



PRESCOTT CITY COUNCIL MEETING AGENDA

VOTING MEETING AGENDA

TUESDAY, MARCH 14, 2017, 3:00 PM

Council Chambers, 201 S. Cortez Street
Prescott AZ 86303
(928) 777-1100

Harry Oberg, Mayor

Jim Lamerson, Mayor Pro Tem
Steve Blair, Councilman
Greg Lazzell, Councilman

Billie Orr, Councilwoman
Steve Sischka, Councilman
Jean Wilcox, Councilwoman

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

1. CALL TO ORDER

2. INTRODUCTIONS

3. INVOCATIONS

Rabbi Adele Plotkin, Beit Torah

4. PLEDGE OF ALLEGIANCE

Mayor Oberg

5. ROLL CALL

6. ANNOUNCEMENTS

7. PRESENTATION

A. Update on the NAU Prescott Valley Campus, by Richard Heath

8. CONSENT AGENDA

Items listed on the Consent Agenda may be enacted by one motion and one vote. If discussion is required by members of the governing body, the item will be removed from the Consent Agenda and will be considered separately.

- A. Approval of minutes for the City Council meetings held on February 21, 2017, February 24, 2017, and February 28, 2017
- B. Award of City Contract No. 2017-264 to Henry & Horne LLP, for the Independent Financial Statement Audit for Fiscal Years 2017, 2018, and 2019, for the City and the Hassayampa Community Facilities Districts, in the amount of \$115,405.00 over the three year period
- C. Approval of City Contract No. 2017-270 with Kronos for Public Safety Software Upgrade in an amount not to exceed \$11,424.57, using Mohave County Arizona Contract No. 14L-KRON-1107 pricing
- D. Approval of City Contract No. 2017-271 with ESRI, Inc., for a three-year GIS Enterprise Licensing Agreement in an amount not to exceed \$38,500.00 per year, using State of Arizona Contract No. ADSP015-097108 pricing
- E. Approval to perform night work at the Intersection of W. Willis Street and N. Cortez Street associated with the Willis and Cortez Streets Intersection Repair Project, Sunday through Thursday, 8:00 p.m. to 6:00 a.m. April through July 2017
- F. Approval to purchase a Hofmann Heavy Duty Alignment Machine from O'Reilly Auto Parts utilizing the National Cooperative Purchasing Alliance (NCPA) Contract No. 05-13 pricing, in the amount of \$53,416.41 (City Contract No. 2017-097)
- G. Approval of an Infrastructure Settlement Agreement (City Contract No. 2017-265) with Yavapai-Prescott Indian Tribe ("YPIT")
- H. Approval of RP16-009, Revision of Plat for "Touchmark at the Ranch PAD" to replace twenty-four (24) multi-family units in six (6) four-plex buildings with eleven (11) single-family lots, and plat a new twenty-six foot private road for access to the Grand Lodge. [Owner: Touchmark at the Ranch, LLC, 5150 SW Griffith Drive, Beaverton, Oregon 97005]
- I. Adoption of Resolution No. 4378-1587 establishing an Airport Advisory Committee as a Standing Committee

Recommended Action: MOVE to approve Consent Agenda Items 8.A. through 8.I.

9. LIQUOR LICENSE AGENDA

A. SPECIAL EVENTS

1. Approval of a Series 15 Special Event Liquor License Application for Yavapai Trails Association; Event Location: Manzanita Outfitters; Applicant: George S. Sheats; City Application No.: 17-008S; Date/Time of Event Liquor Sales; Saturday, April 15, 2017; 9:00 am to 7:00 pm
2. Approval of a Series 15 Special Event Liquor License Application for Prescott Area Celtic Society; Event Location: Watson Lake; Applicant: Andrew J. Hamilton; City Application No.: 17-007S; Date/Time of Event Liquor Sales: Saturday, May 13 and Sunday, May 14, 2017; 9:00 am to 6:00 pm
3. Approval of a Series 16W Fair/Festival Special Event Liquor License application for the Mountain Artist Guild-Arts and Craft Show and Wine Festival (eight applicants), located at 100 Block of South Cortez St.; Date/Time of Event Liquor Sales: Saturday, May 13, 2017, 11:00 a.m. to 5:00 p.m. and Sunday, May 14, 2017, 11:00 a.m. to 4:00 p.m.

Recommended Action: MOVE to forward special event liquor license applications 9.A.1 and 9.A.2; and Fair/Festival special event liquor license 9.A.3. to the Arizona State Liquor Board with a recommendation of approval/denial.

10. REGULAR AGENDA

A. Legislative Update

Recommended Action: Presentation for Council information, discussion, and direction.

- ### B.
- Award of City Contract No. 2017-263 to Fann Contracting, Inc., for the Transfer Station Slab Remediation and Scale Replacement Project in an amount not to exceed \$435,420.00

Recommended Action: MOVE to award City Contract No. 2017-263.

- ### C.
- Adoption of Ordinance No. 5025-1563 amending Prescott City Code Title IV, Chapter 4-6, Sections 4-6-1 ("Definitions") and 4-6-2 ("License Required; Exemptions")

ORDINANCE NO. 5025-1563 AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AMENDING TITLE IV, CHAPTER 4-6, SECTIONS 4-6-1 ("DEFINITIONS") AND 4-6-2 ("LICENSE REQUIRED; EXEMPTIONS") OF THE PRESCOTT CITY CODE.

Recommended Action: MOVE to adopt Ordinance No. 5025-1563.

- D. Approval of an agreement with POLCO for the purpose of conducting online citizen surveys, for a period of one-year in an amount not to exceed \$6,000.00 (City Contract No. 2017-276)

Recommended Action: MOVE to approve City Contract No. 2017-276.

11. 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 consultation for legal advice with the city's attorneys (A.R.S. §38-431.03(A)(3));
- (iii) 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));
- (iv) 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));
- (v) 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));
- (vi) 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)).

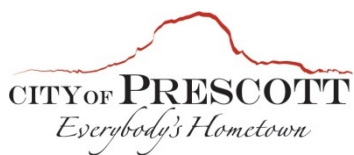
Confidentiality

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

**COUNCIL AGENDA MEMO**

MEETING DATE/TYPE: **VOTING MEETING** **3-14-17**

DEPARTMENT: **City Clerk**

AGENDA ITEM: Approval of minutes for the City Council meetings held on February 21, 2017, February 24, 2017, and February 28, 2017

Approved By: Michael Lamar, City Manager

Item Summary

Attached for approval are the City Council minutes for the Special Meeting held on February 21, 2017; the Special Study Session Meeting held on February 24, 2017; and the Special Meeting, Study Session Meeting, and the Voting Meeting held on February 28, 2017.

Attachments

1. February 21, 2017, Special Meeting Minutes
2. February 24, 2017, Special Study Session Meeting Minutes
3. February 28, 2017, Special Meeting Minutes
4. February 28, 2017, Study Session Meeting Minutes
5. February 28, 2017, Voting Meeting Minutes

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

PRESCOTT CITY COUNCIL
SPECIAL MEETING
TUESDAY, FEBRUARY 21, 2017
PRESCOTT, ARIZONA

MINUTES OF THE SPECIAL MEETING OF THE PRESCOTT CITY COUNCIL HELD ON FEBRUARY 21, 2017, in the CITY COUNCIL CHAMBERS located at CITY HALL, 201 SOUTH CORTEZ STREET, Prescott, Arizona.

1. CALL TO ORDER

Mayor Oberg called the meeting to order at 11:00 a.m.

2. ROLL CALL

Present:

Absent / Excused:

Mayor Oberg
Mayor Pro Tem Lamerson
Councilman

Blair

Councilman Lazzell
Councilwoman Orr
Councilman Sischka
Councilwoman Wilcox

Staff

Michael Lamar, City Manager
Jon Paladini, City Attorney
Dana DeLong, City Clerk
Matt Podracky, Deputy City Attorney
Mark Woodfill, Finance Director, departed at 12:05 pm
Henry Hash, Public Works Director, arrived at 11:25 am
Don Hersh, Real Property Specialist, arrived at 11:25 am
Lars Johnson, departed at 11:25 am

3. CALL TO ENTER INTO EXECUTIVE SESSION

Upon a public majority vote of the members constituting a quorum, the Council may hold an executive session that is not open to the public for the purposes set forth below. When the executive session ends, Council may adjourn or return to open session.

***COUNCILMAN LAZZELL MOVED TO RECESS INTO EXECUTIVE SESSION;
SECONDED BY COUNCILWOMAN WILCOX; PASSED UNANIMOUSLY.***

Special Meeting
February 21, 2017

2

The Prescott City Council recessed into Executive Session at 11:00 a.m.

4. EXECUTIVE SESSION

A. LEGAL MATTERS

Discussion or consultation for legal advice with the City Attorney A.R.S. §38-431.03(A)(3)

1. Business License, Structured Sober Living License, and Vacation Rental License legal issues

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)

2. Disposition of City surplus property

5. ADJOURNMENT

There being no further matters to come before the Special Meeting, the meeting was adjourned at 12:20 p.m.

HARRY B. OBERG, 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 21st day of February 2017. I further certify the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2017.

AFFIX
CITY SEAL

Attachment: February 21, 2017, Special Meeting Minutes (1368 : Approval of Council Minutes)

Special Meeting
February 21, 2017

2

DANA R. DeLONG, City Clerk

Attachment: February 21, 2017, Special Meeting Minutes (1368 : Approval of Council Minutes)

PRESCOTT CITY COUNCIL
SPECIAL STUDY SESSION MEETING
TUESDAY, FEBRUARY 24, 2017
PRESCOTT, ARIZONA

MINUTES OF THE SPECIAL STUDY SESSION MEETING OF THE PRESCOTT CITY COUNCIL HELD ON FEBRUARY 24, 2017, in the COUNCIL CHAMBERS located at CITY HALL, 201 SOUTH CORTEZ STREET, Prescott, Arizona.

1. CALL TO ORDER

Mayor Oberg called the meeting to order at 1:02 p.m.

2. ROLL CALL:

Present:

Mayor Oberg
Mayor Pro Tem Lamerson
Councilwoman Orr
Councilwoman Wilcox

Absent:

Councilman Blair
Councilman Lazzell
Councilman Sischka

3. PRESENTATION DISCUSSION ITEMS

A. Presentation by Chris Camacho, President of Greater Phoenix Economic Council (GPEC) re economic best practices.

Mayor Oberg made opening comments.

Brad Casper, Executive Chairman OH Partners, gave information about his background. He introduced Chris Camacho who is the President of the Greater Phoenix Economic Council.

Mr. Camacho made a presentation to the Council. He talked about his background and the reason for the presentation.

Mr. Camacho's presentation included the following information.

- GPEC Services
- Identify & Develop Case for Regionalism
- Why Regionalism is Key
- Building a Contemporary EDO
- Position Organization & Board as Thought Leaders
- Be a Service Organization
- Be a Trendsetter Globally
- Position Region Nationally & Globally

- Know How Your Product Stacks Up
- Assess Local Economic Development Capabilities
- Establish an Environment of Innovation
- Build a Brand Position

Mr. Camacho took questions from the Council and the audience.

4. ADJOURNMENT

There being no further business to be discussed, the Special Study Session Meeting of February 24, 2017, adjourned at 2:33 p.m.

HARRY B. OBERG, Mayor

ATTEST:

DANA R. DeLONG

PRESCOTT CITY COUNCIL
SPECIAL MEETING
TUESDAY, FEBRUARY 28, 2017
PRESCOTT, ARIZONA

MINUTES OF THE SPECIAL MEETING OF THE PRESCOTT CITY COUNCIL HELD ON FEBRUARY 28, 2017, in the LOWER LEVEL CONFERENCE ROOM located at CITY HALL, 201 SOUTH CORTEZ STREET, Prescott, Arizona.

1. CALL TO ORDER

Mayor Oberg called the meeting to order at 11:03 a.m.

2. ROLL CALL

Present:

Mayor Oberg
Mayor Pro Tem Lamerson
Councilman

Absent / Excused:

Councilman Sischka

Blair

Councilman Lazzell, attended telephonically
Councilwoman Orr
Councilwoman Wilcox

Staff

Michael Lamar, City Manager
Jon Paladini, City Attorney
Dana DeLong, City Clerk
Mark Woodfill, Finance Director
Joe Baynes, Recreation Services Director, departed at 11:47 am
Chris Hosking, Trails and Natural Park Lands Coordinator, departed at 11:47 am

3. CALL TO ENTER INTO EXECUTIVE SESSION

Upon a public majority vote of the members constituting a quorum, the Council may hold an executive session that is not open to the public for the purposes set forth below. When the executive session ends, Council may adjourn or return to open session.

MAYOR PRO TEM LAMERSON MOVED TO RECESS INTO EXECUTIVE SESSION; SECONDED BY COUNCILMAN BLAIR; PASSED 6.

The Prescott City Council recessed into Executive Session at 11:03 a.m.

Attachment: February 28, 2017, Special Meeting Minutes (1368 : Approval of Council Minutes)

4. EXECUTIVE SESSION

A. LEGAL MATTERS

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)

1. Purchase of Property in North Prescott
2. Update on Acquisition of Downtown Parcel

5. ADJOURNMENT

There being no further matters to come before the Special Meeting, the meeting was adjourned at 12:12 p.m.

HARRY B. OBERG, 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 28th day of February 2017. I further certify the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2017.

AFFIX
CITY SEAL

DANA R. DeLONG, City Clerk

PRESCOTT CITY COUNCIL
STUDY SESSION MEETING
TUESDAY, FEBRUARY 28, 2017
PRESCOTT, ARIZONA

MINUTES OF THE STUDY SESSION MEETING OF THE PRESCOTT CITY COUNCIL
HELD ON FEBRUARY 28, 2017, in the COUNCIL CHAMBERS located at CITY HALL,
201 SOUTH CORTEZ STREET, Prescott, Arizona.

1. CALL TO ORDER

Mayor Oberg called the meeting to order at 1:00 p.m.

2. ROLL CALL:

Present:

Absent:

Mayor Oberg
Mayor Pro Tem Lamerson
Councilman Blair
Councilman Lazzell
Councilwoman Orr
Councilman Wilcox

Councilman Sischka

3. DISCUSSION ITEMS

A. Wastewater Centralization Presentation

Henry Hash, Public Works Director, introduced the item. He talked about a presentation made in 2015, and options for centralization of the Sundog Plant.

Mr. Hash introduced Scott McClinton who was the new Water Superintendent, and Eric Bay, Senior Infrastructure Analyst, who was new to the position.

Eric Bay, Senior Infrastructure Analyst, presented. He gave background information on centralization and the centralization roadmap that they used to get projects completed

- Step 1: Airport Trunk Main (Phase 1) completion date March 2017
- Step 2: Sundog Trunk Main (Phase A) completion date July 2017
- Step 3: Sundog WWTP Lift Station completion date November 2017
- Step 4: Sundog Trunk Main (Phase B) completion date June 2018
- Step 5: SR89 Lift Station completion date June 2018

Councilman Blair asked about running the piping, and if it would be laid in the middle of the road or off the road.

Mr. Bay said both, the Sundog Trunk Main would be on the shoulder of the road and then to the center of the road where they would be doing night work with less traffic.

Step 6: Sundog Trunk Main (Phase C) completion date December 2018

Step 7 -10: Future CIP Projects completion dates June 2019-2022

Centralization Funding for 2015:

- Estimated that Centralization would be \$42 Million

Status:

\$2 Million would be spent by the end of FY2017

\$5.5 Million was on the agenda for council approval today

\$34.5 Million was remaining to complete centralization

Funding:

\$19 Million WIFA Loan

\$8 Million currently in the Wastewater Fund

Councilman Lazzell asked if the \$5 million could be used for PSPRS. Mark Woodfill, Finance Director, said no it came from a separate enterprise fund.

Councilman Lazzell said the money was restricted by law, and it could not be used for anything else. He talked about the decommissioned Sundog Facility and asked if it would cease being a water treatment plant.

Mr. Bay said some of it would be repurposed for the equalization pond and the lift station, it would still be a site.

Councilman Lazzell asked if that facility could be used to clean the water from the lake. Mr. Bay said there had not been any research on that yet and he would look into it.

Mayor Pro Tem Lamerson asked if there was any idea how much had been invested in the sewer infrastructure in the last ten years. He thought it was good to recap what was being done with the public's money.

Mr. Bay responded that they had the model on the docket and it was due for an update. He said he had prepared a utility replacement presentation.

Mayor Pro Tem Lamerson said the public needed to hear how they invested their rate money. He said it took a lot of money to put in and maintain the infrastructure. He talked about growth projects and capacity.

Craig Dotseth, Utilities Manager, said with current flows the Airport facility had a certain amount of additional capacity available and centralization would take up that capacity. This was a chance to increase one capacity, but not both.

Mayor Pro Tem Lamerson said having been familiar with the general plan, and being aware of the water resources, the projection was that they would have water for a projected build out of approximately 73,000. He said the plant they were designing would be able to handle that kind of capacity.

Mr. Dotseth said yes that was correct. When they did the Phase 1 expansion it was set up to go as far as three phases, and handle for build out population.

B. Presentation by Public Works of the S. Marina Street Reconstruction Project

Steve Orosz, Program Development Manager, presented. He showed what was included on this project, and asked Council for direction on how to proceed on the project.

- S. Marina Street from Gurley Street to Goodwin Street
- Map – outline of the project
- Union Street Intersection
- Gurley Street Intersection
- Award of Construction Contract for Project Options
- Mayor Oberg asked if they would be establishing more parking or losing.

Councilwoman Wilcox said a total closure of Marina Street could be handled, but a total closure of Gurley Street would be a nightmare. There were too many tourists to steer them off on a detour. She also wanted to see big signs that said, “your sales tax at work, thank you”.

Councilman Lazzell agreed with the comments on Marina Street and Union Street. He said during the time of the project, after July 4th, it would be the wet season and the project could go on up to six weeks longer.

Mayor Pro Tem Lamerson said he had a business downtown, and did have a concern. One of the things that they were finding out was sometimes cost and time were not always the best options.

Mr. Orosz said they had criteria for evaluating bids, and would look at a complete package.

Henry Hash, Public Works Director, said they needed to learn from their experience. He said the signs were being made. He said they brought item to Council to inform them about the street closures, as they had the most contact with citizens.

Mayor Pro Tem Lamerson said at times the lowest bid was not always what they were looking for, value of the road was important.

Mr. Hash said they would take everything into consideration.

Jon Paladini, City Attorney, said the procurement policy or rules were not just lowest bidder, they go with lowest responsible bidder. On a this type of project they looked not only at price, but at the response of a balanced bid. They wanted the best qualified contractor for the price. They would disqualify the best price if they were not responsible. They also looked at responsible bidders as to if they had experience with a that bidder, good or bad.

Councilwoman Orr thanked Mr. Orosz for working with the Downtown Partnership. She asked about the diagonal parking, and how many spaces they would lose.

Mr. Orosz said they did look at that, but there was not enough width in that area. He said they would lose approximately ten spaces.

Councilwoman Orr thought they could make up the ten spaces on Goodwin.

Councilman Blair asked if they could get some clothing on the utility cabinet on Gurley Street. Mr. Orosz said that was something they would look at doing on Goodwin.

Mayor Pro Tem Lazzell said staff was required by law to look at a responsible bid, but as a legislative body if they were not satisfied with a prior job by the contractor would they be violating the law for denying the contractor.

Mr. Paladini thought that the analysis on past projects would be on how they did the projects, and if there were a lot of change orders on the project.

Councilman Lazzell said if staff came with recommendations, and he voted no; could he legally say no, without getting the City sued for saying no.

Mr. Paladini said, yes as long as he can articulate the reasons. He recommended talking with staff about concerns.

Mayor Pro Tem Lamerson said Prescott was not like the Valley, the topography and temperature was different.

Mr. Paladini said when they were talking about a responsible bidder they looked at their experience with familiarity. He said the competitive bidding process was to protect the taxpayer, not the contractor.

Mayor Pro Tem Lamerson said he just wanted to get across that sometimes the local engineers were more knowledgeable about the area.

Phil Goode, citizen, addressed the Council. He mentioned that as the Vice-Chairman of the Yavapai Republican Committee, there were very few businesses on that street and his preference would be to close the intersection and get the job done; as long as the Union Street parking had some circulation allowed.

Mr. Orosz said the plan would be to provide parking circulation. He summarized what he had heard, the direction was that Gurley Street total closure was not on the table. Marina and Union Street closures were acceptable if it could speed up the construction.

C. Fiscal year 2017 Mid-Year Budget Report

Mark Woodfill, Finance Director, presented the mid-year budget report.

- Fiscal Year 2017 Total Budget
- Year-to-Date Expenditures (All Funds) through December 31, 2016
- Fiscal Year 2017 Operating Expenditures by Fund
- Fiscal Year 2017 Citywide Revenue
- General Fund FY 2017 Operating Budget by Department (Net of Program Revenues)
- General Fund Expenditures and Transfers Out
- General Fund Revenues and Transfers In

Councilman Lazzell asked about the Library District, how much did Prescott pay for the Library District. Mr. Woodfill said the amount assessed to Prescott residents was about \$700,000.00.

Councilman Lazzell asked about the fines and forfeitures, and if that was a historical number or how they got that number. Mr. Woodfill said that was parking violations and moving violations, and various fines. They looked at historic trends and did an estimate.

Councilwoman Wilcox said in addition to the \$565,856.00, the library received a significant amount of value in terms of services.

- General Fund – Fund Balance
- Streets Fund
- Transient Occupancy (Bed) Tax Fund

Councilman Lazzell asked if there was anything budgeted for Sharlot Hall. Mr. Woodfill said they did have a multi-year contract with Sharlot Hall.

Mr. Woodfill talked about Impact Fee Funds.

Councilman Lazzell asked if the impact fee monies were allowed for operational

purposes. Mr. Woodfill said, no, they could only be used for growth.

Councilman Lazzell asked if the geographical area that would be annexed if that could count as an additional patrol area. Mr. Woodfill said yes.

- Other Governmental Funds

Councilwoman Orr asked if the \$255,084.00 came from the Friends of the Library. Mr. Woodfill said some of it was, and some was from wills and donations.

- Water Enterprise Funds

Mayor Pro Tem Lamerson asked about adjustments in the rates. He said for clarification they did not just go out and raise rates, there had to be justification. Mr. Woodfill said that was correct.

- Wastewater Funds
- Solid Waste Fund
- Airport Fund
- Golf Course Fund

Councilman Wilcox asked if the \$22,000.00 was the City's profit or Billy Casper. Mr. Woodfill said it was the City's profit.

- Internal Service Funds
- Looking Ahead to Fiscal Year 2018
- PSPRS Cost Increases
- Estimated Significant Revenue and Expenditure Impacts on FY 18 Budget
- FY2018 Budget Process

Councilman Lazzell said at the budget meetings in May he wanted more detailed information rather than just an overview.

Councilwoman Orr commented about the tax initiative, and the PSPRS liability. She said the City was in fine shape, they had met the projections; the only issue they faced was the unfunded liability.

4. ADJOURNMENT

There being no further business to be discussed, the Study Session Meeting of February 28, 2017, adjourned at 2:36 p.m.

Prescott City Council
Study Session
February 28, 2017

Page 7

HARRY B. OBERG, Mayor

ATTEST:

DANA R. DeLONG

Attachment: February 28, 2017, Study Session Meeting Minutes (1368 : Approval of Council Minutes)

PRESCOTT CITY COUNCIL
VOTING MEETING
TUESDAY, FEBRUARY 28, 2017
PRESCOTT, ARIZONA

MINUTES OF THE VOTING MEETING OF THE PRESCOTT CITY COUNCIL HELD ON FEBRUARY 28, 2017, in the COUNCIL CHAMBERS located at CITY HALL, 201 SOUTH CORTEZ STREET, Prescott, Arizona.

1. CALL TO ORDER

Mayor Oberg called the meeting to order at 3:00 p.m.

2. INTRODUCTIONS no introductions were given

3. INVOCATION by Brother Steve Campbell, Church of Jesus Christ of Latter-day Saints

4. PLEDGE OF ALLEGIANCE by Councilwoman Wilcox

5. ROLL CALL:

Present:

Mayor Oberg
Mayor Pro Tem Lamerson
Councilman Blair
Councilman Lazzell
Councilwoman Orr
Councilwoman Wilcox

Absent/Excused:

Councilman Sischka

6. ANNOUNCEMENTS

Henry Hash, Public Works Director, announced that March 2, 3, and 4, 2017, they would be testing access at the transfer station, and wanted to let the community know this would be happening.

7. PRESENTATIONS

A. Presentation of the Flags of Patriots Project by Sunup Rotary

Members of the Sunup Rotary made a presentation. Mark Anderson gave information about the project.

Councilwoman Orr said she was a Sunup Rotarian and she had one of the flags in her yard. She said the proceeds went to SERVE a 5013c and it would be a tax deduction.

B. Presentation and Invitation to the 2017 Fire Ops 101 Event

Prescott Fire Chief Dennis Light introduced Captain Brian Birch, Fire Captain Dan Bauman, and Beth Staub from Adventure Auto Glass; who gave information on the upcoming 2017 Fire Ops 101 event.

Councilwoman Wilcox encouraged everyone to attend the event. She said it helped to understand all that went into how the fire department operated.

Councilman Blair also encouraged everyone to attend.

8. CONSENT AGENDA

- A. Approval of minutes for the City Council meetings held on January 31, 2017; February 7, 2017; February 14, 2017; February 15, 2017; and February 21, 2017
- B. Approval to add Western Refuse to the approved contract listing for OEM and Aftermarket Parts per the Strategic Alliance Volume Expenditures (SAVE; City Contract No. 2017-239)
- C. Approval of the Consent to Assignment for City Contract No. 2016-101 from Energy Savings Heating and Cooling, LLC, to Prescott Sheet Metal, LLC (City Contract No. 2017-258)
- D. Approval of Resolution No. 4375-1584 authorizing a Commitment of Funding from the Community Development Block Grant (CDBG) 2016 Annual Action Plan in the amount of \$55,000.00, toward the construction of sewer and water infrastructure for a low-to-moderate income workforce housing project, Creekview Village Apartments
- E. Approval of Revision of Plat, RP16-008 of both the Idylwild and Knapp Tracts [Zoning: Single-Family 9 (Knapp Tract), Single-Family 35 (Idylwild Tract); APN: 111-03-001 (1.0 Acre), 111-02-063A (1.0 Acre), 111-04-004 (0.50 Acres) P/O 111-01-026 (0.65 Acres); Property Owners: Sandra Ray & James G. McKnight]
- F. Award of City Contract No. 2017-247 to Earth Resources Corporation for construction of the Hassayampa Force Main Realignment Construction Project, in the amount of \$44,965.00; and approval of night work
- G. Approval of an Economic Development Consultant Contract for Services with The ROBB Group, in an amount not to exceed \$44,100.00 (City Contract No. 2017-260)

- H. Adoption of Resolution No. 4374-1583, approving an agreement with Golder Associates, Inc., for the Big Chino Sub-Basin Groundwater Flow Model, in the amount of \$1,149,300.00 (City Contract No. 2017-246)

COUNCILWOMAN WILCOX MOVED TO APPROVE CONSENT AGENDA ITEMS 8.A. THROUGH 8.G.; SECONDED BY COUNCILMAN BLAIR; PASSED 6-0.

Consent Agenda Item 8.H. was discussed and considered separately.

- H. Adoption of Resolution No. 4374-1583, approving an agreement with Golder Associates, Inc., for the Big Chino Sub-Basin Groundwater Flow Model, in the amount of \$1,149,300.00 (City Contract No. 2017-246)

Leslie Graser, Water Resources Manager, addressed the Council. She said the item had been discussed with the Council Water Issues Committee. It was a distinct milestone and was comprehensive agreement number one that was approved by Council in September 2012. She said it furthered the work that began in 1972. She gave an overview of the types of models that would be used to complete the modeling work, and said it was a three year project.

Councilwoman Wilcox asked who was on the Steering Committee.

Ms. Graser said herself, John Munderloh, and Greg Kornrumph representing the Salt River Project; the principal for Prescott was Craig McConnell.

Councilwoman Wilcox asked if the meetings were open to the public.

Ms. Graser said they were not the type of meetings that were associated with the open meeting law. She said they did take notes and those could be requested for public information. She showed the City's website and pointed out all the information that was available to the public. She thought the most valuable pieces of information were in the Annual Report and it was there for anyone to read. She said the minutes would be a public records request.

Councilwoman Wilcox asked if the minutes would cost \$.25 cents a page if someone wanted to request them.

Jon Paladini, City Attorney, said unless they were provided electronically there would be a \$.25 cents a page charge.

Councilwoman Wilcox said the reason she asked for the item to be pulled off the consent agenda was because it had a huge complicated history, and they had been given a lot of material to read that was difficult to understand. She asked why the USGS model was not adequate.

Ms. Graser said the USGS model, also known as the Northern Arizona regional groundwater flow model, was the first generation model and it covered mostly Northern Arizona. At that time all the scientists thought a more refined model would be necessary. They were bringing all the pieces together to develop a tighter refined model.

Councilwoman Wilcox asked about the scenarios coming through the models. Ms. Graser said the groundwater pumping and precipitation availability would be the two main things running through the model.

Councilwoman Wilcox said she had heard Prescott's share of the contract was one third.

Ms. Graser said this was highly scientific work being done with the groundwater flow model.

Mayor Oberg asked if it would tell them the impact of the exempt wells on the Verde.

Dave Carr, Golder Associates, Inc., addressed the question. He said the key input would be the groundwater pumping. When they get a level of pumping for these models they would be able to understand how it was being used. He said various pumping scenarios could be simulated from various users.

Councilman Blair asked about the City's share of the contract. Ms. Graser said City would pay 54.1%, SRP paid one third, and the remainder was paid by Prescott Valley.

Councilman Blair said USGS presented in their own statements that the models would not be accurate because there was not enough logged data to make it a valuable tool. He wondered if the consultant would use some of the historical data.

Mr. Carr said there was a vast amount of historical data available and it was part of the process. They had to look at the entire pump use, and the whole process would be reviewed.

Councilman Blair said he brought this up because there had been many years of activity that took place.

Mayor Pro Tem Lamerson thanked Mr. Kornrumpf and the others for being there. He said Prescott purchased 100% of the water rights and then decided to share 45% of the water, and Prescott was the only assured water provider in the AMA.

Councilman Blair said he recognized that they were recharging right now, and would that show up in the study. He thought it needed to be noted and asked what effect it

had on the model. Ms. Graser said they could translate that from the Little Chino up to the Big Chino.

Mayor Oberg took comments from the public.

Pete, citizen, addressed the Council. He talked about a nested model, reusing the USGS model and adding to it. He said the model would not include the area of the calibration of the model that the saw at this point. He said the scope of work was being done behind closed doors, they would like to be part of the process. He wanted the Council to make modifications so that the community could be involved.

Leslie Hoyt, citizen, addressed the Council. She talked about Proposition 401, the pipeline, and how it must come to a vote. She said this was going to be an expensive project and it was their water for the future. She talked about an independent review. The whole purpose of Prop 401 was to lay it out so the citizens could make an intelligent vote. She said all of them needed to be at the table, to go forth to allow the public to be more involved.

COUNCILWOMAN ORR MOVED TO APPROVE CONSENT AGENDA ITEM 8.H.; SECONDED BY COUNCILMAN BLAIR; PASSED 6-0.

Councilwoman Orr spoke to Consent Agenda Item 8.G., the Economic Development Consultant Contract for Services item. She said it was truly a milestone and it was an amazing step forward. She thought they would see great results. She said they needed to grow our revenue, and hoped they would also grow jobs in order to keep our young people here.

9. LIQUOR LICENSE AGENDA

A. NEW LICENSE

1. Public Hearing and consideration of a new liquor license application for a Series 12 Restaurant liquor license from Thomas L. Biel, applicant for Touchmark at the Ranch, LLC, located at 3150 Touchmark Blvd.

Dana DeLong, City Clerk, presented the item. She said the Police Department and Community Development Department had reviewed the application and found it to be in compliance with state law, zoning requirements, and building safety issues. She said it was also in compliance with the building plans that were submitted to Community Development at the time the development agreement was adopted by Council. Ms. DeLong said the business license would be submitted when they were ready to open. The application and license fees had been paid, and the application had been posted at the proposed location for the required twenty days

Thomas Biel, applicant, gave information about the restaurant.

Mayor Oberg asked when they were planning to open the facility. Mr. Biel responded that they planned to have a soft opening sometime in June, and then open officially in July.

Councilwoman Wilcox asked if it would be open to the public. Mr. Biel said they had three restaurants and one would be open to the public.

COUNCILWOMAN ORR MOVED TO CLOSE THE PUBLIC HEARING; SECONDED BY COUNCILMAN BLAIR; PASSED 6-0.

COUNCILWOMAN ORR MOVED TO APPROVE LIQUOR LICENSE APPLICATION NO. 12133671 FOR A SERIES 12 RESTAURANT LIQUOR LICENSE, FOR TOUCHMARK AT THE RANCH, LOCATED AT 3150 TOUCHMARK BLVD; SECONDED BY COUNCILMAN LAZZELL; PASSED 6-0.

B. SPECIAL EVENTS

1. Approval of a Series 15 Special Event Liquor License Application for Boys and Girls Club of Central Arizona, Event Location: 117 E. Gurley St #115; Applicant: Kristen Michelle Kerns; City Application No.: 17-003S; Date/Time of Event Liquor Sales: Friday, April 21, 2017, 8:00 p.m. - midnight
2. Approval of a Series 15 Special Event Liquor License Application for Yavapai Trails Association; Event Location: Watson Lake, 3101 Watson Lake Park Road; Applicant: Noah Allen Dougherty; City Application No.: 17-006S; Date/Time of Event Liquor Sales: Saturday, April 8, 2017; 10:00 am to 10:00 pm
3. Approval of a Series 15 Special Event Liquor License Application for Prescott Unified School District Education Foundation; Event Location: Goodwin Street; Applicant: Krista M. Carman; City Application No.: 17-004S; Date/Time of Event Liquor Sales: Friday, April 28, 2017, 3:00 pm to 7:30 pm, Saturday April 29, 2017, 10:00 am to 9:00 pm, and Sunday, April 30, 2017, 10:00 am to 1:00 pm
4. Approval of a Series 16 Fair/Festival Special Event Liquor License Application for Superstition Meadery, LLC; Event Location: Plaza Ballroom, 120 W. Gurley Street; Applicant: Jennifer Herbert; City Application No. 17-005S; Date/Time of Event Liquor Sales: Saturday, March 25, 2017, 9:00 am to 10:00 pm

COUNCILMAN LAZZELL MOVED TO FORWARD SPECIAL EVENT LIQUOR LICENSE APPLICATIONS 9.B.1. THROUGH 9.B.4. TO THE ARIZONA STATE LIQUOR BOARD WITH A RECOMMENDATION OF APPROVAL; SECONDED BY COUNCILMAN BLAIR; PASSED 6-0.

10. REGULAR AGENDA

- A. Award of City Contract No. 2017-249 to Carollo Engineers, for the 2017 Water and Wastewater Models Update in an amount not to exceed \$369,100.00, and award of City Contract No. 2017-254 to Innovyze, Inc. for software upgrades and training in an amount not to exceed \$16,336.00

Gwen Rowitsch, Engineering Technician, presented. She said this was necessary in order to identify the infrastructure and to be able to see how they could do this more efficiently. She said the software needed to be upgraded and the staff would need to be trained.

Councilman Lazzell asked if the \$360,000.00 could be used for the PSPRS unfunded liability. Mr. Paladini said, no, the money came from a restricted fund.

COUNCILWOMAN WILCOX MOVED TO AWARD CITY CONTRACT NO. 2017-249 AND CITY CONTRACT NO. 2017-254; SECONDED BY MAYOR PRO TEM LAMERSON; PASSED 6-0

- B. Approval of a Design Build Contract for Production Well Rehabilitation Program (Chino Valley Well Field) and Production Well #5 Evaluation Project, in the estimated amount of \$478,720.00 (City Contract No. 2017-024)

Steve Orosz, Program Development Manager, presented. He said the wells were originally drilled in 1940 and had been upgraded over the years, but needed to be overhauled. He said rehab on Well #5, was needed.

Councilman Blair said the cost would be for Well #5, but the model would be able to be used on the other wells and not cost anything more. Mr. Orosz responded there might be some minor associated costs.

MAYOR PRO TEM LAMERSON MOVED TO APPROVE CITY CONTRACT NO. 2017-024; SECONDED BY COUNCILWOMAN ORR; PASSED 6-0

- C. Approval of Wastewater Treatment Centralization Projects: (1) Approval of City Contract No. 2017-240 to Fann Contracting for the construction of Sundog Trunk Main Phase A Project in an amount not to exceed \$2,289,332.74; (2) Request for approval of night work for the Sundog

Trunk Main Phase A Project; (3) Approval of City Contract No. 2017-250 to Fann Environmental for construction of the Sundog WWTP Lift Station in an amount not to exceed \$2,020,076.00; (4) Approval of City Contract No. 2017-238 for design of the Sundog Trunk Main Phase B Project with Lyon Engineering in an amount not to exceed \$220,486.00; (5) Approval of City Contract No. 2017-251 to Water Works Engineers for design of the Highway 89 Lift Station in an amount not to exceed \$593,216.00

Dana DeLong, City Clerk, announced a correction to the title of the item. In the last sentence of the title, the amount of \$1,997,012.00 should be \$593,216.00.

Steve Orosz, Program Development Manager, presented. He talked about grouping of our centralization projects, and the ability to do night work to minimize the impact on traffic. There were two bids for the trunk main and one bid on the lift station.

Councilman Blair asked if they knew why they only received two bidders on the first trunk main, and one bidder for the lift station.

