CITY OF PRESCOTT
Everybody's Hometown

AGENDA

PRESCOTT CITY COUNCIL
REGULAR VOTING MEETING
Tuesday, July 8, 2014
3:00 PM

Council Chambers
201 South Cortez Street
Prescott, Arizona 86303
(928) 777-1100

The following Agenda will be considered by the Prescott City Council at its **Regular Voting Meeting** pursuant to the Prescott City Charter, Article II, Section 13. Notice of this meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02. One or more members of the Council may be attending this meeting through the use of a technological device.

- **CALL TO ORDER**
- **INTRODUCTIONS**
- **INVOCATION** — Rabbi Jessica Rosenthal, Temple B'rith Shalom
- **PLEDGE OF ALLEGIANCE** — Councilman Arnold
- **ROLL CALL**

MAYOR AND CITY COUNCIL

Mayor Kuykendall	
Mayor Pro Tem Lamerson	Councilman Kuknyo
Councilman Arnold	Councilman Lazzell
Councilman Blair	Councilwoman Wilcox

- **ANNOUNCEMENTS**

I. CONSENT AGENDA

CONSENT ITEMS I.A. – I.F. LISTED BELOW MAY BE ENACTED BY ONE MOTION. ANY ITEM MAY BE REMOVED AND DISCUSSED IF A COUNCIL MEMBER SO REQUESTS.

A. Approval of minutes for the Council meetings held on June 10, 2014

B. Approval of City Contract No. 2015-009 with Prescott Newspapers for annual legal advertising services

C. Adoption of Resolution No. 4236-1445 regarding contracts with City Council Members or City employees for FY 2015

D. Adoption of Resolution No. 4235-1444 amending the Council Policy regarding the investment of municipal funds

E. Authorization of payment to Lucity, Inc., for annual technical support and software maintenance for the utilities infrastructure maintenance management system in the amount of $17,547.28 (Water and Wastewater Funds)

F. Approval of Consent to Assignment and Continuation of Lease Agreement between the City and Guyann Corporation (City Contract No. 2005-058A1); and approval of Assignment of Lease with Right of Reassignment between the City, Flagstaff Radio, Inc., and National Bank of Arizona (City Contract No. 2015-012)

RECOMMENDED ACTION: MOVE to approve Consent Agenda Items I.A.-I.F.

II. REGULAR AGENDA

A. Approval to purchase Fire Department personal protective equipment (turnouts) from L.N. Curtis and Sons, using State Contract No. DC110009-5 pricing, in an amount not to exceed $59,940.00 (City Contract No. 2015-007; General Fund and Airport Enterprise Fund)

RECOMMENDED ACTION: MOVE to approve the purchase of personal protective equipment from L.N. Curtis and Sons, using State Contract No. DC110009-5 pricing, in an amount not to exceed $59,940.00 (City Contract No. 2015-007).

B. Award of contract for the Chino Piping Reconfiguration – Waterworks Materials to HD Supply Waterworks, LTD, in the amount of $46,593.20 (City Contract No. 2015-001; Water Fund)

RECOMMENDED ACTION: MOVE to award the contract for the Chino Piping Reconfiguration – Waterworks Materials to HD Supply

Waterworks, LTD, in the amount of $46,593.20 (City Contract No. 2015-001).

C. Award of bid and contract for the FY 2015 Pavement Preservation Project to Cactus Asphalt, Inc., in the amount of $2,091,120.70 (City Contract No. 2015-003)

RECOMMENDED ACTION: MOVE to award the bid and contract for the FY 2015 Pavement Preservation Project to Cactus Asphalt, Inc., in the amount of $2,091,120.70 (City Contract No. 2015-003).

D. Approval of a professional services agreement with Shephard Wesnitzer, Inc., to provide engineering services for the Walker Road Reconstruction Project in an amount not to exceed $72,260.00 (City Contract No. 2015-005, One-Cent Streets and Open Space Fund)

RECOMMENDED ACTION: MOVE to approve a professional services agreement with Shephard Wesnitzer, Inc., to provide engineering services for the Walker Road Reconstruction Project in an amount not to exceed $72,260.00. (City Contract No. 2015-005).

E. Approval to purchase two (2) SolarBee SB10000 v18 Solar Powered Pond Circulation Units from Medora Corporation of Dickenson, North Dakota, in the amount of $118,776.45 (City Contract No. 2015-002, Wastewater Fund)

RECOMMENDED ACTION: MOVE to approve the purchase of two (2) SolarBee SB10000 v18 Solar Powered Pond Circulation Units from Medora Corporation in the total amount of $118,776.45 (City Contract No. 2015-002).

F. Approval of a professional services agreement with Southwest Ground-water Consultants, Inc., for remediation of an underground fuel storage tank site at the Old City Yard on North Mount Vernon Avenue in an amount not to exceed $306,573.00 (City Contract No. 2015-004)

RECOMMENDED ACTION: MOVE to approve a professional services agreement with Southwest Ground-water Consultants, Inc., to provide Underground Storage Tank site remediation and long-term well monitoring at the Old City Yard, in an amount not to

exceed $306,573.00 (City Contract No. 2015-004).

G. Adoption of Ordinance No. 4890-1428, setting the Fiscal Year 2015 City property tax levy

RECOMMENDED ACTION: MOVE to adopt Ordinance No. 4890-1428.

III. ADJOURNMENT

EXECUTIVE SESSION

Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

- **(i) Discussion or consideration of personnel matters (A.R.S. §38-431.03(A)(1));**
- **(ii) Discussion or consideration of records exempt by law (A.R.S. §38-431.03(A)(2));**
- **(iii) Discussion or consultation for legal advice with the city's attorneys (A.R.S. §38-431.03(A)(3));**
- **(iv) Discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid litigation (A.R.S. §38-431.03(A)(4));**
- **(v) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. §38-431.03(A)(5));**
- **(vi) Discussion, consultation or consideration for negotiations by the city or its designated representatives with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the city (A.R.S. §38-431.03(A)(6);**
- **(vii) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03(A)(7)).**

Confidentiality

Arizona statute precludes any person receiving executive session information from disclosing that information except as allowed by law. A.R.S. §38-431.03(F). Each violation of this statute is subject to a civil penalty not to exceed $500, plus court costs and attorneys' fees. This penalty is assessed against the person who violates this statute or who knowingly aids, agrees to aid or attempts to aid another person in violating this article. The city is precluded from expending any public monies to employ or retain legal counsel to provide legal services or representation to the public body or any of its officers in any legal action commenced for violation of the statute unless City Council takes a legal action at a properly noticed open meeting to approve of such expenditures prior to incurring any such obligation or indebtedness. A.R.S. §38-431.07(A)(B).

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Prescott City Hall on _____ at _____ _____m. in accordance with the statement filed by the Prescott City Council with the City Clerk.

_____
Dana R. DeLong, CMC, City Clerk

CITY OF PRESCOTT
Everybody's Hometown

COUNCIL AGENDA MEMO

MEETING DATE/TYPES: VOTING SESSION 7-8-14

DEPARTMENT: City Clerk

AGENDA ITEM: Approval of minutes for the Council meetings held on June 10, 2014

Approved By:		**Date:**
City Clerk:	DeLong, Dana	07/02/2014

Item Summary

Attached for approval are the Council minutes of the Special Meeting held on June 10, 2014, and the Regular Voting Meeting held on June 10, 2014.

Attachments

1. June 10, 2014 Special Meeting Minutes
2. June 10, 2014 Regular Voting Meeting Minutes

Recommended Action: MOVE to approve the Council minutes as presented.

PRESCOTT CITY COUNCIL
SPECIAL MEETING
TUESDAY, JUNE 10, 2014
PRESCOTT, ARIZONA

MINUTES OF THE SPECIAL MEETING OF THE PRESCOTT CITY COUNCIL HELD ON JUNE 10, 2014, in the COUNCIL CHAMBERS located at CITY HALL, 201 SOUTH CORTEZ STREET, Prescott, Arizona.

◆ CALL TO ORDER

Mayor Pro Tem Lamerson called the meeting to order at 1:00 P.M.

◆ ROLL CALL:

Present:	Absent:
Mayor Pro Tem Lamerson	Mayor Kuykendall/excused
Councilman Arnold	
Councilman Blair	
Councilman Kuknyo	
Councilman Lazzell	
Councilwoman Wilcox	

I. REGULAR AGENDA

A. Discussion/Possible Action, appeal of City of Prescott PSPRS Local Board Notice of Decision regarding Application of Juliann Ashcraft

Mayor Pro Tem Lamerson announced that Mayor Kuykendal had recused himself from the meeting due to a potential conflict of interest, as the Mayor also sits on the local PSPRS board.

Jon Paladini, City Attorney, recommended that Council recess into executive session. No motion was made by the Council.

Mr. Paladini said he was reluctant to discuss any legal advice in open session. He said this was the opportunity for the City Council to discuss whether or not to appeal the City of Prescott PSPRS local board decision regarding Juliann Ashcraft. On June 3, 2014 the City of Prescott received the Notice of Decision from the local board. The receipt of the notice triggered the time frame for which a notice of appeal could be filed. The Council now had 35 days from June 3, 2014 to decide if they wanted to file a notice of appeal in the case. Mr. Paladini said he understood that, based on media reports, the State Board had no interest in challenging the decision as long as the documentation was in order.

Councilman Blair said he believed in some form of benefits, but wanted an explanation of how an employee could be placed into a retirement program if he had not paid into the system. He was in favor of an appeal based on a legal standpoint of why the City was responsible for something that the employee never paid into. He thought when the gentlemen were at the fire they should have all been treated the same because they were at an active fire. That was a different issue for him. He did not think the City did their homework on making sure they were all covered equally, prior to relinquishing people out into the fire.

Mr. Paladini said that the survivor benefit paid by the PSPRS was based on two factors. In the line of duty death, the statute provides that the surviving spouse and or children would be entitled to 100 percent of the average monthly pay. The amount did not rely on any pay-in by the employee. He said the other factor was based on the amount the employee paid in during his employment. The survivor benefit would be much higher for someone who had been in the system for more years.

Councilman Blair thanked Mr. Paladini for the clarification and stated that he reserved the right to change his mind because this was the first time he had heard that explanation. He said if it truly was two separate issues then he would support the benefits based on what he just heard.

Councilwoman Wilcox said that she had just opened two pieces of attorney privilege confidential material that she had not fully digested. One had to do with a settlement offer and she thought Council should go into Executive Session to discuss the offer.

COUNCILWOMAN WILCOX MOVED TO RECESS INTO EXECUTIVE SESSION; SECONDED BY COUNCILMAN ARNOLD; PASSED 5-1, COUNCILMAN KUKNYO DISSENTING.

The Prescott City Council recessed into Executive Session at 1:09 P.M.

Council reconvened into the Special Meeting at 1:43 P.M.

Councilman Lazzell said that after looking at all the materials, and because he thought it was time for the community to start healing, he was not in favor of pursuing an appeal at this time.

Councilman Kuknyo said an issue of this magnitude should not have been on a local level as it was with the PSPRS board. He thought it should have gone to court. The minutes from the Notice of Decision showed that many of the board members were exhausted. He thought the matter should have gone to a neutral third party to begin with, and that the Council should send it to the court and abide by the result.

Councilman Arnold said he agreed that a neutral third party should have the opportunity to review all the facts. He also agreed with Councilman Lazzell that it is time for

closure. He would like to see the City of Prescott legal counsel pursue that while the City retains their ability to appeal, up until the deadline.

Councilwoman Wilcox said she did not support appealing the decision of the board. She said it was time to move on and grant the application request to Juliann Ashcraft.

Councilman Blair said he had a lot of questions and did not feel they had all been answered. None of his questions had to do with whether or not someone was a firefighter. He agreed with Councilman Kuknyo that it was impossible for a Board that is emotionally tied to something to make a rational and logical decision. He suggested at some point the City needs to decide what they need to do to fix the system. He said he would not support the appeal to another Board for this firefighter or the ones in the future.

Mayor Pro Tem Lamerson said that we lost 19 good people that worked for the City of Prescott. He agreed with Councilman Blair, that the moment they were deployed to fight a fire, they were firefighters. He said he would not support an appeal.

ADJOURNMENT

There being no further business to be discussed, the Special Meeting of June 10, 2014, adjourned at 1:50 P.M.

_____
MARLIN D. KUYKENDALL, Mayor

ATTEST:

_____
DANA R. DeLONG, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting of the City Council of the City of Prescott, Arizona held on the 10th day of June, 2014. I further certify the meeting was duly called and held and that a quorum was present.

Dated this ____ day of _____, 2014.

AFFIX
CITY SEAL

_____
DANA R. DeLONG, City Clerk

PRESCOTT CITY COUNCIL
REGULAR VOTING MEETING
TUESDAY, JUNE 10, 2014
PRESCOTT, ARIZONA

MINUTES OF THE REGULAR VOTING MEETING OF THE PRESCOTT CITY COUNCIL HELD ON JUNE 10, 2014, in the COUNCIL CHAMBERS located at CITY HALL, 201 SOUTH CORTEZ STREET, Prescott, Arizona.

◆ CALL TO ORDER

Mayor Kuykendall called the meeting to order at 3:00 P.M.

◆ INTRODUCTIONS

◆ **INVOCATION** by Pastor Jack Shannon, American Lutheran Church of Prescott

◆ **PLEDGE OF ALLEGIANCE** by Mayor Kuykendall

◆ ROLL CALL:

Present:	Absent:
Mayor Kuykendall	None
Mayor Pro Tem Lamerson	
Councilman Arnold	
Councilman Blair	
Councilman Kuknyo	
Councilman Lazzell	
Councilwoman Wilcox	

◆ ANNOUNCEMENTS

No announcements were made

◆ PRESENTATIONS

A. Presentation by Yavapai County regarding the Yavapai County Jail District

Phil Bourdon, Yavapai County Administrator, Sheriff Scott Masher, John Russell, Chief Deputy and Supervisor Craig Brown were available to answer questions throughout the presentation.

Mr. Bourdon gave a PowerPoint presentation about the history and financial analysis of the Yavapai County Jail District. The presentation included:

- JAIL DISTRICT OVERVIEW
- JAIL DISTRICT HISTORY
- JAIL DISTRICT BENEFITS
- ADULT DETENTION POPULATION
- ADULT DETENTION POPULATION PROJECTIONS
- PRESCOTT JAIL FINANCIAL ANALYSIS
- JAIL DISTRICT SUMMARY
- JAIL DISTRICT PUBLIC INFORMATION PROGRAM

Mr. Bourdon said one half of the General Fund supports courts and law enforcement. He said the Board of Directors anticipated placing a request on the November 2014 ballot for approval of an increase in the Jail District sales tax, up to one half cent for a twenty year period.

Sheriff Scott Masher noted that it was a huge burden when the Prescott jail closed. Since the Prescott jail reopened, the staff was still not able to take the violent offenders at the facility because of the shortage of staff. The Prescott facility did not fit the County's short or long-term needs. He asked the Board to look at the site on Prescott Lakes Parkway, where the current Juvenile Detention Center was, to consider building a jail with 300 beds and room for future expansion. He said they were trying not to warehouse people, but to provide mental health treatment and transition services to lessen recidivism.

Sheriff Masher said the County spent over $1 million per year to transport inmates. They were at capacity in Camp Verde and needed to get a jail open in the Prescott area, which was the hub of the criminal justice system. The Board of Supervisors had unanimously supported the project.

Mayor Pro Tem Lamerson asked why they were looking at a temporary tax hike, when they knew that they would still be in the jail business twenty years from now. Sheriff Masher said that was a good point and it would be brought up to the Board of Supervisors.

Councilwoman Wilcox said she thought the City of Prescott needed to support a sales tax increase for a well functioning jail, with trained officers and a safe environment.

I. CONSENT AGENDA

Mayor Pro Tem Lamerson asked that items I.E and I.F be removed from the consent agenda and discussed separately.

A. Approval of minutes for the Council meetings held on May 13, 2014; May 15, 2014; May 27, 2014; and May 29, 2014

B. Approval of a grant application to the U.S. Department of Justice through the Edward Byrne Memorial Justice Assistance Grant for the purchase of SWAT equipment in the total amount of $14,561.00

C. Approval of (1) acceptance of 100 Club Safety Enhancement Stipend in the amount of $10,500.00 and (2) purchase of one (1) Polaris Ranger utility vehicle and EMS slide-in unit in the total amount of $19,507.38 (grant and Wildland Gift Fund; City Contract No. 2014-200)

D. Approval of Resolution No. 4231-1440, authorizing an Economic Development Agreement between Prescott Historical Society, Inc., (Sharlot Hall) and the City of Prescott (City Contract No. 2014-199; General Fund)

G. Adoption of Resolution No. 4232-1441 approving transfers of certain Fiscal Year 2014 appropriations

MAYOR PRO TEM LAMERSON MOVED TO APPROVE CONSENT AGENDA ITEMS I.A. – I. D. and I.G; SECONDED BY COUNCILMAN BLAIR; PASSED UNANIMOUSLY.

E. Approval of Contract No. 2014-197 with Freedom Station in the amount of $11,744.72, and Contract No. 2014-198 with AZ Bounce Pro in the amount of $18,796.50, for various rides and activities for the City's 4th of July Celebration (General Fund: Special Events)

Mayor Pro Tem Lamerson objected to spending any unnecessary General Fund Money until he knew the financial responsibilities of the City regarding the Yarnell Hill fire.

Councilman Kuknyo noted that entrance fees were charged at the 4th of July celebration for those going on the rides and the City usually came out even on the event. He said he would support this item.

COUNCILMAN ARNOLD MOVED TO APPROVE CONSENT AGEDNA ITEM I.E.; SECONDED BY COUNCILMAN BLAIR; PASSED 6-1 (MAYOR PRO TEM LAMERSON DISSENTING)

F. Approval of City Contract No. 2014-196, with Prescott Pro Sound, LLC, in the amount of $14,300.00 for Summer Concert Series sound reinforcement services (General Fund: Special Events)

Mayor Pro Tem Lamerson objected to spending any unnecessary General Fund Money until he knew the financial responsibilities of the City regarding the Yarnell Hill fire.

Councilman Kuknyo said that Ted Leonard came in with a very low bid at approximately $250 per event. He noted that the events added to the quality of life for the Prescott community.

COUNCILMAN ARNOLD MOVED TO APPROVE CONSENT AGENDA ITEM I. F.; SECONDED BY COUNCILMAN BLAIR; PASSED 5-2 (COUNCILMAN LAZZELL AND MAYOR PRO TEM LAMERSON DISSENTING)

II. REGULAR AGENDA

A. Public Hearing for ANX14-001, a request for annexation of 37.35 acres of residentially zoned land, comprising 5 existing lots in Senator Heights Subdivision (Owners/Applicants are Bud Beshers of Stone Creek Investment, LLC, and the Candoli Trust

Tom Guice, Community Development Director, presented, noting the purpose of the annexation request was to obtain water for the four remaining vacant properties. The Planning and Zoning Commission recommended unanimously that, if annexed, the property should be zoned Single-family 35 at the time of annexation.

Councilman Blair gave a brief history of the property and said he supported the agreement and felt it went back to a verbal agreement in 2003, based on the completion of Senator Highway.

Councilwoman Wilcox said it was bad public policy to annex land and not require a City sewer connection. She asked where the closest City sewer line was to this property. Mr. Guice said it was to the west of the property near Haisley Homestead.

Councilwoman Wilcox said she wanted a provision in the ordinance that the landowner may be required to connect to City sewer if the density was increased in the future.

Mayor Pro Tem Lamerson asked about the pre-annexation agreement that would preclude lot splitting, once the property was within the City limits, thus enabling the development of 27-30 lots, needing more water in the City.

Jon Paladini, City Attorney, said the option was there for a pre-annexation agreement. He said that it was essentially a development agreement and one of the items that could be agreed upon was the density of property, despite the zoning. Mr. Paladini suggested that any kind of conditions or agreements be done in an agreement instead of in the ordinance.

The Public Hearing opened at 3:44 p.m.

Yvonne Dorman, citizen, asked what the difference was in providing water to the lot in comparison with the annexation and water agreement that was made in 2003 to Mullen

Way. Mr. Guice said the owner of the current property would be responsible for expending water, which was similar to Mullen Way.

Ms. Dorman said the initial cost to the residents in 2003 was $20,000.00 per property and there were 42 properties. She said the City changed the price and it went to $67,000.00 per property. Now, to bring water 500 feet from Copper Basin Road, it was $414,000.00. She asked if there was any cost to the City to provide water to those residents. She noted that they were sort of promised that water a long time ago.

Councilman Arnold asked where the current lines were. Mr. Guice said the water lines were currently in Haisley Road. Councilman Arnold asked if the applicant were to extend services, would he also have to pay for the services. Mr. Guice said yes. Councilman Arnold said the only cost to the City would be providing the supply of water which was paid for through the rate structure. Mr. Guice agreed.

Craig McConnell, City Manager, said there would be a water resource development fee. The citizen asked how much that would be per property. Mr. McConnell said there were existing fees in the City Code to hook up water service, which could be found on-line.

Mayor Kuykendall noted there needed to be a pre-annexation agreement regarding division of the lots.

COUNCILMAN LAZZELL MOVED TO CLOSE THE PUBLIC HEARING FOR ANX14-001, ANNEXATION OF SENATOR HEIGHTS SUBDIVISION; SECONDED BY COUNCILMAN BLAIR; PASSED UNANIMOUSLY.

B. Adoption of Resolution No. 4227-1436 amending certain subdivision plat and other related fees

Tom Guice, Community Development Director, presented saying the City commenced review of the fee schedule for processing of preliminary and final subdivision plats in October 2013. The evaluation revealed a need to better align fees with regional governmental peers, as Prescott was currently charging the highest fees.

Craig McConnell, City Manager, said that it was indicated in the staff report that the City of Prescott had not updated these fees since 2002. He said there needed to be a reasonable correlation between the effort for which there was an associated cost and the service being provided. Staff presented recommendations for fees of subdivision plats and engineering reviews.

Councilwoman Wilcox said she could not support refunding the fees based on a letter sent out by staff in October 2013, without Council direction.

Councilman Arnold recalled staff discussing the item with Council regarding the refunding date. Mr. McConnell said it may have happened at a public meeting, but it was not one where he was present. He said the Council had been informed in writing.

COUNCILMAN BLAIR MOVED TO ADOPT RESOLUTION NO. 4227-1436; SECONDED BY MAYOR PRO TEM LAMERSON; PASSED 6-1 (COUNCILWOMAN WILCOX DISSENTING)

C. Determinations regarding inclusion of various items in the Fiscal Year 2015 Final Budget

Craig McConnell, City Manager, presented, noting that Council identified various items during the Budget Workshops to be voted on separately for inclusion/non-inclusion in the FY15 Budget and others for which additional information and/or discussion were requested.

Mr. McConnell talked about List A, FY15 Budget Requests for Council Actions and List B, FY Budget Requests. He noted that the items on list A had been included in the Tentative Budget and List B was created for additional discussion.

There was a discussion concerning the items on List A.

List A, Item 1a:

Councilwoman Wilcox spoke to item 1a, the Bicycle-Pedestrian Coordinator. She noted that it could be funded as a half-time position in addition to any benefits that may accompany that position. She said the City government should accept the responsibility to provide safe transportation routes throughout the City of Prescott. Public safety was a fundamental governmental responsibility, which included all forms of transportation, including walking. The idea was to place a person inside our city government that would be the expert, a person that the engineer could consult with every time the City put specifications together for construction. She noted that this person would be able to provide for more grants and public education.

COUNCILWOMAN WILCOX MOVED TO INCLUDE THE BICYCLE-PEDESTRIAN COORDINATOR IN THE FY15 BUDGET FOR $25,000.00 BASIC SALARY, PART-TIME, PLUS REQUIRED BENEFITS FOR THE POSITION; SECONDED BY COUNCILMAN ARNOLD;

Mayor Pro Tem Lamerson agreed that the streets were unsafe for bikes, but felt there was an enforcement issue with bikes, skateboards, cars and pedestrians.

Councilman Arnold said Prescott Alternative Transportation (PAT) had been working with staff concerning alternative transportation. He would like to continue working with them and move the Master Plan forward. He said the Plan would dictate to the Public

Works Department, what type of expectations there were regarding alternative transportation planning.

Councilman Lazzell agreed that the streets were not safe for bicyclist and he would like to see one or two employees trained in best practices.

Councilman Blair said opportunity existed to have someone from PAT serve in the coordinator capacity.

Councilman Arnold withdrew his second on the motion.

Mayor Kuykendall asked if Council would support funding a portion of the PAT meetings. Councilman Arnold said yes.

MAYOR KUYKENDALL SAID THAT DUE TO A LACK OF A SECOND ON THE MOTION, THE MOTION DIED.

Councilwoman Wilcox said she had no objection working with PAT. Her concern was that staff may not listen to their recommendations.

List A, Item 1b:

Mr. McConnell presented Item Ib for Lead fuels Technicians. He noted that $165,486.00 was in the budget, but it would also rely on grant funding. There were two active grants for Wildland vegetation removal. Staff recommended the continuation of the budgeted amount, but not to fill the positions until the Public Safety Retirement Systems were issued. He noted that the City of Prescott was maintaining progress with existing personnel.

COUNCILMAN LAZZELL MOVED TO INCLUDE ITEM 1B FOR LEAD FUELS TECHNICIANS IN THE FY15 BUDGET; SECONDED BY COUNCILMAN ARNOLD; PASSED UNANIMOUSLY.

List A, Item 1c:

Councilman Arnold discussed Item 1c, Job-Related Educational Assistance. He noted that staff recommended providing job related travel and training expenses for $292,000.00. He said the City lacked the ability to fund elective education for staff that related to their jobs, but not necessarily a part of their job obligations. Councilman Arnold said he would like to see the City fund opportunities for the staff to become cross-trained.

COUNCILMAN ARNOLD MOVED TO INCLUDE ITEM IC FOR JOB-RELATED EDUCATIONAL ASSISTANCE FOR $20,000.00 IN THE FY15 BUDGET; SECONDED BY COUNCILMAN KUKNYO; PASSED UNANIMOUSLY.

List A, Item 2a:

There was a discussion about the benefits of paying the dues to the League of Cities.

COUNCILMAN ARNOLD MOVED TO INCLUDE ITEM 2A, ARIZONA LEAGUE OF CITIES, IN THE FY15 BUDGET; SECONDED BY COUNCILMAN KUKNYO; PASSED 5-2 (COUNCILMAN LAZZELL AND MAYOR PRO TEM LAMERSON DISSENTING)

List A, Item 2b:

Steve Rutherford, citizen, discussed the Greater Prescott Regional Economic Partnership (GPREP) plan. He said the GPREP mission was to attract base industries to the Prescott region. He was not concerned with retail or tourism. The three target industries were manufacturing, aerospace and aviation, and defense and security.

Councilman Kuknyo said he would like to fund the partnership for one year and look at the returns on investment at that time.

COUNCILMAN KUKNYO MOVED TO INCLUDE ITEM 2B, GPREP CONTRIBUTION IN THE FY15 BUDGET; SECONDED BY COUNCILWOMAN WILCOX, PASSED 6-1 (MAYOR PRO TEM LAMERSON DISSENTING)

List A, Item 2c:

Councilman Kuknyo said the City of Prescott should not be supporting the Sister Cities Program with taxpayer dollars. He would like to see the funding go down to $500 per city in 2015 and to $0.00 in 2016. He noted that the Eagles Club in Prescott had been active with Sister Cities. The City of Caborca had a fundraiser in Prescott and raised $1,900.00, and the Zeitz sister city raised $4,100.00 at an event.

Councilwoman Wilcox was opposed to reducing the funding to the Sister Cities. She said it was very important for the city of Prescott to be a financial contributor to the Sister City effort. She said it was seed money for annual activity.

Mayor Kuykendall noted that the Sister City Program was people to people. The Council has added money to the program over the years, as there was more money to spend. When Zeitz came along, he was positive that it should be a people to people program and Zeitz agreed. He said the City of Prescott should just be a catalyst for the organization.

Councilman Kuknyo noted that there was no money given to Zeitz this year and there had been student exchanges. Citizens and politicians from Zeitz came to Prescott as well as citizens and politicians from Prescott visiting Zeitz.

COUNCILMAN KUKNYO MOVED TO DROP THE SISTER CITY SUPPORT TO $1500, $500 PER CITY, FOR FY15; SECONDED BY COUNCILMAN ARNOLD; PASSED 5-2 (MAYOR PRO TEM LAMERSON AND COUNCILWOMAN WILCOX DISSENTING)

List A, Items 2d and 2e:

Councilman Blair presented Items 2d, Yavapai County Water Advisory Committee dues and Item 2e, Upper Verde Watershed Protection Coalition Dues. He said the two water items addressed basic services. The dues for the County Water Advisory Committee had been reduced by 50 percent. That group may be combined with the Upper Verde Watershed in 2015 and the Upper Verde Watershed may not be managed by a consulting company in 2015. He said that coalition may be managed in-house by Leslie Graser and Jon Munderloh.

COUNCILMAN BLAIR MOVED TO APPROVE ITEMS 2D AND 2E FOR FY15; SECONDED BY COUNCILMAN ARNOLD; PASSED 6-1 (MAYOR PRO TEM DISSENTING)

Mr. McConnell said Items 2f, 2g and 2h were miscellaneous, minor items.

COUNCILMAN ARNOLD MOVED TO APPROVED ITEMS 2F, 2G AND 2H FOR FY15; SECONDED BY COUNCILMAN BLAIR; PASSED 6-1 (MAYOR PRO TEM LAMERSON)

Items 3a, 3b, 3c and 3d were discussed at the end of the agenda.

D. Adoption of Resolution No. 4233-1442 adopting the Tentative Budget for Fiscal Year 2015 and setting the Public Hearing for the Final Budget, Expenditure Limitation, Tax Levy and Truth in Taxation for the City of Prescott.

Mark Woodfill, Finance Director, presented. He noted that the Tentative Budget had all of the items in it. Items could be removed when the Final Budget was created.

Dana DeLong, City Clerk, noted that she had one correction to Resolution 4233-1442, Section II.B. She said the wording “at a Special Meeting” should be stricken. Section II.B should read, “that the City Council will further meet on the eighth day of July 2014, at 3:00 P.M. in the Council Chambers of the municipal building 201 South Cortez Street, Prescott, Arizona, for the purpose of adopting the property tax levy for Fiscal Year 15 for the City of Prescott.”

Mayor Pro Tem Lamerson asked if the proposed tentative budget had any inclusion of the potential fiscal accountability for what took place on Yarnell Hill. Mr. Woodfill said there was not a line item.

Mr. Woodfill said the Tentative Budget was set at $170,390,239.00, compared to last year which was $173,123,611.00.

COUNCILMAN ARNOLD MOVED TO ADOPT RESOLUTION NO. 4233-1442; WITH THE CHANGES; SECONDED BY COUNCILMAN BLAIR; PASSED 6-1 (MAYOR PRO TEM LAMERSON DISSENTING)

E. Preliminary Plat PP13-002, Special Use Permit SUP13-001, Development Agreement (City Contract No. 2014-191, Resolution No. 4229-1438), and Water Service Agreement No. WSA13-012 (City Contract No. 2014-192) for "Touchmark at the Ranch PAD" (Owner: Lee, Ltd., P.O. Box 471, Prescott, AZ 86302: Applicant/Agent: Touchmark Development & construction Company, 5150 SW Griffith Dr., Beaverton, OR 97005)

Tom Guice, Community Development Director, presented, saying the Development Agreement was included in the packet. He said the development will be built in two phases, Phase I will be 243 units, with Phase II being approximately 136 units. The water allocation was increased to 83 acre feet from 53 acre feet. The impact fees for Phase I were adopted by Council on May 13, 2014, effective August 2, 2014. The impact fees for Phase II will go into effect when that portion is developed. Payment of the impact fees will be deferred to the issuance of Certificate of Occupancy.

