materiales que se tienen que entablar por los candidatos de la Oficina del Secretario del Pueblo de Chino Valley, Ayuntamiento, 202 N. State Route 89, comenzando el día 13 de noviembre de 2012. Los candidatos tienen que entablar los formularios de nombramiento y otros materiales de nombramiento para las 5:00 de la tarde el día 12 de diciembre de 2012 para que sus nombres aparezcan en la boleta de la Elección Primaria.

PASADA Y ADOPTADA por el Alcalde y el Concejo Común del Pueblo de Chino Valley, Arizona este día 13 de noviembre de 2012.

Chris Marley, Alcalde

CERTIFICA:

APROBADA EN FORMA:

Jami C. Lewis, Secretario del Pueblo

Musgrove Drutz & Kack,
Abogado del Pueblo

PERTINENT ELECTION DATES
SPRING 2013

APPLICABLE PARTY	LEGAL DATE	ACTION STEP
Candidates & Political Action Committees	Nov. 13	Earliest date to file nomination papers
	Dec. 12	Deadline to file nomination papers, 5:00 p.m., Town Clerk's Office at Town Hall
	Jan. 11	Earliest date to post political signs
	Jan. 31	Deadline for write-in candidates to file nomination papers, 5:00 p.m., Town Clerk's Office at Town Hall
	Mar. 7	Deadline for late vacancy write-in candidates to file nomination papers, 5:00 p.m., Town Clerk's Office at Town Hall
	Mar. 8	Deadline to file Pre-Primary Campaign Finance Report (for candidates and all registered political action committees who file a Statement of Organization)
Citizens & Voters	Dec. 12	Deadline to submit arguments for voter pamphlet for ballot measures, 5:00 p.m., Town Clerk's Office at Town Hall
	Feb. 11	Deadline to register to vote in Primary Election
	Feb. 14	Early voting starts for voters unable or unavailable to vote from home after February 14
	Feb. 18-21	County mails out ballots
Current Elected Officials	Jan. 31	Deadline to file 2012 Financial Disclosure Statement
	MAR. 12	PRIMARY ELECTION DAY
Current Elected Officials	Apr. 1	Deadline to canvass vote (declare results) of Primary Election
Candidates & Political Action Committees	After canvass	Town presents Certificates of Nomination and/or Certificates of Election to candidates, as appropriate
	Mar. 22	Deadline to remove political signs (unless left up for General Election)
	Apr. 11	Deadline to file Post-Primary Campaign Finance Reports (for those who filed a Statement of Organization)
	Apr. 11	Deadline for write-in candidates to file nomination papers, 5:00 p.m., Town Clerk's Office at Town Hall

APPLICABLE PARTY	LEGAL DATE	ACTION STEP
	May 16	Deadline for late vacancy write-in candidates to file nomination papers, 5:00 p.m., Town Clerk's Office at Town Hall
	May 17	Deadline to file Pre-General Campaign Finance Reports (for those who filed a Statement of Organization)
Citizens & Voters	Apr. 14	Early voting starts for voters who will be unable or unavailable to vote from home after April 25
	Apr. 18	Deadline to register to vote in General Election
	Apr. 29- May 2	County mails out ballots
MAY 21 GENERAL ELECTION DAY		
Current Elected Officials	Jun. 10	Deadline to canvass (declare results) vote of General Election
Candidates & Political Action Committees	After canvass	Town presents Certificates of Election to candidates, as appropriate
	Jun. 11	Candidates to assume their new office
	May 31	Deadline to remove political signs
	Jun. 20	File Post-General Campaign Finance Reports (for those who filed a Statement of Organization)
	Sep. 9	File candidate committee termination statement



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. e.**

Meeting Date: 11/13/2012
Contact Person: Cecilia Watts
 Phone: 928-636-2646 x-1202
Department: General Services
Item Type: Action
Estimated length of staff presentation: 5 minutes
Physical location of item: Senior Senter

AGENDA ITEM TITLE:

Discussion and possible action to approve 2012 LTAF II Grant Agreement between Yavapai County and Chino Valley Senior Center for Senior Center transportation needs.

RECOMMENDED ACTION:

Approve 2012 LTAF II Grant Agreement between Yavapai County and Chino Valley Senior Center.

SITUATION AND ANALYSIS:

Yavapai County has notified the Town that approximately \$1,325 in 2012 LTAF (Local Transportation Assistant Funds) will be available for distribuion in December of 2012. In the past the funds have been used to support the Transit System. However, since as of June 30, 2012 the Transit System has \$23,567 in LTAF II funds. Staff is recommending these funds be used to supplement the Senior Center transportation needs.

Ed Steinback, Transit Manager, concurs with staff recommendation.

The LTAF II funds require at 25% match from the General Fund.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 01-66-5246

Available: 331.25

Funding Source:

The LTAF II funds require a 25% match from the General Fund.

Attachments

Grant Application
Agreement

LTAf II GRANT FUNDS REQUEST

Name of Agency: Town of Chino Valley

Contact Name: Joe R. Duffy

Phone: (928) 636-2646

Physical Address: 202 N. State Route 89

Mailing Address:202 N. State Route 89

Brief Description of Services Provided (must meet eligibility requirements as outlined in Appendix A): _____

Provide Senior Center Transportation Services, including transportation for elderly persons, persons with disabilities, and low income persons.

Agency Type (Circle):	Profit	Non-Profit (501C3)	Corporation	Partnership	L.L.C.
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Total Amount of Your Request: \$_____ x 25% = \$_____ Required Match
 (Documentation of match to be submitted with this request)

Describe how your match will be met (see attached): Town General Fund

Submitted By (Name) : Chris Marley, Mayor Name: _____
Please Print Signature

Please submit your request to: **Yavapai County Public Works Department**
Attn: Laura Bunn
1100 Commerce Drive
Prescott, Arizona 86305
(928) 771-3167 / Fax

Date Received: _____ District: _____ Approved By District Supervisor: _____

Approved Amount:\$ Match Amount Required:\$ Match Documentation Requested:

Match Documentation Received / Date:_____ Meets Requirements:_____

Processed for Payment: _____ Posted to Account: _____ Agenda Date for Approval: _____

Comments:

2012 LTAF II GRANT AGREEMENT

BETWEEN
YAVAPAI COUNTY
AND CHINO VALLEY SENIOR CENTER

THIS AGREEMENT is entered into this ____ day of _____, 2012, by and between YAVAPAI COUNTY a political subdivision of the State of Arizona (hereinafter the "COUNTY"); and Chino Valley Senior Center (hereinafter the "RECIPIENT")

RECITALS

WHEREAS, the COUNTY is authorized, pursuant to A.R.S. § 28-8103, to receive Local Transportation Assistance Funds (LTAF II funds), to use said funds for public transit purposes and to enter into funding agreements with local entities wishing to provide public transit services; and

WHEREAS, the RECIPIENT has requested that it be allocated a portion of the COUNTY's LTAF II Funds to be used to provide public transportation services as described in RECIPIENT's "Statement of Service" attached hereto as Attachment I and incorporated by reference herein.; and

WHEREAS, the COUNTY has agreed to allocate a portion of its LTAF II funds to RECIPIENT subject to the terms and conditions set forth herein.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

SECTION 1. PURPOSE. The purpose of this Agreement is to set forth terms and conditions whereby the RECIPIENT is to receive LTAF II Funds from the COUNTY for the purpose of providing Public Transportation services pursuant to A.R.S. § 28-8103.

SECTION 2. COUNTY RESPONSIBILITIES. The COUNTY will, upon the parties' execution of this LTAF Grant Agreement, and RECIPIENT's obligation of required matching funds as provided herein, authorize payment to the Grant Recipient in the amount of \$ _____ for performance of the public transportation services described in Attachment I.

SECTION 3. RECIPIENT'S RESPONSIBILITIES. The RECIPIENT agrees to provide public transportation services as described in the Statement of Service and to comply with all requirements set forth in the "LTAF II PROGRAM GUIDELINES AND ELIGIBLE RECIPIENTS AND EXPENDITURES FOR PUBLIC TRANSPORTATION". It is understood and agreed that LTAF II funds provided pursuant to this Agreement shall be expended only for the purposes specified in Attachment 1 except as provided by written amendment to this Agreement approved by the parties prior to any such non-conforming expenditure.

SECTION 4. FUNDING. The COUNTY receives LTAF II funding from the State of Arizona. This 2012 LTAF II funding was made available to the County on a "one-time" basis only for the purposes of providing public transportation to the general public without restriction. The parties agree and acknowledge that the LTAF II funding provided to the RECIPIENT pursuant to this Agreement is being provided on a "one-time" basis only and that this Agreement creates no expectation whatsoever of continued funding in the future.

The RECIPIENT agrees to contribute matching funds in an amount equal to at least 25% of the total amount of LTAF II funds to be received by RECIPIENT pursuant to this Agreement, said matching funds to be expended in addition to, not instead of, the total amount of LTAF II funding provided. The Recipient agrees to provide the COUNTY with documentation in the form specified by the COUNTY which may include, but may not be limited to, receipts, ledger spreadsheets, invoices, or other such documents, to confirm that specified matching fund requirements have been met.

Matching funds may consist of “in-kind” services, (i.e. the reasonable value of a volunteer van driver’s services), and/or any combination of cash expenditures for items listed as LTAF II “Eligible Public Transportation Expenditures.” in Attachment II.

SECTION 5. TERMINATION. This Agreement shall remain in force and effect until:

1. All expenditure amounts described in the Statement of Service, and all of RECIPIENT’s match amounts required pursuant to this Agreement have been expended, documented, and certified by the COUNTY and;
2. All public transportation activities as described in Attachment I have been determined, in the COUNTY’s sole discretion, to have been satisfactorily completed.

SECTION 6. INDEMNIFICATION. Each of the parties hereby agrees to save, hold harmless and indemnify the other for any claims, losses, liability, costs or expenses (including reasonable attorney fees) arising out of omissions, negligence, misconduct or other fault of the indemnitor, its officers, officials, agents or volunteers pursuant to this Agreement.

SECTION 7. DISPUTE RESOLUTION. In the event of any controversy which may arise out of this agreement, the parties hereto agree to abide by required arbitration as is set forth for public works contracts in Arizona Revised Statutes Section 12-1518.

SECTION 8. CANCELLATION FOR CONFLICT. This Agreement is subject to cancellation pursuant to A.R.S. §38-511, the provisions of which are incorporated by reference herein.

SECTION 9. NOTICES. All notices or demands upon any party to this agreement shall be in writing and be delivered in person or sent by mail addressed as follows:

Yavapai County
Public Works Department
Attn: Laura Bunn
1100 Commerce Drive
Prescott, AZ 86305

Chino Valley Senior Center
Attn: Chris Marley, Mayor
P.O. Box 406
Chino Valley, Arizona 86323

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement on the day and year first above written.

YAVAPAI COUNTY

RECIPIENT

Thomas Thurman
Chairman

Name (Please Print)

Title

ATTEST:

Ana Wayman-Trujillo
Clerk of the Board

Funds will be used by the Town of Chino Valley Senior Center to provide transportation assistance for elderly persons, persons with disabilities, and low income person.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. f.**

Meeting Date: 11/13/2012
Contact Person: Robert Smith
 Phone: 928-636-2646 x-1201
Department: Town Manager
Item Type: Action
Estimated length of staff presentation: None
Physical location of item: Prescott region

AGENDA ITEM TITLE:

Consideration and possible action to authorize the Mayor to sign a letter of support for the proposal by Yavapai Regional Transit for a Section 5311 Federal discretionary grant for Federal Fiscal Year 2013 to fund establishment of a regional transit system for the City of Prescott, Town of Prescott Valley, and Town of Chino Valley area.

RECOMMENDED ACTION:

Authorize the Mayor to sign a letter of support for a Section 5311 federal discretionary grant for the regional transit system proposal, as amended per Council discussion.

SITUATION AND ANALYSIS:

The purpose of the subject letter is to support the proposal by Yavapai Regional Transit for a Section 5311 Federal discretionary grant for Federal Fiscal Year 2013 to fund the establishment of a regional transit system for the City of Prescott, Town of Prescott Valley and Town of Chino Valley area.

Fiscal Impact

Fiscal Impact?: None

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Transit Letter of Support

November 13, 2012

Ms. Tracy Young
Program Manager, Transit Programs
Arizona Department of Transportation
206 S. 17th Avenue, Mail Drop 340B
Phoenix, AZ 85007-3213

Dear Ms. Young:

The purpose of this letter is to support the proposal by Yavapai Regional Transit for a Section 5311 Federal discretionary grant for FFY 2013.

The Town of Chino Valley is very interested in the establishment of a regional transit system for the City of Prescott, Town of Prescott Valley and Town of Chino Valley area. While Chino Valley Transit currently serves a significant population in the Town of Chino Valley, the expansion of that service via the creation of Yavapai Regional Transit will have deeper impact for our citizens who need help the most, while also expanding the mobility, destination and transportation choices for our entire community. It is clear that without the 5311 grant, the system will not be able to be started, so accordingly, we are enthusiastic and highly supportive of the potential funding approach.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Chris Marley, Mayor
Town of Chino Valley
(928) 636-2646



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. g.**

Meeting Date: 11/13/2012
Contact Person: Spencer Guest
 Phone: 928-636-2646 x-1215
Department: General Services
Item Type: Action-Presentation
Estimated length of staff presentation: 5 minutes
Physical location of item: Entire Town

AGENDA ITEM TITLE:

Consideration and possible action to approve the copier usage agreement and maintenance agreement for managed print services with Arizona Office Technologies (AOT).

RECOMMENDED ACTION:

Approve the copier usage agreement and maintenance agreement with Arizona Office Technologies (AOT) for a 60 month lease term.

SITUATION AND ANALYSIS:

The Town's current main copier has served its purpose well for the past 7 years, but it is now in need of replacement to allow the Town to continue its day-to-day operations. In the process of evaluating a replacement copier, the option of a broader approach to copier/printer management called managed print services (MPS) was investigated as a potential area to both enhance the Town's copier/printer fleet and realize cost reductions. Investigations of MPS have shown a greater potential to leverage new copier/printer technologies resulting in significant enhancements in staff efficiency and overall reductions in Town operational costs.

To determine the feasibility of MPS, staff analyzed the Town's current printer and copier expenditures on a monthly basis and compared it to the selected agreement information below. Due to the fact that each department handles printers and copiers separately, this involved an accumulation of data from a large variety of sources. Staff has made an effort to account for known variables in the analysis. It should be noted that additional variables have been discovered from previous analyses and have been included in the table below.

Monthly MPS vs. Non-MPS Cost Analysis

	No MPS	MPS
Monthly Base Printer Costs (average monthly supply costs e.g. toner, ink, etc.)	\$ 806.55	

Town MIS Staff Hour Costs (averaged monthly)	\$ 187.28	\$ 34.50
Current Copier Maintenance Costs (Ikon/Ricoh contract)	\$ 370.52	
MPS New Copier and Printer Lease and Service Costs		\$ 1,309.29
Estimated Xerox 9301 Usage Costs		\$ 300.00
New Equipment (Printer Purchases/Replacements averaged over 39 months)	\$ 153.42	
Copier Equipment Purchases Costs (Averaged Over Usage Time)	\$ 302.71	
Unsupported Hardware (Court copier maintained under separate contract)	\$ 80.88	\$ 80.88
Total Costs/Month	\$ 1,901.36	\$ 1,724.67
Monthly Cost Difference		\$ 176.69
Total Annual Savings		\$ 2,120.28

Three vendors originally requested the opportunity to provide MPS quotes to the Town (Xerox, Ricoh, Arizona office Technologies (AOT)). Each vendor was supplied a list of the Town's current printer and copier fleet and each met with Town employees to discuss any questions they had. All vendors provided quoted monthly cost estimates which noted the equipment that would be supported under the pricing and what would be excluded. Each vendor approached the MPS pricing with a monthly lease model, with variations on how they addressed the price per page, ancillary fees and how much of the Town's current fleet they would support. All vendor pricing quotes fell in the range of approximately \$1300 to \$1600 per month.

Arizona Office Technologies (AOT) was selected from the vendors based on the lowest per month cost and their willingness to support a larger amount of the Town's key printer and copier fleet (AOT – 21, Xerox -18, Ricoh -14). AOT also provided greater flexibility in their willingness to review the lease contract on a regular basis to allow the Town to gain savings as modifications were made to reduce the Town's fleet and accommodate volume fluctuations.

AOT provided a Copier Usage Agreement and Maintenance Agreement for continued maintenance of the equipment based on the Mohave Contract to fulfill the Town's Cooperative Purchasing requirements for a 60 month lease term. The agreements include the provision of new equipment, supplies (toner, developers and parts excluding paper and staples) and ongoing repair and maintenance on the covered equipment. The monthly cost for these agreements is \$1309.29 plus a variable cost based on volume for the Town's main copier (Xerox 9301 see below) for a total of approximately \$1609.29. As per the agreement, AOT would provide the new devices listed below to upgrade and enhance the Town's current fleet.

New Equipment to be provided by AOT

Device	Accessories	Purpose
1 Xerox 9301 Multifunction Printer	3 hole punch, High Capacity Feeder (4,000 sheet), Office Finisher (2,000 sheet, 50 sheet stapler)	Replace the Town Hall's 7+ year old main copier and 5+ year old Color Printer
1 Xerox 7120PT Multifunction Printer	Envelope Feed Tray, Office Finisher (2000 Sheet Output, 50 Sheet Stapler), Scan Options Kit	Replace the Public Works 10+ year old copier, Monochrome Printer and Color Printer
1 Xerox 5335PT Multifunction Printer	Envelope Feed Tray, Office Finisher (2000 Sheet Output, 50 Sheet Stapler)	Replace the Development Services 8+ year old copier

1 Xerox 5335PT Multifunction Printer	Envelope Feed Tray, Office Finisher (2000 Sheet Output, 50 Sheet Stapler)	Replace the Police Department 7 year old Copier
2 Xerox 3550X Multifunction Printer	800 Sheet Paper Tray, Printer Stand	Replace and reduce 5 Police printers to these two units.
1 Xerox 3550X Multifunction Printer	800 Sheet Paper Tray, Printer Stand	Replace the Clerk's office Multifunction Printer

Print volumes and overage rates included in the monthly cost for the above listed equipment **excluding the Xerox 9301** are shown below.

New Equipment per Page Costs

Image Type	Included Images/month	Overage Per Image Charge
Black and White	12,000	\$0.01
Color	1000	\$0.10

The print volumes for the Xerox 9301 are calculated on a per use basis (\$0.01 Black and White and \$0.04 Color) with no minimum charges. This allows the Town to realize savings on this main copier due to fluctuations in volume, but doesn't allow the cost to be reflected in the monthly lease payment. A rough average of the estimated monthly costs for the Xerox 9301 (excluded above) is listed below.

Estimated Xerox 9301 monthly costs

Image Type	Estimated Images/ month	Overage Per Image Charge	Est. Cost
Black and White	15,600	\$0.01	\$ 156.00
Color	3,600	\$0.04	\$ 144.00
Monthly Estimated Total			\$ 300.00

In addition to the new equipment, support and maintenance, AOT would also support and maintain 21 devices from our current fleet that are listed below.