Mr. Orosz said it was difficult to say. They did have a pre-bid and many did show up and received the same information; it was hard to predict who was going to bid.

Councilman Lazzell said this money they are spending on these projects could not be used to pay off the PSPRS unfunded liability.

COUNCILMAN BALIR MOVED TO APPROVE CITY CONTRACT NO. 2017-240; SECONDED BY COUNCILWOMAN WILCOX; 6-0

COUNCILMAN BLAIR MOVED TO APPROVE NIGHT WORK FOR THE SUND OG TRUNK MAIN PHASE A; SECONDED BY COUNCILWOMAN WILCOX; 6-0

COUNCILMAN BLAIR MOVED TO APPROVE CITY CONTRACT NO. 2017-250; SECONDED BY COUNCILWOMAN WILCOX; PASSED 6-0

COUNCILMAN BLAIR MOVED TO APPROVE CITY CONTRACT NO. 2017-238; SECONDED BY COUNCILWOMAN WILCOX; PASSED 6-0

COUNCILMAN BLAIR MOVED TO APPROVE CITY CONTRACT NO. 2017-251; SECONDED BY COUNCILWOMAN WILCOX; PASSED 6-0

- D. Approval of vehicle auction service contracts with Harris Auction (City Contract No. 2017-256) and Ritchie Brothers Auctioneers (City Contract No. 2017-257) through NJPA Contract No. 041316-RBA, for the disposition of City assets

Mike Carr, Fleet Manager, presented. He said they had used out-of-state auctions in the past and it had proven to be more costly. He said the next auction would be March 15, 2017.

Councilman Lazzell asked how many do would have ready for auction. Mr. Carr said there were 18 assets, and they did not replace vehicles until they receive a replacement.

Councilwoman Wilcox asked about the vehicles they called light duty and if those were something the average consumer would be interested in. Mr. Carr said they were pickup trucks, as well as a variety of different vehicles and equipment.

Mayor Oberg asked if some of the vehicles did not fit department needs and that was why they wanted to get rid of them.

Mr. Carr said yes, and that they would be doing a utilization study on the fleet to ensure they had the right vehicles and equipment.

Councilwoman Orr asked if some of the vehicles were RICO vehicles.

Police Chief Black said yes, and they were required to be returned to the RICO account.

Councilman Blair asked about the training motorcycle that they were getting rid of and if they were not going to use motorcycles anymore.

Chief Black said they would still continue to train on motorcycles, but they would use the backup motorcycles.

Mr. Carr said some of the vehicles had low mileage, but with the training asset it took a lot more use, abuse, and wear and tear on the motor.

COUNCILWOMAN ORR MOVED TO APPROVE CITY CONTRACT NO. 2017-256 AUTHORIZING HARRIS AUCTION TO DISPOSE OF CITY SURPLUS PERSONAL PROPERTY; SECONDED BY COUNCILMAN LAZZELL; PASSED 6-0

COUNCILWOMAN ORR MOVED TO APPROVE CITY CONTRACT NO. 2017-257 AUTHORIZING RITCHIE BROTHERS AUCTIONEERS TO DISPOSE OF CITY SURPLUS PERSONAL PROPERTY; SECONDED BY COUNCILMAN LAZZELL; PASSED 6-0

COUNCILWOMAN ORR MOVED TO APPROVE DISPOSITION OF THE 18 PIECES OF PERSONAL PROPERTY LISTED IN ATTACHMENT A, WHICH THE COUNCIL HAS DETERMINED TO BE IDLE, EXCESSIVE, OBSOLETE AND/OR OTHERWISE EXPENDABLE; SECONDED BY COUNCILMAN LAZZELL ; PASSED 6-0

- E. Approval of City Contract No. 2017-230 for the purchase of six replacement vehicles for the Public Works Department: one (1) ea. 2017 Ford F350 regular cab 4x4 truck, two (2) ea. 2017 Ford F150 regular cab 4x4 trucks, and three (3) ea. 2017 Ford F150 regular cab 4x2 truck, including aftermarket up-fitting, from Peoria Ford using State of Arizona Contract No. ADSPO14-063237 pricing in the total amount of \$174,968.33

Mike Carr Fleet Manager, presented. He said the vehicles were reviewed and approved from the review board. Most of the vehicles were well over the retention date, and were unsafe to drive.

Councilman Lazzell asked about the review board.

Michael Lamar, City Manager, said they had held their first meeting.

Councilman Lazzell said he had seen a lot of vehicles with the City of Prescott on them sitting in the parking lots. He asked if there was a check-out sheet, and did they need as many vehicles as they had; was there a motor-pool.

Mr. Carr said the Fleet Asset Review Board would be looking at that issue. Currently they were in the process of doing a fleet management system.

Councilman Lazzell just wanted to make sure they were utilizing the vehicles.

Mr. Lamar said there were some silos of vehicles and trailers. There needed to be the ability to have a motor pool or equipment pool to share the resources.

Mayor Oberg asked if the replacements were going to auction. Mr. Carr said it would be one for one, so if they sell one they would replace one. He said this would get them caught up for Fiscal Years 15, 16, and 17.

COUNCILWOMAN ORR MOVED TO APPROVE CITY CONTRACT NO. 2017-230; SECONDED BY MAYOR PRO TEM LAMERSON; PASSED 6-0

- F. Approval of purchase of three (3) ea. marked patrol vehicles from Peoria Ford using State of Arizona Law Enforcement Contract ADSPO13-038802 pricing in the amount of \$177,043.08 (City Contract No. 2017-231)

Mike Carr, Fleet Manager, presented. He said they were replacing three marked vehicles with three new marked vehicles. These were reviewed by the Fleet Review Board, which had determined to replace the vehicles.

Mayor Oberg asked what equipment would be on the new vehicles and would they meet specification.

Mr. Carr said yes, they would have a spec meeting to ensure they meet all the specifications.

COUNCILWOMAN ORR MOVED TO APPROVE CITY CONTRACT NO. 2017-231; SECONDED BY MAYOR PRO TEM LAMERSON; 6-0

- G. Approval of emergency purchase of one (1) ea. 2017 Peterbilt refuse chassis from Rush Truck Center and one (1) ea. Scorpion side load body from Arizona Refuse Sales using City of Tempe Contract No. T15-097-01 pricing in the total amount of \$277,144.80 (City Contract No. 2017-220)

Mike Carr, Fleet Manager, presented. He said the equipment had been overused, had high hours, was unsafe, and the cost to repair it was higher than the cost to replace it.

MAYOR PRO TEM LAMERSON MOVED TO APPROVE CITY CONTRACT NO. 2017-220; SECONDED BY COUNCILWOMAN ORR; PASSED 6-0

- H. Adoption of Ordinance No. 5025-1563 amending Prescott City Code Title IV, Chapter 4-6, Sections 4-6-1 ("Definitions") and 4-6-2 ("License Required; Exemptions")

ORDINANCE NO. 5025-1563 AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AMENDING TITLE IV, CHAPTER 4-6, SECTIONS 4-6-1 ("DEFINITIONS") AND 4-6-2 ("LICENSE REQUIRED; EXEMPTIONS") OF THE PRESCOTT CITY CODE.

Lars Johnson, Budget and Privilege Tax Manager presented. He gave an update on the number of business licenses and said that rental housing represents 20% of the business licenses. If the residence was owner occupied then they would not have to pay a rental business license, and also the Sober Living Homes would not have to pay for a business license if they were state certified. He said the Finance Department had put a sixty day extension on the business license requirement, until March 1, 2017.

Mayor Oberg said he was talking to a provider who had bought out Chapter 5 Solutions and Bridges who have many rentals. He asked how the City would handle someone like that.

Mr. Johnson said they would need a license on each of the locations. He said they were talking about eliminating the requirement for long-term residential rentals for a business license. It modifies the fee schedule. They were charging a one-time \$100.00 and additional \$35.00 for the business license on rental and Sober Living Home what they were asking is to drop the \$35.00 fee. They spend a lot of time on rental questions, and it was difficult to explain. The proposal was to eliminate the \$35.00 fee.

Mayor Oberg asked what surrounding cities did to get a business license. Mr. Johnson said Prescott Valley and Chino Valley do not require it.

Mayor Oberg said when this was developed they knew that there might be some adjustments that would need to be made. He thought they should move forward with making the changes. He was concerned that there were people out there that did not know they had to pay TPT.

Councilman Lazzell said he had not gotten his business license yet, as he had not decided if he would continue to do business in the City of Prescott. He thought they should not make an exception because it was not fair. He wondered why this industry was treated any different than other businesses.

Mayor Pro Tem Lamerson said he did not support the business licenses. He felt if they were not going to do this equally then they should not do it at all.

COUNCILWOMAN ORR MOVED TO ADOPT ORDINANCE NO. 5025-1563; SECONDED BY COUNCILWOMAN WILCOX; MOTION FAILED 3-3; COUNCILMAN BLAIR, COUNCILMAN LAZZELL, AND MAYOR PRO TEM LAMERSON DISSENTING.

11. ADJOURNMENT

Mayor Oberg made closing comments, and read a quote from Thomas Jefferson "I predict future happiness for Americans if they can prevent the government from wasting the labors of the people under the pretense of taking care of them".

There being no further business to be discussed, the Voting Meeting of February 28, 2017, adjourned at 4:58 p.m.

HARRY B. OBERG, Mayor

ATTEST:

DANA R. DeLONG, City Clerk

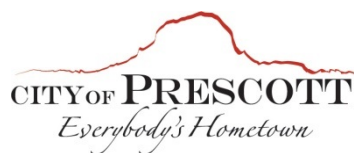
CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Voting Meeting of the City Council of the City of Prescott, Arizona held on the 28th day of February, 2017. I further certify the meeting was duly called and held and that a quorum was present.

Dated this ____ day of _____, 2017.

AFFIX
CITY SEAL

DANA R. DeLONG, City Clerk



COUNCIL AGENDA MEMO

MEETING DATE/TYPE: **VOTING MEETING** **3-14-17**

DEPARTMENT: **Finance**

AGENDA ITEM: Award of City Contract No. 2017-264 to Henry & Horne LLP, for the Independent Financial Statement Audit for Fiscal Years 2017, 2018, and 2019, for the City and the Hassayampa Community Facilities Districts, in the amount of \$115,405.00 over the three year period

FUNDING SOURCE: Various Funds

Approved By: Michael Lamar, City Manager

Item Summary

This item is a contract to audit the City's and the Hassayampa Community Facilities Districts annual financial reports for fiscal years 2017, 2018, and 2019.

Additional work performed over the three year period includes:

- Procedures required by ARS 41-1279.07 for the state expenditure limitation reporting
- Audit and reporting of the Schedule of Expenditures of Federal Awards
- Agreed upon procedures necessary to meet the requirements of ARS 9-463.05 G(2) Development Impact Fee review

Background

The City is required to have an independent audit by a Certified Public Accountant every year. For the last three years, Eide Bailly has performed the audit for a total price of \$111,435.00. The City Charter requires us to change auditors every three years. We received proposals from five CPA firms for the next three-year period.

The proposals were evaluated evenly between three areas: Mandatory Elements, Technical Qualifications, and Price. The table below shows the total scores of each auditing firm by category.

	Mandatory Elements	Technical Qualifications	Price	Total Evaluation Score
Heinfeld, Meech & Co., P.C.	5.0	4.5	4.0	13.5
Vavrinek, Trine, Day & Co. LLP	5.0	3.6	4.0	12.6

AGENDA ITEM: Award of City Contract No. 2017-264 to Henry & Horne LLP, for the Independent Financial Statement Audit for Fiscal Years 2017, 2018, and 2019, for the City and the Hassayampa Community Facilities Districts, in the amount of \$115,405.00 over the three year period

The PUN Group	5.0	3.9	4.0	12.9
Henry & Horne LLP	5.0	5.0	5.0	15.0
Fester & Chapman P.C.	5.0	3.5	4.0	12.5

(The complete proposals are available in finance for your review)

Although all of these firms are highly qualified and are capable of performing the audit, our selection process showed that Henry & Horne LLP should be chosen. Henry & Horne LLP has extensive relevant governmental accounting experience with the personnel being assigned to our audit. Their total bid is \$115,405.00 which represents less than a 3% increase from the prior auditing services contract.

Financial Impact

The \$115,405.00 three year contract is budgeted in the Finance Department. The Finance Department is cost recovered to all City service centers with approximately 26% or \$30,000.00 of the contract being paid out of the General Fund over the three year period.

Attachments

1. Professional Auditing Services Contract, City Contract No. 2017-264
2. Exhibit A - 2017 Audit RFP
3. Exhibit B - Henry & Horne Proposal

Recommended Action: **MOVE** to award City Contract No. 2017-264.

**PROFESSIONAL AUDITING SERVICES CONTRACT
CITY CONTRACT #2017-264**

This Agreement made this 14th day of March, 2017, by and between the CITY OF PRESCOTT, a municipal corporation of the State of Arizona, hereinafter referred to as "City" and Henry & Horne, LLP, hereinafter referred to as "Auditor".

City and Auditor agree as follows:

**ARTICLE ONE
RIGHTS AND DUTIES OF AUDITOR**

(a) City does hereby engage Auditor as a certified public accountant to audit its financial statements for the three fiscal years ending June 30, 2017, 2018 and 2019. These audits are to be performed in accordance with the provisions set forth in the City's Request for Proposals attached herewith as Exhibit A and with the Proposal prepared by the Auditor, attached herewith as Exhibit B.

(b) Auditor will perform the audit in accordance with generally accepted auditing standards and will include tests of the accounting records of the City and other procedures Auditor considers necessary to enable Auditor to express an unqualified opinion that the financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles. Auditor will provide City every reasonable opportunity to resolve accounting or other issues to the satisfaction of both the City and the Auditor prior to any decision to issue an opinion that is other than unqualified.

(c) Auditor's procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. City understands that it will be asked to provide certain written representations from its attorneys and certain other written representations about the financial statements and related matters.

(d) Auditor will examine, on a test basis, evidence supporting the amounts and disclosures in the financial statements and will use their professional judgment about the number of transactions to be examined and the areas to be tested. Auditor will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Auditor is not required to perform a detailed examination of all transactions. Auditor and City understand that there is a risk that material errors, irregularities, or illegal acts, including fraud or defalcation, may exist and not be detected by the Auditor. Auditor's responsibility is limited to the period covered by its audit and does not extend to matters that might arise during any later periods for which the Auditor is not engaged to audit the City's financial statements.

(e) Auditor will advise City about appropriate accounting principles and their application. City and Auditor understand that the audit is not specifically designed and cannot be relied on to disclose significant deficiencies in the design or operation of the internal control structure. If, during the course of the audit, Auditor becomes aware of such deficiencies or ways in which management practices can be improved, Auditor will advise City in writing.

(f) Auditor shall complete the services for each fiscal year as set forth in the City's Request for Proposals and the Proposal prepared by the Auditor, attached hereto as Exhibits "A" and "B".

(g) Auditor shall perform those services and scope of work as more particularly set forth in the City's Request for Proposals, attached hereto as Exhibit "A" and made a part hereof.

(h) In the event of a discrepancy between this Agreement and Exhibits "A" and "B", the following order of priority shall be followed: This Agreement shall control over Exhibits "A" and "B"; and Exhibit "A" shall control over Exhibit "B".

ARTICLE TWO RIGHTS AND DUTIES OF CITY OF PRESCOTT

- (a) City will provide Auditor with the basic information required for the audit and will remain responsible for the accuracy and completeness of that information. The City is responsible for the financial statements and the maintenance of adequate records and related internal control structure policies and procedures, the selection and application of accounting principles and the safeguarding of assets.
- (b) City Finance Department staff and responsible management personnel will be available during the audit to assist the Auditor by providing information, documentation and explanations. The preparation of confirmations shall be the responsibility of the City. The City shall prepare the Comprehensive Annual Financial Report, Schedule of Federal Financial Assistance and Expenditure Limitation Report. Report preparation, editing and printing shall be the responsibility of the City.
- (c) Identifying and ensuring that the City of Prescott complies with laws, regulations, contracts, and agreements, including grant agreements, are the responsibility of City management. Although the Auditor will perform tests of the City's compliance with applicable laws and regulations the objective of the audit will not be to provide an opinion on overall compliance and the Auditor will not express such an opinion.
- (d) City shall provide Auditor with reasonable workspace, desks, chairs and telephones.

ARTICLE THREE DURATION OF CONTRACT

This agreement is for the audits of the Comprehensive Annual Financial Reports of the City for the fiscal years ending June 30, 2017, 2018, and 2019, and shall commence on the date provided herein and shall terminate on December 31, 2019, or when Auditor completes the services referred to in Article One, whichever date is earlier.

ARTICLE FOUR COMPENSATION AND EXPENSES

City shall pay Auditor, and Auditor agrees to accept, in full compensation for Auditor's services, the total sum of \$36,740 for the fiscal year ended June 30, 2017, the total sum of \$41,925 for the fiscal year ended June 30, 2018 and the total sum of \$36,740 for the fiscal year ended June 30, 2019. Payment shall be made to Auditor on the basis of hours of work completed during the course of the engagement at the quoted hourly rates. Interim billings shall cover a period of not less than a calendar month. City and Auditor agree that the amounts indicated herein are all-inclusive and no additional payments will be made for out-of-pocket costs incurred. Payment of the total amount provided for in this Article based upon monthly billings shall not relieve Auditor of their obligation to complete the performance of all those services specified in Article One.

ARTICLE FIVE TERMINATION OF AGREEMENT

The Agreement may be terminated by the City, with or without cause, by giving sixty (60) days written notice. This Agreement may be terminated by the Auditor if the Auditor's independence has changed or if the Auditor believes the engagement poses a significant risk of fraud and the Auditor is not satisfied with the diligence and cooperation from management in investigating the circumstances. In the event of termination, Auditor shall be entitled to only that proportionate amount of audit fee actually earned based upon the hours of work completed prior to date of termination, but not to exceed the annual cap as set forth in Article Four.

ARTICLE SIX HOLD HARMLESS

Auditor Agrees to save and hold harmless the City, and any of its departments, agencies, officers or employees from all cost, damage and liability caused by an activity, condition or event arising out of the negligent performance or nonperformance of any provision of this agreement by Auditor, its agents or independent subcontractors. The above cost incurred by the City or any of its departments, agencies, employees or officers shall include, in the event of legal action, court costs and expenses of litigation.

ARTICLE SEVEN MODIFICATIONS IN WRITING

This Agreement represents the entire and integrated Agreement between the City and the Auditor 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 Auditor. 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.

ARTICLE EIGHT GENERAL PROVISIONS

- (a) This Agreement is non-assignable.
- (b) Pursuant to A.R.S. Section 38-511, the City of Prescott may cancel this agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of the City is, at any time while the agreement or any extension of the agreement is in effect, an employee or agent of any other party to the agreement in any capacity, or a consultant to any other party of the agreement with respect to the subject matter of the agreement. In the forgoing 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 agreement on behalf of the City of Prescott from any other party to the agreement arising as a result 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 and certified mail at the following addresses:

City of Prescott
City Manager
201 S. Cortez
Prescott, AZ 86303

With copies to: City of Prescott
Budget and Finance Director
201 S. Cortez
Prescott, AZ 86303

Marilyn Mays, CPA, CGMA, Partner
Henry & Horne, LLP
2055 E. Warner Rd, Suite 101
Tempe, AZ 85284

- (d) It is expressly agreed and understood by and between the parties that Auditor is an independent contractor, and as such Auditor 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. As an independent contractor, Auditor further acknowledges that it is solely responsible for payment of any and all income taxes, FICA withholding, unemployment insurance, or other taxes due and owing any governmental

entity whatsoever as a result of this Agreement. As an independent contractor, Auditor further agrees that it will neither hold itself out nor claim to be an officer or employee of the City by reason thereof, and that it will not make any claim, demand, or application to or for any right or privilege applicable to any officer or employee or the City, including but not limited to workmen's compensation coverage, unemployment insurance benefits, social security coverage, or retirement membership or credit.

(e) This Agreement is the result of negotiations by and between the parties. Although the Prescott City Attorney has drafted it, it is the result of negotiations between the parties. Therefore, any ambiguity in this Agreement is not to be construed against either party.

(f) 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.

(g) 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's 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 or common law.

(h) The Auditor, 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 Auditor 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 Disabilities Act (ADA) (PL 101-336, 42 U.S.C 12101-12213) and all applicable rules and regulations under the ADA and Executive Orders 99-4, 2000-4 and 2009-09 as amended.

(i) The Auditor shall not disclose to any third person any information provided to the Auditor by the City without the express written permission of the City.

(j) (A) The Auditor shall obtain and maintain in effect during the term of, and until final acceptance of all work under this Agreement, a policy or policies of liability insurance with the following coverage:

1) Commercial General Liability – Occurrence Form (if applicable)

Policy shall include bodily injury, property damage, personal injury, broad form contractual liability, and XCU coverage.

General Aggregate	\$ 2,000,000
Products – Completed Operations Aggregate	\$ 2,000,000
Personal and Advertising Injury	\$ 1,000,000
Each Occurrence	\$ 1,000,000
Fire Legal Liability (Damage to Rented Premises)	\$ 100,000

The policy shall be endorsed to include the following additional insured language:

“The City of Prescott shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Auditor.”

2) Professional Liability (Errors and Omissions Liability)

Each Claim	\$ 1,000,000
Annual Aggregate	\$ 2,000,000

In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Auditor warrants that any retroactive date under the policy shall precede the effective date of this Agreement and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years at the time work under this Agreement is completed.

The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this Agreement.

3) Business Automobile Liability (if applicable) Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL) \$ 1,000,000

(B) City and Auditor waive all rights against each other and their directors, officers, partners, commissioners, officials, agents, sub-contractors and employees for damages covered by property insurance during and after completion of the Services.

(C) All insurance required pursuant to this Agreement 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 copy of which certificate is to be attached to each applicable bond or binder.

(D) Prior to commencing work under this Agreement, the Auditor shall provide City with evidence that it is either a "self-insured employer" or a "carrier insured employer" for Workers' Compensation as required by ARS 23-901 et seq., or that it employs no persons subject to the requirement for such coverage.

(E) Notice of Cancellation: With the exception of a ten (10) day notice of cancellation for non-payment of premium, any changes material to compliance with this contract in the insurance policies above shall require a thirty (30) day written notice.

(F) Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-VII, unless otherwise approved by the City of Prescott Risk Management Division. All insurance is to be placed with an insurer admitted in the state in which operations are taking place.

(G) Verification of Coverage: Auditor shall furnish the City with certificates of insurance (ACORD form or equivalent approved by the City) as required by this Agreement. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Please note the contract number on the Certificate.

(k) This Agreement shall be construed under the laws of the State of Arizona.

(l) 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.

(m) 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.

(n) Nothing in the Agreement shall be construed to give any rights or benefits to anyone other than the City and Auditor.

PASSED, APPROVED AND ADOPTED by the Mayor and Council of the City of Prescott this
14th day of March, 2017.

HARRY B. OBERG, Mayor

ATTEST:

APPROVED AS TO FORM:

DANA R. DELONG
City Clerk

JON M. PALADINI
City Attorney

Dated this _____ day of _____, 2017.



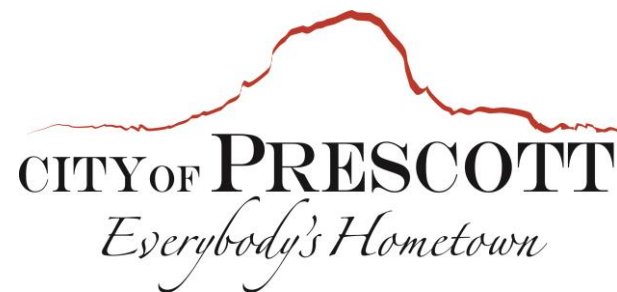
Marilyn Mays
Partner

Exhibit A

**CITY OF PRESCOTT
REQUEST FOR PROPOSALS
FOR PROFESSIONAL AUDITING SERVICES**

January 20, 2017

201 S. Cortez Street
Prescott, AZ 86303



CITY OF PRESCOTT

Request for Proposals

Table of Contents

	<u>Page No.</u>
I. INTRODUCTION.....	2
II. NATURE OF SERVICES REQUIRED.....	3
III. DESCRIPTION OF THE GOVERNMENT	5
IV. TIME REQUIREMENTS.....	8
V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION	9
VI. PROPOSAL REQUIREMENTS	9
VII. EVALUATION PROCEDURES.....	15

APPENDICES

- A. Organizational Chart
- B. Part 1: Proposer Guarantees Part 2: Proposer Warranties
- C. Format for Schedule of Professional Fees and Expenses to Support the Total All-inclusive
Maximum Price
- D. Draft Professional Services Contract

I. INTRODUCTION

A. *General Information*

The City of Prescott is requesting proposals from qualified firms of certified public accountants to audit its financial statements for three fiscal years ending June 30, 2017, 2018, and 2019. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the U.S. General Accounting Office's (GAO) *Government Auditing Standards*, the provisions of the federal Single Audit Act (as amended in 1996), and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State, Local Governments and Non-Profit Organizations*.

There is no expressed or implied obligation for the City of Prescott to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

To be considered, sealed proposals must be received by the Office of the City Clerk, City of Prescott, 201 S. Cortez Street, Prescott, Arizona, 86303, by 2:00 P.M., Thursday, February 23, 2017. All proposals will be opened publicly at 2:00 P.M. on Thursday, February 23, 2017, in the Prescott City Council Chambers, 201 S. Cortez Street, Prescott, Arizona. Any proposal received after 2:00 P.M. on the above stated date will be returned unopened. The outside of the proposal envelope shall indicate the name and address of the proposer, shall be addressed to the City Clerk, City of Prescott, at the above address and shall be marked: "PROPOSAL – AUDITING SERVICES" and shall contain two copies of the proposal. The outside of the Dollar Cost Proposal envelope shall be addressed to the City Clerk, City of Prescott, at the above address and shall be marked: "PROPOSAL – DOLLAR COST" and shall contain two copies of the proposal. The City anticipates selecting a firm and awarding a contract by March 28, 2017.

During the evaluation process, the City of Prescott reserves the right, where it may serve the City's best interest, to request additional information or clarifications from proposers. At the discretion of the City of Prescott, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The City of Prescott reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted, and confirmed in the contract between the City of Prescott and the firm selected.

B. *Term of Engagement*

A three-year contract is anticipated.

II. NATURE OF SERVICES REQUIRED

A. *General*

The City of Prescott is soliciting the services of qualified firms of certified public accountants to audit its financial statements for the three fiscal years ending June 30, 2017, 2018, and 2019. These audits are to be performed in accordance with the provisions contained in this request for proposals.

B. *Scope of Work*

The City of Prescott desires the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with generally accepted accounting principles.

Management's Discussion and Analysis and the Required Supplemental Information are not a required part of the basic financial statements but are supplemental information required by the Governmental Accounting Standards Board. The auditor is expected to perform certain limited procedures regarding the measurement and presentation of the supplemental information.

The auditor is to provide an "in relation to" report on the combining financial statements and supplemental information which is presented for purposes of additional analysis and is not part of the basic financial statements.

The auditor is not required to audit the Introductory and Statistical Section of the report.

The auditor shall be responsible for providing separate audit reports for the two Hassayampa Community Facilities Districts. The Hassayampa Community Facilities Districts were formed by petition to the City Council in 1996 and 1999. The City Council serves as the Board of Directors. The City has no liability for the Districts' debt.

The auditor shall also be responsible for performing procedures required and providing necessary reports for expenditure limitation requirements as stated in ARS 41-1279.07.

The auditor is to perform audit work on the Schedule of Expenditures of Federal Awards as required by OMB Circular A-133 and the Compliance Supplement.

In the fiscal year ending June 30, 2018, the auditor will be required to review separately the Development Impact Fee financial records per the agreed upon procedures necessary to meet the requirements of ARS 9-463.05 G(2).

C. *Auditing Standards*

To meet the requirements of this Request for Proposals, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's *Government Auditing Standards*, the provisions of the Single Audit Act (as amended in 1996) and the provisions of the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State, Local Governments and Non-Profit Organizations*.

D. *Reports*

Following the completion of the audit of each fiscal year's financial statements, the auditor shall issue:

1. A report on the fair presentation of the basic financial statements in conformity with generally accepted accounting principles for the City of Prescott and the two Hassayampa Community Facilities Districts.
2. A report on compliance with expenditure limitation requirements imposed by the State of Arizona, as required by ARS 41-1279.07.
3. Other reports as required by the Federal Single Audit Act.
4. Other reports that are required by the State of Arizona under ARS such as Title 28, Chapter 18, Article 2.

Irregularities and illegal acts - Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the appropriate level of City management.

E. Special Considerations

1. The City of Prescott will send its comprehensive annual financial report to the Government Finance Officers Association of the United States and Canada for review in its Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor will not be required to provide special assistance to the City of Prescott to meet the requirements of that program.
2. The City of Prescott currently anticipates it will prepare one or more official statements in connection with the sale of debt securities that will contain the general-purpose financial statements and the auditor's report thereon. The auditor shall be required, if requested by the fiscal advisor and/or the underwriter, to issue a "consent and citation of expertise" as the auditor and any necessary "comfort letters."
3. The schedule of expenditures of federal financial assistance and related auditor's report, as well as the reports on the internal control structure and compliance are not to be included in the comprehensive annual financial report, but are to be issued separately.

F. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by the City of Prescott of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees:

City of Prescott

U. S. General Accounting Office (GAO)

Parties designated by the federal or state governments or by the City of Prescott as part of an audit quality review process

Auditors of entities of which the City of Prescott is a subrecipient of grant funds

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

III. DESCRIPTION OF THE GOVERNMENT

A. Contact Persons/Organizational Chart/Location of Offices

Key finance department personnel, with offices located at 201 S. Cortez, Prescott, Arizona, are:

Mark Woodfill, CPA, Finance Director, (928) 777-1222
mark.woodfill@prescott-az.gov

Melissa Busby, MBA, Accounting Services Manager, (928) 777-1238
melissa.busby@prescott-az.gov

The auditor's principal contact with the City of Prescott will be Mark Woodfill, who will coordinate the audit.

An organizational chart (Appendix A) is attached.

B. Background Information

The City of Prescott serves an area of 40 square miles with a population of 40,590. The City of Prescott's fiscal year begins on July 1 and ends on June 30.

The City of Prescott provides the following services to its citizens: fire, police, water, sewer, trash collection, recycling, transfer station, parks and recreation, airport, parking garage and golf course.

The City of Prescott has a total annual payroll of \$48.6 million covering an estimated 544 active FTE employees. The City of Prescott is organized into twelve departments and agencies. The accounting and financial reporting functions of the City of Prescott are centralized.

More detailed information on the government and its finances can be found in the Budget Document and Annual Financial Reports. These documents are available through the city's website:
<http://www.prescott-az.gov>

C. Fund Structure

The City of Prescott and the Hassayampa Community Facilities Districts uses the following fund types in its financial reporting:

Fund Type/Account Group	No. of Individual Funds	No. of Legally Adopted Annual Budgets	Community Facilities District
General fund	1	1	0
Special revenue funds	5	5	0
Debt service funds	1	1	1
Capital projects funds	1	1	1
Enterprise funds	5	5	0
Internal service funds	4	4	0
Fiduciary funds	1	0	0

D. Budgetary Basis of Accounting

The City of Prescott prepares its budgets on a basis other than generally accepted accounting principles.

E. Federal and State Financial Assistance

During the fiscal years to be audited, the City of Prescott anticipates receiving financial assistance from or through the following entities:

U. S. Dept. of Housing and Urban Development	U. S. Dept. of Homeland Security
U. S. Dept. of Transportation	U. S. Dept. of Justice
Federal Emergency Management	Arizona Dept. of Transportation
Arizona Criminal Justice Commission	Greater Arizona Development Authority
Gov. Office of Highway Safety	Arizona Historic Preservation Office
U.S. Dept. of Agriculture	Arizona Dept. of Commerce
Arizona State Parks	

Other financial assistance may also be received.

F. Pension Plans

The City of Prescott participates in the following pension plans:

Plan	Multiple-Employer	
	Cost-sharing	Agent
Arizona Public Safety Personnel System		X
Arizona State Retirement System	X	

Actuarial services for these plans are provided by Gabriel Roeder Smith & Company of Southfield, Michigan, and Buck Consultants Inc. of Pittsburgh, Pennsylvania, respectively.

G. Finance Operations

The finance department is headed by Mark Woodfill, Finance Director, and consists of 14.75 employees. The principal functions performed and the number of employees assigned to each is as follows:

Function	No. of Employees
Budget	1.00
Accounts Payable	1.00
Utility Billing	4.75
Privilege Tax	4.00
Accounting	3.00
Accounts Receivable	<u>1.00</u>
	14.75

H. Computer Systems

Hardware: Windows Server - Intel Pentium

Software: Accounts receivable, accounts payable, general ledger, utility billing, privilege tax, special assessments/community facilities district, fixed assets, budgeting, and Payroll are on Tyler Technologies Munis software.

Business Licenses are on Accela software.

IV. TIME REQUIREMENTS

A. *Proposal Calendar*

The following is a list of key dates up to and including the date proposals are due to be submitted:

Request for proposals issued	1/20/2017
Due date for proposals.....	2/23/2017
Date contract approved by City Council.....	3/28/2017

B. *Notification and Contract Dates*

Recommended firm notified	3/21/2017
Contract date.....	3/29/2017

C. *Date Audit May Commence*

The City of Prescott will have all records ready for audit and all management personnel available to meet with the firm's personnel as of September 29, 2017. Interim work may begin after June 5, 2017.

D. *Schedule for the 2017 Fiscal Year Audit (a similar schedule will be developed for audits of future fiscal years)*

The auditor shall complete each of the following no later than the dates indicated.

Interim Work - The auditor shall complete all interim work by June 30th, or as determined by discussions with the Finance Director.

Detailed Audit Plan - The auditor shall provide the City of Prescott both a detailed audit plan and a list of all schedules to be prepared by the City of Prescott by June 30th.

Fieldwork - The auditor shall complete all fieldwork by October 31st.

Draft Management Letter - The auditor shall have drafts of any recommendations to management available for review by November 20th.

E. *Date Financial Statement Report is Due*

The Finance Department shall prepare draft financial statements, notes and all required supplementary schedules (and statistical data) by October 31st. The auditor shall provide all recommendations, revisions and suggestions for improvement to the City and draft auditor's report(s) by November 14th.

The Finance Department will complete a review of the draft report as expeditiously as possible. It is not expected that this process should exceed one (1) week. During that period, the auditor should be available for any meetings that may be necessary to discuss the audit reports. Once all issues for discussion are resolved, the final signed report shall be delivered to the City within three (3) working days. It is anticipated that this process will be completed and the final report delivered by November 27th.

The final report and 3 signed copies should be delivered to the City of Prescott at 201 S. Cortez Street, Prescott, AZ 86303.

The auditor shall also be available to present the Comprehensive Annual Financial Report to the City Council at a regular council meeting and respond to any inquiries if needed.

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. *Finance Department and Clerical Assistance*

The finance department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations and financial statements will be the responsibility of the City of Prescott. To the extent possible, the City of Prescott's accounting department will prepare schedules and other data, reproduce documents, pull documents, etc. It is the city's policy to aid in the audit process where deemed feasible and appropriate to help reduce audit costs.

B. *Work Area*

The City of Prescott will provide the auditor with reasonable workspace.

C. *Report Preparation*

Report preparation, editing and printing of the CAFR and CFD financial statements shall be the responsibility of the City of Prescott.

VI. PROPOSAL REQUIREMENTS

A. *General Requirements*

1. Inquiries

Any questions related to this RFP must be in writing and directed to the person whose name appears below. When requesting a response to your questions, you must indicate the page number and title of the area in question. However, the Offeror must not place the RFP subject on the outside of an envelope containing questions since such an envelope may be identified as a sealed proposal and may not be opened until after the official RFP due date and time.

Any doubt as to the requirements of this RFP or any apparent omission or discrepancy should be presented to the City. The City will then determine the appropriate action necessary, if any, and issue a written amendment to the RFP. ***ORAL STATEMENTS OR INSTRUCTIONS WILL NOT CONSTITUTE AN AMENDMENT TO THIS RFP.***

All questions must be received by February 10, 2017. Late questions will not be considered.

Inquiries concerning the request for proposals must be made to:

Melissa Busby, Accounting Services Manager
201 S. Cortez Street
Prescott, AZ 86303
(928) 777-1238
melissa.busby@prescott-az.gov

2. Submission of Proposals

The following material is required and must be received by 2pm on February 23, 2017, for a proposing firm to be considered:

a) A master copy (so marked) of a Technical Proposal and one copy to include the following:

(1) Title Page

Title page showing the request for proposals' subject; the firm's name; the name, address and telephone number of a contact person; and the date of the proposal.

(2) Table of Contents

(3) Transmittal Letter

A signed letter of transmittal that briefly states the firm's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer.

(4) Detailed Proposal

The detailed proposal should follow the order set forth in Section VI B of this request for proposals.

(5) Executed copies of Proposer Guarantees and Proposer Warranties attached to this request for proposals (Appendix B)

b) The firm shall submit an original dollar cost proposal and one copy for the City of Prescott and an original dollar cost proposal and one copy for the Hassayampa Community Facilities Districts in a separate sealed envelope marked as follows:

**SEALED DOLLAR COST PROPOSAL FOR CITY OF PRESCOTT
AND COMMUNITY FACILITIES DISTRICT
FOR PROFESSIONAL AUDITING SERVICES
(DATE)**

c) Proposers should send the completed proposal consisting of the two separate envelopes (one envelope for the technical and one envelope for the dollar cost) to the following address:

Office of the City Clerk
City of Prescott
201 S. Cortez Street
Prescott, AZ 86303

B. Technical Proposal

1. General Requirements

The purpose of the technical proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the City of Prescott in conformity with the requirements of this Request for Proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The technical proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the Request for Proposals requirements.