Mr. Guice noted there was a provision about City participation of the new water main connecting Lee Boulevard to Bar A Circle. Touchmark would do this using the public bid process, to make water available to the project and upgrade the service to other water customers in water zone number seven. The Development Agreement also provided for waiving the City Development Fees.

Mr. Guice said the Planning and Zoning Commission gave a unanimous recommendation on the Planned Area Development preliminary plat. The Special Use Permit had been reduced to a "not to exceed 70'".

Craig McConnell, City Manager, said the Touchmark representatives would like to review some additional representations which explained the measurement of the maximum height and the invisibility of the proposed improvements.

The Touchmark representative addressed the Council. He noted that the petition submitted by the Yavapai Hills Home Owner's Association, partially stated that they were against the approval for the Special Use Permit to extend the height from 50 feet to 80 feet for the Touchmark at the Ranch project. He noted that the petition was based on a different rendering of the building. He said it was as a result of the vote of the Planning Commission and the input of the public that sent them back to do more work on the design of the project with a reduced height from 80 feet to 70 feet, and a significant change in the look and feel of the building. He noted that the 70 foot height included 13 feet of basement.

There was a discussion about the building height, safety, traffic and parking.

Ian Mattingly, City Traffic Engineer, said he reviewed the plans and they were satisfactory. He noted that as far as developments went, Touchmark at the Ranch would generate about the lowest number of trips possible.

Councilman Arnold said that if the project passed, it would be important to keep an eye on the intersection for safety, especially regarding the fire station. Mr. McConnell said that on State Route 69, those intersections were monitored by the City and by ADOT.

Councilwoman Wilcox had serious concerns with the Development Agreement and the waiver of the permit fees. She noted the City of Prescott had been struggling with the budget and had been told by the City Manager that there was not enough money for various items. She did not understand why the City of Prescott was giving away $500,000.00 dollars to a developer. She asked for a financial analysis to see what the City of Prescott was getting in exchange for waiver of the fees. She said the City would be getting, what they would get without the waiver, construction sales tax and property tax increase.

Councilwoman Wilcox was also concerned with setting a precedent for going over the 50 foot height. The Special Use Permit was reserved for very special circumstances. She would like to see the building designed into the hill, not on top of the hill.

Councilman Kuknyo said this was the industry of the future. He noted that the City of Prescott was looking for economic development and this would bring in jobs and revenue to the City. He talked about other developments that could go in that area. He thought the measurement should be from the ground up to encourage more underground parking. He would like the building to come down to 50 feet.

Rich Kaplan, citizen, said that this was a tough issue. Scale and harmony were important considerations. Granting a waiver and giving free money made no sense. He asked that the Council turn the Special Use Permit down and hope that Touchmark would learn to live within the boundaries.

Ben Valentine, citizen, said he thought he had the piece of property closest to the lot line. He did not mind the building, but did not know why Touchmark was building something taller than they had built before and why the City was giving away $500,000.00. He said there was no reason to give money away for a prime piece of property.

Joe, a citizen, said he collected a lot of signatures for the petitions. It showed that the City did not like to break rules. The citizens wanted to be peaceful and have a nice life.

Mayor Kuykendall said there were advantages and disadvantages to being in the City of Prescott a long time. He talked about the ordinance from 1973, when he was on the

Council, which granted the annexation of Yavapai Hills. He voted for it, because that area was the right place for a community to grow.

He showed a publicity pamphlet for a special election that was held on October 22, 1974. The community did not want Yavapai Hills to be in the City limits. It was taking up ranching land, amongst other problems. Yavapai Hills was de-annexed. It was not until 1987 that Yavapai Hills started developing in the County. In 1987 Yavapai Hills and The Ranch were annexed into the City because the developers wanted to have a better quality subdivision.

He agreed that a basement was necessary instead of spreading the parking lot over the area. He discussed the convention center that was going to go in on that same property and the money the City offered to the project. He said that he thought the community would be proud of the development when it was completed.

MAYOR KUYKENDALL MOVED TO APPROVE SPECIAL USE PERMIT SUP13-001 FOR A MAXIMUM HEIGHT OF 70 FEET; SECONDED BY MAYOR PRO TEM LAMERSON; PASSED 5-2, (COUNCILMAN KUKNYO AND COUNCILWOMAN WILCOX DISSENTING)

MAYOR KUYKENDALL MOVED TO APPROVE PRELIMINARY PLAT PP13-002 FOR THE TOUCHMARK AT THE RANCH PAD; SECONDED BY COUNCILMAN ARNOLD; PASSED 5-2, (COUNCILWOMAN WILCOX AND COUNCILMAN KUKNYO DISSENTING)

MAYOR KUYKENDALL MOVED TO ADOPT RESOLUTION NO. 4229-1438 APPROVING THE DEVELOPMENT AGREEMENT (CITY CONTRACT NO. 2014-191) FOR TOUCHMARK AT THE RANCH; SECONDED BY MAYOR PRO TEM LAMERSON; PASSED 5-2 (COUNCILWOMAN WILCOX AND COUNCILMAN KUKNYO DISSENTING)

KUYKENDALL MOVED TO APPROVE WATER SERVICE AGREEMENT NO. WSA13-012 (CITY CONTRACT NO. 2014-192) FOR TOUCHMARK AT THE RANCH; SECONDED BY COUNCILMAN LAZZELL; PASSED 5-2 (COUNCILWOMAN WILCOX AND COUNCILMAN KUKNYO DISSENTING)

Council returned to Item II.C, number 3a.

C. Determinations regarding inclusion of various items in the fiscal Year 2015 Final Budget

List A, Item 3c:

Councilman Blair asked if the money mentioned in 3c for Goldwater Lake Park Land Acquisition was already in the impact fees. Mr. McConnell said Recreation Services

proposed that $385,000.00 be budgeted in the One Percent Streets and Open Space to purchase additional land at Goldwater Lake Park. He said Councilwoman Wilcox proposed to fund the park expansion from the balance of park impact fees instead of the One Percent Streets and Open Space where it was currently in the Tentative Budget. He said staff questioned whether Council wanted $385,000.00 in the budget at all for the expansion of Goldwater Lake, and if so, should it be One Percent Streets and Open Space or should it be impact fees.

Councilman Blair asked what the fund balance was. Mr. Woodfill said $700,000.00 to $800.000.00, but there were other projects.

List A, Items 3a and 3b:

Councilwoman Wilcox spoke to Item 3a, Open Space Acquisition (Granite Dells/Wirth) and 3b Open Space Acquisition (Other open space TBD), together. She noted that Council had a special meeting when Mark Wirth made an offer to sell 83 acres to the City. The Council dedicated $500,000.00 to the Granite Dells property. She said her motion was to make clear that it was not to be a tap on the allocation toward the Granite Dells. Item 3A was to clarify that the Council carry over the $500,000.00 and budget and additional $500,000.00, which did not have to be allocated to the Granite Dells.

She said it looked like there would be a sale negotiated between the property owner and a private foundation. There would be a role for the City to play to acquire trail conservation easements on approximately 80 acres. She said the $500,000.00 should be reserved for that purpose. Since this was the last year that the City would be able to collect open space tax, she hoped the City could allocate more money and reserve it for open space acquisitions.

On Item 3B she picked out two projects that were funded out of the Streets and Open Space Fund, but she would leave the decision up to staff as to which projects to roll over into the sixth year period. She thought the City would lose credibility with the voters when Council tried to go back for additional sales tax approval, if they needed to increase street tax or get approval on a revenue bond. She said there was a lot more to be done on the Open Space Program.

Councilman Arnold said that as far as 3B went, he did not want to delay a street project if any money had already been spent on it.

There was a discussion about delaying street projects

COUNCILWOMAN WILCOX MOVED TO CARRY OVER $500,000.00 BUDGETED IN FY14 AND BUDGET AN ADDITIONAL $500,000.00 IN FY 15 FOR OPEN SPACE TRAIL CONSERVATION ACQUISITION; SECONDED BY COUNCILMAN LAZZELL; PASSES 4-3 (MAYOR KUYKENDALL, MAYOR PRO TEM LAMERSON AND COUNCILMAN LAZZELL DISSENTING.

COUNCILWOMAN WILCOX MOVED TO REPROGRAM FUNDS FROM STREETS TO OPEN SPACE IN THE AMOUNT OF $2,905,000.00 WITH THE DECISION OF WHICH STREETS PROJECTS LEFT UP TO STAFF; MOTION DIED FOR LACK OF SECOND.

COUNCILMAN ARNOLD MOVED NOT TO INCLUDE ITEM 3B IN THE FY15 BUDGET; SECONDED BY COUNCILMAN BLAIR; PASSED 6-1 (COUNCILWOMAN WILCOX DISSENTING)

List A, Item 3c:

Councilman Blair discussed item 3c, Goldwater Lake Park Land Acquisition. He said there was money from the impact fees to purchase Goldwater Lake land. He was not ready to take more money from roads.

Mr. McConnell noted that impact fees were collected for growth related impacts. He said the rules had changed but the funds were collected for the purpose of providing additional capacity relative to growth.

Joe Baynes, Recreation Services Director, discussed Kiebler Field and the use of impact fees. He said they would do as much as they could with partners in the community and did not know how much money they would need from the impact fee fund.

There was a discussion about using impact fee money for the Goldwater Lake expansion.

Councilwoman Wilcox said Goldwater Lake park was a heavily used park and the use was increasing. She said that she would have to assume that the increase was due to the growth in Prescott. She said this park could justify the use of an impact fee. It was more appropriate to use impact fees for this project than money from the Streets and Open Space Fund.

Mr. McConnell said that you can acquire property, but if there was intent to develop the property with amenities in the future, there would be impact fees left to do that.

COUNCILMAN ARNOLD MOVED TO CONTINUE ITEM 3C IN THE FY15 BUDGET AS PRESENTED; SECONDED BY COUNCILMAN KUKNYO; PASSED 5-2 (COUNCILWOMAN WILCOX AND MAYOR PRO TEM LAMERSON DISSENTING)

List A, Item 3d:

Councilman Arnold talked about the Yavapai College Tennis Project contribution. He noted that Yavapai College originally requested $150,000.00 from the City to participate

in the complete remodel and expansion of the tennis courts at Roughrider Park. He noted that Yavapai College was going to add an additional court and make all of the courts tournament size. The City of Prescott had the most to benefit from a tournament style tennis facility. He would like the City of Prescott to participate in the expansion of the tennis courts.

Councilman Blair said that he could see placing money in the budget for a placeholder, but he wanted to see who was paying for the lights, landscape maintenance and court maintenance, prior to voting. Mr. Baynes responded that the courts were on Yavapai College property. He said there was an Intergovernmental Agreement (IGA) with the county, where the City participated with the tennis courts. That was written out of the IGA in 2010. The current IGA does not include the tennis courts. The college was responsible for all maintenance and utilities. Councilman Blair said he wanted to see that in writing.

Councilman Kuknyo said he also wanted to see what type of access the citizens of Prescott would have and what kind of priority they would have. He noted that the City of Prescott was giving $80,000.00 worth of pavement to the project.

COUNCILMAN ARNOLD MOVED TO INCLUDE ITEM 3D IN THE FY15 BUDGET FOR $25,000.00; SECONDED BY COUNCILMAN KUKNYO; PASSED 6-1 (COUNCILMAN LAZZELL DISSENTING)

List B:

Mr. McConnell discussed List B and noted that the focus was on the budget for FY15. He noted that the items on the list had been identified, but some could not be quantified for the budget.

Councilman Arnold asked if, concerning Item 1, there was an opportunity to keep any millings from the Arizona Department of Transportation (ADOT), County and City projects. Mr. McConnell said yes.

Mr. McConnell noted that Items 2 and 3 were contingent on grant funding. He noted that the General Fund was down to the bottom.

Councilman Arnold said, regarding Item 4, Public Service Retirement System, he would like to see the City hire an expert to evaluate the current retirement system and make recommendations to the Council, deal with unfunded liabilities within the retirement funds and look for alternatives in the state.

Councilman Blair spoke about Item 5, Library Funding. He noted that the Library District would have a special meeting in Cottonwood next month. He said the Director was working up numbers to see how much property tax would have to be increased to make the fund solvent, rather than a partial fund.

Regarding Item 9, Consolidation of Wastewater Treatment, Councilman Arnold asked when Public Works would be in a position to begin discussing consolidation with the Council. Mr. McConnell said staff would like to get the airport water reclamation facility plant up and running and then they would talk about consolidation in three to six months.

III. ADJOURNMENT

There being no further business to be discussed, the Regular Voting Meeting of June 10, 2014, adjourned at 6:57 P.M.

_____
MARLIN D. KUYKENDALL, Mayor

ATTEST:

_____
DANA R. DeLONG, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Voting Meeting of the City Council of the City of Prescott, Arizona held on the 10th day of June, 2014. I further certify the meeting was duly called and held and that a quorum was present.

Dated this ____ day of _____, 2014.

AFFIX
CITY SEAL

_____
DANA R. DeLONG, City Clerk

CITY OF PRESCOTT
Everybody's Hometown

COUNCIL AGENDA MEMO

MEETING DATE/TYPES: VOTING SESSION 7-8-14

DEPARTMENT: City Clerk

AGENDA ITEM: Approval of City Contract No. 2015-009 with Prescott Newspapers for annual legal advertising services

Approved By:		**Date:**
City Clerk:	DeLong, Dana	06/30/2014
City Manager:	McConnell, Craig	06/30/2014

Item Summary

The City Clerk's Office is requesting approval of a contract with Prescott Newspapers to furnish legal advertisement services for the City in FY 2015.

Background

When publication of a notice is required by law, the City must comply by advertising the notice in a newspaper of general circulation. ARS Section 39-204(C)(3) states that the publication shall be in a newspaper printed and published within the territorial limits of the city.

Prescott Newspapers meets the state statute requirements, as well as the sole source requirements of the City's Procurement Code, by being the only printed publication within the territorial limits of the City of Prescott. Therefore, it is recommended that Prescott Newspapers be utilized as a sole source provider for the City's legal advertising services in FY 2015.

Financial Impact

The amount of this contract varies depending on the number of legal publication ads the City is required to place throughout the year. The estimated cost of $14,500.00 for FY 2015 is budgeted in the City Clerk's Department, and recovered though charges to user departments.

Agenda Item: Approval of City Contract No. 2015-009 with Prescott Newspapers for annual legal advertising services

Attachment

1. City Contract No. 2015-009

Recommended Action: MOVE to approve City Contract No. 2015-009 with Prescott Newspapers for annual legal advertising services.

GENERAL SERVICES CONTRACT

Legal Advertisement Services Agreement
City Contract No. 2015-009

THIS AGREEMENT, made and entered into this _____ day of _____, by and between **Prescott Newspapers Inc.** of the City of Prescott, County of Yavapai, State of Arizona, hereinafter designated "Contractor", and the **City of Prescott**, a municipal corporation, organized and existing under and by virtue of the laws of the State of Arizona, hereinafter designated "City".

WITNESSETH: That the said Contractor, for and in consideration of the sum to be paid him by the said City, and of the other covenants and agreements herein contained, and under the penalties expressed in the bonds provided, hereby agrees, for himself, his heir, executors, administrators, successors and assigns as follows:

ARTICLE I - SCOPE OF WORK: The Contractor shall furnish any and all labor, materials, equipment, transportation, utilities, services and facilities, required to perform all work for the advertising of legal notices for the City of Prescott to the satisfaction of the City under the direction and supervision of the City Clerk, or her properly authorized agents with such written modifications of the same and other documents that may be made by the City through the City Clerk or her properly authorized agents, as provided herein. Services furnishing legal advertising shall include:

1. Legal/Column Inch/Insertion
2. Legal/Paste-Up Copy/Insertion
3. City of Prescott Display Advertising/Column Inch/Insertion, including but not limited to employment, holiday and/or other event advertising
4. Employment ads placed on Monster.com per job listing per 30 day run

ARTICLE II - CONTRACT DOCUMENTS: The attached Exhibit "A" is by this reference made a part of this Contract to the same extent as if set forth herein in full.

ARTICLE III - TIME OF COMPLETION: The term of the contract shall be for a period of one year, beginning July 1, 2014 through June 30, 2015.

ARTICLE IV - COMPENSATION: Contractor shall be paid, pursuant to the provisions as set forth in the Contract documents, for the full and satisfactory completion of all work. Retention shall be in accordance with Arizona Revised Statutes Section 34-221.

ARTICLE V - CONFLICT OF INTEREST: Pursuant to ARS Section 38-511, the City of Prescott may cancel this contract, without penalty or further obligation, if any person significantly involved in initiating, negotiation, securing, drafting or creating the contract on behalf of the City of Prescott is, at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject

matter of the contract. In the event of the foregoing, the City of Prescott further elects to recoup any fee or commission paid or due to any person significantly involved in initiating, negotiation, securing, drafting or creating this contract on behalf of the City of Prescott from any other party to the contract, arising as a result of this contract.

ARTICLE VI - AMBIGUITY: This Agreement is the result of negotiations by and between the parties. Although it has been drafted by the Prescott City Attorney, it is the result of the negotiations between the parties. Therefore, any ambiguity in this Agreement is not to be construed against either party.

ARTICLE VII - NONDISCRIMINATION: The Contractor, with regard to the work performed by it after award and during its performance of this contract, will not discriminate on the grounds of race, color, national origin, religion, sex, disability or familial status in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The Contractor 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, the Americans With Disability Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, and Arizona Governor Executive Orders 99-4, 2000-4 and 2009-09 as amended.

ARTICLE VIII - INDEPENDENT CONTRACTOR STATUS: It is expressly agreed and understood by and between the parties that the Contractor is being retained by the City as an independent contractor, and as such the Contractor shall not become a City employee, and is not entitled to payment or compensation from the City or to any fringe benefits to which other City employees are entitled other than that compensation as set forth in Article IV - Compensation above. As an independent contractor, the Contractor further acknowledges that he is solely responsible for payment of any and all income taxes, FICA, withholding, unemployment insurance, or other taxes due and owing any governmental entity whatsoever as a result of this Agreement. As an independent contractor, the Contractor further agrees that he will conduct himself in a manner consistent with such status, and that he will neither hold himself out nor claim to be an officer or employee of the City by reason thereof, and that he will not make any claim, demand or application to or for any right or privilege applicable to any officer or employee of the City, including but not limited to workmen's compensation coverage, unemployment insurance benefits, social security coverage, or retirement membership or credit.

ARTICLE IX - CITY FEES: Prior to final payment to the Contractor, the City shall deduct there from any and all unpaid privilege, license and other taxes, fees and any and all other unpaid moneys due the City from the Contractor, and shall apply to those moneys to the appropriate account. Contractor shall provide to the City any information necessary to determine the total amount(s) due.

ARTICLE X – MISCELLANEOUS

A. The parties hereto expressly covenant and agree that in the event of a dispute arising from this Agreement, each of the parties hereto waives any right to a trial by jury. In the event of litigation, the parties hereby agree to submit to a trial before the Court. The Contractor further agrees that this provision shall be contained in all subcontracts related to the project, which is the subject of this Agreement.

B. The parties hereto expressly covenant and agree that in the event of litigation arising from this Agreement, neither party shall be entitled to an award of attorney fees, either pursuant to the Contract, pursuant to ARS Section 12-341.01 (A) and (B), or pursuant to any other state or federal statute, court rule, case law or common law. The Contractor further agrees that this provision shall be contained in all subcontracts related to the project that is the subject of this Agreement.

C. Any notices to be given by either party to the other must be in writing, and personally delivered or mailed by prepaid postage, at the following addresses:

City Clerk
City of Prescott
201 South Cortez
Prescott, AZ 86303

Prescott Newspapers Inc.
1958 Commerce Center Circle
Prescott, AZ 86301

D. This Agreement is non-assignable by the Contractor unless by subcontract, as approved in advance by the City.

E. This Agreement shall be construed under the laws of the State of Arizona.

F. This Agreement represents the entire and integrated Agreement between the City and the Contractor and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the City and the Contractor. Written and signed amendments shall automatically become part of the Agreement, and shall supersede any inconsistent provision therein; provided, however, that any apparent inconsistency shall be resolved, if possible, by construing the provisions as mutually complementary and supplementary.

G. In the event any provision of this Agreement shall be held to be invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties. One or more waivers by either party of any provision, term, condition or covenant shall not be construed by the other party as a waiver of a subsequent breach of the same by the other party.

H. INDEMNIFICATION: To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted from the acts, errors, mistakes, omissions, work or services of the Contractor, its employees, agents, or any tier of subcontractors in the performance of this Contract, Contractor's duty to defend, hold harmless and indemnify the City, its agents, representatives, officers, directors, officials and employees that 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 resulting therefrom, caused by any acts, errors, mistakes, omissions, work or services in the performance of this Agreement including any employee of the Contractor or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services the Contractor may be legally liable.

I. No oral order, objection, claim or notice by any party to the other shall affect or modify any of the terms or obligations contained in this Agreement, and none of the provisions of this Agreement shall be held to be waived or modified by reason of any act whatsoever, other than by a definitely agreed waiver or modification thereof in writing. No evidence of modification or waiver other than evidence of any such written notice, waiver or modification shall be introduced in any proceeding.

J. Contractor Immigration Warranty

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

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

A breach of the Contractor Immigration Warranty shall constitute a material breach of this Contract and shall subject the Contractor to penalties up to and including termination of this Contract at the sole discretion of the City.

The City retains the legal right to inspect the papers of any Contractor or Subcontractors employee who works on this Contract to ensure that the Contractor or Subcontractor is complying with the

Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any such inspections.

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

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

The provisions of this Article must be included in any contract the Contractor enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by an Contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

K. In the event of a discrepancy between this Agreement and other documents incorporated into this Agreement this Agreement shall control over such other incorporated documents.

L. Non-Availability of Funds: Fulfillment of the obligation of the City under this Agreement is conditioned upon the availability of funds appropriated or allocated for the performance of such obligations. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the City at the end of the period for which the funds are available. No liability shall accrue to the City in the event this provision is exercised, and the City shall not be obligated or liable for any future payments as a result of termination under this paragraph.

IN WITNESS WHEREOF, three (3) identical counterparts of this Contract, each of which shall for all purposes be deemed an original thereof, have been duly executed by the parties herein above named, on the date and year first above written.

ATTEST:

_____ _____

Witness, if Contractor is an Individual Contractor

By: _____

Title: _____

City of Prescott, a municipal corporation

_____

Marlin D. Kuykendall, Mayor

Attest: Approved as to Form:

_____ _____

Dana R. DeLong, City Clerk Jon M. Paladini, City Attorney

EXHIBIT A

Vendor Name: Prescott Newspapers, Inc.

Address: 1958 Commerce Center Circle

Prescott, AZ 86301

Phone Number: 928-445-3333

Contact Person: Teri Bryant, Classified Coordinator

Will Campbell, Display Advertising

$11.16 / Legal/Column Inch/Insertion

$9.30 / Legal/Paste-Up Copy/Insertion

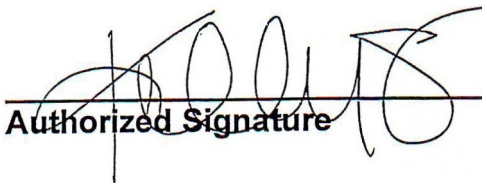
$13.70 / City of Prescott Display Advertising/Column Inch/Insertion, including but not limited to employment, holiday and/or other event advertising

$50.00 / Employment ads placed on Monster.com per job listing per 30 day run

BIDDER CERTIFICATION

By signing below, bidder certifies that submission of this did not involve collusion or other anti-competitive practices and that he/she has read, understands and will faithfully execute the terms and conditions stated herein. The signer also certifies that he/she is an officer or fully authorized agent of the bidding firm with full power and authority to submit binding offers for the goods or services as specified.

Kelly Soldwedel
Name (Typed or Printed)



June 24th, 2014
Date

Publisher, Prescott Newspapers, Inc.
Title

CITY OF PRESCOTT
Everybody's Hometown

COUNCIL AGENDA MEMO

MEETING DATE/TYPES: VOTING SESSION 7-8-14

DEPARTMENT: City Attorney

AGENDA ITEM: Adoption of Resolution No. 4236-1445 regarding contracts with City Council Members or City employees for FY 2015

Approved By:		**Date:**
City Attorney:	Paladini, Jon	07/02/2014
City Manager:	McConnell, Craig	07/03/2014

Item Summary

This item allows the City to enter into contracts for purchasing or services with City Council Members, appointees or City employees as set forth in the Resolution.

Background

State law allows the purchase of service or merchandise from a Council Member, appointee or employee without using public competitive bidding procedures if such purchase does not exceed three hundred dollars ($300.00) per transaction or exceed one thousand dollars ($1,000.00) annually if a policy allowing such is adopted by the Council each fiscal year. The attached Resolution is in accordance with A.R.S. Section 38-503 and would allow:

1) The City to enter into a contract with a public officer or employee of the City to provide items or services to the City, in an amount not to exceed three hundred dollars ($300.00) per transaction, or in an amount not to exceed one thousand dollars ($1,000.00) in any one year without using public competitive bidding procedures.

2) The City to enter into a contract to provide any item or service to the City in excess of three hundred dollars ($300.00) per transaction, or in excess of one thousand dollars ($1,000.00 in any one year, but only if the contract is awarded pursuant to a public competitive bidding procedure.

Attachment

1. Resolution No. 4236-1445.

Recommended Action: MOVE to adopt Resolution No. 4236-1445.

RESOLUTION NO. 4236-1436_____

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, ADOPTING A COUNCIL POLICY REGARDING CONTRACTS WITH THE CITY BY PUBLIC OFFICERS AND EMPLOYEES OF THE CITY FOR FY 2015.

RECITALS:

WHEREAS, A.R.S. § 38-503 requires the City Council to approve each fiscal year, a policy regarding contacts with the City by public officers and employees of the City.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

Section 1. THAT the City of Prescott may enter into a contract with a public officer or employee of the City to provide any item or service to the City, in an amount not to exceed Three Hundred Dollars ($300.00) per transaction, or in a cumulative amount not to exceed One Thousand Dollars ($1,000.00) in any one year without using public competitive bidding procedures.

Section 2. THAT no public officer or employee of the City may enter into a contract to provide any item or service to the City in excess of Three Hundred Dollars ($300.00) per transaction or cumulatively in excess of One Thousand Dollars ($1,000.00) in any one year unless said contract is awarded pursuant to a public competitive bidding procedure as provided in the Prescott City Code.

PASSED, APPROVED AND ADOPTED by the Mayor and Council of the City of Prescott this _____ day of _____, 2014.

_____
MARLIN D. KUYKENDALL, Mayor

ATTEST:

_____
DANA R. DeLONG
City Clerk

APPROVED AS TO FORM:

_____
JON M. PALADINI
City Attorney

CITY OF PRESCOTT
Everybody's Hometown

COUNCIL AGENDA MEMO

MEETING DATE/TYPES: VOTING SESSION 7-8-14

DEPARTMENT: Finance

AGENDA ITEM: Adoption of Resolution No. 4235-1444 amending the Council Policy regarding the investment of municipal funds

Approved By:		**Date:**
Director:	Woodfill, Mark	06/26/2014
City Manager:	McConnell, Craig	06/27/2014

Item Summary

This Investment Policy is needed to update the processes and terminology that are used. It does not change the types of City investments permitted or the maximum term of the investments from the current policy.

Background

An investment policy was first adopted in November 1999 enabling Prescott, as a charter City, to deviate from the investment guidance set forth in Arizona Revised Statutes. Consequently, the City has been able to maximize earnings by using safe investment instruments while satisfying cash flow needs. Since 1999, approximately $42.5 million in interest has been earned, significantly higher than could have otherwise been gained without a specific investment policy.

Attachments

1. Resolution No. 4235-1444
2. Investment Policy

Recommended Action: **MOVE** to adopt Resolution No. 4235-1444.

RESOLUTION NO. 4235-1444

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AMENDING THE COUNCIL POLICY REGARDING THE INVESTMENT OF MUNICIPAL FUNDS, AND RESCINDING RESOLUTION NUMBER 3627.

RECITALS:

WHEREAS, THE City Council of the City of Prescott adopted a Council Policy regarding the investment of municipal funds pursuant to Resolution Number 3627; and

WHEREAS, the City Council of the City of Prescott wishes to revise the foregoing policy.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

SECTION 1. THAT, Resolution Number 3627 is hereby rescinded in its entirety.

SECTION 2. THAT, the City Council hereby adopts as Council policy the "Investment Policy" for the investment of municipal funds, attached hereto as Exhibit "A".

SECTION 3. THAT, the Manager and Staff are hereby authorized to take any and all steps necessary to effectuate the foregoing.

SECTION 4. THAT, this Resolution shall become a part of the Council Policy Booklet.

PASSED and ADOPTED by the Mayor and Council of the City of Prescott, Arizona, on this 8th day of July, 2014.

_____
MARLIN D. KUYKENDALL, Mayor

ATTEST:

_____
DANA R. DeLONG, City Clerk

APPROVED AS TO FORM:

_____
JON M. PALADINI, City Attorney

Exhibit A

City of Prescott, Arizona
INVESTMENT POLICY

I. SCOPE OF POLICY

This policy shall govern the investment activities of all funds of the City of Prescott (City), excluding any specific funds cited hereafter, pursuant to Arizona Revised Statutes (ARS) Title 35 Chapter 2.

A. FUNDS INCLUDED

All financial assets of all current funds of the City, and any new funds created in the future, unless specifically exempted, will be administered in accordance with the objectives and restrictions set forth in this policy, and accounted for in the Comprehensive Annual Financial Report.

B. POOLING OF FUNDS

Except for cash in certain restricted and special funds, the City will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on respective participations, and in accordance with generally accepted accounting principles.

II. PRUDENCE

Investments shall be made with judgement and care, under prevailing circumstances, not for speculation, but for investment, considering preservation of the capital as well as the anticipated income to be derived. Investment officials shall apply the "prudent person" standard, in the context of managing an overall portfolio of funds, rather than a single investment. Investment officers acting in accordance with this investment policy and exercising due diligence shall be relieved of responsibility for risk or market price changes, provided deviations from expectations are timely reported to the City Manager of the City, and necessary action is taken consistent with this policy.

III. OBJECTIVES OF POLICY

The primary objectives in priority order, of investment activities, shall be the preservation and safety of principal, liquidity, yield, and to minimize risk of loss.

A. SAFETY

The foremost and primary objective of the City's investment program is the preservation and safety of capital in the overall portfolio. The objectives will be to mitigate credit risk and interest rate risk. To control credit risk, investments should be limited to the safest types of securities, financial institutions, broker/dealers intermediaries and advisers.

To control interest rate risk, the City shall structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations, and monitor ratings of portfolio positions to assure compliance with requirements imposed by this policy.

B. LIQUIDITY

The City's investment portfolio shall remain sufficiently liquid to enable the City to meet operating requirements that might be reasonably anticipated. Liquidity will be achieved by matching investment maturities with forecasted cash flow funding requirements, by investing in securities with active secondary markets and by diversification of maturities and call dates. Furthermore, since all possible cash demands cannot be anticipated, a small portion of the portfolio may also be placed in money market mutual funds or local government investment pools which offer same day liquidity for short term funds.