Current Fleet (existing printers in service)

1	Lexmark C530	1	Brother MFC-7840W
1	Samsung ML-4550	3	Brother MFC-8860DN
1	Samsung CLX-6220	1	Brother MFC-9440DN
1	HP LaserJet 4100	1	Brother MFC-8480DN
2	HP LaserJet P2055 DN	1	Samsung SCX-5635
1	HP LaserJet 2025DN	1	Brother MDC-8840D
1	HP LaserJet Pro M1212NF	1	HP LaserJet P2035N
1	Brother HL-2170W	1	Xerox Phaser 6125N
1	Brother MFC- 8890DW	1	Brother MFC-8460DN

Print volumes and overage rates included in the monthly cost for the above existing equipment are shown below.

Existing Printer per Page Costs

Image Type	Included Images/month	Overage Per Image Charge
Black and White	10,500	\$0.03
Color	1000	\$0.10

It should also be noted that a “per month per contract fuel charge” was documented on the Maintenance Agreement. This charge has been found to be void due to a Mohave Contract stipulation that requires any transportation or fuel charges be expressly documented in the pricing. AOT’s Mohave Contract pricing designates no fuel charges in the pricing and as such they do not apply to the Town’s agreement.

Fiscal Impact

Fiscal Impact?: 15711.48

If Yes, Budget Code: Various

Available:

Funding Source:

This item is intended to replace and reduce various current fiscal year 12/13 budget items for printer and copier costs. See Monthly MPS vs Non-MPS Cost Analysis table in the situation and analysis. Funds to come from various department lines for equipment purchase and maintenance.

Attachments

AOT Copier and Maintenance Agreement

Copier Usage Agreement

Agreement No.: _____

**WELLS
FARGO**
CUSTOMER INFORMATION:

Customer's Full Legal Name:

TOWN OF CHINO VALLEY

Address:

1020 PALOMINO ROAD

City/State/Zip Code:

CHINO VALLEY, AZ 86323

Telephone Number:

928 636-2646

Federal Tax ID #:

County:

YAVAPAI

SUPPLIER INFORMATION:

Supplier Name:

ARIZONA OFFICE TECHNOLOGIES

Address:

6737 CORSAIR AVE SUITE B

City/State/Zip Code:

PRESCOTT, AZ 86301

EQUIPMENT INFORMATION: ☒ See Attached Equipment Schedule

Equipment Location (if different than address shown above):

Quantity	Equipment Make, Model & Serial Number (Required)	Quantity	Equipment Make, Model & Serial Number (Required)
1	XEROX 9301	3	XEROX 3550X
2	XEROX 5335PT	1	XEROX 7120PT

TERM AND PAYMENT INFORMATION:

 Initial Term: 60 months

 Minimum Payment Per Payment Period: \$1309.29

 Check here ☐ if Minimum Payment includes sales/use tax.

Image Type

 Images Included Per
Payment Period

 Excess Per Image
Charge

Black & White

12000
.01

Color

1000
.10
☐ See attached schedule for additional meters.

Payment Period is "Monthly" unless noted here: _____

Excess image charges billed "Quarterly" unless noted here: _____

 Advance Payment: \$0.00 applied to ☐ 1st Minimum Payment

☐ Last Minimum Payment

☐ 1st and Last Minimum Payments

 Security Deposit: \$0.00

 Documentation / Processing Fee: \$75.00

In this agreement (as amended from time to time, the "Agreement"), "You" and "Your" mean the customer named above. "We," "Us" and "Our" mean the owner, Wells Fargo Financial Leasing, Inc. "Supplier" means the equipment supplier named above. You acknowledge and agree that this Agreement represents the complete and exclusive agreement between You and Us regarding the subject matter herein and supersedes any other oral or written agreements between You and Us. This Agreement can be changed only by written agreement between You and Us. Other agreements not stated herein (including, without limitation, those contained in any purchase order or service agreement between You and the Supplier) are not part of this Agreement and are not binding on Us.

1. **LEASE OF EQUIPMENT.** You agree to lease from Us the personal property listed above (together with all existing and future accessories, attachments, replacements and embedded software, the "Equipment") upon the terms stated herein. You promise to pay to Us all of the charges and fees stated herein. This Agreement is binding on You as of the date You sign it. You agree that after You sign, We may insert or correct any information missing on this Agreement, including Your proper legal name, serial numbers and any other information describing the Equipment, and change the payment amount by up to 15% due to a change in the Equipment or its cost or a tax or payment miscalculation.

2. **EQUIPMENT SERVICE; SUPPLIES; YOUR UNCONDITIONAL OBLIGATIONS.** The Supplier named above has agreed with You to provide Equipment service during normal business hours and to provide You with all toner, developer and parts necessary for You to produce images, all of which are included in the Minimum Payment Per Payment Period. However, You agree that: (a) You must separately purchase all other supplies, including, without limitation, copier paper, at Your own cost, and (b) You must separately purchase Equipment service outside the Supplier's normal business hours and any service, parts or supplies required by your misuse of the Equipment or failure to follow the manufacturer's suggested use instructions. You agree that: (i) We are a separate and independent company from the Supplier, manufacturer and any other vendor (collectively, "Vendors"), and the Vendors are NOT Our agents; (ii) No statement or warranty by any Vendor is binding on Us, and no Vendor has authority to waive or alter any term of this Agreement; (iii) You, not We, selected the Equipment and the Vendor(s) based on Your own judgment; (iv) Your obligations hereunder are absolute and unconditional despite any Equipment failure or any Vendor's failure to provide You with any Equipment service, parts or supplies (including any service, parts or supplies that are included in the Minimum Payment Per Payment Period), or any other adverse condition; (v) We are NOT a party to the Supplier's agreement to provide You with service, parts or supplies, such contract is NOT part of this Agreement (even though We will, as a convenience to You and the Supplier, bill and collect monies owed by You to the Supplier), and no breach by the Supplier will excuse You from performing Your obligations to Us hereunder; and (vi) If the Equipment is unsatisfactory or if any Vendor fails to provide any service or fulfill any other obligation to You, You shall not make any claim against Us and shall continue to fully perform under this Agreement.

3. **IMAGE CHARGES.** Each Payment Period, You agree to pay Us, by the due date set forth on Our invoice to You (i) the Minimum Payment shown above, (ii) the applicable Excess Per-Image Charge for each metered image in excess of the applicable number of Images Included, and (iii) applicable taxes and other charges provided for herein. You agree to pay such Minimum Payment each Payment Period even if You do not make the applicable number of Images Included. There are no "credits" that carry over from any Payment Period during which You make fewer than the applicable number of Images Included. You agree that We may increase the Minimum Payment and/or the applicable Excess Per-Image Charges once each year during the Initial Term and once each year for any Renewal Term, by an amount not to exceed 10% per year. At Our option, You will (a) provide Us by telephone or facsimile with the actual meter readings when We so request, (b) allow Us to attach an automatic meter reading device to the Equipment, or (c) allow Us access to the Equipment to obtain meter readings or audit the meter reading device. If We request You to provide Us with meter readings and You fail to do so within 7 days of Our request, then (i) We may estimate the number of images made and invoice you accordingly, and (ii) We will adjust the estimated charge for excess images upon receipt of actual meter readings. Restrictive endorsements on checks will not be binding on Us. All payments received will be applied to past due amounts and to the current amount due in such order as We determine. Any security deposit or estimated future Governmental Charge that You pay is non-interest bearing, may be commingled with Our funds, may be applied by Us at any time to cure any default by You, and the unused portion will be returned to You within 90 days after the end of the Agreement. If We do not receive a payment in full on or before its due date, You shall pay (i) a fee equal to the greater of 10% of the amount that is late or \$29.00, plus (ii) interest on the part of the payment that is late in the amount of 1.5% per month ("Time-Value Interest") from the due date to the date paid. If any check is dishonored, You shall pay Us a fee of \$20.00.

4. **TERM; AUTOMATIC RENEWAL.** This Agreement is effective on the date that it is accepted by Us, and the term will begin on that date or any later date that We designate (the "Commencement Date") and will continue for the number of months shown above (the "Initial Term"). As used herein, "Present Term" means the term presently in effect at any time, whether it is the Initial Term or a Renewal Term (defined below). Unless You notify Us in writing at least 60 days but not more than 120 days before the end of a Present Term that You intend to return the Equipment at the end of such Present Term, then: (a) this Agreement will automatically renew for an additional one-year period (a "Renewal Term") and (b) the payment terms and other terms of this Agreement will continue to apply. If You do notify Us in writing within such time that You intend to return the Equipment at the end of a Present Term, then promptly upon the expiration of such Present Term You shall return the Equipment pursuant to Section 12. This Agreement is non-cancelable for the full Initial Term and for any and all Renewal Terms.

Customer:

By: X

Date: ____ / ____ / ____

Print name:

Title:

BY SIGNING ABOVE, CUSTOMER ACKNOWLEDGES RECEIPT OF PAGE 2 OF THIS AGREEMENT AND AGREES TO THE TERMS ON BOTH PAGES 1 & 2

Wells Fargo Financial Leasing, Inc., Des Moines, Iowa

By: X

Print name:

Date: ____ / ____ / ____

5. INDEMNIFICATION. You shall indemnify and defend Us against, and hold Us harmless for, any and all claims, actions, damages, liabilities, losses and costs (including but not limited to reasonable attorneys' fees) made against Us, or suffered or incurred by Us, arising directly or indirectly out of, or otherwise relating to, the delivery, installation, possession, ownership, use, loss of use, defect in or malfunction of the Equipment. This obligation shall survive the termination of this Agreement.

6. NO WARRANTIES. WE ARE PROVIDING THE EQUIPMENT TO YOU "AS IS". WE HAVE NOT MADE AND HEREBY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, ARISING BY APPLICABLE LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. We hereby transfer to You, without recourse to Us, all automatically transferable warranties, if any, made to Us by the Vendor(s) of the Equipment. The parties hereto agree that the transaction documented in this Agreement is a "finance lease" under Article 2A of the Uniform Commercial Code (the "UCC"). You hereby waive any and all rights and remedies conferred upon You by Article 2A of the UCC. If this Agreement is deemed to be a secured transaction, You hereby grant to Us a security interest in the Equipment and all proceeds thereof. You authorize Us to record a UCC financing statement to protect Our interests in the Equipment. You may be entitled under Article 2A of the UCC to the promises and warranties (if any) provided to Us by the Supplier(s) in connection with or as part of the contract (if any) by which We acquire the Equipment. You acknowledge that You are aware of the name of the Supplier of each item of Equipment and You may contact the Supplier(s) for an accurate and complete statement of those promises and warranties (if any), including any disclaimers and limitations of them or of remedies.

7. DELIVERY, LOCATION, OWNERSHIP, USE, MAINTENANCE OF EQUIPMENT. We are not responsible for delivery or installation of the Equipment. You are responsible for Equipment maintenance to the extent the Supplier does not provide the same. You will not remove the Equipment from the Equipment Location unless You first get Our permission. If the Equipment is moved to a new location, We may increase the "Minimum Payment" and/or "Excess" per-image charges by a reasonable amount in order to account for any increased costs in providing covered service, parts and supplies to You. You shall give Us reasonable access to the Equipment Location so that We may inspect the Equipment, whether performed prior to or after the Commencement Date, and You agree to pay Our costs in connection therewith. We will own and have title to the Equipment (excluding any software) during the Agreement. If the Equipment includes any software (i) We don't own the software, (ii) You are responsible for entering into any necessary software license agreements with the owners or licensors of such software, (iii) You shall comply with the terms of all such agreements, if any, and (iv) any default by You under any such agreements shall constitute a default by You under this Agreement. You represent that the Equipment will be used solely for commercial purposes and not for personal, family or household purposes. You will use the Equipment in accordance with all laws, operation manuals, service contracts (if any) and insurance requirements, and shall not make any permanent alterations. At Your own cost, You will keep the Equipment in good working order and warrantable condition, ordinary wear and tear excepted ("Good Condition").

8. LOSS; DAMAGE; INSURANCE. You shall, at all times during this Agreement, (i) bear the risk of loss and damage to the Equipment and shall continue performing all Your obligations to Us even if it becomes damaged or suffers a loss, (ii) keep the Equipment insured against all risks of damage and loss ("Property Insurance") in an amount equal to its replacement cost, with Us named as sole "loss payee," and (iii) carry public liability insurance covering bodily injury and property damage ("Liability Insurance") in an amount acceptable to Us, with Us named as "additional insured." You have the choice of satisfying these insurance requirements by providing Us with satisfactory evidence of Property and Liability Insurance ("Insurance Proof"), within 30 days of the Commencement Date. Such Insurance Proof must provide for at least 30 days prior written notice to Us before it may be cancelled or terminated and must contain other terms satisfactory to Us. If you do not provide Us with Insurance Proof within 30 days of the Commencement Date, or if such insurance terminates for any reason, then (a) You agree that We have the right, but not the obligation, to obtain such Property Insurance and/or Liability Insurance in such forms and amounts from an insurer of Our choosing in order to protect Our interests ("Other Insurance"), and (b) You agree that We may charge you a periodic charge for such Other Insurance. This periodic charge will include reimbursement for premiums advanced by Us to purchase Other Insurance, billing and tracking fees, charges for Our processing and related fees associated with the Other Insurance, and a finance charge of up to 18% per annum (or the maximum rate allowed by law, if less) on any advances We make for premiums (collectively, the "Insurance Charge"). We and/or one or more of our affiliates and/or agents may receive a portion of the Insurance Charge, which may include a profit. We are not obligated to obtain, and may cancel, Other Insurance at any time without notice to You. Any Other Insurance need not name You as an insured or protect Your interests. The Insurance Charge may be higher than if You obtained Property and Liability Insurance on Your own.

9. ASSIGNMENT. You shall not sell, transfer, assign or otherwise encumber (collectively, "Transfer") this Agreement, or Transfer or sublease any Equipment, in whole or in part, without Our prior written consent. We may, without notice to You, Transfer Our interests in the Equipment and/or this Agreement, in whole or in part, to a third party (a "New Owner"), in which case the New Owner will, to the extent of such Transfer, have all of Our rights and benefits but will not have to perform Our obligations (if any). Any Transfer by Us will not relieve Us of Our obligations hereunder. You agree not to assert against the New Owner any claim, defense or offset You may have against Us.

10. TAXES AND OTHER FEES. You are responsible for all taxes (including, without limitation, sales and personal property taxes, excluding only taxes based on Our income), assessments, license and registration fees and other governmental charges relating to this Agreement or the Equipment (collectively "Governmental Charges"). You agree to promptly pay Us, on demand, estimated future Governmental Charges. You authorize Us to pay any Governmental Charges as they become due, and You agree to reimburse Us promptly upon demand for the full amount (less any estimated amounts previously paid by You). You agree to pay Us a fee for preparing and filing personal property tax returns. You also agree to pay Us upon demand (i) for all costs of filing, amending and releasing UCC financing statements, and (ii) a documentation/processing fee as set forth on Page 1 (or as otherwise agreed to) to cover Our investigation, documentation and other administrative costs in originating this Agreement. You also agree to pay Us a fee, in accordance with Our current fee schedule, which may change from time to time, for additional services We may provide to You at Your request. You acknowledge that We may (on behalf of the Supplier) bill You for any supply freight fee that the Supplier charges for shipping supplies to You. You agree that the fees set forth in this Agreement may include a profit.

11. DEFAULT. You will be in default hereunder if You (1) fail to pay any amount due hereunder within 15 days of the due date, (2) breach or attempt to breach any other term, representation or covenant set forth herein or in any other agreement between You and Us, (3) die (if You are an individual), go out of business or commence dissolution proceedings, (4) become insolvent, admit Your inability to pay Your debts, make an assignment for the benefit of Your creditors (or enter into a similar arrangement), file (or there is filed against You) a bankruptcy, reorganization or similar proceeding or a proceeding for the appointment of a receiver, trustee or liquidator, or (5) suffer an adverse change in Your financial condition and, as a result thereof or for any other reason, We deem Ourselves insecure. If You default, We may do any or all of the following: (A) cancel this Agreement, (B) require You to return the Equipment pursuant to Section 12 below, (C) take possession of and/or render the Equipment (including any software) unusable (and for such purposes You hereby authorize Us and Our designees to enter Your premises, with or without prior notice or other process of law), and sell, lease or otherwise dispose of the Equipment on such terms and in such manner as We may in Our sole discretion determine, (D) require You to pay to Us, on demand, an amount equal to the sum of (i) all Minimum Payments and other amounts then due and past due, (ii) all remaining Minimum Payments for the remainder of the then Present Term discounted at a rate of 6% per annum, (iii) the residual value of the Equipment estimated by Us at the inception of this Agreement (as shown in Our books and records), discounted at a rate of 6% per annum, (iv) Time-Value Interest on the amounts specified in clauses "i", "ii" and "iii" above from the date of demand to the date paid, and (v) all other amounts that may thereafter become due hereunder to the extent that We will be obligated to collect and pay such amounts to a third party (such amounts specified in sub-clauses "i" through "v" referred to below as the "Balance Due"), and/or (E) exercise any other remedy available to Us under law. You also agree to reimburse Us on demand for all reasonable expenses of enforcement (including, without limitation, reasonable attorneys' fees and other legal costs) and reasonable expenses of repossessing, holding, preparing for disposition, and disposition ("Remarketing") of the Equipment, plus Time-Value Interest on the foregoing amounts from the date of demand to the date paid. In the event We are successful in Remarketing the Equipment, We shall give You a credit against the Balance Due in an amount equal to the present value of the proceeds received and to be received from Remarketing minus the above-mentioned costs (the "Net Proceeds"). If the Net Proceeds are less than the Balance Due, You shall be liable for such deficiency. Any delay or failure to enforce Our rights under this Agreement shall not constitute a waiver thereof. We shall not be liable for any losses, directly or indirectly arising out of, or by reason of the presence and/or use of any and all proprietary information residing on or within any Equipment returned to Us or repossessed by Us. The remedies set forth herein are cumulative, are in addition to any other remedies provided for by applicable law, and may be exercised concurrently or separately.

12. RETURN OF EQUIPMENT. If You are required to return the Equipment under this Agreement, You shall, at Your expense, promptly upon demand, send the Equipment to any location(s) that We may designate and pay Us a handling/restocking fee of \$250.00. The Equipment must be properly packed for shipment, freight prepaid and fully insured, and must be received in Good Condition (defined in Section 7 above). If the Equipment is not received within 15 days of the date of demand, You agree to continue paying Minimum Payments and all other amounts due hereunder until the Equipment is received by Us.

13. APPLICABLE LAW; VENUE; JURISDICTION; SEVERABILITY. This Agreement shall be deemed fully executed and performed in the State of Iowa and shall be governed and construed in accordance with the laws thereof. You consent to and agree to the exclusive jurisdiction and venue of federal and state courts located in the State of Iowa. **YOU AND WE HEREBY WAIVE YOUR AND OUR RESPECTIVE RIGHTS TO A TRIAL BY JURY IN ANY LEGAL ACTION.** If any amount charged or collected under this Agreement is greater than the amount allowed by law (an "Excess Amount"), then (i) any Excess Amount charged but not yet paid will be waived by Us and (ii) any Excess Amount collected will be refunded to You or applied to any other amount then due hereunder. Each provision hereof shall be interpreted to the maximum extent possible to be enforceable under applicable law. If any provision is construed to be unenforceable, such provision shall be ineffective only to the extent of such unenforceability without invalidating the remainder hereof.