THERE SHOULD BE NO DOLLAR UNITS OR TOTAL COSTS INCLUDED IN THE TECHNICAL PROPOSAL DOCUMENT.

The technical proposal should address all the points outlined in the Request for Proposals (excluding any cost information, which should only be included in the sealed dollar cost proposal). The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the Request for Proposals. While additional data may be presented, the following subjects, items 2 through 10, must be included. They represent the criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that it is independent of the City of Prescott as defined by generally accepted auditing standards as set forth in the U.S. General Accounting Office's *Government Auditing Standards*.

The firm should also list and describe the firm's (or proposed subcontractors') professional relationships involving the City of Prescott for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give the City of Prescott written notice of any professional relationships entered into during the period of this agreement.

3. License to Practice in Arizona

An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly registered/licensed to practice in Arizona.

4. Firm Qualifications and Experience

The proposal should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed, and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

5. Partner, Supervisory and Staff Qualifications and Experience

The firm should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement and indicate whether each such person is registered/licensed to practice as a certified public accountant in Arizona. The firm also should provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

The firm should provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. The firm also should indicate how the quality of the staff over the term of the agreement will be assured.

The proposer should identify the extent to which staff to be assigned to the audit reflect the City of Prescott's commitment to Affirmative Action.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the City of Prescott. However, in either case, the City of Prescott retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this Request for Proposals can only be changed with the express prior written permission of the City of Prescott, which retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

6. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of 5) performed in the last five years that are similar to the engagement described in this request for proposals. These engagements should be rated on the basis of total staff hours.

Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

7. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this Request for Proposals. In developing the work plan, reference should be made to such sources of information as the City of Prescott's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

- a) Proposed segmentation of the engagement
- b) Level of staff and number of hours to be assigned to each proposed segment of the engagement

THERE SHOULD BE NO DOLLAR UNITS OR TOTAL COSTS INCLUDED IN THE TECHNICAL COMPONENT OF THE PROPOSAL

- c) Sample sizes and the extent to which statistical sampling is to be used in the engagement
- d) Extent of use of EDP software in the engagement
- e) Type and extent of analytical procedures to be used in the engagement
- f) Approach to be taken to gain and document an understanding of the City of Prescott's internal control structure
- g) Approach to be taken in determining laws and regulations that will be subject to audit test work
- h) Approach to be taken in drawing audit samples for purposes of tests of compliance

8. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the City of Prescott.

C. *Sealed Dollar Cost Proposal*

1. Total All-inclusive Maximum Price

One price for the City of Prescott and a separate price for the Hassayampa Community Facilities Districts. The dollar cost proposal must be submitted in a separate envelope from the technical proposal.

The sealed dollar cost proposal should contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price to be proposed is to contain all direct and indirect costs including all out-of-pocket expenses.

The City of Prescott will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar cost proposal. Such costs should not be included in the proposal.

The first page of the sealed dollar cost proposal should include the following information:

- a) Name of Firm
- b) Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the proposal, and authorized to sign a contract with the City of Prescott.
- c) A Total All-Inclusive Maximum Price for City of Prescott and a Total All-Inclusive Maximum Price for the Hassayampa Community Facilities Districts for the fiscal year 2017, 2018, and 2019 engagements

2. Rates by Partner, Specialist, Supervisory and Staff Level Times Hours Anticipated for Each

The second page of the sealed dollar cost proposal should include a schedule of professional fees and expenses, presented in the format provided in the attachment (Appendix C) that supports the total all-inclusive maximum price.

3. Rates for Additional Professional Services

If it should become necessary for the City of Prescott to request the auditor to render any additional services to either supplement the services requested in this Request for Proposals or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the City of Prescott and the firm. Any such additional work agreed to between the City of Prescott and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the sealed dollar cost proposal.

4. Invoices and Payment Terms

Progress payments will be made on the basis of hours of work completed during the course of the engagement in accordance with the firm's dollar cost proposal. Interim billings shall cover a period of not less than one calendar month.

All interim and final invoices for services rendered shall be submitted to: Melissa Busby, City of Prescott, 201 S. Cortez, Prescott, AZ 86303 for approval prior to payment by the City of Prescott.

The City of Prescott will make payment within 30 days of receipt of a proper invoice for interim and final billings, provided that the billing has been approved by the city.

Separate invoices will be issued for the City of Prescott audit and for the Hassayampa Community Facilities District audit.

VII. EVALUATION PROCEDURES

A. *Evaluation Criteria*

Proposals will be evaluated using three (3) sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated for both technical qualifications and price. The following represent the principal selection criteria that will be considered during the evaluation process:

1. Mandatory Elements

- a) The audit firm shall be certified public accountants holding a valid certification in the State of Arizona.
- b) The auditor must meet the independence requirements of the American Institute of Certified Public Accountants including the provisions of Interpretation 10 of Rule 101 of the AICPA Code of Professional Ethics and the independence requirements of Government Auditing Standards.
- c) The audit firm's professional personnel have received adequate continuing professional education within the preceding two years. The senior accountant in charge of the fieldwork shall be a certified public accountant.
- d) The audit organization and the individuals responsible for planning, directing, conducting substantial portions of the fieldwork, or reporting on government audits shall meet the continuing educational requirements of Government Auditing Standards issued by the Comptroller General of the United States.
- e) The firm submits a copy of its most recent external quality control review report and the firm has a record of quality audit work.
- f) The firm has no conflict of interest with regard to any other work performed by the firm for the City of Prescott.
- g) The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal.

2. Technical Qualifications

a) Expertise and Experience

- i. The firm's past experience and performance on comparable government engagements.
- ii. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.

b) Audit Approach

- i. Adequacy of proposed staffing plan for various segments of the engagement.
- ii. Adequacy of sampling techniques.
- iii. Adequacy of analytical procedures.

3. Price

Although cost is a significant factor, it will not be the dominant factor. Cost will be given more importance when all of the other evaluation criteria are relatively equal. The general approach is to identify all qualified, responsive proposers and then award the audit to the lowest proposer in that group.

B. Oral Presentations

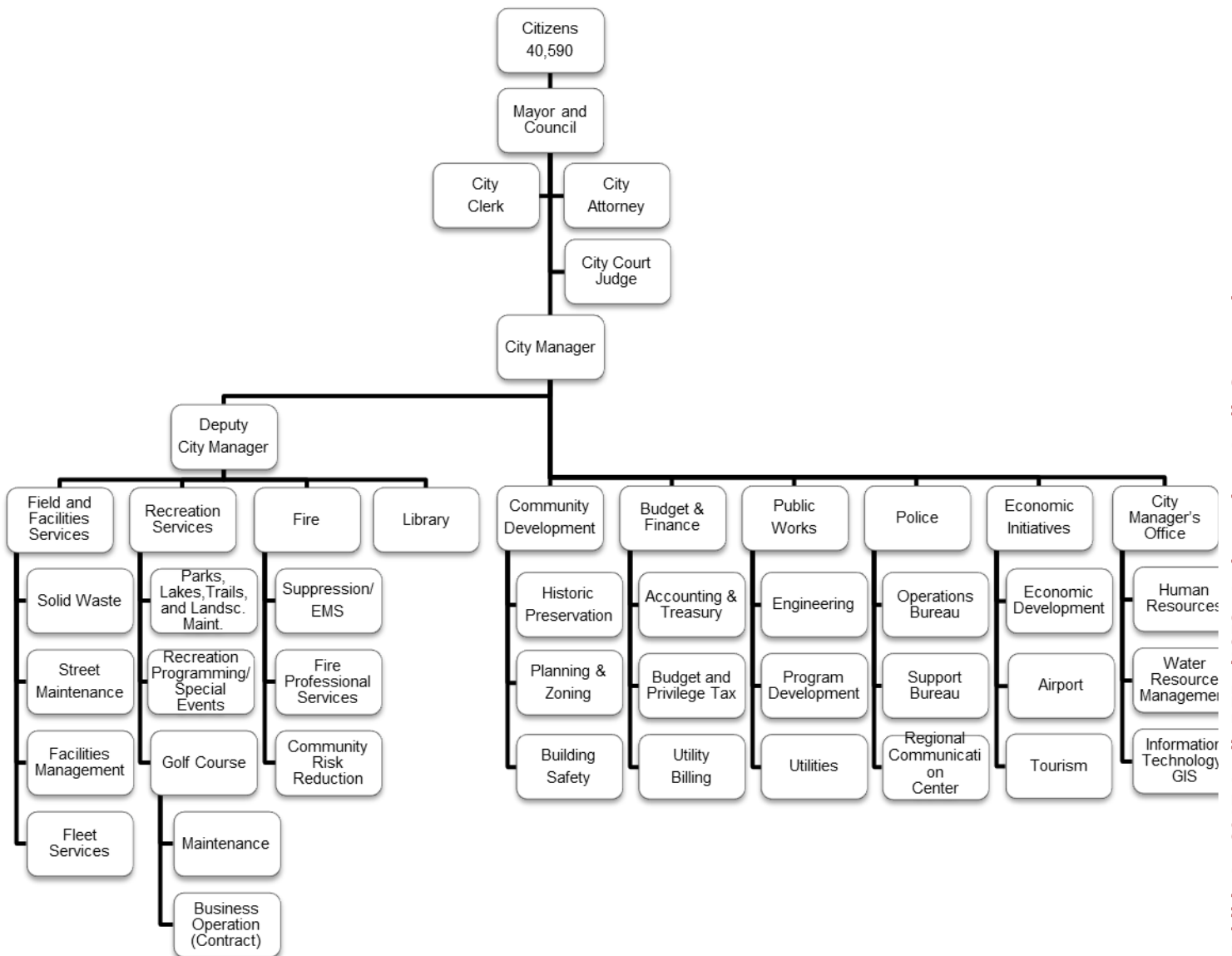
During the evaluation process, the city may, at its discretion, request any one or all firms to make oral presentations. Such presentations will provide the firms with an opportunity to answer any questions the city may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

C. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this Request for Proposals unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City of Prescott and the firm selected.

The City of Prescott reserves the right without prejudice to reject any or all proposals.

APPENDIX A
City of Prescott Organizational Chart – FY2017



Attachment: Exhibit A - 2017 Audit RFP (1358 : Independent Audit Contract)

**APPENDIX B
PROPOSER GUARANTEES
AND WARRANTIES**

- A. The proposer certifies it can and will provide and make available, at a minimum, all services set forth in Section II, Nature of Services Required.
- B. Proposer warrants that it is willing and able to comply with State of Arizona laws with respect to foreign (non-State of Arizona) corporations.
- C. Proposer warrants that it shall procure and maintain the following minimum insurance coverage for the duration of the contract:
 - 1. Errors and omissions liability insurance with limits of no less than \$1,000,000 per occurrence/\$2,000,000 annual aggregate, for the willful or negligent acts or omissions of any officers, employees or agents thereof.
 - 2. Workers' compensation insurance with statutory limits.
- D. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the express prior written permission of the City of Prescott.
- E. Proposer warrants that all information provided in connection with this proposal is true and accurate.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Firm FEI Number _____

Firm's Arizona CPA State License Number: _____

Date: _____

**APPENDIX C
PART 1 OF 4**

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE FY 2017
FINANCIAL STATEMENTS

City of Prescott

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners		\$	\$	\$
Managers				
Supervisory Staff				
Staff				
Other (specify):				
Out-of-pocket expenses:				
Meals and lodging				
Transportation				
Other (specify):				
Total all-inclusive maximum price for the FY 2017 audit				\$

Hassayampa Community Facilities Districts

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners		\$	\$	\$
Managers				
Supervisory Staff				
Staff				
Other (specify):				
Out-of-pocket expenses:				
Meals and lodging				
Transportation				
Other (specify):				
Total all-inclusive maximum price for the FY 2017 audit				\$

**APPENDIX C
PART 2 OF 4**

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE FY 2018
FINANCIAL STATEMENTS

City of Prescott

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners		\$	\$	\$
Managers				
Supervisory Staff				
Staff				
Other (specify):				
Out-of-pocket expenses:				
Meals and lodging				
Transportation				
Other (specify):				
Total all-inclusive maximum price for the FY 2018 audit				\$

Hassayampa Community Facilities Districts

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners		\$	\$	\$
Managers				
Supervisory Staff				
Staff				
Other (specify):				
Out-of-pocket expenses:				
Meals and lodging				
Transportation				
Other (specify):				
Total all-inclusive maximum price for the FY 2018 audit				\$

APPENDIX C
PART 3 OF 4

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE FY 2018
FINANCIAL RECORDS

Development Impact Fees

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners		\$	\$	\$
Managers				
Supervisory Staff				
Staff				
Other (specify):				
Out-of-pocket expenses:				
Meals and lodging				
Transportation				
Other (specify):				
Total all-inclusive maximum price for the FY 2018 audit				\$

APPENDIX C
PART 4 OF 4

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE FY 2019
FINANCIAL STATEMENTS

City of Prescott

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners		\$	\$	\$
Managers				
Supervisory Staff				
Staff				
Other (specify):				
Out-of-pocket expenses:				
Meals and lodging				
Transportation				
Other (specify):				
Total all-inclusive maximum price for the FY 2019 audit				\$

Hassayampa Community Facilities Districts

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners		\$	\$	\$
Managers				
Supervisory Staff				
Staff				
Other (specify):				
Out-of-pocket expenses:				
Meals and lodging				
Transportation				
Other (specify):				
Total all-inclusive maximum price for the FY 2019 audit				\$

APPENDIX D

**Anticipated Draft version of the
PROFESSIONAL AUDITING SERVICES CONTRACT**

This Agreement made this ____ day of _____, 2017, by and between the CITY OF PRESCOTT, a municipal corporation of the State of Arizona, hereinafter referred to as "City" and _____, hereinafter referred to as "Auditor".

City and Auditor agree as follows:

**ARTICLE ONE
RIGHTS AND DUTIES OF AUDITOR**

- (a) City does hereby engage Auditor as a certified public accountant to audit its financial statements for the three fiscal years ending June 30, 2017, 2018, and 2019. These audits are to be performed in accordance with the provisions set forth in the City's Request for Proposals attached herewith as Exhibit A and with the Proposal prepared by the Auditor, attached herewith as Exhibit B.
- (b) Auditor will perform the audit in accordance with generally accepted auditing standards and will include tests of the accounting records of the City and other procedures Auditor considers necessary to enable Auditor to express an unqualified opinion that the financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles. Auditor will provide City every reasonable opportunity to resolve accounting or other issues to the satisfaction of both the City and the Auditor prior to any decision to issue an opinion that is other than unqualified.
- (c) Auditor's procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. City understands that it will be asked to provide certain written representations from its attorneys and certain other written representations about the financial statements and related matters.
- (d) Auditor will examine, on a test basis, evidence supporting the amounts and disclosures in the financial statements and will use their professional judgment about the number of transactions to be examined and the areas to be tested. Auditor will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Auditor is not required to perform a detailed examination of all transactions. Auditor and City understand that there is a risk that material errors, irregularities, or illegal acts, including fraud or defalcation, may exist and not be detected by the Auditor. Auditor's responsibility is limited to the period covered by its audit and does not extend to matters that might arise during any later periods for which the Auditor is not engaged to audit the City's financial statements.
- (e) Auditor will advise City about appropriate accounting principles and their application. City and Auditor understand that the audit is not specifically designed and cannot be relied on to disclose significant deficiencies in the design or operation of the internal control structure. If, during the course of the audit, Auditor becomes aware of such deficiencies or ways in which management practices can be improved, Auditor will advise City in writing.
- (f) Auditor shall complete the services for each fiscal year as set forth in the City's Request for Proposals and the Proposal prepared by the Auditor, attached hereto as Exhibits "A" and "B".
- (g) Auditor shall perform those services and scope of work as more particularly set forth in the City's Request for Proposals, attached hereto as Exhibit "A" and made a part hereof.

(h) In the event of a discrepancy between this Agreement and Exhibits "A" and "B", the following order of priority shall be followed: This Agreement shall control over Exhibits "A" and "B"; and Exhibit "A" shall control over Exhibit "B".

ARTICLE TWO RIGHTS AND DUTIES OF CITY OF PRESCOTT

(a) City will provide Auditor with the basic information required for the audit and will remain responsible for the accuracy and completeness of that information. The City is responsible for the financial statements and the maintenance of adequate records and related internal control structure policies and procedures, the selection and application of accounting principles and the safeguarding of assets.

(b) City Finance Department staff and responsible management personnel will be available during the audit to assist the Auditor by providing information, documentation and explanations. The preparation of confirmations shall be the responsibility of the City. The City shall prepare the Comprehensive Annual Financial Report, Schedule of Federal Financial Assistance and Expenditure Limitation Report. Report preparation, editing and printing shall be the responsibility of the City.

(c) Identifying and ensuring that the City of Prescott complies with laws, regulations, contracts, and agreements, including grant agreements, are the responsibility of City management. Although the Auditor will perform tests of the City's compliance with applicable laws and regulations the objective of the audit will not be to provide an opinion on overall compliance and the Auditor will not express such an opinion.

(d) City shall provide Auditor with reasonable workspace, desks, chairs and telephones.

ARTICLE THREE DURATION OF CONTRACT

This agreement is for the audits of the Comprehensive Annual Financial Reports of the City for the fiscal years ending June 30, 2017, 2018 and 2019 and shall commence on the date provided herein and shall terminate on December 31, 2019, or when Auditor completes the services referred to in Article One, whichever date is earlier.

ARTICLE FOUR COMPENSATION AND EXPENSES

City shall pay Auditor, and Auditor agrees to accept, in full compensation for Auditor's services, the total sum of \$ for the fiscal year ended June 30, 2017, the total sum of \$ for the fiscal year ended June 30, 2018 and the total sum of \$ for the fiscal year ended June 30, 2019. Payment shall be made to Auditor on the basis of hours of work completed during the course of the engagement at the quoted hourly rates. Interim billings shall cover a period of not less than a calendar month. Ten Percent (10%) will be withheld from each billing pending delivery of the Auditor's final reports. City and Auditor agree that the amounts indicated herein are all-inclusive and no additional payments will be made for out-of-pocket costs incurred. Payment of the total amount provided for in this Article based upon monthly billings shall not relieve Auditor of their obligation to complete the performance of all those services specified in Article One.

ARTICLE FIVE TERMINATION OF AGREEMENT

The Agreement may be terminated by the City, with or without cause, by giving sixty (60) days written notice. This Agreement may be terminated by the Auditor if the Auditor's independence has changed or if the Auditor believes the engagement poses a significant risk of fraud and the Auditor is not satisfied with the diligence and cooperation from management in investigating the circumstances. In the event of termination, Auditor shall be

entitled to only that proportionate amount of audit fee actually earned based upon the hours of work completed prior to date of termination, but not to exceed the annual cap as set forth in Article Four.

ARTICLE SIX HOLD HARMLESS

Auditor Agrees to save and hold harmless the City, and any of its departments, agencies, officers or employees from all cost, damage and liability caused by an activity, condition or event arising out of the negligent performance or nonperformance of any provision of this agreement by Auditor, its agents or independent subcontractors. The above cost incurred by the City or any of its departments, agencies, employees or officers shall include, in the event of legal action, court costs and expenses of litigation.

ARTICLE SEVEN MODIFICATIONS IN WRITING

This Agreement represents the entire and integrated Agreement between the City and the Auditor and supersede 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 Auditor. 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.

ARTICLE EIGHT GENERAL PROVISIONS

- (a) This Agreement is non-assignable.
- (b) Pursuant to A.R.S. Section 38-511, the City of Prescott may cancel this agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of the City is, at any time while the agreement or any extension of the agreement is in effect, an employee or agent of any other party to the agreement in any capacity, or a consultant to any other party of the agreement with respect to the subject matter of the agreement. In the forgoing 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 agreement on behalf of the City of Prescott from any other party to the agreement arising as a result 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 and certified mail at the following addresses:

City of Prescott
City Manager
201 S. Cortez
Prescott, AZ 86303

With copies to: City of Prescott
Budget and Finance Director
201 S. Cortez
Prescott, AZ 86303

_____, Partner

- (d) It is expressly agreed and understood by and between the parties that Auditor is an independent contractor, and as such Auditor 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. As an independent contractor, Auditor further acknowledges that it is solely responsible for payment of any and all income taxes, FICA withholding, unemployment insurance, or other taxes due and owing any governmental entity whatsoever as a

result of this Agreement. As an independent contractor, Auditor further agrees that it will neither hold itself out nor claim to be an officer or employee of the City by reason thereof, and that it 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.

(e) This Agreement is the result of negotiations by and between the parties. Although the Prescott City Attorney has drafted it, it is the result of negotiations between the parties. Therefore, any ambiguity in this Agreement is not to be construed against either party.

(f) 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.

(g) 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's 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 or common law.

(h) The Auditor, 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 Auditor 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 Disabilities Act (ADA) (PL 101-336, 42 U.S.C 12101-12213) and all applicable rules and regulations under the ADA and Executive Orders 99-4, 2000-4 and 2009-09 as amended.

(i) The Auditor shall not disclose to any third person any information provided to the Auditor by the City without the express written permission of the City.

(j) (A) The Auditor shall obtain and maintain in effect during the term of, and until final acceptance of all work under this Agreement, a policy or policies of liability insurance with the following coverage:

1) Commercial General Liability – Occurrence Form (if applicable)

Policy shall include bodily injury, property damage, personal injury, broad form contractual liability, and XCU coverage.

General Aggregate	\$ 2,000,000
Products – Completed Operations Aggregate	\$ 2,000,000
Personal and Advertising Injury	\$ 1,000,000
Each Occurrence	\$ 1,000,000
Fire Legal Liability (Damage to Rented Premises)	\$ 100,000

The policy shall be endorsed to include the following additional insured language:

“The City of Prescott shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Auditor.”

2) Professional Liability (Errors and Omissions Liability)

Each Claim	\$ 1,000,000
Annual Aggregate	\$ 2,000,000

In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Auditor warrants that any retroactive date under the policy shall precede the effective date of this Agreement and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years at the time work under this Agreement is completed.

The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this Agreement.

- 3) Business Automobile Liability (if applicable) Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL)	\$ 1,000,000
-----------------------------	--------------

(B) City and Auditor waive all rights against each other and their directors, officers, partners, commissioners, officials, agents, sub-contractors and employees for damages covered by property insurance during and after completion of the Services.

(C) All insurance required pursuant to this Agreement 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 copy of which certificate is to be attached to each applicable bond or binder.

(D) Prior to commencing work under this Agreement, the Auditor shall provide City with evidence that it is either a "self-insured employer" or a "carrier insured employer" for Workers' Compensation as required by ARS 23-901 et seq., or that it employs no persons subject to the requirement for such coverage.

(E) Notice of Cancellation: With the exception of a ten (10) day notice of cancellation for non-payment of premium, any changes material to compliance with this contract in the insurance policies above shall require a thirty (30) day written notice.

(F) Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-VII, unless otherwise approved by the City of Prescott Risk Management Division. All insurance is to be placed with an insurer admitted in the state in which operations are taking place.

(G) Verification of Coverage: Auditor shall furnish the City with certificates of insurance (ACORD form or equivalent approved by the City) as required by this Agreement. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Please note the contract number on the Certificate.

- (k) This Agreement shall be construed under the laws of the State of Arizona.
- (l) 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.
- (m) 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.
- (n) Nothing in the Agreement shall be construed to give any rights or benefits to anyone other than the City and Auditor.
- (o) Pursuant to A.R.S. Sections 35-391.06 and 35-393.06, each Party certifies that it does not have a scrutinized business operation in Sudan or Iran. For the purpose of this Section, the term "scrutinized business operations"

shall have the meanings set forth in A.R.S. Section 35-391 and/or 35-393, as applicable. If any Party determines that another Party submitted a false certification, that Party may impose remedies as provided by law including terminating this Agreement.

PASSED, APPROVED AND ADOPTED by the Mayor and Council of the City of Prescott this _____ day of _____, 2017.

HARRY OBERG, Mayor

ATTEST:

APPROVED AS TO FORM:

DANA R. DELONG
City Clerk

JON M. PALADINI
City Attorney

Dated this _____ day of _____, 2017.

Partner

Attachment: Exhibit A - 2017 Audit RFP (1358 : Independent Audit Contract)

Exhibit B



City of Prescott

Proposal to Provide Audit Services
(Firm and irrevocable for 90 days from date signed.)

Henry+Horne
Marilyn Mays, CPA, CGMA
MarilynM@hhcpa.com
2055 E. Warner Rd, Suite 101
Tempe, AZ 85284
(480) 839-4900

February 21, 2017



City of Prescott

Copy

Proposal to Provide Audit Services
(Firm and irrevocable for 90 days from date signed.)

Henry+Horne
Marilyn Mays, CPA, CGMA
MarilynM@hhcpa.com
2055 E. Warner Rd, Suite 101
Tempe, AZ 85284
(480) 839-4900

February 21, 2017

Attachment: Exhibit B - Henry & Horne Proposal (1358 : Independent Audit Contract)

APPENDIX B
PROPOSER GUARANTEES
AND WARRANTIES

- A. The proposer certifies it can and will provide and make available, at a minimum, all services set forth in Section II, Nature of Services Required.
- B. Proposer warrants that it is willing and able to comply with State of Arizona laws with respect to foreign (non-State of Arizona) corporations.
- C. Proposer warrants that it shall procure and maintain the following minimum insurance coverage for the duration of the contract:
1. Errors and omissions liability insurance with limits of no less than \$1,000,000 per occurrence/\$2,000,000 annual aggregate, for the willful or negligent acts or omissions of any officers, employees or agents thereof.
 2. Workers' compensation insurance with statutory limits.
- D. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the express prior written permission of the City of Prescott.
- E. Proposer warrants that all information provided in connection with this proposal is true and accurate.

Signature of Official: _____

Marilyn Mays

Name (typed): Marilyn Mays

Title: Partner

Firm: Henry+Horne

Firm FEI Number 86-0133881

Firm's Arizona CPA State License Number: 953-L

Date: 2/21/17

Attachment: Exhibit B - Henry & Horne Proposal (1358 : Independent Audit Contract)



Table of Contents

Independence	5
License to Practice in Arizona	5
Firm Qualifications and Experience	5
Staff Qualifications and Experience	7
Similar Engagements with other Government Entities	10
Specific Audit Approach	11
Identification of Anticipated Potential Audit Problems	17
Conclusion	18
Appendix A - Peer Review	19
Appendix B - Bios	20



Letter of Transmittal

February 21, 2017

Audit Committee
City of Prescott
201 South Cortez Street
Prescott, Arizona 86303

The undersigned, Henry+Horne, hereby submits its response to your Request for Proposal.

UNDERSTANDING OF THE WORK TO BE DONE

It is our understanding the City of Prescott requires a qualified CPA firm to audit its financial statements for the fiscal years ending June 30, 2017, 2018 and 2019. These audits will be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the U.S. General Accounting Office's (GAO) *Government Auditing Standards*, the provisions of the federal Single Audit Act (as amended in 1996), and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State, Local Governments and Non-Profit Organizations*.

COMMITMENT

Henry+Horne is committed to perform and complete the work for fiscal years ending June 30, 2017, 2018 and 2019 no later than the following dates indicated:

- Interim Work - Henry+Horne will complete all interim work by June 30th, or as determined by discussions with the Mark Woodfill, Finance Director.
- Detailed Audit Plan - Henry+Horne will provide the City of Prescott with a detailed plan and a list of all schedules to be prepared by the City of Prescott by June 30th.
- Fieldwork - Henry+Horne will complete all fieldwork by October 31st.
- Draft Management Letter - Henry+Horne will have drafts of any recommendations to management available for review by November 20th.
- Draft Auditor Report - Henry+Horne will provide all recommendations, revisions and suggestions for improvement to the City of Prescott and draft auditor's reports by November 14th.
- Final Report - Henry+Horne will complete the audit and have the final report delivered to the City of Prescott by November 27th.

**BEST QUALIFIED**

As you will see in the proposal, Henry+Horne meets all of the mandatory elements required by the City of Prescott. Not only do we meet the mandatory elements, but we also have nearly 60 years of professional auditing experience in the government industry. Your engagement team works solely on government audits and exceeds the minimum CPE requirements. Government audits are not "filler" work for Henry+Horne. We have a dedicated team of professionals that only work on government audits all year long. It is our strong belief that an audit is not a commodity to be churned out by the lowest bidder. We are very proud of our reputation as a firm that offers value along with the audit. We want to serve clients who are not just seeking an audit for compliance purposes. We want to be a business partner that not only serves its clients needs, but helps identify them.

FIRM AND IRREVOCABLE

This proposal is firm and irrevocable for 90 days from the date the proposal is signed.

If you have any questions, call Marilyn Mays at (480) 839-4900 or MarilynM@hhcpa.com.

Sincerely,

A handwritten signature in dark ink that reads 'Henry & Horne, LLP'.

Henry & Horne, LLP

Contact Information:
Marilyn Mays, CPA, CGMA
2055 E. Warner Rd, Suite 101
Tempe, Arizona 85284
(480) 839-4900

Attachment: Exhibit B - Henry & Horne Proposal (1358 : Independent Audit Contract)

Client Testimonials

We believe the most important measure of our success is the satisfaction of our clients. We know that we are accomplishing our goal of providing exceptional client service on a daily basis when we receive comments like these from our clients.



Henry+Horne's auditors and managers are knowledgeable and experienced committed professionals. They meet all of their commitments timely and effectively helping us to ensure timely completion of our CAFR.

Robert Russell Weddigan, CPA, MPA, Finance Director
Town of Cave Creek



The timeliness and high level of expertise of the Henry+Horne staff was critical to the City of Goodyear being able to meet its statutory requirements.

Larry Lange, Former Finance Director
City of Goodyear



Recommendations made by Henry+Horne have allowed our organization to grow and operate in a more efficient manner. Our audit team evaluates our performance in a professional, respectful and thorough manner.

Becki Guilin, Former Finance Director
Town of Florence



While other audit firms say they are there to work as a team and answer questions, Henry+Horne is the only one of three firms that I worked with that really live up to their word. They are accessible before and after the audit and provide assistance/answer questions during the audit. Also, the audit staff is always friendly and personable and is willing to spend time with you to answer any questions you may have.

Sandy Sutton, Former Executive Director
Water Infrastructure Finance Authority of Arizona





Technical

INDEPENDENCE

Henry+Horne currently has no business, investment or family relationships with the City of Prescott. As such, Henry+Horne is independent of the City of Prescott as defined by generally accepted auditing standards as set forth in the United States General Accounting Office's Government Auditing Standards 2011 (revised). If Henry+Horne shall enter into any professional relationships during the period of this engagement, the firm will give the City of Prescott written notice.

LICENSE TO PRACTICE IN ARIZONA

Henry+Horne and all key professional staff to be assigned to the City of Prescott's audits are properly licensed by the Arizona State Board of Accountancy to practice public accounting in the State of Arizona.

FIRM QUALIFICATIONS AND EXPERIENCE

Henry+Horne is the largest, locally owned and managed accounting and consulting firm in Arizona. We have more than 150 employees in three (3) offices located throughout Arizona:

Tempe

2055 East Warner Rd, Suite 101
Tempe, Arizona 85284
(480) 839-4900

Scottsdale

7098 East Cochise Rd, Suite 101
Scottsdale, Arizona 85253
(480) 483-1170

Casa Grande

1115 East Cottonwood, Suite 100
Casa Grande, Arizona 85122
(520) 836-8201

Our locations are geographically centrally located in Arizona, which allows us to operate as one firm-wide audit department. The close proximity of our offices enables us to utilize all resources from our three locations. This provides our clients with the best level of services and talent available. The Henry+Horne team has eighteen (18) partners, one (1) principal, nine (9) partner emeritus, eight (8) senior managers, ten (10) directors, eighteen (18) managers, eighteen (18) supervisors, seventeen (17) senior associates, ten (10) advanced associates, fifteen (15) associates and thirty-three (33) other professionals.

Your engagement team will consist of two (2) government partners, one (1) government manager, one (1) government supervisor and one (1) government associate.

Henry+Horne has a dedicated government niche with team members who work exclusively on government clients and receive customized continuing professional education in these areas. With such a large group of industry specific team members they complete, at a minimum, more than 1,100 hours of continuing professional education every two years. This means your team members will have the knowledge to be proficient in your audit.

Henry & Horne is not a joint venture or consortium.

Henry+Horne is a member of the Private Companies Practice Section (PCPS) of the American Institute of Certified Public Accountants, (AICPA). Membership in the PCPS is significant because it is an acknowledgment that Henry+Horne is dedicated to the implementation and maintenance of high professional standards. It also means that all professional staff must meet minimum professional continuing education requirements. Qualifications for membership in PCPS require that member firms be subject to internal review by the governing authorities of the section. The internal reviews are designed to examine compliance with professional standards by the members and are performed by selected peers within the membership.

Henry+Horne's most recent examination was completed in August 2016, and the firm again received the highest possible rating as to compliance with membership standards. This quality control review included governmental engagements.

Henry+Horne's most recent peer review report can be found in Appendix A.

Henry+Horne has had no federal or state desk reviews or field reviews of its audits during the past three (3) years. There has been no disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

*Our government audit team
averages over 10 years of
experience per person.*


Henry+Horne
The 4



Arizona's Largest Locally
Owned Accounting Firm

1957
 FOUNDED

On the strength of a handshake,
Marvin Henry & Gail Horne merged
their practices to create
Henry & Horne, PLC.




150+
 PROFESSIONALS

73
 CPAS


18
 PARTNERS

10+
 SERVICES

- Audit + Accounting
- Cost Segregation
- Employee Benefit Plan A
- Estate, Gift + Trust
- International Tax
- Litigation + Valuation
- Real Estate Appraisal
- Research + Development
- Tax Consulting + Compliance
- Wealth Management
- Plus more!

- Construction
- Government
- Not-for-Profit
- Restaurant
- Plus more!


4+
 INDUSTRIES

3
 LOCATIONS


1
 FIRM

WE ARE SOCIAL



Attachment: Exhibit B - Henry & Horne Proposal (1358 : Independent Audit Contract)



Qualifications

PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE

The audit team for the City of Prescott consists entirely of high level, experienced personnel. We do not believe in sending inexperienced or staff level accountants to work on behalf of our audit clients. **All supervisory members of your team are CPAs.**

AUDIT TEAM	TITLE	ROLE	EXPERIENCE
Marilyn Mays, CPA, CGMA	Government Partner	Lead Engagement Partner	27+ Years
Chuck Goodmiller, CPA, CGMA	Co-Managing Partner	Engagement & Quality Control Review Partner	26+ Years
Jeffery Patterson, CPA, MBA	Government Manager	Engagement-in-Charge	11+ Years
Andrew R. Gill, CPA	Government Supervisor		6+ Years

Part of Henry+Horne's commitment to providing the City of Prescott with top-quality service includes assigning the most competent audit professionals to the job. The team members have performed numerous engagements and have more than 70 years combined experience in governmental accounting.

Marilyn Mays will be the partner ultimately responsible for all aspects of Henry+Horne's services for the City of Prescott. Marilyn will oversee the audit and will be assigning the work to the in-charge person for each segment. You will find Marilyn on site 50% of the time and the supervisory and associate auditors will be on site during fieldwork 100% of the time and will not be assigned another job during this time-frame. This allows efficiency to you (the client) as our team members will be able to get in and get out. During the contract, we will not change the partner-in-charge or the manager. We have a history of low turnover, as our turnover rate for our auditors is 8%; well below the industry average of 27%. With the low turnover, it allows for our in-charge people to not change from year to year.

The in-charge auditor is the individual who will be the primary client services coordinator for the audit. The in-charge auditor is on site 100% of the time. He will supervise the work in the field, manage the day-to-day activities and issues related to the audit, oversee the reporting process and ensure that all work is performed in compliance with the required standards and on a timely basis.

Chuck Goodmiller will ensure compliance with our firm's quality control. Resumes, including relevant experience and continuing education, may be found in Appendix B.



We do not send inexperienced, out-of-college auditors to your audit.

The roles and responsibilities for each team member on your engagement are as follows.

Roles and Responsibilities

Lead Engagement Partner

- Ensures accurate, timely and efficient audit procedures
- Staffs job with quality audit professionals
- Reviews audit in its entirety for a level of assurance that is of the utmost quality

Engagement & Quality Control Review Partner

- Trains audit team professionals
- Evaluates team members to ensure audit process is done correctly and professionally
- Reviews audit as part of our quality control assurance

Engagement-in-Charge

- Coordinates audit from start to finish
- Oversees complex auditing
- Ensures job is progressing at a reasonable pace
- Reviews audit for technical quality

Our experts are members of local and national organizations, with access to extensive resources around the state. We use those resources to stay current on the latest changes to the government finance world, which means our clients stay current as well.

On the Forefront of the Governmental Accounting Industry

- Our experts are members of the American Institute of Certified Public Accountants (AICPA), Arizona Society of Certified Public Accountants (ASCPA), Government Finance Officers Association (GFOA), Government Finance Officers Association of Arizona (GFOAz) and the Arizona Association of School Business Officials (AASBO).
- Marilyn Mays, Brian Hemmerle and Jeffery Patterson currently serve as reviewers for the GFOA award program.
- Chuck Goodmiller and Marilyn Mays hold the designations of Chartered Global Management Accountant, which gives our professional services access to additional resources including research, tools and a global network, powered by the resources and expertise of the AICPA and CIMA.
- Marilyn Mays currently serves on the finance committee for the Pueblo Grande Museum Auxiliary.
- Chuck Goodmiller is a Board Member of the Banner Casa Grande Medical Center and Banner Casa Grande Hospital Foundation, and he serves as Board Treasurer of the Casa Grande Rotary Scholarship Foundation.
- Our team members write articles for the Henry+Horne blogs and e-Newsletters, and their work is often cited in other accounting publications.
- Henry+Horne is a member of the AICPA Government Audit Quality Center (GAQC).

