



Town of Chino Valley

MEETING NOTICE TOWN COUNCIL

REGULAR MEETING
Tuesday, December 9, 2014
6:00 P.M.

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

AGENDA

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

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

- 4) **RESPONSE TO THE PUBLIC**

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

- 5) **CURRENT EVENT SUMMARIES AND REPORTS**

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

- a) Status report regarding Town accomplishments, and current or upcoming projects. (Robert Smith, Town Manager)

- b) Status report regarding the Community Development Block Grant (CDBG) drainage project. (Cecilia Grittmann, General Services Director)
- c) Report on recently corrected scrivener's errors pursuant to Town Code § 10.20 Authority to Correct Scrivener's Errors. (Jami Lewis, Town Clerk)

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 accept the November 18, 2014 regular meeting minutes. (Jami Lewis, Town Clerk)
- b) Consideration and possible action to approve Financial Report for the month ended October 31, 2014. (Joe Duffy, Finance Director)

7) **ACTION ITEMS**

- a) Consideration and possible action to approve grant agreement with Arizona Commerce Authority for \$250,000 Rural Economic Development Grant, related to the Old Home Manor industrial park. Funds will be accounted for in the Pubic Works Grant Fund: match will be budgeted for in the Capital Improvement Fund. (Ruth Mayday, Development Services Director)

Recommended Action: Approve grant agreement with Arizona Commerce Authority for the Rural Economic Development Grant.

- b) Consideration and possible action to approve the agreement for professional consulting services with Civil Tec Engineering for development of the 200 yard long range shooting facility in an amount not to exceed \$17,927.00. Funds to come from the Police Department Public Range Grant line item. (Ron Grittmann, Public Works Director/Town Engineer)

Recommended Action: Approve the agreement for professional consulting services with Civil Tec Engineering for development of the 200 yard long range shooting facility for an amount not to exceed \$17,927.00.

- c) Consideration and possible action to adopt Resolution No. 14-1053 in support of Arizona SONShine 2015, a free health services event in the Quad-cities area to be held June 17-18, 2015. (Cecilia Grittmann, General Services Director)

Recommended Action: Adopt Resolution No. 14-1053 in support of Arizona SONShine 2015 event.

8) EXECUTIVE SESSION

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

- a) Pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position in pending or litigation or in settlement discussions conducted in order to resolve litigation in the matter of LaVacara Trust v. Town of Chino Valley. (Phyllis Smiley, Town Attorney)
- b) Pursuant to A.R.S. § 38-481.03(A)(1) for discussion or consideration of employment, assignments, appointment, promotion, dismissal, salary of Town Manager Robert Smith, and pursuant to A.R.S. § 38-481.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding the contract with Town Manager Robert Smith. (Mayor and Council)
- c) Pursuant to A.R.S. Section 38-431.03(A)(3) and (4) for discussion or consultation for legal advice with the Town Attorney and in order to consider its position and instruct the Town Attorney regarding the Town's position regarding the and the settlement of the matter of Cortez v. Town of Chino Valley. (Robert Smith, Town Manager)

9) ACTION ITEMS RESUMED

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

- a) Consideration and possible action to approve an employment agreement with Town Manager Robert Smith or an amendment to his current agreement with the Town. (Mayor and Council)

Recommended Action: Approve an employment agreement with Town Manager Robert Smith or an amendment to his current agreement with the Town.

- b) Consideration and possible action to select an appraiser for property anticipated to be transferred to Cortez Enterprises, Inc. pursuant to the terms of the Provisional Settlement Agreement dated March 6, 2014. Funding will come from the General Fund Contingency Line item. (Phyllis Smiley, Town Attorney)

Recommended Action: Select _____ as an appraiser for property anticipated to be transferred to Cortez Enterprises, Inc. pursuant to the terms of the Provisional Settlement Agreement dated March 6, 2014.

10) ADJOURNMENT

Dated this 4th day of December, 2014.

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

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

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

CERTIFICATION OF POSTING

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

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



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **5. b.**

Meeting Date: 12/09/2014
Contact Person: Cecilia Grittman, General Services Director
Phone: 928-636-2646 x-1202
Department: General Services
Estimated length 5 minutes
of Staff Presentation:
Physical location of item: Chino Meadows 5

AGENDA ITEM TITLE:

Status report regarding the Community Development Block Grant (CDBG) drainage project. (Cecilia Grittman, General Services Director)

SITUATION & ANALYSIS:

N/A

Attachments

No file(s) attached.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **5. c.**

Meeting Date: 12/09/2014
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Town Clerk
Estimated length 5 minutes
of Staff Presentation:
Physical location of item: N/A

AGENDA ITEM TITLE:

Report on recently corrected scrivener's errors pursuant to Town Code § 10.20 Authority to Correct Scrivener's Errors. (Jami Lewis, Town Clerk)

SITUATION & ANALYSIS:

Town Code § 10.20 grants authority to the Town Attorney and Town Clerk to correct scrivener's errors in the Town Code, UDO, and ordinances, resolutions, and minutes adopted by Council or other public body without the need for re-adoption. Paragraph (C) provides that any such corrections shall be reported within three months of such correction at a regular meeting of the Council.

3 scrivener's corrections to report include:

1. Resolution No. 576, adopted December 22, 1998, related to formation of the Old Home Manor Community Facilities District - Corrected resolution number.
2. July 23, 2013 Council minutes, action item 7d - Corrected date in staff report.
3. Ordinance No. 14-787, adopted August 27, 2014, relating to Cortez zone change - Corrected exhibit label.

Attachments

Resolution No. 516, corrected
July 23, 2013 minutes, corrected
Ordinance No. 14-787, corrected

RESOLUTION 576 516 *

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, YAVAPAI COUNTY, ARIZONA, ORDERING AND DECLARING THE FORMATION OF THE OLD HOME MANOR COMMUNITY FACILITIES DISTRICT (TOWN OF CHINO VALLEY, ARIZONA).

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

Section 1. Findings.

a. On a date prior to the date of the adoption hereof, there was presented to us, the governing body of the Town of Chino Valley, Arizona, an incorporated town of the State of Arizona (hereinafter referred to as the "Municipality"), a Petition for Adoption of a Resolution Declaring Formation of the Old Home Manor Community Facilities District (Town of Chino Valley, Arizona), dated as of even date herewith (hereinafter referred to as the "Petition"), signed by the entity (being the Municipality) which, on the date hereof, is the owner of all real property as shown on the assessment roll for state and county taxes for Yavapai County, Arizona, or, if such person shown on such assessment roll is no longer the owner of land in the District, is the entity which is the successor owner which has become known and has been verified by recorded deed or similar evidence of transfer of ownership to be the owner of such real property (hereinafter referred to as the "Petitioner") described by Exhibit "A" to be in the community facilities district, the formation of which is prayed for by the Petitioner in the Petition, pursuant to Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (hereinafter referred to as the "Act").

b. The Petitioner has shown the following:

I.

The name of the community facilities district of which formation is prayed pursuant to the Petition is to be Old Home Manor Community Facilities District (Town of Chino Valley, Arizona) (hereinafter referred to as the "District"),

II.

The District is to be formed, and shall exist, pursuant to the terms and provisions of the Act,

III.

The District is to contain an area of approximately 860 acres of land, more or less, wholly within the corporate boundaries of the Municipality, and is to be composed of the land

* Scrivener's error in
resolution numbering
corrected on Nov. 17, 2014.
Reported to Council on Dec. 9, 2014.

Resolution 576 516
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included in the parcel described in Exhibit "A" hereto, which is made a part hereof for all purposes (hereinafter referred to as the "Property"),

IV.

The District is to be a special purpose district for purposes of Article IX, Section 19, Constitution of Arizona, a tax levying public improvement district for the purposes of Article XIII, Section 7, Constitution of Arizona, and a municipal corporation for all purposes of Title 35, Chapter 3, Articles 3, 3.1, 3.2, 4 and 5, Arizona Revised Statutes, as amended; is, except as otherwise provided in the Act, to be considered a municipal corporation and political subdivision of the State of Arizona separate and apart from the Municipality; and is to be formed for, and to have, all the purposes of a "district" as such term is defined, and as provided in the Act,

V.

The Formation of the District may result in the levy of ad valorem taxes to pay costs of improvements constructed by the District and for their operation and maintenance.

VI.

A "General Plan for Community Facilities District" for the District has been filed with the Clerk of the Municipality setting out a general description of the improvements for which the District is proposed to be formed and the general areas to be improved (hereinafter referred to as the "General Plan"), and

VII.

Public convenience and necessity require the adoption of this Resolution.

a. The Petitioner further attested and declared that on the date hereof, as shown on the assessment roll for state and county taxes in Yavapai, Arizona, all of the land to be in the District is owned by the Petitioner and that the land to be included in the district shall be benefitted from the improvements for which the District is proposed to be formed and that there are no residents on the land to be in the District, and by this Resolution, as the governing body of the Petitioner, we hereby resolve that the foregoing is true and correct in all and every respect.

b. After showing the preceding, the Petitioner respectfully prayed that the Petition be properly filed as provided by law and that, as the Petition is signed on behalf of the owner of all the land to be in the District, any requirements of posting, publication, mailing, notice, hearing and election otherwise required by the Act in connection with the adoption of this Resolution are waived, on receipt of the petition, we declare the District formed without being required to comply with such provisions for posting, publication, mailing, notice, hearing or election.

Section 2. Matters Noticed by the Municipality

Resolution 576 516

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a. The Petitioner seeks formation of the District to exercise the powers and functions set forth in the Act.

b. The General Plan has been filed with the Clerk of the Municipality.

c. The Petition and all necessary supporting materials have been filed with us, and the showings in the Petition are each noticed by us and are hereby incorporated at this place as if set forth hereat in whole and as if made by us.

d. The purposes for which organization of the District is sought are as described in the Petition and are purposes for which a district created pursuant to the Act may be lawfully formed.

e. The public convenience and necessity require us to adopt this Resolution.

Section 3. Approval of the General Plan. The General Plan as submitted herewith is hereby approved in all respects.

Section 4. Granting of Petition; Formation of District. The Petition is hereby granted, and the District is hereby formed as a district pursuant to the terms and provisions of, and with the powers and authority established by, the Act, with jurisdiction over the Property and that, as there are no residents on the land to be in the District, approval of formation of the District by an election of resident electors is hereby found to be unnecessary.

Section 5. District Board and Officers. The District shall be governed by a "District Board" comprised of the members of the governing body of the Municipality, ex officio. The Mayor of the Municipality shall be the "Chairperson of the District Board", the Vice Mayor of the Municipality shall be the "Vice Chairperson of the District Board", the Clerk of the Municipality shall be the "District Clerk", the Treasurer of the Municipality shall be the "District Treasurer", the Manager of the Municipality shall be the "District Manager", and the Attorney of the Municipality shall be the "District Counsel."

Section 6. District Boundaries and Map. The District boundaries are described in Exhibit "A" to the Petition. A map showing the District boundaries is hereby ordered to be drawn and provided by the District Engineer.

Section 7. Dissemination of this Resolution. The Petitioner shall cause a copy of this Resolution to be delivered to the County Assessor and the Board of Supervisors of Yavapai County, Arizona, and to the Department of Revenue of the State of Arizona.

Section 8. No General Liability of or for the Municipality. Neither the general fund of the Municipality, nor that of the State of Arizona or any political subdivision of either (other than the District) shall be liable for the payment or repayment of any indebtedness of the District, and neither

the credit nor the taxing power of the Municipality, the State of Arizona or any political subdivision of either (other than the District) shall be pledged therefor.

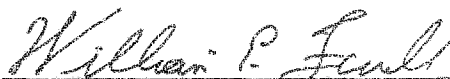
PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 22nd day of December, 1998.


Kate Nelson, Mayor

ATTEST:

APPROVED AS TO FORM:


Delores Sliger, Town Clerk


William E. Farrell, Town Attorney

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

**TUESDAY, JULY 23, 2013
6:00 P.M.**

The Town Council of the Town of Chino Valley, Arizona, met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, July 23, 2013.

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

Staff Present: Town Manager Robert Smith; General Services Director Cecilia Watts; Town Attorney Phyllis Smiley; Finance Director Joe Duffy; Police Chief Chuck Wynn; Lieutenant Vince Schaan; Police Officer Jody Villalobos; Magistrate John Walker; Town Engineer/Public Works Director Ron Gritman; Building Official Dan Trout; Associate Planner Dennis Price; Town Clerk Assistant Liz Hart; Town Clerk Jami Lewis (recorder)

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

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

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

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

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.

Lee Dudley with Bright Star Mini Storage spoke about Council waiving park use facility fees for the organizations sponsoring Territorial Days and enforcement of the Town's sign ordinance with regard to the Days Inn.

4) **RESPONSE TO THE PUBLIC**

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

- a) Dust and speeding issues along M. A. Perkins Trailway and the Town chipsealing a portion of it.

Mayor Marley reported that the Engineering Department was currently developing its 2013 chipseal projects and M. A. Perkins Trail will be included in the ranking process for funding.

- b) The dollar amount that triggers the public bidding requirement for Town purchases.

Mayor Marley reviewed the Town's general procurement regulations and comparisons to similar communities, and reported that competitive sealed bids were required for purchases over \$20,000.

- c) Reasons for a lack of additional shopping or another grocery store.

Mayor Marley reported that the main hindrance for additional shopping venues was a lack of infrastructure; the Town was addressing that, but it will take time.

5) **CURRENT EVENT SUMMARIES AND REPORTS**

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

Councilmember McKee reported on a recent Finance Committee meeting, at which the main discussion topic was the procurement code.

Councilmember Best reported on a recent Fire District meeting, at which the main topics were emergency planning, the fallen Granite Mountain Hot Shots, and a land swap between the District and the Town.

Mayor Marley reported that he had authorized an emergency expenditure of \$84,000 last week to repair a gas leak at the north campus. He then presented his Mayor's Report, which pertained to the posting of notices per the Open Meeting Law.

- a) Report from Mayor and Councilmembers regarding change of members on General Plan Committee. (Mayor Marley)

Mayor Marley reported on changes to the General Plan Committee membership since its inception in early 2012 and that Council will be addressing these changes formally on August 13.

- b) Quarterly update on Municipal Court operations by Town Magistrate, Judge Walker.

Judge Walker reported on: the final total of accumulated Court monies being disbursed; N-Court debit and credit payment system being operational; Court staff exploring a life skills program for citizens; and a first quarter goal to develop a rough draft of core values for performance appraisals.

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.

Council set down item 6e.

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

Vote: 7 - 0 PASSED

- a) Consideration and possible action to accept resignation of Christopher Sage from the Parks and Recreation Advisory Board, effective July 8, 2013. (Jami Lewis, Town Clerk)
- b) Consideration and possible action to approve the Professional Services Agreement with Donald E. Zelechowski, Certified Public Accountant, for Sales Tax Audit Services in an amount not-to-exceed \$10,000 for fiscal year 2013/2014. Funds to come from Capital Asset Replacement sales tax auditing line. (Joe Duffy, Finance Director)
- c) Consideration and possible action to approve the annual Intergovernmental Agreement (IGA) for the Establishment of Unified Emergency Management between the Town of Chino Valley and Yavapai County, and authorize payment of the annual dues in the amount of \$4,651.00. Funds to come from non-departmental fund line item for Yavapai County Emergency Management IGA for Fiscal Year 2013/2014. (Jami Lewis, Town Clerk)
- d) Consideration and possible action to accept Dedication of Public Roadway to the Town of Chino Valley from Donna Jones of a portion of Assessor's Parcel Number 306-18-009P containing 146 square feet, more or less, for the partial widening of Red Cinder Road as required by Zoning Stipulation No. 2 of Ordinance No. 13-769, which approved a zone change. (Dennis Price, Associate Planner)
- e) Consideration and possible action to approve the purchase of chip seal rock from Charter Material, LLC, in an amount not to exceed \$80,000.00, for the fiscal year 2013/2014 chip seal program. Funds to come from Public Works Road Materials line. (Ron Gritman, Public Works Director)

Council asked about the Town stockpiling material for chipsealing, Charter Materials qualifying as a sole provider, and a possible problem with the company's LLC.