14. INTERIM RENT. As you will have possession of the Equipment from the date of its delivery to You, You agree to pay Us an interim rent charge as reasonably calculated by Us for the period from the date the Equipment is delivered to You until the Commencement Date. The payment for this interim period will be based on the Minimum Payment prorated on a 30-day calendar month and will be added to Your first invoice.

15. MISCELLANEOUS. You shall furnish Us with current financial statements upon Our request. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute the same document. You acknowledge that You have received a copy of this Agreement and agree that a facsimile or other copy containing Your faxed or copied signature may be treated as an original and will be admissible as evidence of this Agreement. You waive notice of receipt of a copy of this Agreement with Our original signature. You hereby represent to Us that this Agreement is legally binding and enforceable against You in accordance with its terms.



Customer's Initials: _____

Schedule for Additional Image Types




Customer: TOWN OF CHINO VALLY	Title of agreement: PRINT MANAGEMENT dated 10/4/2012
Owner: Wells Fargo Financial Leasing, Inc.	Agreement #:

This Schedule is hereby made a part of and incorporated into the above-referenced Copier Usage Agreement (as the same may have been amended from time to time, the "Agreement"). As supplemented by the terms and conditions of this Schedule, the provisions of the Agreement shall remain in full force and effect.

The Minimum Payment Per Payment Period for the above Copier Usage Agreement includes the number of Images Included for each of the additional Image Types set forth below. each metered image in excess of the applicable number of Images Included set forth below shall be billed at the applicable Excess Per Image Charge set forth below in accordance with Section 3 of the Agreement.

ADDITIONAL IMAGE TYPES:		
Image Type	Images Included Per Payment Period	Excess Per Image Charge
<u>BLACK</u>	<u>10,500</u>	<u>.03</u>
<u>COLOR</u>	<u>NO MIN</u>	<u>.18</u>
_____	_____	_____
_____	_____	_____



Customer's Initials: _____

Equipment/Property Schedule
(attach additional sheet if necessary)

Contract or Lease #: _____	Schedule No. (if applicable): _____
Customer or Lessee: <u>TOWN OF CHNIO VALLEY</u>	Lender or Lessor: <u>WELLS FARGO</u>

[illegible]

Customer's Initials:



A Xerox Company

4320 East Cotton Center Blvd. #100, Phoenix, AZ 85040 602-346-3000
 2440 West Ruthruff Rd. #170, Tucson, AZ 85705 520-989-3246
 6737 Corsair Ave., Prescott, AZ 86301 928-771-9598

DATE: 10/11/2012

EQUIPMENT SALES ORDER

Ship To Customer # _____ Name <u>Town Of Chino Valley</u> Address <u>1020 Palomino Rd</u> City, State <u>Chino Valley AZ</u> Zip <u>86323</u> Phone <u>820/636-2848</u> Fax _____				Bill To Customer # _____ <u>WELLS FARGO</u> Name _____ Address _____ City, State _____ Zip _____ Phone _____ Fax _____			
Key Operator: <u>Spencer Guest</u>				Key Op Phone: <u>928 636-6000</u>			
Key Op Email: <u>0</u>				Key Op Fax: _____			
Qty	Product Code	Description	Serial No.	Unit Price	Total		
1	4XNCOR	3CQ9301					
1	CUBE	3 Hole Punch - Only available for the Office Finis					
1		High Capacity Feed (4,000 Sheet)					
1		Office Finisher (2,000 Sheet, 80 Sheet staple capa					
1	1XNC06	W7120PT					
1		Envelope Feed tray					
1		Office Finisher LX - (80 sheet multi position, 2,0					
1		Scan Options Kit (searchable PDF, Scan to PC, Fl					
3	3XND0X	WC3850X					
3		800-sht paper tray (tray 2)					
2		Stand					
2	3XND11	WC5338PT					
2		Envelope Feed tray					
2		LX Finish Gap					
2		Office Finisher LX (2,000 sheet output, 80 sheet s					
Type Of Sale:	<u>Lease</u>	Service Agreement Attached:	<u>YES</u>	Customer assumes all responsibility for provision of required electrical service meeting UL and applicable code standards. ALL CANCELLED ORDERS ARE SUBJECT TO A 20% CANCELLATION FEE			
Special Instructions PURCHASE ORDER TO BE SENT TO MOHAVE CONTRACT 101-093 FOR APPROVAL M O H A V E C O N T R A C T				Sub Total	<u>See Lease</u>		
				Tax Rate:	<u>\$0.00</u>		
				Sub Total	<u>\$0.00</u>		
				Delivery Charges	<u>\$0.00</u>		
				Total			
ATTENTION: THE PICK UP OF CUSTOMER OWNED EQUIPMENT REQUIRES A SIGNED EQUIPMENT DISPOSITION FORM PICK UP:							
0	0	0	0				
0	0	0	0				
0	0	0	0				
0	0	0	0				
0	0	0	0				
0	0	0	0				

This Equipment Sales Order states the entire agreement between Customer and Arizona Office Technologies, hereafter referred to as "AOT". No other agreements or representations exist in conjunction with this order. Modifications or additions are subject to AOT's agreement in writing. AOT rejects any terms and conditions which add to, limit or alter these terms, however stated. Customer's signature on this order or acceptance of delivery shall constitute Customer's acceptance of these terms and conditions.

Authorized Signature	Print Name	Title
<u>Legal Name of Company</u>	<u>Town Of Chino Valley</u>	<u>Date</u>
<u>Sales Representative</u>	<u>Date</u>	<u>PO NO.</u>

TITLE: Title will be passed on to you when your cash transaction is paid in full. Until such time, to secure all of your obligations to us under this Agreement, you hereby grant us a security interest in (a) the Equipment to the extent of your interests in the equipment, (b) anything attached or added to the Equipment at any time, (c) any money or property from the sale of the Equipment and (d) any money from an insurance claim if the Equipment is lost or damaged. You agree that the security interest will not be affected if this Agreement is changed in any way. You hereby appoint us (or our agents) as your true and lawful attorney-in-fact to affix your signature to UCC financing statements prepared and filed on your behalf by us (or our agent) with the same force and effect as if you had signed such financing statements. If we request, you agree to sign financing statements in order for us to publicly record our security interest. This Agreement or a copy of this Agreement shall be sufficient as a financing statement and may be filed as such.

THIS AGREEMENT IS SUBJECT TO THE TERMS AND CONDITIONS LISTED ON THE REVERSE SIDE

1. Definitions. The following definitions shall apply throughout these terms and conditions. "AOT" means Arizona Office Technologies. "Customer" means the Purchaser designated within this order. "Equipment" means the hardware and supply items listed within this order.
2. Acceptance. The agreement shall not be binding upon AOT until it is received and accepted by AOT. Such acceptance by AOT shall be conditioned upon satisfactory credit report on customer.
3. Payment. Invoices under this Agreement are due upon receipt. A late charge will be assessed against and paid by Customer on invoice(s) balance(s) forty-five (45) days or more overdue at the rate of one and one-half percent (1-1/2%) per month, but not in excess of the lawful maximum on the unpaid balance.
4. Passage of Title. For cash sales, AOT shall retain title and ownership in and to the Equipment until full payment of the purchase price is received, whereupon both shall automatically pass to Customer. For lease or cost per copy agreements, the leasing entity shall retain title and ownership in and to the Equipment until contract terms and conditions have been fulfilled. In the event Customer requests hard drive to be reconfigured, wiped and/or removed at the end of term, there will be an additional fee. If the face of this order indicates "Rental", the equipment remains the property of AOT and title shall not pass to Customer. Customer will return rental equipment upon expiration of rental in as good condition as received, reasonable depreciation from normal use excluded. Rental charges include maintenance and supplies.
5. Taxes. Customer shall pay all federal, state and local sales, use, property, excise, or other taxes imposed on or with respect to the purchase, lease or rental of the Equipment on this Agreement.
6. Risk of Loss. Risk of loss or damage to the equipment shall pass to Customer upon delivery of the equipment.
7. Warranty. AOT warrants to Customer that the Equipment delivered under this agreement will at the time of delivery, be free of defects from manufacture. During the warranty period applicable to the equipment, AOT will provide at no cost to Customer adjustments, repair, labor and parts replacement, excluding repairs required due to accident, misuse or neglect by the Customer. The foregoing shall be Customer's sole and exclusive remedy with respect to equipment provided by AOT. This warranty is in lieu of all other warranties, expressed, implied and statutory, including any warranty with respect to merchantability or fitness for a particular purpose.
8. Warranty Service. In order to assure proper maintenance of equipment covered by its warranty period, AOT will provide routine service during normal working hours (8:00 A.M. to 5:00 P.M., not including Saturdays, Sundays, or holidays) within a 50 mile radius of the nearest AOT service office. For service calls outside the 50-mile radius of the nearest AOT service office the customer will be billed at AOT's then current rate per mile from the service office to the customer's location and return.
9. AOT shall not be liable for consequential, incidental or punitive damages or for loss of profits arising out of or related to equipment or programming ordered by the Customer. Whether such damages be direct, indirect, foreseeable or otherwise and whether liability is claimed to arise by reason of contract, tort, strict liability, negligence or otherwise in no event shall AOT's liability to Customer exceed the price of the equipment stated in this order.
10. Applicable Law. The laws of the State of Arizona govern this contract.
11. AOT shall not be liable for failure to deliver or for delays in delivery occasioned in whole or in part by causes beyond its control, including, without limitation, strikes and other labor disputes, fires, embargoes, war or civil disturbance, acts of God, inability to obtain transportation or shipping space, machinery breakdowns, delays of carriers or suppliers and government acts or regulations, official or unofficial.
12. Entire Agreement. This agreement sets forth the entire understanding of the parties with respect to the subject matter hereof and is binding upon both parties in accordance with its terms. There are no understandings, representations, and agreements other than those set forth herein. This Agreement shall not be amended or altered except in writing signed by the authorized representatives of the parties.

Customer Initial _____



4320 East Cotton Center Blvd. #100, Phoenix, AZ 85040 602-346-3000
 2440 West Ruthruff Rd. #170, Tucson, AZ 85705 520-989-3246
 6737 Corsair Ave., Prescott, AZ 86301 928-771-9598

Date
 10/11/2012

MAINTENANCE AGREEMENT

SHIP TO	
Customer #	
Name	Town Of Chino Valley
Address	1020 Palomino Rd
City, State	Chino Valley AZ Zip 86323
Phone	520/636-2646
Contact	Leslie

BILL TO	
Customer #	WELLS FARGO
Name	
Address	
City, State	Zip
Phone	
Contact	

--

A designated key operator is required to submit meter readings	
Designated Key Operator:	Spencer Guest
Email:	0
Phone:	928 636-6000
Fax Number:	

Model Number	ID #	Serial #	Base Charge	Page Allowance	Billing Frequency	Overage Rate	Beginning Meter Read
5335pt	black	TO BE SHARED	\$ 20.00	2,000	Monthly	0.0100	
5335PT	black	TO BE SHARED	\$ 20.00	2,000	Monthly	0.0100	
3550X	black	TO BE SHARED	\$ 20.00	2,000	Monthly	0.0100	
3550X	black	TO BE SHARED	\$ 22.00	2,000	Monthly	0.0100	
3550X	black	TO BE SHARED	\$ 22.00	2,000	Monthly	0.0100	
7120PT	black	TO BE SHARED	\$ 22.00	2,000	Monthly	0.0100	
7120PT	COLOR		\$ 100.00	1,000	Monthly	0.1000	
9301	BLACK		\$ -	NO MIN	Monthly	0.0100	
9301	COLOR		\$ -	NO MIN	Monthly	0.0400	

*** See Attached List For Additional Covered Devices***

INCLUDED		ELECTRICAL REQUIREMENTS	
Drum	Y	Surge Protector	
Developer	Y	20 Amp Line	
Toner	Y	220 VAC	
		Dedicated Line	

Effective Date:	
Overage Frequency	

For the fixed charges that are subject to the terms set forth in this agreement, Arizona Office Technologies service personnel will provide technical repair service on-site or remotely in order to maintain the above "Equipment" in proper operating condition.
 Maintenance & Supply agreement covers consumable items: Toner, Developer and Drums. Excludes paper and staples. A per month per contract fuel charge applies. Customer acknowledges to have read and understand the terms and conditions of this agreement which are contained on both sides of this document and which constitutes the entire agreement between the parties. There are no oral understandings, terms, or conditions; and the parties may not rely upon any representations, expressed or implied, not contained in this agreement. This agreement is not valid until accepted by Arizona Office Technologies.

Customer Approval

Signature _____ Print Name _____ Title _____

Legal Name of Company _____ Town Of Chino Valley _____ Date _____
 AOT Signature Eduard M. Ruiz Title Account Executive Date 10/11/2012

THIS AGREEMENT IS SUBJECT TO THE TERMS AND CONDITIONS LISTED ON THE REVERSE SIDE

Equipment Maintenance Agreement Terms & Conditions

1. This agreement covers both the labor and the materials or adjustments, repair and replacement of parts as necessitated by normal use of the equipment except as hereinafter provided. Damage to the equipment or its parts arising out of misuse, abuse, negligence or causes beyond AOT's control are not covered. AOT may terminate the agreement in the event the equipment is modified, damaged, altered or serviced by personnel other than those employed by AOT, or if parts, accessories, components or supplies not authorized by AOT are fitted to or used in the equipment.

2. Labor performed during a service call includes lubrication and cleaning of the equipment and the adjustments, repairs or replacement of parts described in Paragraph 3.

3. Service calls under this agreement will be made during AOT's normal business hours at the Installation address shown on the reverse side of this agreement. Normal business hours are Monday through Friday from 8:00 a.m. to 5:00 p.m. Travel and labor time for service calls after AOT's normal business hours, on weekends and holidays, if and when available, will be charged at AOT's overtime rates in effect at the time that the service call is made. All parts necessary to the operation of the equipment, with the exception of the parts listed below, and subject to the general scope of coverage, paragraph 1, will be furnished free of charge during a service call included in the maintenance service provided by this agreement: Photoconductor unit for facsimile or multi-functional equipment, Copy Printers excludes thermal head, supplies (ink and masters) and paper, Micro Equipment: Exposure lamps and glass guides, Software, unless specified otherwise on the front of this document, connected equipment will be covered up to the computer/network connection, service calls caused by computer/network will be charged at the current published hourly labor rate, digital connected equipment must be accompanied by a "Scope of Work" agreement.

4. When in its sole discretion AOT determines a shop reconditioning is necessary to keep the equipment in working condition, AOT will submit to customer an estimate of the needed repairs and the cost thereof, which will be in addition to the charge payable under this extended warranty agreement. AOT will provide the customer with a loaner machine, charging only for copies/pages/prints/scans made at the rate listed on the front of this agreement, while their equipment is being reconditioned. Copier drums will be included, if necessary, only if this agreement is drum inclusive. If the customer does not authorize such reconditioning, AOT may discontinue service of the equipment under this agreement, refunding the unused portion (the lesser of time or copies) of the agreement charge, or may refuse to renew this agreement upon expiration. Thereafter, service will be available on a "Per Call" basis, at published rates.

5. This agreement shall become effective upon receipt of payment by AOT of the maintenance charges provided on the reverse side hereof and coverage shall be continuous for either timeframe or number of copies/pages/prints/scans allowed as specified on the reverse side, whichever occurs first. In the event that said allowable copies are exhausted, AOT will continue to maintain said equipment at the per copy rate set forth on the reverse side, termed as copy excess, billed in arrears on a monthly basis. In this occurrence the customer has the option to either render payment when due or contact AOT to renegotiate said contract. Unless notified in writing thirty(30) days prior to the expiration date hereof by the customer or AOT, this extended warranty agreement shall be automatically renewed for the same successive period of time upon the same terms and conditions as stated herein and shall be subject to any price/rate increase at any twelve (12) month intervals thereafter.

6. This agreement may not be transferred if equipment is sold, or title is transferred. This agreement is non-refundable.

7. The initial charge for maintenance under this agreement shall be the amount set forth as the "Rate" on the reverse side hereof. The maintenance charge with respect to any renewal term will be AOT's charge in effect at the time of renewal. Customer agrees to pay the total of all charges for maintenance during the initial term and any renewal term within fifteen (15) days of the date of invoice for such charges. Customer understands that use of sub-standard supplies that cause excessive service calls or that alterations, attachments or specification changes may require an increase in maintenance charges and agrees to pay such charges promptly when due. Customer agrees that, should they have any past due balances with AOT for any reason, service under this agreement will be suspended until such past due balances have been satisfied.

8. If the customer does not pay all charges for maintenance or parts as provided hereunder, promptly when due: (1) AOT may (a) refuse to service the equipment or; (b) furnish service on a C.O.D. "Per Call" basis at published labor rates and (2) the customer agrees to pay AOT's costs and expenses of collection including the reasonable attorney's fee permitted by law in addition to all other rights and remedies available to AOT. All equipment sold by AOT is designed to give excellent performance when operated within the following guidelines: Equipment must be placed in a normal office setting, free from excessive dust, humidity, temperatures and ammonia or other corrosive fumes. Equipment must be operated on an isolated electrical line. Equipment must always be operated on a UL approved electrical circuit, with proper current, voltage and type of outlet. Equipment must be connected to a power protection device as recommended by AOT. Equipment should be operated within the specified operational (including usage) specifications. Only supplies within manufacturer required specifications may be used (refer to paragraph 7). If the customer operates any equipment outside the above listed guidelines and thereby causes abnormally frequent service calls or service problems, then AOT may at its option, terminate this agreement immediately. In that event, the customer will be offered service on a "Per Call" basis at published rates. In the event that the equipment is moved from the installation address set forth on the reverse side of this agreement, then, at AOT's option, the agreement pertaining to the moved equipment may be terminated or an additional service charge may be added to the basic charge set forth on the reverse side of this agreement. If, in the course of moving the equipment the customer or his agent causes damage to the equipment, the customer will be responsible for any service charges necessary to bring the equipment back into full operational specification and operation.

9. Other than the obligations set forth herein, AOT disclaims all warranties, expressed or implied, including any implied warranties of merchantability, fitness for use, or fitness for a particular purpose. AOT shall not be responsible for direct, incidental or consequential damages, including, but not limited to, damages arising out of the performance of the equipment or the loss of use of the equipment and customer hereby waives any claims related thereby.

10. This agreement shall be governed by and construed according to the laws of the State of Arizona applicable to agreements wholly negotiated, executed and performed in Arizona. It constitutes the entire agreement between parties and may not be modified except in writing signed by duly authorized officers of AOT and the customer. If toner is included, the consumption shall be within 10% of the manufacturer's suggested yields. A charge for toner consumption exceeding 10% of the manufacturer's suggested yields will be charged at current retail price. For all contracts including toner, a freight fee will be assessed based on volume of use. Full Service Maintenance is only available for equipment having a valid manufacturer serial number and UL certification. The customer agrees to make available and designate a suitable key operator for training in the use of the equipment. Should the employment status of a designated operator change so as to affect the operator's availability to perform the assignment, the customer shall inform AOT immediately. Key operator shall also be responsible for providing AOT with monthly meter readings. Customer shall pay all federal, state and local sales, use, property, excise or other taxes imposed on or with respect to the purchase price listed on the reverse side of this agreement. Customer agrees that AOT shall have full and free access and sufficient workspace to provide service on the equipment covered by this agreement. This agreement shall not be effective until it has been approved and accepted by AOT. This agreement sets forth the entire understanding of the parties with respect to the subject matter contained herein and is binding upon both parties in accordance with the terms and conditions. There are no understandings, representations, and agreements other than those set forth herein. This agreement shall not be amended or altered except in writing signed by the authorized representatives of the parties.