C. YIELD

The City's investment portfolio shall be designed with the objective of regularly exceeding the average rate of return on three month U.S. Treasury Bills. The investment program will seek to augment returns above

this threshold consistent with risk constraints identified herein, cash flow characteristics of the portfolio and prudent investment principles. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

1. A security swap that would improve the quality, yield or target duration in the portfolio.
2. Liquidity needs of the portfolio require that the security be sold.
3. If market conditions present an opportunity for the City to benefit from the sale.

D. RISK OF LOSS

All participants in the investment process shall seek to act responsibly as custodians of the public trust. Investment officials shall avoid any transactions that might impair public confidence in the City's ability to govern effectively. The governing body recognizes that in a diversified portfolio, occasional measured losses due to market volatility are inevitable, and must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented.

IV. INVESTMENT STRATEGY

The City intends to pursue an active portfolio management philosophy. Active management means that the financial markets will be monitored by investment officials and investments will be purchased and sold based on the City's parameters for liquidity and market conditions. All marketable securities purchased by the City shall have active secondary markets, unless a specific cash outflow is being matched with an investment that will be held to maturity to meet that obligation. Securities may be purchased as a new issue or in the secondary markets. Securities may be sold before they mature if market conditions present an opportunity for the city to benefit from the trade, or if changes in the market warrant the sale of securities to avoid future losses. Securities may be purchased with the intent from the beginning, to sell them prior to maturity or with the expectation that the security would likely be called prior to maturity under the analyzed market scenario. Market and credit risk shall be minimized by diversification. Diversification by market sector and security types, as well as maturity shall be used to protect the city from credit and market risk in order to meet liquidity requirements.

The portfolio shall be structured to benefit from anticipated market conditions and to achieve a reasonable return. Relative value between asset groups shall be analyzed and pursued as part of the active investment program within the restrictions set forth by this policy.

V. RESPONSIBILITY AND CONTROL

A. DELEGATION

Management and oversight of the investment program have been delegated to the Finance Director, who has the authority to delegate authority to persons responsible for the daily cash management operation, the execution of investment transactions, overall portfolio management and investment reporting in a manner consistent with this investment policy.

B. SUBORDINATES

All persons involved in investment activities shall be referred to as "investment officials". No person shall engage in an investment transaction except as provided under the terms of this policy as delegated by Finance Director to withdraw, transfer, deposit, or invest the City's funds. The City Council, by adopting this policy, has authorized the Finance Director to appoint these individuals.

C. CONFLICTS OF INTEREST

Investment officials and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution and management of the investment program, or which could impair their ability to make impartial investment decisions. Investment officials and employees shall refrain from undertaking personal investment transactions with the same individual with whom business is being conducted on behalf of the City. THIS POLICY EXPRESSLY INCORPORATES THE PROVISIONS OF ARS TITLE 38, CHAPTER 3, ARTICLE 8.

D. DISCLOSURE

Investment officials and employees shall disclose to the Finance Director any material financial interest in financial institutions that conduct business with the City. Investment officials and employees shall further disclose any material personal investment positions that could be related to the performance of the City's investment portfolio. Investment officials and employees shall subordinate their personal investment transactions to those of this jurisdiction, particularly with regard to the timing of purchases and sales. An investment official who is related within the second degree by affinity or consanguinity to individuals seeking to sell an investment to the city shall file a statement disclosing that relationship.

E. INVESTMENT TRAINING

Investment officials shall have a finance, accounting, or related degree and knowledge of treasury functions. Investment training is important in the management of the treasury function and should include education in investment controls, security risks, strategy risks, market risks, and compliance with state investment statutes.

VI. AUTHORIZED INVESTMENTS

Funds of the City may be invested in the eligible investments identified in ARS 35-323 (A) for the maximum maturity allowed by Section VIII (B) of this policy. The City's deposits will be collateralized in accordance with ARS 35-323.

VII. INVESTMENT REPORTS

The Finance Director shall submit semiannually an investment report including a management summary that provides an analysis of the status of the current investment portfolio with a comparison to the average three-month US Treasury Bill.

VIII. PORTFOLIO AND INVESTMENT ASSET PARAMETERS

A. INVESTMENT SELECTION PROCESS

Investment officials for the City shall use the best method they determine to be the most advantageous for purchasing and selling investments.

B. MAXIMUM MATURITIES

Investments shall be managed to meet anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than ten years from the date of purchase.

C. TARGET DOLLAR-WEIGHTED AVERAGE MATURITY

Under most market conditions, the composite portfolio will be managed to target a three year dollar-weighted average maturity. However, under certain market conditions, investment officials may need to shorten or lengthen the average life or duration of the portfolio to best serve the City's finances.

IX. SELECTION OF DEPOSITORY, FINANCIAL INSTITUTIONS AND BROKER/DEALERS

A. BIDDING PROCESS

Depositories shall be selected through the City's banking services procurement process, which shall include a formal request for proposal (RFP). In selecting depositories, the credit worthiness of institutions shall be considered, and the Finance Director shall conduct a comprehensive review of the prospective depository's credit characteristics and financial history. No public deposit shall be made except in a qualified public depository as established by state depository laws. The depository bank bid will not include bids for investment rates on certificates of deposit. Certificate of deposit rates will be shopped competitively among qualified financial institutions.

B. INSURABILITY

Banks and Savings and Loan Associations seeking to establish eligibility for the City's competitive certificate of deposit purchase program, shall submit financial statements, evidence of federal insurance and other information as required by the investment officials of the City.

X. SAFEKEEPING AND CUSTODY OF INVESTMENT ASSETS

All security transactions entered into by the City shall be conducted using the delivery vs. payment (DVP) basis. That is, funds shall not be wired or paid until verification has been made that the safekeeping bank received the correct security. The safekeeping, or custody, bank is responsible for matching instructions from the City's investment officials on an investment settlement, with what is wired from the broker/dealer, prior to releasing the City's designated funds for a given purchase. The security shall be held in the name of the City, or held on behalf of the City in a bank nominee name. A third party custodian designated by the Chief Financial Office and evidenced by safekeeping receipts will hold securities. The safekeeping bank's records shall assure the notation of the City's ownership of, or explicit claim on, the securities. The original copy of all safekeeping receipts shall be delivered to the City. A safekeeping agreement that clearly defines the responsibilities of the safekeeping bank must be in place.

CITY OF PRESCOTT
Everybody's Hometown

COUNCIL AGENDA MEMO

MEETING DATE/TYPES: VOTING SESSION 7-8-14

DEPARTMENT: Public Works

AGENDA ITEM: Authorization of payment to Lucity, Inc., for annual technical support and software maintenance for the utilities infrastructure maintenance management system in the amount of $17,547.28 (Water and Wastewater Funds)

Approved By:		**Date:**
Director:	Hash, Henry	06/25/2014
City Manager:	McConnell, Craig	06/25/2014

Item Summary

This is a renewal for technical support and software maintenance (Constant Connection Program) of the Lucity software program through July, 31, 2015. This software is used by the Utilities Division for tracking maintenance performed, scheduling preventative maintenance, and preparing the Utilities Annual Program.

Additionally, this software is used to track citizen requests and daily work orders, system documentation (e.g., operations and maintenance manuals for pump stations, photographs/videos), and payroll-related timekeeping.

Background

Lucity (formerly GBA) software has been in use by the Water and Wastewater Divisions since July 1, 2008.

Financial Impact

The cost of the annual technical support and maintenance is split 50% Water Fund and 50% Wastewater Fund.

Attachments

1. Lucity Invoice

Recommended Action: MOVE to authorize payment to Lucity, Inc., for annual technical support and software maintenance for the utilities infrastructure maintenance management system in the amount of $17,547.28.

Lucity, Inc.
10561 Barkley St, Suite 100
Overland Park, KS 66212
Phone # 913-341-3105

Invoice

Date	Invoice #
4/30/2014	85759-1

Bill To	Ship To
Craig Dotseth City of Prescott PO Box 2059 Prescott, AZ 86302 craig.dotseth@cityofprescott.net	City of Prescott Craig Dotseth 201 S. Cortez St. Prescott, AZ 86302 craig.dotseth@cityofprescott.net

P.O. No.

Description	Qty	Rate	Amount
Constant Connection Program	1	16,195.00	16,195.00T
Constant Connection Program Renewal on the following Lucity solutions (SQL Server database platform): - 3 seats of Sewer - 3 seats of Water - 10 seats of Work Administrator - 3 seats of Inventory Control - 2 seats of Equipment - 1 seat of GIS Desktop - 10 seats of GIS Viewer for Desktop - 1 Sewer CCTV Interface - 1 seat of Environmental Compliance Bundle (incl. FOG & IPT) for the period of 08/01/2014 through 07/31/2015. Previous year's fees: $15,800			
Total sales tax calculated by AvaTax		1,352.28 0.00%	1,352.28 0.00
		Total	$17,547.28

CITY OF PRESCOTT
Everybody's Hometown

COUNCIL AGENDA MEMO

MEETING DATE/TYPES: VOTING SESSION 7-8-14

DEPARTMENT: City Attorney

AGENDA ITEM: Approval of Consent to Assignment and Continuation of Lease Agreement between the City and Guyann Corporation (City Contract No. 2005-058A1); and approval of Assignment of Lease with Right of Reassignment between the City, Flagstaff Radio, Inc., and National Bank of Arizona (City Contract No. 2015-012)

Approved By:		Date:
City Attorney:	Paladini, Jon	07/02/2014
City Manager:	McConnell, Craig	07/03/2014

Item Summary

This item is for approval of a Consent to Assignment and Continuation of Lease Agreement between the City and Guyann Corporation. In addition to the above agreements an Assignment of Lease with Right of Reassignment between the City, Flagstaff Radio, Inc., and National Bank of Arizona is presented for approval.

Background

The City is Lessor to a Lease Agreement (City Contract No. 2005-058) with Guyann Corporation ("Guyann") regarding a radio tower on the Mingus Tank Site. Guyann wishes to assign the Lease to Flagstaff Radio, Inc. Paragraph 12 of the Lease Agreement requires City consent to any assignment, at the City's "sole discretion". The parties are seeking to have the City enter into the attached (1) Consent to Assignment and Continuation of Lease Agreement with Guyann, which incorporates the assignment from Guyann to Flagstaff Radio, Inc.; and (2) enter into an Assignment of Lease with Right of Reassignment agreement between the City, Guyann Corporation and National Bank of Arizona. This second document allows the Bank, as lender to Flagstaff Radio, Inc., to assume the role of Flagstaff Radio, Inc., should that entity default on its loan.

Financial Impact

None

Agenda Item: Approval of Consent to Assignment and Continuation of Lease Agreement between the City and Guyann Corporation (City Contract No. 2005-058A1); and approval of Assignment of Lease with Right of Reassignment between the City, Flagstaff Radio, Inc., and National Bank of Arizona (City Contract No. 2015-012)

Attachments

1. Consent to Assignment and Continuation of Lease Agreement
2. Assignment of Lease with Right of Reassignment

Recommended Action: (1) MOVE to approve the Consent to Assignment and Continuation of Lease Agreement with Guyann Corporation (City Contract No. 2005-058A1); and **(2) MOVE** to approve the Assignment of Lease with Right of Reassignment between the City, Flagstaff Radio, Inc., and National Bank of Arizona (City Contract No. 2015-012.

CONSENT TO ASSIGNMENT AND
CONTINUATION OF LEASE AGREEMENT
City Contract No. 2005-058A1

This Continuation of Lease Agreement is made this day of June, 2014, by and between CITY OF PRESCOTT, whose mailing address is 201 S. Cortez Street, Prescott, Arizona 86303 ("Lessor"), and GUYANN CORPORATION, an Arizona corporation, whose mailing address is 603 N. Beaver, Flagstaff, Arizona 86001 ("Lessee").

A. Lessor and Payne Prescott Broadcasting entered into a Lease Agreement dated March 1, 2005 for the "Property" as defined in the Lease (the "Lease"). The Lessee's interest under the Lease was subsequently assigned to GUYANN CORPORATION.

B. The stock ownership of Lessee is the principal remaining asset of the Estate of Guy Christian, which Estate must be administered, its liabilities resolved, and its assets distributed to the beneficiaries.

C. An Asset Purchase Agreement is contemplated by and between GUYANN CORPORATION, ("Seller") and FLAGSTAFF RADIO, INC., an Arizona corporation ("Purchaser"), pursuant to which Seller would transfer and convey to Purchaser all right, title and interest in substantially all of the assets of Lessee, including Seller's interest as Lessee under the Lease.

D. The Lease permits Lessee to assign its interest in the Lease to any entity acquiring fifty-one percent (51%) of its assets.

E. As part of the Asset Purchase Agreement, Purchaser will execute and Assignment and Assumption Agreement of the Lease in the form attached here as Exhibit "A".

F. Lessor hereby consents unconditionally to the assignment of the Lessee's interest under the Lease and the continuation of the Lease following the acquisition of all of the Assets of Lessee by Purchaser and agrees that the acquisition of the Lessee's interest under the Lease by Purchaser shall not constitute a default under the Lease. Lessor further agrees that upon such assignment, Lessee shall be released from any and all future liability under the Lease.

Lessor:

CITY OF PRESCOTT

_____
Marlin D. Kuykendall, Mayor

Attest:

_____
Dana R. DeLong, Clerk

Lessee:

GUYANN CORPORATION, an Arizona corporation

By: _____
Donal D. Cilders, President

Approved As to Form:

_____
Jon M. Paladini, City Attorney

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EXHIBIT "A"
ASSIGNMENT OF LEASE

THIS ASSIGNMENT OF LEASE ("**Assignment**") is made effective as of _____, 2014, by and between GUYANN CORPORATION, an Arizona corporation ("**Assignor**") and FLAGSTAFF RADIO, INC. an Arizona corporation ("**Assignee**").

In consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration paid by the Assignee to the Assignor, the receipt and sufficiency of which is hereby acknowledged and in consideration of the mutual covenants contained in this Assignment, the Assignor hereby sells, assigns, transfers and delivers to the Assignee all of Assignor's right, title and interest in and to the lease described in Schedule "1" attached to this Assignment ("**Lease**").

The Assignee hereby covenants and agrees that the Assignee will, from and after the effective date first set forth above and during the residue of the lease term (including any renewal lease terms), (i) pay the rents required as and when the same become due and payable pursuant to the provisions of the lease; (ii) faithfully observe and perform all of the covenants and conditions contained in the lease; and (iii) at all times hereafter indemnify and hold the Assignor and the Lessor harmless from and against the nonpayment of rents and the nonobservance nor nonperformance of the covenants and conditions contained in the lease, and each of them.

The rights and obligations of the Assignor and Assignee shall be binding upon and inure to the benefit of their respective heirs, devisees, personal representatives, successors and assigns.

"**Assignor**"	"**Assignee**"
GUYANN CORPORATION, an Arizona corporation	FLAGSTAFF RADIO, INC., an Arizona corporation
_____ Donal D. Childers, President	_____ Roger Anderson, President

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SCHEDULE "1"

Lease Description

Lease effective March 1, 2005 between City of Prescott, as Lessor and Guyann Corporation, an Arizona corporation, as Lessee.

#05-058

LEASE AGREEMENT
Payne Prescott Broadcasting, KNOT Radio
Mingus Tank Site

1. **Definitions of Terms Used in this Document:**

1.1	**Lessor:**	City of Prescott
1.2	**Lessor's Contact Person:**	City Manager City of Prescott 201 S. Cortez Street Prescott, AZ 86303
	WITH A COPY TO:	City Clerk City of Prescott 201 S. Cortez Street Prescott, AZ 86303
1.3	**Address for Payment of Rent:**	201 S. Cortez Street Prescott, AZ 86303
1.4	**Taxpayer Identification Number:**	86-0401906

1.5 **Property**. Space on Lessor's property located at 805 Douglas at which Lessee will occupy an existing 120' tall lattice tower and an existing equipment shelter, (hereinafter referred to as "Structure") with a common address, and the Easements

granted in Paragraph 11 of this Lease, all as legally described on Exhibit A and marked on the sketches on Exhibit B attached hereto and made a part hereof. Lessor hereby leases to Lessee and Lessee leases from Lessor the foregoing Property, under the terms and conditions as set forth herein.

1.6 **Property Identification Number**. APN# 116-16-102 and 116-15-033

1.7 **Initial Term**. Five (5) years

1.8 **Term**. The Initial Term, and any extension term or year to year term described in Sections 2 and 3 of this lease.

1.9 **Commencement Date**. The commencement date for this lease will be March 1, 2005.

1.10 **Rent**. $7,200 per annum, to be paid annually in advance on the Commencement Date and on each anniversary thereof including any extension terms. The annual rent payable for each subsequent lease year shall be increased in an amount equal to the Cost of Living increase for the preceding twelve (12) month period or 5%, whichever is greater.

1.11 **Lessee**. Payne Prescott Broadcasting, KNOT Radio

1.12 **Lease**. This Lease Agreement including all exhibits and attachments.

1.13 **Lessee's Address**:

P.O. Box 151

Prescott, AZ 86302

2. **Term and Options to Extend.**

2.1 **Initially**. Lessor leases the Property to Lessee for the Initial Term and in the terms and conditions of the Lease beginning on the Commencement Date at the Initial Rent.

2.2 **Option to Extend**. The term of this Lease shall be automatically renewable for one (1) additional term of five (5) years following the original term as stated in Section1.10 and upon the same terms and conditions stated in this Lease, except for adjustments in rent as provided for in Section 1.7. If Lessee desires to not extend any subsequent term of the Lease it shall give Lessor written notice of its intention to not extend the term not less than ninety (90) days prior to the expiration of the then current term whereupon the Lease shall be deemed canceled upon the expiration of the then current term.

2.3 **Construction of Lessee's Facilities**.

2.3.1 **Cable Connections to Tower; Tower Maintenance** . All cable connections and antenna of Lessee that are placed or lead to the tower shall be placed and secured in a manner safe to all. Lessee shall be solely responsible for securing and maintaining said antennae, cable and other

equipment in a safe and secure manner. Lessor shall assume no responsibility for the safety or security of the Property of the Lessee upon this location. Lessee shall, upon reasonable notice, make all portions of the tower and building facilities of Lessor available for maintenance or repair, including but not limited to reasonable repainting and related work, upon the request, and at the direction of, the Lessor.

2.3.2 **Compliance with Plans.** All construction on the Property shall be subject to the approval by the Lessor of the plans and specifications, including but not limited to placement of antenna, structures, enclosures, landscaping {if required} and design of same.

3 **Additional Yearly Terms.** If at the end of the one (1) five (5) year extension term, this Lease has not been terminated by Lessor giving written notice to Lessee of Lessor's intention to terminate this Lease at least twelve (12) months prior to the end of that term, the Term of this Lease shall automatically continue in force upon the same terms and conditions for a further term of one (1) year and for subsequent annual terms and on the same terms and conditions until terminated either by Lessor giving written notice to Lessee of its intention to terminate this Lease at least twelve (12) months prior to the end of an annual term or by Lessee giving written notice of termination before the end of the applicable term. Rent for these annual periods shall be equal to the product of the rent paid for the preceding Lease year multiplied by 1.10 (110%).

4. **Methods of Payment.**

4.1 **Yearly Rental Payment**. Initial rental payment will be due on or before the Commencement Date. Lessee shall pay Lessor one years rent in advance and in each subsequent year the full yearly rental shall be paid not later than forty-five (45) days in advance of the Anniversary Date of this Lease.

4.2 **Location for Payment**. All rent shall be paid to Lessor at the Address for Payment of Rent or to another person, firm or place which the Lessor may from time to time designate in writing at least forty-five (45) days in advance of Commencement date.

5. **Consultant's Commission**. Any commission or consulting fee payable to Lessee's Consultant shall be paid by Lessee.

6. **Use of Property**. Lessee may use the Property for lawful broadcasting purposes and related site improvements and maintenance purposes in accordance with local rules and governmental regulations. Lessor agrees to cooperate with Lessee, at Lessee's expense, in making application for and obtaining all licenses, permits and any and all other necessary approvals that may be required for Lessee's intended use of the Property. Lessee shall reimburse Lessor for any direct costs incurred by Lessor associated with obtaining any necessary approvals.

7. **Survey**

7.1 **Survey**. Lessee shall obtain, at Lessee's expense, any new surveys Lessee requires. If no adequate legal description is available as of the date of this Lease or if the legal description of the Property as shown in any subsequent survey obtained by Lessee differs from the legal description attached to this lease, the legal description in the new

survey (subject to approval by the City of Prescott) shall be controlling and attached as an addendum to this agreement.

8. Lessee's Installation.

8.1 Improvements. With Lessor's approval, which shall not be unreasonably withheld, delayed or conditioned, Lessee may install an antenna structure, antennas, equipment enclosures, equipment, other personal property, fixtures, cables, transmission lines, and utilities and make any other improvements to or upon the Property ("Lessee Facilities") as necessary for use of the Property by Lessee provided the same shall not interfere with the Lessor's use of the structure, facilities and premises, nor interfere with any pre-existing structures/towers/antennas. Lessee shall submit to Lessor for review a copy of Lessee's plans. Lessor shall give such approval or provide Lessee with request for changes within fifteen (15) business days of Lessor's receipt of Lessee's plans. If Lessor does not provide such approval or request for changes within such fifteen (15) day period, Lessor shall be deemed to have approved such plans. Lessee may, with specific approval from Lessor, change or replace any of these items with new or different items with the same or different specifications.

8.2 Workmanlike Construction. Lessee agrees that the installation will be completed in a neat, workmanlike manner consistent with good engineering practices. All costs of the installation will be paid by the Lessee.

8.3 Title to Various Items. Lessor shall, at all times, be the sole exclusive owner of the property including but not limited to the structure. The Lessee shall, at all times be the sole and exclusive owner of any antennas, equipment, other personal property, fixtures, cables and transmission lines and other improvements installed by Lessee on the

Property. Lessor has committed to the principal of co-location of facilities, where possible. Lessor may require Lessee to allow the use of the Property and share facilities and infrastructure in order to minimize the environmental and aesthetic impacts.

9. Taxes.

9.1 Taxes. Taxes. Lessee shall be responsible to timely pay any taxes levied and assessed against it, its personal property and real estate or its Leasehold interest. At the request of the City, the Lessee shall provide evidence of payment of said taxes.

10. Lessor's Representations. In order to induce Lessee to enter into this Lease, Lessor covenants, represents and warrants, as of the date of this Lease and throughout its Term, as follows:

10.1 Title Lessor owns good and marketable title to the Property subject to no mortgages, lien, encumbrances, or judgments which might take precedence over Lessee's interest in the Property or impair Lessor's ability to lease the Property to Lessee except for items disclosed in writing to and approved by Lessee.

10.2 Authority Lessor warrants that: (i) it has rights of access thereto: and (ii) Lessor has full right to make and perform this Lease. Lessor is a municipal corporation of the State of Arizona, and is authorized to enter into this Lease.

10.3 Zoning The Property is in the compliance with applicable zoning laws. Lessee's use shall be and is, subject to compliance with applicable zoning and building codes.

10.4 Compliance Subsequent to FCC & FAA filings, Lessee warrants that its operation of the Tower, including the lighting system, meets and will be maintained to

the best of their ability in accordance with all applicable laws, rules and regulations, including, without limitation, rules and regulations of the Federal Communications Commission, Federal Aviation Administration and all applicable local codes and regulations.

11. Easement.

11.1 Granted For the Term of this Lease, Lessor grants Lessee the Access Easements, Utility Easements and Transmission Line Easements, if any, nonexclusively and as described in Exhibits in this Lease. Lessor shall maintain the easements so that each is reasonably available for Lessee's use. If Lessor is unable to grant or obtain the requested easements, then, at Lessee's option, this Lease may be terminated. A termination pursuant to this Section shall not create an obligation on the part of Lessee to pay Rent under the Termination provisions of this Lease. Lessee and its authorized representatives shall have the right of ingress and egress to and from the Property twenty-four (24) hours a day, seven (7) days a week.

12. Assignments. The Lessor acknowledges that as this Lease is being negotiated that Payne Prescott Broadcasting is in escrow with the pending sale to Guyann Corporation, an Arizona Corporation. This lease may be assigned to Guyann Corporation. With the exception of the above described assignment, the Lessee may not assign, or otherwise transfer all or any part of its interest in this Lease or in the Property, without the prior written consent of Lessor; which consent may be withheld at the sole discretion of the Lessor, provided, however, that Lessee may assign its interest to its parent company, any subsidiary or affiliate of it or its parent company or to any successor-in-interest or entity acquiring fifty-one percent (51%) or more of its stock or

assets, subject to any financing entity's interest, if any, in this Lease as set forth in Paragraph 17 below. Lessor may assign this Lease upon written notice to Lessee, subject to the assignee assuming all of Lessor's obligations herein, including but not limited to, those set forth in Paragraph 17 below. Notwithstanding anything to the contrary contained in this Lease, Lessee may assign, mortgage, pledge, hypothecate or otherwise transfer without consent its interest in this Lease to any financing entity, or agent on behalf of any financing entity to whom Lessee (i) has obligations for borrowed money or in respect of guaranties thereof, (ii) has obligations evidenced by bonds, debentures, notes or similar instruments, or (iii) has obligations under or with respect to letters of credit, bankers acceptances and similar facilities or in respect of guaranties thereof.

13. Defaults.

13.1 By Lessee In the event of default under this Lease by Lessee, Lessor shall be entitled to remedies as shall then be provided by law; and provided that except for the nonpayment of rent prior to, and as a condition precedent to, the exercise of any remedy, Lessor shall give to Lessee written notice of default to Lessee and the nature of the default and Lessee shall have thirty (30) days (or, if the default cannot be cured within thirty (30) days, a longer period may be mutually agreed upon to cure the default), after receipt of the notice within which to cure the default, during which period no remedy shall be pursued. If Lessee fails to cure a default and Lessor elects to terminate this Lease, Lessor may do so effective six (6) months following Lessee's receipt of written notice to terminate provided, however, that Lessee shall not receive any reimbursement for the rent paid and will be required to pay past the year's end 110% of the then current

pro-rated rental. The parties acknowledge that the purpose of the extension period is to provide the Lessee sufficient lead-time to obtain an alternate acceptable site.

13.2 **By Lessor** In addition to rights at law or in equity, but specifically excluding any rights to recover or offset any consequential damages caused by Lessor's default, if Lessor defaults in any of its obligations under this Lease, Lessee may perform Lessor's obligation and may offset from the Rent or any other amounts next payable Lessee's costs and expenses of doing so. Notwithstanding anything else in this Lease, provided Lessee has been denied access or is unable to exercise its use of the leasehold interest Property, and provided Lessee has provided not less than thirty (30) days written notice to Lessor thereof, Lessee may defer payment of Rent including the first rent payment, during any period in which Lessor is in default in any of its obligations under this Lease when said Rent payment comes due during any period in which Lessor is in default after the above notice. Upon cure of the default, the Rent shall become due immediately, and shall be prorated based on the number of days Lessor was in default. If Lessor fails to cure a default and Lessee elects to terminate this Lease, Lessee may do so effective thirty (30) days following Lessor's receipt of written notice of termination.

14. Casualty. In the event the Property is destroyed or damaged in whole or in part by casualty during the term of this Lease resulting in the Property being unusable for its intended purposes, then, the rent shall be abated until the Property is repaired. In the event that the Property is not restored within ninety (90) days from the date of the casualty, then Lessee may elect to terminate this Lease and no further rent shall be due. Nothing herein shall require Lessor to repair or restore and no liability shall attach to Lessor should it choose not to repair or restore. However, if Lessor decides not to repair

or restore, Lessee shall be entitled to a refund of any pre-paid rent pro-rated based on the length of the casualty which prevented Lessee from exercising its rights.

15. Quiet Enjoyment. Subject to Lessor's right to take action unilaterally in furtherance of the public health and safety relative to the water and other utilities systems with facilities on the site or otherwise in relation to Lessor's communication systems, Lessor covenants and agrees that upon payment by the Lessee of the Rent under this Lease and upon the observance and performance of all of the covenants, terms and conditions on Lessee's part to be observed and performed, Lessee shall peaceably and quietly hold and enjoy the Property, the rights, and privileges granted for the term demised without hindrance or interference by Lessor and Lessor shall perform all of its obligations under this Lease.

16. Subsequent Financing. Lessee may enter into recordable subordination, non-disturbance and attornment agreements with the holders of any mortgage, trust deed, installment sale contract of other financing instrument dated after the date of this Lease, if the agreements are in form satisfactory to Lessee.

17. Termination.

17.1 Requirements This Lease may be terminated without further liability (and with payment of six (6) months rental in connection with termination pursuant to subparagraph (iv) herein) on thirty (30) days prior written notice as follows: (i) by the Lessor upon a monetary default of any covenant or term hereof by the Lessee, which default is not cured within thirty (30) days of receipt of written notice of default; provided that the grace period for any monetary default is ten (10) days from receipt of notice, or (ii) by either party in

the event of a breach of this lease by the other party, provided the aggrieved party delivers written notice of early termination to the breaching party no earlier than thirty (30) days after the cure period and failure to cure by the breaching party, or (iii) by Lessee if it does not obtain or maintain any license, permit or other approval necessary for the construction and operation of Lessee Facilities or (iv) by Lessee if Lessee is unable to occupy and utilize the Property due to an action of the FCC, including without limitation, a take back of channels or change in frequencies; or (v) by Lessee if Lessee determines that the Property is not appropriate for its operations for economic or technological reasons, including, without limitations, signal interference.

17.2 **Removal of Equipment** Upon the expiration of this Lease, or its earlier termination or cancellation for any reason, Lessee shall at its sole expense remove from the Property all of its antennas, transmitting and receiving equipment, transmitting lines, other personal property, fixtures, and any other improvements (except for Structures and equipment enclosures, public infrastructure, underground wiring, roadways, sidewalks and foundations, which shall remain the property of the Lessor). Lessee shall leave all fencing as may have been installed by Lessee, unless prior to the effective date of the expiration, termination or cancellation, Lessor requests removal. Lessee shall have up to ninety (90) days after the effective date of the expiration, termination, cancellation to complete removal of all items. Any damage by removal to Lessor's equipment or property will be repaired by Lessee. If Lessee requires any of the ninety (90) day period after the effective date for the removal, Lessee shall

pay Lessor one-twelfth of the then current annual rental in advance for each thirty (30) day period or portion thereof Lessee requires to complete the removal. If Lessee does not remove its Lessee's Facilities within ninety (90) days of termination, Lessee's Facilities shall be deemed abandoned and will become Lessor's property, subject to any current and valid security interests in and to Lessee's facilities.

17.3 **By Lessor** After the second term of this Lease Agreement, Lessor reserves the right to terminate this agreement in the event that the Property is required by the Lessor for municipal purposes, but must notify Lessee at least twelve (12) months prior to termination to give the Lessee adequate time for an alternate site. The rent will be prorated for the remaining period.

18. Lease Construction. This Lease shall be construed in accordance with the laws of the State of Arizona. In the event that any provisions of this Lease are legally unenforceable, the other provisions shall remain in effect. All litigation involving directly or indirectly any of the provisions of this Lease shall be filed in the Superior Court of Yavapai County, Arizona.

19. Entire Binding Understanding; No Oral Modifications. All prior understandings and agreements between the parties are merged into this Lease, and this Lease may not be modified orally or in any manner other than by an agreement in writing signed by both parties. Presentation of this Lease by Lessee to Lessor shall not constitute an offer unless the Lease has been signed by Lessee, and this Lease shall not be binding until executed by both Lessor and Lessee.

20. Successors; Separability. Subject to the provisions regarding assignment, this Lease shall be binding upon, and inure to the benefit of, the successors-in-interest and permitted assigns or sublessees of the parties and any grantee of Lessor.