Mr. Grittmann reported that:

- Staff based this recommendation upon a bid through Yavapai County, from which Charter agreed to honor the same rate.
- The Town would start stockpiling material in the coming winter, when it was cheaper.
- Although the term 'sole provider' was not being used in the legal sense, Charter was recommended in response to previous Councils' desires to use local business when possible, and Charter was the only supplier in Town.
- ADOT and Yavapai County had used Charter and had no issues with the LLC.

Town Attorney Phyllis Smiley advised that there were acceptable ways to handle local preferences and she was preping a memo on local procurement policies to guide Council.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve Consent Agenda item 6e.

Vote: 7 - 0 PASSED

7) ACTION ITEMS

- a) *Continued from July 9, 2013:* Consideration and possible action to adopt Ordinance No. 13-771 approving a zone change from "CL" Commercial Light to "CH" Commercial Heavy for an approximately 1-acre parcel located at 3440 N. State Route 89, Chino Valley, AZ 86323 and further identified as Assessor's Parcel Number 306-04-028C. Applicant/Property owner: Mary DeWitt, Trustee for the DeWitt Family Revocable Trust. (Dennis Price, Associate Planner)

Councilmember Turner declared a conflict of interest, as his commercial property was in the formal notification area, and he stepped down from the dais at 6:35 p.m.

Mr. Price reported that:

- Council heard this item July 9 and postponed it due to several points of confusion.
- Staff, the town attorney, and the applicant cooperated to draft a third revision to the ordinance, which contained stipulations addressing screening of outside storage, maintaining a dust free surface for parking, maneuvering, and driveway areas, and providing landscaping at such time the existing building was expanded, remodeled, or renovated.
- These stipulations did not change the applicant's obligations that were recommended by the Planning and Zoning Commission and required per the Unified Development Ordinance.
- Staff recommended approval of version 3 of the ordinance.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to adopt Ordinance No. 13-771 approving the zone change from "CL" to "CH" for Assessor's Parcel Number 306-04-028C.

Vote: 7 - 0 PASSED

Councilmember Turner returned to the dais at 6:38 p.m.

- b)** Discussion and possible action regarding the Town's current regulations pertaining to enforcement of property maintenance and weeds. (Councilmembers Hatch and McKee)

Councilmember Hatch reported that this item came about after she received numerous complaints about fire hazards from dry grasses after the Doce and Yarnell fires. She found that the previous code specified a weed height limit of 18 inches, while the current code was broad and allowed for a wide range of judgment. She then met with the police chief and fire marshal, who agreed to speak about the matter to Council.

Councilmember McKee added that based on past experience with a grass fire, she believed 18 inches was too high.

Fire Marshal Art Castricone and Police Chief Chuck Wynn reported that:

- The police department and fire district worked closely on two wildland fires this past year, and the two entities desired to address this matter cooperatively.
- The valley was rife with wild vegetation, which most residents preferred to dispose of through burning. However, the fire district generally had to ban burning during the most optimal time to do so, thus restricting citizens from the most affordable way to dispose of the vegetation.
- Possible solutions to address the matter were to: (i) identify Town-owned properties and bring them into compliance, setting an example for the rest of the community; (ii) set up countywide public education to encourage residents to burn before the ban and set up defensible space; (iii) fund a roving dumpster campaign after the burn ban; (iv) apply for a state lands mitigation grant, and (v) fill the Town's vacant code enforcement position. The highest priority should be to apply for the grant.
- As there was currently no full-time code enforcement officer, police staff will start with enforcement of government agencies, then address worst cases as they came to their attention. The two entities will focus on residential areas, leaving state and ranch lands alone, and will continue to team together in contacting citizens.
- Citizens could provide input to either of them at any time.

Lola Smith, resident, related her experience with code enforcement and spoke about properties in Town that were fire hazards. Due to the dangers of burning tumbleweeds, she believed the Town needed a new ordinance specific to them and should endeavor to enforce current regulations.

Councilmember Hatch invited citizens who desired to volunteer on this effort to contact her or Councilmember McKee.

- c) Consideration and possible action to approve the following agreements:
- i) Agreement to Transfer Responsibility for Transit Management from the Town of Chino Valley (through Chino Valley Transit) to Yavapai Regional Transit (YRT) effective October 1, 2013;
 - ii) Agreement between Yavapai Regional Transit, Inc. and the Town of Chino Valley, re: Lease of Vehicles for Transit Purposes, effective October 1, 2013;
 - iii) Agreement between Yavapai Regional Transit, Inc. and the Town of Chino Valley re: Lease of Transit Facilities, effective October 1, 2013. (Cecilia Watts, General Services Director; Councilmembers Hatch and McKee)

Acronyms used in this item:

- ADOT (Arizona Department of Transportation)
- CVT (Chino Valley Transit)
- LTAF (Local Transportation Area Funding)
- YRT (Yavapai Regional Transit)

Ms. Watts reported that:

- The Town had been operating a Transit system through CVT since February 2010 that was established via Resolution 10-925.
- CVT will be transitioning to the YRT regional system and had obtained an ADOT grant for funding. Previously, funding included the Town's share of LTAF II funds, other grants, advertising dollars received, fares received, staff time, and volunteer time.
- The first agreement will transfer total management of the Transit program to YRT. The Town will transfer any remaining balances in LTAF II funds and any funds remaining that were collected by or on behalf of YRT or CVT.
- The second agreement will lease the transit buses to YRT. The buses were titled in the Town's name and had been insured by the Town.
- The third agreement declared that YRT will enter into a separate license agreement to work on the rights-of-way for maintenance, repair and replacement of transit facilities--signs, shelters, sign posts, and benches--and also request agreements for facilities placed on private rights-of-ways.

Councilmember Hatch reported that per a letter from ADOT, the Town could transfer the buses to the 501(c)(3), and since the agenda packet was published, the first two draft agreements had been replaced by a single agreement. She suggested postponing this item to the next meeting, with the stipulations that the agenda item come from herself and Councilmember McKee, and that from here on, she, Councilmember McKee, Vice-Mayor Croft, and the town attorney will work with the transit group to expedite the matter. In addition, there was a second agreement that needed be on the next agenda as a separate item.

Ed Steinback and Ron Romley with the Transit group agreed to this proposal.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Linda Hatch to postpone agenda item 7c until the next meeting, with the stipulations put forward by Councilmember Hatch.

Vote: 7 - 0 PASSED

- d) Consideration and possible action to approve the intergovernmental agreement between the Town of Chino Valley and the Arizona Department of Transportation (ADOT), in the amount of \$100,000, for the Town's contribution to the construction of the proposed roundabout at Highway 89 and Kalinich Avenue, and the assigned construction and maintenance responsibilities as defined in the agreement. Funds to come from Roads Impact Fees. (Ron Grittmann, Town Engineer)

Acronyms used in this item:

ADOT (Arizona Department of Transportation)
IGA (Intergovernmental Agreement)

Mr. Grittmann reported that:

- On July 11, 2012, ADOT held two public meetings with local land owners in an effort to address issues relating to the construction of medians within SR 89 that will diminish the number of left turn movements. Landowners wanted an alternative to losing the left turn movement.
- On September 8, 2012, staff presented two alternatives to Council: construct Road 1 East from Road 4 South to Road 4½ South or to approximately Road 5 South, with a left turn configuration similar to the existing Road 3 South and SR 89 intersection.
- At this meeting, Council commented on safe access for Mr. Chontos' business; obtaining more information on costs, timeframes, alternatives, better maps, etc.; working with the local businesses; and considering the Road 1 East extension if the business community could accept ADOT's plan.
- On September 11, 2012, ADOT representatives presented the SR 89 project again, addressed Council's issues, and explained their position. Council's comments at this time were to avoid adversely affecting any businesses, if possible, and asking ADOT to consider stopping Road 1 East at a particular easement instead of at Road 5 South, and doing the acceleration lane there.
- 2012
7
● On November 13, 2012, Council directed staff to proceed with creating a connection from Road 1 East to SR 89 at Road 5 South. The discussion also included installation and location of a roundabout. Mr. Stump with ADOT stated that although a roundabout would impact the project's budget, it would resolve the issues and improve circulation, and other property owners supported this concept. Council voted to support it as well.
- On January 8, 2013, Council approved Resolution 13-1003, endorsing ADOT's intention to construct three roundabouts along SR 89 at Road 4 North, Perkinsville Road and approximately 1,000 feet north of Road 5 South (later named Kalinich Avenue).
- On March 12, 2013, Council approved sending a letter to the ADOT Transportation Board in support of the SR 89 Chino Valley Limited to Deep Well Ranch Road Project.
- The Capital Improvement portion of the Town's fiscal year 2013/2014 budget

* Scrivener's error on date corrected 11/17/14 and reported to Council on 12/19/14.

contained the Road 1 East extension project, including two east/west roadways between Road 1 East and SR 89, with a budgeted amount of \$200,000.

- On July 9, 2013, Council and staff once again discussed how the decision was made to use Kalinich Avenue instead of Road 4½ South as the east/west connector. He did find, though, that he had not previously addressed the Town's \$100,000 contribution toward the roundabout.
- The subject IGA, which outlined ADOT's and the Town's responsibilities, was the culmination of the above meetings. Most significantly, ADOT was asking that the Town assume maintenance of the right-of-way on everything that was not pavement, and that the Town contribute \$100,000 to the roundabout's construction at SR 89 and Kalinich Avenue. The full estimated cost for the roundabout was \$1.5 million.
- In past years, the Town was required to contribute half the amount of a project, but given the Town's economic position, its tremendous need, and the Town's willingness to take over maintenance, ADOT was willing to contribute much more than the typical 50/50 split.

Council asked about: the \$100,000 keeping the Town from other needed roads projects; the \$100,000 being in the new budget; the consequences if the Town could not build Road 1 East and/or Kalinich Avenue; the Town being able to prove it had the right-of-way for Road 1 East; the current bid schedule for ADOT's project and the cost to redesign it; the final draft date of the proposed IGA; the Town having to hire additional personnel to maintain the highway; and the Town being able to use impact fees received after this date.

Alvin Stump, ADOT Development Engineer, related that:

- Last fall, the project was already over budget due to design changes; but putting extra money up front now was cheaper than doing it later.
- ADOT had been working with Council on differing solutions and had told Council that it could not justify a fully controlled intersection without the Town's connecting road. Although they did not expect the normal 50/50 split, they still expected some participation from the Town, and if the Town decided not to approve the \$100,000, he was not prepared to give an answer as to the final outcome.
- There would be a cost to redesign the project, and the project had already been advertised, with bids scheduled to be opened in September.
- The current IGA version was finalized two weeks ago.

Finance Director Joe Duffy added that:

- The Town had \$1.8 million in impact fees for various road improvements, which were not broken out into itemized costs in the budget.
- Although the \$100,000 expense will make it harder to fund the other road improvements, staff had put a buffer into the budget to allow the Town to spend any new incoming impact fees.

Town Manager Robert Smith stated that:

- ADOT was restricted from providing the final draft IGA until it had a completed design.

- The Town had income coming that was not in the budget, such as Prescott's past due amount for the water transportation tax or Sun Edison's allocation, which could help address these needs.

Mr. Gritman reported that he planned to bring over a maintenance worker from another division who had experience with herbicide applications and weed control, and his crews did not believe they would need additional staff.

MOVED by Councilmember Don Wojcik, seconded by Councilmember Linda Hatch to direct staff to hire a licensed registered surveyor to document the fact through investigating plats and deeds whether or not that the Town had the right-of-way to build the Road 1 East extension between Roads 4 and 5 South before continuing with the IGA.

Town Attorney Phyllis Smiley advised that a title report, not a survey, would give the information he desired.

Mr. Smith added that perfecting the easements and obtaining a legal analysis of property values was a normal part of the project process.

Council asked about ADOT waiting for the Town's new roads before starting their own project, the result of legal action, and changing the roundabout from Kalinich to Road 4½ South.

Mr. Stump stated that:

- ADOT's project had to be under construction first in order to generate the millings for the Town's project, and the agreement provided that the Town will connect to the highway six months after project completion.
- Without an approved, signed IGA, ADOT could not start the project.
- Moving the roundabout and Kalinich to Road 4½ South would require a new project and funding for the roundabout; it would not change the widening project into Prescott.

Council discussed the Town being able to sign the IGA before knowing about the rights-of-way and the options to purchase or condemn needed right-of-way.

Vote: 2 - 5 FAILED

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

Council asked how the \$100,000 would be used and about a \$10,000 increase to the cost of constructing Road 1 East. Mr. Gritman stated that the \$100,000 could only be used for capacity expansion. Extending the Town's road system to connect with ADOT's will benefit the Town by adding capacity to the southeast portion of the transportation

system. The extra funds for the road extension was to cover the cost of equipment rentals needed.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve the intergovernmental agreement between the Town and ADOT in the amount of \$100,000 for various financial, construction, and maintenance responsibilities as defined in the agreement.

Vote: 4 - 3 PASSED

NAY: Councilmember Mike Best
Councilmember Linda Hatch
Councilmember Don Wojcik

- e) Review and possible action regarding the Town's various Council-appointed bodies. (Jami Lewis, Town Clerk)

Town Clerk Jami Lewis presented an overview of the Town's public bodies that contained members appointed by Council and then reviewed changes recommended by either staff or committee chairs.

Standing Committees

- Parks and Recreation Advisory Board, Public Safety Retirement Board, and Senior Center Advisory Board: No changes recommended.
- Transit Advisory Committee: As this was scheduled to separate from the Town when Chino Valley Transit was fully operational as a non-profit entity on October 1, 2013, staff will need to confer with ADOT as to the disposition of Resolution 11-952, which established the committee.
- Roads and Streets Committee: Appoint Mayor Marley and Councilmember Wojcik to fill two councilmember vacancies.

Citizen Ad Hoc Committees

- General Plan Committee: No changes recommended.
- SR89 Utility Project Committee: (i) Retain the committee and re-activate it when work resumed on the bond project; (ii) Amend the Committee Charter to indicate meeting frequency as "as needed;" and (iii) Determine process to replace Councilmember Wojcik.

Mayor's Ad Hoc Committees

- Alternative Energy Committee: Repeal Resolution 11-974, as the committee was not fully established.
- Flood Control Committee: Amend Resolution 11-973, Section 4, and Charter to indicate meeting frequency as "as needed."
- Water Stewardship Committee: Repeal Resolution 11-972, as the committee was not fully established.
- Revenue Options Committee: Revoke the Charter, as this committee was not fully established and its objective was no longer needed.

Council/Staff Ad Hoc Committees

- Legal Services Review Committee: Dissolve committee, as it met its objectives.
- Magistrate Evaluation Committee: (i) Retain committee to assist with the magistrate's annual evaluation; (ii) Rename committee to reflect expanded scope authorized by Council on March 27, 2012; (iii) Appoint Councilmembers McKee and Wojcik to the committee; (iv) Redefine committee as a Council subcommittee.
- Program Review Committee: Retain committee; (ii) Amend charter to indicate meeting frequency as "annually and as needed;" and (iii) Redefine committee as a Council subcommittee, with the town manager and finance director as liaisons.

Council Committees

- All Committees: (I) Designate as 'subcommittees' to clarify that they consist solely of council members; and (ii) Amend all Committee Charters to indicate the meeting frequency as "as needed."
- Appointments Committee, Economic Development Committee, and Finance Committee: No other changes.
- Public Safety Committee: Possibly amend Charter, under Committee Purpose, to reflect the changes made when the Roads and Streets Committee was formed from this committee.
- Public Safety and Water and Utilities Committees: Repeal Resolutions 04-697 and 04-699, as they no longer reflected the current membership of those committees.

Other Bodies

- Board of Adjustment, Planning and Zoning Commission, Industrial Development Authority, and Municipal Property Corporation: No changes recommended.

Council requested that staff notify the current members of the SR 89 Committee that the Committee might be needed again and then address its membership when the time came to re-activate it.

Councilmember Hatch related that the Magistrate Evaluation Committee could be continued to assist with the magistrate's annual evaluation process and contract renewals. Mayor Marley requested to remain on that committee and Councilmember Wojcik did not object. They also agreed to change the committee's name at a later time.

MOVED by Councilmember Linda Hatch, seconded by Vice-Mayor Darryl Croft to appoint Mayor Marley and Councilmember Wojcik to the Roads and Streets Committee.