Customer Initial _____



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. h.

Meeting Date: 11/13/2012
Contact Person: Cecilia Watts
 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 approve Second Amendment to Professional Services Agreement dated November 1, 2010, with Marc E. Hammond for prosecutorial services.

RECOMMENDED ACTION:

Approve Second Amendment to Professional Services Agreement with Marc E. Hammond for prosecutorial services, effective November 1, 2012 and reflecting a month-to-month contractual agreement with a 30-day notice.

SITUATION AND ANALYSIS:

The Town went out for an RFQ in 2010 for Town prosecutorial services, and selected Mr. Marc Hammond. Mr. Hammond was on a 2-year contract with the Town that expired October 30, 2012. He received \$45,000.00 annually and works 2-days a week. As the Town is going through a program-by-program review, staff felt it was desirable to not bind the Town for on an annual basis at this time. Therefore, the Second Amendment would provide for month by month prosecutorial services with a provision of 30-day notice by either party for termination.

Fiscal Impact

Fiscal Impact?: Yes
If Yes, Budget Code: 01-41-5212
Available: 45,000

Funding Source:

Funds are budgeted in Town Prosecutor's Office, Professional Services line item.

Attachments

Professional Services Agreement Amendment

**SECOND AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
DATED NOVEMBER 1, 2010
(TOWN OF CHINO VALLEY AND MARC E. HAMMOND, ESQ.)**

This Second Amendment is made and entered into this ____ day of _____, 2012 (“Effective Date”) by and between the Town of Chino Valley, a municipal corporation of the State of Arizona (“Town”) and Marc E. Hammond, Esq. (“Consultant”). The Town and Consultant are collectively referred to as the “Parties”.

RECITALS

A. The Parties have heretofore entered into an Agreement known as Professional Services Agreement dated effective November 1, 2010 (the “PSA Agreement”).

B. In accordance with Section 12(g) of the PSA Agreement and action taken by the Council on October 14, 2010, the Parties desire to amend the PSA Agreement.

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

AGREEMENT

1. Paragraph 3 of the Agreement shall be amended to the term of this agreement shall be on a month-to-month basis commencing November 1, 2012 and will continue until a 30-day written notice is provided by either party.
2. Paragraph 5 of the Agreement shall be amended that the Town shall pay to the Contractor on a monthly basis an amount not in excess of Three Thousand Seven Hundred and Fifty Dollars (\$3,750.00) for fees and costs for the complete performance of all services specified in Exhibit A.
3. Except as amended in Section 1 above, all other terms and conditions of the PSA Agreement shall remain in full force and effect.

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

Town:

Consultant/Prosecutor:

THE TOWN OF CHINO VALLEY

MARC E. HAMMOND, ESQ.

By: _____
Chris Marley, Mayor

Printed: _____

APPROVED AS TO FORM:
MUSGROVE DRUTZ & KACK, PC

Town Attorney

By: _____
Thomas P. Kack, Esq.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. i.**

Meeting Date: 11/13/2012
Contact Person: John Walker
 Phone: 928-636-2646 x-1290
Department: Municipal Court
Item Type: Action
Estimated length of staff presentation: 10 minutes
Physical location of item: Chino Valley Municipal Court

AGENDA ITEM TITLE:

Consideration and possible action to approve the yearly Indigent Legal Services Contract for Court Misdemeanors with J. Andrew Jolley in the amount of \$15,000.

RECOMMENDED ACTION:

Approve the yearly Indigent Legal Services Contract for Court Misdemeanors with J. Andrew Jolley in the amount of \$15,000.

SITUATION AND ANALYSIS:

The Town and the Chino Valley Municipal Court in and for the County of Yavapai, hereinafter called "Court," have determined that execution of Indigent Legal Services Agreements with attorneys is an appropriate method to provide legal services to indigent defendants in cases arising pursuant to Rule 6.1 of the Rules of Criminal Procedure for Arizona and for certain other types of legal proceedings.

Fiscal Impact

Fiscal Impact?: 15,000.00

If Yes, Budget Code: 01-45-5212

Available: 15,000.00

Funding Source:

Funds to come from Court Professional Services line.

Attachments

Criminal Rules of Procedure

Indigent Legal Services Contract



Welcome to the online source for the Arizona Court Rules

16A A.R.S. Rules Crim.Proc., Rule 6.1

Rule 6.1. Rights to counsel; waiver of rights to counsel

16A A.R.S. Rules Crim.Proc., Rule 6.1

Arizona Revised Statutes Annotated Currentness Rules of Criminal Procedure

III. Rights of Parties

Rule 6. Attorneys, Appointment of Counsel

→Rule 6.1. Rights to counsel; waiver of rights to counsel

a. Right to be Represented by Counsel. A defendant shall be entitled to be represented by counsel in any criminal proceeding, except in those petty offenses such as traffic violations where there is no prospect of imprisonment or confinement after a judgment of guilty. The right to be represented shall include the right to consult in private with an attorney, or the attorney's agent, as soon as feasible after a defendant is taken into custody, at reasonable times thereafter, and sufficiently in advance of a proceeding to allow adequate preparation therefor.

b. Right to Appointed Counsel. An indigent defendant shall be entitled to have an attorney appointed to represent him or her in any criminal proceeding which may result in punishment by loss of liberty and in any other criminal proceeding in which the court concludes that the interests of justice so require.

c. Waiver of Rights to Counsel. A defendant may waive his or her rights to counsel under (a) and (b), in writing, after the court has ascertained that he or she knowingly, intelligently and voluntarily desires to forego them. When a defendant waives his or her rights to counsel, the court may appoint an attorney to advise him or her during any stage of the proceedings. Such advisory counsel shall be given notice of all matters of which the defendant is notified.

d. Unreasonable Delay in Retaining Counsel. If a non-indigent defendant, or an indigent defendant who has refused appointed counsel in order to retain private counsel, appears without counsel at any proceeding after having been given a reasonable opportunity to retain counsel, the court may proceed with the matter, with or without securing a written waiver or appointing counsel under section (c) to advise the defendant during the proceeding.

e. Withdrawal of Waiver. A defendant may withdraw a waiver of his or her rights to counsel at any time. The defendant will not be entitled to repeat any proceeding previously held or waived solely on the grounds of the subsequent appointment or retention of counsel.

CREDIT(S)

Amended May 7, 1975, effective Aug. 1, 1975; July 28, 1993, effective Dec. 1, 1993.

COMMENT

Rule 6.1(a). This section entitles the defendant to the aid of counsel during all phases of the criminal process from an arrest or grand jury proceeding and initial appearance through a preliminary hearing and competency hearing, if any, trial or plea, sentencing hearing, sentencing, appeal, post conviction proceeding, and probation revocation.

Rule 6.1(b). This provision is adopted from Gideon v. Wainwright, 335 U.S. 333, 9

L.Ed.2d 799, 93 A.L.R.2d 733 (1963), on remand 153 So.2d 299; Argersinger v. Hamlin, 92 S.Ct. 2006, 407 U.S. 25, 32 L.Ed.2d 530 (1972); ABA, Standards Relating to Providing Defense Services, § 4.1 (Approved Draft, 1968) and Burrage v. Superior Court In and For Mohave County, 105 Ariz. 53, 459 P.2d 313 (1969).

Counsel may be appointed at any point in the proceedings.

Rule 6.1(c). Section (c) provides the standards for waiver of the rights to counsel, applicable throughout these rules. It adopts the constitutional standard set down in Johnson v. Zerbst, 58 S.Ct. 1019, 304 U.S. 458, 82 L.Ed. 1461 (1938); Von Moltke v. Gillies, 68 S.Ct. 316, 332 U.S. 708, 92 L.Ed. 309 (1948); Miranda v. Arizona, 86 S.Ct. 1602, 384 U.S. 436, 16 L.Ed.2d 694, 10 A.L.R.3d 974 (1966), rehearing denied 87 S.Ct. 11, 385 U.S. 890, 17 L.Ed.2d 121; Argersinger v. Hamlin, supra; and State v. Martin, 102 Ariz. 142, 426 P.2d 639 (1967). Generally, a defendant must be advised of the charges against him, of the possible maximum sentence, whether, if convicted, he is likely to be sentenced to a term of imprisonment, and of his rights to be represented by counsel and to have counsel appointed if he is indigent.

The second sentence allows but does not require the court to appoint advisory counsel whenever a defendant seeks to proceed *pro se*. A number of cases have recognized a defendant's absolute right to represent himself, e.g., United States v. Plattner, 330 F.2d 271 (2d Cir.1964); State v. Martin, supra; State v. Betts, 2 Ariz.App. 27, 406 P.2d 229 (1965), but this right is not infringed by appointment of advisory counsel.

Rule 6.1(d). This rule incorporates the standard of the 1956 Ariz.Rules of Criminal Procedure, as amended, Rule 19(b) to protect the court against dilatory tactics of the defendant in retaining counsel. It applies to all stages of the proceedings, not just the preliminary hearing.

Rule 6.1(e). The defendant can decide at any time that he was mistaken to waive counsel; the court should encourage an unrepresented defendant, at all stages, to obtain counsel. The defendant's right to withdraw a waiver of counsel is unlimited; however, he is not allowed to use late appointment or retention of counsel to disrupt orderly and timely processing of his case. Thus, he cannot delay a scheduled proceeding, nor repeat one already held, solely because of a change of heart concerning his ability to represent himself.

HISTORICAL NOTES

Source:

Pen.Code 1901, § 858.

Pen.Code 1913, § 968.

Laws 1927, Ch. 22, § 1.

Rev.Code 1928, § 5001.

Laws 1931, Ch. 71, § 1.

Code 1939, §§ 44-904, 44-905.

Rules Cr.Proc. § 201.

1956 Rules Cr.Proc., Rules 16 to 19, 163.

16A A. R. S. Rules Crim. Proc., Rule 6.1, AZ ST RCRP Rule 6.1

Current with amendments received through 10/1/12

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INDIGENT LEGAL SERVICES AGREEMENT Chino Valley Municipal Court Misdemeanors

This Agreement by and between the Town of Chino Valley, hereinafter called "Town," and **J. Andrew Jolley** hereinafter called "Attorney."

RECITALS

WHEREAS, the Town and the Chino Valley Municipal Court in and for the County of Yavapai, hereinafter called "Court," have determined that execution of Indigent Legal Services Agreements with attorneys is an appropriate method to provide legal services to indigent defendants in cases arising pursuant to Rule 6 of the Rules of Criminal Procedure for Arizona and for certain other types of legal proceedings; and

WHEREAS, the Court and Town have determined that Attorney is licensed to practice law in the State of Arizona and is competent to provide legal services as set forth in this Agreement.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

I. DUTIES OF THE TOWN

- A. Compensation.** For services rendered pursuant to this Agreement, Town agrees to pay Attorney a Base Contract Amount of \$15,000.00 to provide legal services of up to thirty (30) hours per appointed case not to exceed Forty (40) cases which shall represent payment for all representation, ordinary expenses and related work necessary to provide indigent legal services. The Base Contract Amount shall be paid in twelve (12) equal payments on the first of each month during the effective term of this Agreement.
- B. Compensation in Excess of Base Contract Amount.** Attorney shall be compensated in excess of the Base Contract Amount for the following:
 - 1. Extraordinary Expenses.** Included, but are not limited to, transcripts, audio and video tapes, depositions, expert witnesses, investigators and interpreters. Prior to incurring obligations for such expenditures, the Attorney shall apply to the Presiding Judge for approval of expense items. Reimbursement for extraordinary expenditures shall be made monthly upon submission of an itemized listing approved by the Presiding Judge. Failure to secure approval in advance for extraordinary expenditures may be grounds for denial by the Town of any claim for payment of such expenditures.
 - 2. Excess Hours.** If the time required to represent an individual defendant is expected to exceed thirty (30) hours, the Attorney shall request approval of excess compensation from the Presiding Judge. The request shall contain at least the following:
 - 1.** An itemized listing of the specific services provided up to the date of the request showing the amount of time spent on each item.

2. A listing of the anticipated additional services required to complete the representation showing the amount of time to be required for each item.
3. A specific explanation of the circumstances affecting the length and/or complexity of the trial court proceedings.
4. Logs, time sheets and other activity records pertaining to the case.

For on-going cases, billings for excess hours shall be submitted at intervals not to exceed 90 days unless a more frequent interval is specified by the Court. Additional compensation, if approved will be paid at the rate of \$110.00 per hour.

3. Excess Cases. Upon execution of this Agreement, Attorney may elect to accept case assignments in excess of Forty (40) assigned cases. The Attorney shall be compensated for each such assignment at the rate of \$250.00 per case to provide legal services of up to thirty (30) hours per appointed case. If the time required to represent an individual defendant is expected to exceed thirty (30) hours, the Attorney shall request approval of excess compensation from the Presiding Judge. Additional compensation, if approved will be paid at the rate of \$110.00 per hour.

C. Non-Legal Tasks. Total contract amounts and hourly rates paid to Attorney are intended to include services rendered by other persons including paralegals, clerks, secretaries or other support personnel. The Attorney shall not be compensated for any work performed by Attorney of a non-legal nature that would ordinarily be performed by support personnel, including specifically secretarial and clerical support work involved in preparing and transmitting documents, copying, organizing, filing or similar functions. Hours spent by Attorney performing non-legal tasks will not be included in calculation of compensation in excess of the contract amount as described in Section I (B) of this Agreement.

II. DUTIES OF ATTORNEY

A. In General. Attorney shall provide professional legal representation in the assigned cases based upon the express warranties that any person providing such representation pursuant to this Agreement is licensed to practice law in the state of Arizona and that such persons are qualified by reason of competence, training and experience to provide the designated indigent defense services.

B. Good Standing. During the term of the Agreement or any renewal thereof, Attorney will report any bar complaints, malpractice claims or lawsuits in which a determination, finding or decision adverse to the Attorney has been made to the Presiding Judge within five (5) working days of becoming aware of, or receiving notice of the existence or occurrence of such determination, finding or decision. Suspension or loss of the license to practice law in the State of Arizona shall immediately void this Agreement.

C. Local Availability. The Town and the Court expect that the Attorney will be fully prepared to provide effective representation to clients and an appropriate level of service to the Court and the justice system. Attorney agrees that, during the effective term of this Agreement,

he/she will maintain office facilities within the boundaries of Yavapai County and that such facilities will be located and equipped to effectively discharge the duties and responsibilities set forth in this Agreement. It is understood and agreed that Attorney shall establish and maintain communications capability that will allow prompt receipt of and responses to electronic communications including, but not limited to telephone and facsimile, and that Attorney will be available to receive and promptly respond to such communications. The Attorney further agrees to be physically present in Yavapai County at such times as may be required to make court appearances and to meet with clients, justice system personnel and other parties as necessary or to make provisions for substitute representation as specified in Section II(G) of this Agreement.

D. Acceptance of Assignments. The Attorney agrees to accept cases appointed by the Court during the effective term of this Agreement unless Attorney is not ethically permitted to accept the representation under the Arizona Rules of Professional Conduct. It is understood and agreed that the Base Contract Amount is based upon provision of services for the specified number of cases. The Attorney shall represent assigned indigent defendants throughout their trial court proceedings subject to withdrawal or substitution only as provided in this Agreement or in accordance with Rule 6.3, Arizona Rules of Criminal Procedure. The duty of representation continues until each case is terminated by dismissal, acquittal, and sentence, suspension of sentence or imposition of terms of probation and shall include any necessary post verdict proceedings pursuant to Rule 24, Arizona Rules of Criminal Procedure.

E. Representation of Defendants. Upon notification of an assignment of an indigent defendant, the Attorney shall promptly initiate personal contact with that defendant and shall maintain a frequency and nature of such contacts as are reasonably deemed necessary to provide effective representation until the case is terminated as provided in Section II (D) of this Agreement. The Attorney shall be responsible for representation of each defendant at all court proceedings as required. The Attorney shall use reasonable diligence to notify each indigent defendant of necessary court appearances and of any court actions taken as a result of the defendant's non-appearance.

F. Indigent Status. Assignment of a defendant, pursuant to this Agreement, is based upon an initial court determination that the subject defendant is legally indigent. In the event there is a redetermination of the indigent status of any assigned defendant and the Attorney is, thereby, permitted to withdraw as a court-appointed attorney, Attorney agrees not to represent that person in that case for a private fee without prior approval of the assigned trial judge. The Attorney shall not accept a private fee without full disclosure of the terms of this Agreement to the client and shall notify the assigned trial judge of the arrangements made for the private fee. The Attorney shall not solicit a private fee from any indigent defendant.

G. Substitute Representation. The parties contemplate that, unless otherwise specifically provided in writing in this Agreement or attachments thereto, substantially all services to be rendered pursuant to this Agreement are to be provided by the designated Attorney. The parties understand and agree that from time to time, illness, vacation or other circumstances may prevent the designated Attorney from providing some services personally. In that event, it shall be the responsibility of the Attorney to provide qualified substitute representation at no additional cost to the Town. All substitute attorneys not currently contracted to provide indigent legal services

to the Town are subject to prior approval by the trial judge. The Attorney shall not broker or subcontract cases or portions of cases to other attorneys.

H. Activity Records. The Attorney agrees to maintain case logs, final disposition records, time sheets and other pertinent activity records, which shall include the number of days the case was open, the names of the officers involved in each case and any co-defendants for each assigned case and to transmit these records to the Presiding Judge upon request.

I. No Additional Compensation. Attorney may not solicit, accept, or agree to accept, private or additional compensation of any kind, including attorney's fees in any pending, terminated, or completed assignment pursuant to this agreement, other than compensation as specified in this Agreement, except as provided in subsection II (f). Should attorney engage in any claim, lawsuit or other litigation against the Town, its officers, employees or agents, by any party arising from damages, injuries or other losses allegedly sustained by a person during arrest, incarceration and/or prosecution related to a case for which Attorney provided representation to that person. Attorney agrees to promptly notify the Town and Presiding Judge of the existence of such engagement. This provision does not require the Attorney to divulge specific or detailed information that would violate the Arizona Rules of Professional Conduct.

III. INDEPENDENT CONTRACTOR STATUS

In performance of the duties set forth herein, it is mutually understood and agreed that the Attorney is, at all times, acting as an independent provider of indigent legal defense services. It is further understood and agreed that Town shall not seek to exercise control or direction over the methods by which Attorney shall provide services to assigned defendants in individual cases excepting that Attorney does, by this Agreement agree to perform said duties in strict accordance with legal and ethical standards governing the provisions of legal services.

IV. TERM AND TERMINATION

A. Effective Term of Agreement. Unless otherwise specified, the effective term of each Agreement shall run from July 1, 2012 through June 30, 2013.

B. Termination of Agreement; General the Town may terminate this Agreement without cause and in its sole discretion, upon thirty (30) days written notice to the Attorney. The Attorney may terminate this Agreement without cause and in his/her sole discretion upon thirty (30) days written notice to the Town and the Presiding Judge.

If this Agreement is terminated by either party pursuant to this Section IV (B), Attorney shall complete representation of all indigent defendants previously assigned, as provided in Section II (D) of this Agreement, unless Attorney is given permission to withdraw by the Presiding Judge. Receipt of permission to withdraw shall not terminate Attorney's financial liability for the costs of completion of representation for all cases assigned prior to the effective date of termination.