All professionals who will be associated with any audits meet or exceed the continuing education requirements of the Government Auditing Standards and the Single Audit Act which state that auditors responsible for planning, directing, conducting and reporting on government audits should complete, every 2 years, at least 80 hours of continuing education and training which contributes to the auditor's professional proficiency; at least 24 of the 80 hours should be in subjects directly related to the government and not-for-profit environment and to government and not-for-profit auditing.

The senior team members on your engagement have acquired a total of 1,059 CPE hours since January 1, 2013. Of those hours 44% are government related.

Senior members of our government team have acquired the following CPE requirements: Government Accounting, Reporting and Auditing Update; Uniform Guidance-New Single Audit Requirements; Advanced Government Financial Reporting; Fraud in the Governmental and Not-For-Profit Environment; and Emerging GASB Pronouncements: What You Need To Know.

We understand our clients' concerns about continuity of staff on your engagements. While no firm can guarantee 100% staff continuity, we do have a track record of exceptionally low turnover. Our partners are extremely loyal to Henry+Horne. Our Managing Partner's have been with us for a combined 45 years.

If there is a change, for any reason, in firm specialists in regards to your engagement, Henry+Horne will express this in writing to the City of Prescott as it is the City of Prescott's right to approve or reject the replacements. If there is a change in other audit personnel we will provide replacements with the same or better qualifications or experience.

The quality of Henry+Horne's audit work is evidenced by the following:

All past federal and state desk reviews of governmental type audits have resulted in acceptance of all reports. These reports were prepared in compliance with generally accepted auditing standards, the Standards for Audits of Governmental Organizations issued by the U.S. Governmental General Accounting Office, and the Single Audit Act and amendments by the Office of Management and Budget (OMB) Circular A-128 and A-133.

Our governmental audit service team averages over ten years of experience per person.

All governmental entities audited by our firm that have submitted their financial statements to the Government Finance Officers Association (GFOA) have received the Certificate of Achievement for Excellence in Financial Reporting. This certificate is awarded by the GFOA, a national organization whose goal is to provide practical guidance to accounting and auditing professionals serving state and local governments.

All firm professionals working on governmental engagements meet the professional qualification requirements for governmental audits.



Similar Engagements



Henry+Horne is a highly professional audit firm whose staff are constantly focused on providing exceptional customer service and accounting expertise. Their staff at all levels are considered a valued resource for our organization regarding the completion of our annual audit, and for information and advice on a wide range of issues. The services provided by Henry+Horne are unrivaled by any other firm.

Roger Wood, Finance Director
Superstition Fire & Medical District

Henry+Horne professionals are experienced with governments. The lead partner on your engagement has more than 27 years of experience providing professional services to the government industry. Below is a list of references of current clients that you are able to contact. You are not limited to the below list for references.

Town of Cave Creek

Contact: Robert Weddigen, Finance Director
Scope of Work: Audit
Date: 2009 - Current
Engagement Partner: Marilyn Mays
Total Hours: 250
Client Phone: (480) 488-6603

City of Casa Grande

Contact: Larry Rains, City Manager
Scope of Work: Audit
Date: 1980 - Current
Engagement Partner: Marilyn Mays
Total Hours: 400
Client Phone: (520) 421-8600

City of Tolleson

Contact: Vicky Juvet, CFO
Scope of Work: Audit
Date: 2016 - Current
Engagement Partner: Marilyn Mays
Total Hours: 230
Client Phone: (623) 936-2778

Town of Chino Valley

Contact: Joe Duffy, Finance Director
Scope of Work: Audit
Date: 2015 - Current
Engagement Partner: Marilyn Mays
Total Hours: 250
Client Phone: (928) 636-2646



Specific Audit Approach

Henry+Horne believes an audit is a necessary and valuable tool to help the City of Prescott function efficiently and successfully. It is more than just identifying what is working and what is not in order to be compliant. Our audit team will take an in-depth look at the City of Prescott's needs to formulate a plan that will help to not only streamline financial reporting procedures and recordkeeping, but also improve operations, identify areas vulnerable to fraud and more.

A simple transition. We realize changing accounting firms is a decision with major impact on the City of Prescott. But, with the challenge of adjusting to change comes the opportunity to cultivate a new and beneficial working relationship that brings value to all of the parties involved. Through our workflow and audit process, we strive to make the transition as smooth and effective as possible for the City of Prescott.

Your time is valuable. Running an organization is an enormous task. That's why your auditors will maintain constant communication with the City of Prescott. We will follow through on every step of the audit to minimize the amount of time key City of Prescott personnel need to take out of their already busy schedules when responding to requests for information or attending necessary meetings.

An experienced team. We do not send inexperienced, out-of-college auditors to your audit. The team of experts assigned to the City of Prescott boasts more than 70 years combined experience serving the governmental accounting industry. Our turnover rate at Henry+Horne is nearly 20% lower than the industry average, ensuring a qualified audit team. Our professionals have the years of hands-on experience and knowledge to meet and possibly exceed the City of Prescott's expectations in the audit process and results.

Faster, better quality results. Your auditors will work to address any issues and problems that may arise during fieldwork as they come up. This ensures not only faster audit results, but better quality results because new ideas and solutions are fresh on the team's mind. We also issue the single audit reports at the same time as your financial statements, not months later.

A plan tailored to your needs. At Henry+Horne we believe that an audit is more than just a one size fits all commodity to be purchased from the lowest bidder. We will put together a plan that is customized to fit the specific needs of the City of Prescott.

Work Plan

Initial Audit Year: Performed In June

Initial year conference - Henry+Horne will send a team of experienced auditors to meet with the City of Prescott key personnel to discuss issues relating to the audit and work to be performed. We will go over the audit in detail to help the City of Prescott gain a complete understanding of the process as well as the information we will need from the City of Prescott.

- During this conference Henry+Horne would like to discuss any and all concerns the City of Prescott may have in the transition process from their previous auditors.
- Prior to our initial audit of the City of Prescott, we will review previous period auditor work papers.
- We will complete our internal client acceptance evaluation form for quality control purposes.
- A dedicated secure client portal will be made available.

Preliminary Risk Assessment Segment: Performed In June

Entrance conference - Your dedicated government audit team will meet with the City of Prescott's audit liaison to discuss changes to personnel, membership, funding sources, etc. in order to better assess the City of Prescott's situation and start accounting for the role these changes will play in moving forward with the audit:

- Have there been any changes to the intended use of the financials?
- Have there been any changes in management and key staff?
- Have there been any significant or unusual transactions or changes in structure?
- Have you received any notices/communication from regulatory agencies?
- Are there any significant litigation issues or covenant violations?
- What went on during the year with the operations?
 - Changes in debt issues
 - Changes in funding sources
 - Changes in federal programs for Single Audit determination
 - Change in number of employees
 - Changes in banking relationships/financing
 - Significant asset purchases
- Timing for risk assessment and substantive.
- Timing for the draft and final reports.
- Timing for exit conference with management and/or governance.

Risk Assessment Procedures:

- We will prepare and discuss with the City of Prescott a list of risk assessment related items.
- Audit team pre-planning meeting to assign tasks to staff regarding risk assessment audit areas, single audit, compliance and etc.

- An experienced member of the audit team will document a detailed understanding of the City of Prescott including:
 - Regulatory and external factors affecting the City of Prescott
 - The impact, if any, of changes in accounting pronouncements affecting the City of Prescott since the prior year.
 - Status of prior-period findings, including findings and questioned costs in compliance audits.
 - Management's strategies for the City of Prescott's growth.
 - The process management uses to measure its financial performance.
 - Other considerations and risks.
- The audit team members will gain an understanding of the City of Prescott's design and implementation of internal controls.
- Walk-through observations performed one-on-one with City of Prescott staff related to key financial processes and controls.
- Narrative and flowchart documentation of our evaluation of key controls and assessing the controls to be tested for their effectiveness.
 - Federal regulated controls for major programs as required by the Compliance Supplement for Single Audits.
- Testing the controls identified during our evaluation to determine their effectiveness and the control risk.
- Evaluation of the City of Prescott's IT environment through interviews with City of Prescott IT personnel and review of user roles related to segregation of duties.
- Subsequent to the City of Prescott's fiscal year-end, we will obtain a preliminary trial balance and perform extensive analytical procedures to aid in the planning stage of our audit.
- We will prepare and discuss with the City of Prescott a list of field work items to be prepared by the City of Prescott.

Planning and communication with those charged with governance, to be done by supervisor or above:

- A Manager will perform one-on-one interviews with key personnel and other selected City of Prescott personnel to gauge the general environment of the City of Prescott and their understanding of fraud.
- The CFE will assess the risk of fraud on various areas of the audit.

We will also provide the City of Prescott with confirmation letters for the City of Prescott's financial institutions.

Fieldwork Audit Procedures: Performed In October

Prior to substantive fieldwork, the audit team will meet to discuss and document a detailed plan of work to be performed based on the following:

- Risk assessment
- Any test of controls and walk-throughs
- Preliminary analytical
- Federal major program determination (if applicable)
- Opinion unit materiality

Our detailed plan will include using governmental audit programs customized to the City of Prescott based on our understanding and assessment of your processes and controls.

Fieldwork will include audit procedures in significant areas such as:

- Journal entry testing
- Receivables and payables
- Payroll
- Debt
- Capital assets
- Revenues and expenditures
- Subsequent review

An exit conference will conclude fieldwork. The audit team and the City of Prescott key personnel will meet to:

- Summarize the results of fieldwork
- Review any findings and discuss unresolved issues

Preliminary recommendations, suggestions and revisions will be made for both the financial statement audit and the Single audit.

Because of the commitment we will make to the City of Prescott, we believe in working closely with your staff to help them understand and implement all recommendations that are made. We strive to maintain open and constant communication during the course of the year for times when issues may arise and concerns can be addressed. We maintain that communication to ensure that there are no loose ends as the audit process nears completion and to make sure the City of Prescott is not swamped with any last minute tasks or requirements.

Audit Conclusion: Performed In November

Auditors' reports, as outlined in the RFP, will be drafted for the City of Prescott's review. Because Henry+Horne employs a one-way workflow, the City of Prescott can expect to receive faster audit results. As previously mentioned, our team members will be in constant contact with key personnel while conducting fieldwork. This speeds up the work flow because your auditors will work on their findings as they gather them, rather than collecting information to come up with a plan later.

For quality control, Henry+Horne will perform a dual partner review on the City of Prescott's financial statements, auditors' reports and Single Audit. We will issue the final reports to the City of Prescott and submit the required filings to the Federal Clearinghouse.

PROPOSED LEVEL OF STAFF AND HOURS

Based off the information we have gathered, we put together the following proposed segmentation of the audit. It includes the Preliminary Segment, Fieldwork Segment and the Conclusion.

AUDIT APPROACH	PARTNER	MANAGER	SUPERVISOR	STAFF	TOTAL
PRELIMINARY SEGMENT					
Audit Setup and Organization	-	1	5	5	11
Develop Audit Programs	3	-	3	-	6
Perform Risk Assessment/Assessment of Internal Controls	5	3	8	8	24
Preliminary Analytical procedures	-	5	5	-	10
Staff Planning & Discussion-Specific Procedures	2	2	5	5	14
Materiality & Major Fund Determination	-	-	-	2	2
FIELDWORK SEGMENT					
Substantive audit procedures will be used throughout the specific audit areas. Audit procedures include confirmations, ratio analysis, budget and prior year balance comparisons, test of details, sampling from account populations, analytical procedures and disclosure requirements.					
Cash & Investments	-	1	-	5	6
Receivables	-	2	1	6	9
Capital Assets	1	2	7	-	10
Accounts Payable/Deposits	-	1	-	3	4
Accrued Liabilities/Interest	-	1	-	1	2
Deferred Inflows/Outflows	1	4	1	-	6
Long-term Liabilities	1	3	6	-	10
Equity	1	-	-	1	2
Revenues	-	2	8	8	18
Expenditures	-	2	8	8	18
Other Compliance	-	2	5	10	17
Compliance-Single Audit Procedures - Data Collection Submission	2	2	11	13	28
Hassayampa Community Facilities Districts	3	2	10	12	27
CONCLUSION SEGMENT					
Prepare Financial Statements/Review with Disclosure Checklist	5	10	15	15	45
Required Communication - Management Recommendations	1	-	2	-	3
Total	25	45	100	102	272

Timeline

MILESTONE	DATE
Engagement letter and initial audit meeting	May-June
Beginning of interim work	May-June
Auditor requests info/schedules for audit	May-June
Requested information uploaded to portal	September-October
Beginning of field work	October
Requested samples pulled	First day of field work
Exit conference	Last day of field work
End of field work	October
City of Prescott review of financial statements	November
Reports due date	November
Submit single audit to Federal Clearinghouse	November

STATISTICAL SAMPLING

It is difficult to determine the extent to which statistical sampling is to be used in the engagement before the planning process takes place. In general, we will use sampling in our tests of transactions, compliance and certain areas involving substantive tests. Sample sizes vary from entity to entity. Sample size typically range from 5 to 60 items for each sample. Sampling is commonly used in the accounts receivable, capital assets, accounts payable, expenditures, revenues, payroll, single audit/compliance and journal entry audit areas. We will select the appropriate sample size to support our conclusions based on the proper opinion unit materiality.

EDP SOFTWARE

The method and analysis of all electronic data processes are critical to any audit in today's environment for both the auditor and the client.

The City of Prescott's electronic data processing (EDP) will be evaluated during the audit due to the system's relationship with financial reporting through accounting transactions and recording. The EDP system will be evaluated and documented through a series of inquiries, questionnaires and observations. After acquiring an understanding of the internal control structure and the processing of data, audit procedures will be applied to evaluate the integrity of the system.

Henry+Horne recognizes the importance of information technology and uses technology to enhance our productivity and efficiency in the audit process. Through the use of one of the leading paperless software programs for audits, we are able to download and analyze your financial data in order to effectively plan and perform the audit.

Our use of data analysis software gives us the ability to analyze, sort, extrapolate and compare your information with prior years, projected results and industry standards. By making use of this software, we are able to provide extra value to our clients by performing high level analysis and unpredictable tests. An example of this is the ability to compare HR records to vendor records to help analyze whether employees have set themselves up as false vendors in order to misappropriate funds.

ANALYTICAL PROCEDURES

Generally accepted auditing standards require that analytical procedures be used in audit planning and in the overall review stage of the audit. In the planning stage, analytical procedures will be used to identify unusual changes in account balances. Comparisons will be made between the (a) current year and prior year's activity and (b) current year's activity and budget. In the overall review stage, analytical procedures will be designed to assist the auditor in assessing that (a) all significant fluctuations and other unusual items have been adequately explained and (b) the overall financial statement presentation makes sense based on the audit results and the auditor's knowledge of the City of Prescott. Other analytical procedures may be developed when deemed necessary in the audit process. It is our policy to take an analytical approach to every test we perform. In other words, we do not just churn out audit program testing and checklists. We look for appropriate relationships and develop expectations for every audit area and significant account balance. This is a benefit of having an experienced audit team.

INTERNAL CONTROL STRUCTURE

Accounting standards require auditors to obtain a sufficient understanding of internal control to plan the audit and to determine the nature, timing, and extent of tests to be performed. An understanding of the City of Prescott's internal control will be gained through extensive questionnaires and observations. Our procedures have been professionally developed and comply with auditing standards generally accepted in the United States. We will compare information gained through inquiries and observations to the City of Prescott's policies. We will also include fraud testing in order to comply with auditing standards. When deemed necessary, a management letter will be issued regarding significant deficiencies, material weaknesses and other management comments. A significant deficiency is a control deficiency, or combinations of control deficiencies, that adversely affects the City of Prescott's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City of Prescott's financial statements is more than inconsequential and will not be prevented or detected by the City of Prescott's internal control. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented, or detected, by the City of Prescott's internal control.

LAWS AND REGULATIONS

During the course of our audit, we will request certain items such as grant documents, contracts, leases, debt covenants, etc. and make inquiries of management in order to determine any laws and regulations which would be specific to the City of Prescott. We will also make any appropriate inquiries that may arise during our audit procedures relating to compliance. Of course, we will expect corroboration related to any answers made to our inquiries.

AUDIT SAMPLES

Audit sampling can be performed on account balances, transaction classes or for test of compliance in any audit area. The level of sampling depends upon the account balance or compliance requirement. Sample sizes can range between 5 and 60 selected items depending on auditor requirements and judgment.

IDENTIFICATION OF ANTICIPATED POTENTIAL AUDIT PROBLEMS

We do not anticipate any audit problems. However, if we encounter any problems, it is our policy to immediately discuss these problems with management and to agree to a course of action before proceeding.

Conclusion

Thank you for your consideration of Henry+Horne as a provider of professional services. We hope we have addressed your needs and captured what your organization is all about.

We are excited about the possibility of our two organizations working together. We are similar in our philosophies, our willingness to provide exceptional service, and our desire to do the right thing for those that we work with, our customers and the community.

We would be honored to have City of Prescott as a client and if selected, we will exceed your expectations. We are confident we can provide you with a level of service that is unparalleled to anything your organization has experienced.

We look forward to serving you and having you as a part of the Henry+Horne family.



Appendix A - Peer Review



SYSTEM REVIEW REPORT

August 25, 2016

To the Partners of Henry & Horne, LLP
and the Peer Review Committee of the
California Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Henry & Horne, LLP (the firm) in effect for the year ended May 31, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews, established by the Peer Review Board of the American Institute of Certified Public Accountants. As part of our review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion the system of quality control for the accounting and auditing practice of Henry & Horne, LLP in effect for the year ended May 31, 2016 has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail* Henry & Horne, LLP has received a peer review rating of *pass*.

RW Group, LLC

Kennett Square, Pennsylvania

400 Old Forge Lane
Suite 401
Kennett Square, PA 19348-1914

 **PrimeGlobal**
An Association of
Independent Accounting Firms

Phone: 610-713-8208
Fax: 610-807-0370
www.rwgrouplic.com

Attachment: Exhibit B - Henry & Horne Proposal (1358 : Independent Audit Contract)

Appendix B - Bios



Marilyn Mays, CPA, CGMA

Audit Partner

Government Services

Phone: (480) 839-4900

Fax: (480) 839-4664

E-mail: MarilynM@hhcpa.com



I'm passionate about governmental accounting. I've spent my whole professional career in government. I want to make sure that I am passing down any knowledge that I've obtained to the others I'm working with. I also want to make sure my clients are well-taken care of, satisfied and happy with the services I'm providing.

MARILYN MAYS, CPA, CGMA

Areas of Expertise

Marilyn has extensive, hands-on experience with governmental finance. Prior to joining Henry+Horne in 2002, she was with the Finance Department of the City of Casa Grande for 12 years. While there she was responsible for the annual financial reports, a staff of six finance professionals, and the daily activities of the Finance Department, including bank reconciliations, year-end closing and preparation for auditors, and preparation of financial statements.

Professional Certifications

- Certified Public Accountant- Arizona

Education

- Northern Arizona University (B.S. in Accountancy)

Affiliations

- American Institute of Certified Public Accountants
- Arizona Society of Certified Public Accountants
- Governmental Finance Officers Association
- Pueblo Grande Museum Auxiliary Board (Finance Committee)
- Special Review Committee Member for Governmental Finance Officers Association

Employment History

- 2002 - present Henry & Horne
- 1990 - 2002 City of Casa Grande
- 1986 - 1990 Maine Consolidated School District
- 1980 - 1986 Ashton Trucking Company

Continuing Professional Education - A full list is available upon request

- A Game Changing Approach to Government Audits
- A&A Committee Planning
- AICPA National Government and Not-for-Profit Training
- CPE Network Accounting & Auditing Report
- GASB Update
- GFOAz Winter Conference
- Government Accounting Conference
- Quality Single Audits for Schools
- Quarterly Audit & Accounting Update
- Single Audit Training



Chuck Goodmiller, CPA, CGMA

Co-Managing Partner

Audit Partner

Government Services

Phone: (480) 839-4900

Fax: (480) 839-4664

E-mail: ChuckG@hhcpa.com



I thrive on finding new solutions to old problems and strategizing new ways of doing things to benefit my clients and team members. My greatest accomplishment is anytime I know that I helped a client achieve a goal or helped a team member learn and grow professionally.

CHARLES (CHUCK) H. GOODMILLER, CPA, CGMA

Areas of Expertise

Chuck is Co-Managing Partner of Henry+Horne and serves on the firm's Executive Committee and Audit and Accounting Committee. Chuck specializes in providing his clients with professional and personalized service. He provides detailed knowledge of the procedures for audits, reviews and compilations. His extensive experience includes specialty areas such as audits of federally funded entities including municipalities, Native American Indian entities, not-for-profit organizations and special districts.

Professional Certifications

- Certified Public Accountant- Arizona

Education

- Arizona State University (B.S. in Accountancy)

Affiliations

- American Institute of Certified Public Accountants
- Arizona Society of Certified Public Accountants
- Casa Grande Rotary Scholarship Foundation (Board Treasurer)
- Casa Grande Regional Hospital Foundation (Board Member)
- Governmental Finance Officers Association
- Rotary International in the Casa Grande Club
- Seeds of Hope, Inc. (Past Board Treasurer)

Continuing Professional Education - A full list is available upon request

- Advanced Single Audit Issues
- Evaluating and Reporting Single Audit Findings
- Harnessing the Power of Sampling for Your Single Audit
- How to Avoid Common Audit Quality Issues
- Internal Controls in Small Environments
- Preparing and Reporting on the SEFA
- Single Audit Training
- Single Audit Update: What You Need to Know to Do This Year
- Testing of Internal Control and Compliance in a Single Audit
- The New Uniform Grand Guidance
- Writing it Right: Audit Findings Fundamentals


Jeffery Patterson, CPA, MBA

Audit Manager
Government Services
Phone: (480) 839-4900
Fax: (480) 839-4664
E-mail: JeffP@hhcpa.com



My goal is to provide exceptional client service and be an asset to clients. I want to help them in any way I can. I hope they look at us as more than just coming out and issuing a report. I hope they actually see that we are a resource that provides them with value.

JEFFERY PATTERSON, CPA, MBA

Areas of Expertise

Jeffery's primary focus is auditing government and non-profit entities as well as performing compilations and reviews. Prior to joining Henry +Horne, Jeffery was a Senior Accountant for another firm where he specialized in governmental financial and compliance audits of municipalities, school districts, grant schools and state entities. Jeffery has performed audits for governmental and non-profit clients including school districts, charter schools, grant schools, cities, towns, counties, and state agencies.

Professional Certifications

- Certified Public Accountant- Arizona

Education

- University of Phoenix (B.S. in Accountancy)
- Utah State University (MBA in Accounting)

Affiliations

- American Institute of Certified Public Accountants
- Arizona Association of School Business Officials
- Arizona Society of Certified Public Accountants
- Reviewer for Association of School Board Officials International

Continuing Professional Education - A full list is available upon request

- Audit analysis and Business Advice
- AuditSense Training
- Fraud in Governments and School Districts
- GFOAz Summer Training
- GASB Update
- GFOAz Winter Conference
- GFOAz Quarterly Training
- Governmental Accounting Conference
- Single Audit Training

Speaking Engagements

- Quality Single Audits
- GASB 63 and 65
- School USFR Compliance Audit Readiness
- In Depth Look at the CAFR

Andrew R. Gill, CPA

Audit Supervisor

Government Services

Phone: (480) 839-4900

Fax: (480) 839-4664

E-mail: AndrewG@hhcpa.com

*My goal is to do quality, diligent,
technical work. I also want all of my
clients to know that I am a resource they
can come to.*

ANDREW R. GILL, CPA**Areas of Expertise**

Andrew Gill is known for his expertise in Single Audits. He performs audit services for governmental and not-for-profit entities. Before joining Henry+Horne in 2012, Andrew worked as an Assurance Associate handling audits for a variety of entities. When he's not working, Andrew enjoys spending time with his wife and son. He studied abroad on the Pacific Rim and hopes to do more world traveling in the future.

Professional Certifications

- Certified Public Accountant- Arizona

Education

- Oklahoma Christian University (B.B.A. in Accounting)

Affiliations

- American Institute of Certified Public Accountants
- Arizona Society of Certified Public Accountants
- Cancer Support Community of Arizona, Young Professionals Council

Continuing Professional Education - A full list is available upon request

- AASBO Spring Conference
- Audit & Accounting Department Training
- Audit & Accounting Update
- CPE Network Accounting & Auditing Report
- Ethics Update
- GAQC Annual Update
- GFOAz Summer Training
- IDEA Training for Government Journal Entry Testing
- OMB Compliance Supplement and Single Audit Update
- Re-engineering of Government Audits



City of Prescott

COST PROPOSAL

(Firm and irrevocable for 90 days from the date proposal is signed.)

Henry+Horne
2055 E. Warner Rd, Suite 101
Tempe, AZ 85284
(480) 839-4900

Marilyn Mays, CPA, Partner
MarilynM@hhcpa.com

February 20, 2017

All-Inclusive Maximum Price

HENRY+HORNE

CERTIFICATION

Henry+Horne certifies that the individual signing this proposal is entitled to represent the firm, empowered to submit this proposal and authorized to sign a contract with the City of Prescott.

ALL-INCLUSIVE PRICING

The total all-inclusive maximum price for fiscal years ending June 30, 2017, 2018 and 2019 are as follows:

City of Prescott		
YEAR	INVESTMENT	
2017	\$	33,195
2018	\$	33,195
2019	\$	33,195
TOTAL	\$	99,585

Hassayampa Community		
YEAR	INVESTMENT	
2017	\$	3,545
2018	\$	3,545
2019	\$	3,545
TOTAL	\$	10,635

Development Impact Fees		
YEAR	INVESTMENT	
2017	\$	-
2018	\$	5,185
2019	\$	-
TOTAL	\$	5,185

Henry+Horne has included all costs for travel, lodging and subsistence in the total maximum price.

Rates by Professional

Schedule of Professional Fees and Expenses for the Audit of the FY 2017 Financial Statements

City of Prescott

	HOURS	STANDARD HOURLY RATES	QUOTED HOURLY RATES	TOTAL
Partners	22	\$ 300	\$ 225	\$ 4,950
Managers	43	230	165	7,095
Supervisory Staff	90	195	140	12,600
Other (specify):	90	140	95	8,550
Out-of-pocket expenses				Included
Transportation				Included
Other (specify):				Included
Total all-inclusive maximum price for the FY 2017 audit				<u>\$ 33,195</u>

Hassayampa Community Facilities Districts

	HOURS	STANDARD HOURLY RATES	QUOTED HOURLY RATES	TOTAL
Partners	3	\$ 300	\$ 225	\$ 675
Managers	2	230	165	330
Supervisory Staff	10	195	140	1,400
Other (specify):	12	140	95	1,140
Out-of-pocket expenses				Included
Transportation				Included
Other (specify):				Included
Total all-inclusive maximum price for the 2017 audit				<u>\$ 3,545</u>

Schedule of Professional Fees and Expenses for the Audit of the FY 2018 Financial Statements

City of Prescott

	HOURS	STANDARD HOURLY RATES	QUOTED HOURLY RATES	TOTAL
Partners	22	\$ 300	\$ 225	\$ 4,950
Managers	43	230	165	7,095
Supervisory Staff	90	195	140	12,600
Other (specify):	90	140	95	8,550
Out-of-pocket expenses				Included
Transportation				Included
Other (specify):				Included
Total all-inclusive maximum price for the FY 2018 audit				\$ 33,195

Hassayampa Community Facilities Districts

	HOURS	STANDARD HOURLY RATES	QUOTED HOURLY RATES	TOTAL
Partners	3	\$ 300	\$ 225	\$ 675
Managers	2	230	165	330
Supervisory Staff	10	195	140	1,400
Other (specify):	12	140	95	1,140
Out-of-pocket expenses				Included
Transportation				Included
Other (specify):				Included
Total all-inclusive maximum price for the 2018 audit				\$ 3,545

Development Impact Fees

	HOURS	STANDARD HOURLY RATES	QUOTED HOURLY RATES	TOTAL
Partners	4	\$ 300	\$ 225	\$ 900
Managers	6	230	165	990
Supervisory Staff	12	195	140	1,680
Other (specify):	17	140	95	1,615
Out-of-pocket expenses				Included
Transportation				Included
Other (specify):				Included
Total all-inclusive maximum price for the FY 2018 audit				\$ 5,185

Schedule of Professional Fees and Expenses for the Audit of the FY 2019 Financial Statements

City of Prescott

	HOURS	STANDARD HOURLY RATES	QUOTED HOURLY RATES	TOTAL
Partners	22	\$ 300	\$ 225	\$ 4,950
Managers	43	230	165	7,095
Supervisory Staff	90	195	140	12,600
Other (specify):	90	140	95	8,550
Out-of-pocket expenses				Included
Transportation				Included
Other (specify):				Included
Total all-inclusive maximum price for the FY 2019 audit				\$ 33,195

Hassayampa Community Facilities Districts

	HOURS	STANDARD HOURLY RATES	QUOTED HOURLY RATES	TOTAL
Partners	3	\$ 300	\$ 225	\$ 675
Managers	2	230	165	330
Supervisory Staff	10	195	140	1,400
Other (specify):	12	140	95	1,140
Out-of-pocket expenses				Included
Transportation				Included
Other (specify):				Included
Total all-inclusive maximum price for the 2019 audit				\$ 3,545



Additional Information

RATES FOR ADDITIONAL PROFESSIONAL SERVICES

Fees for other services will be arranged with you in advance based upon our level of involvement. Currently, our hourly billing rates, by staff level are:

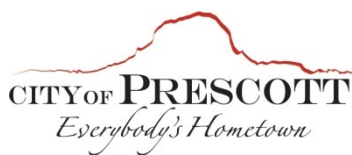
LEVEL	HOURLY RATE
Partner	\$225 - 300
Manager	\$170 - 225
Supervisor	\$150 - 170
Senior Associate	\$120 - 150
Associate	\$100 - 120

INVOICES AND PAYMENT TERMS

A progress payment will be made upon the completion of fieldwork based on the total hours of work performed compared to the total maximum price in accordance with Henry+Horne's cost proposal.

Henry+Horne will send all interim and final invoices to Melissa Busby at the City of Prescott for approval prior to payment being made. Henry+Horne understands the City of Prescott will make payment within 30 days of receipt of a proper invoice for interim and final billings, once the billing has been approved by the City of Prescott.

Henry+Horne will submit separate invoices for the City of Prescott audit and for the Hassayampa Community Facilities District audit.



COUNCIL AGENDA MEMO

MEETING DATE/TYPE: **VOTING MEETING** **3-14-17**

DEPARTMENT: **Information Technology**

AGENDA ITEM: Approval of City Contract No. 2017-270 with Kronos for Public Safety Software Upgrade in an amount not to exceed \$11,424.57, using Mohave County Arizona Contract No. 14L-KRON-1107 pricing

FUNDING SOURCE: General Fund

Approved By: Michael Lamar, City Manager

Item Summary

This item is submitted by IT on behalf of the Fire and Police departments, and Regional Communications. It covers the software and database upgrade costs required to upgrade the Telestaff system.

Background

Kronos Telestaff is a public safety oriented automatic scheduling system. Telestaff is also used as a payroll reporting and import system for MUNIS.

Here are some example scenarios where Telestaff is used:

- A firefighter calls in sick and Telestaff can automatically send out a notice to fill the vacant work slot with someone with equivalent capabilities (for example – EMT, Engineer, etc)
- A large scale event happens that requires PRCC to recall additional dispatchers. Telestaff can identify those individuals and send out notices to them informing them of the need along with callback information

Telestaff is also used for day to day tracking of time and can apply payroll logic or rules to that time to meet the complex ins and outs of public safety related payroll structure.

This upgrade will bring our Telestaff system to a current software version and will offer a number of improvements such as moving to a web based software interface for ease of access to Telestaff remotely, ability to contact public safety staff via text, email, etc. The upgrade is also necessary to allow TriTech Inform software to integrate with Telestaff.

AGENDA ITEM: Approval of City Contract No. 2017-270 with Kronos for Public Safety Software Upgrade in an amount not to exceed \$11,424.57, using Mohave County Arizona Contract No. 14L-KRON-1107 pricing

TriTech integration would allow staff capabilities in Telestaff (EMT, SWAT, hostage negotiator, etc) to be loaded in to TriTech which is used by TriTech to make determinations for the best available unit (closest by road miles, has the required staff capabilities, etc) in an automated fashion.

Financial Impact

Telestaff provided quotes for on-premise (hosted on our servers) and cloud (Kronos hosted servers) and the cloud proposal was just over one-third more expensive than the self-hosted option.

Funding for this item will come from the Fire department (40%), Police department (40%), and Regional Communications (20%).

Attachments

1. Police On-Premise Telestaff Quote
2. Prescott Fire Telestaff Upgrade Quote
3. Q557562 Prescott Police
4. Q557596 Prescott Fire

Recommended Action: **MOVE** to approve City Contract No. 2017-270.



TeleStaff Budgetary Estimate
 Prescott Police
 Workforce TeleStaff Upgrade ON PREMISE
 July 8, 2016

Software

Item	License/Qty	Unit Price	Total Price
Workforce TeleStaff Global Access Licenses	150	\$25.00	\$3,750.00
		Total Price	\$3,750.00

Support Services

Item	Duration	Total Price
Annual Maintenance on above product (s)	Year one	\$937.50
Knowledge Pass Subscription	Annual	\$575.00
	Total Price	\$1,512.50

PROFESSIONAL SERVICES

Item	Quantity	Total Price
Upgrade to WFTS	One-time fee	\$1,290.00
Project Management	One-time fee	\$180.00
Aspect Evolution (Cloud-Hosted)	One-time fee	\$1,075.00
	Total Price	\$2,545.00

*ASPECT – VOIP TELEPHONY SERVICES

Item	Duration	Total Price
Hosted Solution (paid in arrears)	Monthly	\$0.13/minute
*Additional charges may apply, this is Voxeo's hosted option ONLY	Total Monthly Price	TBD
	Total Price	\$0.00

QUOTE SUMMARY

Description	Total Price
SOFTWARE	\$3,750.00
SUPPORT SERVICES	\$1,512.50
PROFESSIONAL SERVICES	\$2,545.00
ASPECT	TBD
GRAND TOTAL	\$7,807.50

Notes:

- Aspect/Voxeo is required to utilize the inbound/outbound calling feature; No monthly minimum. Invoiced one month in arrears.
- WebAccess subscription can be canceled once WFTS is live.



TeleStaff Budgetary Estimate
 Prescott Fire
 Workforce TeleStaff Upgrade ON PREMISE
 July 8, 2016

Software

Item	License/Qty	Unit Price	Total Price
Workforce TeleStaff Global Access Licenses	125	\$25.00	\$3,125.00
		Total Price	\$3,125.00

Support Services

Item	Duration	Total Price
Annual Maintenance on above product (s)	Year one	\$781.25
Knowledge Pass Subscription	Annual	\$575.00
	Total Price	\$1,356.25

PROFESSIONAL SERVICES

Item	Quantity	Total Price
Upgrade to WFTS	One-time fee	\$1,290.00
Project Management	One-time fee	\$180.00
Aspect Evolution (Cloud-Hosted)	One-time fee	\$1,075.00
	Total Price	\$2,545.00

*ASPECT – VOIP TELEPHONY SERVICES

Item	Duration	Total Price
Hosted Solution (paid in arrears)	Monthly	\$0.13/minute
*Additional charges may apply, this is Voxeo's hosted option ONLY	Total Monthly Price	TBD
	Total Price	\$0.00

QUOTE SUMMARY

Description	Total Price
SOFTWARE	\$3,125.00
SUPPORT SERVICES	\$1,356.25
PROFESSIONAL SERVICES	\$2,545.00
ASPECT	TBD
GRAND TOTAL	\$7,026.25

Notes:

- Aspect/Voxeo is required to utilize the inbound/outbound calling feature; No monthly minimum. Invoiced one month in arrears.
- WebAccess subscription can be canceled once WFTS is live.



Order Form

8.C.3

Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824
Telephone: 1-978-250-9800

Quote# 557562 - 1
Date: 12-JAN-2017
Page: 1/2

Payment Terms N30
Customer PO Number

Bill To Attn:Accounts Payable
PRESCOTT POLICE
222 S MARINA ST
PRESCOTT
AZ 86303
United States

FOB Shipping Point

Freight Term Prepay & Add

Ship Method

Sales Representative Patzold, Celeste
Order Type Upgrade US

Ship To Attn:CHERI SHEFFIELD
PRESCOTT POLICE
222 S MARINA ST
PRESCOTT
AZ 86303
United States

License Contact Cheri Sheffield

License Email cheri.sheffield@prescott-az.gov

Telestaff Terms & Conditions

The undersigned party represents that it is a member of the Mohave Education Services Cooperative. This order is subject to the terms and conditions of the Member Agreement of the Mohave Contract (14L-KRON-1107), dated November 7, 2014.

Customer will continue support on the Reporting product. Customer may renew or terminate the Reporting product support services in accordance with the terms of the Agreement.