Vote: 7 - 0 PASSED

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to amend the SR 89 Utility Project Committee Charter to change Meeting Frequency to "as needed."

Vote: 7 - 0 PASSED

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to direct staff to prepare resolutions to Repeal Resolutions 11-972 and 11-974; direct staff to prepare amendment to Resolution 11-973, Section 4, and Charter to indicate meeting frequency as "as needed;" and revoke the Revenue Options Committee Charter.

Vote: 7 - 0 PASSED

MOVED by Councilmember Linda Hatch, seconded by Vice-Mayor Darryl Croft to dissolve Legal Services Review Committee; retain Mayor Marley and appoint Councilmember McKee to the Magistrate Evaluation Committee, and change the committee designation from Ad Hoc to Council Subcommittee; and amend the Program Review Committee Charter to indicate meeting frequency as "annually as needed, change the committee designation from Ad Hoc to Council Subcommittee to assist the Finance Subcommittee, and appoint the town manager and/or finance director as staff liaisons.

Vote: 7 - 0 PASSED

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Linda Hatch to designate all Council Committees as Council 'Subcommittees;' direct all committees to amend their Charters to indicate the meeting frequency as "annually and as needed;" direct the Public Safety Committee Chair to amend its Charter Purpose; and direct staff to prepare a resolution repealing Resolutions 04-697 and 04-699.

Vote: 7 - 0 PASSED

- f) Consideration and possible action to authorize the Mayor on behalf of Council to sign a letter to the Yavapai County Board of Supervisors supporting the Williamson Valley to Chino Valley connector road. (Mayor Marley)

Craig Brown, Yavapai County District 4 Supervisor, and Mike Willett, Yavapai County Assistant Public Works Director, reported that:

- At Council's previous meeting, Supervisor Brown asked for the Town's input on the draft plan for a connector road between Williamson Valley and Chino Valley. At this point, the County was looking to get the project on paper, as funding will take years to obtain.
- After further study and ranking of drainage issues, utility conflicts, private versus state land matters, and costs, route "2b"--starting at the old Nancy Drive area and continuing all the way to Chino Valley via Center Street--scored the highest. Most of this road would be on state trust land.
- Thus far, the County had received no negative comments from the community once the proposal was explained.
- They believed the project was important for the community, as it will help with emergency services, accommodate future growth, and increase economic development for the Town. The recent Doce Fire demonstrated that another connector would have been helpful when Outer Loop, the primary escape route, almost had to be closed.

Mayor Marley commented that he heard negative comments from some citizens on Brenda Trail, and he believed the money could be better used to maintain the present roads.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Linda Hatch to authorize the Vice-Mayor to sign letter of support to the Board of Supervisors regarding the Williamson Valley to Chino Valley connector road.

Vote: 6 - 1 PASSED

NAY: Mayor Chris Marley

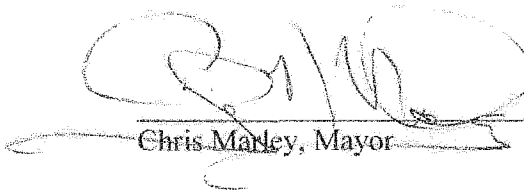
8) EXECUTIVE SESSION

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

9) ADJOURNMENT

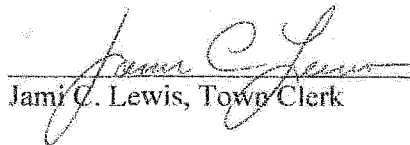
MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Don Wojcik to adjourn the meeting at 8:45 p.m.

Vote: 7 - 0 PASSED



Chris Marley, Mayor

ATTEST:

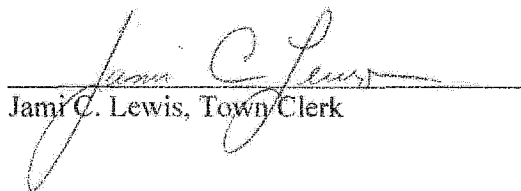


Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 23rd day of July, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 10th day of September, 2013.



Jami C. Lewis, Town Clerk

ORDINANCE NO. 14-787

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, APPROVING A CHANGE OF ZONING FOR APPROXIMATELY 438 ACRES OF REAL PROPERTY GENERALLY LOCATED IN SECTION 6, TOWNSHIP 15 NORTH, RANGE 1 WEST, FROM SINGLE FAMILY RESIDENTIAL, TWO (2) ACRE MINIMUM (SR-2) ZONING DISTRICT TO INDUSTRIAL (I) ZONING DISTRICT; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, PROVIDING FOR NON-SEVERABILITY; AND PROVIDING PENALTIES.

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

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

WHEREAS, the Planning and Zoning Commission, by a unanimous vote recommends approval of the rezoning;

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

Section 1. In General.

1. The Change of Zoning is hereby approved for property consisting of approximately 438 acres, described in Exhibit 1, attached hereto and incorporated herein by this reference, generally located in Section 6, Township 15 North, Range 1 West, from Single Family Residential, Two (2) Acre Minimum (SR-2) Zoning District to Industrial (I) Zoning District.

2. The Property described in Paragraph 1 of this Section shall be used and developed in accordance with the Town of Chino Valley Unified Development Ordinance.

Section 2. Providing for Repeal of Conflicting Ordinances.

All ordinances and parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section 3. Providing for Non-Severability.

If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, then this entire ordinance is invalid and this ordinance shall have no force or effect.

Section 4. Providing for Penalties.

Any person found responsible for violating this Ordinance shall be subject to the civil sanctions and habitual offender provisions set forth in Sections 1.10 and 1.11 of the Town of Chino Valley Unified Development Ordinance. Each day a violation continues, or the failure to perform any act or duty required by this zoning ordinance, the Unified Development Ordinance or by the Town of Chino Valley Town Code continues, shall constitute a separate civil offense.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 26th day of August, 2014 by the following vote:

AYES: 6
NAYS: 0

ABSENT: 1
ABSTAINED: 0

APPROVED this 26th day of August, 2014.


Chris Marley, Mayor

ATTEST:


Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:


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

I, JAMI C. LEWIS, TOWN CLERK, DO HEREBY CERTIFY THAT A TRUE AND CORRECT COPY OF THE ORDINANCE NO. 14-787 ADOPTED BY THE COMMON COUNCIL OF THE TOWN OF CHINO VALLEY ON THE 26TH DAY OF AUGUST, 2014, WAS POSTED IN THREE PLACES ON THE 27TH DAY OF AUGUST, 2014.


Jami C. Lewis, Town Clerk

The following exhibits are attached hereto and incorporated herein:

1. Legal Description

*Exhibit 1**

~~Exhibit A~~ Legal Description
Cortez CUP14-001 Portable Asphalt Plant
Cortez ZC14-002

PARCEL I:

The Southeast quarter; Lot Numbered 3; The South half of the Northeast quarter; and the Southeast quarter of the Northwest quarter of Section 6, Township 15 North, Range 1 West, Gila and Salt River Base and Meridian, Yavapai County, Arizona.

PARCEL II:

Lot 7 and the East Half of the Southwest quarter of Section 6, Township 15 North, Range 1 West, Gila and Salt River Base and Meridian, Yavapai County, Arizona.

EXCEPT a strip of land 100 feet wide being 50 feet on each side of the centerline of the Santa Fe, Prescott and Phoenix Railway Company (now The Atchison, Topeka and Santa Fe Railway Company).

**Scrivener's Error in Exhibit label was corrected on November 17, 2014 and reported to Council on December 9, 2014.*

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. a.**

Meeting Date: 12/09/2014

Contact Person: Jami Lewis, Town Clerk

Phone: 928-636-2646 x-1208

Department: Town Clerk

Item Type: N/A

AGENDA ITEM TITLE:

Consideration and possible action to accept the November 18, 2014 regular meeting minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Accept the November 18, 2014 regular meeting minutes.

Attachments

November 18, 2014 minutes

DRAFT

MINUTES OF THE REGULAR MEETING (RESCHEDULED) OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY

**TUESDAY, NOVEMBER 18, 2014
6:00 P.M.**

The Town Council of the Town of Chino Valley, Arizona, met for a Regular Meeting (Rescheduled) in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, November 18, 2014.

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

Staff Present: Town Manager Robert Smith; General Services Director Cecilia Grittman; Town Attorney Phyllis Smiley; Finance Director Joe Duffy; Police Lieutenant Vince Schaan; Police Officer Eric Hatchell; Town Engineer/Public Works Director Ron Grittman; Development Services Director Ruth Mayday; Building Official Dan Trout; Deputy Town Clerk Liz Hart; Town Clerk Jami Lewis (recorder)

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

Mayor Marley called the meeting to order at 6:00 p.m.

Councilmember Best gave the invocation; Mayor Marley led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS - None

3) CALL TO THE PUBLIC

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

Ron Romley, resident, spoke about Yavapai Regional Transit offering free rides for Christmas and recognized some Chino Valley bluegrass musicians.

Nancy Best, resident, spoke about the Hometown Chino Christmas event on December 5-6.

Edith Spain, resident, spoke about the Town's options after the GO Bond's failure to pass.

4) RESPONSE TO THE PUBLIC - None

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.

Mayor Marley read his Monthly Mayor's Report, which pertained to the GO Bond election results and the Town's next steps. He also spoke about the town manager's employment.

- a)** Status report by Town Manager Robert Smith regarding Town accomplishments, and current or upcoming projects.

Mr. Smith reported that management was looking at operations and expense options to present to Council for the next fiscal year budget.

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.

Council set down items 6a and 6b.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to accept consent agenda items c and d.

Vote: 7 - 0 PASSED

- a)** Consideration and possible action to accept the October 7, 2014 special meeting minutes. (Jami Lewis, Town Clerk)

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve consent agenda item a.

Vote: 6 - 0 PASSED

Other: Councilmember Linda Hatch (ABSTAIN)

- b)** Consideration and possible action to accept the October 14, 2014 regular meeting minutes. (Jami Lewis, Town Clerk)

Mrs. Lewis noted that the minute entry under item 2b was incorrect and that it should reference Mayor Marley recognizing the General Plan Committee members.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve item 6b with modifications.

Vote: 6 - 0 PASSED

Other: Councilmember Linda Hatch (ABSTAIN)

- c) Consideration and possible action to accept the October 28, 2014 regular meeting minutes. (Jami Lewis, Town Clerk)
- d) Consideration and possible action to to approve a Memorandum of Understanding between Phoenix Police Department and Chino Valley Police Department for use of PPD's National Integrated Ballistic Information Network. (Chuck Wynn, Police Chief)

7) ACTION ITEMS

- a) Consideration and possible action to adopt Resolution No. 14-1050, declaring and adopting the results of the special election held on November 4, 2014. (Jami Lewis, Town Clerk)

Recommended Action: Adopt Resolution No. 14-1050, declaring and adopting the results of the special election held on November 4, 2014.

Mrs. Lewis reported that

- Staff received the official final election results from the County this morning and updated the resolution to reflect the final numbers.
- Voters defeated the GO bond and approved the General Plan.
- The Town had a 61% voter turnout, an historic high.

Ms. Smiley noted an error in section 1: the reference to the primary election should be special election.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to adopt Resolution No. 14-1050, declaring and adopting the results of the special election held on November 4, 2014, as amended.

Vote: 7 - 0 PASSED

- b) Consideration and possible action to adopt Resolution No. 14-1051 authorizing the application for a Clean Water State Revolving Fund (CWSRF) loan from the Water Infrastructure Finance Authority of Arizona (WIFA) for expenses related to waste water treatment plant settlement agreement, in an amount not to exceed \$4,545,000; and adopt Resolution No. 14-1052 authorizing the application for a Drinking Water State Revolving Fund (DWSRF) loan from WIFA for expenses related to the Prescott water distribution system acquisition, in an amount not to exceed \$3,442,500. (Joe Duffy, Finance Director)

Recommended Action: Adopt Resolution Nos. 14-1051 and 14-1052, authorizing the loan applications.

Mr. Duffy presented the history, current status and proposal of this item:

History

- The Town's current water and sewer rates had been based on projections that the Town would add 435 additional accounts. However, as the Town had not acquired sufficient accounts for the water and sewer utility funds to remain solvent, they had been supported by the general fund and carryover from the sewer fund. In addition, the sewer fund had exhausted its reserves and the utility funds were not solvent enough to set aside funds for capital replacement.
- The Town's general fund could not continue subsidizing the enterprise funds, and at the current rate, the Town will start having solvency issues as early as next fiscal year and be out of funds in three years.
- Doing nothing further would require an increase in the Town's water rates from \$36.48 to \$60.13 per month to break even; and while the sewer fund would break even in FY 18/19 through the Fann settlement, the Town would still have to fund a \$1,350,000 deficit until then by increasing sewer rates from \$58.31 to \$77.71 per month.
- On May 27, 2014, Council approved Resolution 14-1037 and 14-1038 in anticipation of issuing a General Obligation Bond to complete three main projects that would address the utility fund deficit. However, the Town's voters did not approve the General Obligation Bond.

Options

- After the failed bond election, staff reduced the project's scope to two projects and submitted those details to the Water Infrastructure Finance Authority of Arizona (WIFA) for consideration of obtaining a loan for each of the projects funded through revenue bonds.
- The two subject projects were: (i) acquire the Prescott and Wilhoit water systems within the Town; and (ii) refinance the wastewater treatment plant settlement with Fann.
- Acquiring the two water systems would add 755 accounts, allow rates for current Prescott water users to be reduced, reduce the water fund's annual deficit by 60%, and allow the fund to break even in FY 15/16.
- Refinancing the Fann settlement would save the Town \$1,200,000 overall and result in sewer fund solvency in FY 16/17.
- Council could elect to take no action on either item or apply for only one of these loans, which would leave a \$750,000 to \$1 million difference that would still need to be made up.
- The best case scenario was for the Town to do both projects, which, combined, would allow the utility funds to break even in FY 16/17, be positive in subsequent years, end the general fund subsidy, and allow the Town to put funds away for capital replacement.

Current Status

- WIFA reviewed staff's figures and approved the two loans. WIFA also determined that the Town was a disadvantaged community, which allowed the Town to receive a subsidized interest rate of 0.25% on the wastewater project, and 0.20% on the drinking water project. The Town also qualified to have a portion of the principal of each project forgiven.
- The proposed resolutions corresponded to the two loans. The Town would secure the loans with utility system revenues and excise taxes.
- WIFA's terms were to close on December 31, 2014 at 2.24% interest, with a \$636,000 grant of forgivable principle.

Mr. Duffy and Councilmember McKee noted some errors in the packet and presentation materials:

- Resolutions – The loan amounts in the two resolutions were inadvertently switched.
- Staff Report – The interest rates should be 0.25% and 0.20%, not 25% and 20%.
- “Combined Projects” spreadsheet – The total project amount of \$7,555,000 should be \$7,98,500, and while the total loan amount was incorrect, the individual loan totals were correct.

Public Works Director/Town Engineer Gritman related that:

- Staff anticipated that the Town’s costs to operate the sewer plant would be consistent with or less than Fann’s and one new plant operator will need to be hired. Staff hoped to complete the transfer by fiscal year end.
- Part of the refinancing plan included funds for a new wastewater treatment screen, which was needed to replace the two current screens, both of which used outdated technology, and one of which was no longer usable. The Town had always paid for replacement parts.
- In the next two to five years, the Town will need to discuss plant expansion.
- Dan Jackson with economists.com will perform the Wilhoit water system evaluation as soon as Wilhoit was current with its financial reporting to the corporation commission. The proposed estimate was conservatively based on a 2009 valuation and activity since then.
- The Wilhoit well had an arsenic issue, but the Town was not proposing to use their well or equipment.

Mark Reader, Financial Advisor with Stifel Nicolaus, and Mike Cafiso, Bond Counsel with Greenberg Traurig added that:

- This item’s action was to indicate that the Town intended to follow WIFA's requirements.
- As interest rates were at their lowest in 35 years, the municipal bond market was very attractive now.
- Due to the Town’s financial situation, the Town had to pledge its excise taxes to secure the funds; this was noted in the resolutions. WIFA will release that pledge once the utility funds were stable. The primary repayment of the loan, however, was based on utility fund revenues with some general fund coverage. The Town’s loans for the 2007 Chino Meadows project included the same language.
- If approved, the loans would be for a not-to-exceed amount and the Town would only pay interest upon drawing down the account.