Attorney's liability upon termination shall include all costs incurred by the Town to retain substitute counsel as needed to complete representation of clients and any other costs associated

with such representation that would not have been incurred had Attorney completed representation pursuant to this Agreement. It is understood and agreed that, upon notice of termination, or at such time when it reasonably appears that Attorney may be unwilling or unable to perform pursuant to this Agreement, the Town may, in its sole discretion, withhold any amounts then or subsequently owed to Attorney pursuant to this Agreement pending a final determination of the costs of completion of representation. Upon such final determination, the amounts owed, less costs of completion, shall be paid to Attorney.

V. TEMPORARY MODIFICATIONS.

In the event that circumstances arise which prevent Attorney from providing effective assistance of counsel, Town representatives and the Presiding Judge may confer with the Attorney to identify the issues and attempt to resolve any problems. The Town may make temporary modifications of the Agreement to the extent that the legitimate interests of the parties and the interests of justice may be served thereby.

VII. APPROVALS

Attorney:

Date: _____

Date: _____

Town:

By:

Title:

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. j.**

Meeting Date: 11/13/2012
Contact Person: Cecilia Watts
 Phone: 928-636-2646 x-1202
Department: General Services
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 Professional Services Agreement with Red Oak Consulting for the calculation of the Town's Development Impact Fees pursuant to Senate Bill 1525 and Arizona Revised Statutes §9-463.05, with anticipated start date of December 2012 and completion anticipated in January 2014, in an amount not to exceed \$72,000.

RECOMMENDED ACTION:

Approve Professional Services Agreement with Red Oak Consulting, in a total amount not to exceed \$72,000, for Development Impact Fees calculations.

SITUATION AND ANALYSIS:

Senate Bill 1525, which became ARS §9-463.05 became effective January 1, 2012, and requires municipalities to calculate Development Impact Fees in a method different than the current procedure. This project will take at least one year to complete, and in summary, will cover the following tasks:

- Develop Impact Fees for the following service area: Police, Streets, Library, and Parks and Recreation;
- Determination of projected capital projects for the four fee areas over the next 10 years;
- An analysis of current facilities, service level information, town-specific trip generation data, five comparable communities to survey, growth-related projections, capital improvement plans, and existing reimbursement agreements;
- Incorporation of Land Use Assumptions from the Town's General Plan;
- Development of Infrastructure Improvement Plan; and finally,
- The Calculation of Development Impact Fees, Funding and Cash Flow Analysis.

The Red Oak Team will facilitate up to two stakeholder meetings with the development

community, associations, citizens and / or Advisory Committees in addition to Public Hearing and Town Council Presentations, which is estimated to be attendance at four Town Council Meetings. This project is expected to consume 374 hours, and will be primarily performed by Ms. Pat Walker, as a sub-consultant of Red Oak Consulting.

It is anticipated that the Development Impact fees would be adopted in January 2014, and become effective 75 days after approved by the Town Council.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 01-95-5417

Available: 35,000.00

Funding Source:

The Town Budgeted \$ 35,000 this fiscal year and will budget \$ 37,000 next fiscal year.

Attachments

A.R.S. 9-463.05

Professional Services Agreement

PSA, Scope of Work

Arizona State Legislature

Bill Number Search



Fiftieth Legislature - Second Regular Session

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9-463.05. Development fees; imposition by cities and towns; infrastructure improvements plan; annual report; advisory committee; limitation on actions; definitions

A. A municipality may assess development fees to offset costs to the municipality associated with providing necessary public services to a development, including the costs of infrastructure, improvements, real property, engineering and architectural services, financing and professional services required for the preparation or revision of a development fee pursuant to this section, including the relevant portion of the infrastructure improvements plan.

B. Development fees assessed by a municipality under this section are subject to the following requirements:

1. Development fees shall result in a beneficial use to the development.
2. The municipality shall calculate the development fee based on the infrastructure improvements plan adopted pursuant to this section.
3. The development fee shall not exceed a proportionate share of the cost of necessary public services, based on service units, needed to provide necessary public services to the development.
4. Costs for necessary public services made necessary by new development shall be based on the same level of service provided to existing development in the service area.

5. Development fees may not be used for any of the following:

- (a) Construction, acquisition or expansion of public facilities or assets other than necessary public services or facility expansions identified in the infrastructure improvements plan.
- (b) Repair, operation or maintenance of existing or new necessary public services or facility expansions.
- (c) Upgrading, updating, expanding, correcting or replacing existing necessary public services to serve existing development in order to meet stricter safety, efficiency, environmental or regulatory standards.
- (d) Upgrading, updating, expanding, correcting or replacing existing necessary public services to provide a higher level of service to existing development.
- (e) Administrative, maintenance or operating costs of the municipality.

6. Any development for which a development fee has been paid is entitled to the use and benefit of the services for which the fee was imposed and is entitled to receive immediate service from any existing facility with available capacity to serve the new service units if the available capacity has not been reserved or pledged in connection with the construction or financing of the facility.

7. Development fees may be collected if any of the following occurs:

- (a) The collection is made to pay for a necessary public service or facility expansion that is identified in the infrastructure improvements plan and the municipality plans to complete construction and to have the service available within the time period established in the infrastructure improvement plan, but in no event longer than the time period provided in subsection H, paragraph 3 of this section.
- (b) The municipality reserves in the infrastructure improvements plan adopted pursuant to this section or otherwise agrees to reserve capacity to serve future development.

(c) The municipality requires or agrees to allow the owner of a development to construct or finance the necessary public service or facility expansion and any of the following apply:

- (i) The costs incurred or money advanced are credited against or reimbursed from the development fees otherwise due from a development.
- (ii) The municipality reimburses the owner for those costs from the development fees paid from all developments that will use those necessary public services or facility expansions.

(iii) For those costs incurred the municipality allows the owner to assign the credits or reimbursement rights from the development fees otherwise due from a development to other developments for the same category of necessary public services in the same service area.

8. Projected interest charges and other finance costs may be included in determining the amount of development fees only if the monies are used for the payment of principal and interest on the portion of the bonds, notes or other obligations issued to finance construction of necessary public services or facility expansions identified in the infrastructure improvements plan.

9. Monies received from development fees assessed pursuant to this section shall be placed in a separate fund and accounted for separately and may only be used for the purposes authorized by this section. Monies received from a development fee identified in an infrastructure improvements plan adopted or updated pursuant to subsection D of this section shall be used to provide the same category of necessary public services or facility expansions for which the development fee was assessed and for the benefit of the same service area, as defined in the infrastructure improvements plan, in which the development fee was assessed. Interest earned on monies in the separate fund shall be credited to the fund.

10. The schedule for payment of fees shall be provided by the municipality. Based on the cost identified in the infrastructure improvements plan, the municipality shall provide a credit toward the payment of a development fee for the required or agreed to dedication of public sites, improvements and other necessary public services or facility expansions included in the infrastructure improvements plan and for which a development fee is assessed, to the extent the public sites, improvements and necessary public services or facility expansions are provided by the developer. The developer of residential dwelling units shall be required to pay development fees when construction permits for the dwelling units are issued, or at a later time if specified in a development agreement pursuant to section 9-500.05. If a development agreement provides for fees to be paid at a time later than the issuance of construction permits, the deferred fees shall be paid no later than fifteen days after the issuance of a certificate of occupancy. The development agreement shall provide for the value of any deferred fees to be supported by appropriate security, including a surety bond, letter of credit or cash bond.

11. If a municipality requires as a condition of development approval the construction or improvement of, contributions to or dedication of any facilities that were not included in a previously adopted infrastructure improvements plan, the municipality shall cause the infrastructure improvements plan to be amended to include the facilities and shall provide a credit toward the payment of a development fee for the construction, improvement, contribution or dedication of the facilities to the extent that the facilities will substitute for or otherwise reduce the need for other similar facilities in the infrastructure improvements plan for which development fees were assessed.

12. The municipality shall forecast the contribution to be made in the future in cash or by taxes, fees, assessments or other sources of revenue derived from the property owner towards the capital costs of the necessary public service covered by the development fee and shall include these contributions in determining the extent of the burden imposed by the development. Beginning August 1, 2014, for purposes of calculating the required offset to development fees pursuant to this subsection, if a municipality imposes a construction contracting or similar excise tax rate in excess of the percentage amount of the transaction privilege tax rate imposed on the majority of other transaction privilege tax classifications, the entire excess portion of the construction contracting or similar excise tax shall be treated as a contribution to the capital costs of necessary public services provided to development for which development fees are assessed, unless the excess portion was already taken into account for such purpose pursuant to this subsection.

13. If development fees are assessed by a municipality, the fees shall be assessed against commercial, residential and industrial development, except that the municipality may distinguish between different categories of residential, commercial and industrial development in assessing the costs to the municipality of providing necessary public services to new development and in determining the amount of the development fee applicable to the category of development. If a municipality agrees to waive any of the development fees assessed on a development, the municipality shall reimburse the appropriate development fee accounts for the amount that was waived. The municipality shall provide notice of any such waiver to the advisory committee established pursuant to subsection G of this section within thirty days.

14. In determining and assessing a development fee applying to land in a community facilities district established under title 48, chapter 4, article 6, the municipality shall take into account all public infrastructure provided by the district and capital costs paid by the district for necessary public services and shall not assess a portion of the development fee based on the infrastructure or costs.

C. A municipality shall give at least thirty days' advance notice of intention to assess a development fee and shall release to the public and post on its website or the website of an association of cities and towns if a municipality does not have a website a written report of the land use assumptions and infrastructure improvements plan adopted pursuant to subsection D of this section. The municipality shall conduct a

public hearing on the proposed development fee at any time after the expiration of the thirty day notice of intention to assess a development fee and at least thirty days before the scheduled date of adoption of the fee by the governing body. Within sixty days after the date of the public hearing on the proposed development fee, a municipality shall approve or disapprove the imposition of the development fee. A municipality shall not adopt an ordinance, order or resolution approving a development fee as an emergency measure. A development fee assessed pursuant to this section shall not be effective until seventy-five days after its formal adoption by the governing body of the municipality. Nothing in this subsection shall affect any development fee adopted before July 24, 1982.

D. Before the adoption or amendment of a development fee, the governing body of the municipality shall adopt or update the land use assumptions and infrastructure improvements plan for the designated service area. The municipality shall conduct a public hearing on the land use assumptions and infrastructure improvements plan at least thirty days before the adoption or update of the plan. The municipality shall release the plan to the public, post the plan on its website or the website of an association of cities and towns if the municipality does not have a website, including in the posting its land use assumptions, the time period of the projections, a description of the necessary public services included in the infrastructure improvements plan and a map of the service area to which the land use assumptions apply, make available to the public the documents used to prepare the assumptions and plan and provide public notice at least sixty days before the public hearing, subject to the following:

1. The land use assumptions and infrastructure improvements plan shall be approved or disapproved within sixty days after the public hearing on the land use assumptions and infrastructure improvements plan and at least thirty days before the public hearing on the report required by subsection C of this section. A municipality shall not adopt an ordinance, order or resolution approving the land use assumptions or infrastructure improvements plan as an emergency measure.

2. An infrastructure improvements plan shall be developed by qualified professionals using generally accepted engineering and planning practices pursuant to subsection E of this section.

3. A municipality shall update the land use assumptions and infrastructure improvements plan at least every five years. The initial five year period begins on the day the infrastructure improvements plan is adopted. The municipality shall review and evaluate its current land use assumptions and shall cause an update of the infrastructure improvements plan to be prepared pursuant to this section.

4. Within sixty days after completion of the updated land use assumptions and infrastructure improvements plan, the municipality shall schedule and provide notice of a public hearing to discuss and review the update and shall determine whether to amend the assumptions and plan.

5. A municipality shall hold a public hearing to discuss the proposed amendments to the land use assumptions, the infrastructure improvements plan or the development fee. The land use assumptions and the infrastructure improvements plan, including the amount of any proposed changes to the development fee per service unit, shall be made available to the public on or before the date of the first publication of the notice of the hearing on the amendments.

6. The notice and hearing procedures prescribed in paragraph 1 of this subsection apply to a hearing on the amendment of land use assumptions, an infrastructure improvements plan or a development fee. Within sixty days after the date of the public hearing on the amendments, a municipality shall approve or disapprove the amendments to the land use assumptions, infrastructure improvements plan or development fee. A municipality shall not adopt an ordinance, order or resolution approving the amended land use assumptions, infrastructure improvements plan or development fee as an emergency measure.

7. The advisory committee established under subsection G of this section shall file its written comments on any proposed or updated land use assumptions, infrastructure improvements plan and development fees before the fifth business day before the date of the public hearing on the proposed or updated assumptions, plan and fees.

8. If, at the time an update as prescribed in paragraph 3 of this subsection is required, the municipality determines that no changes to the land use assumptions, infrastructure improvements plan or development fees are needed, the municipality may as an alternative to the updating requirements of this subsection publish notice of its determination on its website and include the following:

- (a) A statement that the municipality has determined that no change to the land use assumptions, infrastructure improvements plan or development fee is necessary.

- (b) A description and map of the service area in which an update has been determined to be unnecessary.

- (c) A statement that by a specified date, which shall be at least sixty days after the date of publication of the first notice, a person may make a written request to the municipality requesting that the land use assumptions, infrastructure improvements plan or development fee be updated.

- (d) A statement identifying the person or entity to whom the written request for an update should be sent.

9. If, by the date specified pursuant to paragraph 8 of this subsection, a person

requests in writing that the land use assumptions, infrastructure improvements plan or development fee be updated, the municipality shall cause, accept or reject an update of the assumptions and plan to be prepared pursuant to this subsection.

10. Notwithstanding the notice and hearing requirements for adoption of an infrastructure improvements plan, a municipality may amend an infrastructure improvements plan adopted pursuant to this section without a public hearing if the amendment addresses only elements of necessary public services in the existing infrastructure improvements plan and the changes to the plan will not, individually or cumulatively with other amendments adopted pursuant to this subsection, increase the level of service in the service area or cause a development fee increase of greater than five per cent when a new or modified development fee is assessed pursuant to this section. The municipality shall provide notice of any such amendment at least thirty days before adoption, shall post the amendment on its website or on the website of an association of cities and towns if the municipality does not have a website and shall provide notice to the advisory committee established pursuant to subsection G of this section that the amendment complies with this subsection.

E. For each necessary public service that is the subject of a development fee, the infrastructure improvements plan shall include:

1. A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.
2. An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.
3. A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.
4. A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.
5. The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.
6. The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.
7. A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved land use assumptions, and a plan to include these contributions in determining the extent of the burden imposed by the development as required in subsection B, paragraph 12 of this section.

F. A municipality's development fee ordinance shall provide that a new development fee or an increased portion of a modified development fee shall not be assessed against a development for twenty-four months after the date that the municipality issues the final approval for a commercial, industrial or multifamily development or the date that the first building permit is issued for a residential development pursuant to an approved site plan or subdivision plat, provided that no subsequent changes are made to the approved site plan or subdivision plat that would increase the number of service units. If the number of service units increases, the new or increased portion of a modified development fee shall be limited to the amount attributable to the additional service units. The twenty-four month period shall not be extended by a renewal or amendment of the site plan or the final subdivision plat that was the subject of the final approval. The municipality shall issue, on request, a written statement of the development fee schedule applicable to the development. If, after the date of the municipality's final approval of a development, the municipality reduces the development fee assessed on development, the reduced fee shall apply to the development.

G. A municipality shall do one of the following:

1. Before the adoption of proposed or updated land use assumptions, infrastructure improvements plan and development fees as prescribed in subsection D of this section, the municipality shall appoint an infrastructure improvements advisory committee, subject to the following requirements:
 - (a) The advisory committee shall be composed of at least five members who are appointed by the governing body of the municipality. At least fifty per cent of the members of the advisory committee must be representatives of the real estate, development or building industries, of which at least one member of the committee must be from the home building industry. Members shall not be employees or officials of the municipality.

- (b) The advisory committee shall serve in an advisory capacity and shall:
- (i) Advise the municipality in adopting land use assumptions and in determining whether the assumptions are in conformance with the general plan of the municipality.
 - (ii) Review the infrastructure improvements plan and file written comments.
 - (iii) Monitor and evaluate implementation of the infrastructure improvements plan.
 - (iv) Every year file reports with respect to the progress of the infrastructure improvements plan and the collection and expenditures of development fees and report to the municipality any perceived inequities in implementing the plan or imposing the development fee.
 - (v) Advise the municipality of the need to update or revise the land use assumptions, infrastructure improvements plan and development fee.
- (c) The municipality shall make available to the advisory committee any professional reports with respect to developing and implementing the infrastructure improvements plan.
- (d) The municipality shall adopt procedural rules for the advisory committee to follow in carrying out the committee's duties.
2. In lieu of creating an advisory committee pursuant to paragraph 1 of this subsection, provide for a biennial certified audit of the municipality's land use assumptions, infrastructure improvements plan and development fees. An audit pursuant to this paragraph shall be conducted by one or more qualified professionals who are not employees or officials of the municipality and who did not prepare the infrastructure improvements plan. The audit shall review the progress of the infrastructure improvements plan, including the collection and expenditures of development fees for each project in the plan, and evaluate any inequities in implementing the plan or imposing the development fee. The municipality shall post the findings of the audit on the municipality's website or the website of an association of cities and towns if the municipality does not have a website and shall conduct a public hearing on the audit within sixty days of the release of the audit to the public.
- H. On written request, an owner of real property for which a development fee has been paid after July 31, 2014 is entitled to a refund of a development fee or any part of a development fee if:
1. Pursuant to subsection B, paragraph 6 of this section, existing facilities are available and service is not provided.
 2. The municipality has, after collecting the fee to construct a facility when service is not available, failed to complete construction within the time period identified in the infrastructure improvements plan, but in no event later than the time period specified in paragraph 3 of this subsection.
 3. For a development fee other than a development fee for water or wastewater facilities, any part of the development fee is not spent as authorized by this section within ten years after the fee has been paid or, for a development fee for water or wastewater facilities, any part of the development fee is not spent as authorized by this section within fifteen years after the fee has been paid.
- I. If the development fee was collected for the construction of all or a portion of a specific item of infrastructure, and on completion of the infrastructure the municipality determines that the actual cost of construction was less than the forecasted cost of construction on which the development fee was based and the difference between the actual and estimated cost is greater than ten per cent, the current owner may receive a refund of the portion of the development fee equal to the difference between the development fee paid and the development fee that would have been due if the development fee had been calculated at the actual construction cost.
- J. A refund shall include any interest earned by the municipality from the date of collection to the date of refund on the amount of the refunded fee. All refunds shall be made to the record owner of the property at the time the refund is paid. If the development fee is paid by a governmental entity, the refund shall be paid to the governmental entity.
- K. A development fee that was adopted before January 1, 2012 may continue to be assessed only to the extent that it will be used to provide a necessary public service for which development fees can be assessed pursuant to this section and shall be replaced by a development fee imposed under this section on or before August 1, 2014. Any municipality having a development fee that has not been replaced under this section on or before August 1, 2014 shall not collect development fees until the development fee has been replaced with a fee that complies with this section. Any development fee monies collected before January 1, 2012 remaining in a development fee account:
1. Shall be used towards the same category of necessary public services as authorized by this section.
 2. If development fees were collected for a purpose not authorized by this section, shall be used for the purpose for which they were collected on or before January 1, 2020, and after which, if not spent, shall be distributed equally among the categories of necessary public services authorized by this section.
- L. A moratorium shall not be placed on development for the sole purpose of awaiting completion of all or any part of the process necessary to develop, adopt or update development fees.
- M. In any judicial action interpreting this section, all powers conferred on municipal

governments in this section shall be narrowly construed to ensure that development fees are not used to impose on new residents a burden all taxpayers of a municipality should bear equally.