Line	Product	Product Description	Payment Terms	Units	Qty	License Capacity /Billing Role	Unit Price Selling (USD)	Total Price Selling (USD)
1.0	8604139-000	WORKFORCE TELESTAFF GLOBAL ACCESS V4	N30	EA	1	125	1,968.75	1,968.7
1.0.1	PLAT-TELESTAFF	Platinum Support Service Duration: 1 YR	N30	CON	1		492.19	492.1
2.0	9990057-PRO	PROFESSIONAL SERVICES - TELESTAFF		HR	1	Project Manager	190.00	190.0
3.0	9990079-PRO	PROFESSIONAL SERVICES - TECHNICAL SERVICES TELESTAFF		HR	11	Technology Consultant	190.00	2,090.0
4.0	8602748-001	KNOWLEDGE PASS	N30	EA	1	EDU	0.00	0.0
4.0.1	ED-SUBSCRIPTION	Ed Services Subscription Duration: 1 YR	N30	CON	1	EDU	499.00	499.0

Subtotal 5,239.9

Tax 205.4
Deposit 0.0

Total Less Deposit (USD) 5,445.4

Attachment: Q557562 Prescott Police (1359 : Telestaff Software Upgrade)

PRESCOTT POLICE

Signature : _____

Name : _____

Title : _____

Effective Date : _____

Kronos Incorporated

Signature : _____

Name : _____

Title : _____

Invoice amount will reflect deposit received. All professional services are billed as delivered with a payment term of Net Upon Receipt. Unless otherwise indicated above, this order is subject to the attached terms and conditions which the customer acknowledges have been read. THIS ORDER IS SUBJECT TO APPLICABLE TAXES. THE TAX AMOUNT SHOWN ON THIS ORDER IS ONLY AN ESTIMATE. THE ACTUAL TAX AMOUNT TO BE PAID BY CUSTOMER WILL BE SHOWN ON CUSTOMER'S INVOICE. The JBoss® Enterprise Middleware components embedded in the Software are subject to the End User License Agreement found at http://www.redhat.com/licenses/jboss_eula.html. Shipping and handling charges will be reflected on the final invoice.

Attachment: Q557562 Prescott Police (1359 : Telestaff Software Upgrade)



Order Form

8.C.4

Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824
Telephone: 1-978-250-9800

Quote# 557596 - 1
Date: 12-JAN-2017
Page: 1/2

Payment Terms N30
Customer PO Number

Sales Representative Patzold, Celeste
Order Type Upgrade US

Bill To Attn:Accounts Payable
PRESCOTT FIRE
2086 WILLOW CREEK RD
PRESCOTT
AZ 86305
United States

Ship To Attn:CHERI SHEFFIELD
PRESCOTT FIRE
2086 WILLOW CREEK RD
PRESCOTT
AZ 86305
United States

FOB Shipping Point
Freight Term Prepay & Add
Ship Method

License Contact Cheri Sheffield
License Email cheri.sheffield@prescott-az.gov

The undersigned party represents that it is a member of the Mohave Education Services Cooperative. This order is subject to the terms and conditions of the Member Agreement of the Mohave Contract (14L-KRON-1107), dated November 7, 2014.

Customer will continue support on the Reporting product. Customer may renew or terminate the Reporting product support services in accordance with the terms of the Agreement.

Line	Product	Product Description	Payment Terms	Units	Qty	License Capacity /Billing Role	Unit Price Selling (USD)	Total Price Selling (USD)
1.0	8604495-000	WORKFORCE TELESTAFF GLOBAL ACCESS V6	N30	EA	1	125	1,968.75	1,968.7
1.0.1	PLAT-TELESTAFF	Platinum Support Service Duration: 1 YR	N30	CON	1		492.19	492.1
2.0	9990057-PRO	PROFESSIONAL SERVICES - TELESTAFF		HR	1	Project Manager	190.00	190.0
3.0	9990079-PRO	PROFESSIONAL SERVICES - TECHNICAL SERVICES TELESTAFF		HR	11	Technology Consultant	190.00	2,090.0
4.0	8602748-001	KNOWLEDGE PASS	N30	EA	1	EDU	0.00	0.0
4.0.1	ED-SUBSCRIPTION	Ed Services Subscription Duration: 1 YR	N30	CON	1	EDU	499.00	499.0
Subtotal								5,239.9
Tax								205.4
Deposit								0.0
Total Less Deposit (USD)								5,445.4

Attachment: Q557596 Prescott Fire (1359 : Telestaff Software Upgrade)

PRESCOTT FIRE

Signature : _____

Name : _____

Title : _____

Effective Date : _____

Kronos Incorporated

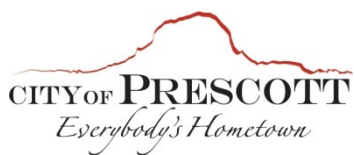
Signature : _____

Name : _____

Title : _____

Invoice amount will reflect deposit received. All professional services are billed as delivered with a payment term of Net Upon Receipt. Unless otherwise indicated above, this order is subject to the attached terms and conditions which the customer acknowledges have been read. THIS ORDER IS SUBJECT TO APPLICABLE TAXES. THE TAX AMOUNT SHOWN ON THIS ORDER IS ONLY AN ESTIMATE. THE ACTUAL TAX AMOUNT TO BE PAID BY CUSTOMER WILL BE SHOWN ON CUSTOMER'S INVOICE. The JBoss® Enterprise Middleware components embedded in the Software are subject to the End User License Agreement found at http://www.redhat.com/licenses/jboss_eula.html. Shipping and handling charges will be reflected on the final invoice.

Attachment: Q557596 Prescott Fire (1359 : Telestaff Software Upgrade)



COUNCIL AGENDA MEMO

MEETING DATE/TYPE: **VOTING MEETING** **3-14-17**

DEPARTMENT: **Information Technology**

AGENDA ITEM: Approval of City Contract No. 2017-271 with ESRI, Inc., for a three-year GIS Enterprise Licensing Agreement in an amount not to exceed \$38,500.00 per year, using State of Arizona Contract No. ADSP015-097108 pricing

FUNDING SOURCE: General Fund

Approved By: Michael Lamar, City Manager

Item Summary

In terms of GIS workload IT is at a fork in the road. A number of applications are online or coming online that are heavy consumers of GIS data (for example – Accela, Lucity, and TriTech). In addition GIS provides data to a broad number of City departments and is heavily used by Public Works (infrastructure), Community Development (planning and zoning), and Recreation Services (trails) right now. Since 2010 the GIS workload, measured in work requests, has more than tripled and we can assume that each and every GIS related phone call, walk-in request, etc is not always captured and recorded with perfect fidelity.

Adding an additional GIS server is necessary to absorb this workload and the cost for the license of that server, combined with our yearly GIS support and maintenance to ESRI for a single server, is equivalent to the cost of this agreement. This fact combined with the fact that ESRI is the standard for GIS software makes this move a logical move ahead of some large GIS consumer applications (Accela and TriTech) coming online.

Making the move to an enterprise license agreement is essentially moving to an all you can eat buffet licensing model with ESRI for the same financial cost that simply adding another server would incur.

Background

Geographic Information Systems or GIS is a discipline that deals with geolocation of resources using spatial data. That is a five dollar way of saying that GIS takes items such as roads, infrastructure, trails, etc and plots those items using a coordinate system which most people experience in the form of paper or electronic maps. The most common experience people have with GIS and GIS data is something like Google Maps or a GPS application in a car.

AGENDA ITEM: Approval of City Contract No. 2017-271 with ESRI, Inc., for a three-year GIS Enterprise Licensing Agreement in an amount not to exceed \$38,500.00 per year, using State of Arizona Contract No. ADSP015-097108 pricing

In a nutshell GIS ties information to the physical world and more specifically to locations within the physical world. This information can be accessed and sliced and diced to provide a comprehensive overview of these objects within the physical world. The secret sauce under the GIS hood is the ability to assign and update attributes related to an item. For example, the ability to show that that in a certain location, parcel, boundary (group of parcels), etc the water pipes are of a certain size, a certain material, etc along with grade information, zoning information, etc.

That is a high level overview of GIS so the next question is why do we need to do this?

In terms of our GIS resources we have been operating our GIS area with the same staffing levels and server count for well over 12 years. In IT a server is a system that houses a software application, data, etc and allows work to be done on that system. As workload rises in demand on that server we can rebuild the server or add additional hardware to that server to make it bigger, faster, and stronger. This is referred to as 'vertical scale' and the visual would be something along the lines of a weightlifter bulking up to do more work.

There are limits to vertical scale and at some point our weightlifter is quite strong but being a one man/woman army our server/weightlifter will start to hit limits to what can be accomplished given a workload of sufficient size. We are at this point currently. We can add one or more additional servers (or weightlifters to abuse the analogy here) to spread out the workload which allows our servers to do much more work and more efficiently than trying to continually bulk up our single server/weightlifter.

Financial Impact

This is a three year software agreement and the first year (FY17) includes a pro-rated credit of our ESRI annual support and maintenance paid in the fall of 2016. Our yearly ESRI support and maintenance is \$17,000.00 without this agreement and with this agreement that cost jumps to \$38,020.00 per year.

Under our current ESRI support and maintenance agreement the financial cost to add a second server would take us to roughly the same cost as the enterprise license agreement would per year. The value proposition enters the picture when you consider that without the enterprise license agreement we would effectively double our yearly GIS support and maintenance costs but in return we would only receive that second server (no additional software or services).

A third server, again only a server - no additional benefits or components in the transaction, would take the yearly support and maintenance costs to just over \$52,000.00 per year. With the credit for our yearly support and maintenance paid to ESRI in the fall of 2016 we will be able to move to the enterprise licensing agreement for the same cost as we will incur anyway to add a second server.

We are at the point where we need to add a second GIS server and financially it makes

AGENDA ITEM: Approval of City Contract No. 2017-271 with ESRI, Inc., for a three-year GIS Enterprise Licensing Agreement in an amount not to exceed \$38,500.00 per year, using State of Arizona Contract No. ADSPO15-097108 pricing

sense to get the most bang for our buck and that is via the enterprise licensing agreement route as it expands the available pool of GIS software resources to an all you can buffet model for our organization. Making this move now rather than as part of the FY18 budget will allow IT to get the new GIS resources in-house and online ahead of the deployment of what are increasingly GIS intensive software applications used around the City of Prescott.

These cost are paid out of the IT budget which is cost recovered to all the City's service centers with approximately 26% coming from the General Fund.

Attachments

1. City of Prescott SGEA Proposal

Recommended Action: **MOVE** to approve City Contract No. 2017-271.



January 6, 2017

Ms. Catherine Moody
City of Prescott
201 S Cortez St
Prescott, AZ 86303-3989

Dear Catherine,

The Esri Small Municipal and County Government Enterprise License Agreement (ELA) is a three-year agreement that will grant your organization access to Esri® term license software on an unlimited basis including maintenance on all software offered through the ELA for the term of the agreement. The ELA will be effective on the date executed and will require a firm, three-year commitment.

Based on Esri's work with several organizations similar to yours, we know there is significant potential to apply geographic information system (GIS) technology in many operational and technical areas within your organization. For this reason, we believe that your organization will greatly benefit from an enterprise license agreement.

An ELA will provide your organization with numerous benefits including:

- A lower cost per unit for licensed software
- Substantially reduced administrative and procurement expenses
- Maintenance on all Esri software deployed under this agreement
- Complete flexibility to deploy software products when and where needed

The following business terms and conditions will apply:

- All current departments, employees, and in-house contractors of the organization will be eligible to use the software and services included in the ELA.
- If your organization wishes to acquire and/or maintain any Esri software during the term of the agreement that is not included in the ELA, it may do so separately at the Esri pricing that is generally available for your organization for software and maintenance.
- The organization will establish a single point of contact for orders and deliveries and will be responsible for redistribution to eligible users.
- The organization will establish a Tier 1 support center to field calls from internal users of Esri software. The organization may designate individuals as specified in the ELA who may directly contact Esri for Tier 2 technical support.
- The organization will provide an annual report of installed Esri software to Esri.

- Esri software and updates that the organization is licensed to use will be automatically available for downloading.
- The organization will act as an Esri reference site and will permit Esri to publicize its use of Esri software and services.
- The fee and benefits offered in this ELA proposal are contingent upon your acceptance of Esri's Small Municipal and County Government ELA terms and conditions.
- Licenses are valid for the term of the ELA.

This program offer is valid for 90 days. To complete the agreement within this time frame, please contact me within the next seven days to work through any questions or concerns you may have. To expedite your acceptance of this ELA offer:

1. Sign and return the whole agreement per the instructions in the terms and conditions.
2. On the first page of the ELA, identify the central point of contact/agreement administrator. The agreement administrator is the party that will be the contact for management of the software, administration issues, and general operations. Information should include name, title (if applicable), address, phone number, and e-mail address.
3. In the purchase order, identify the "Ship to" and "Bill to" information for your organization.
4. Send the purchase order and agreement to the address, email or fax noted below:

Esri
Attn: Customer Service SG-ELA
380 New York Street
Redlands, CA 92373-8100

e-mail: service@esri.com
fax documents to: 909-307-3083

I appreciate the opportunity to present you with this proposal, and I believe it will bring great benefits to your organization.

Thank you very much for your consideration.

Best Regards,

Lisa Ward

**Quotation # 20500175****Date:** January 6, 2017**Customer # 8234 Contract #**

City of Prescott
Information Technology
201 S Cortez St
Prescott, AZ 86303-3989

ATTENTION: Catherine Moody
PHONE: 928-777-1309
FAX: 928-777-1381

ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC.
ONE INTERNATIONAL COURT
BROOMFIELD, CO 80021-3200
Phone: (909) 793-2853 Fax: (303) 449-8830
DUNS Number: 06-313-4175 CAGE Code: 0AMS3

*To expedite your order, please attach a copy of
this quotation to your purchase order.*
Quote is valid from: 01/06/2017 To: 04/06/2017

Material	Qty	Description	Unit Price	Total
110036	1	Populations of 25,001 to 50,000 Small Government Term Enterprise License Agreement - Year 1	35,000.00	35,000.0
115572	1	ArcPad Populations of 25,001 to 50,000 Small Government Enterprise License Agreement - Year 1	750.00	750.0
110036	1	Populations of 25,001 to 50,000 Small Government Term Enterprise License Agreement - Year 2	35,000.00	35,000.0
115572	1	ArcPad Populations of 25,001 to 50,000 Small Government Enterprise License Agreement - Year 2	750.00	750.0
110036	1	Populations of 25,001 to 50,000 Small Government Term Enterprise License Agreement - Year 3	35,000.00	35,000.0
115572	1	ArcPad Populations of 25,001 to 50,000 Small Government Enterprise License Agreement - Year 3	750.00	750.0
			Item Total:	107,250.0
			Subtotal:	107,250.0
			Sales Tax:	6,810.3
			Estimated Shipping & Handling(2 Day Delivery) :	0.0
			Contract Pricing Adjust:	0.0
			Total:	\$114,060.3

Esri may charge a fee to cover expenses related to any customer requirement to use a proprietary vendor management, procurement, or invoice program.

For questions contact: Lisa Ward**Email:** lward@esri.com**Phone:** (909) 793-2853 x8231

The items on this quotation are subject to the terms set forth herein and the terms of your signed agreement with Esri, if any, or, where applicable, Esri's standard terms and conditions at www.esri.com/legal, which are incorporated by reference. Federal government entities and government prime contractors authorized under FAR 51.1 may purchase under the terms of Esri's GSA Federal Supply Schedule. Acceptance is limited to the terms of this quotation. Esri objects to and expressly rejects any different or additional terms contained in any purchase order, offer, or confirmation sent to or to be sent by buyer. All terms of this quotation will be incorporated into and become part of any additional agreement regarding Esri's products and services.

If sending remittance, please address to: Esri, File No. 54630, Los Angeles, Ca 90074-4630

**Quotation # 20500175****Date:** January 6, 2017**Customer # 8234 Contract #**

City of Prescott
Information Technology
201 S Cortez St
Prescott, AZ 86303-3989

ATTENTION: Catherine Moody
PHONE: 928-777-1309
FAX: 928-777-1381

ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC.
ONE INTERNATIONAL COURT
BROOMFIELD, CO 80021-3200

Phone: (909) 793-2853 Fax: (303) 449-8830
DUNS Number: 06-313-4175 CAGE Code: 0AMS3

***To expedite your order, please attach a copy of
this quotation to your purchase order.***

Quote is valid from: 01/06/2017 To: 04/06/2017

If you have made ANY alterations to the line items included in this quote and have chosen to sign the quote to indicate your acceptance, you must fax Esri the signed quote in its entirety in order for the quote to be accepted. You will be contacted by your Customer Service Representative if additional information is required to complete your request.

If your organization is a US Federal, state, or local government agency; an educational facility; or a company that will not pay an invoice without having issued a formal purchase order, a signed quotation will not be accepted unless it is accompanied by your purchase order.

In order to expedite processing, please reference the quotation number and any/all applicable Esri contract number(s) (e.g. MPA, ELA, SmartBuy, GSA, BPA) on your ordering document.

BY SIGNING BELOW, YOU CONFIRM THAT YOU ARE AUTHORIZED TO OBLIGATE FUNDS FOR YOUR ORGANIZATION, AND YOU ARE AUTHORIZING ESRI TO ISSUE AN INVOICE FOR THE ITEMS INCLUDED IN THE ABOVE QUOTE IN THE AMOUNT OF \$_____, PLUS SALES TAXES IF APPLICABLE. DO NOT USE THIS FORM IF YOUR ORGANIZATION WILL NOT HONOR AND PAY ESRI'S INVOICE WITHOUT ADDITIONAL AUTHORIZING PAPERWORK.

Please check one of the following:

☐ I agree to pay any applicable sales tax.

☐ I am tax exempt, please contact me if exempt information is not currently on file with Esri.

Signature of Authorized Representative

Date

Name (Please Print)

Title

The quotation information is proprietary and may not be copied or released other than for the express purpose of system selection and purchase/license. This information may not be given to outside parties or used for any other purpose without consent from Environmental Systems Research Institute, Inc. (Esri).

Any estimated sales and/or use tax reflected on this quote has been calculated as of the date of this quotation and is merely provided as a convenience for your organization's budgetary purposes. Esri reserves the right to adjust and collect sales and/or use tax at the actual date of invoicing. If your organization is tax exempt or pays state tax directly, then prior to invoicing, your organization must provide Esri with a copy of a current tax exemption certificate issued by your state's taxing authority for the given jurisdiction.

Esri may charge a fee to cover expenses related to any customer requirement to use a proprietary vendor management, procurement, or invoice program.

For questions contact: Lisa Ward

Email: ward@esri.com

Phone: (909) 793-2853 x8231

The items on this quotation are subject to the terms set forth herein and the terms of your signed agreement with Esri, if any, or, where applicable, Esri's standard terms and conditions at www.esri.com/legal, which are incorporated by reference. Federal government entities and government prime contractors authorized under FAR 51.1 may purchase under the terms of Esri's GSA Federal Supply Schedule. Acceptance is limited to the terms of this quotation. Esri objects to and expressly rejects any different or additional terms contained in any purchase order, offer, or confirmation sent to or to be sent by buyer. All terms of this quotation will be incorporated into and become part of any additional agreement regarding Esri's products and services.

If sending remittance, please address to: Esri, File No. 54630, Los Angeles, Ca 90074-4630



**SMALL ENTERPRISE AGREEMENT
COUNTY AND MUNICIPALITY GOVERNMENT
(E214-2)**

This Agreement is by and between the organization identified in the Quotation ("Licensee") and **Environmental Systems Research Institute, Inc. ("Esri")**.

This Agreement sets forth the terms for Licensee's use of Products and incorporates by reference (i) the Quotation and (ii) the License Agreement. Should there be any conflict between the terms and conditions of the documents that comprise this Agreement, the order of precedence for the documents shall be as follows: (i) the Quotation, (ii) this Agreement, and (iii) the License Agreement. This Agreement shall be governed by and construed in accordance with the laws of the state in which Licensee is located without reference to conflict of laws principles, and the United States of America federal law shall govern in matters of intellectual property. The modifications and additional rights granted in this Agreement apply only to the Products listed in Table A.

**Table A
List of Products**

Uncapped Quantities

Desktop Software and Extensions

ArcGIS Desktop Advanced
ArcGIS Desktop Standard
ArcGIS Desktop Basic
ArcGIS Desktop Extensions: ArcGIS 3D Analyst,
ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst,
ArcGIS Publisher, ArcGIS Network Analyst, ArcGIS
Schematics, ArcGIS Workflow Manager, ArcGIS Data
Reviewer

Enterprise Software and Extensions

ArcGIS Enterprise and Workgroup
(Advanced and Standard)
ArcGIS Enterprise Extensions: ArcGIS 3D Analyst,
ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst,
ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS
Workflow Manager

Enterprise Optional Server

ArcGIS Image Server

Developer Tools

ArcGIS Engine
ArcGIS Engine Extensions: ArcGIS 3D Analyst, ArcGIS
Spatial Analyst, ArcGIS Engine Geodatabase Update,
ArcGIS Network Analyst, ArcGIS Schematics
ArcGIS Runtime (Standard)
ArcGIS Runtime Analysis Extension

Limited Quantities

One (1) Annual Subscription to Esri Developer Network
(EDN) Standard*
Two (2) Esri CityEngine Advanced Single Use Licenses
100 Level 1 ArcGIS Online Named Users
100 Level 2 ArcGIS Online Named Users
17,500 ArcGIS Online Service Credits
100 Level 1 ArcGIS Enterprise Named Users
100 Level 2 ArcGIS Enterprise Named Users
3 Insights for ArcGIS

OTHER BENEFITS

Number of Esri User Conference registrations provided annually	3
Number of Tier 1 Help Desk individuals authorized to call Esri	3
Maximum number of sets of backup media, if requested**	2
Self-Paced e-Learning	Uncapped
Five percent (5%) discount on all individual commercially available instructor-led training classes at Esri facilities purchased outside this Agreement (Discount does not apply to Small Enterprise Training Package.)	

*Maintenance is not provided for these items

**Additional sets of backup media may be purchased for a fee

Licensee may accept this Agreement by signing and returning the whole Agreement with a signed sales quotation, purchase order, or other document that matches the Quotation and references this Agreement ("Ordering Document"). **ADDITIONAL OR CONFLICTING TERMS IN LICENSEE'S ORDERING DOCUMENT WILL NOT APPLY, AND THE TERMS OF THIS AGREEMENT WILL GOVERN.** This Agreement is effective as of the date of Esri's receipt of Licensee's Ordering Document incorporating this Agreement by reference, unless otherwise agreed to by the parties ("Effective Date").

Term of Agreement: Three (3) years

This Agreement supersedes any previous agreements, proposals, presentations, understandings, and arrangements between the parties relating to the licensing of the Products. Except as provided in Article 4—Product Updates, no modifications can be made to this Agreement.

Accepted and Agreed:

(Licensee)

By: _____
Authorized Signature

Printed Name: _____

Title: _____

Date: _____

LICENSEE CONTACT INFORMATION

Contact: _____

Telephone: _____

Address: _____

Fax: _____

City, State, Postal Code: _____

E-mail: _____

Country: _____

Quotation Number (if applicable): _____

1.0—ADDITIONAL DEFINITIONS

In addition to the definitions provided in the License Agreement, the following definitions apply to this Agreement:

"Deploy", "Deployed" and "Deployment" mean to redistribute and install the Products and related Authorization Codes within Licensee's organization(s).

"Fee" means the fee set forth in the Quotation.

"Case" means a failure of the Software or Online Services to operate according to the Documentation where such failure substantially impacts operational or functional performance.

"License Agreement" means the applicable license agreement for Esri Products incorporated by this reference that is (i) found at <http://www.esri.com/legal/software-license> and available in the installation process requiring acceptance by electronic acknowledgment or (ii) a signed Esri license agreement that supersedes such electronically acknowledged license agreement.

"Maintenance" means Tier 2 Support, Product updates, and Product patches provided to Licensee during the Term of Agreement.

"Product(s)" means the products identified in Table A—List of Products and any updates to the list Esri provides in writing.

"Quotation" means the offer letter and quotation provided separately to Licensee.

"Technical Support" means the technical assistance for attempting resolution of a reported Case through error correction, patches, hot fixes, workarounds, replacement deliveries, or any other type of Product corrections or modifications.

"Tier 1 Help Desk" means Licensee's point of contact(s) to provide all Tier 1 Support within Licensee's organization(s).

"Tier 1 Support" means the Technical Support provided by the Tier 1 Help Desk.

"Tier 2 Support" means the Technical Support provided to the Tier 1 Help Desk when a Case cannot be resolved through Tier 1 Support. Licensee will receive Tier 2 Support from Esri.

2.0—ADDITIONAL GRANT OF LICENSE

2.1 Grant of License. Subject to the terms and conditions of this Agreement, Esri grants to Licensee a personal, nonexclusive, nontransferable license solely to use, copy, and Deploy quantities of the Products listed in Table A—List of Products for the term provided on the first page (i) for the applicable Fee and (ii) in accordance with the License Agreement.

2.2 Consultant Access. Esri grants Licensee the right to permit Licensee's consultants or contractors to use the Products exclusively for Licensee's benefit. Licensee will be solely responsible for compliance by consultants and contractors with this Agreement and will ensure that the consultant or contractor discontinues use of Products upon completion of work for Licensee. Access to or use of Products by consultants or contractors not exclusively for Licensee's benefit is prohibited. Licensee may not permit its consultants or contractors to install Software or Data on consultant, contractor, or third-party computers or remove Software or Data from Licensee locations, except for the purpose of hosting the Software or Data on Contractor Servers for the benefit of Licensee.

3.0—TERM, TERMINATION, AND EXPIRATION

3.1 Term. This Agreement and all licenses hereunder will commence on the Effective Date and continue for the duration identified in the Term of Agreement, unless this Agreement is terminated earlier as provided herein. Licensee is only authorized to use Products during the Term of Agreement. For an Agreement with a limited term, Esri does not grant Licensee an indefinite or a perpetual license to Products.

3.2 No Use upon Agreement Expiration or Termination. All Product licenses, all Maintenance, and Esri User Conference registrations terminate on expiration or termination of this Agreement.

3.3 Termination for a Material Breach. Either party may terminate this Agreement for a material breach by the other party. The breaching party will have thirty (30) days from the date of written notice to cure any material breach.

3.4 Termination for Lack of Funds. For an Agreement with government or government-owned entities, either party may terminate this Agreement before any subsequent year if Licensee is unable to secure funding through the legislative or governing body's approval process.

3.5 Follow-on Term. If the parties enter into another agreement substantially similar to this Agreement for an additional term, the effective date of the follow-on agreement will be the day after the expiration date of this Agreement.

4.0—PRODUCT UPDATES

4.1 Future Updates. Esri reserves the right to update the list of Products in Table A—List of Products by providing written notice to Licensee. Licensee may continue to use all Products that have been Deployed, but support and upgrades for deleted items may not be available. As new Products are incorporated into the standard program, they will be offered to Licensee via written notice for incorporation into the Products schedule at no additional charge. Licensee's use of new or updated Products requires Licensee to adhere to applicable additional or revised terms and conditions of the License Agreement.

4.2 Product Life Cycle. During the Term of Agreement, some Products may be retired or may no longer be available to Deploy in the identified quantities. Maintenance will be subject to the individual Product Life Cycle Support Status and Product Life Cycle Support Policy, which can be found at <http://support.esri.com/en/content/productlifecycles>. Updates for Products in the mature and retired phases may not be available. Licensee may continue to use Products already Deployed during the Term of Agreement, but Licensee will not be able to Deploy retired Products.

5.0—MAINTENANCE

The Fee includes standard maintenance benefits during the Term of Agreement as specified in the most current applicable Esri Maintenance and Support Program document (found at <http://www.esri.com/legal>). At Esri's sole discretion, Esri may make patches, hot fixes, or updates available for download. No Software other than the defined Products will receive Maintenance. Licensee may acquire maintenance for other Software outside this Agreement.

a. Tier 1 Support

1. Licensee will provide Tier 1 Support through the Tier 1 Help Desk to all Licensee's authorized users.
2. The Tier 1 Help Desk will be fully trained in the Products.

3. At a minimum, Tier 1 Support will include those activities that assist the user in resolving how-to and operational questions as well as questions on installation and troubleshooting procedures.
4. The Tier 1 Help Desk will be the initial points of contact for all questions and reporting of a Case. The Tier 1 Help Desk will obtain a full description of each reported Case and the system configuration from the user. This may include obtaining any customizations, code samples, or data involved in the Case. The Tier 1 Help Desk may also use any other information and databases that may be developed to satisfactorily resolve the Case.
5. If the Tier 1 Help Desk cannot resolve the Case, an authorized Tier 1 Help Desk individual may contact Tier 2 Support. The Tier 1 Help Desk will provide support in such a way as to minimize repeat calls and make solutions to problems available to Licensee.
6. Tier 1 Help Desk individuals are the only individuals authorized to contact Tier 2 Support. Licensee may change the Tier 1 Help Desk individuals by written notice to Esri.

b. Tier 2 Support

1. Tier 2 Support will log the calls received from Tier 1 Help Desk.
2. Tier 2 Support will review all information collected by and received from the Tier 1 Help Desk including preliminary documented troubleshooting provided by the Tier 1 Help Desk when Tier 2 Support is required.
3. Tier 2 Support may request that Tier 1 Help Desk individuals provide verification of information, additional information, or answers to additional questions to supplement any preliminary information gathering or troubleshooting performed by Tier 1 Help Desk.
4. Tier 2 Support will attempt to resolve the Case submitted by Tier 1 Help Desk.
5. When the Case is resolved, Tier 2 Support will communicate the information to Tier 1 Help Desk, and Tier 1 Help Desk will disseminate the resolution to the user(s).

6.0—ENDORSEMENT AND PUBLICITY

This Agreement will not be construed or interpreted as an exclusive dealings agreement or Licensee's endorsement of Products. Either party may publicize the existence of this Agreement.

7.0—ADMINISTRATIVE REQUIREMENTS

7.1 OEM Licenses. Under Esri's OEM or Solution OEM programs, OEM partners are authorized to embed or bundle portions of Esri products and services with their application or service. OEM partners' business model, licensing terms and conditions, and pricing are independent of this Agreement. Licensee will not seek any discount from the OEM partner or Esri based on the availability of Products under this Agreement. Licensee will not decouple Esri products or services from the OEM partners' application or service.

7.2 Annual Report of Deployments. At each anniversary date and ninety (90) calendar days prior to the expiration date of this Agreement, Licensee will provide Esri with a written report detailing all Deployments. Upon request, Licensee will provide records sufficient to verify the accuracy of the annual report.

8.0—ORDERING, ADMINISTRATIVE PROCEDURES, DELIVERY, AND DEPLOYMENT

8.1 Orders, Delivery, and Deployment

- a. Upon the Effective Date, Esri will invoice Licensee and provide Authorization Codes to activate the nondestructive copy protection program that enables Licensee to download, operate, or allow access to the Products. If this is a multi-year Agreement, Esri may invoice the Fee thirty (30) calendar days before the annual anniversary date for each additional year.
- b. Undisputed invoices will be due and payable within thirty (30) calendar days from the date of invoice. Esri's federal ID number is 95-2775-732.
- c. If requested, Esri will ship backup media to the ship-to address identified on the Ordering Document, FOB Destination, with shipping charges prepaid. Licensee acknowledges that should sales or use taxes become due as a result of any shipments of tangible media, Esri has a right to invoice and Licensee will pay any such sales or use tax associated with the receipt of tangible media.

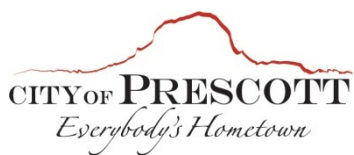
8.2 Order Requirements. Esri does not require Licensee to issue a purchase order. Licensee may submit a purchase order in accordance with its own process requirements, provided that if Licensee issues a purchase order, Licensee will submit its initial purchase order on the Effective Date. If this is a multi-year Agreement, Licensee will submit subsequent purchase orders to Esri at least thirty (30) calendar days before the annual anniversary date for each additional year.

- a. All orders pertaining to this Agreement will be processed through Licensee's centralized point of contact.
- b. The following information will be included in each Ordering Document:
 - (1) Licensee name; Esri customer number, if known; and bill-to and ship-to addresses
 - (2) Order number
 - (3) Applicable annual payment due

9.0—MERGERS, ACQUISITIONS, OR DIVESTITURES

If Licensee is a commercial entity, Licensee will notify Esri in writing in the event of (i) a consolidation, merger, or reorganization of Licensee with or into another corporation or entity; (ii) Licensee's acquisition of another entity; or (iii) a transfer or sale of all or part of Licensee's organization (subsections i, ii, and iii, collectively referred to as "Ownership Change"). There will be no decrease in Fee as a result of any Ownership Change.

- 9.1 If an Ownership Change increases the cumulative program count beyond the maximum level for this Agreement, Esri reserves the right to increase the Fee or terminate this Agreement and the parties will negotiate a new agreement.
- 9.2 If an Ownership Change results in transfer or sale of a portion of Licensee's organization, that portion of Licensee's organization will transfer the Products to Licensee or uninstall, remove, and destroy all copies of the Products.
- 9.3 This Agreement may not be assigned to a successor entity as a result of an Ownership Change unless approved by Esri in writing in advance. If the assignment to the new entity is not approved, Licensee will require any successor entity to uninstall, remove, and destroy the Products. This Agreement will terminate upon such Ownership Change.

**COUNCIL AGENDA MEMO**

MEETING DATE/TYPE: **VOTING MEETING** **3-14-17**

DEPARTMENT: **Public Works**

AGENDA ITEM: Approval to perform night work at the Intersection of W. Willis Street and N. Cortez Street associated with the Willis and Cortez Streets Intersection Repair Project, Sunday through Thursday, 8:00 p.m. to 6:00 a.m. April through July 2017

FUNDING SOURCE: Water Fund

Approved By: Michael Lamar, City Manager

Item Summary

Approval of this item will authorize night work for the Willis and Cortez Streets Intersection Repair project from 8:00 p.m. to 6:00 a.m., Sunday through Thursday, for installation of new water facilities and improvements at the intersection of W. Willis Street and N. Cortez Street.

Background

The design of the Willis and Cortez Streets Intersection Repair project is complete and the staff is preparing to publicly bid it for construction. Due to the project's location within the downtown area, and to minimize impacts to traffic flow during daylight hours, staff is requesting the project be constructed during night hours. Council approval is required for night work occurring after 8:00 PM. Upon Council approval of this request, the construction bid documents will include the provision for work from 8:00 p.m. to 6:00 a.m., Sunday through Thursday, throughout the project duration (April through July 2017).

The project includes replacement of water lines in the intersection and W. Willis Street. Additionally, reconstruction of the crosswalks, replacement of the paved section within the intersection, milling of W. Willis Street to N. Montezuma Street and repaving with new asphalt pavement are included in the project. The water line replacement will require the installation of new service laterals within the street.

The project will come back to City Council for consideration of award of the construction contract in April 2017.

Financial Impact

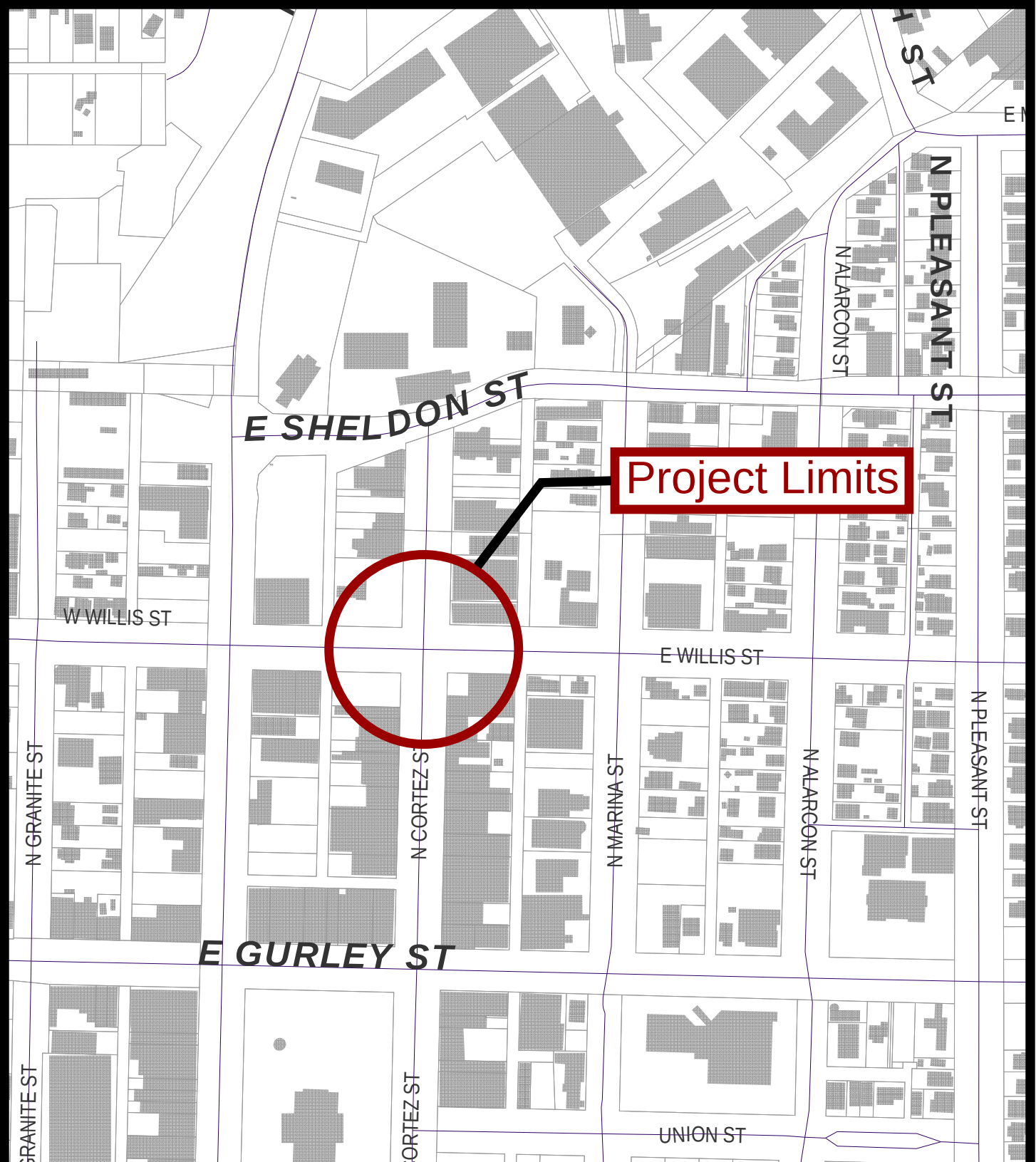
AGENDA ITEM: Approval to perform night work at the Intersection of W. Willis Street and N. Cortez Street associated with the Willis and Cortez Streets Intersection Repair Project, Sunday through Thursday, 8:00 p.m. to 6:00 a.m. April through July 2017

There are no additional costs associated with night work.