Council asked Mr. Reader and Mr. Cafiso to provide them with their firms’ fee amounts at the next meeting.

Town Manager Smith then spoke about the subject proposal within the context of the Town’s future fiscal condition:

- Under the do-nothing option, cumulative deficits of \$2.5 million, not including the \$2 million already owed the general fund, would occur in the utility funds.
- Also, sales taxes should be rolled back at some point to be competitive; \$1 million per year will be needed for road work for at least six years; the utility funds needed to pay back the general fund; and capital asset reserves and water and sewer reserves were needed.
- While this proposal would minimize the operations deficit from 2015 to 2019, in order to

cover the remaining utility fund deficit through 2019 while maintaining reserves, \$1 million per year in operations will need to be reduced. While said reduction could be lessened through revenue enhancements and cost savings, the Town needed to address this now.

- On the positive side, the EDA/ADA grant may generate jobs quickly; current and future infrastructure projects should encourage some development; and acquiring the water system and sewer plant will reduce fire protection costs and minimize deficit totals.
- If Council approved the WIFA funds and paid Fann by January 1, 2015, it will pay no interest.

Council Comments:

- Even if the GO bond had passed, the budget would still need some tightening.
- Council had reviewed this option several times and needed to get the process started to avoid interest on the Fann refinancing.

Public comment:

Cheri Romley, resident, asked about additional personnel for the sewer plant in the numbers. Mr. Duffy stated that personnel was covered in the estimated \$200,000 in operations expenses.

Bob McCaullay, water/sewer bond committee member, supported this option.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adopt Resolution Nos. 14-1051 and 14-1052, authorizing the loan applications, taking into account amendments for transposition of numbers and percentages.

Vote: 7 - 0 PASSED

Mayor Marley recessed the meeting at 7:47 pm and reconvened it at 8:03 p.m.

- c) Consideration and possible action to adopt Ordinance No. 14-790, repealing previous ordinances related to previous versions of the International Building Codes; adopting the "Town of Chino Valley Building and Technical Code Amendments - 2015 Edition," by reference; and amending Town Code Title XV Land Usage, Chapter 150 Building Regulations by amending sections related to the 2012 version of the International Codes and 2011 edition of the National Electrical Code. (Dan Trout, Deputy Development Services Director/Chief Building Official)

Recommended Action: Adopt Ordinance No. 14-790, repealing Ordinance Nos. 04-570, 07-686, 07-689 and 09-721; adopting the "Town of Chino Valley Building and Technical Code Amendments - 2015 Edition," by reference; and amending Town Code Sections 150.001 and 150.004.

Mr. Trout reported that:

- Every six years, the Town updated its adopted building codes. Since 2007, the quad cities had coordinated to adopt the same building codes to make it consistent for area builders.
- Adopting the 2012 Codes will enable the Town to lower its ISO rating by one point, which will help maintain lower property insurance rates.
- While Prescott and Yavapai County were still on the 2006 International Energy Conservation Code, the Town needed to update to the 2012 edition as a stipulation of accepting ARRA funds to install solar panels at the wastewater treatment plant.

- As these were international codes, amendments were proposed to suit the local area.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to adopt Ordinance No. 14-790, repealing Ordinance Nos. 04-570, 07-686, 07-689 and 09-721; adopting the "Town of Chino Valley Building and Technical Code Amendments - 2015 Edition," by reference; and amending Town Code Sections 150.001 and 150.004.

Vote: 7 - 0 PASSED

- d) Consideration and possible action to adopt Ordinance No. 14-791, adopting the "Chino Valley Fire District 2012 International Fire Code" by reference, and amending the Town Code Title XV Land Usage, Chapter 153 Fire Prevention and Protection, Section 153.001 International Fire Code Adopted. (Dan Trout, Deputy Development Services Director/Chief Building Official)

Recommended Action: Adopt Ordinance No. 14-791, adopting the "Chino Valley Fire District 2012 International Fire Code" by reference and amending Town Code Section 153.001.

Mr. Trout reported that:

- The Town updated its building and fire codes every six years. Adoption of the Fire Code updates will lower the Chino Valley Fire District's ISO rating, which will positively affect property insurance rates throughout town.
- The Town adopted such fire regulations to enable them to be enforceable through the Town Code.
- The fee schedule at the end of the resolution was the Fire District's and was included in error.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to adopt Ordinance No. 14-791, adopting the "Chino Valley Fire District 2012 International Fire Code" by reference and amending Town Code Section 153.001, omitting the Chino Valley Fire District permit and fee schedule.

Vote: 7 - 0 PASSED

- e) Report by Councilmember Mike Best and possible action regarding a report from the Council Public Safety Subcommittee pertaining to noise pollution from the Prescott Airport and airport expansion plans. (Public Safety Subcommittee)

Recommended Action: Direction to the Public Safety Subcommittee or Town staff.

Councilmember Best reported that:

- During the September 23 Call to the Public, Al Gibbons submitted an agenda item request, asking Council to issue an opinion on noise pollution from the Prescott Airport, as well as airport expansion plans.
- On October 14, Council voted to refer the matter to the Public Safety Subcommittee and report back in a month.
- The subcommittee had not yet met, as he was still awaiting a response from the FAA to an inquiry he sent pertaining to FAA responsibilities, flight patterns, and the Town's designation as a "flight sensitive" area.

Councilmembers commented that the expansion was being proposed to allow bigger fire planes and/or freight jets.

Council took no action.

- f) Consideration and possible action regarding Council's procedure for appointing members to the Planning and Zoning Commission. (Jami Lewis, Town Clerk)

Recommended Action: Direction to staff and/or Council Appointments Subcommittee.

Ms. Lewis reported that:

- Currently, the Council Appointments Subcommittee reviewed applications for Planning and Zoning Commissioner positions, conducted interviews in some cases, and made recommendations to Council for appointment.
- Since the Commission dealt with certain technical and legal matters, the mayor and vice-mayor desired a discussion regarding the possibility of:
 - directing staff to develop a "job description" for prospective Commissioners, with specific requirements for candidacy that could be used during recruitment and interviews; and
 - changing the appointment process by setting specific parameters, such as requiring the Subcommittee to interview all prospective candidates for Commissioner or determining that the whole Council should interview Commission applicants.

A councilmember suggested that the "job description" be a recommendation, not a requirement, as staff might have trouble finding qualified candidates.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to send back to the Appointments Subcommittee for review and make a recommendation to the full council for decisions at that time.

Vote: 7 - 0 PASSED

8) EXECUTIVE SESSION

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

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to recess and to go into executive session at 8:28 p.m.

Vote: 7 - 0 PASSED

Mayor Marley reconvened the regular meeting at 9:52 p.m.

- a) Pursuant to A.R.S. § 38-481.03(A)(1) for discussion or consideration of employment, assignments, appointment, promotion, dismissal, salary of Town Manager Robert Smith, and pursuant to A.R.S. § 38-481.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding the contract with Town Manager Robert Smith. (Mayor and Council)

Mayor Marley reported that the Council consulted with the town attorney on this matter.

9) ACTION ITEMS RESUMED

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

10) ADJOURNMENT

MOVED by Councilmember Don Wojcik, seconded by Councilmember Lon Turner to adjourn the meeting at 9:53 p.m.

Vote: 7 - 0 PASSED

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting (Rescheduled) of the Town Council of the Town of Chino Valley, Arizona held on the 18th day of November, 2014. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 9th day of December, 2014.

Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. b.**

Meeting Date: 12/09/2014
Contact Person: Joe Duffy, Finance Director
 Phone: 928-636-2646 x-1211
Department: Finance
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

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

RECOMMENDED ACTION:

Approve Financial Report for the four months ending October 31, 2014.

SITUATION AND ANALYSIS:

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

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

The report includes the following sections:

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

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

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

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

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

Attachments

October 2014 Financial Report

Town of Chino Valley

Arizona

Financial Report



To The Town Council

For the three Months Ending October 31, 2014 34% of the Fiscal Year

Town of Chino Valley
Revenue and Expense Summary
For the three Months Ending October 31, 2014 34% of the Fiscal Year

				Actual vs Prior Year		
	Actual Year to Date FY 2013-14	Actual Year to Date FY 2014-15		Amount	% FY 2014-15/ FY 2013-14	Annual Budget FY 2014-15 % of Budget YTD
GENERAL FUND						
General Fund Revenues by Category						
Franchise Taxes	\$ 37,244	\$ 22,580	*	\$ (14,664)		\$ 142,000 16%
Tax Revenues	\$ 1,228,304	\$ 1,255,768		\$ 27,464 2%	\$ 3,755,363	33%
Licenses & Permits	\$ 80,537	\$ 52,590		\$ (27,947) -35%	\$ 217,000	24%
Intergovernmental	\$ 909,164	\$ 985,539		\$ 76,375 8%	\$ 3,063,000	32%
Charges for Services	\$ 25,763	\$ 24,321		\$ (1,442) -6%	\$ 98,200	25%
Fines and Forfeitures	\$ 26,030	\$ 32,661		\$ 6,631 25%	\$ 118,000	28%
Other Revenues	\$ 878	\$ 3,053		\$ 2,175 248%	\$ 2,300	133%
Contributions and Donations	\$ 11,025	\$ 893		\$ (10,132) -92%	\$ 7,800	11%
Investment Earnings	\$ 143	\$ 183		\$ 40 28%	\$ 550	33%
Transfers In	\$ 18,493	\$ 33,333		\$ 14,840 80%	\$ 560,087	6%
Total Revenues	\$ 2,337,581	\$ 2,410,920		\$ 73,339 3%	\$ 7,964,300	30%

Total Revenues for the General Fund are up \$73,339 over the previous fiscal year. Licenses and Permits are down due to a reduction in Building Permits this fiscal year. Intergovernmental Revenues are up 8% primarily due to an increase in State Shared Income Tax and State Shared Sales Tax. Transfers In were increased in the current years budget over the prior year. The total General Fund Revenues are up 3% compared to the last fiscal year.

Town of Chino Valley						
Revenue and Expense Summary						
For the three Months Ending October 31, 2014 34% of the Fiscal Year						
			Actual vs Prior Year			
	Actual Year to Date FY 2013-14	Actual Year to Date FY 2014-15	Amount	% FY 2014-15/ FY 2013-14	Annual Budget FY 2014-15	% of Budget YTD
General Fund Expenditures by Department						
Prosecutor	\$ 35,712	\$ 35,768	\$ 56	0%	\$ 122,800	29%
Town Clerk	\$ 56,953	\$ 54,789	\$ (2,164)	-4%	\$ 244,100	22%
Town Manager	\$ 122,410	\$ 130,393	\$ 7,983	7%	\$ 406,600	32%
Human Recourses	\$ 15,459	\$ 21,190	\$ 5,731	37%	\$ 69,850	30%
Municipal Court	\$ 90,556	\$ 98,759	\$ 8,203	9%	\$ 312,550	32%
Finance	\$ 105,621	\$ 92,898	\$ (12,723)	-12%	\$ 304,450	31%
Management Information System	\$ 58,971	\$ 64,891	\$ 5,920	10%	\$ 245,650	26%
Mayor and Council	\$ 11,247	\$ 8,881	\$ (2,366)	-21%	\$ 31,750	28%
Planning	\$ 59,082	\$ 56,237	\$ (2,845)	-5%	\$ 170,850	33%
Building Inspection	\$ 59,767	\$ 82,100	\$ 22,333	37%	\$ 273,500	30%
Police	\$ 903,047	\$ 887,159	\$ (15,888)	-2%	\$ 2,613,000	34%
Animal Control	\$ 30,321	\$ 38,884	\$ 8,563	28%	\$ 143,850	27%
Recreation	\$ 7,503	\$ 8,298	\$ 795	11%	\$ 69,400	12%
Library	\$ 90,805	\$ 92,530	\$ 1,725	2%	\$ 287,700	32%
Senior Center	\$ 65,836	\$ 68,339	\$ 2,503	4%	\$ 230,750	30%
Parks Maintenance	\$ 140,349	\$ 138,328	\$ (2,021)	-1%	\$ 396,500	35%
Aquatic Center	\$ 82,898	\$ 72,287	\$ (10,611)	-13%	\$ 249,750	29%
Facilities Maintenance	\$ 105,638	\$ 110,931	\$ 5,293	5%	\$ 346,650	32%
Fleet Maintenance	\$ 101,047	\$ 103,392	\$ 2,345	2%	\$ 336,600	31%
Engineering	\$ 20,321	\$ 27,445	\$ 7,124	35%	\$ 74,750	37%
Non Departmental	\$ 332,475	\$ 249,677	\$ (82,798)	-25%	\$ 923,250	27%
Total Expenditures	\$ 2,496,018	\$ 2,443,176	\$ (52,842)	-2%	\$ 7,854,300	31%
Total Revenue Over (Under)						
Total Expenditures	\$ (158,437)	\$ (32,255)	\$ 126,182		\$ 110,000	
GENERAL FUND (Continued)						
Total General Fund Expenditures are down \$52,842 or 2% compared to last fiscal year. Through October each department should be less than 34%. In total the General Fund Departments are at 31%.						

Town of Chino Valley
Revenue and Expense Summary
For the three Months Ending October 31, 2014 34% of the Fiscal Year

	Actual vs Prior Year					
	Actual Year to Date FY 2013-14	Actual Year to Date FY 2014-15	Amount	% FY 2014-15/ FY 2013-14	Annual Budget FY 2014-15	% of Budget YTD
HIGHWAY USER REVENUE FUND						
Total Revenues	\$ 237,357	\$ 265,790	\$ 28,433	12%	\$ 1,235,350	22%
Expenditures						
Road Maintenance	\$ 330,612	\$ 246,779	\$ (83,833)	-25%	\$ 1,200,350	21%
Total Revenue Over (Under)						
Total Expenditures	\$ (93,255)	\$ 19,011	\$ 112,266		\$ 35,000	
Total Fund Revenues are up 12% over the prior fiscal year due to the budgeted increase in HURF fund distributions. Expenditures are down 25% this fiscal year.						
WATER ENTERPRISE FUND						
Water Revenues	\$ 210,120	\$ 153,681	\$ (56,439)		\$ 433,000	
Transfers In	\$ 73,333	\$ 93,567	\$ 20,234		\$ 280,700	
Total Revenues	\$ 283,453	\$ 247,248	\$ (36,205)	-13%	\$ 713,700	35%
Expenditures						
Water Utility Operations	\$ 196,553	\$ 171,015	\$ (25,538)		\$ 611,800	
Debt Service/Reserve	\$ -	\$ -	\$ -		\$ 101,900	
Total Expenditures	\$ 196,553	\$ 171,015	\$ (25,538)	-13%	\$ 713,700	24%
Total Revenue Over (Under)						
Total Expenditures	\$ 86,900	\$ 76,233	\$ (10,667)		\$ -	
Total Water Enterprise Fund Revenues are down due to reduced Water Buy In fees so far this fiscal year and a 9% reduction in Water Service Fees. Water Service Fees appear to be recovering slightly each month. Expenditures are down due to a large repair last fiscal year.						
SEWER ENTERPRISE FUND						
Total Revenue	\$ 487,934	\$ 492,714	\$ 4,780	1%	\$ 1,753,914	28%
Expenditures						
Sewer	\$ 295,452	\$ 290,783	\$ (4,669)		\$ 982,100	
Debt Service/Reserve	\$ 56,236	\$ 54,853	\$ (1,383)		\$ 771,814	
Total Expenditures	\$ 351,688	\$ 345,636	\$ (6,052)	-2%	\$ 1,753,914	20%
Total Revenue Over (Under)						
Total Expenditures	\$ 136,246	\$ 147,078	\$ 10,832		\$ -	
Total Sewer Enterprise Fund Revenues are only up 1% over last fiscal year due to reduced Sewer Buy In Fees this fiscal year. Sewer Service Fees are up 11% and department expenditures are down 2%.						