21. Indemnification/Insurance. Lessor and Lessee do hereby agree to indemnify, defend and hold each harmless from and against any claim of liability or loss from personal injury or property damage in connection with the Property or resulting from or arising out of the use and occupancy of the Property by the indemnifying party or its agents, excepting, however such claims as may be due to or caused by the acts of the indemnifying party or its agents. Neither party shall have any obligations under this Paragraph unless notified in writing of any such claim or loss within thirty (30) business days of receipt by the other party of notice of such claim or loss. During the term of this Lease, Lessee shall carry and maintain commercial general liability insurance, and property damage for any structures or enclosures built by the Lessee but conveyed to the Lessor, naming the Lessor as an additional named insured, insuring against liability for injury to persons or property occurring in or about the Property or arising out of the ownership, maintenance, use or occupancy thereof. Coverage under such policy shall not be less than $1,000,000.00 per occurrence for personal injuries and not less than $50,000.00 per occurrence for property damage. In addition, Lessee shall carry and maintain worker's compensation insurance in the statutory amount throughout the term of this Lease. Lessee shall provide Lessor with a certificate of insurance evidencing such coverage.

22. Notices. All notices, requests and other writings required under this Lease (including any notices of renewal or termination rights) must be in writing and shall be

deemed valid given upon the earliest of (i) actual receipt or (ii) the second business day after the date posted if sent by certified mail, return receipt requested, addressed to the other party with the copies as set out in the Lessor's Address and the Lessee's Address (or any other address within the United States that the party to be notified may have designated to the sender by like notice).

23. Performance. Time is of the essence in this Agreement. The failure of either party to require the strict performance by the other of any provision of this agreement shall not be deemed waiver of the right of said party thereafter to require strict performance of that or any other provision of this agreement in accordance with the terms hereof, and without notice.

24. Broadcast Interference.

24.1 Definition As used in this Lease, "Interference" with a broadcasting activity means:

(A) Interference within the meaning of the provisions of the recommended practices of the Electronics Industries Association ("EIA") and the rules and regulations of the Federal Communications Commission ("FCC") then in effect; or

(B) A material impairment of the quality of either the operation of electronic equipment near the site, or quality of sound or picture signals on a broadcasting activity as may be defined by the FCC at any hour during the period of operation of activity, as compared with that which would be obtained if

no other broadcaster were broadcasting from the Property or had any equipment on the Property.

24.2 Removal of Interference

(A) Lessee shall take reasonable actions to prevent and properly remove any Interference with broadcast activities of Lessor or other Lessees of Lessor whose equipment was installed prior to the execution of this Lease ("Existing Lessees").

(B) Lessor warrants to Lessee the use and quiet enjoyment of the Property, provided, however that the parties hereto acknowledge that the lease of communication equipment on the Structure and Property is made on a non-exclusive basis. Lessor agrees that it shall not permit subsequent Lessees to use any portion of the Property in any way which would interfere with the Lessee's telecommunications operations, provided that the continued use by Lessor and Existing Lessees in substantially the same manner as existed as of the Commencement Date shall not constitute interference with Lessee's telecommunications operations.

(C) In the event that Lessor elects to permit a subsequent lessee to use any of the Lessor's Property for the purpose of installing communications facilities, Lessor shall, at least

thirty (30) days prior to the issuance of such authority, deliver to Lessee engineering studies or other appropriate evidence that such use will not interfere with Lessee's operations at the Property. Should Lessee determine, based upon such materials or its own studies, that the subsequent Lessee will interfere with Lessee's operations, and so notify Lessor in writing, then Lessor shall not permit the subsequent Lessee to use the Lessor's Property without making any necessary revisions to insure non-interference with Lessee's facilities.

25. Environmental Matters.

25.1 Definition For purposes of this Lease, "Hazardous Material" includes any hazardous, toxic or dangerous waste, substance or material defined as in (or for purposes of) the Comprehensive Environmental Response, Compensation, and Liability Act, any so called "Superfund" or "Superlien" law, or any other Federal, state or local statute, law, ordinance, code, rule, regulation, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect.

25.2 No Hazardous Material Neither the Lessor nor, to the best knowledge of Lessor, any other person, has ever caused or permitted any

Hazardous Material, as defined by the Arizona Department of Environmental Quality, to be placed, held, located or disposed of on, under or at the Property or any part thereof. Lessee agrees that it will not use, generate, store or dispose of any Hazardous Material on, under, about or within the Property or Land in violation of any law or regulation. Lessor agrees that it will not, and will not permit any third party to use, generate, store or dispose of any Hazardous Material on, under, about or within the Land in violation of any law or regulation. Lessor and Lessee each agree to defend, indemnify and hold harmless the other and the other's partners, affiliates, agents and employees against any and all losses, liabilities, claims and/or costs (including reasonable attorney's fees and costs) arising from any breach of any representation or agreement contained in this paragraph.

25.3 **Radio Frequency Hazard** Lessee warrants that it will operate its equipment in a manner safe to the public in conformity with applicable government guidelines and regulations.

25.4 **Survival** The provisions set out in Sections 21 and 25 shall survive termination of this Lease.

26. Relocation

26.1 Lessor shall have a one time right, during every Lease period (every five (5) years), to require Lessee to relocate its equipment to an alternative location on the Premises in the event Lessor requires Lessee's location for municipal purposes. The new location must be technologically suitable for Lessee's Facilities. Lessor agrees to give Lessee not less than twelve

(12) months prior written notice of such relocation. Lessee shall have ninety (90) days from the date of notice to evaluate the technological suitability of the proposed new location and either approve or disapprove said location in writing. If Lessee disapproves proposed new location, Lessor may thereafter propose another location site in the manner set forth above. If the parties are unable to agree upon a new location after one hundred eighty (180) days of said notice, this Lease shall terminate upon the first anniversary of the original notice. Upon termination, Lessor shall refund to Lessee all prepaid rents and Lessee shall be released from any further rent obligations.

27. Warranty At the commencement of the term, Lessee shall accept the Property and fixtures in its existing condition. No representations, statements or warranties, express or implied, have been made by or on behalf of the Lessor as to the condition thereof. In no event shall the Lessor be liable for any defect in such property or for any limitation on its use.

28. Right to Re-enter If any rent shall be due and unpaid or if default shall be made in any of the covenants contained herein, and such default is not cured within the applicable cure period, it shall be lawful for Lessor and/or its designee to re-enter the premises and remove therefrom all persons and personal property of the Lessee then occupying same, subject to the terms and conditions of this Lease.

29. Surrender of Premises Subject to the terms and conditions herein provided, it is agreed that at the expiration of the term of this Lease, or any sooner termination of the Lease, Lessee will quit and surrender the Property, in as good order and condition as

reasonable use and wear thereof will permit, damage by the elements excepted. If the Lessee should hold over the said term with the consent, express or implied, of Lessor, such holding over shall be construed as a tenancy only from month to month, and the Lessee shall continue to pay the prevailing rent for such term as Lessee holds same.

29.1 Lessee shall, at Lessee's expense, comply with all applicable statues, ordinances, rules, regulations, orders, and requirements in effect during the term or any part of the term hereof regulating the use by Lessee of the premises.

29.2 Lessee hereby accepts the property in the condition existing as of the date of the execution hereof, subject to all applicable zoning, municipal, county, and state laws, ordinances, and regulations governing and regulating the use of the property, and accepts this Lease subject thereto and to all matters disclosed thereby and by any exhibits attached hereto. Lessee acknowledges that neither Lessor nor Lessor's agent(s) have made any representation or warranty as to the suitability of the property for the conduct of Lessee's business.

30. Utilities and Gas The Lessee further agrees to install a separate meter for electricity and to pay all water, fuel power, gas, telephone and all other utilities in or about the leased premises, that are directly related to the Lessee's facility, and the Lessor shall in no way be responsible therefor.

31. Signs Lessee shall place no signs, flags, or posters or other advertising or promotional materials on the premises, on the exterior of the premises, or in the windows of the demised premises without having obtained Lessor's prior written consent, which consent may be withheld at the sole discretion of the Lessor. Notwithstanding the foregoing, Lessee shall be entitled to place a sign on any shelter or equipment cabinet constructed

by Lessee to identify the Lessee and/or to provide emergency contact telephone numbers, provided that said sign is affixed to said shelter or cabinet, is not illuminated, and does not exceed 12"x12".

32. On the last day of the term hereof, or on any sooner termination, Lessee shall surrender the property to Lessor in substantially similar condition as received, broom-clean, ordinary wear and tear excepted. Lessee shall repair any damage to the property occasioned by the removal of its trade fixtures, furnishings, and equipment, which shall include the patching and filling of holes and repair of any structural damage.

33. **Keeping Property Clean** Lessee agrees to keep the leased property inside and outside clean and neat at all times, including sidewalks, parking area and front and rear yards.

34. **Alterations and Additions** Alterations and additions may not be made to the leased property without the prior written consent of the Lessor. Any alterations or addition of the premises, excepting movable furniture and machinery and trade fixtures, shall become part of the realty and shall belong to the Lessor upon termination of this Lease.

35. **Liens Created By Lessee** Lessee shall have no power to do any act or to make any contract that may create or be the foundation for any lien upon the property or other estate or reversion of the Lessor in the demised property or upon any building or improvement thereon, and should any such lien be filed, the Lessee at his own cost and expense shall bond or otherwise discharge the same within ten (10) days of the filing thereof.

36. **Prohibition Against Lessee** Lessee shall not, at any time, without first obtaining the Lessor's express written consent, which consent shall not be unreasonably withheld or delayed:

36.1 Change, whether by alteration, replacement, rebuilding, or otherwise, the exterior color or architectural treatment of the leased property, or the building in which the same is located, or any part thereof, whether the interior or exterior of said building, including the grounds therein;

36.2 Perform any act or carry on any practice which may damage, mar or deface the leased property or the building in which said property is located.

36.3 Install, operate or maintain in the leased property any electrical equipment which will overload the electrical system therein or any part thereof, beyond its reasonable capacity for proper and safe operation as determined by Lessor.

37. **Interest On Past Due Obligations** Except as expressly herein provided, any amount due to Lessor not paid when due shall bear interest at eighteen (18) percent per annum from the date due. Payment of such interest shall not excuse or cure any default by Lessee under this lease.

38. **Waiver By Lessor** The waiver by the Lessor of any breach or breaches by the Lessee of any one or more of the covenants, agreements, conditions, or obligations herein contained or the acceptance of any delinquent payments shall not bar the Lessor's right to declare a forfeiture or to employ any other rights or remedies of the said Lessor in the event of any subsequent breach of any such or other covenants, agreements, conditions, or obligations. Any entry and/or re-entry by the Lessor, whether had or taken under what is generally known as

summary proceedings, or otherwise, as provided by the terms of this lease, shall not be deemed to absolve or discharge the Lessee from liability hereunder.

39. **Reservation By Lessor** Lessor reserves the right to make improvements and additions upon the real property. Any such additions or improvements if not an integral part of the Lessee's property, shall be property of Lessor and shall not be deemed part of the property leased to Lessee.

40. **Preparation Of Agreement** This Agreement was prepared by the Prescott City Attorney, Attorney for Lessor. Lessee acknowledges that the aforesaid City Attorney has in no way represented or advised Lessee, and that Lessee has the option and right at all times hereof to obtain independent counsel of his own choosing in entering into this Agreement.

40.1 The parties hereto expressly covenant and agree that in the event of a dispute arising from this Agreement, each of the parties hereto waives any right to a trial by jury. In the event of litigation, the parties hereby agree to submit to a trial before the Court.

40.2 The parties hereto expressly covenant and agree that in the event of litigation arising from this Lease, neither party shall be entitled to an award of attorneys fees, either pursuant to the Contract, pursuant to ARS Section 12-341.01 (A) and (B), or pursuant to any other state or federal statute.

40.3 Pursuant to A.R.S. Section 38-511, the City of Prescott may cancel this Lease, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Lease

on behalf of the City is, at any time while the Lease or any extension of the Lease is in effect, an employee or agent of any other party to the Lease in any capacity or a consultant to any other party of the agreement with respect to the subject matter of the Lease. In the foregoing event, the City of Prescott further elects to recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating this Lease on behalf of the City of Prescott from any other party to the agreement arising as a result of this Lease.

41. All insurance must be written by an insurance company authorized to do business in the State of Arizona, to be evidenced by a Certificate of Authority as defined in ARS Section 20-217, a certificate is to be attached to the applicable insurance policy or binder.

42. Conditions Precedent. This Lease is subject to the following conditions precedent:

42.1 Lessee shall have the right at any time following full execution of this Lease to enter upon the Property and underlying real property for the purpose of making necessary engineering tests, inspections, environmental and title studies.

42.2 A title search, survey, geotechnical and/or environmental study and RF engineering analysis shall be allowed by Lessor to be performed by Lessee, which search, survey, study or analysis shall not reveal defects or abnormalities which Lessee, in its sole discretion, determines would interfere with or prevent Lessee's intended use of the property.

42.3 If Paragraph 42.2 is not satisfied or waived within six (6) months from the date of the approval of this Lease by the parties, the Lessee may terminate this Lease on thirty (30) days written notice without liability.

43. Title/Lien Waiver. Title to Lessee's communication equipment, antenna, cabling lines and all other property of Lessee ("Lessee's Facilities") shall be held by Lessee. Lessee's Facilities shall remain Lessee's personal property and are not fixtures. Lessee has the right to removal all Lessee's Facilities at its sole expense before or within ninety (90) days subsequent to the expiration or earlier termination of the Lease; provided, however, that Lessee is not in default of the Lease and Lessee repairs any damage to the Leased Property caused by such removal.

44. In the event that the Lessee requires a co-Lessee on the Property to temporarily cease operations due to the installation, removal, repair or replacement of the Lessee's facilities, said request shall be made for the least amount of time required, and the Lessee shall reimburse said existing facility for any actual damages and/or loss of revenue resulting from said temporary cessation of service.

45. In the event that a co-Lessee on the Property requests the Lessee to temporarily cease operations due to the installation, removal, repair or replacement of the co-Lessee's facilities, then and in that event the Lessee shall cooperate with said request, subject to being reimbursed pursuant to Paragraph 44 above.

46. The parties hereto expressly covenant and agree that they will attempt in good faith to resolve any controversy or claim arising out of or relating to the operation of Paragraphs 44 and 45 of this Agreement through negotiation. If, however, a matter has not been resolved within a reasonable period of time, upon the written demand of either party, the matter shall

be resolved by binding arbitration. The Prescott City Manager or his designee shall be the arbitrator of a dispute regarding said paragraphs. A party desiring arbitration shall serve upon the other, a writing (the "Notice") describing, in general terms, the controversy. A copy of said Notice shall also be given to the Prescott City Manager. Within five (5) days after said Notice the other party shall serve upon the party demanding arbitration a writing (the "Response"), describing, in general terms, any additional issues to be arbitrated. A copy of said Response shall be given to the Prescott City Manager. Immediately upon receipt of the foregoing response the City Manager shall appoint a time and place for a hearing, which shall be held in accordance with the provisions of A.R.S. §12-1505. The decision of the Prescott City Manager shall be in writing, and shall be final and binding upon all of the parties.

DATED this 14th day of March, 2005.

LESSEE: Payne Prescott Broadcasting

Name: John Payne
Title: President

Name: Francis Payne
Title: Vice President

PASSED, APPROVED AND ADOPTED by the Mayor and Council of the City of Prescott this 22nd day of MARCH, 2005.

Rowle Simmons, Mayor

ATTEST:

APPROVED AS TO FORM:

Marie L. Watson

MARIE L. WATSON
City Clerk

JOHN R. MOFFITT
City Attorney

EXHIBIT A

M • HAYWOOD • ASSOCIATES • INC
LAND SURVEYING • CIVIL ENGINEERING • CONSTRUCTION MANAGEMENT

EXHIBIT 'A'

PROPERTY DESCRIPTION

All that portion of the Southwest Quarter of Section 21, Township 14 North, Range 2 West, Gila and Salt River Base and Meridian, Yavapai County, Arizona, more particularly described as follows:

Commencing at the Southeast corner of that certain parcel of land conveyed by Warranty Deed to the City of Prescott, Yavapai County, Arizona, from Theresa Ann Lauder, an unmarried woman, as recorded in Book 189 of Deeds at Page 461 in the Office of the Yavapai County Recorder;

Thence, North (assumed basis of bearings) along the East line of said parcel of land so conveyed a distance of 470 feet (as recorded);

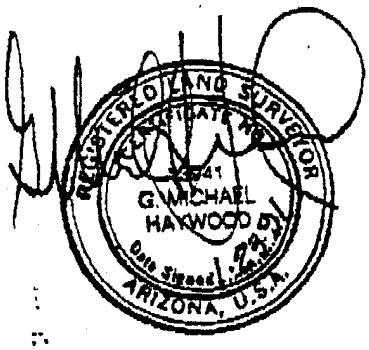
Thence, North 54°24'18" West, 120.76 feet to the TRUE POINT OF BEGINNING;

Thence, North 65°14'48" West, 110.85 feet;

Thence, North 54°45'12" East, 110.85 feet;

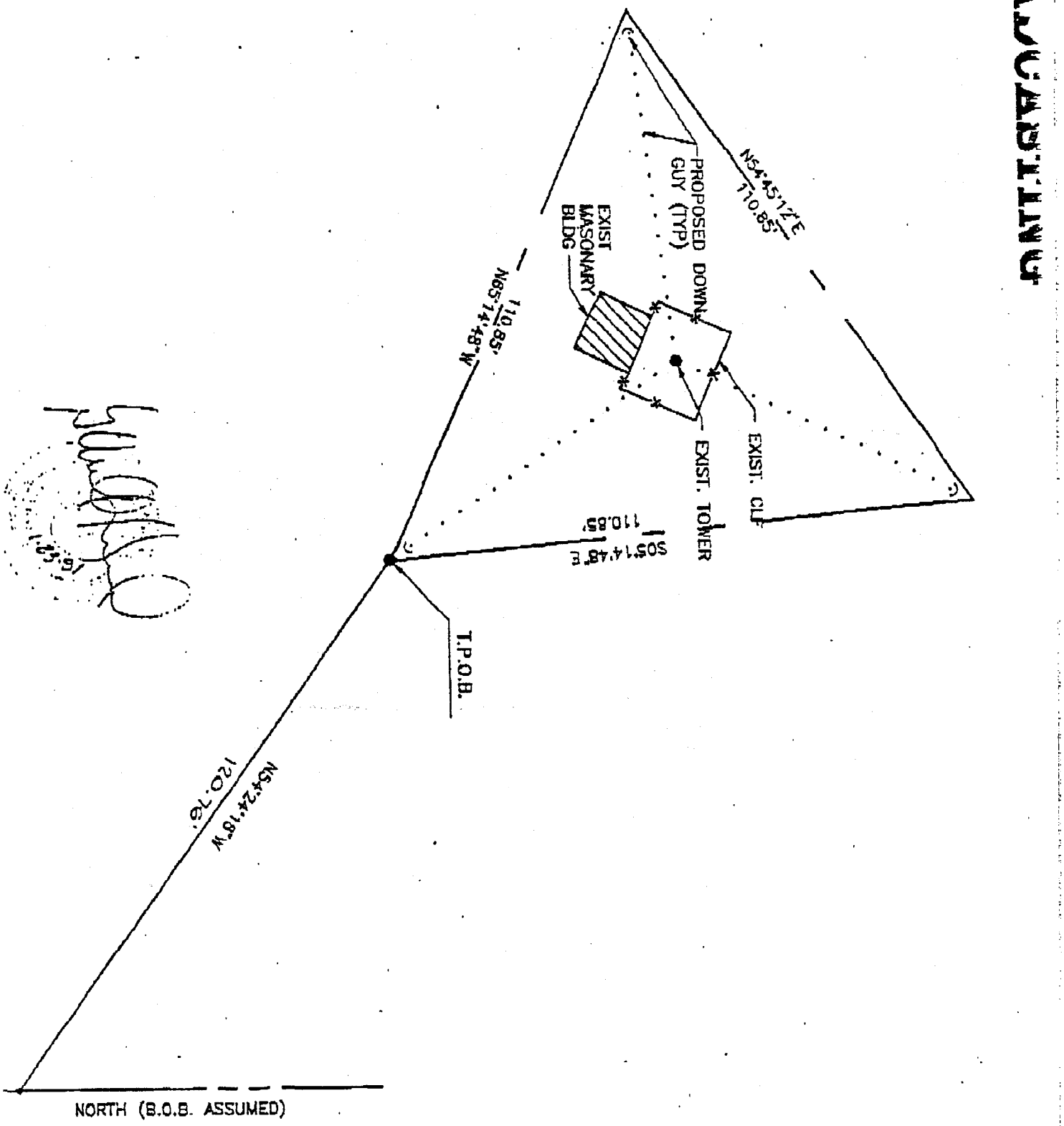
Thence, South 05°14'48" East, 110.85 feet to the TRUE POINT OF BEGINNING;

Containing 5321 square feet, more or less.



Payne Broadcasting
90-263 1-21-91

EXHIBIT B


PROPOSED DOWN GUY (TYP)
EXIST MASONARY BLDG
EXIST. TOWER
EXIST. CLF
N54°45'12"E 110.85'
N85°14'48"W 110.85'
S05°14'48"E 110.85'
T.P.O.B.
N54°24'18"W 120.76'
NORTH (B.O.B. ASSUMED)

00000000000000090010575062520 14

ASSIGNMENT OF LEASE WITH RIGHT OF REASSIGNMENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
	06-25-2014	06-25-2029	9001	143378-2 / 5730, 8410, 8440, 6000, 1250, 9270	0870579	37060	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item.

Any item above containing "***" has been omitted due to text length limitations.

Borrower: FLAGSTAFF RADIO, INC.
1117 W ROUTE 66
FLAGSTAFF, AZ 86001

Lender: NATIONAL BANK OF ARIZONA
CSG-COMMERCIAL SOLUTIONS
6001 N 24TH STREET
PHOENIX, AZ 85016

THIS ASSIGNMENT OF LEASE WITH RIGHT OF REASSIGNMENT is entered into among FLAGSTAFF RADIO, INC. ("Borrower"), whose address is 1117 W ROUTE 66, FLAGSTAFF, AZ 86001; NATIONAL BANK OF ARIZONA ("Lender"), whose address is CSG-COMMERCIAL SOLUTIONS, 6001 N 24TH STREET, PHOENIX, AZ 85016; and CITY OF PRESCOTT ("Landlord"), whose address is 201 S CORTEZ STREET, PRESCOTT, AZ 86303. Borrower and Lender have entered into, or are about to enter into, an agreement whereby Lender has acquired or will acquire a security interest or other interest in the Collateral. Some or all of the Collateral may be affixed or otherwise become located on the Premises. To induce Lender to extend the Loan to Borrower against such security interest in the Collateral and for other valuable consideration, Landlord hereby agrees with Lender and Borrower as follows.

COLLATERAL DESCRIPTION. The word "Collateral" means certain of Borrower's personal property in which Lender has acquired or will acquire a security interest, including without limitation the following specific property:

MACHINERY, EQUIPMENT, AND FURNITURE

BORROWER'S ASSIGNMENT OF LEASE. Borrower hereby assigns to Lender all of Borrower's rights in the Lease, as partial security for the Loan. The parties intend that this assignment will be a present transfer to Lender of all of Borrower's rights under the Lease, subject to Borrower's rights to use the Premises and enjoy the benefits of the Lease while not in default on the Loan or Lease. Upon full performance by Borrower under the Loan, this assignment shall be ended, without the necessity of any further action by any of the parties. This assignment includes all renewals of and amendments to the Lease or the Loan, until the Loan is paid in full. No amendments may be made to the Lease without Lender's prior written consent, which shall not be unreasonably withheld or delayed.

CONSENT OF LANDLORD. Landlord consents to the above assignment. If Borrower defaults under the Loan or the Lease, Lender may reassign the Lease, and Landlord agrees that Landlord's consent to any such reassignment will not be unreasonably withheld or delayed. So long as Lender has not entered the Premises for the purpose of operating a business, Lender will have no liability under the Lease, including without limitation liability for rent. Whether or not Lender enters into possession of the Premises for any purpose, Borrower will remain fully liable for all obligations of Borrower as lessee under the Lease. While Lender is in possession of the Premises, Lender will cause all payments due under the Lease and attributable to that period of time to be made to Landlord. If Lender later reassigns the Lease or vacates the Premises, Lender will have no further obligation to Landlord.

LEASE DEFAULTS. Both Borrower and Landlord agree and represent to Lender that, to the best of their knowledge, there is no breach or offset existing under the Lease or under any other agreement between Borrower and Landlord. Landlord agrees not to terminate the Lease, despite any default by Borrower, without giving Lender written notice of the default and an opportunity to cure the default within a period of sixty (60) days from the receipt of the notice. If the default is one that cannot reasonably be cured by Lender (such as insolvency, bankruptcy, or other judicial proceedings against Borrower), then Landlord will not terminate the Lease so long as Landlord receives all sums due under the Lease for the period during which Lender is in possession of the Premises, or so long as Lender reassigns the Lease to a new lessee reasonably satisfactory to Landlord.

DISCLAIMER OF INTEREST. Landlord hereby consents to Lender's security interest (or other interest) in the Collateral and disclaims all interests, liens and claims which Landlord now has or may hereafter acquire in the Collateral. Landlord agrees that any lien or claim it may now have or may hereafter have in the Collateral will be subject at all times to Lender's security interest (or other present or future interest) in the Collateral and will be subject to the rights granted by Landlord to Lender in this Agreement.

ENTRY ONTO PREMISES. Landlord and Borrower grant to Lender the right to enter upon the Premises for the purpose of removing the Collateral from the Premises or conducting sales of the Collateral on the Premises. The rights granted to Lender in this Agreement will continue until a reasonable time after Lender receives notice in writing from Landlord that Borrower no longer is in lawful possession of the Premises. If Lender enters onto the Premises and removes the Collateral, Lender agrees with Landlord not to remove any Collateral in such a way that the Premises are damaged, without either repairing any such damage or reimbursing Landlord for the cost of repair.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement: This Agreement shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Agreement. The covenants of Borrower and Landlord respecting subordination of the claim or claims of Landlord in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any claim or claims to which this Agreement shall apply. Lender need not accept this Agreement in writing or otherwise to make it effective. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona. If Landlord is other than an individual, any agent or other person executing this Agreement on behalf of Landlord represents and warrants to Lender that he or she has full power and authority to execute this Agreement on Landlord's behalf. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is in writing and signed by Lender. Without notice to Landlord and without affecting the validity of this Consent, Lender may do or not do anything it deems appropriate or necessary with respect to the Loan, any obligors on the Loan, or any Collateral for the Loan; including without limitation extending, renewing, rearranging, or accelerating any of the Loan Indebtedness.

AMENDMENTS. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

NO WAIVER BY LENDER. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Landlord, shall constitute a waiver of any of Lender's rights or of any of Landlord's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

SEVERABILITY. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code:

Agreement. The word "Agreement" means this Assignment of Lease with Right of Reassignment, as this Assignment of Lease with Right of Reassignment may be amended or modified from time to time, together with all exhibits and schedules attached to this Assignment of Lease with Right of Reassignment from time to time.

Borrower. The word "Borrower" means FLAGSTAFF RADIO, INC. and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Collateral. The word "Collateral" means all of Borrower's right, title and interest in and to all the Collateral as described in the Collateral Description section of this Agreement.

Landlord. The word "Landlord" means CITY OF PRESCOTT, and is used for convenience purposes only. Landlord's interest in the Premises may be that of a fee owner, lessor, sublessor or lienholder, or that of any other holder of an interest in the Premises which may be, or may become, prior to the interest of Lender.

Lease. The word "Lease" means that certain lease of the Premises, dated March 14, 2005, originally entered into by and between Landlord and Payne Prescott Broadcasting, KNOT Radio and assigned to Borrower as lessee.

Lender. The word "Lender" means NATIONAL BANK OF ARIZONA, its successors and assigns.

Loan. The word "Loan" means any and all loans and financial accommodations from Lender to Borrower whether now or hereafter existing, and however evidenced.

Note. The word "Note" means the Note dated June 25, 2014 and executed by FLAGSTAFF RADIO, INC. in the principal amount of $1,650,000.00, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

Premises. The word "Premises" means the real property located in YAVAPAI County, State of Arizona, commonly known as 805 DOUGLAS AVE, PRESCOTT, AZ 86303, and legally described as:

All that portion of the Southwest Quarter of Section 21, Township 14 North, Range 2 West, Gila and Salt River Base and Meridian, Yavapai County, Arizona, more particularly described as follows: Commencing at the Southeast corner of that certain parcel of land conveyed by Warranty Deed to the City of Prescott, Yavapai County, Arizona, from Theresa Ann Lauder, an unmarried woman, as recorded in Book 189 of Deeds at Page 461 in the Office of the Yavapai County Recorder; Thence, North (assumed basis of bearings) along the East line of said parcel of land so conveyed a distance of 470 feet (as recorded); Thence North 54°24'18" West, 120.76 feet to the TRUE POINT OF BEGINNING, Thence North 65°14'48" West, 110.85 feet; Thence, North 54°45'12" East, 110.85 feet; Thence South 05°14'48" East 110.85 feet to the TRUE POINT OF BEGINNING; Containing 5321 square feet more or less.
ADDRESS OF 805 DOUGLAS, PRESCOTT, AZ 86303
Property tax identification number is 116-15-033, 116-16-102A.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Loan.

BORROWER AND LANDLORD ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS ASSIGNMENT OF LEASE WITH RIGHT OF REASSIGNMENT, AND BORROWER AND LANDLORD AGREE TO ITS TERMS. THIS AGREEMENT IS DATED June 25, 2014.

BORROWER:

FLAGSTAFF RADIO, INC.
By: _____
ROGER P. ANDERSON, PRESIDENT
of FLAGSTAFF RADIO, INC.

LANDLORD:

CITY OF PRESCOTT

By: _____

MARLIN D. KUYKENDALL, MAYOR of CITY OF PRESCOTT

Attest:

_____

DANA R. DELONG, CLERK

APPROVED AS TO FORM:

_____

JOHN M. PALADINI, CITY ATTORNEY

LENDER:

NATIONAL BANK OF ARIZONA

By: _____

SHERRA LYON, LOAN OFFICER

CORPORATE ACKNOWLEDGMENT

STATE OF ARIZONA)

) SS

COUNTY OF COCONINO)

On this 24 day of JUNE, 20 14, before me, the undersigned Notary Public, personally appeared ROGER P. ANDERSON, PRESIDENT of FLAGSTAFF RADIO, INC. and known to me to be an authorized agent of the corporation that executed the Assignment of Lease with Right of Reassignment and acknowledged the Agreement to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Agreement and in fact executed the Agreement on behalf of the corporation.

By Teresa L Wayne Residing at Flagstaff

Notary Public in and for the State of Arizona

My commission expires 2/17/18

TERESA L. WAYNE
Notary Public - State of Arizona
COCONINO COUNTY
My Commission Expires
February 17, 2018

GOVERNMENT ACKNOWLEDGMENT

STATE OF _____)

) SS

COUNTY OF _____)

On this _____ day of _____, 20 _____, before me, the undersigned Notary Public, personally appeared _____, _____ of CITY OF PRESCOTT and known to me to be an authorized agent of the governmental entity that executed the Assignment of Lease with Right of Reassignment and acknowledged the Agreement to be the free and voluntary act and deed of the governmental entity, by authority of its enabling laws or by resolution of its governing body, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Agreement and in fact executed the Agreement on behalf of the governmental entity.