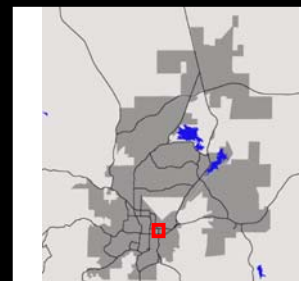
Attachments

1. Willis and Cortez Streets Map

Recommended Action: MOVE to approve night work at the intersection of W. Willis Street and N. Cortez Street, during the hours of 8:00 p.m. to 6:00 a.m., Sunday through Thursday, throughout the project duration (April through July 2017).



Attachment: Willis and Cortez Streets Map (1355 : Willis & Cortez Intersection Night Work)

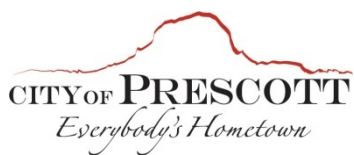


Willis and Cortez Intersection Repair CIP 13-034

This map is a product of
The City of Prescott



0' 1" = 300'

**COUNCIL AGENDA MEMO**

MEETING DATE/TYPE: **VOTING MEETING** **3-14-17**

DEPARTMENT: **Field and Facilities Services**

AGENDA ITEM: Approval to purchase a Hofmann Heavy Duty Alignment Machine from O'Reilly Auto Parts utilizing the National Cooperative Purchasing Alliance (NCPA) Contract No. 05-13 pricing, in the amount of \$53,416.41 (City Contract No. 2017-097)

FUNDING SOURCE: Fleet Maintenance Fund

Approved By: Michael Lamar, City Manager

Item Summary

The Fleet Services Division is seeking approval to purchase a heavy duty alignment machine to service the City's heavy and light duty fleet alignment needs. The Alignment machine will be purchased under the National Cooperative Purchasing Alliance (NCPA) contract No.15-13 with an expiration date of 05/31/2018.

Background

The Fleet Services Division performs routine maintenance on approximately 330 vehicles that require wheel alignment services. Currently, the Division is not able to perform alignments on vehicles, which make it necessary to outsource these duties. This process has proven to be inefficient due to the time and manpower it requires to pick up and deliver vehicles and equipment when alignments are necessary.

Additionally, there are no facilities in the Prescott area that offer heavy-duty alignment services, therefore these vehicles do not receive alignment services resulting in excessive wear on the equipments suspension and tires.

Fleet Services will utilize the Hofmann heavy duty machine to perform alignments on both heavy and light duty equipment. This will allow the Division to better manage it's time and start performing necessary alignments on heavy equipment such as fire trucks, solid waste trucks, dump trucks, and other heavy trucks.

Performing alignments on heavy-duty trucks helps avoid early wear and tear on suspension components, extends the life of tires, and improves braking ability. These benefits improve vehicle safety and result in cost savings by avoiding unexpected failures.

AGENDA ITEM: Approval to purchase a Hofmann Heavy Duty Alignment Machine from O'Reilly Auto Parts utilizing the National Cooperative Purchasing Alliance (NCPA) Contract No. 05-13 pricing, in the amount of \$53,416.41 (City Contract No. 2017-097)

Currently Fleet services Division spends approximately \$4,800 a year on outside alignment services, and approximately \$5,000 in labor to shuttle vehicles to have the service performed. Pay back of the alignment machine will be approximately 5 years, and the expected life of the equipment is 20 years. Additional cost savings are yet to be determined by performing alignments of heavy-duty vehicles.

Financial Impact

This equipment is part of the Fleet Services Fund FY17 capital plan.

Attachments

1. O'Reilly Auto Parts Quote dated February 14, 2017

Recommended Action: **MOVE** to approve City Contract No. 2017-097.

**FIRST
CALL**Date 2/14/2017Customer City Prescott 1117242 accountPAM RISALITIAddress 432 N Virginia StreetCity Prescott State AZ 836301Terms naFreight included

Ship Via

Total w/ tax, freight,
installation = 53,416.41

QTY	PART#	DESCRIPTION	UNIT PRICE	TOTAL
1	✓ EEWA752B	Hoffman alignment machine	\$	\$ 21,999.00
	✓ VIN CODE READER	included is vin scanner nc till 3/31/2017	\$	\$
1	✓ custom adaptors	extension adaptors kit / custom <u>Tire</u>	\$	\$ 780.00
1	✓ EAKO277J28A	paddle kit - <u>accessory</u>	\$	\$ 80.00
2	✓ EAK0305J50A	dually adapter kit	\$ 175.00	\$ 350.00
			\$	\$
			\$	\$
PREPARED BY: <u>Ron Gage 928-380-0470</u> STORE #: <u>2958 Prescott</u>			SUBTOTAL	\$ 23,209.00
			FREIGHT	\$
			TAX	\$ 1937.95
			MISC	\$
			TOTAL	\$ 25,146.95

PRICING AND INSTALLATION INFORMATION

Prices Include Freight ☒ YES ☐ NOPrices Include Installation ☒ YES ☐ NO

Installation Available For: _____

Price Includes _____

☒ Prices do not include electrical hook-up due to local electrical codes.☒ Installation costs will be figured after options are decided upon.

Miscellaneous comments, conditions, etc.

☒ _____ ☒ _____

Since 1957 O'Reilly Auto Parts, Inc. has considered customer satisfaction our main priority. We strive to supply the highest quality equipment to ensure years of dependable service. If we can be of any assistance or answer any questions, Please call Ron Gage at 928-380-0470.

☒ Prices include training ☒ YES ☐ NO If yes, select one below☐ Training of technicians ☒ Training of technicians in the form of video tape☒ Prices are subject to state and local taxes.☒ Prices are good for 30 days.☒ Leasing available upon approval.

Estimated monthly payment _____

Amount of down payment _____

Type of Lease _____, Length of Lease _____



**FIRST
CALL**

Date 2/14/2017
Customer City Prescott 1117242 account
Address 432 N Virginia Street
City Prescott State AZ 836301
Terms na
Freight included Ship Via _____

QTY	PART#	DESCRIPTION	UNIT PRICE	TOTAL
1	LPPA18210	Hoffman 18lb alignment rack	\$	\$ 15,905.00
2	RJWB-9	Hoffman rolling jacks	\$ 3215.00	\$ 6430.00
1	LEAK0289J06A	Premium turn plates	\$	\$ 1310.00
			\$	\$
			\$	\$
			\$	\$
			\$	\$
PREPARED BY: <u>Ron Gage 928-380-0470</u> STORE #: <u>2958 Prescott</u>			SUBTOTAL	\$ 22,835.00
			FREIGHT	\$
			TAX	\$ 1906.72
			MISC	\$
			TOTAL	\$ 24,741.72

PRICING AND INSTALLATION INFORMATION

Prices Include Freight ☒ YES ☐ NO ☐ Prices include training ☒ YES ☐ NO if yes, select one below
Prices Include Installation ☒ YES ☐ NO ☐ Training of technicians ☐ Training of technicians in the form of video tape
Installation Available For: _____ ☐ Prices are subject to state and local taxes.
Price Includes _____ ☐ Prices are good for 30 days.
☒ Prices do not include electrical hook-up due to local electrical codes. ☐ Leasing available upon approval.
☐ Installation costs will be figured after options are decided upon. Estimated monthly payment _____
Amount of down payment _____
Miscellaneous comments, conditions, etc. Type of Lease _____, Length of Lease _____
☐ _____ ☐ _____
Since 1957 O'Reilly Auto Parts, Inc. has considered customer satisfaction our main priority. We strive to supply the highest quality equipment to ensure years of dependable service. If we can be of any assistance or answer any questions, Please call Ron Gage at 928-380-0470.

Attachment: O'Reilly Auto Parts Quote dated February 14, 2017 (1314 : Alignment Machine)

**FIRST
CALL**Date 2/14/2017Customer City Prescott 1117242 accountAddress 432 N Virginia StreetCity Prescott State AZ 836301Terms naFreight included

Ship Via _____

QTY	PART#	DESCRIPTION	UNIT PRICE	TOTAL
1	QSP 25-24p	QSP 15LB turn tables pair	\$	\$ 1,410.00
		with pointer	\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
PREPARED BY: <u>Ron Gage 928-380-0470</u> STORE #: <u>2958 Prescott</u>			SUBTOTAL	\$ 1,410.00
			FREIGHT	\$
			TAX	\$ 117.74
			MISC	\$
			TOTAL	\$ 1,527.74

PRICING AND INSTALLATION INFORMATIONPrices Include Freight ☒ YES ☐ NOPrices Include Installation ☒ YES ☐ NO

Installation Available For: _____

Price Includes _____

☒ Prices do not include electrical hook-up due to local electrical codes.☒ Installation costs will be figured after options are decided upon.

Miscellaneous comments, conditions, etc.

☐ _____☐ Prices include training ☐ YES ☐ NO if yes, select one below☐ Training of technicians ☐ Training of technicians in the form of video tape☐ Prices are subject to state and local taxes.☐ Prices are good for 30 days.☐ Leasing available upon approval.

Estimated monthly payment _____

Amount of down payment _____

Type of Lease _____, Length of Lease _____

Since 1957 O'Reilly Auto Parts, Inc. has considered customer satisfaction our main priority. We strive to supply the highest quality equipment to ensure years of dependable service. If we can be of any assistance or answer any questions, Please call Ron Gage at 928-380-0470.

From: **Lift Pro** >

8.F.1

To: **Cristina M Martin B...** > **Hide**

**Re: install quote for
Prescott, AZ 86301 -
AR44018AR**

Today at 8:39 AM

\$2650 if customer does not
have a fork lift

\$2000 if customer does.

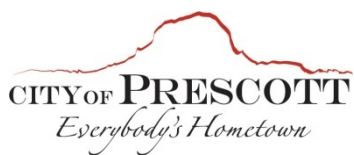
Ship lift to us

Installation



5005 S. Ash Ave. #4
Tempe, AZ 85282

Attachment: O'Reilly Auto Parts Quote dated February 14, 2017 (1314 : Alignment Machine)

**COUNCIL AGENDA MEMO**

MEETING DATE/TYPE: **VOTING MEETING** **3-14-17**

DEPARTMENT: **City Attorney**

AGENDA ITEM: Approval of an Infrastructure Settlement Agreement (City Contract No. 2017-265) with Yavapai-Prescott Indian Tribe ("YPIT")

Approved By: Michael Lamar, City Manager

Item Summary

Approval of the Water Infrastructure Settlement Agreement will set forth the rights and duties of the City and the Tribe regarding the acquisition of certain easements on the YPIT Reservation for placement of infrastructure improvements to meet minimum demand flows and pressures required by existing agreements between the parties.

Background

The City and YPIT entered into a Water Rights Settlement Agreement in 1995, pursuant to the Yavapai-Prescott Indian Tribe Water Rights Settlement Act of 1994. The 1995 Water Rights Settlement Agreement resolved water-related litigation and permanently settled the water rights of YPIT.

The parties entered into a Water Service Agreement in 1995, which set forth various rights, duties, responsibilities and benefits of the City and YPIT. Included in the 1995 Water Service Agreement were conditions under which the City could, and could not bill certain fees to YPIT for the provision of water and sewer effluent services on the Reservation. Threats of litigation arose as to certain overcharges of certain fees, charges and taxes collected by the City. The City and YPIT settled the claim for overcharges in and around December, 2015.

At that time, the Council was advised that there would be a follow-up Settlement Agreement. This is that Agreement. The proposed Water Infrastructure Settlement Agreement sets forth the contractual duties and obligations of the parties as to the acquisition of easements over the Reservation that will allow the City to meet its contractual duty to provide minimum demand flows and pressures at the Prescott Resort and Convention Center along with other Tribal properties pursuant to a 1997 Agreement. The proposed Water Infrastructure Settlement Agreement will also allow for easement acquisition for additionally desired alignments for future infrastructure improvements that will benefit both the City and YPIT.

AGENDA ITEM: Approval of an Infrastructure Settlement Agreement (City Contract No. 2017-265) with Yavapai-Prescott Indian Tribe ("YPIT")

Financial Impact

The City will pay YPIT \$4.875 per square foot of identified easement acquisitions. Presently, the City has identified the need for approximately 228,800 square feet. Thus, the approximate purchase price is \$1,115,400.00. Staff will identify additional easements over the next period and the \$4.875 purchase price per square foot of easement will remain in place for that one year period. The identified and future easement acquisitions and infrastructure projects are included in the capital improvements budget paid out of the Water Fund.

Attachments

1. Water Infrastructure Settlement Agreement (City Contract No. 2017-265)

Recommended Action: **MOVE** to approve the Infrastructure Settlement Agreement, City Contract No. 2017-265.

WATER INFRASTRUCTURE SETTLEMENT AGREEMENT

City Contract No. 2017-265

WHEREAS, the City of Prescott (the "City") and the Yavapai-Prescott Indian Tribe (the "Tribe") did in 1995 enter into a Water Settlement Agreement (the "Water Settlement Agreement") and a Water Service Agreement (the "Agreement"), as ratified by the U. S. Congress in the Yavapai-Prescott Indian Tribe Water Rights Settlement Act of 1994, Public Law 103434, 108 Stat. 4516 (1994) (the "Act"); and

WHEREAS, the Agreement sets forth certain duties and obligations of the City with respect to, inter alia, the provision of water to residential, commercial and industrial areas of the Yavapai-Prescott Indian Reservation (the "Reservation"); and

WHEREAS, the City and Tribe (the "parties") entered into a settlement in April of 1997 (the "1997 Agreement") to resolve the City's duty to meet the minimum demand flows, flow durations, residual pressures, static pressure ranges and regulated maximum pressures set forth in subparagraph 4.2 and 4.3 of the Agreement (the "Minimum Demand Flows and Pressures") for all of the existing and proposed commercial development within Frontier Village (Phases I-IV) and Prescott Resort and Convention Center (the "Resort") that are served by the water distribution system on the Reservation (the "System"); and

WHEREAS, a dispute has arisen between the parties regarding the nature and extent of the City's duty to fund the cost of installing additional pumps, a larger water main and associated appurtenances to meet Minimum Demand Flows and Pressures at the Resort and throughout the Reservation; and

WHEREAS, the City needs to acquire certain easements over Reservation property to complete the Zone 56/76 Pump Station Improvements; and

WHEREAS, the City completed the necessary easement alignments and legal descriptions for the Zone 56/76 Pump Station Improvements in March, 2012 and requested purchase of the easements from the Tribe in November, 2012; and

WHEREAS, the City has completed the design and specifications for the Zone 56/76 Pump Station Improvements; and

WHEREAS, on June 4, 2013, the Tribe gave written notice to the City of its breach of said subparagraph 4.2 and 4.3 of the Agreement, the City has denied such breach, and the parties have been negotiating the terms of this Water Infrastructure Settlement Agreement since then; and

WHEREAS, the City intends to provide the Minimum Demand Flows and Pressures as promptly as possible, and to assume the cost of doing so as provided by the Agreement; and

WHEREAS, the Tribe intends to assume the cost of addressing certain deficiencies in the System identified by the City as existing prior to the Agreement; and

WHEREAS, the parties wish to enter into this Water Infrastructure Settlement Agreement to ensure the Minimum Demand Flows and Pressures are met throughout the Reservation, including, but not limited to, improvements in the System to service all existing and reasonably foreseeable future Tribal Developments on the Reservation; and

WHEREAS, the Tribe needs a 14" water main from the Heather Heights Pump House (the "Pump House") to the Resort, for the sole benefit of the Tribe; and

WHEREAS, the Tribe recognizes the City's need to make water infrastructure improvements to the Pump House in order to meet the Minimum Demand Flows and Pressures required by the Agreement; and

WHEREAS, the Tribe recognizes the City's need to make water infrastructure improvements along State Route 69 in order to meet other City water demands that may provide a direct benefit to future Reservation expansion and Tribal Developments on the Reservation; and

WHEREAS, the Tribe intends to cooperate with the City in securing such access, and the City intends to cooperate with the Tribe in designing and constructing these improvements;

NOW THEREFORE, in consideration of the covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party to the other, it is hereby agreed as follows:

1. The foregoing Whereas clauses are incorporated as part of this Water Infrastructure Agreement.

2. Defined Terms. The following terms shall have the meaning set forth below:

Access Area: shall mean temporary areas on the Reservation required to design and construct water infrastructure improvements.

Easement: shall mean the permanent area surveyed within the Access Area required to operate maintain and replace water infrastructure improvements.

Fourteen Inch Water Main Improvements: shall mean the Improvements to the System described in Paragraph 4(b) of this Water Infrastructure Settlement Agreement.

Improvements: shall mean pumps, pipes, valves, fencing and other water infrastructure appurtenances that are necessary to ensure the utilization of the Tribe's water rights entitlements under the Act and Agreement.

Other Improvements: shall mean those certain Improvements, specifically the water line to be constructed along State Route 69 as provided in Paragraph 5(d) of this Water Infrastructure Agreement and further described in Exhibit A.

Pump House Improvements: shall mean the building, booster pumps of sufficient size and capacity to ensure that the Minimum Demand Flows and Pressures will be met at the Resort, and such Improvements along State Route 69 in the area crossing Heather Heights Road, as depicted in Exhibit B, and other enclosed water infrastructure improvements within the Heather Heights Pump House (the "Pump House"), consistent with the terms and conditions of the Agreement.

Reservation: shall have the same meaning as that found in Paragraph 2.11 of the Yavapai-Prescott Indian Tribe Water Rights Settlement Agreement.

Resort: shall mean the Prescott Resort and Convention Center.

System: shall mean the City of Prescott's water distribution system located on the Reservation.

Tribal Developments: shall mean, but shall not be limited to, any existing or future residential, commercial, industrial or governmental development, whether owned by the Tribe or a non-Tribal entity, that occurs on the Reservation.

3. Intention of Parties. The City and the Tribe (the "Parties") acknowledge that to meet the Minimum Demand Flow and Pressure requirements of the Agreement, Improvements to the existing System must be built. This particular Water Infrastructure Settlement Agreement includes a new 14-inch water main leading from the Pump House to the Resort and additional pumps within the Pump House. The City agrees to offer to construct the 14" water main as part of the Pump House improvement project serving the Resort. The Tribe shall solely bear the cost of the Fourteen Inch Water Main Improvements. Subject to paragraphs 5(a) and 12 herein, the Tribe hereby grants the necessary access to the City to design and construct the new Fourteen Inch Water Main Improvements and any System Improvements at the Resort, which access shall be at no cost to the City. The City shall acquire and the Tribe shall approve recorded Easement in favor of the City for the Pump House Improvements, which Easement shall be approved by the Tribe consistent with the terms and conditions contained in the Water Service Agreement. A true and correct legal description of the Pump House Easement, incorporated herein by this reference, showing the location of the Pump House Improvements, is attached hereto as Exhibit B. A description of the Access Area necessary to design and construct the 14" main line, incorporated herein by this reference, is attached hereto as Exhibit C. (A true and correct legal description of the 14" main line Easement within the Access Area shall also be incorporated in Exhibit C when available and agreed to by the Parties.) A Reservation map, incorporated herein by this reference, showing the location of the Easements needed for the Pump House Improvements and the Fourteen Inch Water Main Improvements to be constructed by the City, is attached hereto as Exhibit D.

4. Obligation of City to Design and Construct Additional Water Facilities to Meet Minimum Demand Flows and Pressures. The City agrees that it shall be responsible for

designing, constructing, operating, maintaining and replacing, at its sole cost and expense, Improvements that the City is legally required to undertake pursuant to the Agreement. For purposes of this Water Infrastructure Settlement Agreement, the City will undertake the following:

(a) The Pump House. The City shall design and construct the Pump House Improvements.

(b) Resort Water Main. In addition to the Pump House Improvements, and at the Tribe's written direction, the City shall construct, (i) a 14" main line running from the Pump House to the Resort to replace the existing 8" main, (ii) all necessary appurtenances to connect the new 14" main to the Pump House and Resort, and (iii) allow for future System connections to be served by the Pump House Improvements. The 14" main line and Pump House Improvements shall ensure that the Minimum Demand Flows and Pressures will be, and will continue to be met for all existing and future points served by the Pump House. The parties agree that the City will be responsible for the cost of all Pump House Improvements with the exception of the new 14" main line running from the Pump House to the Resort. In its construction of the Pump House and Fourteen Inch Water Main Improvements, the City covenants to cooperate with the Tribe, particularly with respect to dates, hours and scope of operation, to ensure that its activities are minimally disruptive to the business, cultural and residential activities on the Reservation.

(c) Geotechnical Inspection and Testing. The City shall cause to undertake, at its sole cost and expense, all geotechnical inspection and testing necessary to complete its duties under this paragraph of the Agreement in a workmanlike manner.

(d) System Pressure and Flow Modeling. The City shall undertake, at its sole cost and expense, all computer modeling necessary to engineer the Minimum Demand Flows and Pressures in order to ensure that the Minimum Demand Flows and Pressures will be met pursuant to the terms and conditions of the Agreement.

(e) Engineering Costs, Approvals and Certifications. The City will hire a Professional Engineer to design and certify any Improvements the City is obligated to undertake pursuant to the Water Service Agreement and the Agreement. The Tribe, at its sole option, may engage a Professional Engineer, at its sole cost, to review the Improvement plans. If the Tribe, through its reviewing engineer, has questions or concerns with the City's engineering, the parties agree to meet and attempt to resolve any dispute in good faith. Upon completion of construction of any Improvements, the City's Professional Engineer shall certify that the System provides the Minimum Demand Flows required pursuant to the Agreement. The parties further acknowledge that the testing methodologies outlined in the City's Uniform Fire Code shall be used for all independent testing on the Reservation.

(f) City Ownership. Consistent with the Agreement, the Pump House Improvements shall be, or become as evidenced by title, the sole property of the City in

perpetuity. The City shall maintain the Improvements in good and efficient working order. Maintenance of the exterior appearance of the Pump House is and shall be the right and responsibility of the City in accordance with its ordinances and at its sole cost and expense. The parties further agree that the Tribe shall choose the color and exterior design of the Pump House but that it shall be the City's responsibility to construct, paint and maintain the Pump House at its sole cost and expense.

(g) City Cooperation. In carrying out the obligations to design and construct certain Improvements under this Water Infrastructure Settlement Agreement, the City shall confer and coordinate with the Tribe on Engineering and construction so as to ensure economies of scale and costs savings for the Tribe's benefit where the Tribe is engaged in or has plans to construct on-reservation improvements for Tribal Developments.

(h) City Removal. To the extent that any pumps, equipment, fences, pipelines or Improvements of any kind are abandoned by the City or no longer used in the System, including any easement related thereto, the City shall, at its sole cost and expense, promptly remove such items from the Reservation, relinquish the easement in favor of the Tribe, and restore the property to its original condition.

(i) Representation. The City warrants and represents that the design, construction and maintenance of the Improvements at the Pump House, the Fourteen Inch Water Main Improvements and Other Improvements will meet the Minimum Demand Flows and Pressures required pursuant to the Agreement.

5. Obligations of the Tribe with Respect to the Improvements. In consideration of the City agreeing to install and maintain the System Improvements described in paragraph 4 above, the Tribe shall cooperate with the City as follows:

(a) Access Areas. The Tribe shall grant the necessary Access Areas for the City to construct the Pump House Improvements and at the Tribe's request, Fourteen Inch Water Main Improvements. Once the location of the water infrastructure improvements within the Access Areas are surveyed, the exact location of the permanent Easements will describe the location of the City's access to the Improvements to operate, maintain and replace the Improvements. In consultation with the Tribe, the City's access shall be coordinated at such times and upon such notice as to minimize disruption to Tribal activities, Tribal businesses and Tribal residents.

(b) Internal Distribution System. The City and Tribe shall install individual pressure regulating valves ("PRVs") at the water meters, consistent with the Agreement. and the City shall bear the costs of such PRVs. The City agrees that the Tribe shall have the right to connect to the internal water distribution system, pursuant to and consistent with the obligations in the Agreement.

(c) Real Property Easements. The Tribe shall grant easements as follows:

(d) Upon mutually acceptable terms, the City shall acquire and the Tribe shall approve the grant of an easement for the requisite property necessary for the City to construct, maintain, operate and replace Pump House Improvements and Fourteen Inch Water Main Improvements as shown on Exhibit B and C. By mutual agreement of the parties, the City of Prescott shall make a one-time payment for each Easement granted by the Tribe based upon a price of \$4.875 per square foot for each of the Easements described in Exhibit B. It is additionally understood and agreed by the parties, that the \$4.875 purchase price for easement acquisition shall be the base price for the City's acquisition of an additional Easement along State Route 69 for the Other Improvements ("Base Price"). The parties acknowledge and agree that the Base Price for the Easement along State Route 69 for the Other Improvements may be subject to fluctuations in fair market value. Therefore, the Parties agree to negotiate in good faith, and enter into a separate agreement concerning the Other Improvements on mutually acceptable terms. In the event the Parties are unable to reach agreement on the Other Improvements within one [1] year of the execution of date of this Water Infrastructure Settlement Agreement, the Base Price for the Easement along State Route 69 for the Other Improvements may be renegotiated by the Tribe.

6. Target Dates for Completion of City and Tribe Improvements.

(a) Target Dates. The parties agree that time is of the essence for the completion of the Pump House Improvements and the Fourteen Inch Water Main Improvements. Accordingly, the parties agree to work diligently and in good faith to meet the Target Dates in Paragraph 6(b).

(b) Interim Schedule. The parties agree that they shall take all reasonable steps to meet or exceed the Target Dates. All Target Dates listed below shall begin upon the execution of this Water Infrastructure Settlement Agreement. To that end, the parties agree to the following schedule:

(i) The parties acknowledge that the City has completed the plans and specifications for the Pump House Improvements;

(ii) Within 60 days of the execution of this Water Infrastructure Settlement Agreement, the Tribe shall complete the plans and specifications for the Fourteen Inch Water Main Improvements;

(iii) Within 30 days of the Tribe's submittal of the plans and specifications, the City shall review the Tribe's plans and specification for the Fourteen Inch Water Main Improvements and provide comments back to the Tribe in order to facilitate revisions and a final set of workable plans;

(iv) Within 30 days of the City's approval of the Fourteen Inch Water Main Improvements, the Tribe shall request the BIA to grant the easements necessary for the City to construct, operate, maintain and replace the Pump House Improvements and Fourteen Inch Water Main Improvements;

(v) Within 90 days from the grant of easements from the BIA necessary for the City to construct, operate, maintain and replace the Pump House Improvements and Fourteen Inch Water Main Improvements, the City shall advertise a Request for Bids and enter into a contract or contracts necessary to construct same.

(vi) Within 270 days from entering into a contract to construct the Pump House Improvements and Fourteen Inch Water Main Improvements, the City will complete construction of same and shall cause the Engineer to certify that the obligations under the Agreement are being met as provided in paragraph 4(f).

(c) Contract Documents. To meet the Target Dates and not breach the Completion Dates, the parties agree that all contract documents shall provide for liquidated damages consistent with the City's generally accepted contract policies.

7. Quit-Claim Bill of Sale. Upon completion of any Improvements that would require a Bill of Sale, the Tribe shall execute a Quit-Claim Bill of Sale and quit-claim any interest it has in any personal property included in the said improvements to the City, as provided for in subparagraph 4.2 of the Agreement.

8. Periodic Engineering Certification. The parties agree that the Tribe may, at any time after receipt of the Engineer's certification referenced in paragraph 4(f) hereof, retain said Engineer to certify that the obligations under the Agreement are being met. The Tribe shall pay for such periodic certification costs. To the extent there exists a valid dispute as to the City meeting its obligations to provide Minimum Demand Flows and Pressures as required under the Agreement, the parties agree to meet and confer in good faith, in an attempt to resolve any such disputes.

9. New Deficiencies. If, upon periodic certification, the Engineer determines that the obligations under the Agreement are not being met for Minimum Demand Flows and Pressures as required under the Agreement, then it shall be the City's duty to commence all repairs, improvement and/or replacements necessary to meet the Minimum Demand Flows and Pressures at locations identified as required by the Agreement. The City shall bear all costs related to the repairs, improvement and/or replacements necessary to meet the Minimum Demand Flows and Pressures unless the deficient flow or pressure is the result of internal water distribution infrastructure constructed by the Tribe after the date of this Water Infrastructure Settlement Agreement, as provided for in subparagraph 3.1 of the Agreement.

10. Settlement. The parties hereto expressly understand and agree that so long as (i) the City timely completes construction of the Improvements described in paragraph 4 above; and (ii), upon completion of the said Improvements and certification by the City's Engineer, the City is able to satisfy its obligation to meet the Minimum Demand Flows and Pressures under the Agreement, the foregoing shall operate as an accord and satisfaction of any

breach of subparagraph 4.2 or 4.3 of the Agreement with respect to the Pump House Improvements as of the date hereof, and the Tribe further releases the City of liability for damages occasioned by such breach once the Pump House Improvements are complete. Nothing herein shall be construed as a waiver of the City's continuing obligations under the Agreement to provide Minimum Demand Flows and Pressure, or of any other rights and duties of the parties under the Agreement.

11. City Right to Cancel. Pursuant to A.R.S. Section 38-511, the City of Prescott may cancel this Water Infrastructure Settlement Agreement if any person significantly involved in initiating, negotiating, securing, drafting or creating the Water Infrastructure Settlement Agreement on behalf of the City is, at any time while the Water Infrastructure Settlement Agreement or any extension of the Water Infrastructure Settlement Agreement is in effect, an employee or agent of any other party to the Water Infrastructure Settlement Agreement in any capacity or a consultant to any other party of the Water Infrastructure Settlement Agreement with respect to the subject matter of the Water Infrastructure Settlement Agreement. In the foregoing event, the City of Prescott shall have the right to recoup any fee or commission paid or due to any person drafting or creating this Water Infrastructure Settlement Agreement on behalf of the City of Prescott from the party by whom or to whom such fee or commission was paid. Notwithstanding the foregoing, in the event the City elects to cancel this Water Infrastructure Settlement Agreement pursuant to this paragraph, the City shall forfeit all rights obtained hereunder (as well as all benefits and remedies), and the Parties shall revert to their rights and remedies as they existed prior to the date of this Water Infrastructure Settlement Agreement.

12. Continuity Applicability of the Agreement. Except as expressly modified herein by this Water Infrastructure Settlement Agreement, the Act, Water Settlement Agreement and the Agreement govern the parties' respective rights and duties with respect to all water service matters. Specifically, and without limitation, the Performance and Default provisions of the Act and paragraph 8.0 of that Agreement remain in full force and effect.

13. Emergency Access. In the event of an actual emergency, the City shall immediately notify the Tribe and remain only as long as reasonably necessary to fix the emergency. If an actual emergency occurs during regular office hours, the City shall contact the Tribal Facilities Department. If an actual emergency occurs after regular office hours, the City shall notify the Tribal Police.

14. Miscellaneous.

(a) To the extent consistent with the terms hereof, all Tribal and City laws, rules, regulations and policies which are now in effect or may hereafter be adopted by the City or Tribe shall apply to this Water Infrastructure Settlement Agreement.

(b) The provisions of this Water Infrastructure Settlement Agreement shall inure to the benefit of, and shall be binding upon, the respective successors and assigns of the parties hereto.

(c) Each party agrees in good faith to execute such further or additional documents as may be necessary or appropriate to fully carry out the intent and purpose of this Water Infrastructure Settlement Agreement.

(d) This Water Infrastructure Settlement Agreement shall be construed in accordance with all applicable laws of the United States of America, the State of Arizona and the Yavapai-Prescott Indian Tribe. Nothing contained herein waives the right of the Tribe to object to the jurisdiction of the courts of the State of Arizona to adjudicate any disputes arising under this Water Infrastructure Settlement Agreement.

(e) The headings of this Water Infrastructure Settlement Agreement are for reference only and shall not limit or define the meaning of any provision of this 2017 Water Infrastructure Settlement Agreement.

(f) This Water Infrastructure Settlement Agreement constitutes the entire settlement agreement between the parties with respect to the City's obligation to maintain Minimum Demand Flows and Pressures under the 1995 Agreement, for the Pump House Improvements and no understandings or obligations not herein expressly set forth shall be binding upon them. This Water Infrastructure Settlement Agreement may not be modified or amended in any manner unless in writing and signed by the parties.

PASSED, APPROVED AND ADOPTED by the Mayor and Council of the City of Prescott this ____ day of _____, 2017.

HARRY B. OBERG, Mayor

ATTEST:

APPROVED AS TO FORM:

DANA R. DeLONG
City Clerk

JON M. PALADINI
City Attorney

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Yavapai-Prescott Indian Tribe this ____ day of _____, 2017.