Town of Chino Valley						
Revenue and Expense Summary						
For the three Months Ending October 31, 2014 34% of the Fiscal Year						
			Actual vs Prior Year			
	Actual Year to Date FY 2013-14	Actual Year to Date FY 2014-15	Amount	% FY 2014-15/ FY 2013-14	Annual Budget FY 2014-15	% of Budget YTD
CAPITAL IMPROVEMENT FUND * (excludes bond projects)						
Total Revenues	\$ 409,435	\$ 418,592	\$ 9,157	2%	\$ 5,010,132	8%
Lease Purchase Proceeds		\$ 715,346				
Transfers In Road Impact Fees		\$ -	\$ -		\$ 886,000	
Capital Improvements	\$ 192,621	\$ 741,124	\$ 548,503		\$ 4,776,000	
Transfers	\$ 286,033	\$ 438,377	\$ 152,344		\$ 1,120,132	
Total Expenditures	\$ 478,654	\$ 1,179,502	\$ 700,848	146%	\$ 5,896,132	20%
Total Revenue Over (Under)						
Total Expenditures	\$ (69,219)	\$ (45,564)	\$ (691,691)		\$ -	
Capital Improvement Fund Revenues are up slightly by 2% over the prior fiscal year primarily driven by an increase in Construction Sales Tax activity. Transfers are up due to the increased amount budgeted this fiscal year.						
Detailed Capital Improvement Fund Projects Funded by Road Impact Fees	Actual Year to Date FY 2014-15		Annual Budget FY 2014-15			
Center Street Box Culvert	\$ 48,044		\$ 500,000			
Road 1 East & Road 3 South	\$ 545		\$ 200,000			
Center Street Rd1 E and Rail	\$ -		\$ 150,000			
Design on Peavine Trail	\$ -		\$ 36,000			
	\$ 48,589		\$ 886,000			

Town of Chino Valley						
Revenue and Expense Summary						
For the three Months Ending October 31, 2014 34% of the Fiscal Year						
			Actual vs Prior Year			
	Actual Year to Date FY 2013-14	Actual Year to Date FY 2014-15	Amount	% FY 2014-15/ FY 2013-14	Annual Budget FY 2014-15	% of Budget YTD
OTHER MINOR FUNDS						
Other Minor Funds -Revenues						
CDBG Grant	\$ -	\$ -	\$ -		\$ 264,000	
Grants Fund	\$ 100,354	\$ 131,240	\$ 30,886		\$ 3,470,000	
Special Revenue Fund Court	\$ 2,696	\$ 2,557	\$ (139)		\$ 15,600	
Capital Asset Replacement	\$ 62	\$ 28	\$ (34)		\$ 500	
Police Impact Fee Funds	\$ 4,261	\$ 394	\$ (3,867)		\$ 111	
Library Impact Fee Funds	\$ 1,482	\$ -	\$ (1,482)		\$ -	
Parks/Rec Impact Fee Funds	\$ 4,812	\$ 5	\$ (4,807)		\$ -	
Roads Impact Fee Funds	\$ 42,245	\$ 2,537	\$ (39,708)		\$ 1,000	
Special Revenue Fund PD	\$ 14,044	\$ 13,715	\$ (329)		\$ 40,000	
CVSLID Districts	\$ (226)	\$ 965	\$ 1,191		\$ 4,000	
Total Revenues	\$ 169,730	\$ 151,441	\$ (18,289)	-11%	\$ 3,795,211	4%
CDBG Grant	\$ -	\$ -	\$ -		\$ 264,000	
Grants Funds	\$ 111,437	\$ 45,421	\$ (66,016)		\$ 3,470,000	
Special Revenue Fund - Court	\$ 2,785	\$ 2,875	\$ 90		\$ 35,000	
Capital Replacement Fund	\$ -	\$ -	\$ -		\$ 10,000	
Police Impact Fee Funds	\$ 3,702	\$ 444	\$ (3,258)		\$ 79,014	
Library Impact Fee Funds	\$ 108,741	\$ 11,652	\$ (97,089)		\$ 7,000	
Parks/Rec Impact Fee Funds	\$ (8,811)	\$ 18,474	\$ 27,285		\$ 24,564	
Roads Impact Fee Funds	\$ 11,593	\$ -	\$ (11,593)		\$ 886,000	
Special Revenue Fund PD	\$ 5,126	\$ 9,435	\$ 4,309		\$ 40,000	
CVSLID Districts	\$ 1,266	\$ 1,312	\$ 46		\$ 4,000	
Total Expenditures	\$ 235,839	\$ 89,613	\$ (146,226)	-62%	\$ 4,819,578	2%
Total Revenue Over (Under)						
Total Expenditures	\$ (66,109)	\$ 61,829	\$ 127,938		\$ (1,024,367)	
TOTAL ALL FUNDS						
Total Revenue All Funds	\$ 3,925,490	\$ 3,986,705	\$ 61,215	2%	\$ 20,472,607	19%
Total Expenditures All Funds	\$ 4,089,364	\$ 4,475,720	\$ 386,356	9%	\$ 22,237,974	20%
Total Revenue Over (Under)						
Total Expenditures All Funds	\$ (163,874)	\$ (489,014)	\$ (325,140)		\$ (1,765,367)	
(1) Budget does not include Carryover Amounts from Prior Fiscal Years						
(2) Year to date amounts include actual expenditures paid to date.						

Town of Chino Valley
Major Revenue Summary
For the three Months Ending October 31, 2014 34% of the Fiscal Year

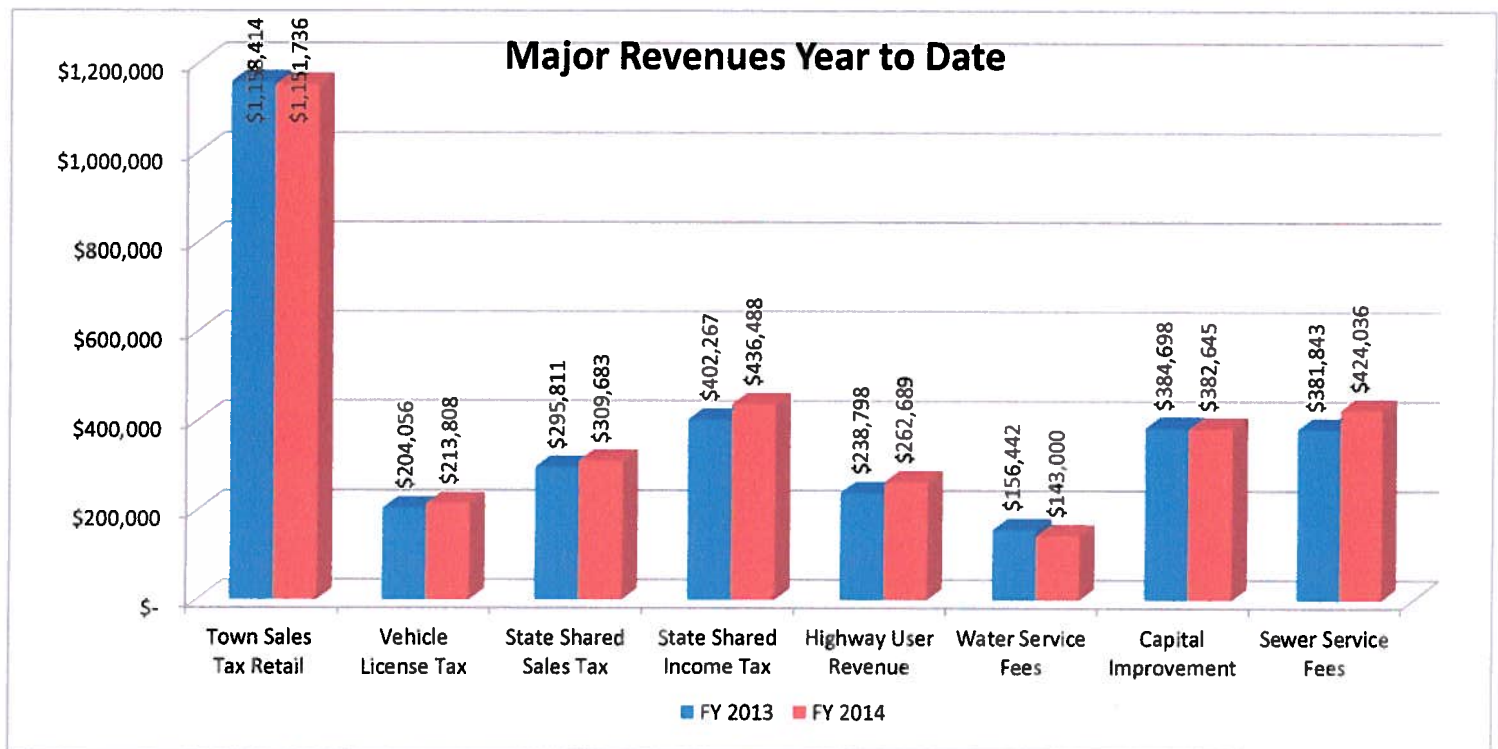
					Actual vs Prior Year	
	Actual Year to Date FY 2013-14	Annual Budget FY 2014-15	Actual Year to Date FY 2014-15*	% of Budget YTD	Amount	%
Town Sales Tax Retail	\$ 1,158,414	\$ 3,500,000	\$ 1,151,736	33%	\$ (6,678)	-1%
Vehicle License Tax	\$ 204,056	\$ 597,000	\$ 213,808	36%	\$ 9,752	5%
State Shared Sales Tax	\$ 295,811	\$ 977,000	\$ 309,683	32%	\$ 13,872	5%
State Shared Income Tax	\$ 402,267	\$ 1,309,000	\$ 436,488	33%	\$ 34,221	9%
Highway User Revenue	\$ 238,798	\$ 805,000	\$ 262,689	33%	\$ 23,891	10%
Water Service Fees	\$ 156,442	\$ 363,000	\$ 143,000	39%	\$ (13,442)	-9%
Capital Improvement	\$ 384,698	\$ 1,160,760	\$ 382,645	33%	\$ (2,053)	-1%
Sewer Service Fees	\$ 381,843	\$ 1,301,423	\$ 424,036	33%	\$ 42,193	11%
Major Revenues Y.T.D.	\$ 3,222,329	\$ 10,013,183	\$ 3,324,085	33%	\$ 101,756	3%
Total Revenue All Funds	\$ 3,925,490	\$ 20,472,607	\$ 3,986,705	19%	\$ 61,215	2%

82%

49%

83%

The Major Revenues are up slightly by \$101,756 or 3% over the prior fiscal year. Town Sales Tax Retail is down slightly due to the Town no longer collecting for the Pipeline Transportation Tax as a sales tax, however construction sales tax is up 57% so far this fiscal year. Water Service Fees are down due to decreased usage but appear to be recovering slightly each month.



Impact Fee Fund Recaps					
For the three Months Ending October 31, 2014 34% of the Fiscal Year					
	Police Impact Fees	Library Impact Fees	Parks/Rec Impact Fees	Roads Impact Fees	
Beginning Fund Balance @ 6/30/14	\$ 82,789	\$ -	\$ 40,614	\$ 1,352,095	
Impact Fees Revenue to Date	\$ 394	\$ -	\$ 5	\$ 2,537	
Impact Fees Expenditures to Date	\$ 444	\$ 11,652	\$ 18,474	\$ -	
Ending Fund Balance to Date	\$ 82,739	\$ (11,652)	\$ 22,145	\$ 1,354,632	
Budgeted Expenditures FY 14/15	\$ 790,014	\$ -	\$ 24,564	\$ 886,000	
Contingency Funds Budget					
For the three Months Ending October 31, 2014 34% of the Fiscal Year					
	Actual Year to Date FY 2014-15	Annual Budget FY 2014-15			
General Fund Budget		\$ 367,000			
General Fund Balance		\$ 367,000			
HURF Fund Budget		\$ 42,000			
Water Fund Budget		\$ 31,000			
Sewer Fund Budget		\$ 49,000			
Balance of Contingency Budget	\$ -	\$ 489,000			
Annual Debt Service Summary By Fund					
Fiscal Year Ended June 30, 2015					
Debt Issue	Date Issued	Original Amount	Outstanding Amount as of June 30, 2014	FY 2015 Principal	FY 2015 Interest
General Government					
GADA Loan 2007A	7/1/2011	\$ 3,825,000	\$ 3,620,000	\$ 235,000	\$ 172,794
US Bank Series 2010	12/15/2010	\$ 7,280,000	\$ 7,280,000		\$ 331,638
		\$ 11,105,000	\$ 10,900,000	\$ 235,000	\$ 504,432
Water Enterprise Fund					
US Bank Series 2010	12/15/2010	\$ 745,000	\$ 610,000	\$ 45,000	\$ 25,882
Sewer Enterprise Fund					
WIFA	1/10/2007	\$ 1,580,000	\$ 1,090,290	\$ 77,886	\$ 30,070
WIFA	1/11/2008	\$ 4,853,000	\$ 3,738,165	\$ 242,138	\$ 105,192
USDA	2/16/2007	\$ 1,595,000	\$ 1,413,024	\$ 38,702	\$ 57,574
USDA	4/10/2008	\$ 1,505,000	\$ 1,372,832	\$ 34,877	\$ 55,975
USDA	4/16/2008	\$ 1,332,000	\$ 1,215,957	\$ 30,820	\$ 49,580
		\$ 10,865,000	\$ 8,830,268	\$ 424,423	\$ 298,391
Total Town of Chino Valley Debt		\$ 22,715,000	\$ 20,340,268	\$ 704,423	\$ 828,705



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. a.

Meeting Date: 12/09/2014
Contact Person: Ruth Mayday, Development Services Director
 Phone: 928-636-4427 x-1217
Department: Development Services
Item Type: Action Item
Estimated length of staff presentation: 5 minutes
Physical location of item: Old Home Manor

AGENDA ITEM TITLE:

Consideration and possible action to approve grant agreement with Arizona Commerce Authority for \$250,000 Rural Economic Development Grant, related to the Old Home Manor industrial park. (Ruth Mayday, Development Services Director)

RECOMMENDED ACTION:

Approve grant agreement with Arizona Commerce Authority for the Rural Economic Development Grant.

SITUATION AND ANALYSIS:

Issue Statement

Staff applied for \$250,000 from the Arizona Commerce Authority's (ACA) Rural Economic Development Grant program. The purpose of this program is to facilitate economic development in non-metropolitan areas of Arizona. Staff was notified on October 23, 2014 that the Town had been awarded the full \$250,000 request.

Applicable "Policy"

Key Result Area 2: Sustainable Economic and Community Development; Objective A: Develop Chino Valley Industrial and Commercial Development Plan; Action: Submit grant proposals for infrastructure at Old Home Manor; ACA Infrastructure Grant.

Satisfaction of "Policy"

Staff has submitted the application and received Notice of Award; acceptance of the funding and approval of the contract by Town Council is the final step in this process. These funds will be used to leverage additional grant funds from the EDA for the proposed improvements at Old Home Manor.

Summary of Issues and Staff Rationale

Like many rural communities, Chino Valley struggles to gain benefit from the slowly improving economy. Limited resources make it difficult to compete with its more economically advanced

neighbors in encouraging and supporting economic development and entrepreneurship. Installing infrastructure improvements that will provide utility services to Old Home Manor will benefit the community as a whole by providing ready opportunities for development of heavier commercial and industrial uses that will provide employment opportunities for the under- and unemployed in the greater Chino Valley area. Therefore, staff supports acceptance of the grant its future use to leverage additional funds through the EDA as follows:

\$250,000 REDG

\$ 85,000 Town match (\$50,000 in FY 13/14 \$35,000 in FY 14/15)

\$ 37,750 Waived permit fees

\$372,750 Match commitment

Total Project Cost: \$2,047,824

Current Match (18%) : \$ 372,750

EDA Funding: \$1,675,074

20% Match: \$ 40,956 (Additional 2%) EDA Funds: \$1,634,118

30% Match: \$245,738 (Additional 12%) EDA Funds: \$1,429,336

40% Match: \$450,521 (Additional 22%) EDA Funds: \$1,429,336

As this grant represents a large portion of the required match for the EDA grant which will be used to install infrastructure at Old Home Manor, staff recommends approving the contract.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 07-70-5413

Available: 85000

Funding Source:

Funds will be accounted for in the Pubic Works Grant Fund. Match will be budgeted for in the Capital Improvement Fund.