By_____ Residing at_____

Notary Public in and for the State of_____

My commission expires_____

NATIONAL BANK OF ARIZONA CORPORATE ACKNOWLEDGMENT

State of ARIZONA)

SS

County of COCONINO)

On the 24 day of JUNE, 2014, personally appeared before me SHEREA LYON, who being duly sworn, did say that he/she is an Officer of NATIONAL BANK OF ARIZONA, the corporation that executed the above and foregoing instrument, and that said instrument was signed in behalf of said corporation by authority of a resolution of its Board of Directors, and said Vice President acknowledged to me that said corporation executed the same.

Given under my hand and official seal this 24 day of JUNE, 20 14.

By Teresa L Wayne Residing at Flagstaff

Notary Public in and for the State of Arizona

My commission expires 2/17/18

TERESA L. WAYNE
Notary Public - State of Arizona
COCONINO COUNTY
My Commission Expires
February 17, 2018

LASER PRO Lending, Ver. 14.1.0.009 Copr. Harland Financial Solutions, Inc. 1997, 2014 All Rights Reserved. - AZ C:\CFNLPL\G45.FC TR-145997 PR-205 (4)

CITY OF PRESCOTT
Everybody's Hometown

COUNCIL AGENDA MEMO

MEETING DATE/TYPES: VOTING SESSION 7-8-14

DEPARTMENT: Fire

AGENDA ITEM: Approval to purchase Fire Department personal protective equipment (turnouts) from L.N. Curtis and Sons, using State Contract No. DC110009-5 pricing, in an amount not to exceed $59,940.00 (City Contract No. 2015-007; General Fund and Airport Enterprise Fund)

Approved By:		**Date:**
Fire Chief:	Light, Dennis	06/27/2014
City Manager:	McConnell, Craig	06/30/2014

Item Summary

The Fire Department requires replacement of turnout coats and pants on an “as needed” basis throughout each year. One turnout suit is provided for each firefighter, and needs to be replaced if it is damaged or the service life has expired and is no longer safety-rated. Additionally, new firefighters are fitted with and assigned a turnout suit. The service life of a turnout suit is three to five years.

Background

Fire Department personnel rely on personal protective equipment in order to safely respond to emergency situations. The Occupational Safety and Health Administration (OSHA) sets forth requirements for protective gear necessary in situations that are Immediately Dangerous to Life and Health (IDLH). The Fire Department uses specialty jackets and pants, referred to as "turnout suits," in order to provide protection from fire, smoke, extreme heat, and other dangerous materials in IDLH environments.

The individual fit of a turnout suit is an essential component to performance, assuring unrestricted movement, reduced fatigue, and limiting the likelihood of rips, tears, and other failures that could reduce the effectiveness of the thermal fabrication and expose the wearer to dangers. The specific fabrication of the G-Xtreme product adds to the fire-rated safety of the equipment, reduces maintenance needs, and extends the service life.

Agenda Item: Approval to purchase Fire Department personal protective equipment (turnouts) from L.N. Curtis and Sons, using State Contract No. DC110009-5 pricing, in an amount not to exceed $59,940.00 (City Contract No. 2015-007; General Fund and Airport Enterprise Fund)

The G-Xtreme jacket and pants specified in this purchase meet the requirements set forth by OSHA and requested by the Fire Department. This product provides a higher safety rating than others due to mobility features and trademarked fabric blends, making the product unique. L.N. Curtis and Sons is the sole source provider of the G-Xtreme jacket and pants in the region able to provide this product under a state contact. Their product is consistent in style and quality with existing turnout equipment.

Financial Impact

The cost of each turnout suit, consisting of one (1) each coat and pants, is approximately $2,300.00 including tax. The purchase of 27 sets of turnouts has been budgeted in Fiscal Year 2015 ($48,840.00 General Fund, $11,100.00 Airport Enterprise Fund).

Attachments

1. Turnout Specification
2. Turnout Suit Product Detail

Recommended Action: MOVE to approve the purchase of personal protective equipment from L.N. Curtis and Sons, using State Contract No. DC110009-5 pricing, in an amount not to exceed $59,940.00 (City Contract No. 2015-007).

City of Prescott Fire Department Turnout Specification

Globe Turnouts

- Globe Manufacturing takes steps in their manufacturing process to decrease or lessen the amount of repairs to the turnouts.
- 8 to 10 stitches per inch method is used to strengthen the overall seams.
- Patented TrimTrax used to protect the trim stitches from abrasion and has proven to protect the trim stitch from abrasion 10 times longer than without the TrimTrax.
- No backstitching in the manufacturing process. Backstitching weakens the outershell material which can cause outershell repairs to show sooner. A continual stitch promotes a stronger seam.
- Globe provides a limited lifetime warranty on manufacturer defects in seams and closures.

Gxtreme Pattern Turnouts

- Through performance evaluations by the department the Globe Gxtreme turnouts provide a great fit and best ergonomic design. The ergonomics and fit contribute greatly to reducing the amount of energy generated to move in a multi-layer system thereby lessening fatigue.
- Zipper closure with stormflap provides a "positive" closure with less bulk and reduced weight.
- Reverse boot cut in pant cuffs that provides for proper fit in the front of the pant leg while reducing repairs due to cuffs dragging on the ground.
- Elasticized pant waist and belt system provides an excellent fit for all personnel, including women, without using a special cut or custom order process. This design also helps distribute the weight of the pants on the hips instead of the shoulders.

Materials

Outershell

- Outershell material of choice is the Gemini XT PBI Matrix from Southern Mills. This outer shell material provides high performance taber abrasion performance testing and performs 10 times longer in this test than the PBI Matrix from the other mill. This material has a 5 year manufacturer's warranty.
- Tear/Cut/Abrasion performance was one of the important factors in the outer shell choice as it reduces the amount of repairs and longevity of the turnouts.
- TPP and THL ratings of the outer shell material played a large part of the overall three layer composite required by the department.

Moisture Barrier

- Crosstech Black moisture barrier was chosen as a minimum. It provides high breathability within the system. Breathability is high importance as it reduces heat exhaustion and fatigue. This material has a 3.5 year warranty and is a staple in the industry.

Thermal Liner

- Caldura SL2 thermal liner was chosen for its characteristics and relationship of TPP and THL. Through evaluation this thermal liner provides a high level of thermal protection with a high amount of breathability. Caldura SL2, a wicking thermal liner, allows the whole system to work by design to help the FF expel body heat, through sweat, to move through the system and out. This helps reduce firefighter heat exhaustion and fatigue.
- Additional thermal layering required in the shoulder elbow and knees. Protection from high heat in high compression areas is achieved by adding an additional layer of thermal liner composite within the liner system to the shoulder area extending 7 inches down the back and 4 inches down the chest. An additional layer of thermal liner and moisture barrier is added within the thermal liner system in the knee and elbow areas. This provides the required thermal protection required by the department.

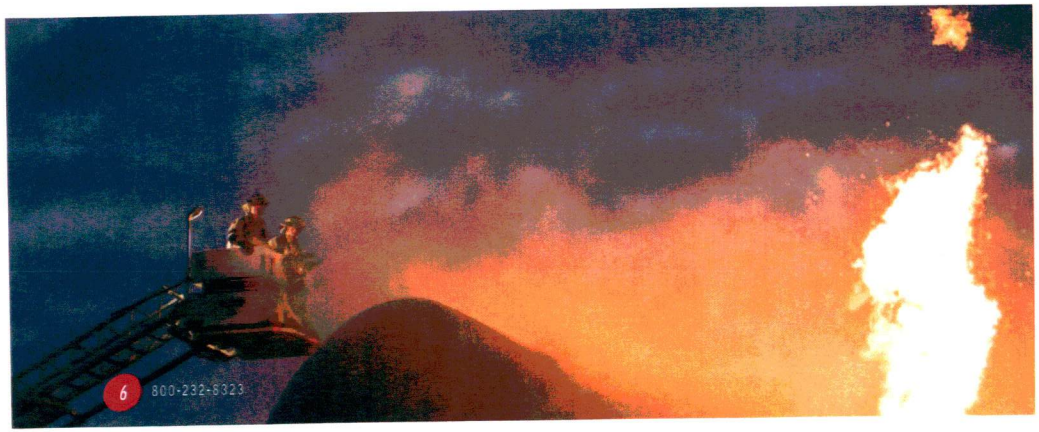
Reinforcements

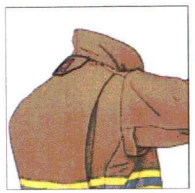
- Dragonhide Cuff and Knee reinforcements are required. Through the department's evaluation and experience this reinforcement provides the highest level of abrasion performance with the lowest amount of water retention.
- Dragonhide on outside of the pant pockets and Kevlar reinforcement added to the inside of the pocket provides a reduction in pocket repairs where tools are carried.

Turnout Supplier

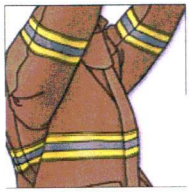
- High importance to the department is availability of chosen configuration that best suits all department needs. Standard sizes are expected off the shelf with a maximum delivery of 30 days. Custom sizes are maximum delivery of 60 days from receipt of order. This importance is to properly suit personnel when the need arises either due to contamination or excessive damage. Also to suit new hires in a reasonable timeframe to provide their required PPE. Also expected is proper sizing support from our supplier, i.e. properly fit new hires (if requested) and guaranteeing proper fit. If the firefighter's PPE does not fit properly a no charge exchange for the correct size is mandatory. The current supplier, LNCurtis and Sons meets all these supplier requirements.

G-XTREME JACKET

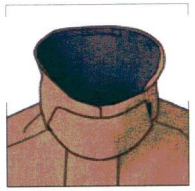




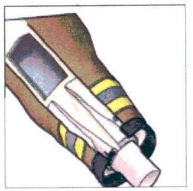
AXTION® BACK adds length across your shoulders when you work in front of you.



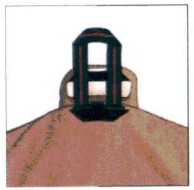
AXTION® SLEEVE provides extra length when you reach.



FREE HANGING THROAT TAB stays out of your way when not deployed.

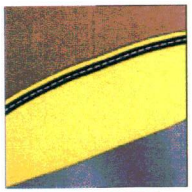


TELESCOPING SLEEVE WELLS keep water out and add thermal protection.



YOCCO™ DRAG RESCUE DEVICE is easy to deploy when you need it, out of the way when you don't.

THERMALLY ENHANCED UPPER BODY & ELBOWS are oversized for more coverage.



TRIMTRAX® THREAD PROTECTION with patented cording lasts far longer than conventional stitching.

AXTION® LINER allows unrestricted movement and easy access between the layers.

G-XTREME JACKET

The world's most advanced turnout gear just keeps getting better. Built to move the way the human body moves – without restriction – by providing a tailored, less bulky fit with added length and fullness where the body bends. Its patented AXTION® Back and AXTION® Sleeve let you make all the right moves. And now G-XTREME® comes in SHAPES to fit your body like never before.

MORE STANDARD FEATURES

CONTOURED SLEEVES ergonomically curved to work with you – not against you.

CONTOURED COLLAR maintains ergonomic shape when flipped up or folded down.

EXPANSION CARGO/HANDWARMER POCKETS reinforced with KEVLAR® fabric inside and NOMEX® fleece behind.

GENEROUS LINER POCKET lined with moisture barrier.

DOUBLE-STITCHED SEAMS with 8–10 stitches per inch for a longer service life.

Your choice of **MATERIALS**: Outer Shells, Moisture Barriers, Thermal Barriers, Reinforcements, Reflective Trim and Lettering.

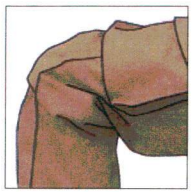
Your choice of **OPTIONS**: Closures, Radio Pockets, Accessory Pockets, Holders/Clips/Straps, Patches/Flags/Embroidery, Knit Wristers, Sleeve Wells, Reinforcements, Thermal Enhancements and Letter Patches.

Your choice of **SIZES**: Chest, Length, Shape and Sleeve in both Men's and Women's patterns.

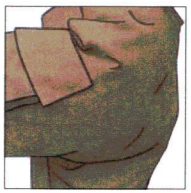
UL certified to NFPA 1971 (Structural Fire Fighting).

ALSO AVAILABLE IN PROXIMITY

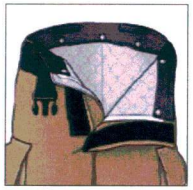
G-XTREME PANTS



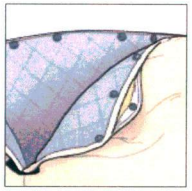
AXTION® KNEE adds length over the knee so you can step up, sit down, kneel, or crawl freely.



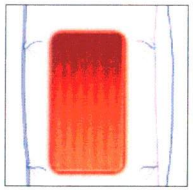
AXTION® SEAT adds length in the seat to allow you to bend at the waist and knees freely.



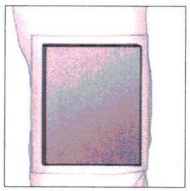
ADJUSTABLE BELT CLOSURE transfers weight to your hips and makes the pants fit like a pair of jeans.



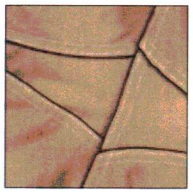
LINER ACCESS OPENING on both sides of the waist for easy access between the layers.



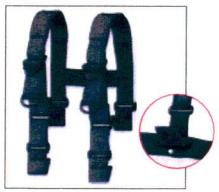
THERMALLY ENHANCED KNEES add a layer of thermal and moisture barrier to protect this high compression area.



Optional **SILIZONE® FOAM KNEES** make crawling almost heavenly and don't absorb water.



DIAMOND CROTCH GUSSET distributes stress in both shell and liner for durability.



PADDED H-BACK RIPCORD SUSPENDERS attach to horizontal loops so there is no metal hardware to dig in or pull out.

G-XTREME PANTS

Finally, turnout pants that fit like a pair of jeans. With its adjustable belt and elasticized back transferring weight to your hips, suspenders are a preference, not a necessity. The AXTION® Seat and AXTION® Knee work together to give you completely unrestricted movement when you bend over, squat down, step up, sit down, kneel, or crawl. And now G-XTREME® comes in SHAPES to fit your body like never before.

MORE STANDARD FEATURES

EXPANSION CARGO POCKETS reinforced with KEVLAR® fabric inside.

INDEPENDENT STRETCH WAISTBAND for unrestricted fit and no-gap protection with liner.

REVERSE BOOT CUT is shorter in the back to avoid premature cuff wear.

VERTICAL FLY CLOSURE with hook and loop makes for fast and secure donning.

TRIMTRAX® THREAD PROTECTION with patented cording lasts far longer than conventional stitching.

DOUBLE-STITCHED SEAMS with 8–10 stitches per inch for longer service life.

Your choice of **MATERIALS**: Outer Shells, Moisture Barriers, Thermal Barriers, Reinforcements and Reflective Trim.

Your choice of **OPTIONS**: Closures, Pockets, Straps/Loops, Suspenders, Belts/Belt Loops, Harness Loops/Pockets, and Cuff/Leg Closures.

Your choice of **SIZES**: Waist, Shape and Inseam in both Men's and Women's patterns.

UL certified to NFPA 1971 (Structural Fire Fighting).

ALSO AVAILABLE IN PROXIMITY

CITY OF PRESCOTT
Everybody's Hometown

COUNCIL AGENDA MEMO

MEETING DATE/TYPES: VOTING SESSION 7-8-14

DEPARTMENT: Public Works

AGENDA ITEM: Award of contract for the Chino Piping Reconfiguration – Waterworks Materials to HD Supply Waterworks, LTD, in the amount of $46,593.20 (City Contract No. 2015-001; Water Fund)

Approved By:		**Date:**
Director:	Hash, Henry	6/25/2014
City Manager:	McConnell, Craig	06/26/2014

Item Summary

This item is to award a contract for the purchase of materials to reconfigure the feed to the Chino Meadows Subdivision in Chino Valley, enabling the City to remove Well No. 5 from the water distribution system. The water main installation work will be performed by City Utilities Division personnel.

Background

The City has six water production wells within the Town of Chino Valley. Well Numbers 1, 2, and 5 are currently operated and connected to distribution and transmission mains. Well Numbers 3 and 4 were disconnected from the distribution system and connected solely to the transmission system last year. Well Number 6 is not a part of this overall project due to its remote location which makes re-piping cost prohibitive. The purpose of the overall Chino Piping Reconfiguration Project is to completely separate the distribution system from the main water transmission system. This will allow blending of water from the five wells and reduce the number of water quality sampling points.

The piping changes will take place at two (2) locations (Exhibit "A"):

- Mahan Lane – Installation of a new 8" distribution main along Mahan Lane to supply the Chino Meadows Subdivision at tie-in locations currently stubbed out on City property south of Mahan Lane. This will supply water to the subdivision from the existing distribution main on Road 1 East.

- Merritt Lane/Well No. 5 – Installation of a new 12" water main to connect the Well No. 5 discharge to a dedicated transmission line to the City's Water Production Facility. The existing 12" main on Merritt Lane currently supplying the Chino

Meadows Subdivision will be disconnected from the transmission system and connected solely to the distribution system. The new water main will be installed in an easement acquired by the City and approved by Council on February 11, 2014 (Ordinance No 4878-1416).

A future construction contract will be brought to Council in the coming months for large-diameter piping reconfigurations within the Water Production Facility, completing the overall project.

Bid Results

Two (2) bids were received on May 22, 2014, as follows:

Bidder	Location	Total Bid
HD Supply Waterworks, LTD	Prescott, AZ	$46,593.20
ALB Piping Products and Services	Chandler, AZ	$55,468.25

Written confirmation of their bid has been received from the low, responsive, responsible bidder, HD Supply Waterworks, LTD.

Financial Impact

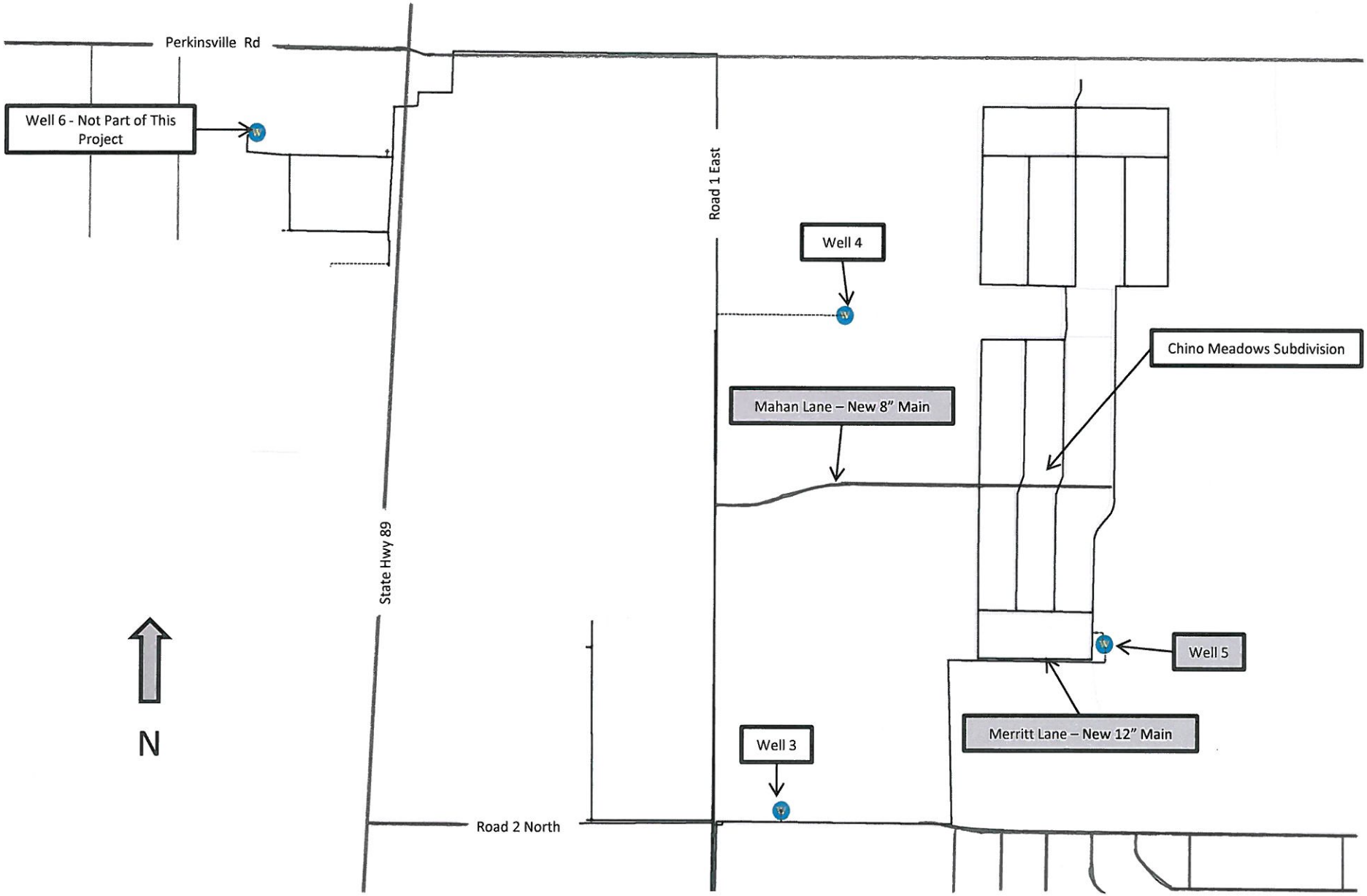
Funding for this project is available in the Water Fund.

Attachments

1. Exhibit A Design Locations

Recommended Action: MOVE to award the contract for the Chino Piping Reconfiguration – Waterworks Materials to HD Supply Waterworks, LTD, in the amount of $46,593.20 (City Contract No. 2015-001).

EXHIBIT A - CHINO PIPING RECONFIGURATION DESIGN LOCATIONS



CITY OF PRESCOTT
Everybody's Hometown

COUNCIL AGENDA MEMO

MEETING DATE/TYPES: VOTING SESSION 7-8-14

DEPARTMENT: Public Works

AGENDA ITEM: Award of bid and contract for the FY 2015 Pavement Preservation Project to Cactus Asphalt, Inc., in the amount of $2,091,120.70 (City Contract No. 2015-003)

Approved By:		**Date:**
Director:	Hash, Henry	06/25/2014
City Manager:	McConnell, Craig	06/25/2014

Item Summary

This contract includes the construction of various pavement repairs and pavement resurfacing on Lee Boulevard, Gail Gardner Way, Sierry Peaks Drive, Old Black Canyon Highway, Vista Verde Estates, Cathedral Pines, Kingswood Estates, Whisper Ridge Road, Shalimar Drive, and Talwatha Drive. The resurfacing includes multi-layer and single-layer rubber chip seals, microsurfacing, and slurry seal coats. The project further includes the placement of a conventional asphalt chip seal coat on certain other streets and alleys (paved with millings as part of the unpaved alleys program), as well as adjustment of utility covers to finish grade and the restoration of traffic striping.

Background

The work consists of preventative maintenance applications of Rubberized Asphalt Chip Seal, Type III Microsurfacing, and Type II Slurry Seal over existing asphalt pavements. Prior to placement of the seal coats, cracked and failed pavement will be spot-repaired as necessary.

The Rubberized Chip Seal is an application of asphalt rubber emulsion binder and mineral chips. This treatment is a key component of cost-effective life-cycle pavement management strategy. The application of rubberized chip seal will provide a new underlayment surface on which to place the final seal coat of Microsurfacing or Type II Slurry Seal. The application of the Rubberized Asphalt Chip Seal will extend the service life of the underlying pavement, and it is a cost effective measure suited for residential streets that are structurally sound.

Agenda Item: Award of bid and contract for the FY 2015 Pavement Preservation Project to Cactus Asphalt, Inc., in the amount of $2,091,120.70 (City Contract No. 2015-003)

A total of 23 lane-miles of major streets and residential streets will be treated with pavement preservation materials to provide a new wearing surface and extend the underlying pavement service life. Performing pavement preservation and maintenance prevents premature pavement failures that typically cost five to ten times as much to repair or reconstruct.

Bid Results

A mandatory pre-bid meeting was held on May 21, 2014; two bids were received on June 5, 2014, as follows:

Bidder	Location	Total Bid
Cactus Asphalt, Inc.	Tolleson, AZ	$2,091,120.70
VSS International, Inc.	Sacramento, CA	$2,259,226.00

Engineer's Estimate $2,136,922.00

Written confirmation of their bid has been received from the low responsive bidder, Cactus Asphalt, Inc. Verification of the company's license, bonding, references, and past performance of similar projects has been completed.

Schedule

The contract allows ninety (90) calendar days for completion of the work, with project milestones listed below:

Award of Contract	July 8, 2014
Pre-Construction Meeting	July 16, 2014
Notice to Proceed (NTP)	July 28, 2014
Substantial Project Completion	October 24, 2014

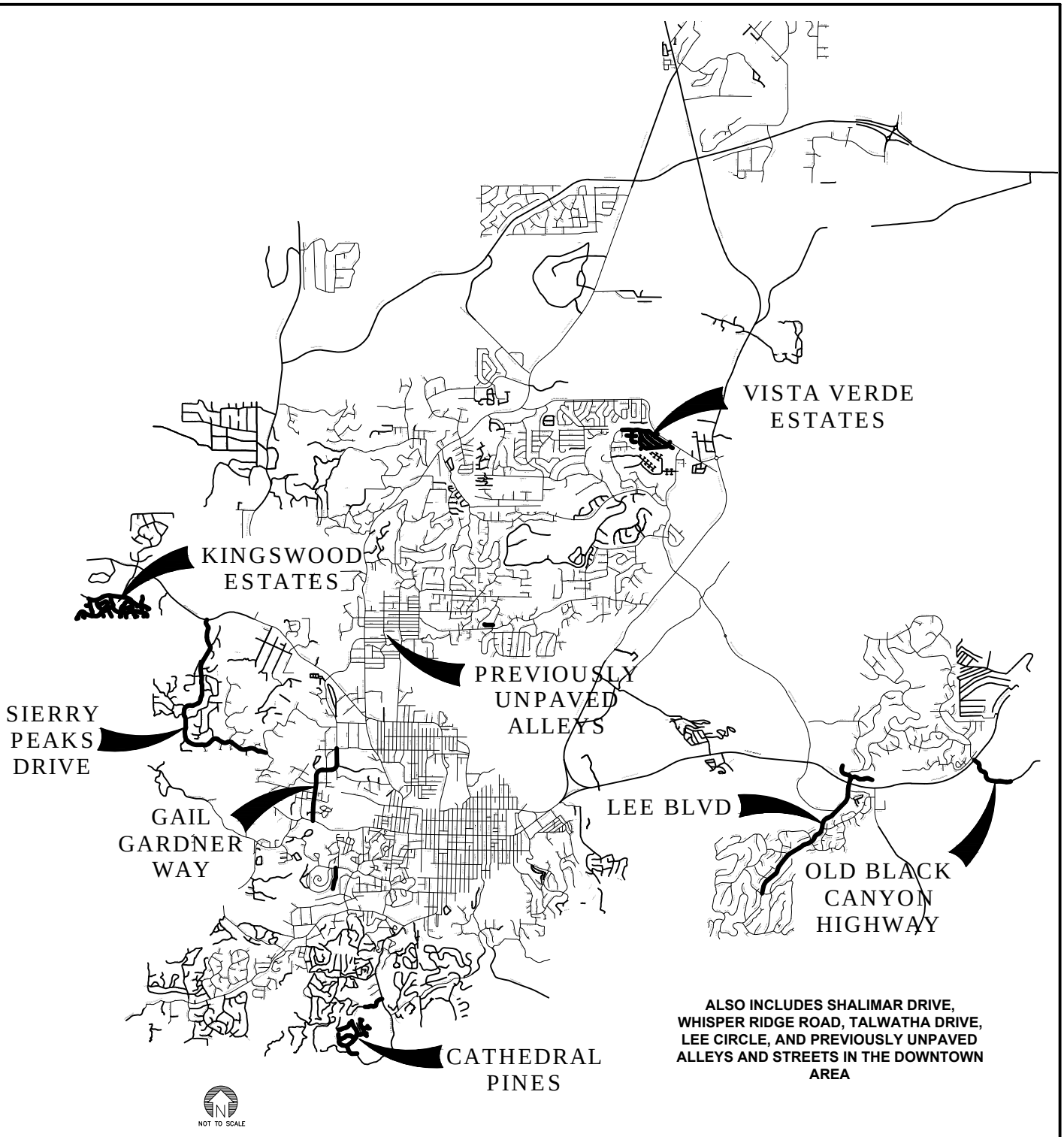
Financial Impact

FY 2015 funding for this project is available from the One-Cent Sales Tax for Streets and Open Space.

Attachments

1. Project Vicinity Map

Recommended Action: MOVE to award the bid and contract for the FY 2015 Pavement Preservation Project to Cactus Asphalt, Inc., in the amount of $2,091,120.70 (City Contract No. 2015-003).



ALSO INCLUDES SHALIMAR DRIVE, WHISPER RIDGE ROAD, TALWATHA DRIVE, LEE CIRCLE, AND PREVIOUSLY UNPAVED ALLEYS AND STREETS IN THE DOWNTOWN AREA

PROJECT VICINITY MAP

FY 2015 PAVEMENT PRESERVATION PROJECT

CITY OF PRESCOTT
PUBLIC WORKS DEPARTMENT

CITY OF PRESCOTT
Everybody's Hometown

COUNCIL AGENDA MEMO

MEETING DATE/TYPES: VOTING SESSION 7-8-14

DEPARTMENT: Public Works

AGENDA ITEM: Approval of a professional services agreement with Shephard Wesnitzer, Inc., to provide engineering services for the Walker Road Reconstruction Project in an amount not to exceed $72,260.00 (City Contract No. 2015-005; One-Cent Streets and Open Space Fund)

Approved By:		**Date:**
Director:	Hash, Henry	06/26/2014
City Manager:	McConnell, Craig	06/27/2014

Item Summary

This item is to approve a professional services agreement with Shephard Wesnitzer, Inc., for engineering and post-design services for the Walker Road Reconstruction Project.

The Walker Road reconstruction will include geotechnical work, new asphalt-concrete pavement, placement of curb, gutter, sidewalk, and drainage improvements where needed.

The project limits are from SR 69 intersection to the southern City limits, extending 1,800 lineal feet (Exhibit B).

The engineering contract includes geotechnical w to establish proper pavement structural sections, subsurface utility investigations, surveying, design reports, plans and specifications, and post design/construction services. The attached scope of services and fee proposal will become Exhibit “A” to the standard City professional services contract.

Background

Walker Road, classified as a major collector, connects SR 69 to the southern City limits. The County portion of Walker Road has been reconstructed in past years, and the City segment is the last section of this roadway requiring pavement reconstruction.

It has been determined via the City’s Water and Wastewater Models that there are no

capacity or serviceability issues associated with wet utilities, and that upgrades to water and sewer facilities are not required. As design progresses and utilities investigations are conducted, it will be determined if the existing water and sewer lines require relocation to maintain proper depth and clearances.

Procurement of Engineering Services

On February 27, 2014, the City received Statements of Qualifications from two (2) firms for the engineering services. Pursuant to State Statutes and the City Procurement Code for selection of professional services, a committee ranked the respondents based upon their Statements of Qualifications, and determined Shephard Wesnitzer, Inc., to be the top-ranked firm for this project. Subsequently, the scope of services and fees were negotiated.

Project Schedule

The design is scheduled to be completed within six (6) months of the notice to proceed. The reconstruction work is anticipated to begin in late Fiscal Year 2015, pending Council award of a construction contract. The engineering contract includes construction-phase services.