ERNEST JONES, SR., President

ATTEST:

APPROVED AS TO FORM:

LORNA GALEANO
Tribal Secretary

DAVID J. BODNEY
Tribal Attorney

EXHIBIT A OTHER IMPROVEMENTS

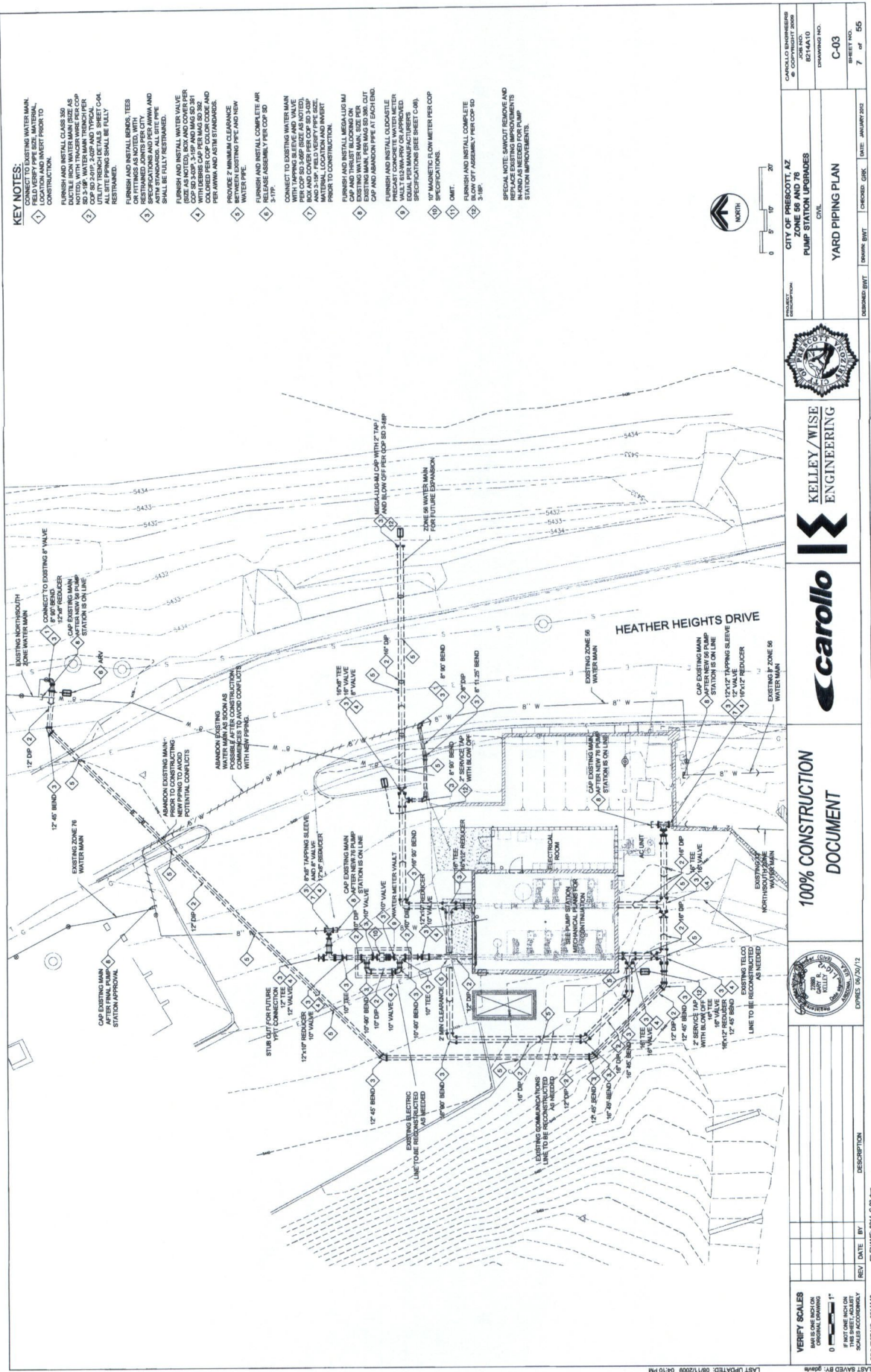
YAVPE CONNECTOR

Highway 69 Corridor Water Easement
5,039' X 20'

E STATE ROUTE 69

HEATHER HEIGHTS

EXHIBIT B



PUMP HOUSE EASEMENT

That portion of the YAVAPAI INDIAN RESERVATION, being a portion of the WHIPPLE BARRACKS MILITARY RESERVATION situated in Township 14 North, Range 2 West of the Gila and Salt River Meridian, Arizona, described as follows:

COMMENCING at Corner Number 4 of said WHIPPLE BARRACKS MILITARY RESERVATION marked with a found 3-1/2 inch G.L.O. brass cap (from which, Corner Number 1 of said WHIPPLE BARRACKS MILITARY RESERVATION, marked with a found 3-1/2 inch G.L.O. brass cap, bears North 89°41'58" West, along the Basis of Bearing, a distance of 10,372.90 feet);

thence North 89°41'58" West, along the south line of said WHIPPLE BARRACKS MILITARY RESERVATION, a distance of 7,464.20 feet to a point, from which a found 2-1/2 inch brass cap, no markings, bears South 06°21'35" West a distance of 0.28 feet;

thence North 06°21'35" East a distance of 838.55 feet to a point on the south line of STATE ROUTE 69 according to Arizona Department of Transportation Drawing Number D-13-T-460, Project F-029-1-709, marked with a set MAG nail and brass tag "LS48100";

thence North 06°21'35" East a distance of 223.51 feet to a point on the north line of said STATE ROUTE 69, marked with a 2-1/2 inch brass cap, no markings;

thence North 73°31'12" East a distance of 262.02 feet to the TRUE POINT OF BEGINNING;

thence North 03°35'18" West a distance of 71.50 feet to a point;

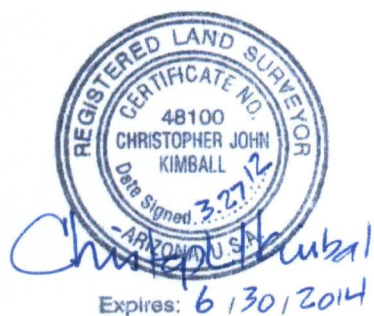
thence North 41°24'42" East a distance of 99.80 feet to a point;

thence South 89°19'28" East a distance of 39.69 feet to a point;

thence South 00°40'32" West a distance of 20.00 feet to a point;

thence North 89°19'28" West a distance of 17.32 feet to a point;

March 26, 2012
KWE 09-002
Zone 56/76
Page 1 of 2

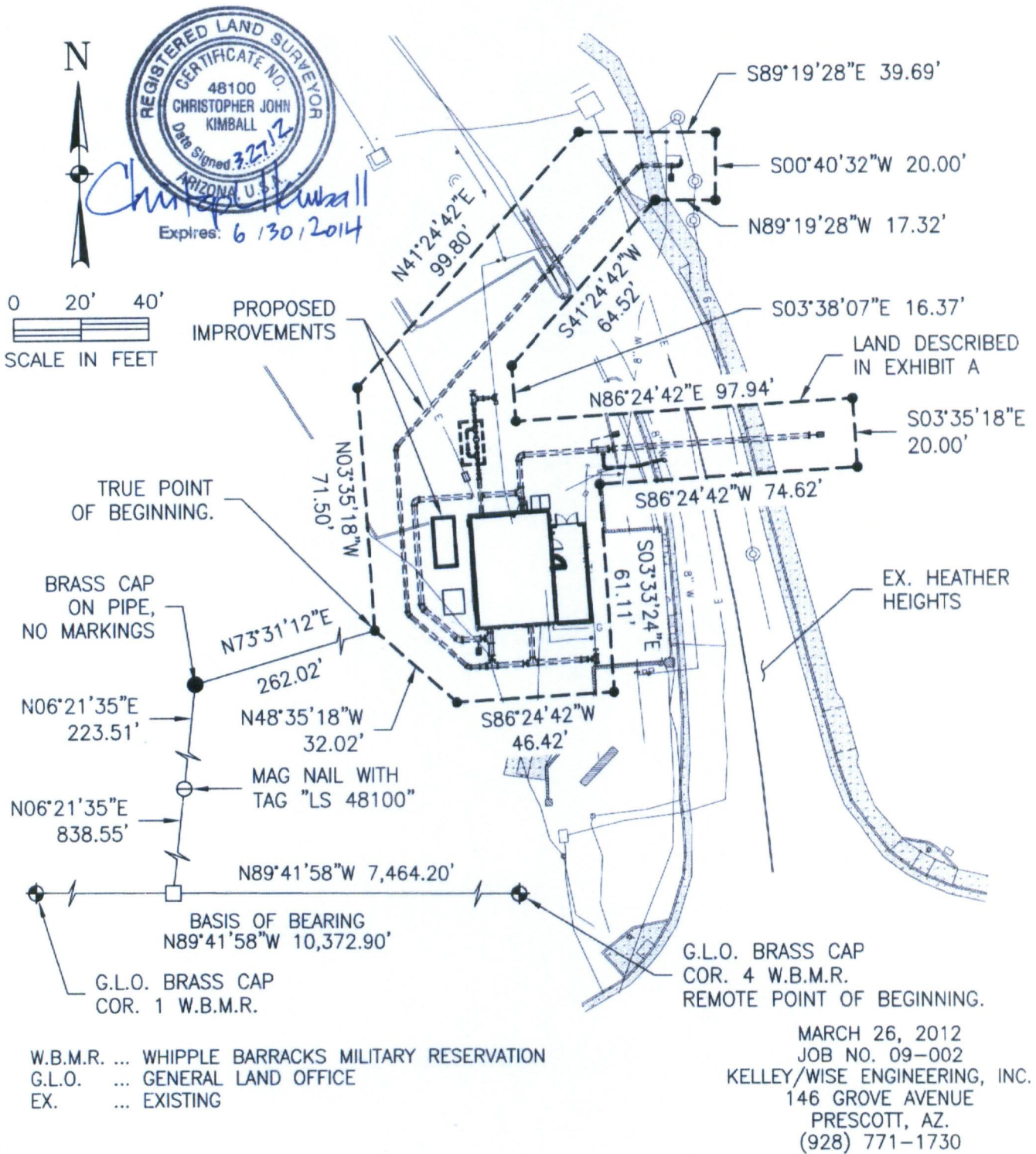


PUMP HOUSE EASEMENT

thence South 41°24'42" West a distance of 64.52 feet to a point;
thence South 03°38'07" East a distance of 16.37 feet to a point;
thence North 86°24'42" East a distance of 97.94 feet to a point;
thence South 03°35'18" East a distance of 20.00 feet to a point;
thence South 86°24'42" West a distance of 74.62 feet to a point;
thence South 03°33'24" East a distance of 61.11 feet to a point;
thence South 86°24'42" West a distance of 46.42 feet to a point;
thence North 48°35'18" West a distance of 32.02 feet to the TRUE POINT OF BEGINNING.
Containing 10,547 square feet, more or less.

March 26, 2012
KWE 09-002
Zone 56/76
Page 2 of 2

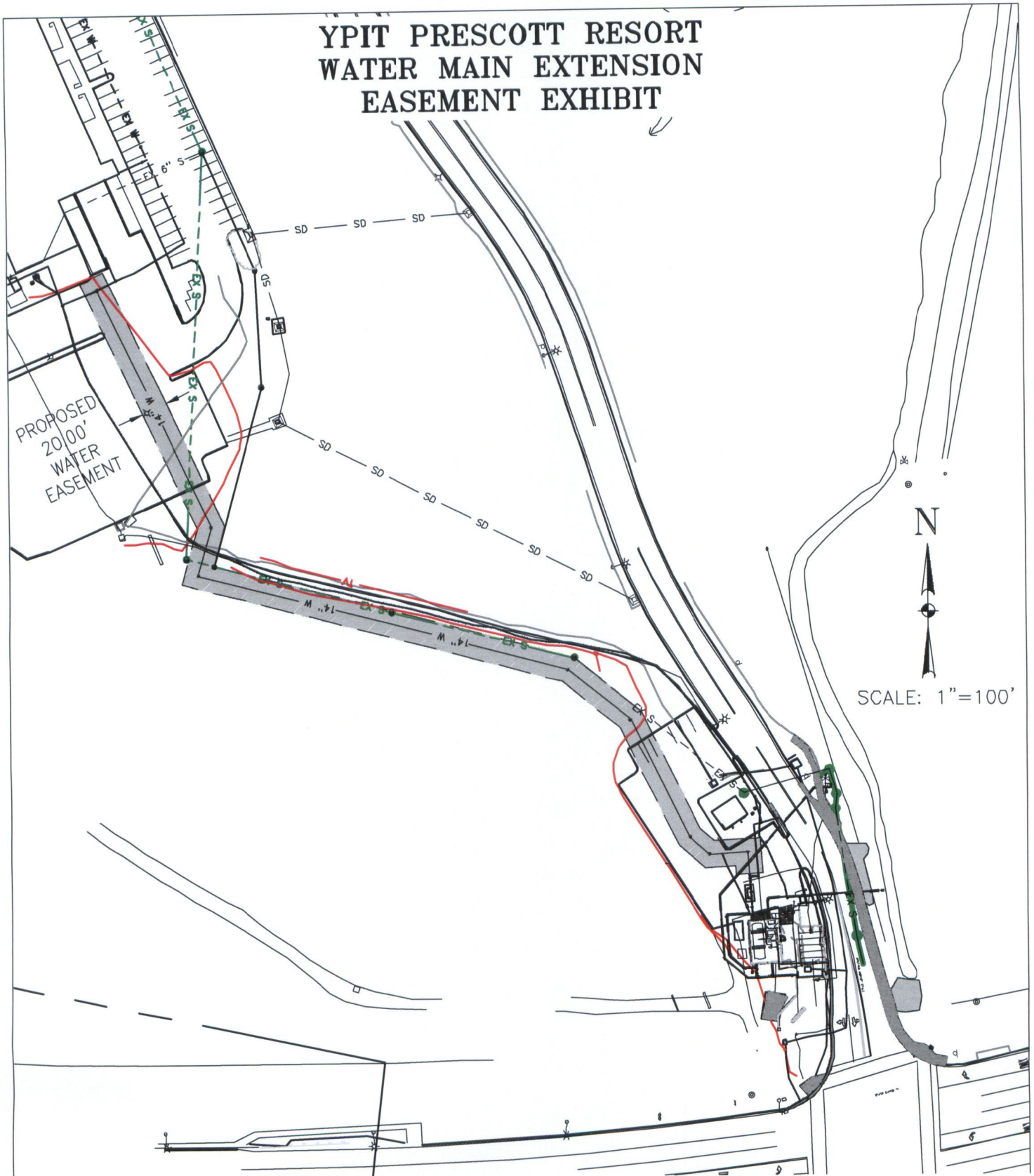
PUMP HOUSE EASEMENT





KELLEY / WISE ENGINEERING, INC. JOB
 146 GROVE AVENUE
 PRESCOTT, ARIZONA 86301
 (928) 771-1730
 FAX 778-2220
 CIVIL ENGINEERING/LAND PLANNING/SURVEYING

YPIT PRESCOTT RESORT
 WATER EASEMENT EXHIBIT
 KWE JOB # 16-039 DATE 8/4/16

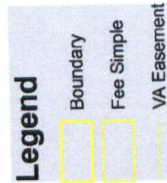
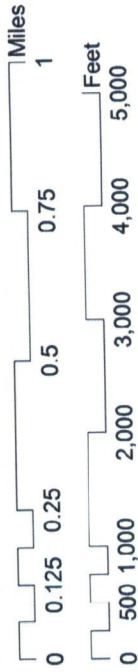


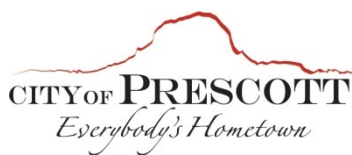
Yavapai-Prescott Indian Tribe



Exhibit D

LOCATION MAP





COUNCIL AGENDA MEMO

MEETING DATE/TYPE: **VOTING MEETING** **3-14-17**

DEPARTMENT: **Community Development**

AGENDA ITEM: Approval of RP16-009, Revision of Plat for “Touchmark at the Ranch PAD” to replace twenty-four (24) multi-family units in six (6) four-plex buildings with eleven (11) single-family lots, and plat a new twenty-six foot private road for access to the Grand Lodge. [Owner: Touchmark at the Ranch, LLC, 5150 SW Griffith Drive, Beaverton, Oregon 97005]

Approved By: Michael Lamar, City Manager

Item Summary

The request is to amend the Final Plat for Touchmark at the Ranch by subdividing Lot 3 (1.85 Acres) into eleven (11) single family lots. Additionally, the Revision of Plat includes a new twenty-six foot wide private access road to serve the Grand Lodge which was planned as part of the original Planned Area Development (Attachment 1 – Revision of Plat).

Originally, residential development on Lot 3 included a plan for six (6) four-plex buildings for a total of twenty-four (24) units. (Attachment 2 – Original Final Plat) The change of residential type from multi-family to single-family and the overall reduction of residential units will reduce the amount of Water Allocation required for the project by 3.25 acre-feet.

The original traffic study for the proposed development revealed no traffic safety issues. The reduction of residential units will slightly reduce vehicular traffic.

Background

The recorded Final Plat for Touchmark includes 379 multi-family and single-family senior housing units consisting of independent living, assisted living and memory care units, located at 340 North Lee Blvd., east of Wal-Mart, on a single parcel totaling ±45.39 acres. Open space is shown on the plat in two tracts (A & C) at 15.45 acres or approximately 34% of the site.

Attachments

1. Revision of Plat
2. Recorded Final Plat

AGENDA ITEM: Approval of RP16-009, Revision of Plat for “Touchmark at the Ranch PAD” to replace twenty-four (24) multi-family units in six (6) four-plex buildings with eleven (11) single-family lots, and plat a new twenty-six foot private road for access to the Grand Lodge. [Owner: Touchmark at the Ranch, LLC, 5150 SW Griffith Drive, Beaverton, Oregon 97005]

3. Aerial Location Map

Recommended Action: MOVE to approve RP16-009, the Revision of Plat for “Touchmark at the Ranch”, a Planned Area Development.

FILE: Z:\Projects\T242\13018 Planning-Entitlement-Plotting\DWG\Survey\AMENDED FINAL PLAT\13018 APF S.dwg <CC3D Imperial>> PLOTTED: Jan 30, 2017 1:52pm 8.4.1.1

DECLARATION:

KNOWN ALL MEN BY THESE PRESENTS:

THAT "TOUCHMARK AT THE RANCH, LLC", AS SOLE OWNER, HAS SUBDIVIDED UNDER THE NAME OF "TOUCHMARK AT THE RANCH" A PLANNED AREA DEVELOPMENT SITUATED IN A PORTION OF SECTION 31, TOWNSHIP 14 NORTH, RANGE 1 WEST, GILA AND SALT RIVER MERIDIAN, CITY OF PRESCOTT, COUNTY OF YAVAPAI, STATE OF ARIZONA, AS SHOWN AND PLATTED HEREON AND DOES HEREBY PUBLISH THIS PLAT AS AND FOR THE REVISION OF PLAT OF "TOUCHMARK AT THE RANCH" AND DECLARES THAT THIS REVISION OF PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF EACH LOT, TRACT, STREET, AND EASEMENT CONSTITUTING SAME, AND THAT EACH LOT, TRACT, STREET, AND EASEMENT SHALL BE KNOWN BY THE NUMBER, LETTER, AND/OR NAME GIVEN TO EACH RESPECTIVELY AS SHOWN ON THIS REVISION OF PLAT.

THE SOLE OWNER HEREBY GRANTS TO THE CITY OF PRESCOTT A NON-EXCLUSIVE EASEMENT OVER, UPON AND ACROSS THE AREAS DESIGNATED AS WATER, WATER & SEWER, AND PUBLIC UTILITY EASEMENTS AS SHOWN ON THE AMENDED PLAT FOR THE PURPOSE OF INSTALLING, CONSTRUCTING, MAINTAINING, REPAIRING, REPLACING AND UTILIZING PUBLIC UTILITIES. ACCESS TO THESE EASEMENTS SHALL BE PERMITTED OVER, UPON, AND ACROSS TRACT "D" AND THOSE AREAS OF LOT CH AND LOT GL THAT ARE BEING UTILIZED AS PARKING AND TRAVEL WAYS WITHIN THOSE LOTS.

ALL SANITARY SEWER LINES CROSSING LOT GL THAT ARE NOT WITHIN A PUBLICLY DEDICATED EASEMENT ARE TO BE CONSIDERED A PRIVATE SEWER LINE AND ARE SUBJECT TO THE NOTES PERTAINING TO THE OPERATION, MAINTENANCE AND REPAIR OF PRIVATE SEWAGE COLLECTION SYSTEM AS SHOWN ON SHEET 3 OF THIS AMENDED PLAT.

LOTS 1 THROUGH LOTS 20 AS SHOWN IN THIS REVISION OF PLAT MAY BE SUBJECT TO A PRESSURE SEWER CONNECTION AND MAY HAVE A SEWER EJECTOR PUMP THAT SHALL BE OWNED, OPERATED AND MAINTAINED BY THE INDIVIDUAL PROPERTY SOLE OWNER AND THE CITY SHALL HAVE NO OBLIGATION OR EQUIPMENT TO ASSIST OR PROVIDE MANPOWER OR EQUIPMENT TO PERFORM THOSE DUTIES ASSIGNED TO THE SOLE OWNER.

THE SOLE OWNER HEREBY GRANTS TO THE RESPECTIVE ENTITIES, EASEMENTS FOR THE PURPOSE OF INSTALLING, CONSTRUCTING, MAINTAINING, REPAIRING, REPLACING AND UTILIZING PUBLIC AND PRIVATE UTILITIES AS SHOWN AND PLATTED HEREON. ACCESS TO THESE EASEMENTS SHALL BE PERMITTED OVER, UPON, AND ACROSS TRACT "D" AND THOSE AREAS OF LOT CH AND LOT GL THAT ARE BEING UTILIZED AS PARKING AND TRAVEL WAYS ON THOSE LOTS.

EASEMENTS FOR INGRESS AND EGRESS, AND VEHICULAR PARKING, AND PEDESTRIAN ACCESS WITHIN THE AREAS ON THIS PLAT IS LIMITED TO THE AREAS DESIGNATED AS "PARKING AREA", AND "TRACT" ACROSS SPECIFIC DRIVEWAYS, PARKING AREAS, AND SIDEWALKS AS MAY BE CONSTRUCTED BY THE DEVELOPER WITHIN LOT CH AND LOT GL NO VEHICULAR ACCESS WILL BE ALLOWED OUTSIDE OF THE FINAL CONSTRUCTED ROADWAYS, DRIVEWAYS, PARKING AREAS, AND SIDEWALKS OTHER THAN MAY BE REQUIRED BY AND FOR EMERGENCY PURPOSES AND ALSO FOR USE BY POLICE, FIRE, SANITATION, AND OTHER OFFICIAL PURPOSES.

ALL DRAINAGE WILL BE MAINTAINED WITHIN THE PROJECT LIMITS. PRE-DEVELOPMENT DISCHARGE WILL BE EQUAL TO THE POST-DEVELOPMENT RATE AND DRAINAGE FEATURES ONCE CONSTRUCTED WILL BE CONTAINED WITHIN THE DESIGNATED TRACTS AND THE DESIGNATED OPEN SPACE. THE RIGHT FOR DRAINAGE FACILITIES CONSTRUCTED UPON LOT CH AND LOT GL WILL BE THE GRANTED TO "TOUCHMARK AT THE RANCH, LLC". DRAINAGE EASEMENTS WILL BE GRANTED TO "TOUCHMARK AT THE RANCH, LLC" THROUGH THE EASEMENTS ACROSS LOT 21 THROUGH 31, AND THROUGH THE EASEMENTS ACROSS LOT 1 THROUGH 3 AS DETAILED HEREON AND WILL BE THE RESPONSIBILITY OF "TOUCHMARK AT THE RANCH, LLC" TO MAINTAIN.

THE SOLE OWNER DEDICATES TO TOUCHMARK AT THE RANCH, LLC THE RIGHT FOR USE AND MAINTENANCE OF ALL PRIVATE STREETS AND PARKING AREAS.

THIS PROJECT WILL BE SUBJECT TO MASS GRADING. ALL PROPOSED EARTHWORK WILL BE CONTAINED WITHIN THE SITE. ALL NECESSARY EROSION CONTROL MEASURES WILL BE DEVELOPED AND REMAIN IN PLACE FOR THE DURATION OF THE PROJECT OR STABILIZATION OF THE DISTURBED AREAS OCCURS. ALL CITY OF PRESCOTT HILLSIDE RESTRICTIONS WILL BE ADHERED TO DURING THE DEVELOPMENT OF THIS PROJECT.

THAT "TOUCHMARK AT THE RANCH, LLC" SHALL BE RESPONSIBLE FOR THE MAINTENANCE OF TRACT A THROUGH TRACT D AND LOT CH, AND LOT GL.

IN WITNESS WHEREOF:

"TOUCHMARK AT THE RANCH, LLC"

"TOUCHMARK AT THE RANCH, LLC", AS SOLE OWNER, HAS CAUSED THE NAME OF THE CORPORATION TO BE AFFIXED HERETO AND THE SAME TO BE ATTESTED BY THE SIGNATURE OF WERNER G. NISTLER, JR., WHO ACKNOWLEDGES HIMSELF AS THE CEO OF "TOUCHMARK AT THE RANCH", AND ACKNOWLEDGED AS SUCH, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES THEREIN CONTAINED, BEING DULY AUTHORIZED

TO DO SO ON THIS ____ DAY OF _____, 2017.

DECLARATION BY TOUCHMARK AT THE RANCH, LLC AN OREGON LIMITED LIABILITY COMPANY

BY TOUCHMARK LIVING CENTERS, INC., AN OREGON CORPORATION, ITS MANAGER

WERNER G. NISTLER, JR., CEO

NOTES:

THIS SUBDIVISION IS LOCATED WITHIN THE WATER SERVICE AREA OF THE CITY OF PRESCOTT, ARIZONA, WHICH IS AN AREA DESIGNATED AS HAVING AN ASSURED WATER SUPPLY PURSUANT TO SECTION B OF ARS 45-576.

INDIVIDUAL HOMEOWNERS AND TOUCHMARK AT THE RANCH, LLC ARE RESPONSIBLE FOR MAINTAINING THE INTEGRITY OF DRAINAGE OVER THEIR RESPECTIVE LOT(S) AND WITHIN THE DRAINAGE EASEMENTS AS MAY IMPACT THEIR LOT. DRAINAGE AND DRAINAGE EASEMENTS CONFORM TO NATURAL AND MAN-MADE WATER COURSES. THESE AREAS WILL REQUIRE PERIODIC MAINTENANCE ON-SITE OR OFF-SITE. DRAINAGE DISCHARGES, PERIODIC MAINTENANCE WILL CONSIST OF THE REMOVAL OF EARTH AND/OR VEGETATIVE MATERIAL THAT HAS BUILT UP SINCE THE ORIGINAL APPROVAL OF THE AMENDED FINAL PLAT FOR "TOUCHMARK AT THE RANCH". IN THE EVENT THE DRAINAGE EASEMENTS ARE NOT ADEQUATELY MAINTAINED, IN THE OPINION OF THE CITY ENGINEER OF THE CITY OF PRESCOTT, BY THE PROPERTY OWNERS AND/OR THE ASSOCIATION, THEN THE CITY OF PRESCOTT SHALL HAVE THE AUTHORITY TO ENTER THE PROPERTY AND/OR CAUSE THE NECESSARY MAINTENANCE, AND SHALL FURTHER HAVE THE AUTHORITY TO PASS ON ALL COSTS ASSOCIATED WITH SAID MAINTENANCE TO THE PROPERTY OWNERS AND TOUCHMARK AT THE RANCH, LLC. NO FENCES OR LARGE LANDSCAPE FEATURES SHALL BE LOCATED WITHIN THE DRAINAGE EASEMENTS WITH THE EXCEPTION OF DETENTION BASIN SECURITY BARRIERS.

IN CONJUNCTION WITH THE CITY OF PRESCOTT RECREATION SERVICES DEPARTMENT, THE CITY OF PRESCOTT AND THE OWNER(S) HEREBY AGREE TO COOPERATE WITH THE DEVELOPMENT OF A NON-MOTORIZED PUBLIC TRAIL THROUGH THE PROJECT SITE. ALL POLICIES AND GUIDELINES RELATED TO THE USE OF AND ACCESS TO THIS FUTURE TRAIL FOR TOUCHMARK RESIDENTS AND THE GENERAL PUBLIC WILL BE NEGOTIATED AT SUCH TIME WHEN THE DESIGN AND CONSTRUCTION OF THE TRAIL TAKE PLACE.

SURVEY CONTROL IS THE CITY OF PRESCOTT SURVEY DATUM, ALSO BEING ARIZONA STATE PLANE ZONE, ARIZONA CENTRAL 0202, NAD 83, NAVD 88 USING GEOID MODEL GEOID99 (CONUS).

CITY OF PRESCOTT CONVERSION FROM STATE PLANE NORTHING:(STATE PLANE X 1.000329975) -701,456.0090 EASTING:(STATE PLANE X 1.000329975) + 69,457.2499

STATE PLANE CONVERSION FROM CITY OF PRESCOTT: NORTHING:(CITY OF PRESCOTT + 701,456.0090) X 0.999670134 EASTING:(CITY OF PRESCOTT - 69,457.2499) X 0.999670134

THERE ARE NO RECORDED C&R'S FOR THIS PROJECT.

APPROVALS:

APPROVED BY THE COMMUNITY DEVELOPMENT DIRECTOR OF THE CITY OF

PRESCOTT ON THIS ____ DAY OF _____, 2017.

COMMUNITY DEVELOPMENT DIRECTOR

APPROVED BY THE CITY OF PRESCOTT PUBLIC WORKS DEPARTMENT ON

THIS ____ DAY OF _____, 2017.

CITY ENGINEER

APPROVED BY THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT ON

THIS ____ DAY OF _____, 2017.

MAYOR

CITY CLERK

ACKNOWLEDGEMENT:

STATE OF _____)
COUNTY OF _____) SS

ON THIS ____ DAY OF _____, 2017, BEFORE ME, THE UNDERSIGNED NOTARY PUBLIC, DID PERSONALLY APPEAR, WERNER G. NISTLER, JR., WHO ACKNOWLEDGES HIMSELF AS CEO OF THE CORPORATION AND SOLE OWNER, AND ACKNOWLEDGED AS SUCH, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES THEREIN CONTAINED, BEING DULY AUTHORIZED TO DO SO.

IN WITNESS WHEREOF, I HERETO SET MY HAND AND OFFICIAL SEAL.

NOTARY PUBLIC

MY COMMISSION EXPIRES: _____

REVISION OF PLAT FOR
TOUCHMARK AT THE RANCH
A PLANNED AREA DEVELOPMENT

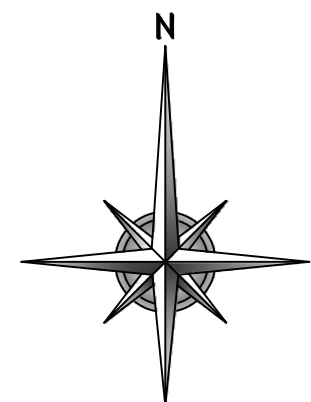
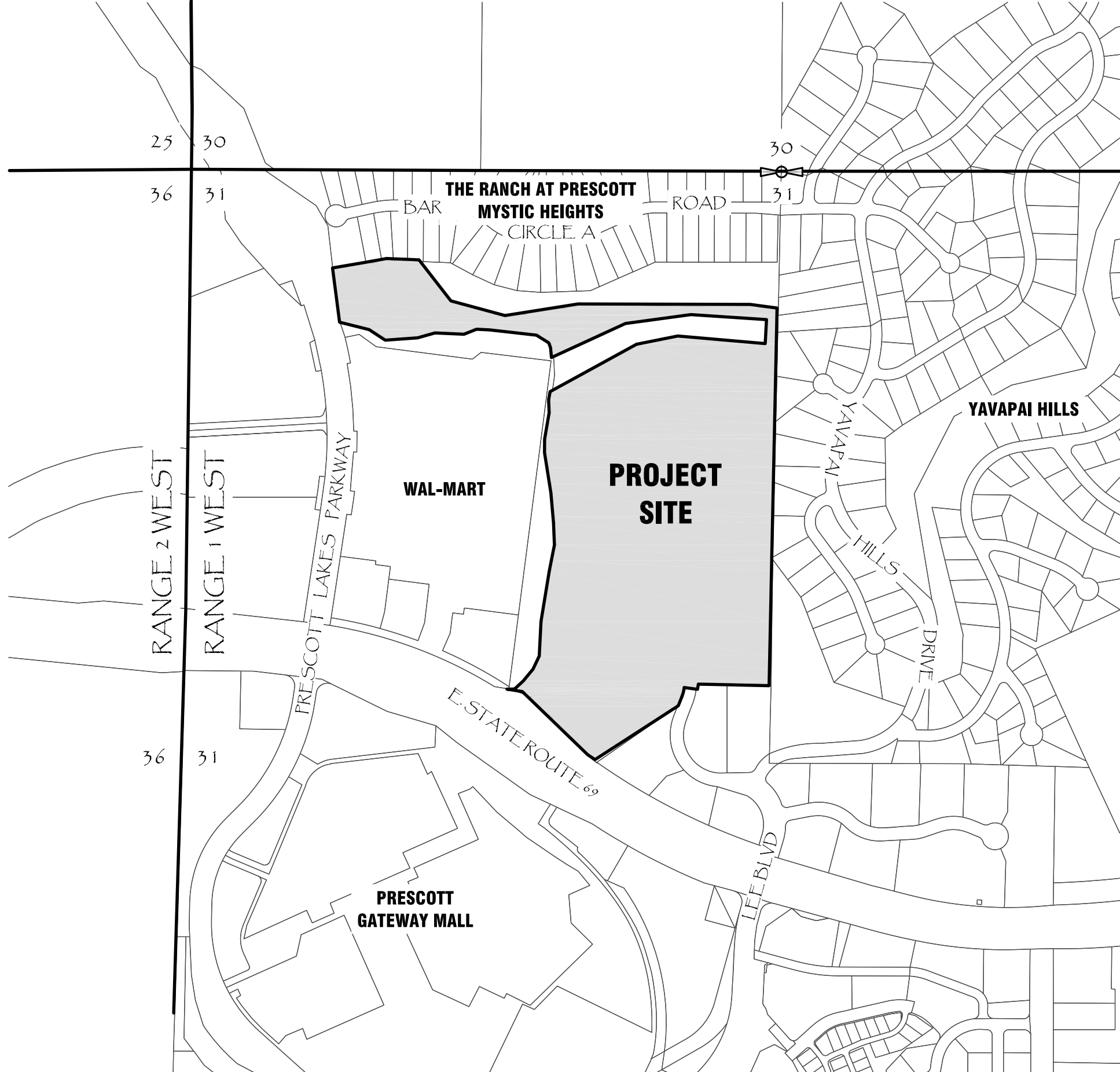
THIS PLAT SUPERCEDES THE PLAT ORIGINALLY RECORDED AT RECEPTION #2015-0021714, Y.CO.R.

APN 103-20-604G & APN 103-20-604K

3180 TOUCHMARK BOULEVARD, CITY OF PRESCOTT

SITUATED IN A PORTION OF THE WEST HALF OF SECTION 31, TOWNSHIP 14 NORTH, RANGE 1 WEST

OF THE GILA AND SALT RIVER MERIDIAN, CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA

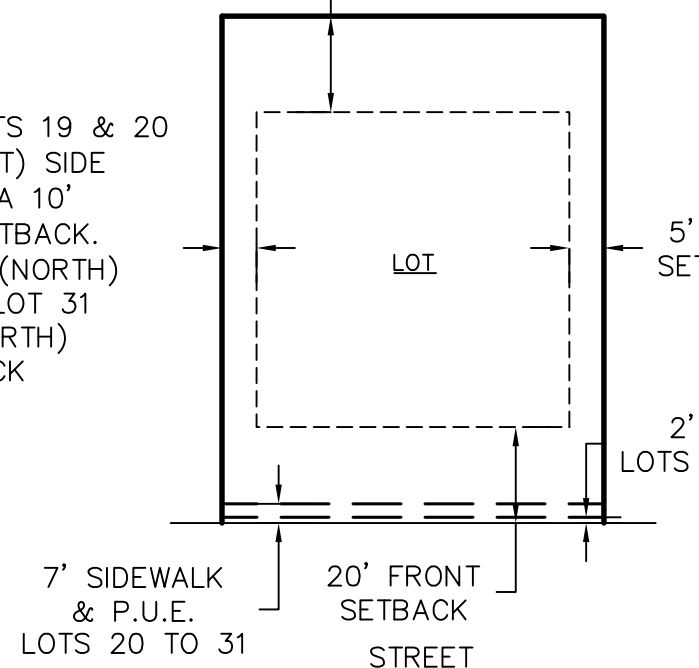


VICINITY MAP

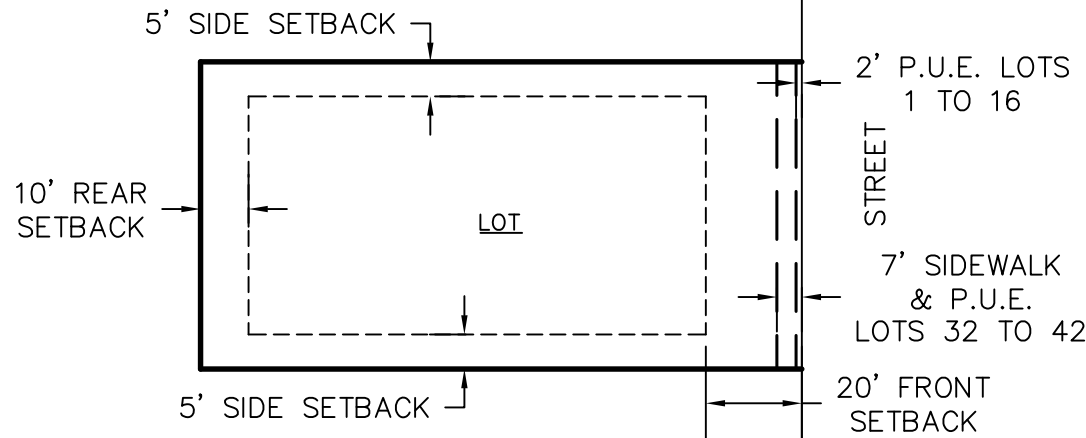
SHEET INDEX	
1	SITE SPECIFIC DATA AND SETBACK DETAILS
2	BLOCK & TRACT PLAN
3	LOT & EASEMENT PLAN
4	GEOMETRIC DATA

5' SIDE SETBACK, LOTS 19 & 20 HAVE A 50' (EAST) SIDE SETBACK AND A 10' (SOUTH) SIDE SETBACK. LOT 21 HAS A 10'(NORTH) SIDE SETBACK. LOT 31 HAS A 10' (NORTH) SIDE SETBACK

25' REAR SETBACK LOTS 17-20, & 24-31 LOTS 20-25 HAVE A 50 FOOT REAR (EAST) SETBACK



TYPICAL LOTS 17 THRU 31
NOT TO SCALE



TYPICAL LOTS 1 THRU 16 & 32 THRU 42
NOT TO SCALE

FINAL PLAT STATISTICS

LOCATION OF PROPERTY:
3180 TOUCHMARK BOULEVARD

TOTAL ACRES:45.39 ACRES±
TOTAL LOTS:44
MIN. LOT SIZE: 6,068 S.F.
MAX. LOT SIZE: 23,686 S.F.
AVERAGE LOT SIZE: 11,134 S.F.

EXISTING ZONING:BR, SF-12, MF-M (PAD)
ZONING: PAD (OVERLAY)

IS MASS GRADING PROPOSED: YES

IS PROJECT IN A REIMBURSEMENT DISTRICT: NO
IF YES, WHAT TYPE: N/A

IF A PLANNED AREA DEVELOPMENT:
TOTAL % AREA OF OPEN SPACE: 34%
TOTAL OPEN SPACE AREA: 15.45 ACRES±
TOTAL NUMBER OF DWELLING UNITS:366

SURVEYOR'S CERTIFICATE:

I, THOMAS A. LIUZZO, A DULY REGISTERED LAND SURVEYOR IN THE STATE OF ARIZONA HOLDING LICENSE #33861, DO HEREBY CERTIFY THAT I PREPARED THIS PLAT FROM AN ACTUAL AND ACCURATE SURVEY OF THE LAND; THAT THE SURVEY AND SUBDIVISION OF THE PREMISES DESCRIBED AND PLATTED HEREON WAS MADE BY ME OR UNDER MY DIRECT SUPERVISION DURING THE MONTHS OF OCTOBER AND NOVEMBER OF 2016; THAT THE MONUMENTS SHOWN ACTUALLY EXIST OR WILL BE SET AS SHOWN; THAT THEIR POSITIONS ARE ACCURATELY SHOWN; THAT SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED; AND WAS PERFORMED IN ACCORDANCE WITH THE ARIZONA MINIMUM STANDARDS FOR LAND SURVEY EFFECTIVE FEBRUARY 2002.

PROJECT INFORMATION

CLIENT:

TOUCHMARK AT THE RANCH, L.L.C.
5150 SOUTHWEST GRIFFIN DRIVE
BEAVERTON, OREGON 97005

ENGINEER/SURVEYOR:

GRANITE BASIN ENGINEERING, INC.
1981 COMMERCE CENTER CIRCLE, SUITE B
PRESCOTT, ARIZONA 86301
(928) 717-0171

SITE DATA:

ASSESSOR PARCEL NUMBER(S)
103-20-632 103-04-651
103-20-633 103-04-652
103-04-634 103-04-653
103-04-635 103-04-654
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103-04-649 103-04-668
103-04-650 103-04-669

ZONING NOTE:

CITY OF PRESCOTT ZONING INFORMATION
BUSINESS REGIONAL (BR)
SINGLE FAMILY (SF-12)
MULTIFAMILY PLANNED AREA DEVELOPMENT (MF-M PAD)

FLOODPLAIN NOTE:

THIS PROJECT IS LOCATED ON FEMA FLOOD INSURANCE RATE MAP (FIRM) 04025C20700 DATED SEPTEMBER 3, 2010 AND THE PROJECT SITE IS DELINEATED ZONE X AND IS NOT IMPACTED BY FEMA DELINEATED 100 YEAR FLOODPLAIN.