Attachments

Award Letter

REDG Contract



October 31, 2014

Ruth Mayday
Town of Chino Valley
Development Services Director
1982 N. Voss Drive #203
Chino Valley, AZ 86323
928-636-4427
rmayday@cinoaz.net

Subject: Award Notice for FY15 Rural Economic Development Grant (REDG) –
Round 1

Dear Ms. Mayday,

Congratulations! The Town of Chino Valley has been selected to receive a FY15 Rural Economic Development Grant in the amount of \$250,000 from the Arizona Commerce Authority (ACA) for the Old Home Manor Industrial Park Infrastructure Project. The specific details of the award are included in the attached Grant Agreement.

This Award Notice packet includes:

- REDG Grant Agreement (for you to review, sign, and return to ACA)
- ACA Substitute W-9 (for you to complete and submit to ACA)
- REDG Contractor Disclosure Form
- REDG Quarterly Reporting Form (for your review and reports)
- REDG Grant Budget Spreadsheet (for your review and reports)
- REDG Reimbursement Request Form (for your review and requests)

Overview of the Grant Process

Step 1: Grant Documents

Grantees must complete, sign and return the Grant Agreement, ACA Substitute W-9, and Contractor Disclosure Form no later than sixty (60) days from the date of this letter. After receipt, ACA will return a fully-executed copy of the Agreement to you for your records.

Note: REDG funds may be used only to reimburse the costs of infrastructure improvements performed during the term of an REDG award that begins when the fully-executed Agreement is returned to you as complete.

Note: Please carefully review the Agreement Projected Project Outcomes, Authorized Expenses, and Cash Match Commitment. These may have been revised from your original proposal through post-submission clarifications. The terms of the Grant Agreement supersede the Proposal. If any adjustments need to be made, please discuss with the Grant Administrator prior to signature.

Step 2: Reporting

Quarterly Reports, a Final Report, and Outcomes Tracking Forms must be completed using the provided templates and submitted to the REDG Grants Administrator, Amy Malouf, amym@azcommerce.com. Please review the Grant Agreement *Appendix C – Reporting* for detailed guidelines of Reporting and a Schedule of Reports.

Note: Grantee will name all general contractors currently performing REDG project work. At the time of the signing of this Agreement, the Grantee will have provided ACA with a copy of the pricing and signature pages of all contracts already established between the Grantee and the contractor. In the event of any changes to contractors and/or contracts related to REDG project work, the Grantee must identify the change in the Quarterly Report Form and attach a copy of the required documentation.

Step 3: Reimbursement Requests

Reimbursement Requests must be completed using the provided template and submitted to the REDG Grants Administrator, Amy Malouf, amym@azcommerce.com. Please review the Grant Agreement Appendix B – Awards for detailed guidelines. Reimbursement requests must be submitted by the Grantee to the ACA no more frequently than monthly and no less frequently than quarterly and are encouraged to be made in conjunction with Quarterly Progress Reporting.

Each cost requested for reimbursement must be projected in REDG Eligible Project Costs in the *Appendix B - Awards* cost of the Agreement. Requests must include all information and attachments required by such forms, including but not limited to copies of invoices paid and evidence of payment. Subcontractor invoices to the general contractor managing the project may be required to demonstrate that reimbursement is being requested only for qualifying project costs.

Grantees must have submitted a signed ACA Substitute W-9 form to the ACA Grant Administrator (provided with Notice of Award) to receive any financial reimbursement from the ACA.

You may direct questions to the REDG Grants Administrator, Amy Malouf at (602) 845-1245, amym@azcommerce.com. We look forward to working with you!

Regards,

A handwritten signature in black ink that reads "amymalouf". The signature is written in a cursive, lowercase style.

Amy Malouf
Grants and Procurement Manager
Arizona Commerce Authority

CC: Keith Watkins
Senior Vice President, Economic/Rural Development
Arizona Commerce Authority



GRANT AGREEMENT

Award: REDG-15-01

Arizona Commerce Authority
 333 North Central Avenue
 Suite 1900
 Phoenix, Arizona 85004
 (602) 845-1200

Grant Award Number:	REDG-15-01
Grantee Name:	Town of Chino Valley
FEIN:	86-0256834
Total Funding Amount:	\$250,000
Grantee Project Contact:	
Name:	Ruth Mayday
Title:	Development Services Director
Telephone Number:	928-636-4427
Email:	rmayday@chinoaz.net
Person Authorized to Sign Agreement:	
Name:	Chris Marley
Title:	Mayor
1. Award. Grantee is hereby awarded a grant in the amount of <u>\$250,000</u> (the "Grant") under the Arizona Commerce Authority ("ACA") Fiscal Year 2015 ("FY15") Rural Economic Development Grant ("REDG") Program – Round 1, RFP # 2015-03 (the "Program" or "Solicitation") for the project (the "Project" as summarized in Appendix A – Project Summary) described in Grantee's proposal dated <u>September 12, 2014</u> (the "Proposal"). See Appendix B – Awards for details regarding award amounts and approved uses of Grant funds. 2. Project Implementation. The Grant is conditioned upon the Project being implemented substantially in conformance with the description of the Project in the Proposal, including without limitation the budget, schedule and Grantee's cash match. With respect to the schedule, the Project must in any case commence within six (6) months and to be completed within eighteen (18) months after the date of full execution of this Grant Agreement (the "Agreement"). 3. Grant Documents. This Agreement incorporates and includes the terms and conditions of both the Program and Grantee's Proposal. Wherever there is a conflict among any two or three of (i) this document, (ii) the Proposal and (iii) the Program, this document shall prevail over the Program and the Proposal and the Program shall prevail over the Proposal. 4. Reporting. Grantee shall report on the progress of the project as provided in Appendix C - Reporting. 5. Term. The term of the Grant is eighteen (18) months from the Date of full execution of this Grant Agreement (the "Date of Execution"). No extensions will be provided and reimbursements will be made only for work completed during the term of the Grant.	



GRANT AGREEMENT

Award: REDG-15-01

Arizona Commerce Authority
 333 North Central Avenue
 Suite 1900
 Phoenix, Arizona 85004
 (602) 845-1200

6. Discrimination. The Grantee shall not discriminate against any employee or contractor for employment in violation of Federal Executive Order 11246, State Executive Order 99-4 or A.R.S. §§ 41-1461 through 1465.

7. Compliance with the law; E-Verify. Grantee warrants compliance with all federal immigration laws and regulations relating to employee and warrants compliance with A.R.S. § 23-214. A breach of grantee's warranty regarding compliance with immigration laws and regulations shall be deemed a material breach of this Agreement and the Authority, in such event, may terminate this Agreement.

8. Cooperation with the Authority. Grantee authorizes and gives full consent to the Authority to copyright, publish, reproduce, promote or otherwise use its appearance, company brand, company images, testimonials and any other pertinent information in any manner, in any format or for any promotional/advertising purpose, including without limitation for public exhibits, displays, publications, art, website and advertising.

9. This Agreement is subject to the ACA Uniform Terms and Conditions set forth in Appendix D.

10. By signing above, Grantee agrees to the foregoing terms and conditions.

This Agreement shall henceforth be referred to as Grant Agreement REDG-15-01.

TOWN OF CHINO VALLEY:	ARIZONA COMMERCE AUTHORITY:
<i>SIGNATURE</i>	<i>SIGNATURE</i>
CHRIS MARLEY	SANDRA WATSON
Mayor	President and CEO
<i>DATE</i>	<i>DATE OF EXECUTION</i>



Appendix A – Project Summary

Project Name

Old Home Manor Infrastructure

Brief Project Description

The Project will extend sewer and water services from their current termination approximately 5,000 lineal feet to the center of the Old Home Manor Industrial Park (OHMIP), as well as 9,800 lineal feet of pipe to provide Natural Gas Service to the area. It will also extend East Road 4 North approximately 2,500 feet, including box culverts to bridge the Santa Cruz Wash.

Projected Project Outcomes

The Grantee has identified the anticipated economic outcomes set forth below of the Project. The ACA will track Project outcomes during the term of the Grant Agreement and for an additional 36 months after the end of the term of the Grant Agreement and completion of REDG project work. The Grantee will update the Project Outcomes table to reflect the actual status in the Final Report as described in *Appendix C - Reporting*.

Outcome	Target
Number of Net New Jobs	205
Number of Retained Jobs	40.5
Average Salary	\$39,044
Percentage of employer-provided health care costs	50%
Capital Investment	\$41,400,000



Appendix B – Awards

Award Amount: \$250,000

Authorized Expenses:

Grant funds may be paid to reimburse any expenses set forth in the following table:

Eligible REDG Project Costs	Budget Amount
12" Water Valves	\$19,500
Manholes	\$45,000
Aggregate Base Course	\$60,000
Box Culvert over Santa Cruz Wash	\$700,000
Double Chipseal	\$71,110
12" Water Pipe 5000'	\$120,510
12" Sewer Pipe 4500'	\$101,250
<i>Total Eligible REDG Project Costs</i>	<i>\$1,117,370</i>

Cash Match Commitment:

Match Contributions	Budget Amount
Town of Chino Valley Capital Improvement Plan Fund	\$85,000
Waived Permit Fees	\$37,750
<i>Total Match Contributions</i>	<i>\$122,750</i>
<i>Match Percent of Total Eligible REDG Project Costs</i>	<i>11%</i>

Reimbursement Requests

Reimbursement Requests must be completed using the *REDG Reimbursement Request Form*. Reimbursement Requests must be completed and signed by the Grantee Project Contact or Authorized Representative named on the first page of this Agreement.

Reimbursement requests must be submitted by the Grantee to the ACA no more frequently than monthly and no less frequently than quarterly and are encouraged to be made in conjunction with Quarterly Progress Reporting.

Each cost requested for reimbursement must be set forth in *Appendix B - Awards* of this Agreement. Requests must include all information and attachments required by such forms, including but not limited to copies of



invoices paid and evidence of payment. Subcontractor invoices to the general contractor managing the project may be required to demonstrate that reimbursement is being requested only for qualifying project costs.

The ACA reserves all rights to request additional information to confirm satisfaction that requested reimbursements are appropriate under this Grant Agreement.

Grantees must have submitted a signed ACA W-9 form to the ACA Grant Administrator (provided with Notice of Award) to receive any financial reimbursement from the ACA.



Appendix C – Reporting

The Grantee shall provide quarterly progress reports during the grant term, a final report at the end of the term of this Grant Agreement, and annual outcome reports for three (3) years after project completion.

Quarterly Progress Reports

Quarterly Progress Reports must be completed using the *REDG Quarterly Progress Report Form*. Reports must be completed and signed by the Grantee Project Contact or Authorized Representative named on the first page of this Agreement. Reports must be submitted by the due dates listed in *Appendix C – Reporting* to the ACA Grant Administrator.

Project Status Summary

Grantee will briefly describe of the overall status of the project.

Project Progress Update

- Grantee will describe the construction progress made up to and including the current quarter, including costs expended to date on the project.
- Grantee will update the project timeline table to reflect the grant project's current progress. The planned timeline will be developed from the Grantee's Proposal.
- Grantee will name all general contractors currently performing REDG project work. At the time of the signing of this Agreement, the Grantee will have provided ACA with a copy of the pricing and signature pages of all contracts already established between the Grantee and the contractor. In the event of any changes to contractors and/or contracts related to REDG project work, the Grantee must identify the change in the form and attach a copy of the required documentation.
- Grantee will identify any requested changes or issues with the planned project work timeline.

Project Budget Update

- Grantee will update the project budget table to reflect the grant project's current progress. The table includes the budgeted amounts from this Grant Agreement. The Grantee will provide actual amounts that reflect actual costs or funding amounts up to the end of the reporting period for that quarterly report.
- Grantee will identify any requested changes to Eligible REDG Project Cost line items, Budget Amounts, and/or other project costs not eligible for REDG funding.
- Grantee will identify any requested changes to Cash Match Contributions including, but not limited to: source, timing, and amounts.



Private Sector Development Update

- Grantee will describe the private sector development generated by the project to date, including information relating to job creation (or retention) and capital investment.
- Grantee will identify any requested changes or issues with the planned private sector development including, but not limited to: commitments, timing of development, anticipated capital investment and jobs creation/retention.

Project Outcome Update

- Grantee will update the target outcomes in Appendix A – Project Summary of this Agreement to reflect the grant project's current outcomes. The Grantee will provide actual outcomes up to the report period.

Final Report

The Grantee will be required to submit a final report at the end of the grant term. This report will include but, not be limited to:

- Information similar to that provided in the Quarterly Progress Reports
- Project Outcome Update

Grantee will update the target outcomes in *Appendix A – Project Summary* of this Agreement to reflect the grant project's current outcomes. The Grantee will provide actual outcomes up to the report period.

- Any other benefits from the project to date

Final Reports must be completed using the *REDG Final Report Form* that will be provided prior to the end of the term of the Grant Agreement. Reports must be completed and signed by the Grantee Project Contact or Authorized Representative named on the first page of this Agreement. Reports must be submitted by the due dates listed in *Appendix C - Reporting* to the ACA Grant Administrator.

Outcome Reports

For 36 months after the end of the grant term, the ACA will continue to track Project Outcomes relative to goals based on this Agreement. The Grantee will be required to submit Outcome Reports using the *REDG Outcome Report Form* that will be provided prior to the end of the term of the Grant Agreement. Reports must be completed and signed by the Grantee Project Contact or Authorized Representative named on the first page of this Agreement. Reports must be submitted by the due dates listed in *Appendix C – Reporting* to the ACA Grant Administrator.

**Schedule of Reports****Quarterly Progress Reports**

Reporting Period Start	Reporting Period End	Report Due
Date of Execution	03/31/15	04/30/15
04/01/15	06/30/15	07/31/15
07/01/15	09/30/15	10/31/15
10/01/15	12/31/15	01/31/16
01/01/16	03/31/16	04/30/16
04/01/16	06/30/16	07/31/16

Final Report

Reporting Period Start	Reporting Period End	Report Due
Date of Execution	06/30/16	07/31/16

Outcome Reports

Reporting Period Start	Reporting Period End	Report Due
07/01/16	06/30/17	07/31/17
07/01/17	06/30/18	07/31/18
07/01/18	06/30/19	07/31/19



Appendix D – Uniform Terms and Conditions

ARIZONA COMMERCE AUTHORITY (ACA) UNIFORM TERMS AND CONDITIONS

1. Definition of Terms

As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

- 1.1. “ACA” means the Arizona Commerce Authority.
- 1.2. “ACA Fiscal Year” means the period beginning with July 1 and ending June 30.
- 1.3. “Attachment” means any item a Solicitation requires an Offeror to submit as part of an Offer.
- 1.4. “Contract” has the meaning set forth in the preamble on the first page of this Contract.
- 1.5. “Contract Amendment” means a written document signed by the parties that is issued for the purpose of making changes in the Contract.
- 1.6. “Contractor” has the meaning set forth in the preamble on the first page of this Contract.
- 1.7. “Days” means calendar days unless otherwise specified.
- 1.8. “Exhibit” means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.
- 1.9. “Gratuity” means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
- 1.10. “Materials” means all property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.
- 1.11. “Offer” means an offer to provide the goods and/or services specified in a Solicitation, such as a bid, proposal or quotation.
- 1.12. “Offeror” means the Contractor.
- 1.13. “Services” means the furnishing of labor, time or effort by a contractor or subcontractor which does not involve the delivery of a specific end product other than required reports and performance, but does not include employment agreements or collective bargaining agreements.



- 1.14. *"Solicitation"* means an Invitation for Bids ("IFB"), a Request for Proposals ("RFP"), or a Request for Quotations ("RFQ").
- 1.15. *"Solicitation Amendment"* means a written document that is signed by the ACA and issued for the purpose of making changes to the Solicitation.
- 1.16. *"Subcontract"* means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.

2. Contract Interpretation

- 2.1. Arizona Law. Arizona law applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the ACA of Arizona. (Please note: The ACA is exempt from Title 41, Chapter 23 of the Arizona Revised Statutes (the Procurement Code)).
- 2.2. Implied Contract Terms. Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.
- 2.3. Contract Order of Precedence. In the event of a conflict between the terms of the various Contract sections and documents, the sections and documents shall prevail in the following order;
 - 2.3.1. The "Agreement" section commencing on the first page of this document.
 - 2.3.2. Special Terms and Conditions;
 - 2.3.3. Price Sheet;
 - 2.3.4. Statement or Scope of Work;
 - 2.3.5. Uniform Terms and Conditions;
 - 2.3.6. Solicitation; and
 - 2.3.7. Proposal.
- 2.4. Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- 2.5. Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.