Financial Impact

Fiscal Year 2015 funding for this engineering contract is available from the One-Cent Sales Tax for Streets and Open Space.

Attachments

1. Scope and Fee Proposal (Exhibit "A")
2. Project Vicinity Map (Exhibit "B")

Recommended Action: MOVE to approve a professional services agreement with Shephard Wesnitzer, Inc., to provide engineering services for the Walker Road Reconstruction Project in an amount not to exceed $72,260.00. (City Contract No. 2015-005).

Shephard Wesnitzer, Inc.

221 North Marina Street, Suite 102
Prescott, AZ 86301
928.541.0443
928.541.1075 fax
www.swiaz.com

EXHIBIT A

Engineering an environment of excellence

Scope of Services for the
WALKER ROAD RECONSTRUCTION PROJECT
City of Prescott, Arizona
Shephard-Wesnitzer Inc. – with Revisions through May 22, 2014

PROJECT DESCRIPTION
The City of Prescott will be entering into a contract for consulting engineering services and other associated services required to produce a set of bid ready construction documents (plans, engineers estimate, bid schedule, specifications & special provisions) for the **Walker Road Reconstruction Project** along with construction phase services.

PRELIMINARY PROJECT INFORMATION
Existing Conditions

- The existing roadway requires complete replacement due to its deteriorated condition.
- No utility improvements are anticipated.
- Roadside and intersection drainage requires hydraulic connectivity to adjacent washes.

Proposed Improvements
The work is currently anticipated a follows:

Prepare bid ready construction plans and specifications for the reconstruction of Walker Road from the SR69 Intersection to the south City Limits; approximately 1,800 LF of roadway. Improvements include the following:

- Replacement of curbs/sidewalks and pavement from SR69 to the Liese Drive intersection including catch basins, valley gutters or other drainage enhancements. This is a 52' wide street section. The design will be based on the City of Prescott major collector typical section 605P.
- Curb and 5' sidewalks and shoulder widening for sewer line access and drainage improvements will be constructed on the east and west sides of Walker Road from the Liese Drive intersection to the Karicio Lane intersection. This will be a variable street section transitioning from 52' to 36'
- Curb and 5' sidewalks and shoulder widening for sewer line access and drainage improvements will be constructed on the west side of Walker Road from the Karicio Lane intersection to the Lynx Meadow Drive intersection. This will be a variable street section transitioning from 36' to 29'.
- Pavement widening only for a 29' section from south of the Lynx Meadow Drive intersection to the south City limits.
- Scoping exhibits are attached for reference to this Exhibit A.

SCOPE OF SERVICES PER THE CITY RSOQ, FEBRUARY 27, 2014:
(with modifications through May 22, 2014)

1. Pre-Design Meeting

SWI will attend a kick-off meeting with City staff at a time and on a date agreeable to both parties. At the kick off meeting the Engineer shall provide to the City

- A preliminary design schedule and project directory of team members.
- An organization chart showing the relationship of all of the team members.
- Any required contractual submittals.
- Discuss the approach, schedule, expectations, special conditions and areas of concern, contract documents, current City Technical Specifications and SWI Special Provisions and any other issues promoting the successful completion of the project.

General Project administrative tasks are also included in this task budget for the duration of the project including general correspondence, meetings, agendas, minutes and related activities. SWI has included notifications to adjacent businesses in this task. Public meetings are not required.

2. Design Schedule

SWI will develop a detailed design schedule after the Pre-Design Meeting including all major tasks. The schedule will be updated every month. The schedule shall include a minimum of 3 weeks (21 calendar days) for each City review. An original baseline schedule will be prepared and a revised baseline schedule will be submitted with the monthly updates.

3. Public Meetings

SWI will inform the adjacent local businesses of the status or the project via email correspondence with the local managers. The City will conduct individual meetings with the businesses along the corridor. Public meetings will not be required per the project scoping report, which differs from the Design Deliverables portion of the RSOQ.

4. Preliminary Design Report and Preliminary Construction Cost Estimate

Within 60 days of receipt of the notice to proceed from the City, SWI will prepare a preliminary alignment plan at a reduced scale on a photographic background, a preliminary design report with a discussion on traffic, drainage overview with major components sized, geotechnical reports summary and a preliminary construction cost estimate. Alternate design considerations will also be included in the submittal.

5. Utility Review

SWI will be responsible for coordinating with all utility companies (i.e. water, sewer, cable TV, electric, gas, telephone) in the area. Available information shall be depicted on the plans as clearly and accurately as possible in order to minimize unforeseen utility conflicts. Visible utilities and above ground utilities will be identified and located during the topographic survey, including water valves, hydrants, electrical poles, street lighting, equipment pads, telephone and television risers, and above ground gas facilities. SWI will provide private “Bluestake” markings of underground utilities (water, sewer, electrical, telephone, cable and gas) prior to the topographic survey to be included on the 30% design sheets.

SWI will also coordinate with the utility companies to assist them with their endeavors to upgrade, replace or enhance their facilities prior to or as part of the construction project. We will provide each of the utility companies a set of plans at completion of the 30%, 90% and 100% levels and will provide any written responses from each of the involved utilities at the completion of each design level to the City. We will also attend the monthly Regional Utility Coordination meetings as appropriate with our submittals. We anticipate attendance at two (2) RUCC meetings during the design process.

6. Utility Potholing

The City will be responsible for potholing utilities for location and depth where the possibility of conflicts exist between the existing utilities and proposed construction via their on-call utility boring provider. 8 utility explorations are anticipated for the project. SWI will coordinate the boring locations with the City's contractor.

7. Geotechnical Investigations

SWI will subcontract to Ninyo & Moore for geotechnical investigations for the project. Subsurface conditions, recommendations for specialty excavation equipment, pavement section design alternatives, other pavement structure recommendations are to be included in the report. 6 borings are budgeted for the project. The geotechnical report will be incorporated into the design and specifications.

8. Preparation of Preliminary (30%) Design

SWI will develop 30% preliminary design plans and specifications including rights-of-ways/easements, complete topography and identification of existing improvements, survey control/benchmarks, property lines, plan/profiles of existing roadways and utilities within the project limits. Existing utility information will be shown along with potential conflicts. The submittal will include the items required by the City's CIP submittal requirements checklist. A construction cost (engineers estimate) will be provided using the City's bid schedule format. As a part of the 30% design submittal, the topographic survey will be completed and the existing rights-of-ways and easements will be verified.

SWI will perform the necessary topographic and boundary verification survey for the project sites. The base maps will be prepared in AutoCAD 2012 format. SWI will coordinate with the City Surveyor in regard to the information required to be shown on the survey. The topographic survey, including available rights-of-way and easement information will be used for the project design base drawings. The boundary survey is for confirmation of existing ROW monuments found and is not a complete boundary survey of the project parcels.

9. Preparation of Preliminary (60%) Design

SWI shall incorporate any alternative selections, changes, corrections and/or additions that result from the City's preliminary 30% plan review including those elements required by the City of Prescott CIP Design Submittal Requirements for a 60% submittal. The resulting set of plans will be submitted to the City as a 60% design, which will be reviewed by the City for additional adjustments and/or corrections. An updated cost estimate shall be included.

10. Preparation of Pre-final (90%) Plans, Specifications and Estimate for Submittal to City and Utility Companies

SWI shall incorporate any alternative selections, changes, corrections and/or additions that result from the City's preliminary 60% plan review including those elements required by the City of

Prescott CIP Design Submittal Requirements for a 90% submittal. The resulting set of plans will be submitted to the City and utilities as a 90% design, which will be reviewed by the City and utilities for additional adjustments and/or corrections. An updated cost estimate and the first submittal of the project specifications/special provisions shall be included.

11. Regulatory Agency Reviews

None are anticipated for this project other than the City of Prescott.

12. Preparation of Easement Legal Description and Map/Drawings

Existing right-of-way mapping – The City will provide existing right-of-way limits information for delineation on the plans as well as a listing of all City benchmarks, which are to be utilized on the project. SWI will verify the ROW and include the information on the project design base maps.

Legal Descriptions – SWI shall prepare up to two legal descriptions and exhibits for the acquisition of additional right-of-way parcels and or easements if required to construct the proposed improvements. SWI will obtain the pertinent title reports if required for new easement description preparation. The Engineer will not be required to negotiate with the pertinent property owners for the acquisition of any of the required right-of-way parcels/easements.

Final Easement Map (Record of Survey) - SWI will prepare a final easement map to show any new easements that are required. SWI will also stake the locations of new easements prior to meetings with the property owners.

Since the necessity for new easements and the quantity of descriptions required is unknown as of the date of this Exhibit A, the cost for this work, if necessary, will be determined after the 30% submittal and will be mutually agreed between SWI and the City. The work will be billed against the Contract Allowance included in the project contract amount.

13. Pre-final (90%) Design Meeting

SWI shall meet with the City to incorporate any final revisions or additional work required to generate the final (100%) plans and specifications.

14. Final Concept Stakeholder/Public Meeting

The final project plans will be distributed by SWI via email to the adjacent business managers to review the final design and understand the project. The City will meet with the business managers as necessary for coordination of the project. No public meetings will be conducted. This differs from the Design Deliverables portion of the RSOQ for task 14.

15. Preparation of Final (100%) Plans, Specifications, Design Report, Bid Schedule and Engineers Estimate

SWI shall prepare the final bid ready construction documents incorporating any final alternative selections, changes, corrections and/or additions that result from the City's preliminary 90% plan review meeting. The submittal will meet the requirements of the City of Prescott CIP Design Submittal Requirements for a Final submittal. The submittal will include final 3 mil Mylar reproducibles of the construction plans and a disk of the drawing files in AutoCADD.DXF format along with digital Microsoft Work/Excel files for the cost estimate, bid schedule and specifications. The City will prepare the formal contract documents bid package.

16. Construction Pre-Bid Meeting
SWI shall attend the construction phase Pre-Bid Meeting and prepare addenda as necessary for project design clarifications. The City will conduct the meeting and prepare the meeting agenda and minutes.

17. Pre-Construction Meeting
SWI shall attend the Pre-Construction meeting and address any design questions presented by the Contractor. The City will conduct the meeting and prepare the agenda and minutes.

18. Monthly Progress Meetings
The City and SWI will meet monthly or as requested during the design process to discuss the project status and any pertinent issues. Coordination meetings will continue for the duration of the project. The Design Phase meetings are included in task 1.0. Separate meetings with individual business or property owners are not anticipated except as noted in tasks 3 and 14 above.

19. Benchmarks
SWI will set sufficient temporary or permanent benchmarks to allow the project to be constructed in accordance with the design.

20. Provision of Post-Design Consultation Services
This task assumes the City will organize and chair all of the bid and construction phase meetings.

Miscellaneous Meetings & Site Observations – SWI will attend construction meetings and review the progress of the construction on an as-requested basis. Photo documented field reports will be prepared for each site visit to document the work that was observed. A total of 6 site visits are anticipated over the 12 week construction period for site visits, including substantial & final walkthrough and punch list preparation.

RFI's & Change Orders – The Engineer will respond to requests for information and change orders for up to 5 RFI's and 2 change orders.

Shop Drawing & Submittal Reviews – The Engineer will review and provide written comments for up to 5 total shop drawing and product submittals and re-submittals.

As-Built Plans & Field Surveys – As there are no new utilities anticipated for the project, SWI anticipates one final site visit for recording the as-built construction of the final curb grades, stormwater facilities inverts and grate elevations and other surface appurtenances. The contractor's as-built plans, SWI field survey and site observations will be utilized to prepare the final project As-Built plans for record. Final as-built Mylar reproducibles and digital files in AutoCAD 2010 format will be provided by SWI to the City at project closeout. SWI will also prepare the Engineers Certification of the project.

NOTE: Work hours estimated for "Bid & Construction Phase Services", inspections, construction site meetings, shop drawing reviews, as-built survey and responding to construction questions and concerns (RFI's) will not be exceeded without express written permission from the City of Prescott.

21. Meeting Minutes

SWI will prepare the agendas for and minutes of all design phase meetings over the course of the project duration. Pre-Bid, Pre-Construction and weekly Construction phase agendas and meeting minutes will be the responsibility of the Contractor or the City.

STANDARD OF CARE:

SWI shall be responsible to the level of competency and standard of care presently maintained by other practicing Professional Engineers performing the same or similar type of work at the time notice to proceed is issued. SWI and the City of Prescott mutually agree that standard of care, as applied to design professionals, shall be defined as the ordinary and reasonable care required and established by expert testimony of what a reasonable and prudent professional would have done under the same or similar circumstances.

OPINIONS OF COST:

SWI has no control over the cost of labor, materials, equipment, or services furnished by others, or over Contractor's methods of determining prices, or other competitive bidding or market conditions, practices, or bidding strategies. Cost estimates are based on SWI's opinion based on experience and judgment. SWI cannot and does not guarantee that proposals, bids, or actual project construction costs will not vary from cost estimates prepared by SWI.

END OF THE WALKER ROAD RECONSTRUCTION PROJECT
EXHIBIT A - SCOPE OF SERVICES

Prepared by: Shephard Wesnitzer, Inc.
Richard Aldridge, PE, MBA
Branch Manager
(with revisions by Eric Sparkman, SWI and Richard Aldridge through 5-22-14)

Attachments: SWI Cost Summary and Scope/Fee Spreadsheet – 5-22-14
SWI 2014 Rate Schedule
Walker Road planning exhibits, 3 pages

SUMMARY OF TASKS AND FEES - EXHIBIT A

PROJECT NAME: WALKER ROAD RECONSTRUCTION
DATE REVISED: May 22, 2014
SWI Project Number 12054

DESIGN PHASE		
SWI DESIGN PHASE SERVICES	$	43,265
SUBCONSULTANT DESIGN PHASE SERVICES	$	9,735
SUBTOTAL	**$**	**53,000**
CONTRACT ALLOWANCE @ 5% OF DESIGN PHASE SERVICES SUBTOTAL	$	2,650
REIMBURSABLE EXPENSES	$	750
TOTAL DESIGN PHASE SERVICES FOR WALKER ROAD RECONSTRUCTION PROJECT W/CONTRACT ALLOWANCE & SUBCONSULTANTS	**$**	**56,400**

BID & CONSTRUCTION PHASE		
SWI BID & CONSTRUCTION PHASE SERVICES	$	15,260
SUBTOTAL	**$**	**15,260**
CONTRACT ALLOWANCE @ 5% OF BID & CONSTRUCTION PHASE SERVICES SUBTOTAL	$	760
REIMBURSABLE EXPENSES	$	500
TOTAL BID & CONSTRUCTION PHASE SERVICES FOR FY2014 PAVEMENT RECONSTRUCTION PROGRAM W/CONTRACT ALLOWANCES	**$**	**16,520**

GRAND TOTAL - DESIGN, BID & CONSTRUCTION PHASE SERVICES WITH ALLOWANCES	**$**	**72,920**

ESTIMATED CONSTRUCTION COST - FY2014 CONSTRUCTION		
PAVEMENT RECONSTRUCTION - 1,800 LF @ 40' WIDE @ $55/SY	$	440,000
SIDEWALK, RAMPS, DRAINAGE ALLOWANCE AT 25%	$	110,000
SUBTOTAL	**$**	**550,000**
MISC CONSTRUCTION ITEMS/CONTINGENCY @ 20%	$	110,000
TOTAL ESTIMATED CONSTRUCTION COST	**$**	**660,000**

TOTAL ESTIMATED CONSTRUCTION COST - WALKER ROAD RECONSTRUCTION PROJECT	**$**	**660,000**

SWI ONLY DESIGN FEE AS A PERCENTAGE OF CONSTRUCTION COSTS	**6.56%**
SWI DESIGN FEE AS A PERCENT OF CONSTRUCTION COST, INCLUDING SUBCONSULTANTS	**8.03%**
SWI DESIGN FEE WITH SUBCONSULTANTS, CONTRACT ALLOWANCE AND REIMBURSABLES AS A PERCENT OF CONSTRUCTION COST	**8.55%**
CONSTRUCTION PHASE FEE W/CONTRACT ALLOWANCE AS A PERCENT OF CONSTRUCTION COST	**2.50%**
TOTAL DESIGN & CONSTRUCTION PHASE FEES AS A PERCENTAGE OF CONSTRUCTION COST	**11.05%**

PREPARED BY: SHEPHARD WESNITZER, INC.
Richard Aldridge, PE, MBA
Branch Manager

REVISED BY: SHEPHARD WESNITZER, INC.
Richard Aldridge, PE & Eric Sparkman, PE
Project Manager & Project Engineer

SWI Engineering

PROJECT NAME: WALKER RD RECONSTRUCTION
DATE PREPARED: APR 24, 2014
DATE REVISED: MAY 22, 2014
SWI Project Number 14039

PROJECT TASKS & HOURS - EXHIBIT A

		SWI STAFF HOURS									
		E-4	E-3	E-1	CADD Drafter	Survey Manager	Surveyor	Clerical	Total Man Hours	Total Labor Cost	Subtotals
No.	**Contract Task/Phase**										
		$155	$145	$115	$105	$120	$ 80	$ 55			
	PLANNING & DESIGN PHASE SERVICES - SWI TASKS										
1	**TASK 1.0 Kick-Off Meeting & Monthly Progress Meetings (from Task 18)**										
2	Includes typical administrative tasks, contract set up/insurance forms, and kick off meeting tasks	4							4	$ 620	
3	General Project Administration (meetings, minutes, agendas, correspondence, etc) - duration of project design	12		4					16	$ 2,320	
4											$ 2,940
5	**TASK 2.0 Design Schedule**										
6	Preparation of the detailed schedule, revisions, concurrence with City	2							2	$ 310	
7											$ 310
8	**TASK 3.0 Pubic Meetings**										
9	Email Coordination with Adjacent Business Managers - City to Conduct Individual Meetings with Managers	2							2	$ 310	
10											$ 310
11	**TASK 4.0 Preliminary Design Report and Preliminary Construction Cost Estimate**										
12	Preliminary Design report, project elements, costs	4		4					8	$ 1,080	
13	Preliminary Alignment Plan - On Aerial Photo Background (reduced scale, 1 sheet)			8					8	$ 920	
14											$ 2,000
15	**TASK 5.0 Utility Review**										
16	Coord with utilities, (2) RUCC meetings, surveyed bluestake marks, utility submittals	2		2					4	$ 540	
17											$ 540
18	**TASK 6.0 Utility Potholing**										
19	Add City Utility pothole information to the base design sheets, 8 locations			2					2	$ 230	
20											$ 230
21	**TASK 7.0 Geotechnical Investigation**										
22	Review N&M reports, boring logs, incorporation of recommendations into plans/reports	2		2					4	$ 540	
23											$ 540
24	**TASK 8.0 Preparation of Preliminary (30%) Design**										
25	Topographic & Boundary Verification Survey	1			8	8	30		47	$ 4,355	
26	Preliminary Plans - Cover, Details, Notes, P&P Sheets, Striping/Traffic Control, Erosion Protection (15+/- Sheet Set) + QA	4		80					84	$ 9,820	
27	Cost Estimates/Bid Schedule Format	8		4					12	$ 1,700	
28	Drainage Analysis/Memo	2		24					26	$ 3,070	
29	Draft Specifications - Not Required - Will submit at 90%								0	$ -	
30											$ 18,945
31	**TASK 9.0 Preparation of Preliminary (60%) Design**										
32	60% Preliminary Plans + QA	4	4	60					68	$ 8,100	
33	Cost Estimates/Bid Schedule Format	4							4	$ 620	
34											$ 8,720

SWI Engineering

PROJECT NAME: WALKER RD RECONSTRUCTION
DATE PREPARED: APR 24, 2014
DATE REVISED: MAY 22, 2014
SWI Project Number 14039

PROJECT TASKS & HOURS - EXHIBIT A

		SWI STAFF HOURS									
		E-4	E-3	E-1	CADD Drafter	Survey Manager	Surveyor	Clerical	Total Man Hours	Total Labor Cost	Subtotals
No.	**Contract Task/Phase**										
		$155	$145	$115	$105	$120	$ 80	$ 55			
35	**TASK 10.0 Preparation of Pre-final (90%) Plans, Specifications and Estimate for Submittal to City and Utility Companies**										
36	90% Preliminary Plans + QA	2		32					34	$ 3,990	
37	Cost Estimates/Bid Schedule Format	2		2					4	$ 540	
38	Specifications	4							4	$ 620	
39											$ 5,150
40	**TASK 11.0 Regulatory Agency Reviews - None Anticipated**										
41	Regulatory Agency Reviews	0		0					0	$ -	
42											$ -
43	**TASK 12.0 Preparation of Easement Legal Descriptions and Map/Drawings**										
44	Preparation of Legal Descriptions and Map/Drawings - INCLUDED IN CONTRACT ALLOWANCE	0		0					0	$ -	
45											$ -
46	**TASK 13.0 Pre-Final (90%) Design Meeting**										
47	Review meeting with City Staff to incorporate any final City requested revisions	2							2	$ 310	
48											$ 310
49	**TASK 14.0 Final Stakeholder/Public Meeting (Public Meeting not Anticipated)**										
50	Email plan distribution to Adjacent Businesses Managers - City to conduct all individual meetings	1		1					2	$ 270	
51											$ 270
52	**TASK 15.0 Preparation of Final (100%) Plans, Specifications, Design Report, Bid Schedule and Engineers Estimate**										
53	FINAL PLANS + QA	2		16					18	$ 2,150	
54	FINAL Cost Estimates/Bid Schedule	2		2					4	$ 540	
55	FINAL Specifications	2							2	$ 310	
56											$ 3,000
57										CHECK	
58	**TOTAL SWI LABOR HOURS & FEE - DESIGN**	**68**	**4**	**243**	**8**	**8**	**30**	**0**	**361**	$ 43,265	**$ 43,265**
59											
60	**SUBCONSULTANTS**								**FEE**	**10% SWI**	**TOTAL FEE**
61	**N&M for Geotechnical Investigations (8 borings and report preparation/meetings)**								$ 7,500.00	$ 750.00	**$ 8,250**
62	**MuleServices for Private Bluestake**								$ 1,350.00	$ 135.00	**$ 1,485**
63											**$ 9,735**
64											
65	**SUBTOTAL DESIGN PHASE SERVICES**										**$ 53,000**
66	**Contract Allowance @ 5% of Design Fee Subtotal**										**$ 2,650**
67	**Reimbursable Expenses Allowance**										**$ 750**
68											
69	**TOTAL DESIGN PHASE SERVICES WITH CONTRACT ALLOWANCE AND REIMBURSABLES**										**$ 56,400**
70											
71											
72											
73											

SWI Engineering

PROJECT NAME: WALKER RD RECONSTRUCTION
DATE PREPARED: APR 24, 2014
DATE REVISED: MAY 22, 2014
SWI Project Number 14039

PROJECT TASKS & HOURS - EXHIBIT A

		SWI STAFF HOURS									
		E-4	E-3	E-1	CADD Drafter	Survey Manager	Surveyor	Clerical	Total Man Hours	Total Labor Cost	Subtotals
No.	**Contract Task/Phase**										
		$155	$145	$115	$105	$120	$ 80	$ 55			
74											
75	**POST DESIGN PHASE SERVICES - SWI TASKS**										
76	**TASK 16 Construction Pre-Bid Meeting**										
77	Attend Pre-Bid Conference	2							2	$ 310	
78	Prepare Addenda (up to 2)	4		4					8	$ 1,080	
79											$ 1,390
80	**TASK 17 Pre-Construction Meeting**										
81	Attend Pre-Construction Conference	4							4	$ 620	
82											$ 620
83	**TASK 18 Monthly Progress Meetings (Design Meetings included in Task 1.0)**										
84	Attend Monthly Progress Meetings during Construction (on call)	4							4	$ 620	
85											$ 620
86	**TASK 19 Benchmarks**										
87	Set temporary and permanent benchmarks for construction					2	2		4	$ 400	
88											$ 400
89	**TASK 20 Post-Design Consultation Services**										
90	Misc Construction Observations, Inspection Report Preparation (12 weeks)	6		24					30	$ 3,690	
91	Shop Drawing Reviews (up to 5) & Respond to RFI's (up to 5 RFI's)	4		8					12	$ 1,540	
92	Change Order Preparation (up to 2)	4		8					12	$ 1,540	
93	As-built Survey - One trip to the site for Verification of Elevations & Data Processing					4	16		20	$ 1,760	
94	Prepare Record Drawings & Final Certification/Close Out	4		16					20	$ 2,460	
95	Construction General Administration	8							8	$ 1,240	
96											$ 12,230
97	**TASK 21 Meeting Minutes**										
98	Prepare Meeting Minutes for all Design Phase meetings - the fee for this task is included in the Design Phase Budget - Contractor/City shall prepare construction phase meeting agendas and minutes								0	$ -	
99											$ -
100	**BID AND CONSTRUCTION PHASE SERVICES SUMMARY**									CHECK	
101	**TOTAL SWI LABOR HOURS & FEE - BID & CONSTRUCTION PHASE**	**40**	**0**	**60**	**0**	**6**	**18**	**0**	**124**	$ 15,260	**$ 15,260**
102	**Contract Allowance @ 5% of Bid & Construction Phase Subtotal**										**$ 760**
103	**Reimbursable Expenses Allowance**										**$ 500**
104											
105	**TOTAL CONSTRUCTION PHASE SERVICES WITH CONTRACT ALLOWANCE AND REIMBURSABLES**										**$ 16,520**
106											
107	**TOTAL FOR DESIGN, BID AND CONSTRUCTION PHASE SERVICES**										**$ 72,920**

SHEPHARD-WESNITZER, INC. - 2014 HOURLY RATES

STANDARD RATE SCHEDULE

E-5	PRINCIPAL ENGINEER	$185/HOUR
E-4	ENGINEER 4	$155/HOUR
E-3	ENGINEER 3	$145/HOUR
E-2	ENGINEER 2	$130/HOUR
E-1	ENGINEER 1	$115/HOUR
EIT-4	ENGINEER IN TRAINING	$100/HOUR
EIT-3	ENGINEER IN TRAINING	$90/HOUR
EIT-2	ENGINEER IN TRAINING	$85/HOUR
EIT-1	ENGINEER IN TRAINING	$80/HOUR
CADD-4	CADD DESIGNER	$105/HOUR
CADD-3	CADD DESIGNER	$95/HOUR
CADD-2	CADD DESIGNER	$85/HOUR
CADD-1	CADD DESIGNER	$75/HOUR
CAD-4	CAD DRAFTER	$80/HOUR
CAD-3	CAD DRAFTER	$70/HOUR
CAD-2	CAD DRAFTER	$60/HOUR
CAD-1	CAD DRAFTER	$50/HOUR
A-1	CLERICAL	$55/HOUR
RLS	REGISTERED LAND SURVEYOR, SURVEY MANAGER	$120/HOUR
RLSPC	REGISTERED LAND SURVEYOR, PARTY CHIEF	$105/HOUR
LSIT	LAND SURVEYOR IN TRAINING, PARTY CHIEF	$100/HOUR
NRL	NON-REGISTERED LAND SURVEYOR, PARTY CHIEF	$80/HOUR
T-4	CONSTRUCTION INSPECTION TECHNICIAN	$105/HOUR
T-3	PROJECT COORDINATOR	$90/HOUR
	MARKETING DIRECTOR	$75/HOUR
	GIS COORDINATOR	$95/HOUR
	INSTRUMENT PERSON	$80/HOUR
	GPS RECEIVER	$30/HOUR PER RECEIVER
	ROBOTIC TOTAL STATION	$25/HOUR
	ARCHIVE FILE RESEARCH	$55/HOUR, 1 HOUR MINIMUM

OUTSIDE SERVICES……...COST + 10%

PRINTS

BOND	$2.75EACH
VELLUMS	$5.00EACH
MYLAR	$6.00EACH

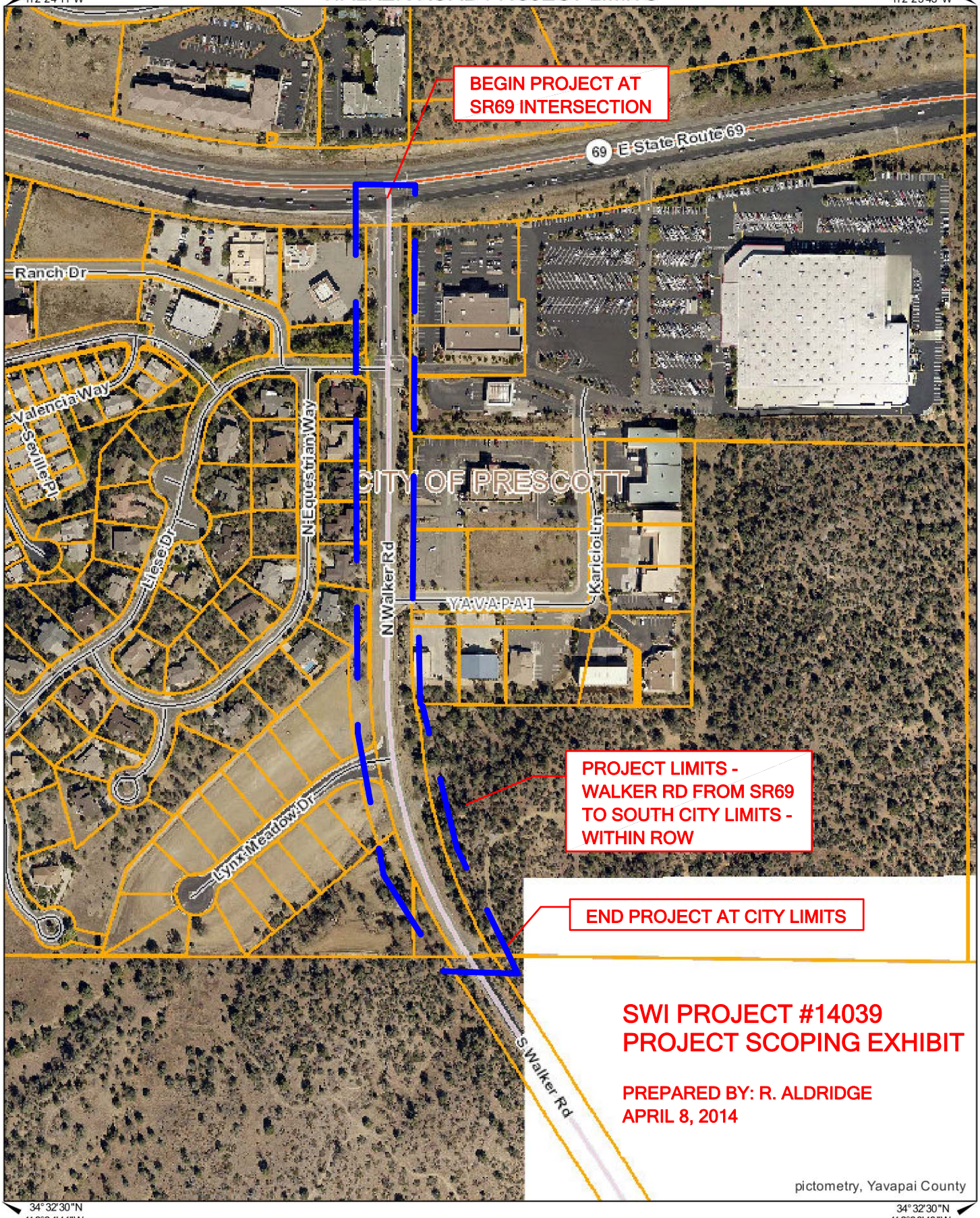
PLOTS

BOND	$5.00EACH
VELLUM	$10.00EACH
MYLAR	$10.00EACH
COLOR PLOTS/BOND	$15.00EACH
XEROX	$.09EACH
CD'S	$5.00EACH
MILEAGE	$.65 PER MILE

FOR ANY AND ALL SERVICES RELATED TO LITIGATION OR OTHER LEGAL PROCEEDINGS TWO TIMES OUR STANDARD RATES

WORK OUTSIDE NORMAL BUSINESS HOURS WILL BE CHARGED AT 1½ TIMES HOURLY RATE. PAYMENT IS DUE UPON RECEIPT OF MONTHLY BILLINGS AND INVOICES ARE DELINQUENT THIRTY (30) DAYS AFTER DATE OF INVOICE. WORK IN PROGRESS WILL BE BILLED MONTHLY FOR PORTIONS COMPLETED AND UPON JOB COMPLETION FOR FINAL BALANCE. IF PAYMENTS ARE NOT MADE IN FULL PRIOR TO DELINQUENCY, THE CLIENT AGREES TO PAY INTEREST ON THE UNPAID AMOUNT AT THE RATE OF 2% PER MONTH FROM DELINQUENCY DATE. ALL PAYMENTS RECEIVED SHALL FIRST BE CREDITED TO PAYMENT OF INTEREST, AND THEN TO THE PRINCIPAL BALANCE

WALKER ROAD PROJECT LIMITS



SWI PROJECT #14039
PROJECT SCOPING EXHIBIT

PREPARED BY: R. ALDRIDGE
APRIL 8, 2014

pictometry, Yavapai County

Disclaimer:
Map and parcel information is believed to be accurate but accuracy is not guaranteed. No portion of the information should be considered to be, or used as, a legal document. The information is provided subject to the express condition that the user knowingly waives any and all claims for damages against Yavapai County that may arise from the use of this data.