N. Each municipality that assesses development fees shall submit an annual report accounting for the collection and use of the fees for each service area. The annual report shall include the following:

1. The amount assessed by the municipality for each type of development fee.
2. The balance of each fund maintained for each type of development fee assessed as of the beginning and end of the fiscal year.
3. The amount of interest or other earnings on the monies in each fund as of the end of the fiscal year.
4. The amount of development fee monies used to repay:
 - (a) Bonds issued by the municipality to pay the cost of a capital improvement project that is the subject of a development fee assessment, including the amount needed to repay the debt service obligations on each facility for which development fees have been identified as the source of funding and the time frames in which the debt service will be repaid.
 - (b) Monies advanced by the municipality from funds other than the funds established for development fees in order to pay the cost of a capital improvement project that is the subject of a development fee assessment, the total amount advanced by the municipality for each facility, the source of the monies advanced and the terms under which the monies will be repaid to the municipality.
5. The amount of development fee monies spent on each capital improvement project that is the subject of a development fee assessment and the physical location of each capital improvement project.
6. The amount of development fee monies spent for each purpose other than a capital improvement project that is the subject of a development fee assessment.

O. Within ninety days following the end of each fiscal year, each municipality shall submit a copy of the annual report to the city clerk and post the report on the municipality's website or the website of an association of cities and towns if the municipality does not have a website. Copies shall be made available to the public on request. The annual report may contain financial information that has not been audited.

P. A municipality that fails to file the report and post the report on the municipality's website or the website of an association of cities and towns if the municipality does not have a website as required by this section shall not collect development fees until the report is filed and posted.

Q. Any action to collect a development fee shall be commenced within two years after the obligation to pay the fee accrues.

R. A municipality may continue to assess a development fee adopted before January 1, 2012 for any facility that was financed before June 1, 2011 if:

1. Development fees were pledged to repay debt service obligations related to the construction of the facility.
2. After August 1, 2014, any development fees collected under this subsection are used solely for the payment of principal and interest on the portion of the bonds, notes or other debt service obligations issued before June 1, 2011 to finance construction of the facility.

S. Through August 1, 2014, a development fee adopted before January 1, 2012 may be used to finance construction of a facility and may be pledged to repay debt service obligations if:

1. The facility that is being financed is a facility that is described under subsection T, paragraph 7, subdivisions (a) through (g) of this section.
2. The facility was included in an infrastructure improvements plan adopted before June 1, 2011.

3. The development fees are used for the payment of principal and interest on the portion of the bonds, notes or other debt service obligations issued to finance construction of the necessary public services or facility expansions identified in the infrastructure improvement plan.

T. For the purposes of this section:

1. "Dedication" means the actual conveyance date or the date an improvement, facility or real or personal property is placed into service, whichever occurs first.
2. "Development" means:
 - (a) The subdivision of land.
 - (b) The construction, reconstruction, conversion, structural alteration, relocation or enlargement of any structure that adds or increases the number of service units.
 - (c) Any use or extension of the use of land that increases the number of service units.
3. "Facility expansion" means the expansion of the capacity of an existing facility that serves the same function as an otherwise new necessary public service in order that the existing facility may serve new development. Facility expansion does not include the repair, maintenance, modernization or expansion of an existing facility to better serve existing development.
4. "Final approval" means:
 - (a) For a nonresidential or multifamily development, the approval of a site plan or, if no site plan is submitted for the development, the approval of a final subdivision plat.
 - (b) For a single family residential development, the approval of a final subdivision

plat.

5. "Infrastructure improvements plan" means a written plan that identifies each necessary public service or facility expansion that is proposed to be the subject of a development fee and otherwise complies with the requirements of this section, and may be the municipality's capital improvements plan.

6. "Land use assumptions" means projections of changes in land uses, densities, intensities and population for a specified service area over a period of at least ten years and pursuant to the general plan of the municipality.

7. "Necessary public service" means any of the following facilities that have a life expectancy of three or more years and that are owned and operated by or on behalf of the municipality:

(a) Water facilities, including the supply, transportation, treatment, purification and distribution of water, and any appurtenances for those facilities.

(b) Wastewater facilities, including collection, interception, transportation, treatment and disposal of wastewater, and any appurtenances for those facilities.

(c) Storm water, drainage and flood control facilities, including any appurtenances for those facilities.

(d) Library facilities of up to ten thousand square feet that provide a direct benefit to development, not including equipment, vehicles or appurtenances.

(e) Street facilities located in the service area, including arterial or collector streets or roads that have been designated on an officially adopted plan of the municipality, traffic signals and rights-of-way and improvements thereon.

(f) Fire and police facilities, including all appurtenances, equipment and vehicles. Fire and police facilities do not include a facility or portion of a facility that is used to replace services that were once provided elsewhere in the municipality, vehicles and equipment used to provide administrative services, helicopters or airplanes or a facility that is used for training firefighters or officers from more than one station or substation.

(g) Neighborhood parks and recreational facilities on real property up to thirty acres in area, or parks and recreational facilities larger than thirty acres if the facilities provide a direct benefit to the development. Park and recreational facilities do not include vehicles, equipment or that portion of any facility that is used for amusement parks, aquariums, aquatic centers, auditoriums, arenas, arts and cultural facilities, bandstand and orchestra facilities, bathhouses, boathouses, clubhouses, community centers greater than three thousand square feet in floor area, environmental education centers, equestrian facilities, golf course facilities, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, zoo facilities or similar recreational facilities, but may include swimming pools.

(h) Any facility that was financed and that meets all of the requirements prescribed in subsection R of this section.

8. "Qualified professional" means a professional engineer, surveyor, financial analyst or planner providing services within the scope of the person's license, education or experience.

9. "Service area" means any specified area within the boundaries of a municipality in which development will be served by necessary public services or facility expansions and within which a substantial nexus exists between the necessary public services or facility expansions and the development being served as prescribed in the infrastructure improvements plan.

10. "Service unit" means a standardized measure of consumption, use, generation or discharge attributable to an individual unit of development calculated pursuant to generally accepted engineering or planning standards for a particular category of necessary public services or facility expansions.

PROFESSIONAL SERVICES AGREEMENT

This Agreement ("Agreement") is made effective as of December 3, 2012, by and between TOWN OF CHINO VALLEY, a municipal corporation of the State of Arizona ("Town") and Red Oak Consulting, ("Consultant").

RECITALS

- A. The Town has need of certain services.
- B. Consultant has expertise in the municipal finance field, specifically in the calculation of Development Impact Fees.

AGREEMENT

NOW THEREFORE, the parties hereto, for good and adequate consideration, the receipt of which is hereby acknowledged, agree as follows:

1. The Consultant shall provide those services to the Town on an as needed basis, as more particularly identified in Exhibit A, "Scope of Work", attached hereto and incorporated herein by reference.

2. In addition to those services identified in the attached Exhibit A, the Consultant shall also perform all subordinate tasks not specifically referenced in Exhibit A, but reasonably necessary to the full or effective performance of the tasks specifically referenced.

3. Consultant shall provide sufficient qualified personnel, upon reasonable notice to perform any and all services as required herein, including but not limited to inspections and preparation of reports, as reasonably requested by representatives of the Town. Consultant agrees and acknowledges that Consultant is solely responsible for the retention and payment of any subcontractors and/or material suppliers retained by Consultant pursuant to this Agreement, and that the payment for the foregoing is included within the total amount to be paid to the Consultant pursuant to Paragraph 6.

4. The term of this Agreement shall be from December 3, 2012 through January, 2014. All services identified in Paragraphs 1 and 2 above shall be completed to the satisfaction of the Town no later than February 1, 2014. Notwithstanding the foregoing, this Agreement may be terminated by the Town upon ten (10) days written notice, with or without cause. If this Agreement is terminated, the Consultant shall be paid for services performed to the date of Consultant's receipt of such termination notice.

5. It is expressly agreed and understood by and between the parties that Consultant is an independent contractor, and as such Consultant shall not become a Town employee, and is not entitled to payment or compensation from the Town or to any fringe benefits to which other

Town employees are entitled. As an independent contractor, consultant further acknowledges that it is solely responsible for payment of any and all income taxes, FICA, withholding, unemployment insurance, or other taxes due and owing any governmental entity whatsoever as a result of this Agreement.

6. The Town shall pay to Consultant on a time and materials basis an amount not in excess of the total sum of \$72,000.00 Dollars for fees and costs for the complete performance of all services specified in Exhibit A. Payment to be made by the Town to the Consultant for the cost of providing services will be based on monthly invoices which will set forth the hourly rates and hours actually worked during the billing period. The Consultant will submit an invoice monthly to the Town for the services and cost of materials incurred for the billing period. The Town shall make payment to the Consultant of one hundred percent (100%) of the approved invoiced amount within fifteen (15) days of the Town's receipt of the invoice. The Town shall provide written notice of its disapproval of all or any portion of an invoice, including the basis for disapproval, within fifteen (15) days from receipt of the invoice. The

Town's payment of an invoice and/or failure to dispute an invoice shall not be a waiver of the Town's right to later dispute the invoice, charges in the invoice or the work performed and referenced in the invoice. Payment of the total amount provided for under this Section 6 shall not relieve Consultant of its obligation to complete the performance of all those services specified in Sections 1, 2 and 3. Prior to the final payment to the Consultant, the Town shall deduct therefrom any and all unpaid privilege, license and other taxes, fees and any and all other unpaid monies due the Town from the Consultant, and shall apply to those monies to the appropriate account. Consultant shall provide to the Town any information necessary to determine the total amount due.

7. All original and/or sealed drawings, specification, and other work product prepared by the Consultant in connection with the services performed under this Agreement (the "Project") are instruments of service for this Project only and shall remain the property of the Town whether the Project is completed or not. Consultant shall not be responsible for any damages resulting from unapproved modification of such work products by the Town or its agents or from their use for any purpose other than that for which they were intended and furnished. All plans, drawings, specifications, data maps, studies and other information, including all copies thereof furnished by the Town shall remain the property of the Town. They are not to be used on other work and, with the exception of this Agreement, are to be returned to the Town on request or at the completion of the services under this Agreement.

8. The Consultant hereby agrees to indemnify and hold harmless the Town, its departments and divisions, its employees and agents, for, from and against any and all claims, liabilities, expenses or lawsuits as a result of the Consultant's participation pursuant to this Agreement, whether said claims, liabilities, expenses or lawsuits arise by the acts or omissions of the undersigned or Consultant's agents. The Consultant further releases and discharges the Town, its departments and divisions, its agents and employees, and any and all persons legally responsible for the acts or omissions of the Town, from any and all claims which the Consultant has or may have against the Town, its agents or employees, arising out of or in any way connected with the Consultant's activities, other than those acts which occur due to the negligence of the Town, its employees or agents.

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

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

(b) Commercial/Business Automobile Liability insurance with a minimum coverage for bodily injury and personal injury of Two Hundred Fifty Thousand Dollars (\$250,000) per occurrence and Five Hundred Thousand (\$500,000) aggregate; and minimum coverage of One Hundred Thousand Dollars (\$100,000) per occurrence/aggregate for property damage with respect to any owned, leased, hired and non-owned vehicles assigned to or used in the performance of this Agreement. Such policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, nor any provision which would serve to limit third party action over claims.

(c) Products and completed operations insurance with a minimum coverage of One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate.

(d) NA

(e) Professional liability insurance covering acts, errors, mistakes and omissions arising out of the services performed by Consultant under this Agreement, or any person employed by Consultant, with a minimum coverage limit of One Million Dollars (\$1,000,000) each claim.

(f) Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Consultant's employees engaged in the performance of the services under this Agreement and

Employer's Liability insurance of not less than Five Hundred Thousand Dollars (\$500,000) for each accident, Five Hundred Thousand Dollars (\$500,000) disease for each employee, and One Million Dollars (\$1,000,000) disease policy limit.

(g) NA

All insurance and bonds required pursuant to this Agreement must be written by an insurance company duly licensed and subject to legal process within the State of Arizona, to be evidenced by a Certificate of Authority as defined in A.R.S. § 20-217, a copy of which certificate is to be attached to each applicable bond or binder. All insurance required herein shall be maintained in full force and effect until all services required to be performed under the terms of this Agreement are satisfactorily completed and formally accepted; failure to do so may, at the sole discretion of the Town, constitute a breach of this Agreement. Consultant's insurance shall be primary insurance with respect to the Town, and any insurance maintained by the Town shall not contribute to it. Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the Town. The insurance policies shall contain a waiver of transfer rights of recovery (subrogation) against the Town, its agents, officers, officials and employees for any claims arising out of the Consultant's acts, errors, mistakes, omissions, work or service. The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to the Town, under such policies. The Consultant shall be solely responsible for the deductible and/or self-insured retention. The Town reserves the right to request and to receive, within ten (10) working days, certified copies of any or all of the herein required insurance policies and/or endorsements. The Town shall not be obligated, however, to review same or to advise the Consultant of any deficiencies in such policies and endorsements, and such receipt shall not relieve the Consultant from or be deemed a waiver of, the Town's right to insist on strict fulfillment of the Consultant's obligations under this Agreement. The insurance policies, except any Workers' Compensation and Professional Liability required by this Agreement, shall name the Town, its agents, officers, officials and employees as additional insured. Prior to commencing any services under this Agreement, the Consultant shall furnish the Town with certificates of insurance, or formal endorsements as required by this Agreement, issued by the Consultant's insurer, as evidence that policies providing the required coverage, conditions and limits required by this Agreement are in full force and effect. In the event any insurance policy required by this Agreement is written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of the Consultant's services and as evidenced by annual certificates of insurance. If a policy does expire during the term of this Agreement, a renewal certificate must be sent to the Town fifteen (15) days prior to the expiration date. Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to the Town.

10. The Consultant, with regard to the work performed in accordance with this Agreement, will not discriminate on the grounds of race, color, national origin, religion, sex, disability or familial status in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The Consultant will not participate either directly or indirectly in the discrimination prohibited by or pursuant to Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Age Discrimination Act of 1975 and Executive Order 2000-4.

11. The parties hereto expressly covenant and agree that in the event of a dispute arising from this Agreement, each of the parties hereto waive any right to a trial by jury. In the event of a dispute arising from this Agreement, the parties hereby agree to submit to the jurisdiction of the Superior Court in the State of Arizona. The parties hereto further agree to waive any right to arbitration unless otherwise agreed to in a written amendment to this Agreement. PWC further agrees that the provisions outlined in this contract shall be contained in all subcontracts related to the Project. Should any proceeding or litigation be commenced between the parties hereto concerning the terms of this Agreement, or the rights and duties of the parties hereto, the prevailing party in such proceeding or litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for the prevailing party's attorneys' fees.

12. **General.**

- (a) This Agreement is not intended to create any rights on behalf of any third parties.
- (b) This Agreement has been made and entered into in the State of Arizona, and shall be governed by the laws of the State of Arizona in all respects, including, without limitation, matters of construction, validity, enforcement, rights, remedies and performance. If any provision of this Agreement is rendered or declared illegal or unenforceable by reasons of any existing or subsequently enacted statute, rule or regulation, or by order of or judgment of a court, all other terms and provisions of this Agreement shall remain in full force and effect as stated and set forth herein.
- (c) This Agreement may be executed in multiple counterparts, each of which shall serve as an original for all purposes, but all counterparts shall be construed together and constitute one and the same Agreement.
- (d) The parties acknowledge and agree that this Agreement shall not be construed for or against a party solely by virtue of all or any portion of the Agreement having been drafted by a party's attorney.
- (e) In the event of a conflict or inconsistency between or among the following documents, the documents shall take priority in the following order: (1) this Professional Services Agreement; (2) Exhibit A, Scope of Work attached hereto.
- (f) The Consultant and the Town further agree that each will do or cause to be done such further acts and shall execute, acknowledge and deliver such further instructions as may be reasonably required by any of them to fully effectuate the Agreement contemplated herein.
- (g) Any amendment to this Agreement shall be in writing and executed by each party hereto.
- (h) This Agreement contains the entire understanding among the parties and supersedes any prior written or oral agreements between them respecting the subject matter of this Agreement. There are no representations, agreements, arrangements, or understandings, oral or written, between the parties relating to the subject matter of this Agreement that are not fully set forth herein.
- (i) Consultant may not assign any of Consultant's rights and duties under this contract without Town's prior written consent, which may be given or withheld in Town's sole discretion. Any assignment by Consultant without Town's written consent shall be null and void.
- (j) This Agreement, and all of the rights and obligations contained herein, shall be binding upon and inure to the benefit of the heirs, legal representatives, successors and permitted assigns of the respective parties hereto.
- (k) Time is of the essence in this Agreement.
- (l) Pursuant to A.R.S. § 38-511, the Town may cancel this Agreement, without penalty or further obligation, within three years after execution of this Agreement, if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Town is, at any time while this Agreement or any extension of this Agreement is in effect, an employee or agent of any other party to this Agreement in any capacity or a consultant to any other party of this Agreement with respect to the subject matter of this Agreement. In addition to the right to cancel this Agreement, the Town may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Town from any other party to the Agreement arising as a result of this Agreement.

(m) Consultant understands and acknowledges the applicability to it of the American with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989. The following is only applicable to construction contracts: The Contractor must also comply with A.R.S. § 34-301, "Employment of Aliens on Public Works Prohibited", and A.R.S. § 34-302, as amended, "Residence Requirements for Employees".

Under the provisions of A.R.S. § 41-4401, Consultant hereby warrants to Town that the Consultant and any of its subcontractors ("Subcontractors") will comply with, and are contractually obligated to comply with, all Federal Immigration laws and regulations that relate to their employees and A.R.S. §23-214(A) (hereinafter "Consultant Immigration Warranty").

A breach of the Consultant Immigration Warranty shall constitute a material breach of this Agreement and shall subject the Consultant to penalties up to and including termination of this Agreement at the sole discretion of the Town.

The Town retains the legal right to inspect the papers of any Consultant or Subcontractors' employees who work on this Agreement to ensure that the Consultant or Subcontractor is complying with the Consultant Immigration Warranty. Consultant agrees to assist the Town in regard to any such inspections.

The Town may, at its sole discretion, conduct random verification of the employment records of the Consultant and any of the Subcontractors to ensure compliance with Consultant's Immigration Warranty. Consultant agrees to assist the Town in regard to any random verifications performed.

Neither the Consultant nor any of the Subcontractors shall be deemed to have materially breached the Consultant Immigration Warranty if the Consultant or Subcontractors establish that it has complied with the employment verification provisions prescribed by sections 274A and 274B of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. §23-214, Subsection A.