- 2.6. No Parole Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.
- 2.7. No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

3. **Contract Administration and Operation**

- 3.1. Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the ACA at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.
- 3.2. Non-Discrimination. The Contractor shall comply with ACA Executive Order No. 2009-09 and all other applicable Federal and ACA laws, rules and regulations, including the Americans with Disabilities Act.
- 3.3. Audit. Pursuant to ARS § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the ACA and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.
- 3.4. Facilities Inspection and Materials Testing. The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes or services, at reasonable times for inspection of the facilities or materials covered under this Contract. The ACA shall also have the right to test, at its own cost, the materials to be supplied under this Contract. Neither inspection of the Contractor's facilities nor materials testing shall constitute final acceptance of the materials or services. If the ACA determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the ACA for testing and inspection.
- 3.5. Notices. Notices to the Contractor required by this Contract shall be made by the ACA to the person designated in the Contract to receive notices or, if no one is designated to receive notices, the person named as the primary contact. Unless otherwise stated in the Contract, notices to the ACA required by the Contract shall be made by the Contractor to the ACA's Procurement Manager. An authorized ACA signer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.



- 3.6. Advertising, Publishing and Promotion of Contract. The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the ACA.
- 3.7. Property of the ACA. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the ACA. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the ACA.
- 3.8. Ownership of Intellectual Property. Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark, and/or trade secrets created or conceived pursuant to or as a result of this contract and any related subcontract ("Intellectual Property"), shall be work made for hire and the ACA shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the ACA of Arizona requesting the issuance of this contract shall own (for and on behalf of the ACA) the entire right, title and interest to the Intellectual Property throughout the world. Contractor shall notify the ACA, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the ACA and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the ACA. The Intellectual Property shall not be disclosed by contractor or its subcontractor(s) to any entity not the ACA without the express written authorization of the agency, department, division, board or commission of the ACA of Arizona requesting the issuance of this contract.
- 3.9. Federal Immigration and Nationality Act. The contractor shall comply with all federal, state and local immigration laws and regulations relating to the immigration status of their employees during the term of the contract. Further, the contractor shall flow down this requirement to all subcontractors utilized during the term of the contract. The ACA shall retain the right to perform random audits of contractor and subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the ACA determine that the contractor and/or any subcontractors be found noncompliant, the ACA may pursue all remedies allowed by law, including, but not limited to; suspension of work, termination of the contract for default and suspension and/or debarment of the contractor.
- 3.10. E-Verify Requirements. In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A.
- 3.11. Offshore Performance of Work Prohibited.
Any services that are described in the specifications or scope of work that directly serve the ACA of Arizona or its clients and involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or 'overhead' services,



redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

4. Costs and Payments

- 4.1. Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the ACA within thirty (30) days.
- 4.2. Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all freight delivery and unloading at the destination.
- 4.3. Applicable Taxes.
 - 4.3.1. Payment of Taxes. The Contractor shall be responsible for paying all applicable taxes.
 - 4.3.2. State and Local Transaction Privilege Taxes. The ACA is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect such taxes from the buyer does not relieve the seller from its obligation to remit taxes.
 - 4.3.3. Tax Indemnification. Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the ACA harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.
 - 4.3.4. IRS W9 Form. In order to receive payment the Contractor shall have a current I.R.S. W9 Form on file with the ACA of Arizona, unless not required by law.
- 4.4. Availability of Funds for the Next ACA fiscal year. Funds may not presently be available for performance under this Contract beyond the current state fiscal year. No legal liability on the part of the ACA for any payment may arise under this Contract beyond the current state fiscal year until funds are made available for performance of this Contract.
- 4.5. Availability of Funds for the current ACA fiscal year. Should the Arizona State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the ACA may take any of the following actions:
 - 4.5.1. Accept a decrease in price offered by the Contractor;
 - 4.5.2. Cancel the Contract; or



4.5.3. Cancel the contract and re-solicit the requirements.

5. Contract Changes

- 5.1. Amendments. The Contract may be modified only through a written Contract Amendment signed by the parties. Changes to the Contract, including without limitation the addition of work or materials, the revision of payment terms, or the substitution of work or materials, purported to be made by a person who is not specifically authorized by the ACA to execute the Contract Amendment shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.
- 5.2. Subcontracts. The Contractor shall not enter into any Subcontract under this Contract for the performance of this contract without the advance written approval of the ACA. The Contractor shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Contract.
- 5.3. Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the ACA. The ACA shall not unreasonably withhold approval.

6. Risk and Liability

- 6.1. Risk of Loss: The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.
- 6.2. Indemnification
- 6.2.1. Contractor/Vendor Indemnification (Not Public Agency) The parties to this contract agree that the ACA, the State of Arizona, its departments, agencies, boards and commissions shall be indemnified and held harmless by the contractor for the vicarious liability of the ACA as a result of entering into this contract. However, the parties further agree that the ACA, the State of Arizona, its departments, agencies, boards and commissions shall be responsible for its own negligence. Each party to this contract is responsible for its own negligence.
- 6.3. Indemnification - Patent and Copyright. The Contractor shall indemnify and hold harmless the ACA against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the ACA of materials furnished or work performed under this Contract. The ACA shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. If the contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.
- 6.4. Force Majeure.



- 6.4.1 Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "*force majeure*" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions- intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.
- 6.4.2. Force majeure shall not include the following occurrences:
- 6.4.2.1. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;
 - 6.4.2.2. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or
 - 6.4.2.3. Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.
- 6.4.3. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.
- 6.4.4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.
- 6.5. Third Party Antitrust Violations. The Contractor assigns to the ACA any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

7. Warranties

- 7.1. Liens. The Contractor warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.



- 7.2. Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the ACA of the materials, they shall be:
- 7.2.1. Of a quality to pass without objection in the trade under the Contract description;
 - 7.2.2. Fit for the intended purposes for which the materials are used;
 - 7.2.3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;
 - 7.2.4. Adequately contained, packaged and marked as the Contract may require; and
 - 7.2.5. Conform to the written promises or affirmations of fact made by the Contractor.
- 7.3. Fitness. The Contractor warrants that any material supplied to the ACA shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.
- 7.4. Inspection/Testing. The warranties set forth in subparagraphs 7.1 through 7.3 of this paragraph are not affected by inspection or testing of or payment for the materials by the ACA.
- 7.5. Compliance with Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable license and permit requirements.
- 7.6. Survival of Rights and Obligations after Contract Expiration or Termination.
- 7.6.1. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the ACA is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.
 - 7.6.2. Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the ACA, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

Contractor to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the ACA after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps



to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

8. The ACA's Remedies in the Event of Default

8.1 Right to Assurance. If the ACA in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the ACA may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the ACA's option, be the basis for terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the contract.

8.2. Stop Work Order.

8.2.1. The ACA may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the State after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

8.2.2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The ACA shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

8.3. Non-exclusive Remedies. The rights and the remedies of the ACA under this Contract are not exclusive.

8.4. Nonconforming Tender. Materials or services supplied under this Contract shall fully comply with the Contract. The delivery of materials or services or a portion of the materials or services that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials or services, the ACA may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

8.5. Right of Offset. The ACA shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the ACA, or damages assessed by the ACA concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

9. Contract Termination



- 9.1. Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, the ACA may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the ACA is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the ACA, it may also cancel this Contract as provided in A.R.S. § 38-511.
- 9.2. Gratuities. The ACA may, by written notice, terminate this Contract, in whole or in part, if the ACA determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the ACA for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The ACA, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.
- 9.3. Suspension or Debarment. The ACA may, by written notice to the Contractor, immediately terminate this Contract if the ACA determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the contractor is not currently suspended or debarred. If the contractor becomes suspended or debarred, the contractor shall immediately notify the ACA.
- 9.4. Termination for Convenience. The ACA reserves the right to terminate the Contract, in whole or in part at any time when in the best interest of the ACA, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the ACA. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the ACA upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.
- 9.5. Termination for Default.
- 9.5.1. In addition to the rights reserved in the contract, the ACA may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The ACA shall provide written notice of the termination and the reasons for it to the Contractor.



9.5.2. Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the ACA on demand.

9.5.3. The ACA may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the ACA for any excess costs incurred by the ACA in procuring materials or services in substitution for those due from the Contractor.

9.6. Continuation of Performance through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

10. Contract Claims

10.1. A claimant shall file a contract claim with the ACA within 180 days after the claim arises. The claim shall include the following:

1. The name, address, and telephone number of the claimant;
2. The signature of the claimant or claimant's representative;
3. Identification of the purchasing agency and the solicitation or contract number;
4. A detailed statement of the legal and factual grounds of the claim including copies of the relevant documents; and
5. The form and dollar amount of the relief requested.

10.2. The ACA has the authority to settle and resolve contract claims, except that the agency chief procurement officer shall receive prior written approval of the state procurement administrator for the settlement or resolution of a claim in excess of the amount prescribed in A.R.S. § 41-2535.

10.3. If a claim cannot be resolved under section 10.2, above, the ACA shall, upon a written request by the claimant for a final decision, issue a written decision no more than 60 days after the request is filed. Before issuing a final decision, the ACA shall review the facts pertinent to the claim and secure any necessary assistance from legal, fiscal, and other advisors.

10.4. The ACA shall furnish the decision to the claimant, by certified mail, return receipt requested, or by any other method that provides evidence of receipt, with a copy to the state procurement administrator. The decision shall include:

1. A description of the claim;
2. A reference to the pertinent contract provision;
3. A statement of the factual areas of agreement or disagreement;
4. A statement of the agency chief procurement officer's decision, with supporting rationale;



5. A paragraph which substantially states: "This is the final decision of the ACA. This decision may be appealed pursuant to Title 41, Chapter 6, Article 10 of the Arizona Revised Statutes and Arizona administrative rules adopted thereunder. If you appeal, you must file a written notice of appeal containing the information required in section 10.7 within 30 days from the date you receive this decision."
- 10.5 If the ACA fails to issue a decision within 60 days after the request is filed, the claimant may proceed as if the agency chief procurement officer had issued an adverse decision.
- 10.6 The claimant may appeal the final decision of the ACA pursuant to Title 41, Chapter 6, Article 10 of the Arizona Revised Statutes and Arizona administrative rules adopted thereunder within 30 days of the ACA's decision. The claimant shall also file a copy of the appeal with the ACA.
- 10.7 The claimant shall file the appeal in writing and shall include the following:
 1. A copy of the decision of the ACA;
 2. A statement of the factual areas of agreement or disagreement; and
 3. The precise factual or legal error in the decision of the agency chief procurement officer from which an appeal is taken.
- 10.8 The ACA shall file a complete report on the appeal with the Office of Administrative Hearings within 14 days from the date the appeal is filed, providing a copy to the claimant at that time by certified mail, return receipt requested, or by any other method that provides evidence of receipt. The report shall include a copy of the claim, a copy of the ACA's decision, if applicable, and any other documents that are relevant to the claim.

11. Arbitration

The parties to this Contract agree to resolve all disputes arising out of or relating to this contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. b.**

Meeting Date: 12/09/2014
Contact Person: Ron Grittmann, Town Engineer
 Phone: 928-636-2646 x-1223
Department: Public Works
Item Type: Action Item - Presentation
Estimated length of staff presentation: 5 minutes
Physical location of item: Old Home Manor

AGENDA ITEM TITLE:

Consideration and possible action to approve the agreement for professional consulting services with Civil Tec Engineering for development of the 200 yard long range shooting facility in an amount not to exceed \$17,927.00.

RECOMMENDED ACTION:

Approve the agreement for professional consulting services with Civil Tec Engineering for development of the 200 yard long range shooting facility for an amount not to exceed \$17,927.00.

SITUATION AND ANALYSIS:

Issue Statement

Through the existing contract with the Prescott Gun Club, the Town has agreed to construct a long range shooting facility that is a minimum of 200 yards in length. This design contract will provide the Public Works Department the necessary engineering to allow that the project may be constructed using the "in-house" designation. This contract provides only the design. Construction of the project will come to the Town Council for approval in 2016/17.

Applicable "Policy"

Satisfaction of "Policy"

None

Summary of Issues and Staff Rationale

None

Findings of Fact

The Town of Chino Valley has agreed, by contract with the Prescott Gun Club, to construct a long range shooting facility. This project will provide the necessary construction documents to allow the

project to be constructed. It is anticipated that in years 2016-17, the Public Works Department will schedule the construction of the project.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 07-60-5447

Available: 17927.00

Funding Source:

Funds to come from the Police Department Public Range Grant line item.

Attachments

CivilTec Long Range Shooting Eng Agmt

Scope without Terms

AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES
(Architects and Engineers)

THIS Agreement is entered into as of this 9th day of December, 2014, by and between the Town of Chino Valley, Arizona, a municipal corporation, hereinafter referred to as “Town” and Civil Tec Engineering, hereinafter referred to as the “A/E.”

FOR THE PURPOSE of providing professional consulting services for the Town on the Long Range Shooting Project, hereinafter referred to as the “Project,” Town and A/E do hereby mutually agree to the following:

1. SERVICES AND RESPONSIBILITIES

1.1 Retention of the A/E. In consideration of the mutual promises contained in this Agreement, Town engages the A/E to render professional architect or engineering services, as applicable, set forth herein, in accordance with all the terms and conditions contained in this Agreement.

1.2 Scope of Services. The A/E shall do, perform and carry out the services set forth in this Agreement, including all exhibits (“Services”). The specific scope of work for this Project is set forth in Exhibit A. The A/E shall perform the Services consistent with the professional skill and care ordinarily provided by engineers practicing in the same or similar locality under the same or similar circumstances.

1.3 Responsibility of the A/E.

1.3.1 A/E shall provide sufficient qualified personnel, upon reasonable notice to perform any and all Services, including but not limited to inspections and preparation of reports, as reasonably requested by representatives of the Town. A/E agrees and acknowledges that it is solely responsible for the retention and payment of any subcontractors and/or material suppliers retained by A/E 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 Section 2.

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

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

1.3.4 A/E shall procure and maintain during the course of this Agreement insurance coverage required by Section 4 of this Agreement.

1.3.5 A/E shall designate Rick Shroads, as Project Manager and all communications shall be directed to him. Key A/E Personnel are set forth in Exhibit B. “Key Personnel”

includes the A/E employee who will place his license number and signature on key documents and those employees who have significant responsibilities regarding the Services and Project. Prior to changing such designation A/E shall first obtain the approval of Town.

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

1.3.7 A/E shall obtain its own legal, insurance and financial advice regarding A/E's legal, insurance and financial obligations under this Agreement.

1.3.8 A/E shall coordinate its activities with Town's representative and submit its reports to Town's representative.

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

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

1.4 Responsibility of Town.

1.4.1 Town shall cooperate with the A/E by placing at his disposal all available information concerning the site of the Project. Town agrees to obtain its own legal, insurance and financial advice Town may require for the Project. A/E shall be entitled to rely on the accuracy, adequacy and completeness of the information provided by the Town in the performance of the Services.

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

1.5 Contract Term. The term of this Agreement shall be from December 9, 2015 through May 1, 2016. All services identified herein shall be completed to the satisfaction of the Town no later than May 1, 2016.

2. COMPENSATION AND METHOD OF PAYMENT

2.1 Compensation. All compensation for complete and satisfactory completion of services rendered by A/E, including its subconsultant(s), shall be set forth in Exhibit D and shall not exceed \$17,927.00 unless agreed to in writing by the Town.

2.2 Method of Payment. Method of payment shall be set forth in Exhibit D. If payment is to be made monthly, A/E shall prepare monthly invoices and progress reports which

clearly indicate the progress to date and the amount of compensation due by virtue of that progress. All invoices shall be for services completed.