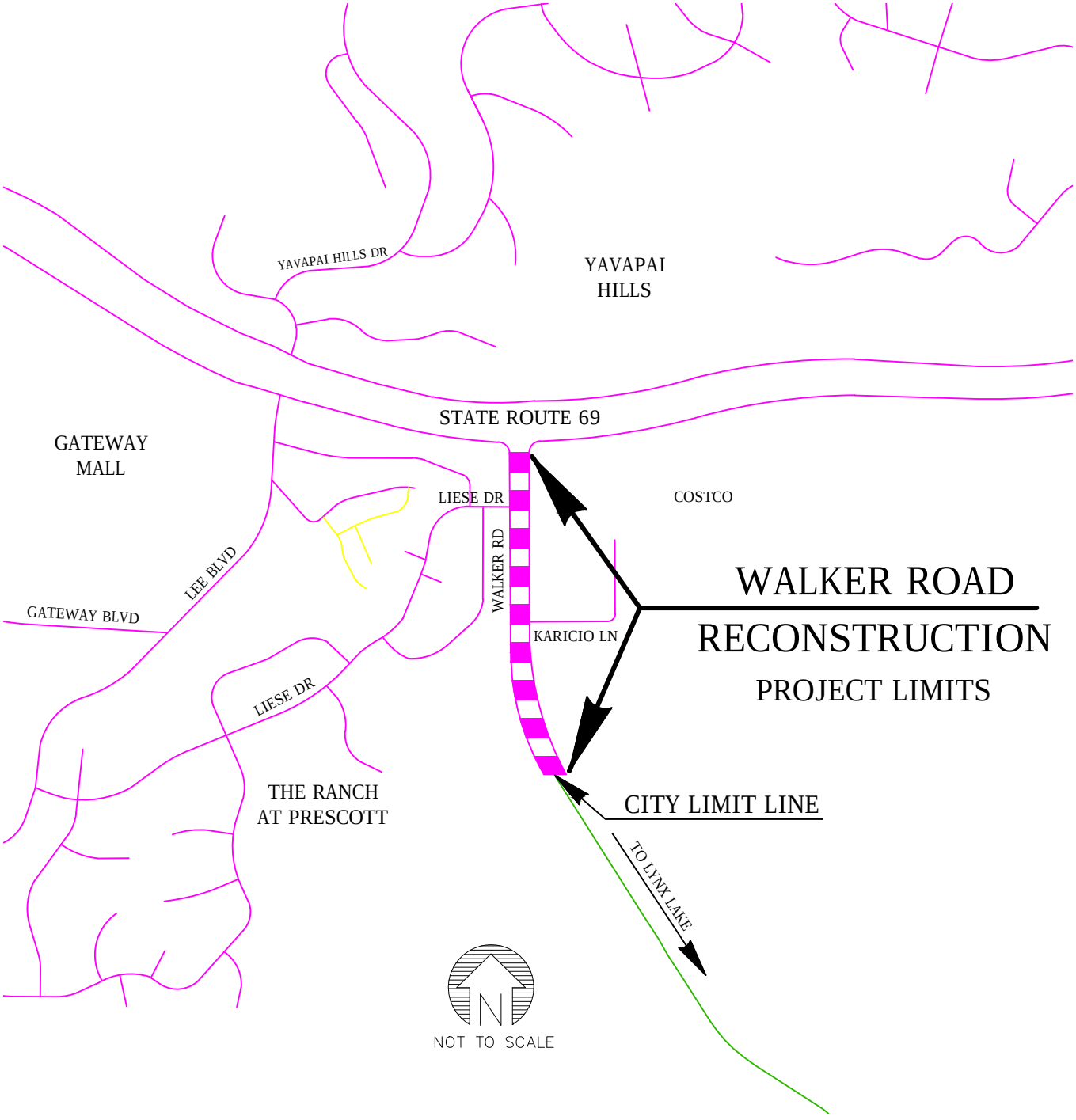
0 0.0375 0.075 0.15 Miles
0 0.05 0.1 0.2 Kilometers

N

1:4,500

Yavapai County assumes no responsibility for errors, omissions, and/or inaccuracies in this mapping product.

Map Created 4/8/2014



VICINITY MAP

WALKER ROAD RECONSTRUCTION PROJECT

CITY OF PRESCOTT - PUBLIC WORKS DEPARTMENT

CITY OF PRESCOTT
Everybody's Hometown

COUNCIL AGENDA MEMO

MEETING DATE/TYPES: VOTING SESSION 7-8-14

DEPARTMENT: Public Works

AGENDA ITEM: Approval to purchase two (2) SolarBee SB10000 v18 Solar Powered Pond Circulation Units from Medora Corporation of Dickenson, North Dakota, in the amount of $118,776.45 (City Contract No. 2015-002, Wastewater Fund)

Approved By:		**Date:**
Director:	Hash, Henry	06/25/2014
City Manager:	McConnell, Craig	06/26/2014

Item Summary

This item is for approval to purchase two (2) solar powered circulation units for the Sundog Wastewater Treatment Plant Effluent Storage Ponds.

Background

The Sundog Wastewater Treatment Plant utilizes two open ponds to store treated effluent prior to being conveyed for reuse or recharge. The lined effluent ponds were originally constructed in 1989, and then modified in 2002 to accommodate the construction of SR 69 & 89 Connector - Prescott Lakes Parkway.

Open effluent storage ponds are susceptible to algae growth. Toxic algae blooms produce offensive odors, blockages in pumps, buildup of decaying organic material, negatively impacting effluent quality, and are aesthetically unpleasant.

Since August 1, 2008, a total of 1,305 hours have been expended on Effluent Pond Maintenance to remove algae, clean discharge screens, and repair pumps. In 2012, an effluent delivery pump failed due to algae buildup on the suction screen, resulting in a repair cost of $9,724.00.

The use of solar powered circulation units in effluent storage ponds has been well established to improve water quality by reducing organic material, biochemical oxygen demand, and total suspended solids, inhibiting algae growth, eliminating offensive odors and preventing damage to effluent delivery equipment. City personnel have visited other agencies to observe the circulation units in operation and to obtain feedback from an

operations and maintenance perspective with favorable results.

Public Works included funding of $150,000.00 in the FY14 budget for a capital improvement project to remove the buildup of organic material in the bottom of the ponds. However, this would only provide a short-term solution. Instead of expending $150,000.00 for a short-term solution, the use of solar powered circulation units will provide a more efficient outcome by using green energy to provide a long-term solution costing less.

Bid Results

Two bids were received from Medora Corporation, Dickenson, North Dakota.

- SolarBee SB10000 v18 - $118,776.45
- SolarBee SB5000 v18 - $102,798.22

(The SB5000 v18 model did not meet the minimum flow rate required in the specifications.)

The equipment comes with a 2-year parts and labor warranty, 10-year motor warranty and 25-year photovoltaic warranty. A 25-year equipment life is expected with minimal maintenance impact.

Delivery and Installation

The equipment will be delivered within 70 days upon order. Delivery and installation by factory representatives is included in the bid.

Financial Impact

The FY 2015 Wastewater budget includes $150,000 for this equipment.

Attachments

1. Medora Corporation Bid
2. Sundog Effluent Ponds – Location Map

Recommended Action: MOVE to approve the purchase of two (2) SolarBee SB10000 v18 Solar Powered Pond Circulation Units from Medora Corporation in the total amount of $118,776.45 (City Contract No. 2015-002).

Form B – Price Sheet

Item	Quantity		
Solar Powered Pond Circ Equip	2	Unit Price $ 55,476.50	Total $ 110,953.00

Subtotal	$ 110,953.00
Tax	$ 7,823.45
Total	$ 118,776.45*

*** Includes Freight**

Delivery after receiving individual orders: 42-70 **days (not to exceed 120 days)**
@1500 Sundog Ranch Road, Prescott, AZ 86301

Payment Terms: Net 30

Medora Corporation
Company

Willard Tormashy
Name (Printed)

Willard Tormashy
Signature

Corporate Secretary
Title

Dated this 20th **day of** May **2014**

GridBee® SolarBee®
Medora Corporation

Main Office and Service Center
Medora Corporation • 3225 Hwy 22 • Dickinson, ND • 58601
(701) 225-4495 • Fax (701) 225-0002 • www.medoraco.com

Projects of Similar Scope

In addition to the references below, Medora Corporation has installed over 800 machines in fresh water applications (including raw water and lakes), over 1000 in wastewater applications (including industrial wastewater and reuse water), and over 1200 in potable water applications.

Facility Owner	Description	Facility Location(s)	Project Manager	Facility Owner Telephone Number	Install Date
Heber Valley Special Service District, Utah	(4) SB5000 v12	Irrigation Ponds	Scott Wright, Plant Manger	435-654-2248	July 2006 Aug 2007
Big Bear Area Regional Wastewater Agency, California	(1) SB4000	Reuse Water Pond	Joe Hanford, Plant Superintendent	909-584-4520	April 2004
City of Colstrip, Montana	(1) SB10000	Colstrip Effluent Storage Pond	Bryan Swan, Public Works Director	406-748-2300, Ext 5	Aug 2002
Trinity Bay Conservation District, Texas	(1) SB1000DM v12 (2) SB10000 v18	Winnie Stowell Wetlands	David Hoyt, Operations Manager	409-267-3111	Jan 2005 Sept 2011
Village of St. Henry, Ohio	(3) SB10000 v12 (4) SB5000 v12	St. Henry WWTP	Stan Sutter, Chief Operator	419-678-4977	Sept 2006
Exeter Public Works Department, New Hampshire	(6) SB10000 v12	Exeter WWTP	Scott Butler, Chief Operator	603-773-6168	Feb 2006
City of Perry, Michigan	(1) SB10000DM v18 (1) SB10000DM v12 (2) SB10000U80	Perry WWTP	Chuck Mudge, Director	517-625-4500	Oct 2003 Dec 2006 Oct 2011
City of Iola, Kansas	(11) SB10000DM v12	Iola WWTP	Toby Ross, Wastewater Superintendent	620-365-4940	May 2009
Village of North Branch, Michigan	(1) SB4000 v12 (1) SB1250 v12	North Branch WWTP	Ron Seaman, Operator	810-688-4521	Aug 2004 May 2005
City of Rochester, New Hampshire	(5) SB10000 v12 (3) GF10000	Rochester WWTF	David Green, Chief Operator	603-332-8950	Mar 2006 July 2013
City of Superior, Wisconsin	(4) SB5000 v12	CSO Pond	Mark Simmonds, Manager	715-394-0392	July 2008
Town of Pittsfield, New Hampshire	(2) SB10000 v12	Pittsfield WWTP	Ronald Vien, Wastewater Superintendent	603-435-8857	Mar 2006

SolarBee®

Circulating the World's Water

SB10000 v18 FEATURES

Technology Description:	Floating, solar powered, circulation equipment for wastewater treatment and freshwater applications. Day/night operation on solar only by utilizing a battery to store excess daytime energy for nighttime operation.
Flow Rates:	*Flow rates at full speed at 10 feet (3 meter) diameter.*
Direct Flow Rate - Day	3,000 gallons per minute, (12,000 Liters per minute).
Induced Flow Rate - Day	7,000 gallons per minute. (26,000 Liters per minute).
Combined Flow Rate - Day	10,000 gallons per minute. (38,000 Liters per minute).
Combined Flow Rate - Night	10,000 gallons per minute (38,000 Liters per minute).
Machine Size/Weight:	Assembled machine is 16 feet (5m) in diameter and weighs 850 pounds (380kg).
Shipping Size/Weight:	Machine can be crated and shipped in a 87 inch (2.2 m) wide X 87 inch (2.2 m) long X 65 inch (1.7 m) high crate, estimated shipping weight is 1500 pounds (680 kg). Hose lengths greater than 40 ft (6 m) may require additional crating.
Materials of Construction:	316 stainless steel construction. Foam-filled high-density polyethylene (HDPE) floats. Thermoplastic rubber intake hose. HDPE strainer. Concrete mooring blocks are encapsulated in HDPE.
Drive System:	High torque, direct drive (no gearbox), low voltage brushless D.C. motor.
Power Supply/Control System:	*PV solar panels are protected from bird fouling with bird deterrent kit.*
PV Solar Panels	3 X 80-watt photovoltaic solar panels orientated in triangular pattern. On-board battery storage for day/night operation.
Electronic Controller	Digital solid-state controller, mounted in weather-tight (NEMA 4X) enclosure with externally fused disconnect. SCADA output through RS-232 serial communication (Modbus RTU), DB9 male connection point inside enclosure. Wireless options available, not included.
Wiring	Corrosion-resistant industrial cord with molded watertight connectors that are indexed to prevent improper wiring.
Rotating Assembly:	Removable assembly with easy access to motor and digital controller. Impeller handles 4-inch (10 cm) spherical solids. Oil-filled (food grade) teflon freeze sleeve with o-rings, shaft. Rotational indicator on shaft.
Flotation System:	Three floats in triangular pattern each with an adjustable float arm for proper vertical positioning, total float buoyancy of 1,200 pounds (550kg).
Fluid Intake Assembly - Option 1:	*Hose system bolted to bottom of structural assembly.*
Hose System	10 to 100 feet (3 to 30.5 meters) available in 36 inch (91 cm) diameter X 10, 15, or 20 feet (3, 4.5, 6 meter) sections.
Intake Type	Horizontal plate with 12-inch (31 cm) openings.
Intake Depth Adjustment	15 feet (4.5 m) of field adjustment with three SS chains connected to hose coupling.
Fluid Intake Assembly - Option 2:	Fixed horizontal plate bolted to bottom of structural assembly.
Intake Type	Fixed horizontal plate with 12-inch (31 cm) openings.
Intake Depth Adjustment	No adjustment necessary. Horizontal inflow from 25 in (64 cm) below distribution dish.
Fluid Intake Assembly - Option 3:	*See SB10000DM v18 Dual Mix Features Sheet.*
Anchoring:	(1) Two mooring blocks tethered together with SS chain and attached to structural member on unit or (2) Tethered to shore with SS cable.
Ice Protection:	Freeze sleeve and positive pumping under distribution dish to maintain circulation.
Minimum Operating Depth:	31 inches (0.8 m) with fixed horizontal plate. No damage to machine or bottom of reservoir when run dry in shallow water.
Accessories Available:	(1) Supplemental Shore Power Kit, (2) Chemical Injection Kit, (3) Marker Light Kit
Life/Maintenance/Warranty:	Expect 25-year life, minimal maintenance. Limited 2-year parts and labor warranty. Limited 25 year photovoltaic module manufacturer performance warranty and 10 year motor warranty.

Patent Pending

Subject to change without notice.

Medora Corporation • 3225 Hwy 22 • Dickinson, ND 58601
+1 866 437 8076 • Ph +1 701 225 4495 • Fax +1 701 225 0002 • www.medroaco.com
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SolarBee®

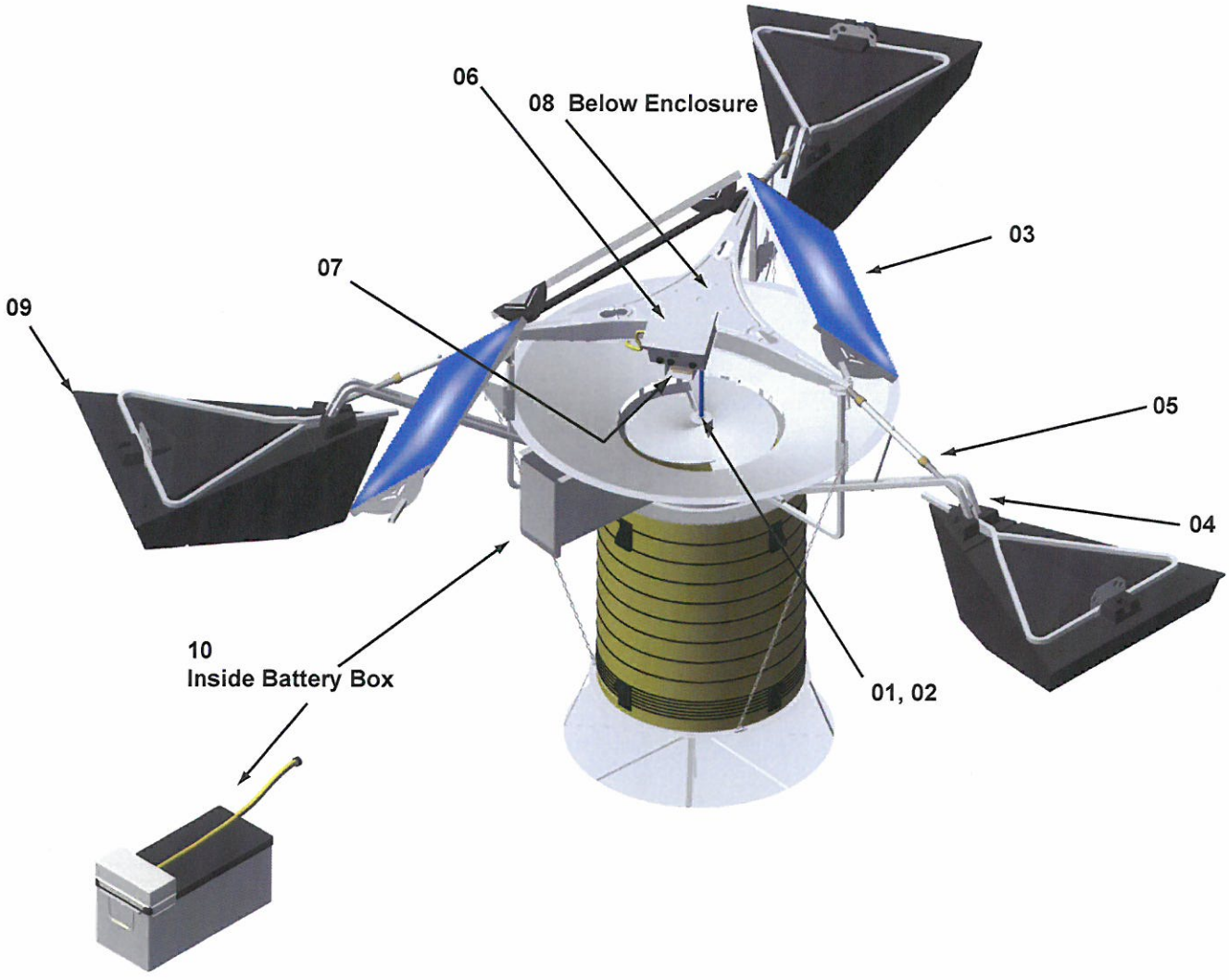
Circulating the World's Water

Main Office and Service Center
SolarBee, Inc.
3225 Hwy 22, Dickinson, ND 58601
Ph +1 701 225 4495 • +1 866 437 8076 • Fax +1 701 225 0002

PARTS DIAGRAM

NO.	PART #	DESCRIPTION
01	22281100	ROTATING ASSEMBLY
02	22010027	LOWER COUPLING SLEEVE
03	14283080	SOLAR PANEL (WIRED)
04	18260225	FLOAT ARM ASSEMBLY
05	18265000	TURNBUCKLE ASSEMBLY
06	14300000	DIGITAL CONTROLLER
07	14013020	MOTOR CONTROL CORD
08	20504500	BRUSHLESS MOTOR
09	24010100	FLOAT
10	14285212	BATTERY

SB10000 v18



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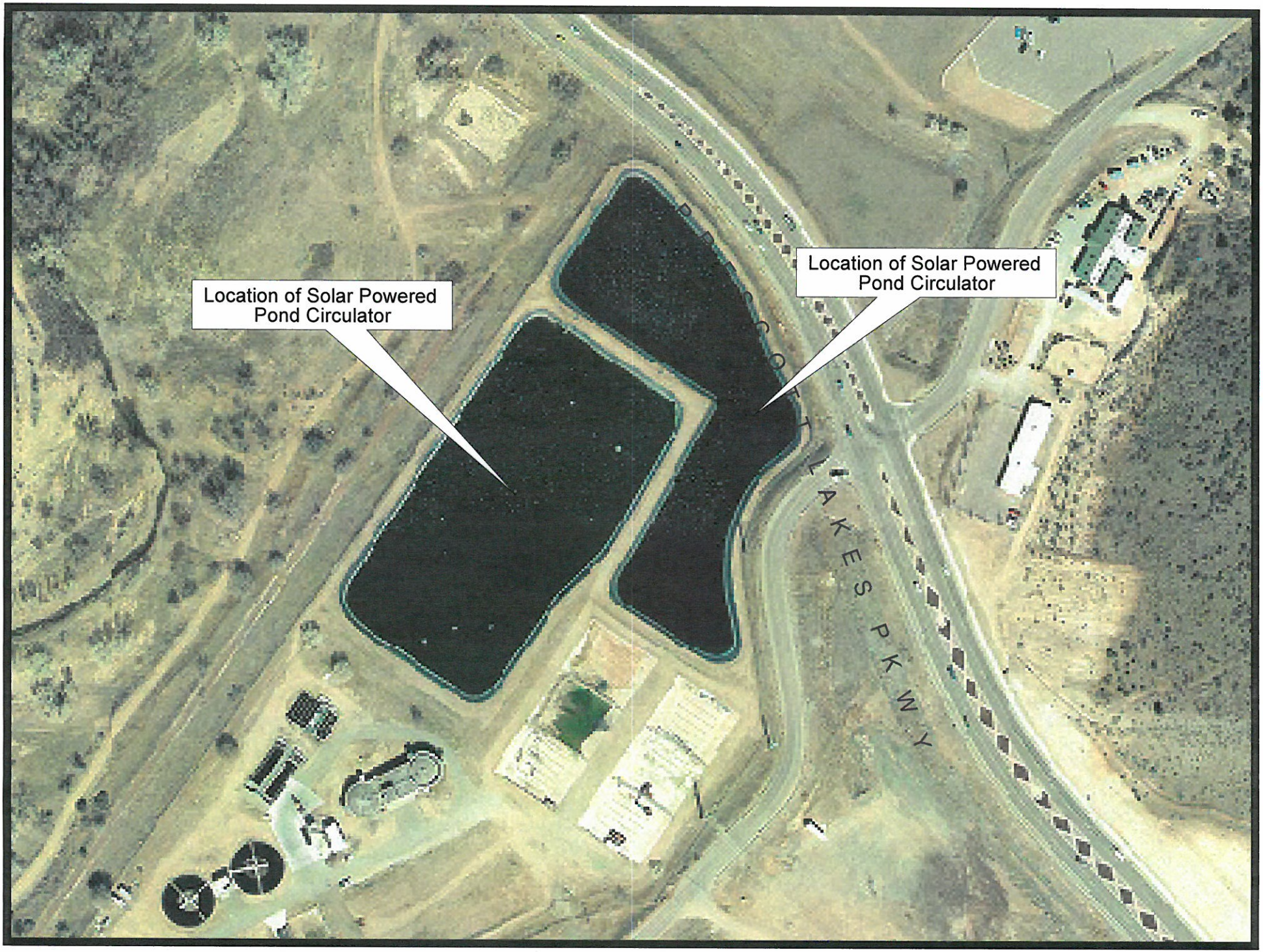
Location of Solar Powered Pond Circulator
Location of Solar Powered Pond Circulator
LAKES PKWY

CITY OF PRESCOTT
Everybody's Hometown

COUNCIL AGENDA MEMO

MEETING DATE/TYPES: VOTING SESSION 7-8-14

DEPARTMENT: Public Works

AGENDA ITEM: Approval of a professional services agreement with Southwest Ground-water Consultants, Inc., for remediation of an underground fuel storage tank site at the Old City Yard on North Mount Vernon Avenue in an amount not to exceed $306,573.00 (City Contract No. 2015-004)

Approved By:		**Date:**
Director:	Hash, Henry	06/25/2014
City Manager:	McConnell, Craig	06/26/2014

Item Summary

This item is to approve a contract with Southwest Ground-water Consultants, Inc. (SGC), Prescott, AZ, to provide continued remediation of petroleum compounds released from two underground fuel storage tanks that were removed from the City Yard in 1989. The remediation is based on a new Corrective Action Plan (CAP) required by the Arizona Department of Environmental Quality (ADEQ) as described in the Corrective Action Plan (CAP) revision letter, dated March 31, 2014. The project is required by ADEQ and is subsequent to an approved and completed CAP contract which passed Council on April 10, 2012. The project objective is to continue to reduce petroleum compounds in the ground and obtain case closure from ADEQ for removal of the tanks and remediation of the site.

Background

A number of procedural activities have occurred since the City first reported releases from the Underground Storage Tanks (USTs) to the ADEQ in 2001. The City previously contracted with SGC for various professional services to meet the requirements of a Consent Order issued and signed for site investigation and development of a CAP. SGC submitted a preliminary CAP to ADEQ on June 29, 2005. Approval of the preliminary CAP by ADEQ was granted on May 14, 2009. The approved preliminary CAP required “initial sampling” prior to beginning the actual remediation process to verify current conditions and to determine if any time-dependent lowering of contamination levels has occurred (natural attenuation) since the original site characterization. SGC performed the “initial sampling” on June 30, 2011, and provided the results in a report dated July 28, 2011.
With completion of “initial sampling”, the City requested a proposal from SGC in February,

2012, to satisfy the conditions of the CAP and to perform the remediation. Council authorized the proposal on April 10, 2012.

Treatments progressed through 2013 until it became clear that remediation was not being achieved. After a thorough analysis of the extraction and testing data, it became evident that two main factors were affecting satisfaction of the remediation targets:

- The high water levels created by the above-average monsoon during Summer, 2013, rendered the remediation pumping unproductive.
- Another point source under the floor of the Old Shop not previously located, was contributing to the contamination (source unknown).

In order to establish where the additional point source was located, the City authorized SGC on September 6, 2013, to install an additional twelve (12) soil gas sampling points in the Old Shop floor. This was successful in locating a new point source near the center of the building. In order to treat this new point source an additional extraction well would need to be drilled through the Old Shop floor.

Based on the new exploratory work in the Old Shop, plus the sample and testing data collected from nineteen (19) extraction events, a final report was sent to ADEQ on December 26, 2013, which contained a request of CAP modification. The CAP modification requested a change in extraction times to shift pumping to the driest time of the year, and authorization to drill an additional extraction well in the Old Shop. ADEQ responded to the CAP modification with a letter dated March 31, 2014, containing the following scheduling requirements:

- By May 31, 2014, complete the installation of the new Mobile Dual Phase Extraction (MDPE) well. (This was completed on May 2, 2014).
- By June 1, 2014, begin implementation of the twelve further MDPE treatment events, as proposed. (Treatments began June 6, 2014, however the amount previously budgeted was insufficient to support the new treatment plan.)
- By December 31, 2014, complete the last of the twelve MDPE treatment events. Note that for any delay encountered as a result of elevated water table conditions, COP must extend the overall implementation schedule by the amount of time required by the delay. COP will fully inform ADEQ in writing of all scheduling delays.
- By March 15, 2015, submit a periodic site status report pursuant to the approved reporting schedule under revision #4.

In keeping with the new CAP modification schedule, the remaining funds in the contract were allocated to drilling the new extraction well and funding Mobile Dual Phase Extraction (MDPE) treatments into the first week of July 2014. The contract must be extended in order to implement the approved CAP pursuant to the above schedule.

Agenda Item: Approval of a professional services agreement with Southwest Ground-water Consultants, Inc., for remediation of an underground fuel storage tank site at the Old City Yard on North Mount Vernon Avenue in an amount not to exceed $306,573.00 (City Contract No. 2015-004)

On June 10, 2014, Southwest Ground-water Consultants, Inc., submitted the attached Scope of Work and proposal, to continue the treatments. The scope of work will be an attachment to the City Standard Professional Services Contract form. The Scope of Work fulfils ADEQ requirements to conduct 9 MDPE events through 2014. If the treatments are successful, the contract will need to be extended to include analysis and reporting for passive monitored natural attenuation (MNA) remediation which will cost an additional amount estimated at $81,000.00.

If sufficient fuel constituent reduction is not obtained, ADEQ will require an additional 12 MDPE events for year 2015. This contract includes funding for the additional 12 MDPE events. Southwest Ground-water Consultants, Inc., was selected for completion of this project due to their prior involvement with the initial phases of the project and particular expertise in environmental groundwater remediation.

Project Schedule Estimate

Notice to Proceed	July 2014
Complete Initial Extraction Period	December 2014
Complete Additional Extraction (if required by ADEQ)	January 2016

Financial Impact

Funding for these services has been budgeted in the Water, Wastewater, and Streets Funds with a total of $231,946 in FY 2015, and $180,000 in FY 2016. (The secondary possible extraction period would not occur until FY 2016.) All of these industrial functions were previously located at the Old City Yard.

Attachments

1. ADEQ Corrective Action Plan
2. Scope of Work
3. UST Location Map

Recommended Action: MOVE to approve a professional services agreement with Southwest Ground-water Consultants, Inc., to provide Underground Storage Tank site remediation and long-term well monitoring at the Old City Yard, in an amount not to exceed $306,573.00 (City Contract No. 2015-004).

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

1110 West Washington Street • Phoenix, Arizona 85007
(602) 771-2300 • www.azdeq.gov

Janice K. Brewer
Governor

Henry R. Darwin
Director

CERTIFIED MAIL
Return Receipt Requested
AN – 7007 1490 0000 4490 4218
March 31, 2014

Mr. Bruce Canavan, P.E.
Civil Utilities Engineer
City of Prescott Public Works Department
430 N. Virginia Street
Prescott, AZ 86302

RE: Proposed Corrective Action Plan Revisions:
LUST File #0819.01, & .02
Facility ID #0-000774
Old City Shop
500 N. Mt. Vernon St., Prescott, AZ

Dear Mr. Canavan:

The Arizona Department of Environmental Quality (ADEQ) has completed a review of your January 16, 2014 letter (your letter) in which you request ADEQ approval for several proposed revisions to the December 26, 2005 corrective action plan (the CAP) for the referenced site. There appear to be a total of five proposed, and you indicate that all are deemed necessary by City of Prescott (COP) in order to further address the site's groundwater contamination.