The provisions of this paragraph must be included in any contract the Consultant enters into with any and all of its Subcontractors who provide services under this Agreement or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a Contractor or Subcontractor. Under this Agreement, Consultant is deemed to be a Contractor as defined in the preceding sentence. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

(n) All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of service if served personally on the party to whom notice is to be given, or (ii) on the fifth day after mailing if mailed to the party to whom notice is being given, by first class mail, registered or certified, postage prepaid, or (iii) on the day after mailing if mailed to the party to whom notice is being given, by overnight delivery by Federal Express, Airborne or United Parcel Service. Notice shall be sent:

To Town at:

Town Manager
Town of Chino Valley
P O Box 406
Chino Valley, AZ 86323

To Consultant at: Red Oak Consulting
 Arcadis, U.S., Inc.
 100 Fillmore Street
 Suite 200
 Denver, CO 80206

IN WITNESS WHEREOF, the parties to this Agreement have duly executed and is effective as of the day and year first above written.

Consultant:

_____, an Arizona _____
 By: _____

Town:

TOWN OF CHINO VALLEY

By: _____

APPROVED AS TO FORM

 MUSGROVE, DRUTZ & KACK, PC
 Town Attorney

ATTACHMENTS:

EXHIBIT A-Scope of Work



REDOAK CONSULTING

an  ARCADIS group

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

Subject:
Development Impact Fee Study

Dear Mr. Smith:

Thank you for the opportunity to complete the development impact fee study for the Town of Chino Valley (Town) in accordance with Arizona Revised Statutes (ARS §9-463.05) effective January 1, 2012. The purpose of this study is to update the Town's existing development impact fees.

Red Oak will be the contracting party with the Town (the prime) but it is important to note that the Red Oak team includes Ms. Pat Walker as a sub-consultant and the team will be referred to as the "Red Oak Team." She will serve in a "lead" role and as such will be able to capitalize on her knowledge of the Town's existing development impact fees, her participation with the Arizona League of Cities and Towns as a committee member for the development of the Arizona model city/town development impact fee ordinance, and with her consulting practice close to Chino Valley in the Phoenix, Arizona area. Red Oak Consulting has a long-standing professional relationship with Ms. Walker built over the past 20 years and she has recently worked with the Town on projects that are directly related to the development impact fee study. Collectively, this team has over 75 years of local government finance and economic experience as well 40 years of development impact fee experience in Arizona and nationally.

ARCADIS U.S., Inc.
100 Fillmore Street
Suite 200
Denver
Colorado 80206
Tel 303 316 6500
Fax 303 316 6599
www.arcadis-us.com

Red Oak Consulting
www.redoakconsulting.com

Date:
October 18, 2012

Contact:
Rick Giardina

Phone:
303.316.6505

Email:
Rick.Giardina@arcadis-us.com



Attached is our proposed scope of work outlining the project objectives and our approach to completing this project for the Town as well as our fee proposal.

Again, thank you for this opportunity and we look forward to working with you and your staff. Please contact me at 303.316.6505 to discuss any aspect of this project.

Sincerely,

ARCADIS U.S., Inc.

A handwritten signature in black ink, appearing to read "Richard D. Giardina".

Richard D. Giardina, CPA
Senior Vice President

Copies:

Pat Walker, Pat Walker Consulting LLC

Attachment: Scope of Work, Schedule and Fee Estimate



Development Impact Fee Study

Scope of Work, Schedule and Fee Estimate

Background

The purpose of this project for the Town of Chino Valley (the Town) is to calculate development impact fees (for the service categories listed below) consistent with the requirements of Arizona Revised Statutes (ARS §9-463.05) effective January 1, 2012. The Town currently has development impact fees for four different service categories that will be evaluated during this study. The fees included in this scope of work are listed below:

- Police
- Streets
- Library
- Parks and Recreation

To complete this project the following scope of work will be executed by the team of Red Oak Consulting (RO will be the prime contractor with the City), and Pat Walker Consulting, LLC (PWC), hereinafter collectively referred to as Red Oak, RO or the RO Team. PWC will have critical and significant roles in the successful completion of this project with Pat Walker, the principal of PWC, leading much of the analysis and participating in meetings and presentations.

Frequent regular communication with the Town Project Manager and Staff is a vital part of all our work. Throughout the project, we will regularly report our progress, on both a formal and informal basis, and involve Town Staff in as many aspects of the project as desired to ensure the project is adequately understood by all appropriate personnel and achieves the Town's goals and objectives.

The balance of this document contains the specific tasks to be completed during this project. It should be noted that the process for determining development impact fees will require a great deal of collaboration between the RO Team and the Town and that the tasks herein described are not necessarily sequential. For example, it is important to tie the land use assumptions within the Town's current General Plan to the capital requirements of the Town which will be used to determine service areas. In conjunction with the Town, service areas will be determined, and then re-evaluated against the capital requirements developed in the most recent capital improvement program, 2013-2018. In addition, there will be projects that will extend another five years that will also need to be tied to service areas. At each step of the process the RO Team will not just coordinate with the Town, but in most instances require data, input and direction from the Town.

Task Plan

Task 1 – Project Initiation & Management

1. The RO Team will lead a Project Coordination/Kickoff meeting with Finance and key Town Staff



- (Town Project team) managing this project, to confirm scope of work, roles, responsibilities coordination and project timeline for study tasks and public hearings. A memorandum will be developed to summarize key decisions and discussion items.
2. A list of initial and subsequent data required to complete the study will be submitted to Town Staff prior to the Project Coordination/Kickoff meeting.
 3. Project coordination, resource allocations, invoicing and periodic project status summary (a one-page report on key activities, issues, etc.) will be provided to the Finance Director, Joe Duffy.
 4. Initial determination of projected capital projects for the four fee areas over the next 10 years to determine whether a particular fee area should even be considered in the study.

Task 2 – Data Collection, Compilation and Analysis

The RO Team will submit, prior to the Task 1 Project Coordination/Kickoff meeting, a preliminary data request for information necessary to complete the analysis. We will work with Town Staff to review the requested data necessary to update the Town's development impact fees to meet the requirements of ARS §9-463.05. We will request that the Town provide the following data items:

1. Current facilities
 - a. Total capacity and available capacity for future growth by service area.
 - b. Describe and identify costs for upgrades, replacements or modifications required due to new regulatory requirements for each project in each service area.
 - c. Reserved capacity for future growth by service area.
 - d. Facilities funded by debt or loans outstanding by service area.
2. Minimum developer requirements for facilities constructed and dedicated to Town by fee categories, for example: land dedication for parks, etc.
3. Service level information
 - a. Current service level standards by fee category and service area including source of service level standard (e.g., master plans).
 - b. Current service levels provided to existing population and any available capacity for future growth.
4. Town-specific trip generation data. If Town-specific trip generation data is not available, we will rely on information from the Trip Generation data manual published by the Institute of Transportation Engineers.
5. Up to five comparable communities to survey development impact fees.
6. Provide ten-year projection of growth-related revenues.
7. Current multi-year capital improvement plan over a ten-year study period to be further reviewed after the completion of Task 3.
8. Identification of existing and proposed reimbursement agreements for the ten-year study period.

Task 3 – Development of Land Use Assumptions (LUA)

1. Land use assumptions and Town growth projections will be provided by the Town and will include the next ten years for residential, multi-family, industrial and commercial land use types included in the Town's general plan updated in 2012. If available, the projections will include:
 - a. Population, employment, single family and multi-family housing units, as well as square feet of retail, office, industrial and other non-residential developments by type.
 - b. Land use forecast will be provided by any special planning area that has been designated



- by the Town.
- c. Compare and identify any differences between land use assumptions and the general plan for the ten year projection period.
- 2. After the receipt of the land use analysis, the RO Team and the Town project team will:
 - a. Discuss existing special planning areas and/or alternative service area designations determined by Town Staff by fee category to be served by current and new facilities based on land use assumptions.
 - b. Review current capital improvement plan based on land use assumptions and master plans for the next ten years for evaluated fee categories.
- 3. The RO Team will prepare a memorandum documenting the recommended land use assumptions that will serve as the basis for updating capital facilities and infrastructure needed to serve growth over the next ten years as well as the development of Infrastructure Improvements Plan (IIP) developed in Task 4.

Task 4 – Development of Infrastructure Improvement Plan (IIP)

Below are the activities associated with the development of the IIP incorporating Tasks 2, 3 and 4 data and analysis.

- 1. Town to define and incorporate a map of all service areas in the Town that will provide necessary public services. (This is required by ARS §9-463.05).
- 2. RO Team will review existing development agreements that will include contributed facilities, development impact fee credits available and redeemed, and any future capacity reservations and incorporate into the IIP. It is estimated that there be no more than 10 development agreements to review.
- 3. Incorporate land use assumptions and growth projections developed in Task 3 for refinement by Town of timing of capital projects for ten years developed in Task 3.
 - a. An estimate of future equivalent development units (EDU's) for each service area defined by the Town will be developed.
- 4. Incorporate proposed development agreement growth-related projects into the IIP.

Once requested data is provided and evaluated in previous tasks, the RO Team will hold separate meetings with Town Staff and Department Directors who have projects that are proposed to be funded by development impact fees; these meetings will be held at the Town offices over a one-day period. During meetings, we will discuss the following:

- 1. Guidance within ARS §9-463.05 affecting facilities eligible for development impact fee recovery.
- 2. Existing service level information provided in Task 2.
- 3. Existing and planned capacity for necessary public service projects by service area developed by Town. Identify the existing EDUs by service area.
- 4. Future facilities and capital improvement cost estimates provided by the Town and developed by Town or outsourced engineer licensed in the State of Arizona.
 - a. Service level capacity added by future improvements to serve new growth by service area.
 - i. Improvements to current facilities related to upgrading or updating facilities to maintain current service levels, improve service levels or meeting more strict regulatory standards by service area.
 - ii. Improvements related to expanding capacity to serve new growth.



- iii. Estimate the total existing and future EDU's within each service area based on the land use assumptions provided by the Town in Task 2.
- 5. Projected or anticipated capital funding sources for growth-related facility improvements.
- 6. Current population and growth projections by land use category developed in Task 3.

Based on the review of key data, discussion with Town Staff and subsequent evaluations the RO Team will summarize current service level standards and existing and projected capacity requirements by fee category and service area in a technical memorandum. We will develop a separate summary of facility cost estimates and growth-related projects to be used in the development impact fee analysis. The RO Team will recommend the development impact fee methodology and approach by fee category as the basis for calculations in Task 5.

Draft and final IIP and LUA will be developed in Task 7.

Task 5 - Calculation of Development Impact Fees, Funding and Cash Flow Analysis

RO Team will calculate development impact fees based on the recommended approach per fee category and service area in compliance with ARS §9-463.05. We will complete the following activities:

- 1. Growth-related projects, existing or new, requiring development impact fee credits will be included in the ten-year IIP developed in Task 4 and calculation of the fees.
- 2. Offsets for growth-related revenue used towards growth-related capital projects will be taken into consideration for the calculations for the ten-year study period.
- 3. Survey development impact fees of up to five (5) comparable communities to be selected by Town staff.
- 4. Financing costs will be determined by preparing a ten-year cash flow analysis of funding sources for the capital costs including estimates for development impact fee revenues and estimated costs for growth-related projects anticipated and repayment of existing growth-related debt.
- 5. Fees by type and/or service area will be calculated based on level of service standards per EDU equal to one single-family detached dwelling unit with equivalency ratios to other development types such as residential, multi-family (where appropriate), commercial and industrial developed in Task 3.

Once preliminary fee calculations are complete, we will review the results with Town Staff to apply modifications to the underlying analysis and prepare recommended fee schedules by fee category and service area, as appropriate.

Task 6- Stakeholder Meetings

The RO Team will facilitate up to two (2) stakeholder meetings with the development community, associations, citizens and/or Advisory Committee in addition to Public Hearings and Town Council presentations in Task 7.

The purpose of these meetings will be to:

- 1. Discuss ARS §9-463.05 requirements, and the process and timeline of the study.
- 2. Receive input at key points throughout the process regarding land use assumptions, facilities,



- and service area designations.
- 3. Receive and respond to subsequent input received from stakeholders to review preliminary IIP facilities, land use assumptions and development impact fees by type and service area prior to Public Hearings.

Task 7 - Reports and Presentations

The RO Team will develop separate draft and final IIP and land use assumptions, and development impact fee reports as part of this study. Our scope includes one meeting between the RO Team and Town staff to review Town comments and receive feedback regarding the draft IIP and development impact fee report. The development impact fee report will include a discussion of our approach and calculations, land use assumptions and demographic information used, project costs, financing amounts, cash flow analysis and IIP that will be developed according to ARS §9-463.05 requirements.

The RO Team will prepare meeting materials and presentations for up to four (4) Town Council meetings and/or hearings. The anticipated public Town Council meetings are:

1. Public Hearing to adopt the land use assumptions and IIP.
2. Town Council meeting for discussion and adoption of land use assumptions and IIP.
3. Public Hearing to present study report and recommended development impact fee schedules.
4. Town Council meeting for discussion and subsequent adoption of the development impact fees.

Deliverables

The formal deliverables for this study include:

1. Preliminary and subsequent data request.
2. Periodic Project status reports (a one page summary of current activities, project status and study issues) will be provided. One (1) meeting with the Town Project Team referenced in Task 1.
3. Meetings with Town Staff and Department Directors over a one (1) day period referenced in Task 4.
4. Two (2) meetings with external stakeholders and/or an Advisory Committee referenced in Task 6.
5. Four (4) public hearings or presentations to Town Council referenced in Task 7.
6. Technical memos on:
 - a. Summary memorandum documenting the Town's projected land use assumptions and projected population and growth for residential, commercial and industrial land use types included in the Town's general plan and developed in Task 3.
 - b. Current service level standards and existing and projected capacity requirements by fee category and service area developed in Task 4.
 - c. Summary of facility cost estimates and growth-related projects incorporated in development impact fee analysis developed in Task 4.
 - d. Recommended fee approach by fee category and/or service area developed in Task 4.
 - e. Proposed fee schedule by fee category and/or service area developed in Task 5.
7. Ten-year cash flow projection for each fee category and service area developed in Task 5.
8. Survey of up to five (5) comparable communities for development impact fees developed in Task 9.
9. Electronic copy of the preliminary IIP and land use assumptions developed in Task 7.
10. Electronic copy of the final IIP and land use assumptions developed in Task 7.



11. Electronic copy of the preliminary development impact fee report developed in Task 7.
12. Electronic copy of the final development impact fee report developed in Task 7.

For workshops and presentations, the Red Oak Team will prepare handouts and presentation materials.

Additional Services

As requested and approved (in advance) by the Town, we will provide services in addition to those in the proposed scope of work. Examples of these additional services include:

- Additional Stakeholder or Town Council meetings above the six (6) anticipated in the scope of work; these would include meetings with individual developers, builders, etc. We have not included any such meetings in the scope or our fee estimate.
- Additional iterations of the draft IIP and land use assumptions or development impact fee reports; iterations beyond the single "draft-final" process for each report included in Task 7.
- The calculation of development impact fees for necessary public service fee categories other than those categories listed in the Background section of this document.
- Expert legal advice on ARS§9-463.05 that may be needed from outside the Town legal counsel.
- Development impact fee implementation assistance.

Schedule

We expect the timeline for this engagement to be approximately 12 months, including required public hearings, depending upon the availability of Town Staff and timely access to Town records. The timeline anticipates a project start date in December of 2012 and Town Council adoption of development impact fees in January of 2014. Fees would become effective 75 days after approval by the Town Council.

Fee Estimate

We propose to complete this project for \$72,000; this amount represents our not-to-exceed fee based on the scope of work, meetings, etc. contained in this document. We will submit invoices monthly and payment is due within 30 days of the date of the invoice. Attachment 1 to this document is a summary of our cost estimate; it lists the hours and costs for each of the major tasks. The following is the hourly rate for this contract by personnel and grade.

<u>Consultant</u>	<u>\$ Per Hour</u>
Rick Giardina – Sr. Vice President	\$275
Associate Vice President	\$250
Andrew Rheem – Principal Consultant	\$215
Pat Walker LLC – Pat Walker	\$184
Senior Consultant	\$190
Consultant	\$150
Analyst	\$135
Administrative Support/Clerical	\$80

**Town of Chino Valley, Arizona
2012 Development Impact Fee Study
Attachment 1**

Task No.	Task Name	Total Red Oak Consulting / Pat Walker, LLC			Total Project Cost
		Hours	Labor	Expense	
1	Project Initiation, Management, & Initial Fee Assessment	45	\$8,208	\$808	\$9,016
2	Data Collection, Compilation & Analysis	41	7,225	0	7,225
3	Development of Land Use Assumptions	31	5,573	0	5,573
4	Development of Infrastructure Improvements Plan	75	13,070	1,016	14,086
5	Calculation of Development Impact Fees, Funding and Cash Flow Analysis	57	9,918	0	9,918
6	Stakeholder Meetings	41	7,670	1,699	9,369
7	Reports and Presentations	84	14,790	2,024	16,814
Total		374	\$66,453	\$5,547	\$72,000



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. k.

Meeting Date: 11/13/2012
Contact Person: Cecilia Watts
 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 regarding Legal Services for the Town of Chino Valley.

RECOMMENDED ACTION:

Authorize staff to solicit legal services through a Request for Qualification (RFQ) process.

SITUATION AND ANALYSIS:

The Council has not evaluated the Town's Legal Services in many years and formed a Legal Services Review Committee to evaluate the process and examine the options the Council has with respect to the providing of Legal Services. The Committee has decided on the option of performing a Request for Qualifications for an individual or a firm to apply to be the Town's provider for Legal Services and would like to discuss this option with the full Council. Council Committee members included Vice-Mayor Carl Tenney, Linda Hatch and Darryl Croft.

The committee is suggesting the Council review the proposed Request for Qualifications (RFQ). Should the Council agree to this process staff will put the RFQ in the Prescott Courier, the Arizona Republic and on the Town's website, and will ask for submissions until Thursday, December 20th, 2012 at 3:00 p.m. local time. If staff ran the RFQ for 2 weekends in the Daily Courier and one weekend in the Arizona Republic, the cost would be approximately \$1,000.00. The Legal Services Review Committee will then perform the first evaluation of the submittals and anticipates in the month of January 2013 bringing a sub-set of the proposals before the Council for interviews and evaluations. It is anticipated the Town may go under contract with an individual or firm on or about March 1, 2013, and the contract date would run through June 30, 2014; ending at the Town's fiscal year end.

Besides regular attendance at Town Council Meetings and serving as General Counsel for

Town affairs, the committee is recommending that the individual or firm selected keep office hours at Town Hall on the Tuesdays of regularly-scheduled Council Meetings from 2 p.m. through the evening's Council Meeting. This would allow Council and staff to schedule meetings with the attorney, thus enhancing access to this resource.

Fiscal Impact

Fiscal Impact?: Y

If Yes, Budget Code: 01-95-5212

Available: \$1,000

Funding Source:

Funds for advertising in the approximate amount of \$1,000 to come from Legal Services budgeted line item.

Attachments

RFQ, Legal Services

TOWN OF CHINO VALLEY



Request for Qualifications Municipal Legal Services

Submission Deadline

3:00 P.M. Local Time
December 20, 2012

Submit Proposal To

Cecilia Watts, General Services Director
202 N State Route 89
Chino Valley, Arizona 86323
Phone No. (928) 636-2646, ext 1202
Email : cwatts@chinoaz.net

**TOWN OF CHINO VALLEY
PUBLIC NOTICE**

Notice is hereby given that the Town of Chino Valley, Arizona will receive proposals for Municipal Legal Services until 3:00 P.M., local time, Thursday, December 20th, 2012.

Proposals should be directed to Cecilia Watts, Town of Chino Valley, 202 N State Route 89, Chino Valley, Arizona, 86323..