3. CHANGES TO THE SCOPE OF SERVICES

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

4. INSURANCE REPRESENTATIONS AND REQUIREMENTS

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

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

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

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

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

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

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

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

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

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

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

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

4.10.2 A/E’s insurance shall be primary insurance as respects performance of this Agreement.

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

4.11 Required Coverage:

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

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

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

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

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

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

5. INDEMNIFICATION

5.1 To the fullest extent permitted by law, A/E shall indemnify and hold harmless Town, its officers, officials and employees from and against all liabilities, damages, losses and expenses (including reasonable attorney fees and court costs), caused by, arising out of, or resulting from the negligence, recklessness or intentional wrongful conduct of the A/E, its subconsultants, employees or any other persons used by A/E or its subconsultants (hereinafter collectively "A/E") related to the Services in the performance of this Agreement. A/E's duty to indemnify and hold harmless Town, its officers, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use of resulting therefrom, caused by A/E's negligence, recklessness or intentional wrongful conduct in the performance of this Agreement and the negligence, recklessness or intentional wrongful conduct of any person employed by A/E or used by A/E in the performance of this Agreement.

5.2 If any claim, action or proceeding is brought against Town by reason of any event that is the subject of this Agreement and or described herein, upon demand made by Town, A/E shall reasonably cooperate with Town in the Town's defense of those issues related to A/E's Services. Town shall likewise cooperate with all reasonable efforts in the handling and defense of such claim. Included in the foregoing, Town may engage its own attorney to defend or assist in its defense.

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

6. TERMINATION OF THIS AGREEMENT

6.1 Termination. Town may, by written notice to the A/E, terminate this Agreement in whole or in part with ten (10) days' notice, either for Town's convenience or because of the failure of the A/E to fulfill his contract obligations. Upon receipt of such notice and payment of all fees and expenses due to A/E for Services performed through the date of termination, A/E shall: (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to Town copies of all data, drawings, reports, estimates, summaries, and such other information and materials by A/E in performing this Agreement, whether completed or in process, subject to the terms of this Agreement regarding document ownership. This Agreement may be terminated in whole or in part by A/E in the event of substantial failure by Town to fulfill its obligations.

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

7. ASSURANCES

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

7.2 Examination of Records. A/E agrees that duly authorized representatives of Town shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine any directly pertinent books, documents, papers, and records of A/E involving transactions related to this Agreement. Such examination of records shall be upon reasonable notice to A/E of intent to examine, and done within normal business hours at the mutual convenience of Town and A/E.

7.3 Ownership of Document and Other Data. The Town acknowledges the A/E's construction documents, including electronic files, as instruments of professional service. Nevertheless, the construction documents prepared under this Agreement shall become the property of the Town upon payment in full of all monies due to the A/E, or, in the event of termination, payment in full of all monies due to the A/E at the date of termination. The Town shall not reuse or make any modification to the construction documents, nor use the documents for any other purpose other than for the stated project herein, without the prior written authorization of the A/E. The Town agrees, to the fullest extent permitted by law, to indemnify and hold harmless the A/E, its officers, directors, employees and subconsultants (collectively, A/E) against any damages, liabilities or costs, including reasonable attorneys' fees and defense costs, arising from or allegedly arising from or in any way connected with the unauthorized use, reuse or modification of the construction documents by the Town or any person or entity that acquires or obtains the construction documents from or through the Town without the written authorization of the A/E. Any verification or adaptation of the documents by A/E for other purposes than contemplated herein will entitle A/E to further compensation as agreed upon between the parties.

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

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

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

7.7 A/E, 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. A/E 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.

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

7.9 Sole Agreement. There are no understandings or agreements except as herein expressly stated, and as may be subsequently agreed to in writing by both parties as modifications or change orders to this Agreement.

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

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

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

TOWN:

A/E:

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

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

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

7.14 Corporate Protection. It is intended by the parties to this Agreement that the A/E's services in connection with the Project shall not subject the A/E's individual employees, officers or directors to any personal legal exposure for the risks associated with this Project. Therefore, and notwithstanding anything to the contrary contained herein, the Town agrees that as the Town's sole and exclusive remedy, any claim, demand or suit shall be directed and/or asserted only against the A/E and not against any of the A/E's individual employees, officers or directors.

8. SUSPENSION OF WORK

8.1 Order to Suspend. Town may order the A/E, in writing, to suspend all or any part of the Services for such period of time as he may determine to be appropriate for the convenience of Town. Town shall immediately pay A/E all fees and expenses for Services performed through the date of suspension.

8.2 Adjustment to Contract Fee. If the performance of all or any part of the Services is, for any unreasonable period of time, suspended or delayed by an act of Town in the

administration of this Agreement, or by its failure to act within the time specified in this Agreement (or if no time is specified, within a reasonable time), an adjustment shall be made for any increase in cost of performance of this Agreement necessarily caused by such unreasonable suspension or modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension or delay to the extent (1) that performance was suspended or delayed for any other cause, including the fault or negligence of A/E, or (2) for which an equitable adjustment is provided for or excluded under any other provision of this Agreement. If the suspension continues for more than ninety (90) days, A/E may choose to terminate the contract without penalty.

9. INTERESTS AND BENEFITS

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

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

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

10. ASSIGNABILITY

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

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

TOWN OF CHINO VALLEY

By: _____
Chris Marley, Mayor

ATTEST:

By: _____
Jami Lewis, Town Clerk

APPROVED AS TO FORM:

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

A/E

By: _____
Its: _____

**EXHIBIT A
SCOPE OF WORK
FOR DESIGN-BID-BUILD PROJECT**

A. GENERAL

1. The Project is generally described as follows: Provide the necessary construction plans and specifications for the construction of a 200 yard shooting facility.
2. A/E shall be responsible for the professional quality, technical accuracy and the coordination of all studies, reports, projections, master plans, designs, drawings, specifications and other Services furnished by A/E under this Contract. A/E shall, without additional compensation, correct or revise any errors or omissions in its studies, reports, projections, master plans, design, drawings, specifications and other Services.
3. A/E shall maintain a log of all meetings, site visits or discussions held in conjunction with the Services, with documentation of major discussion points, observations, decisions, question or comments. These shall be furnished to Town for inclusion in the overall Project documentation.
4. All Services performed under this Agreement shall be performed by or under the direct supervision of persons then licensed in the State of Arizona to perform these Services. The name of each such licensed individual shall be listed on the title sheet of the Plans and Specifications.
5. All designs and specifications prepared by A/E shall comply with applicable engineering and design standards to include, but not be limited to NRA Standards and the Americans with Disabilities Act, as determined by permitting agencies.
6. If A/E provides defective, incomplete, unclear, or uncoordinated documents in preparing the specifications and contract documents, all costs of responding to any protest or appeal or of any necessary rebidding will be borne by A/E.
7. Time is of the essence in this contract.

[THE FOLLOWING ARE THE VARIOUS PHASES THAT THE A/E MAY BE INVOLVED WITH. PLEASE INCLUDE SUFFICIENT DETAIL, INCLUDING DELIVERABLES.]

B. PRE-DESIGN PHASE

C. DESIGN PHASE

D. BIDDING PHASE

E. CONSTRUCTION PHASE

F. POST CONSTRUCTION PHASE

EXHIBIT B
A/E'S KEY PERSONNEL AND SUBCONSULTANTS

KEY PERSONNEL:

Rick Shroads, P.E., R.L.S.

SUBCONSULTANTS:

None

EXHIBIT C
SCHEDULE OF SERVICES

EXHIBIT D PAYMENT SCHEDULE

A. Compensation

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

Description	Amount
-------------	--------

B. Method of Payment

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

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

C. Reimbursable Costs

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

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

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

All reimbursable costs must be submitted with monthly bill.

EXHIBIT E **CHANGE ORDER**

CHANGE ORDER NO. _____

Distribution: TOWN		[]
A/E	[]	
OTHER		[]

PROJECT: _____	DATE: _____
----------------	-------------

OWNER: Town of Chino Valley

A/E:

AGREEMENT DATED: _____

CHANGES: The Agreement is changed as follows:

Not valid until signed by both Town and A/E.

Signature of A/E indicates acceptance.

The original compensation was _____

Net change by previously authorized Change Orders _____

The compensation prior to this Change Order was _____

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

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

The Contract Time will increase by _____

ACCEPTANCE STATUS:

_____ A/E By _____ Date _____	_____ Town of Chino Valley By _____ Date _____
--	---



Prescott • Peoria • Monrovia

October 20, 2014

Mr. Richard Straub
Town of Chino Valley Public Works
1020 W. Palomino Road
Chino Valley AZ 86323
Email: rstraub@chinoaz.net

Subject: Scope of Services and Fee for Professional Services – Chino Valley 200 yard rifle range engineering and design.

Dear Mr. Straub:

Civiltec Engineering, Inc. is pleased to provide you with the following proposal to provide professional services for the aforementioned project. We have completed a portion of the conceptual design of the 200 yard rifle range in Old Home Manor. This scope of services covers finishing the conceptual design, meeting with you and Police Department staff to discuss its outcome, and prepare final design plans and yardage calculations for the range. It is our understanding that the range will be an open range with graded backstop slopes and side slope berms. Civiltec proposes to perform the following scope of services for the project:

Phase 1- Professional Services

- Task 1 – Finalize conceptual plan and run preliminary earthwork volumes (cut and fill)
- Task 2 – Meet with Town Staff and Police Department Staff to review final concept plan.
- Task 3 – Prepare final grading/drainage plans for town-implemented construction.
- Task 4 – Prepare a drainage report for drainage facilities associated with the range.
- Task 5 – Calculate final earthwork volumes (cut and fill) estimating 15% shrinkage.
- Task 6 – Perform office calculations associated with construction staking for the range.
- Task 7 – Perform construction staking (field survey) for the range. This task includes one set of rough grade (slope) stakes, one set of pond stakes, one set of drainage channel stakes, and one set of floor blue-tops.
- Task 8 – Project Management. This task includes up to 12 hours of project management, meeting attendance, and other internal and external management efforts to see the design to completion. Construction management is not considered herein.

See the attached spreadsheet for a breakdown of estimated fees.

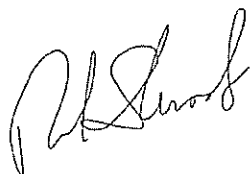
200 Yard Rifle Range Design and Construction Surveying Services

This proposal does not cover Geotechnical Engineering, utility research and locations, Town or agency plan check or permit fees, or other outside fees. We will bill you each month for the work performed the previous month. Invoicing will be provided on a phase and task percent complete basis. We are looking forward to working with you, and will begin immediately upon receipt of the following items...

1. Signed agreement.

Please contact me if you have any questions or concerns.

Sincerely,
CIVILTEC ENGINEERING, INC.

A handwritten signature in black ink, appearing to read 'R. Shroads', is written over a horizontal line.

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

Accepted By

Date

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. c.

Meeting Date: 12/09/2014
Contact Person: Cecilia Grittmann, General Services Director
 Phone: 928-636-2646 x-1202
Department: General Services
Item Type: Action Item
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to adopt Resolution No. 14-1053 in support of Arizona SONShine 2015, a free health services event in the Quad-cities area to be held June 17-18, 2015.

RECOMMENDED ACTION:

Adopt Resolution No. 14-1053 in support of Arizona SONShine 2015 event.

SITUATION AND ANALYSIS:

The Town was approached to help support the Arizona SONShine event, a free health services event to benefit the citizens in the quad cities area. The event will be held at Tim's Toyota Center in Prescott Valley on June 17 & 18, 2015. The Town's role will not be significant. Areas where we might assist include: help to arrange transportation, we may provide a police officer for one day, we may assist in advertising for the event. The subcommittees have been formed for the event and they will be reaching out to all the communities once they have identified where they will need some assistance. The Council has asked for the Town to support this event, and Resolution 14-1053 formalizes this assistance.

Fiscal Impact

Fiscal Impact?: none

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Resolution No 14-1053

RESOLUTION NO. 14-1053

**A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF
THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI,
ARIZONA, EXPRESSING AND PROVIDING SUPPORT FOR
THE ARIZONA SONSHINE HEALTH SERVICES EVENT;
PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS;
AND PROVIDING FOR SEVERABILITY**

WHEREAS, there is a significant population of medically underserved citizens in Yavapai County in general, and within the boundaries of Chino Valley in particular; and

WHEREAS, Arizona SONShine-2015, and its lead sponsor, the Arizona Conference Corporation of Seventh-day Adventists, proposes to sponsor a free health services event in Yavapai County, at the Prescott Valley Event Center on June 17 and 18, 2015; and

WHEREAS, said event would be an excellent service to the citizens of Chino Valley;

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

1. The Town of Chino Valley expresses its support for the Arizona SONShine-2015 health services event and agrees to be listed as a supporting organization for the event.

2. Staff of the Town will be directed to provide in-kind assistance to Arizona SONShine 2015 in areas that are deemed appropriate by the Town Manager, i.e. publicity, transportation, security, to facilitate the success of and maximize the accessibility of this event to those citizens of Chino Valley who would be most benefitted by the services provided by the Arizona SONShine event.

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

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

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 9th day of December 2014.

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

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

I hereby certify the above foregoing Resolution No. 14-1053 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on Decmeber 9, 2014, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Jami C. Lewis, Town Clerk

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **8. a.**

Meeting Date: 12/09/2014
Contact Person: Phyllis Smiley, Town Attorney
Department: Town Attorney
Item Type: Executive Session
Estimated length of staff presentation: 10 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to hold an executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position in pending or litigation or in settlement discussions conducted in order to resolve litigation in the matter of LaVacara Trust v. Town of Chino Valley.

RECOMMENDED ACTION:

Hold an executive session.

SITUATION AND ANALYSIS:

N/A

Fiscal Impact

Fiscal Impact?: None
If Yes, Budget Code:
Available:
Funding Source:
 N/A

Attachments

No file(s) attached.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **8. b.**

Meeting Date: 12/09/2014
Contact Person: Jami Lewis, Town Clerk
Phone: 928-636-2646 x-1208
Department: Council
Estimated length None
of Staff Presentation:
Physical location of item: N/A

AGENDA ITEM TITLE:

Pursuant to A.R.S. § 38-481.03(A)(1) for discussion or consideration of employment, assignments, appointment, promotion, dismissal, salary of Town Manager Robert Smith, and pursuant to A.R.S. § 38-481.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding the contract with Town Manager Robert Smith. (Mayor and Council)

SITUATION & ANALYSIS:

N/A

Attachments

No file(s) attached.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **8. c.**

Meeting Date: 12/09/2014
Contact Person: Phyllis Smiley, Town Attorney
Department: Town Attorney
Item Type: Executive Session
Estimated length of staff presentation: 20 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Selection of an appraiser related to resolving litigation.

RECOMMENDED ACTION:

Hold an executive session.

SITUATION AND ANALYSIS:

N/A

Fiscal Impact

Fiscal Impact?: None

If Yes, Budget Code:

Available:

Funding Source:

Attachments

No file(s) attached.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **9. a.**

Meeting Date: 12/09/2014
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Council
Estimated length of Staff Presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve an employment agreement with Town Manager Robert Smith or an amendment to his current agreement with the Town. (Mayor and Council)

Recommended Action: Approve an employment agreement with Town Manager Robert Smith or an amendment to his current agreement with the Town.

SITUATION & ANALYSIS:

N/A

Attachments

No file(s) attached.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **9. b.**

Meeting Date: 12/09/2014
Contact Person: Phyllis Smiley, Town Attorney
Department: Town Attorney
Item Type: Action Item
Estimated length of staff presentation: 5 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to select an appraiser for property anticipated to be transferred to Cortez Enterprises, Inc. pursuant to the terms of the Provisional Settlement Agreement dated March 6, 2014.

RECOMMENDED ACTION:

Select _____ as an appraiser for property anticipated to be transferred to Cortez Enterprises, Inc. pursuant to the terms of the Provisional Settlement Agreement dated March 6, 2014.

SITUATION AND ANALYSIS:

The Town Council approved and entered into a Provisional Settlement Agreement with Cortez Enterprises, Inc., which was effective on March 6, 2014. The terms of the Agreement require the Town to transfer real property to Cortez Enterprises. The fair market value of the property is to be determined by an appraisal performed by an appraiser selected by the parties to the Agreement. The Town and Cortez have submitted names of preferred appraisers for selection by the Town Council. In order to satisfy the terms of the Agreement, the Town Council is required to select an appraiser.

Fiscal Impact

Fiscal Impact?: Yes
If Yes, Budget Code: 01-95-5600
Available:

Funding Source:

The Town is required by the Settlement Agreement to bear the cost of the appraiser. That cost is unknown at this time. Funding will come from the General Fund Contingency Line item.

Attachments

No file(s) attached.