According to your letter, the referenced releases also resulted in a secondary source for continued groundwater contamination at the site. You indicate that this contaminant source and its location beneath the site's shop floor were recently confirmed during a soil gas investigation, that this source was essentially unaddressed by the mobile dual phase extraction (MDPE) efforts completed under the CAP and that your proposed revisions are designed to also address this source.

In your letter, you recommend that ADEQ refer to the December 26, 2013 periodic site status report (the PSSR) submitted by Southwest Ground-water Consultants, Inc. (SGC) for additional details concerning the revisions proposed in your letter. Please note that ADEQ reviewed that report for the details as well as the November 15, 2013 SGC report titled *Soil Gas Sampling* (the soil gas sampling report). Both reports were also utilized by ADEQ to prepare this response.

ADEQ notes that the five revisions, as described in your letter and the PSSR, do not also identify the existing sections under the CAP that would be subject to them. Consequently, ADEQ assumes from the available information that COP is proposing the following as revisions to the CAP:

1) Under Section 6.3.5 (*Intermediate Term Performance Goals*), replace the goal therein (i.e., cumulative mass of benzene removed in the vapor during MDPE reaches approximately 9.4 pounds) with the new "Intermediate Performance Goal" stated as: "The proposed goal is

attainment of stable or declining benzene levels in ground water per MNA program entry requirements."

2) Under Section 6.3.2 (*System Components*), add the provisions necessary for the adequate "construction of a new [MDPE] extraction well in this area, prior to conducting continuing [MDPE] treatment events," thereby increasing the total number of MDPE extraction monitor wells to be utilized under the CAP to four (i.e., monitor wells *MW-1*, *MW-2*, *MW-3* and the new MDPE extraction well).

3) Under Section 6.3.3 (*Implementation*), add twelve further MDPE treatment events to be conducted at all extraction monitor wells on a twice-per-month schedule during the specific months of June, July, September, October, November and December of 2014, under the condition that COP be allowed to reschedule any treatment event, if at the scheduled time for such event, the water table elevation at monitor well *MW-2* is determined to be at an elevation above 5314 feet above mean seal level.

4) Under Section 6.5 (*Periodic Monitoring, Sampling and Reporting*), revise the periodic twice-per-year reporting schedule of May 1 to October 31 (associated PSSR due by December 15) and November 1 to April 30 (associated PSSR due by June 15), respectively, to the periodic twice-per-year reporting schedule of February 1 to July 31 (associated PSSR due date established as September 15) and August 1 to January 31 (associated PSSR due date established as March 15), respectively.

5) Under undeterminable section(s) of the CAP, insert the following statement: "Revise the time to end of remedial response activities to December 27, 2015." ADEQ notes that this proposed revision does not appear to be "listed in greater detail [in] Section 5.2" of the PSSR.

In accordance with Arizona Administrative Code (A.A.C.) R18-12-263.02(K), ADEQ hereby approves proposed revisions #1, #2, #3 and #4, as described above, provided the following conditions of the approval are also implemented by COP:

1. In order to be consistent with the CAP's provisions for the "RNA" program, proposed revision #1 is hereby restated as: "The goal of the Mobile DPE effort is attainment of contaminant levels in ground water that may be remediated in five years to respective Tier 1 cleanup goals by the RNA program described in Section 6.4." Note that according to Section 2.0 (*Introduction*) of the CAP, "RNA" is the acronym for "remediation by monitored natural attenuation."

   In addition, ADEQ requires that COP obtain ADEQ approval for implementation of the natural attenuation program under Section 6.4 of the CAP. The request to implement the program must demonstrate that natural attenuation is occurring, as expected, and that its rate is sufficient to attain the Tier 1 cleanup goals in the approved five year timeframe.

2. Proposed revision #2 above appears to be inconsistent with SGC's recommendation for collection of vacuum monitoring data as a precondition for locating and installing any additional extraction wells at the site. This precondition is discussed under Section 4.3 (*Recommendations*) of the soil gas sampling report, but is not further addressed in your letter

or the PSSR. Your letter and the PSSR actually reflect that the location of the new extraction monitor well has already been determined without vacuum data. Consequently, ADEQ's approval of proposed revision #2 assumes that COP will not conduct the "monitoring of vacuum" as a precondition for placement and construction of the proposed additional MDPE extraction well(s) or implementation of the twelve additional MDPE treatment events.

ADEQ's approval of the revision also requires that COP fully document the collection of vacuum data as completed during implementation of the twelve additional MDPE treatment events (i.e., proposed revision #3 above) within its required periodic site status reports. In addition to the collected vacuum data, COP's data evaluations, conclusions regarding the adequacy of the placement, construction and utilization of the "new extraction well" upgradient of monitor well MW-3 in the vicinity of "Sample Point 3" and recommendations for the placement and construction of additional MDPE extraction monitor wells, if necessary, will be documented in the required periodic site status reports.

3. Proposed revision #3 above is hereby revised, as necessary, to include provisions necessary for notifying ADEQ in writing of any delayed treatment event and its rescheduling due to COP's determination that the water table elevation exceeds 5314 feet above mean sea level. The notice must fully document the delay, including COP's technical rationale and supporting data, as necessary, and its best estimate for the amount of time that the event is to be delayed.

Under the above conditions, ADEQ hereby modifies Sections 6.3.2 (*System Components*), 6.3.3 (*Implementation*), 6.3.5 (*Intermediate Term Performance Goals*) and 6.5 (*Periodic Monitoring, Sampling and Reporting*) of the CAP in order to provide for the installation of at least one additional MDPE extraction monitor well, addition of twelve further MDPE treatment events, implementation of the alternative intermediate performance goal and implementation of a new periodic reporting schedule, respectively. The revisions, as approved above, together with the CAP constitute the approved CAP.

In accordance with Arizona Administrative Code (A.A.C.) R18-12-263.02(K), ADEQ hereby disapproves proposed revision #5, as described above, for the following reasons:

1) The proposal is inconsistent with the information documented within the PSSR under Section 5.2 (i.e., the subsection titled "Estimated Time to the End of Remedial Response Activities.")

2) The proposal appears to be an incorrect restatement or interpretation of the information documented within the PSSR under Section 5.2 (i.e., the subsection titled "Estimated Time to the End of Remedial Response Activities."

3) The proposal is inconsistent with the requirements of the groundwater remediation by monitored natural attenuation program documented under Section 6.4 of the CAP.

4) The proposal is not technically practical or supported by data and technical interpretation.

ADEQ notes that your letter does not include a revised schedule of activities necessary for implementation of your proposed revisions, and the PSSR appears only to reflect that one should be

developed. Consequently, ADEQ hereby approves the following scheduling requirements for implementation of the approved CAP:

1) By May 31, 2014, complete the installation of the new MDPE extraction monitor well.

2) By June 1, 2014, begin implementation of the twelve further MDPE treatment events, as proposed.

3) By December 31, 2014, complete the last of the twelve MDPE treatment events. Note that for any delay encountered as a result of elevated water table conditions, COP must extend the overall implementation schedule by the amount of time required by the delay. COP will fully inform ADEQ in writing of all scheduling delays.

3) By March 15, 2015, submit a periodic site status report pursuant to the approved reporting schedule under revision #4.

Upon receipt of this notice, COP must implement the approved CAP pursuant to the above schedule. Any proposed changes to the approved CAP by COP shall be submitted to ADEQ in writing and shall not be implemented without prior written approval from ADEQ. Please ensure that your periodic reporting to ADEQ is completed in accordance with the approved CAP. Note that ADEQ is not requiring submittal of a periodic site status report for the reporting period under which this approval notice is issued (i.e., February 2014 though July 2014). However, as required under the approved CAP, COP must document all site activities completed during the period under the periodic site status report due by March 15, 2015.

If you have any questions concerning this correspondence, please contact Jeff Kettering of ADEQ at (602) 771-4270.

Sincerely,

Jeff Kettering, Case Manager
LUST Enforcement Unit
Inspections & Compliance Section

Sincerely,

Randall G. Matas, Manager
Inspections & Compliance Section

JAK

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June 10, 2014

Mr. Ben Burns, Capital Projects Manager
City of Prescott, Public Works
433 N. Virginia St.
Prescott, AZ 86301

SUBJECT: CONTINUED DPE TREATMENT, CITY SHOP UST RELEASE, MOBILE DPE TREATMENT

Dear Mr. Burns,

Southwest Ground-water Consultants, Inc. (SGC) is conducting the Mobile Dual Phase Extraction (DPE) Treatment of the City Shop UST Release. This work is required by the Arizona Department of Environmental Quality (ADEQ) in conformance with the Corrective Action Plan (CAP). This proposed scope of work addresses the ADEQ requirements as described in the CAP and the CAP revisions letter, dated March 31, 2014.

PROJECT STATUS

SGC is currently conducting the DPE Treatment under the initial contract which began in 2012. This initial contract ends after DPE event 22, which is scheduled for July 9, 2014. A new contract is necessary for the DPE 23 event, which is planned for the last week in July 2014, as required by ADEQ.

The DPE treatment has improved ground-water quality at the Site. Comparison of pre-treatment BTEX levels with current levels shows that BTEX levels are generally lower than prior to the start of treatment. Stable or declining benzene levels have not been established in wells MW-2 and MW-3, so continuing treatment is necessary.

Review of the ground-water quality data indicate fluctuating levels of benzene in ground water. These fluctuations of benzene levels are likely due to the presence of untreated source areas. Soil gas sampling work conducted by SGC identified a new, untreated source area between MW-2 and MW-3. This source area, which is upgradient from MW-3, is the likely cause of fluctuating benzene levels in MW-3. SGC constructed a new extraction well in this area. This well, EW-4, is intended to enhance the extraction of fuel constituents from soil and ground water in the areas between the extraction wells MW-2 and MW-3.

PROPOSED SCOPE OF WORK

TASK 1.0 FIELD PREPARATION

SGC will develop the proposed scope of work, and will work with subcontractors to plan the project. SGC will coordinate project schedules with subcontractors. Field supplies and equipment

will be obtained. SGC will coordinate with the laboratory to select and schedule analyses. SGC will coordinate waste shipping and disposal.

TASK 2.0 DPE EXTRACTION EVENTS

A total of 9 events are proposed for 2014. The initial event will be conducted in the last week of July 2014. Then eight events will be conducted at a frequency of two per month for the months of September, October, November and December. Each DPE event will include eight hours of DPE operation and approximately two hours of setup and breakdown.

The vacuum truck, extraction equipment, and vapor treatment equipment will be provided by subcontractors. The vacuum truck will be equipped with a vacuum pump that will be utilized to extract vapor and liquid from the extraction wells. Suction tubing will be inserted into the wells and connected to the vacuum truck.

SGC anticipates that the four wells will be connected together for the treatment events. If the addition of the fourth extraction well exceeds the system capacity to produce adequate flow rates, then a maximum of three wells will be connected to the system. In this case SGC will develop a plan for alternating the three connections between the four wells to maximize treatment effectiveness.

As required by the CAP, the extracted vapor will be treated onsite. The vapor will be treated with a dual internal combustion engine unit. SGC anticipates that this unit will provide 99% destruction of volatile organic compounds in the extracted vapor.

The extracted liquid will be collected and stored in containers at the site. SGC anticipates that approximately 900 gallons of liquid will be extracted per DPE event for a total estimated quantity of 8,100 gallons. Five offsite disposal shipments are included in this scope of work. The planned disposal facility is Liquid Environmental Solutions (LES) in Phoenix, Arizona. This facility has been used for the previous DPE contract. This scope of work is based on continued acceptance of this waste stream by LES.

Monitoring data will be collected during each of the DPE events. Wellhead vacuum pressures and extraction flow rates will be measured. Extracted vapor will be monitored for hydrocarbon levels with a photoionization detector (PID) instrument. Vacuum pressures will be monitored at the soil gas sampling points located in the shop building and to the south of the building. This monitoring is contingent upon the City of Prescott providing access to the soil gas sampling points located in the Records Storage area and the Facilities office areas.

One sample of extracted vapor and one sample of extracted liquid will be collected for each DPE event. The samples will be analyzed for volatile organic hydrocarbons by a laboratory licensed by the Arizona Department of Health Services.

SGC will evaluate the field and laboratory data developed from the DPE events. Monitoring data, laboratory results and treatment progress will be reported monthly to the City of Prescott in a memorandum.

TASK 3.0 – GROUND-WATER SAMPLING AND ANALYSIS

SGC will collect ground-water samples from the monitoring well network. A total of five sample events are planned. The samples will be collected after every two DPE events, as required by the CAP. To maintain the two event schedule, the initial sample event will be conducted after the late to mid-July DPE event. The samples will be analyzed for volatile organic hydrocarbons by a laboratory licensed by the Arizona Department of Health Services.

For each ground-water sampling event, the wells will be purged with a low flow submersible pump. Purging will continue until three to five well volumes have been purged and water monitoring parameters have stabilized. Some of the wells may pump dry during purging. These wells will be allowed to recharge prior to sampling. Samples will be collected by pumping or bailing. The purged water will be collected and placed into the onsite tote containers for disposal with the DPE liquids.

TASK 4.0 PERIODIC SITE STATUS REPORTS

SGC will prepare two Periodic Site Status Reports for the site. The first report will be submitted to ADEQ prior to September 15, 2014. The report will address the period from February 1 to July 31, 2014. The second report will be submitted to ADEQ on March 15, 2015. The report will address the period from August 1, 2014 to January 31, 2015.

The Periodic Site Status Reports will track the progress of the DPE treatment. The reports will include sample collection information, field monitoring data, analytical laboratory reports and conclusions based on the results of this work. The site status report will include a description of all work performed, the estimated volume of petroleum hydrocarbons recovered, the volume of media treated, remediation system uptime and downtime, interpretation of the current and historical data collected for the remediation and the proposed future activities, as required by ADEQ. The reports will be sealed by a registered professional engineer.

TASK 5.0 PROJECT MEETINGS

SGC will meet with City of Prescott personnel three times to review the status and progress of the DPE treatment. If requested, SGC will meet with City of Prescott personnel and ADEQ staff, one time, to discuss the status and progress of the DPE treatment.

TASK 6.0 OPTION 1 - ADDITIONAL DPE TREATMENT 2015

If sufficient fuel constituent reduction is not obtained by the 9 DPE events, ADEQ will require 12 additional DPE events to be conducted in year 2015. This task will include 12 DPE Events conducted as described above in Tasks 1.0 through 5.0. This additional DPE treatment will not proceed unless specifically authorized by the City of Prescott.

ESTIMATED COSTS AND SCHEDULE

SGC proposes to provide these services on a time and materials basis for the estimated costs as shown in the table below. SGC has developed the estimated costs based on pricing from the selected subcontractors. If it becomes necessary to utilize other subcontractors, the subcontractor costs may increase.

DPE TREATMENT COSTS 2014 - 2015				
Tasks	**SGC Fees**	**Subcontractor**	**Expenses**	**Total**
1.0 Site Preparation	$3,450			**$3,450**
2.0 DPE Extraction	$33,120	$61,571	$2,475	**$97,166**
3.0 Ground-water Sampling and Analysis	18,400	$4,950	$1,348	**24,698**
4.0 Reports	9,200		$165	**$9,365**
5.0 Meetings	$2,070			**$2,070**
Total	**$66,240**	**$66,521**	**$3,988**	**$136,749**
6.0 Option 1 Additional DPE (2015)	$78,430	86,312	5,082	**$169,824**
Total	**144,670**	**152,833**	**9,070**	**$306,573**

LIMITATIONS

Our observations, interpretations, and recommendations forwarded in the progress of this work are based on conditions that exist at the time that the study is conducted. These interpretations are based upon SGC's observations of specific field conditions and results of laboratory analyses.

The firm is not responsible for discrepancies between our conclusions and future activities at the site resulting in conditions which were not present at the site during this investigation. It should also be recognized that SGC's work is done in accordance with our understanding of the regulatory standards which existed at the time the work was performed.

SGC is a professional consulting firm and is incorporated according to the provisions set forth by the Arizona Corporation Commission. The firm is comprised of geologists and engineers, registered to practice in the State of Arizona as well as other States. SGC's Schedule of Fees, Charges and Conditions is included as Attachment I.

Sincerely,

Southwest Ground-water Consultants, Inc.

Scot Journell, P.E.

Attachments: Attachment I: pgs. 1 & 2

cc: Mr. Bruce Canavan, P.E., Civil Utilities Engineer, Public Works, City of Prescott

Scope of Work for City Contract No. 2015-004

ATTACHMENT I
CONTRACT FOR PROFESSIONAL CONSULTING SERVICES
between
Southwest Ground-water Consultants, Inc.
143 North McCormick St. Suite 206
Prescott, AZ. 86301
an Arizona Corporation

and

City of Prescott, Public Works
433 N. Virginia St.
Prescott, AZ 86301

SCOPE OF SERVICES

Additional DPE treatment, as described in the attached Scope of Work and Cost Proposal dated June 10, 2014.

Scheduled Start Upon written notice to proceed Scheduled Completion March 2015 (Option 1- March 2016)

AUTHORIZATION FOR PROFESSIONAL CONSULTING SERVICES

APPROVED and ACCEPTED in accordance with the General Terms of Agreement on the reverse side hereof by Client.

Client Name_____ (Business Name)	**Southwest Ground-water Consultants, Inc.**
By_____ Client Authorized Representative (Signature)	By_____ (Signature)
Name_____ Client Authorized Representative (Print)	Name Scot Journell (Print)
Title_____	Title Manager – Prescott Office
Date_____	Date_____

Distribution: Project Executive_____ Project Manager_____ Accounting_____ Other_____

ATTACHMENT I
GENERAL TERMS OF AGREEMENT

A. Professional Services		Expert Testimony:		Support Services:	
Staff Services:		Depositions/Hearings	$1,200	Technical Aide	$50-75
Principal	$150 - 175	per day rate		CADD Operator	$50-75
Sr. Project Professional	$125 - 150	1/2 day minimum	$600	Graphics Illustrator	$50-75
Project Manager	$100 - 125			Tech. Word Proc.	$40-50
Project Professional	$90 - 100			Admin. Asst.	$40-50
Staff Professional/Tech. Sup	$75 - 90				
B. Direct Costs					
Vehicles:		Equipment Rental:			
Vehicles, 2-wheel drive	$50/day +$.1.00/mile	pH Meter, Conductivity Meter,	$50/day		
Vehicles, 4-wheel drive	$75/day +$1.00/mile	Downhole sounding devices	$75/day		
C. SGC will be reimbursed by the Client on the basis of one and ten hundredths (1.10) times direct cost, including subcontractors, for reimbursable expenses					

ARTICLE I. PAYMENTS DUE

SGC shall present monthly invoices for Professional Services earned and Reimbursable Expenses incurred, and Client shall pay the full amount thereof within 30 days after presentation. If payment in full is not received within 45 calendar days of the invoice, SGC may suspend all work until payment is received in full for services rendered. If payment is not received within 60 days after invoice date, this contract may be terminated without notice by SGC. Client will pay the sum of $ 0 upon execution of this Agreement as a professional retainer. This sum shall be applied as a credit to Client on SGC's final monthly invoice for services under this Agreement.

ARTICLE II. TERMINATION OF CONTRACT

This Agreement may be terminated upon 7 days written notice by Client should the Project be permanently abandoned or by SGC for Client non-payment. In the event of termination, the compensation earned by SGC for all services performed through the period of notice shall be increased by 5 percent. Upon termination, all invoices presented by SGC for Services and for Reimbursable Expenses shall become immediately due and payable.

ARTICLE III. DISPOSAL OF SAMPLES

Soil, rock, water, and/or other samples obtained from the project site are the property of the Client. SGC shall preserve such samples for no longer than forty-five (45) calendar days after the issuance of any document that includes the data obtained from them unless other arrangements are mutually agreed upon in writing. Should any of these samples be contaminated by hazardous substances or suspected hazardous substances, it is the Client's responsibility to select and arrange for lawful disposal procedures, that is, procedures which encompass removing the contaminated samples from SGC's custody and transporting them to a disposal site. Due to the risks to which SGC is exposed, the Client agrees to waive any claim against SGC and to defend, indemnify, and hold SGC harmless from any claim or liability for injury or loss arising from SGC's containing, labeling, transporting, testing, storing, or other handling of contaminated samples.

ARTICLE IV. AQUIFER CONTAMINATION

Subsurface sampling may result in unavoidable contamination of certain subsurface areas, as when a probe or boring device moves through a contaminated area, linking it to an aquifer, or other hydrous body not previously contaminated and capable of spreading hazardous materials off-site. Because nothing can be done to eliminate the risk of such an occurrence, and because subsurface sampling is a necessary aspect of the work which SGC will perform on the Client's benefit, the Client waives any claim against SGC for injury or loss which may arise as a result of alleged cross-contamination caused by sampling.

ARTICLE V. CONFIDENTIALITY

SGC agrees and shall require all of its employees, agents, representatives, assignees, subcontractors, or other person having an interest or duty in this Agreement to hold in strict confidence, and not to use or disclose, or permit the use or disclosure of, directly in indirectly, to any third party without OWNER'S written consent, all Confidential Information obtained from OWNER or OWNER'S agents, as generated in the performance of services rendered under this Agreement.

ARTICLE VI. LIABILITY

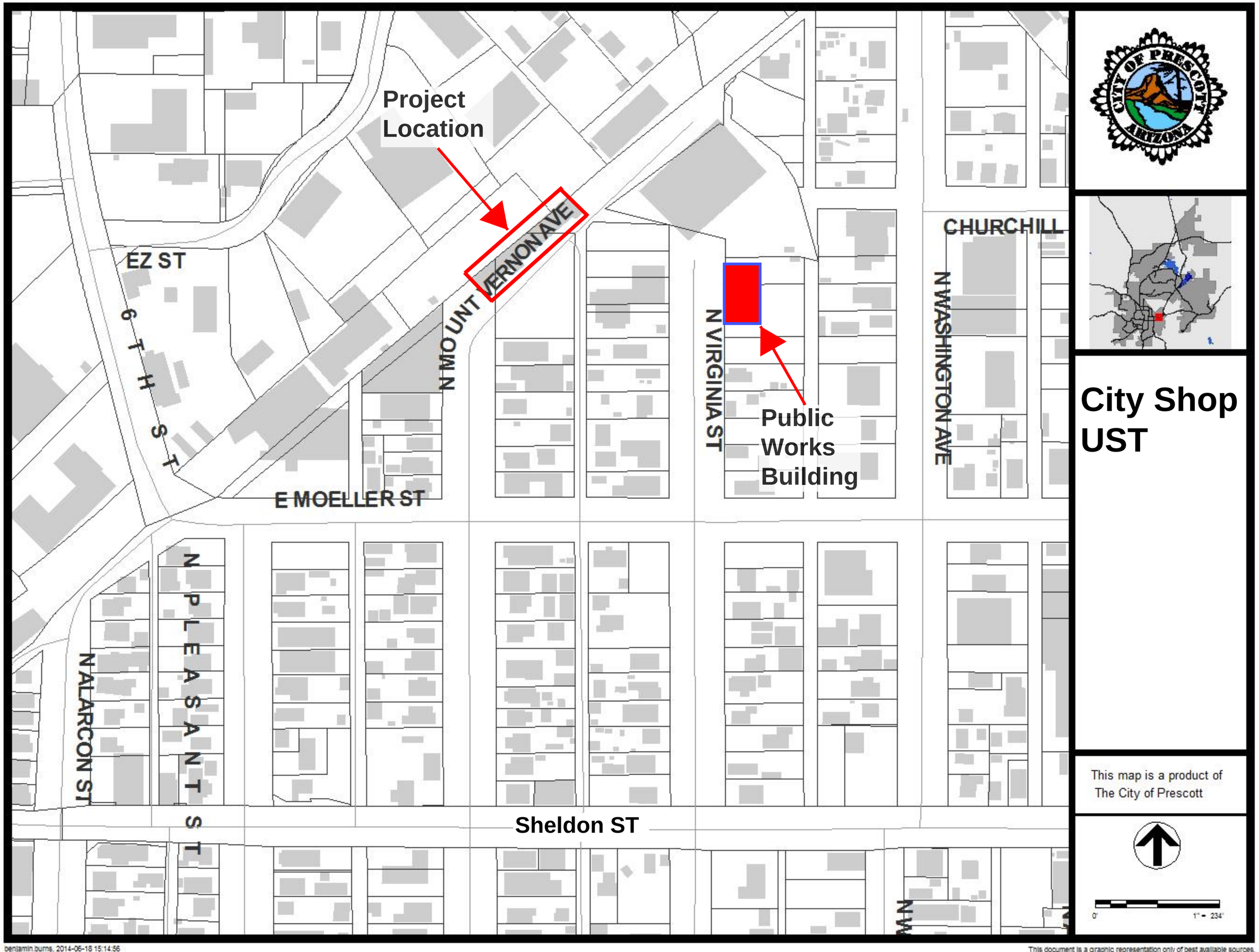
SGC agrees to hold harmless and indemnify the Client from and against liability arising out of SGC's negligent performance of the work. It is specifically understood and agreed that in no case shall SGC be required to pay an amount disproportional its culpability, or any share of any amount levied to recognize more than actual economic damages. Client agrees to limit SGC's liability arising from SGC's professional acts, errors or omissions, such that the total aggregate liability of SGC to all those named shall not exceed $1,000,000.

ARTICLE VII. GOVERNING LAW

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

ARTICLE VIII. INTEGRATED DOCUMENT

This Contract, including any exhibits, notes, embodies the entire agreement, terms and conditions between Owner and Contractor. No oral or written agreement between Owner or Contractor prior to the execution of this contract shall affect or modify any of the terms or obligations contained in any documents comprising this Contract Document.



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Council MEMO View 2

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The City of Prescott assumes no responsibility for any errors.

CITY OF PRESCOTT
Everybody's Hometown

COUNCIL AGENDA MEMO

MEETING DATE/TYPES: VOTING SESSION 7-8-14

DEPARTMENT: Finance

AGENDA ITEM: Adoption of Ordinance No. 4890-1428, setting the Fiscal Year 2015 City property tax levy

Approved By:		**Date:**
Director:	Woodfill, Mark	06/24/2014
City Manager:	McConnell, Craig	06/25/2014

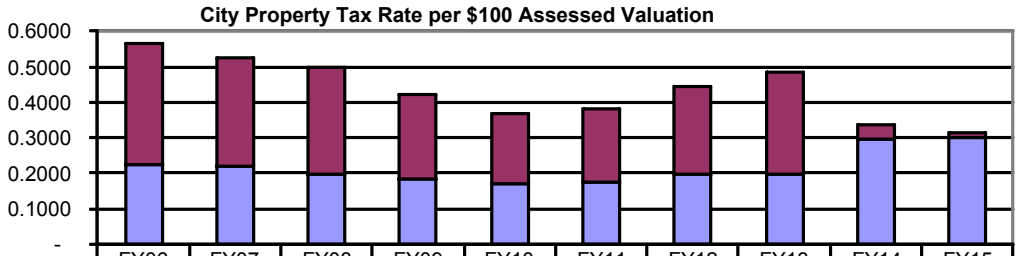
Item Summary

On June 24, 2014, the public hearing was held on the final budget, establishment of the expenditure limitation, and the City property tax levies including the Truth in Taxation notice for Fiscal Year 2015 (FY15). After the hearing, a motion was passed on the Truth in Taxation notice and the final budget was adopted, which included establishing the expenditure limitation for FY15. State law requires that property tax levies be adopted no earlier than fourteen days after the public hearing.

The primary tax levy for FY15 is $1,570,938. This amount is $30,823 more than the primary tax levied in FY14 which was discussed during the public hearing on June 24, 2014. Although revenue from the primary property tax supports general governmental functions, it provides a relatively minor amount of the overall cost. To place this in perspective, $1,570,938 represents only four weeks of funding for the City's public safety operations (Police and Fire). The secondary property tax levy, for the retirement of debt incurred for the purchase and development of Willow and Watson Lakes, is $75,000. The primary and secondary property tax levy total of $1,645,938 is 3.5% lower than the $1,705,665 levied in FY14.

The City's combined tax rate for FY15 is 0.3149 per $100 of assessed valuation, which is 0.0202 lower than last fiscal year. For a home valued at $200,000 in both 2013 and 2014, the combined property tax will decrease by $4.04 to $62.98 for the year. Property tax rates over the last 10 years are shown below.

Agenda Item: Adoption of Ordinance No. 4890-1428, setting the Fiscal Year 2015 City property tax levy



	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15
Secondary Tax Rate	0.3413	0.3093	0.2981	0.2394	0.2002	0.2093	0.2455	0.2854	0.0367	0.0142
Primary Tax Rate	0.2245	0.2182	0.1991	0.1839	0.1695	0.1737	0.1978	0.1978	0.2984	0.3007
Total	0.5658	0.5275	0.4972	0.4233	0.3697	0.3830	0.4433	0.4832	0.3351	0.3149

Attachments

1. Ordinance No. 4890-1428

Recommended Action: MOVE to adopt Ordinance No. 4890-1428.

ORDINANCE NO. 4890-1428

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF PRESCOTT, SUBJECT TO TAXATION, A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS ($100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS, AND PROVIDING FUNDS FOR THE GENERAL MUNICIPAL EXPENSES, ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2015

RECITALS:

WHEREAS, by the provisions of State law, the ordinance levying property taxes for Fiscal Year 2015 is required to be finally adopted not less than fourteen days after adoption of the annual budget; and

WHEREAS, the County of Yavapai is the assessing and collecting authority for the City of Prescott.

ENACTMENTS:

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

SECTION 1. THAT, there is hereby levied on each one hundred dollars ($100.00) of the assessed value of all property, both real and personal, within the corporate limits of the City of Prescott, except such property as may be by law exempt from taxation, a primary property tax rate sufficient to raise the sum of $1,570,938.00 for the Fiscal Year ending on the 30th day of June, 2015. If such sum exceeds the maximum levy allowed by law, the Board of Supervisors or the County of Yavapai is hereby authorized to reduce the levy to the maximum amount allowed by law after providing notice to the City.

SECTION 2. THAT, in addition to the rate set in Section 1 hereof, there is hereby levied on each one hundred dollars ($100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Prescott, except such property as may be by law exempt from taxation a secondary property tax rate sufficient to raise the sum of $75,000.00, but not more than the actual general obligation bond debt service due during the year for the purpose of providing a bond interest and redemption fund for the City of Prescott for the Fiscal Year ending June 30, 2015.

SECTION 3. THAT, failure by the County official of Yavapai County, Arizona, to properly return the delinquent list, any irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings or invalidate any title conveyed by any tax deed; failure or neglect of any officer or officers to timely perform any of the duties assigned to him or to them shall not invalidate any proceedings or any deed or sale pursuant thereto, the validity of the assessment or levy of taxes or of the judgment of sale by which the collection of the same may be enforced shall not affect the lien of the City of Prescott upon such property for the delinquent taxes unpaid thereon; overcharge as to part of the taxes or of costs shall not invalidate any proceedings for the collection of taxes or the foreclosure of the lien therefore or a sale of the property under such foreclosure; and all acts of officers de facto shall be valid as if performed by officers de jure.

SECTION 4. THAT the Clerk is hereby directed to transmit a certified copy of this ordinance to the County Assessor and the Board of Supervisors of the County of Yavapai, Arizona.

PASSED and ADOPTED by the Mayor and Council of the City of Prescott, Arizona, on this 8th day of July, 2014.

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MARLIN D. KUYKENDALL, Mayor

ATTEST:

_____
DANA R. DeLONG, City Clerk

APPROVED AS TO FORM:

_____
JON M. PALADINI, City Attorney