A full Request for Qualifications (RFQ) package may be obtained from the General Services Director at the address named above, Monday through Thursday, 8:00 A.M. through 5:00 P.M.; or by email to cwatts@chinoaz.net.

The Mayor and Council of the Town of Chino Valley reserve the right to reject any and/or all proposals or accept the proposal which they deem is in the best interests of the Town.

Cecilia Watts
General Services Director

**TOWN OF CHINO VALLEY
REQUEST FOR QUALIFICATIONS (RFQ)
MUNICIPAL LEGAL SERVICES**

1. INTRODUCTION

The Town of Chino Valley is seeking a qualified, experienced law firm or individual to provide municipal legal services for an initial period beginning on or about March 1, 2013 through June 30, 2014. Only those proposals submitted by firms or individuals that are members in good standing with the Arizona State Bar Association will be considered.

Proposals will be received by the General Services Director until 3:00 P.M., local time, December 20, 2012. Proposals should be directed to Cecilia Watts, General Services Director, Town of Chino Valley, 202 N State Route 89, Chino Valley, Arizona, 86323. The Town Attorney is directly appointed by the Mayor and Council.

2. SCOPE OF WORK

The firm or individual selected shall provide the following services to the Town for an initial period beginning on or about March 1, 2013 through June 30, 2014, with options to extend for successive periods by mutual agreement.

- A. Shall serve as and perform all functions of the Town Attorney for the Town of Chino Valley.
- B. Shall serve as General Counsel for the Town and provide advice to the Mayor, Town Council and, upon direction by the Town Manager, the various departments of the Town as required for the efficient day-to-day operation of the Town. Areas in which legal advice may be required include, but are not limited to, the open meeting law, litigation, elections; contract and procurement law; Town policies, procedures, codes and ordinances; intergovernmental agreements; real estate purchases/sales and contracts; zoning and land use; federal and constitutional issues; personnel and employment matters; and federal and state grants.
- C. Shall attend most regular meetings of the Town Council and such other meetings as requested or required. Examples of such meetings would include special meetings of the Council, and Planning and Zoning Commission meetings as necessary or appropriate. Regular meetings of the Town Council are held at 6:00 p.m. on the second and fourth Tuesdays of each month. Council would like the firm or the individual selected to keep office hours on the Tuesdays of regular Council meetings, beginning at 2 p.m. and remain through the Council meeting.
- D. Shall perform legal research and prepare legal memoranda and briefs upon request.

- E. Shall prepare or review ordinances, resolutions, contracts and agreements on behalf of the Town.
- F. Shall provide legal advice and representation to the Town on any matter that may require legal representation or interpretation.
- G. Shall provide services as Special Counsel as may be required by the Town in areas such as planning, zoning and land use; employment and equal opportunity laws; elections; insurance and liability; litigation; environmental law; and finance. The Town reserves the right to contract with additional firms or individuals as may be necessary or recommended in dealing with specialized circumstances or issues.
- H. Shall serve as parliamentarian for the Council.

3. SUBMITTAL REQUIREMENTS

Respondent's proposal shall contain the following information. For convenience and clarity of evaluation, please organize your response in accordance with the following outline:

- A. Submit seven (10) copies of the proposal, text on one (1) side only.
- B. The proposal must contain a cover sheet with the following information

1) Name of Proposal	Town of Chino Valley – Legal Services
2) Prepared for	Town of Chino Valley Mayor and Council
3) Submittal Date	(date actually submitted to General Services Director)
4) Submitted by:	Firm or Individual Name
	Address
	Contact Person
	Phone Number
	Fax Number
	Email Address
- C. Cover Letter
- D. Qualifications and experience in Arizona municipal law.
- E. Qualifications and experience in serving as legal counsel or providing consulting services to municipalities or governmental agencies.
- F. Qualifications and experience in planning, zoning and land use development.
- G. General qualifications and experience, including current major clients, especially municipalities, counties, and / or other government agencies.

Areas of specialization should be listed and areas in which the firm / individual COULD NOT represent the Town clearly indicated.

- H. The principal attorney(s) who will be assigned to the Town must be clearly identified.
- I. Applicable team member profiles. Resumes will suffice.
- J. References and contact names and numbers for at least three (3) current clients.
- K. Respond to the following in sufficient detail to allow appropriate evaluation with respect to potential conflicts. The Town will determine if the nature of the conflict is of a critical or minor nature and whether the conflict should disqualify the proposal from further review.
 - 1) Has your firm/individual ever served as a defense attorney in the municipal court of the Town of Chino Valley?
 - 2) Has your firm/individual ever represented a client in a legal action against the Town of Chino Valley?
 - 3) Is there any other conflict, or potential conflict, involving your firm/individual of which the Town should be aware?
- L. Supplementary data that will enable the Town to more adequately evaluate the firm or individual qualifications.
- M. Sample contract, with no dollar figures included.

It is understood that any firm or individual responding to this RFQ shall have sufficient staff to be able to serve the Town without delay whenever legal services are required.

It is further understood that the successful proposer shall not assign, transfer, convey, sublet, or otherwise dispose of the contract to any other person(s), company or other entity without prior written consent of the Town.

Invoices will be submitted monthly and must be detailed in nature, including prices and extensions. Payment of any claim shall not preclude the Town from making claim for adjustment of services found not to have been in accordance with general conditions and specifications.

Either party, upon a thirty (30) day written notice, may terminate the services of the successful firm/individual. In the event of such action, the firm/individual will comply

immediately and provide the necessary best effort to transfer records and historical data to the Town and/or succeeding counsel.

4. PROPOSAL EVALUATION CRITERIA

Proposals will be evaluated based on qualifications and other factors, including the background of the firm with respect to municipal law; the general qualifications and experience of the legal team; the proximity of the firm/individual to the Town of Chino Valley; and the general quality and responsiveness of the proposal itself.

References will be contacted by the selection committee in order to provide additional background information.

5. SELECTION PROCESS

- A. Proposals which are incomplete or submitted after the deadline will not be considered.
- B. The Town Council, or a sub-committee thereof, will review and evaluate each submitted proposal. The top proposals will be selected and, at the Town's option, will be scheduled for an oral interview/presentation.
- C. Once a firm/individual is selected, a professional services contract will be negotiated.
- D. The final negotiated contract will then be submitted to the Town Council for review and approval.
- E. The Town Council reserves the right, in its sole judgment, to reject any and/or all proposals for any reason.

6. SUBMITTAL TIME AND PLACE

- A. Proposals will be received by the General Services Director until 3:00 P.M., local time, on December 20, 2012. Proposals shall be directed to:

General Services Director
Town of Chino Valley
202 N State Route 89
Chino Valley, AZ 86323

- B. Only those proposals submitted by legal firms or individual attorneys that are members in good standing of the Arizona State Bar Association will be considered.

- C. The proposal must be signed by an individual authorized to bind the respondent and shall be a firm offer for a minimum of 60 days following submittal deadline.
- D. The submission of a proposal will indicate that the proposer understands all requirements set forth in this request for qualifications.
- E. The Town of Chino Valley reserves the right to accept or reject any and/or all proposals received and to negotiate with qualified respondents. The recommended respondent may be required to participate in negotiations concerning the nature and extent of services to be provided. The results of such negotiations shall be incorporated into the final agreement between and the Town and the respondent(s).

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7.1.**

Meeting Date: 11/13/2012
Contact Person: Jami Lewis
Phone: 928-636-2646 x-1208
Item Type: Action

AGENDA ITEM TITLE:

Consideration and possible action to approve the August 23, 2012 special meeting minutes.
(Absent: Councilmember Echols)

RECOMMENDED ACTION:

Approve the August 23, 2012 special meeting minutes.

Attachments

August 23, 2012 minutes

DRAFT

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

**THURSDAY, AUGUST 23, 2012
6:00 P.M.**

The Town Council of the Town of Chino Valley, Arizona, met for a Special Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Thursday, August 23, 2012.

Present: Mayor Chris Marley; Vice-Mayor Carl Tenney; Councilmember Mike Best; Councilmember Darryl Croft; Councilmember Linda Hatch; Councilmember Lon Turner

Absent: Councilmember Dean Echols

Staff Present: Interim Town Manager Robert Smith; General Services Director Cecilia Watts; Town Attorney Tom Kack; Finance Director Joe Duffy; Police Commander Mark Garcia; Magistrate John Walker; Town Engineer/Public Works Director Ron Grittmann; Utilities Supervisor Chris Bartels; Town Clerk Assistant Liz Hart; Town Clerk Jami Lewis (recorder)

Attendees: Human Resources Analyst Tiffany Resendez, Detective Mike Knittle, Utilities Crew Leader Joe Grassi

1) CALL TO ORDER; ROLL CALL

2) Legislative update by District 1 Congressman Paul Gosar. (Mayor Marley; Vice-Mayor Tenney)

Congressman Gosar reported on items being considered by Congress that affected Arizona, including forest health; catastrophic wildfire and managing dangers to local natural resources; copper mining and new jobs; extension of the temporary farm bill, and avoiding a government shutdown. He also spoke about his support of tax cuts and tax code changes, curtailing national spending, revisiting the health care bill, and helping the economy by creating a climate for private enterprise to invest in.

3) Consideration and possible action to approve Consulting Agreements related to Chino Valley Transit with: (i) Steinback and Associates for transit management services in the amount of \$20 per hour, and (ii) William Mitchell for transit dispatching services in the amount of \$15 per hour.

(This item was heard after item 4 but is retained here for clarity.)

Acronyms used in this item:

CVT (Chino Valley Transit)

LTAF (Local Transportation Assistance Fund)

Mr. Smith and Ed Steinback reported that:

- Transit management and dispatching activities were budgeted expenses in the CVT system's original proposals that were funded by LTAF, and funds were provided to them for these activities. However, CVT had used volunteers to work those positions until now.
- As Arizona Department of Transportation had become concerned about the Town not having a designated manager and dispatcher and a chain of responsibility, and as the system had grown and become more complex, the Transit Advisory Committee asked staff about hiring for these positions. Mr. Smith had suggested entering into professional service agreements instead of hiring.
- Mr. Mitchell was already dispatching and taking bookings on a 24/7 basis. He also met with drivers, inspected the buses, collected the fares each evening, and filled out paperwork. This was originally a paid position, later taken over by volunteers.
- Mr. Steinback will take over management and financial reporting to relieve consultant Jason Kelly of those functions.
- These contracts will be funded through existing transportation grant monies that had been set aside for this purpose and would only use half of those funds. Mssrs. Mitchell and Steinback will be paid for 10 hours per week, with any additional hours going toward the volunteer soft match.

Mayor Marley informed Council that Councilmember Hatch had requested that items (i) and (ii) be considered separately.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Darryl Croft to approve Professional Services Agreement with Steinback and Associates for transit management services in the amount of \$20 per hour.

Vote: 5 - 0 PASSED

Other: Councilmember Dean Echols (ABSENT)
Councilmember Linda Hatch (ABSTAIN)

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Mike Best to approve Professional Services Agreement with William Mitchell for dispatch-related services in the amount of \$15 per hour.

Vote: 6 - 0 PASSED

Other: Councilmember Dean Echols (ABSENT)

4) Financial Report by Ed Steinback regarding Chino Valley Transit System Operation. (Robert Smith, Town Manager)

(This item was heard after item 2 but is retained here for clarity.)

Mr. Steinback reported that:

- Ridership remained constant April through June with a small decrease, averaging 28 per day.
- The system was under budget in the first six months; total expenditures from October 1, 2011 through June 20, 2012 were \$111,917; and the Town subsidy was \$7,800. The Committee banked the LTAF II funds to use for the 5311 match and had been able to stretch them out, retaining \$35,000 in LTAF funds. They were well funded for next year

and had a large carryforward, so no further expenditures would be needed from the Town.

- They had formed a 501(c)(3) and their goal was to be budget neutral by the end of the grant year. Projected net revenues will be able to replace the Town's general fund match with some left over. The advertising program was being well received and they were pursuing community partners.
- They were looking to: (i) add earlier and later routes to serve working people, but wanted to be careful not to expand beyond their means; (ii) add local services on Friday and possibly add a third regional route; and (iii) do another rider survey in the next month.
- Arizona Department of Transportation was looking at the Town's system as a cutting edge formation tool for transit and they were referring other transit organizations to the Town's analysis and statistical model.

Council commended the Committee for providing the service, gathering the statistics, and keeping the costs down.

- 5) Consideration and possible action regarding compensation issues related to the Magistrate Court staff. Funds amounting to no more than \$9,008 per annum to come from one or more of the Court limited funds and no more than \$9,008 per annum to come from Town contingency funds.(Councilmember Hatch; Councilmember Croft)

Councilmember Hatch reported that:

- The Magistrate Evaluation Committee was forwarding this item to Council at the Magistrate's request. The Mayor had originally intended to schedule this item for a study session, but the Magistrate was concerned about some timing issues with needing to fill a vacant position, so she and Councilmember Croft placed the item on this agenda.
- In his annual report on the Magistrate Court, Magistrate John Walker provided budget comparisons with comparable courts in Northern Arizona, all of which had larger budgets and more court employees.
- After the town salary survey was done, the magistrate did not believe that the court administrator was properly placed within the supervisory salary scale, and due to having a vacant position, he desired to make salary adjustments for all three court staff positions.
- As the Magistrate reported to Council and not the town manager, town management had directed him to seek Council's input.
- The total cost for increases in salary and benefits for three years for the three employees was estimated to be no more than \$18,016.00 per year. The magistrate proposed that funding for half of the increase—no more than \$9,008.00 per year—be provided from one or more of court funds with special use designation, not from Court Improvement fund. If Council approved this proposal, the magistrate believed that he could receive approval from the Arizona Supreme Court to also access funds reserved for staff training and retention for the salaries of court employees.

Magistrate John Walker added that:

- He desired to revisit this matter as: (i) the consultant admitted that he was somewhat unfamiliar with municipal courts; (ii) he had only one opportunity to speak with the consultant; (iii) his request for the consultant to visit the Court personally to evaluate their procedures was denied due to it requiring funding over the contract amount; and (iv) meetings between the departments and human resources staff to review employee

placement did not occur.

- This matter was time sensitive, as he had had a vacancy since the end of June and was looking to hire.

Councilmember Hatch added that the Court recently spent a lot of money training a new employee, who left after six months to accept a better position. It would be to the Town's benefit to be able to hire someone who would want to stay, and the consultant told her he could make adjustments through September.

Council asked about the Court's current staffing, reductions in pay as a result of the new pay plan, the proposed \$9,800 being the furloughed amount, and anything preventing him from filling his vacant position. Magistrate Walker stated that:

- He had two clerks and one administrator/supervisor.
- No employees received a pay reduction.
- The \$9,800 was not the furloughed amount and should be 10% less. As he needed someone with accounting skills for the vacant position, higher pay would be more attractive.

Town Manager Robert Smith stated that he was surprised that there were outstanding issues with the pay plan study, as he had believe the Magistrate had multiple opportunities to discuss his concerns and address the shortcomings with the consultant. He understood that the consultant had already taken a second look to make sure the Court positions were right.

Public comment:

Town Engineer Ron Gritman spoke about most Town employees carrying larger loads and operating far above the normal compensation levels. Regarding supervisor parity, there were three separate supervisory levels in the pay plan, just as there were three separate levels for administrative support, mid-level management and top management, based on the difficulty of duties and the job requirements.

Police Commander Mark Garcia spoke about the Police Department also giving costly training to dozens of new employees who did not stay long-term. Although their current officers were back at 40 hours, they gave up three positions to allow them to do that. Most of his employees appreciated the new pay plan and if individual departments could amend own pay scales, the Town would once again lack parity.

Mayor Marley also noted that Council had received a letter from the Chino Valley Police Officers Association about this matter.

Council expressed concern about upsetting the new internal and external pay plan equity, setting a precedent wherein every department could plead for adjustments, staff having ample opportunity to address their concerns, and Council interfering with the process set forth between the Town and the consultant. Conversely, they did not object to the Magistrate contacting the consultant, and if it was determined that the Court positions needed adjustments, then they could consider it. They also believed there was nothing to keep the magistrate from hiring a new employee.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to postpone indefinitely.

Vote: 6 - 0 PASSED

Other: Councilmember Dean Echols (ABSENT)

- 6) Consideration and possible action to appoint candidates to the Board of Adjustment, Parks and Recreation Advisory Board, Roads and Streets Committee, Senior Center Advisory Board, and Transit Advisory Committee per recommendations from the Council Appointments Committee. (Jami Lewis, Town Clerk)

The staff report by Town Clerk Jami Lewis stated that staff had been recruiting for positions on several of the Town's public bodies, but did not receive enough applications to fill many of the vacant positions expiring in June and July. A second recruitment yielded sufficient applications to potentially fill most of the vacancies. On August 16, 2012, the Council Appointments Committee reviewed the applications and made certain recommendations that would fill the Board of Adjustment, Parks and Recreation Advisory Board, Senior Center Advisory Board, and Transit Advisory Committee. There were still two vacant positions on the Municipal Property Corporation (MPC), for which the Committee directed staff to contact an applicant for the Senior Center Advisory Board who appeared to have good qualifications for the MPC.

Councilmember Hatch added that she had reason to believe that the Board of Adjustment was about to lose another member and the Appointments Committee had recommended that an alternate be appointed to step into that position or be available for a future vacancy. She asked staff to place that item and the MPC appointment on the next agenda.

MOVED by Councilmember Linda Hatch, seconded by Vice-Mayor Carl Tenney to make following appointments:

- Board of Adjustment: Appoint Mark Vucich to a 3-year term starting August 1, 2012.
- Parks and Recreation Advisory Board: Appoint Christopher Sage to fill a vacancy with term ending June 30, 2013.
- Roads and Streets Committee: Appoint James Wise to 2-year term starting October 1, 2012 and refer Michael Markgraf to Roads and Streets Committee for interview and recommendation to Council.
- Senior Center Advisory Board: Appoint Donald Wojcik to fill a vacancy with term ending June 30, 2013 and appoint Nancy Best, Delores Morgan, and Mary Strassell to 2-year terms starting July 1, 2012.
- Transit Advisory Committee: Re-appoint Jim Flood, John James, William Mitchell, and Cheryl Romley to 2-year terms starting October 1, 2012.

Vote: 6 - 0 PASSED

Other: Councilmember Dean Echols (ABSENT)

- 7) a) Council may vote to hold an executive session pursuant to A.R.S. § 38-431.03(A)(3) and (A)(4) to obtain legal advice and consider its position and instruct its attorneys regarding issues on water transportation/pipeline taxes due to the Town from the City of Prescott and negotiations to settle issues regarding the same. (Mayor Marley and Vice-Mayor Tenney)

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to go into executive session at 7:34 p.m.

Vote: 6-0 PASSED

Other: Councilmember Dean Echols (ABSENT)

Mayor Marley reconvened the meeting into open session at 8:33 p.m.

b) Consideration and possible action regarding issues on water transportation/pipeline taxes due to the Town from the City of Prescott and negotiations to settle issues regarding the same.

Council took no action on item 7a.

8) **ADJOURNMENT**

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to adjourn the meeting at 8:34 p.m.

Vote: 6 - 0 PASSED

Other: Councilmember Dean Echols (ABSENT)

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 23rd day of August, 2012. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 13th day of November, 2012.

Jami C. Lewis, Town Clerk