SEWAGE DISPOSAL:

CITY OF PRESCOTT SEWER COLLECTION

WATER SUPPLY:

CITY OF PRESCOTT WATER DISTRIBUTION

FIRE DISTRICT:

CITY OF PRESCOTT FIRE DEPARTMENT

SCHOOL DISTRICT:

PRESCOTT UNIFIED SCHOOL DISTRICT

POLICE:

CITY OF PRESCOTT

BASIS OF BEARINGS & BENCHMARKS

THE BASIS OF BEARING FOR THIS PROJECT IS N88°46'02"W A DISTANCE OF 318.12 FEET ALONG THE NORTH LINE OF LOT 16 & LOT 17 THE RANCH AT PRESCOTT COMMERCE CENTER BETWEEN TWO 1/2" REBARS WITH CAP RLS 13941 AT THE NORTHWEST CORNER OF LOT 16 AND THE NORTHEAST CORNER OF LOT 17.

BENCHMARK POINT	NORTHING	EASTING	ELEVATION(88)
BM 1 (NW)	591375.74	622589.29	5716.06
BM 2 (NE)	591368.89	622907.34	5676.22

LEGEND

NORTH QUARTER CORNER SECTION 31 RLS 16558

1/2" REBAR WITH NO MARKINGS

1/2" REBAR WITH MARKINGS KWE RLS 16921

1/2" REBAR WITH MARKINGS GETTINGS RLS 27239

1/2" REBAR WITH MARKINGS HAYWOOD RLS 13941

1/2" REBAR WITH MARKINGS RLS 16558

ADOT ALUM CAP IN CONCRETE

SET MONUMENT RLS 33861

MEASURED/CALCULATED INFORMATION

SUBJECT PARCEL LINE

ADJACENT PARCEL LINE

RIGHT OF WAY LINE

CENTERLINE

PUBLIC UTILITY EASEMENT (P.U.E.)

DRAINAGE EASEMENT (D.E.)

WATER EASEMENT

PUBLIC WATER & SEWER EASEMENT

DEDICATED PER THIS PLAT

PUBLIC WATER EASEMENT

DEDICATED PER THIS PLAT

PUBLIC UTILITY EASEMENT

DEDICATED PER THIS PLAT

DEVELOPER DRAINAGE EASEMENT

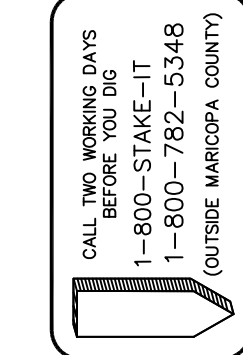
DEDICATED PER THIS PLAT

APPROVED ZONING (REC. #2014-0027351 Y.C.O.R.)

NON-VEHICULAR EASEMENT

MAPS & PLATS

YAVAPAI COUNTY RECORDS



BY

DATE

REVISIONS

DESCRIPTION

NUM.

FOR REVIEW ONLY

FOR BID ONLY

FOR APPROVAL ONLY

FOR RECORDING ONLY

FOR CONSTRUCTION ONLY

FOR AS-BUILT ONLY

FOR REVIEW ONLY

FOR BID ONLY

FOR APPROVAL ONLY

FOR RECORDING ONLY

FOR CONSTRUCTION ONLY

FOR AS-BUILT ONLY

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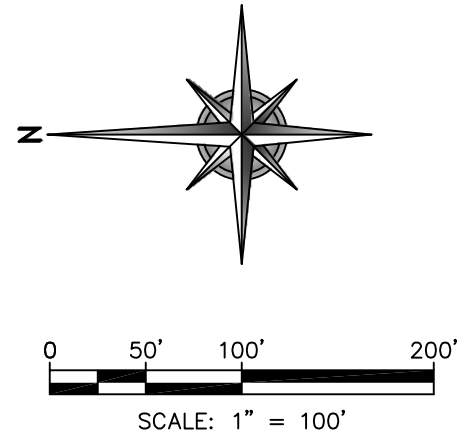
FOR BID ONLY

FOR APPROVAL ONLY

FOR RECORDING ONLY

FOR CONSTRUCTION ONLY

FOR AS-BUILT ONLY



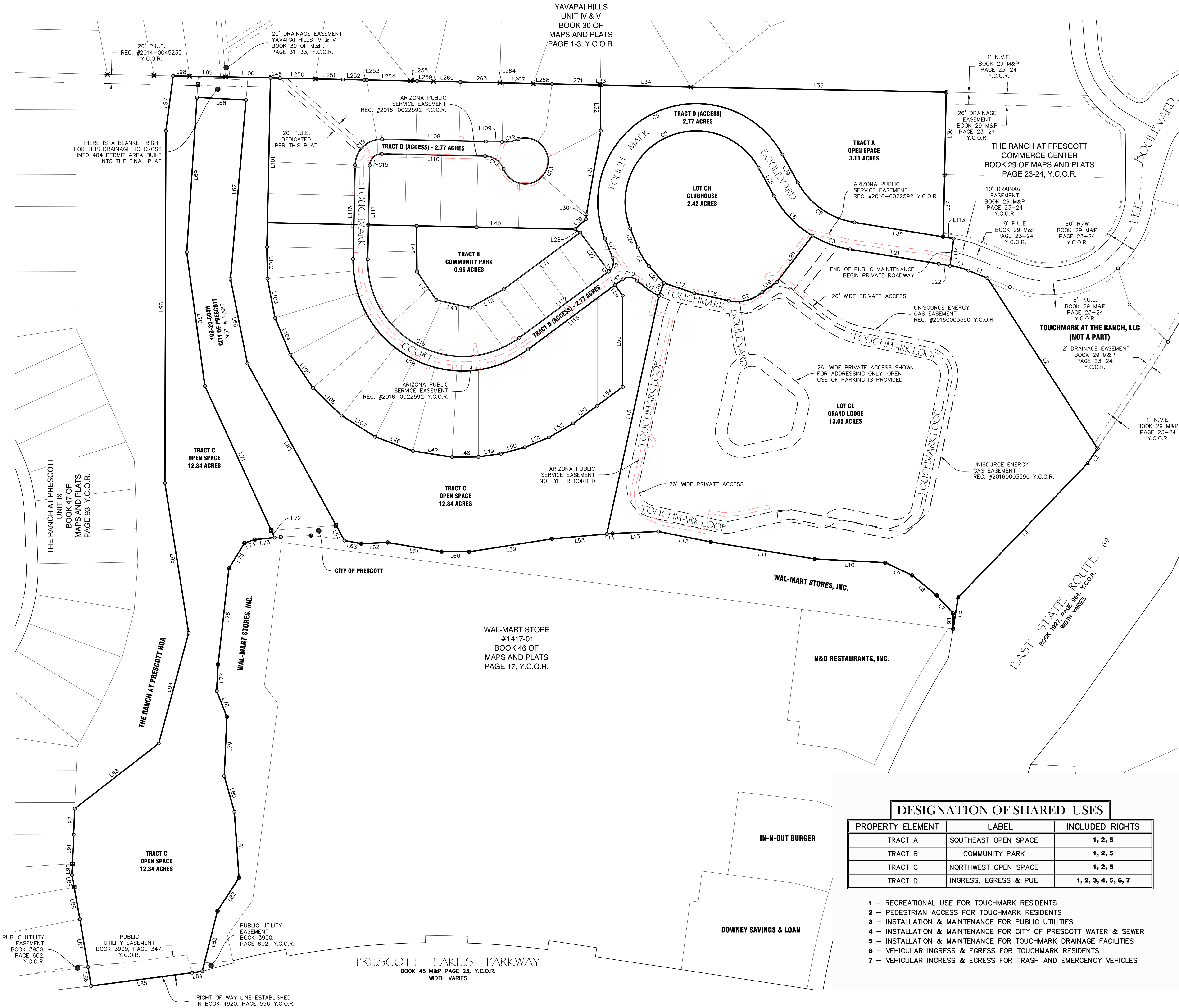
BLOCK & TRACT PLAN

TRACT AREAS		
LABEL	PURPOSE	AREA
A	OPEN SPACE	3.11 AC±
B	COMMUNITY PARK	0.96 AC±
C	OPEN SPACE	12.34 AC±
D	INGRESS, EGRESS, & UTILITY	2.77 AC±
TOTAL AREA		19.18 AC±

RESIDENTIAL AREAS		
LOT	PURPOSE	AREA
GL	GRAND LODGE	13.05 AC±
CH	CLUBHOUSE	2.42 AC±
1-16	RESIDENTIAL (SF-9)	4.39 AC±
17-31	RESIDENTIAL (SF-12)	4.70 AC±
32-42	RESIDENTIAL (SF-9)	1.65 AC±
TOTAL AREA		26.21 AC±

CITY OF PRESCOTT UTILITIES NOTES

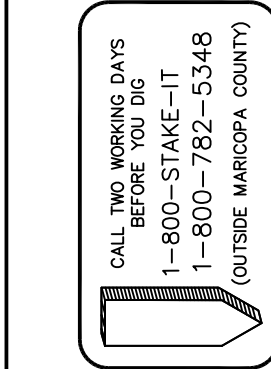
- ALL NEW OR RELOCATED PUBLIC UTILITIES WILL BE PLACED UNDERGROUND
- NO STRUCTURES OF ANY KIND SHALL BE CONSTRUCTED OR PLACED WITHIN OR OVER PUBLIC WATER OR SEWER EASEMENTS EXCEPT: WATER OR SEWER FACILITIES, PAVEMENT AND GRASS. WOOD, WIRE OR REMOVABLE SECTION TYPE FENCING WITH GATES ARE ALLOWED OVER WATER EASEMENTS, BUT ARE PROHIBITED OVER SEWER EASEMENTS. THE CITY OF PRESCOTT SHALL NOT BE REQUIRED TO REPLACE OR PROVIDE REIMBURSEMENT FOR THE COST OF REPLACING ANY OBSTRUCTIONS, PAVING OR PLANTING THAT IS REMOVED DURING THE COURSE OF MAINTAINING, CONSTRUCTING OR RECONSTRUCTING SAID FACILITIES.
- FENCE LINES OR LANDSCAPE FEATURES ARE NOT TO BE CONSTRUCTED WITHIN OR ACROSS PUBLIC UTILITY EASEMENTS IN SUCH A MANNER AS TO OBSTRUCT THE USE AND ACCESS TO PUBLIC UTILITY EASEMENTS.



DESIGNATION OF SHARED USES

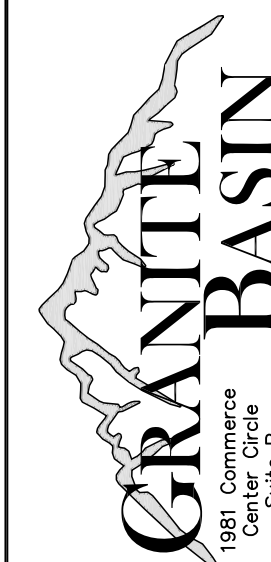
PROPERTY ELEMENT	LABEL	INCLUDED RIGHTS
TRACT A	SOUTHEAST OPEN SPACE	1, 2, 5
TRACT B	COMMUNITY PARK	1, 2, 5
TRACT C	NORTHWEST OPEN SPACE	1, 2, 5
TRACT D	INGRESS, EGRESS & PUE	1, 2, 3, 4, 5, 6, 7

- RECREATIONAL USE FOR TOUCHMARK RESIDENTS
- PEDESTRIAN ACCESS FOR TOUCHMARK RESIDENTS
- INSTALLATION & MAINTENANCE FOR PUBLIC UTILITIES
- INSTALLATION & MAINTENANCE FOR CITY OF PRESCOTT WATER & SEWER
- INSTALLATION & MAINTENANCE FOR TOUCHMARK DRAINAGE FACILITIES
- VEHICULAR INGRESS & EGRESS FOR TOUCHMARK RESIDENTS
- VEHICULAR INGRESS & EGRESS FOR TRASH AND EMERGENCY VEHICLES



BY	DATE	REVISIONS
NUM.	DESCRIPTION	

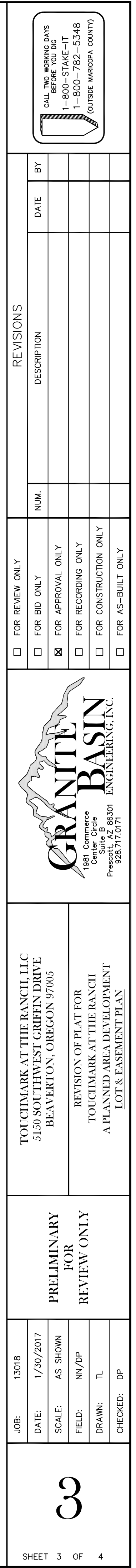
☐ FOR REVIEW ONLY	☐ FOR BID ONLY	☒ FOR APPROVAL ONLY	☐ FOR RECORDING ONLY	☐ FOR CONSTRUCTION ONLY	☐ FOR AS-BUILT ONLY
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TOUCHMARK AT THE RANCH, LLC 5150 SOUTHWEST GRIFIN DRIVE BEAVERTON, OREGON 97005	REVISION OF PLAT FOR TOUCHMARK AT THE RANCH A PLANNED AREA DEVELOPMENT BLOCK & TRACT PLAN
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PRELIMINARY FOR REVIEW ONLY

JOB#	13018
DATE:	1/18/2017
SCALE:	AS SHOWN
FIELD:	NN/DP
DRAWN:	TL
CHECKED:	DP



LOT CH, LOT GL, AND TRACT DATA

Line #	Length	Direction
L1	45.10	S21° 49' 44.63"W
L2	445.72	S57° 07' 44.63"W
L3	39.65	N56° 00' 14.92"W
L4	409.11	N45° 59' 25.18"W
L5	70.08	N81° 03' 06.30"W
L6	34.32	N89° 34' 15.29"E
L7	53.22	N47° 19' 08.90"E
L8	69.32	N39° 27' 38.78"E
L9	65.54	N25° 17' 31.13"E
L10	155.29	N2° 59' 29.00"E
L11	231.48	N9° 17' 00.86"E
L12	118.03	N11° 14' 40.63"E
L13	100.35	N2° 27' 53.10"W
L14	12.85	N5° 02' 20.66"W
L15	535.60	S77° 39' 36.00"E
L16	30.33	S68° 17' 45.64"E
L17	70.39	S18° 22' 31.73"W
L18	77.44	S12° 20' 24.00"W
L19	38.52	S34° 47' 50.81"E
L20	128.75	S52° 21' 58.18"E
L21	197.52	S9° 13' 22.28"W
L22	25.20	S9° 20' 05.23"W
L23	49.53	N49° 07' 26.24"E
L24	44.98	N68° 10' 24.07"E
L25	69.89	S61° 13' 42.59"W
L26	45.23	S68° 10' 24.07"W
L27	105.99	N53° 27' 23.42"E
L28	13.33	N34° 14' 33.26"E
L29	32.75	S42° 39' 22.97"E
L30	10.64	S85° 57' 44.11"E
L31	186.42	S80° 18' 41.68"E

Line #	Length	Direction
L94	251.89	S74° 51' 11.37"E
L95	333.19	N80° 59' 23.63"E
L96	774.09	S89° 50' 35.37"E
L97	121.91	S82° 26' 23.46"E
L98	36.04	S1° 12' 19.63"W
L99	79.16	S1° 03' 06.04"W
L100	98.73	S1° 16' 01.70"W
L101	371.44	N88° 47' 45.46"W
L102	69.95	S89° 04' 48.09"W
L103	87.78	S79° 04' 18.47"W
L104	87.78	S67° 22' 56.24"W
L105	87.78	S55° 41' 34.01"W
L106	87.78	S44° 00' 11.78"W
L107	87.78	S32° 18' 49.55"W
L108	228.25	S1° 12' 19.63"W
L109	45.95	S1° 12' 19.63"W
L110	227.71	N1° 12' 19.63"E
L111	206.32	N88° 47' 45.46"W
L112	244.14	S36° 32' 36.58"E
L113	23.60	S9° 23' 39.41"W
L114	60.00	N82° 18' 23.37"W
L115	237.50	N36° 32' 36.58"W
L116	206.32	S88° 47' 45.46"E

Line #	Length	Direction
L32	100.18	N89° 29' 50.09"E
L33	2.62	S1° 16' 26.85"W
L34	196.36	S1° 16' 26.85"W
L35	561.34	S1° 08' 36.01"W
L36	181.25	N88° 52' 23.42"W
L37	136.88	N88° 37' 36.64"W
L38	197.52	N9° 13' 22.28"E
L39	69.89	N61° 13' 42.59"E
L40	348.61	S1° 11' 34.85"W
L41	209.46	N36° 32' 36.58"W
L42	83.73	N28° 37' 04.43"W
L43	76.34	N12° 35' 43.67"E
L44	75.57	N55° 52' 06.45"E
L45	100.38	N89° 30' 11.58"E
L46	87.78	S20° 37' 27.32"W
L47	87.78	S8° 56' 05.09"W
L48	57.77	S0° 39' 59.30"E
L49	49.51	S7° 59' 17.18"E
L50	54.83	S14° 49' 36.22"E
L51	57.28	S22° 16' 59.88"E
L52	61.31	S30° 10' 17.63"E
L53	65.71	S36° 14' 32.77"E
L54	69.70	S36° 32' 36.58"E
L55	200.42	N90° 00' 00.00"E
L56	28.98	N53° 27' 23.42"E
L57	19.74	S36° 32' 36.58"E
L58	120.89	N5° 02' 20.66"W
L59	184.23	N8° 55' 06.81"W
L60	60.76	N0° 21' 14.73"E
L61	120.24	N9° 39' 29.71"E
L62	57.89	N2° 29' 25.45"W

Line #	Length	Direction
L63	37.69	N10° 21' 23.85"E
L64	38.00	N61° 16' 54.23"E
L65	405.71	N61° 16' 54.23"E
L66	189.29	N78° 39' 21.99"E
L67	394.62	S85° 02' 08.01"E
L68	107.84	N3° 11' 18.99"E
L69	340.92	N86° 10' 39.90"W
L70	297.13	S82° 15' 28.99"W
L71	349.11	S65° 17' 10.33"W
L72	17.27	S65° 17' 10.33"W
L73	44.11	N5° 46' 59.44"W
L74	23.64	N19° 00' 21.57"W
L75	65.35	N58° 23' 32.02"W
L76	212.22	N83° 35' 12.05"W
L77	58.48	N87° 00' 42.37"W
L78	61.02	S68° 29' 57.56"W
L79	130.45	N70° 31' 02.37"W
L80	81.64	S74° 15' 19.63"W
L81	145.42	S85° 57' 46.63"W
L82	86.56	N56° 49' 47.06"W
L83	137.10	N75° 50' 26.44"W
L84	22.49	N7° 29' 11.53"W
L85	223.53	N7° 28' 27.33"E
L86	41.83	N80° 19' 40.84"E
L87	106.99	N80° 19' 40.84"E
L88	71.09	N79° 53' 58.60"E
L89	27.79	N79° 08' 08.34"E
L90	24.38	S86° 39' 56.39"E
L91	63.92	S87° 42' 41.28"E
L92	57.29	S87° 35' 18.14"E
L93	233.67	S37° 49' 04.54"E

Line #	Length	Direction
L200	200.42	N90° 00' 00.00"W
L201	69.70	N36° 32' 36.58"W
L202	236.49	N90° 00' 00.00"E
L203	48.22	S36° 32' 36.58"E
L204	28.98	S53° 27' 23.42"W
L205	236.06	N90° 00' 00.00"E
L206	65.97	S36° 32' 36.58"E
L207	65.71	N36° 14' 32.77"W
L208	227.59	N90° 00' 00.00"E
L209	65.97	S36° 32' 36.58"E
L210	61.31	N30° 10' 17.63"W
L211	57.34	S36° 32' 36.58"E
L212	57.28	N22° 16' 59.88"W
L213	210.22	N90° 00' 00.00"E
L214	196.77	N90° 00' 00.00"E
L215	54.83	N14° 49' 36.22"W
L216	191.19	N90° 00' 00.00"E
L217	49.51	N7° 59' 17.18"W
L218	190.00	S86° 31' 36.02"E
L219	57.77	N0° 39' 59.30"W
L220	190.00	S75° 13' 13.79"E
L221	87.78	N8° 56' 05.09"E
L222	87.78	N20° 37' 27.32"E
L223	190.00	S63° 31' 51.56"E
L224	87.78	N32° 18' 49.55"E
L225	190.00	S51° 50' 29.33"E

Line #	Length	Direction
L278	32.75	N42° 39' 22.97"W
L279	124.61	N1° 11' 34.85"E
L280	92.50	N1° 11' 34.85"E
L281	156.55	S88° 47' 42.92"E
L282	16.21	S1° 12' 19.63"W
L283	79.50	S1° 12' 19.50"W
L284	79.48	N1° 11' 34.85"E
L285	156.56	S88° 48' 10.02"E
L286	78.00	S1° 12' 19.76"W
L287	52.02	N1° 11' 34.85"E
L288	26.00	N1° 11' 34.85"E
L289	156.58	S88° 47' 45.46"E
L290	54.00	S1° 12' 19.63"W
L291	80.00	N1° 11' 34.85"E
L292	130.60	S88° 47' 45.46"E
L293	107.71	N1° 24' 55.12"E
L294	57.17	S88° 47' 45.46"E
L295	57.62	S89° 30' 11.58"W
L296	115.67	N1° 24' 55.12"E
L297	18.55	S88° 47' 45.46"E
L298	42.77	S89° 30' 11.58"W
L299	17.83	S55° 52' 06.45"W
L300	113.00	N42° 58' 26.59"W
L301	27.78	S55° 52' 06.45"W
L302	109.88	N66° 00' 10.88"W
L303	29.96	S55° 52' 06.45"W

LOT 1 THROUGH 42 DATA

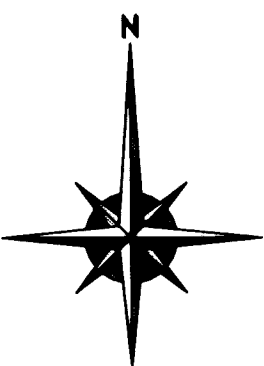
Line #	Length	Direction
L226	87.78	N44° 00' 11.78"E
L227	190.00	S40° 09' 07.10"E
L228	87.78	N55° 41' 34.01"E
L229	190.00	S28° 27' 44.88"E
L230	87.78	N67° 22' 56.24"E
L231	190.00	S16° 46' 22.65"E
L232	87.78	N79° 04' 18.47"E
L233	190.00	S5° 05' 00.42"E
L234	69.95	N89° 04' 48.09"E
L235	190.00	S1° 11' 49.98"W
L236	22.72	N88° 47' 45.46"W
L237	190.00	S1° 11' 49.98"W
L238	53.00	N88° 47' 45.46"W
L239	53.00	S88° 47' 45.46"E
L240	190.00	S1° 11' 49.98"W
L241	64.00	N88° 47' 45.46"W
L242	64.00	S88° 47' 45.46"E
L243	190.03	S2° 13' 19.64"W
L244	66.60	N88° 47' 45.46"W
L245	70.00	S88° 47' 45.46"E
L246	237.16	S40° 46' 08.71"W
L247	184.44	S88° 47' 45.46"E
L248	20.29	S1° 16' 01.70"W
L249	133.20	N56° 13' 48.41"W
L250	78.32	S1° 16' 01.70"W
L251	60.80	S1° 12' 19.63"W

Line #	Length	Direction
L252	46.58	S1° 12' 19.63"W
L253	5.60	S1° 14' 03.77"W
L254	96.33	S1° 14' 03.77"W
L255	14.83	S1° 12' 48.77"W
L256	129.65	N88° 47' 37.16"W
L257	74.75	N1° 12' 19.63"E
L258	94.75	N1° 12' 19.63"E
L259	35.72	S1° 12' 48.77"W
L260	59.03	S1° 15' 25.18"W
L261	129.59	N88° 47' 37.16"W
L262	94.75	N1° 12' 19.63"W
L263	86.94	S1° 15' 25.18"W
L264	7.81	S1° 29' 48.92"W
L265	129.48	N88° 47' 37.16"W
L266	9.95	N1° 12' 19.63"E
L267	65.56	S1° 29' 48.92"W
L268	41.23	S1° 07' 49.53"W
L269	100.66	N82° 13' 03.27"W
L270	32.36	N56° 42' 07.34"W
L271	106.21	S1° 07' 49.53"W
L272	100.18	S89° 29' 50.09"W
L273	130.49	N27° 01' 01.31"W
L274	186.42	N80° 18' 41.68"W
L275	128.05	N40° 27' 30.50"E
L276	98.35	S88° 47' 45.46"E
L277	10.64	N85° 57' 44.11"W

PARCEL CURVE TABLE						
Curve #	Length	Radius	Delta	Chord Direction	Chord Length	
C200	8.52	241.00	2.02	S35° 31' 52"E	8.52	
C201	59.85	241.00	14.23	S27° 24' 14"E	59.70	
C202	50.69	241.00	12.05	S14° 15' 50"E	50.59	
C203	47.65	241.00	11.33	S2° 34' 28"E	47.57	
C204	49.17	241.00	11.69	S8° 56' 05"W	49.08	
C205	49.17	241.00	11.69	S20° 37' 27"W	49.08	
C206	49.17	241.00	11.69	S32° 18' 50"W	49.08	
C207	49.17	241.00	11.69	S44° 00' 12"W	49.08	
C208	49.17	241.00	11.69	S55° 41' 34"W	49.08	
C209	49.17	241.00	11.69	S67° 22' 56"W	49.08	
C210	49.17	241.00	11.69	S79° 04' 18"W	49.08	
C211	26.45	241.00	6.29	S88° 03' 37"W	26.43	
C212	39.78	58.00	39.30	N69° 08' 45"W	39.01	
C213	40.21	58.00	39.73	N29° 37' 58"W	39.41	
C214	11.11	58.00	10.98	N4° 16' 56"W	11.09	
C215	51.12	50.50	58.00	N4° 17' 46"E	48.97	
C216	19.90	44.00	25.91	N11° 45' 01"W	19.73	
C217	42.50	50.50	48.22	N57° 24' 33"E	41.26	
C218	44.70	50.50	50.72	S73° 07' 17"E	43.26	
C219	54.75	50.50	62.12	S16° 42' 09"E	52.11	
C220	52.42	44.00	68.26	S35° 20' 10"W	49.38	
C221	48.57	50.50	55.11	S41° 54' 46"W	46.72	
C222	40.84	26.00	90.00	S43° 47' 43"E	36.77	
C223	38.94	209.00	10.67	N85° 52' 02"E	38.88	
C224	115.21	209.00	31.58	N64° 44' 16"E	113.76	
C225	84.00	209.00	23.03	N37° 25' 51"E	83.44	
C226	84.00	209.00	23.03	N14° 24' 07"E	83.44	
C227	102.31	209.00	28.05	N11° 08' 13"W	101.30	
C228	41.52	209.00	11.38	N30° 51' 09"W	41.45	
C229	0.87	26.00	1.91	N37° 30' 01"W	0.87	

EASEMENT DATA

EASEMENT TABLE		
Line #	Length	Direction
L400	41.82	N40° 27' 30.50"E
L401	82.32	S88° 47' 38.34"E
L402	13.30	S47° 07' 06.39"E
L403	86.37	S4° 41' 59.19"E
L404	95.50	S6° 26' 55.83"E
L405	97.98	S1° 54' 11.10"E
L406	38.35	S4° 53' 41.45"W
L407	31.56	S41° 26' 29.37"W
L408	58.14	S70° 59' 36.53"W
L409	28.04	S59° 35' 09.22"W
L410	12.67	S25° 17' 29.87"W
L411	7.37	S42° 34' 57.88"E
L412	103.06	N57° 05' 11.66"W
L413	89.35	N53° 37' 00.70"W
L414	16.35	N54° 20' 17.43"W
L415	32.77	N77° 39' 33.52"W
L416	297.62	N77° 39' 36.00"W
L417	114.99	N77° 39' 36.00"W
L418	44.44	S57° 20' 02.12"W
L419	173.87	S12° 20' 24.30"W
L420	25.49	S12° 20' 21.94"W
L421	114.44	S10° 09' 36.00"E
L422	7.80	S10° 09' 36.00"E
L423	3.00	S10° 09' 36.00"E
L424	50.26	S12° 20' 24.00"W
L425	75.43	S10° 09' 36.00"E
L426	37.32	S12° 20' 24.00"W
L427	75.12	S12° 20' 24.00"W
L428	47.88	S32° 39' 36.00"E
L429	32.75	S77° 39' 36.00"E
L430	115.75	S77° 39' 36.00"E

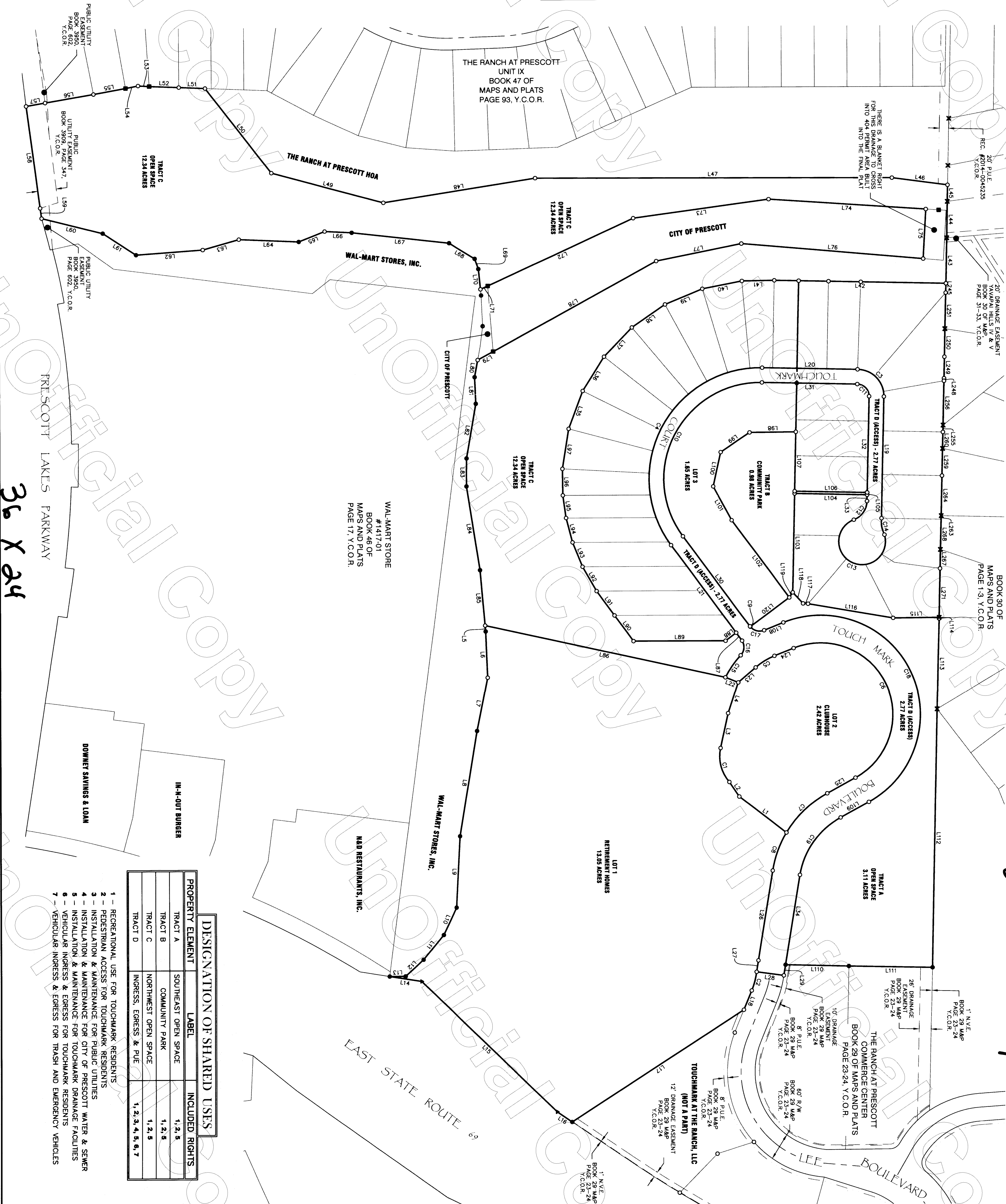


0 50' 100' 200'
SCALE: 1" = 100'

BLOCK & TRACT PLAN

TRACT AREAS	
LABEL	PURPOSE
A	OPEN SPACE
B	COMMUNITY PARK
C	OPEN SPACE
D	INGRESS, EGRESS, & UTILITY
TOTAL AREA	

RESIDENTIAL AREAS	
LOT	PURPOSE
1	RETIREMENT HOMES
2	CLUBHOUSE
3	MULTI FAMILY
4-18	RESIDENTIAL (SF-12)
19-34	RESIDENTIAL (SF-9)
TOTAL AREA	



36 X 24

2015-0021714 / 2

DESIGNATION OF SHARED USES		
PROPERTY ELEMENT	LABEL	INCLUDED RIGHTS
TRACT A	SOUTHEAST OPEN SPACE	1, 2, 5
TRACT B	COMMUNITY PARK	1, 2, 5
TRACT C	NORTHWEST OPEN SPACE	1, 2, 5
TRACT D	INGRESS, EGRESS & PUE	1, 2, 3, 4, 5, 6, 7

- 1 - RECREATIONAL USE FOR TOUCHMARK RESIDENTS
- 2 - PEDESTRIAN ACCESS FOR TOUCHMARK RESIDENTS
- 3 - INSTALLATION & MAINTENANCE FOR PUBLIC UTILITIES
- 4 - INSTALLATION & MAINTENANCE FOR CITY OF PRESCOTT WATER & SEWER
- 5 - INSTALLATION & MAINTENANCE FOR TOUCHMARK DRAINAGE FACILITIES
- 6 - VEHICULAR INGRESS & EGRESS FOR TOUCHMARK RESIDENTS
- 7 - VEHICULAR INGRESS & EGRESS FOR TRASH AND EMERGENCY VEHICLES

2

SHEET 2 OF 4

JOB: 13018

DATE: MAY 2015

SCALE: AS SHOWN

FIELD: NN

DRAWN: TL

CHECKED: DB

TOUCHMARK DEVELOPMENT & CONSTRUCTION COMPANY

5150 SOUTHWEST GRIFFITH DRIVE

BEAVERTON, OREGON 97005

FINAL PLAT FOR - TOUCHMARK AT THE RANCH

A PLANNED AREA DEVELOPMENT

PART OF THE WEST HALF OF SECTION 31, T14N, R1W

BLOCK & TRACT PLAN

1981 Commerce Center Circle

Suite B

Prescott, AZ 86301

928.717.0171

ENGINEERING, INC.

☐ FOR REVIEW ONLY

☐ FOR BID ONLY

☒ FOR APPROVAL ONLY

☐ FOR RECORDING ONLY

☐ FOR CONSTRUCTION ONLY

☐ FOR AS-BUILT ONLY

NUM.

DESCRIPTION

DATE

BY

Packet Pg. 159

FILE: Z:\Projects\TPA2\13018 Planning-Entitlement-Plotting\DWG\Survey\FINAL PLAT\13018 FINAL PLAT S3.dwg <<C3D Imperial>>

PLOTTED: May 08, 2015-8:10am

LOT AREAS		
LOT	SQUARE FEET	ACRES
1	568548	13.05
2	105671	2.42
3	72033	1.65
4	12382	0.28
5	12213	0.28
6	12054	0.28
7	12077	0.28
8	12059	0.28
9	12148	0.28
10	15566	0.36
11	12236	0.28
12	12275	0.28
13	12283	0.28
14	12786	0.29
15	16814	0.39
16	23686	0.54
17	12977	0.30
18	12160	0.28
19	10070	0.23
20	11271	0.26
21	12894	0.30
22	12894	0.30
23	12894	0.30
24	12894	0.30
25	12894	0.30
26	12894	0.30
27	12894	0.30
28	12894	0.30
29	12894	0.30
30	12894	0.30
31	12894	0.30
32	12894	0.30
33	12894	0.30
34	12894	0.30

ALL SANITARY SEWER LINES CROSSING LOT 1 THAT ARE NOT WITHIN A PUBLIC DEDICATED EASEMENT ARE TO BE CONSIDERED A PRIVATE SEWER LINE AND ARE SUBJECT TO THE FOLLOWING NOTES PERTAINING TO THE OPERATION, MAINTENANCE, AND REPAIR OF PRIVATE SEWAGE COLLECTION SYSTEM:

1. OPERATION, MAINTENANCE, AND REPAIR OF THE PRIVATE SEWER SYSTEM, THE CENTRAL COMMERCIAL UNITS ARE SERVED BY A PRIVATE SEWAGE COLLECTION SYSTEM LOCATED AS SHOWN ON THE FINAL AS-BUILT PROJECT PLANS. THE OPERATION AND MAINTENANCE OF THE PRIVATE SYSTEM IS THE RESPONSIBILITY OF THE HOMEOWNER. THE HOMEOWNER SHALL BE RESPONSIBLE FOR THE OPERATION AND MAINTENANCE OF THE PRIVATE SYSTEM. THE HOMEOWNER SHALL BE RESPONSIBLE FOR THE OPERATION AND MAINTENANCE OF THE PRIVATE SYSTEM. THE HOMEOWNER SHALL BE RESPONSIBLE FOR THE OPERATION AND MAINTENANCE OF THE PRIVATE SYSTEM.

2. EMERGENCY RESPONSE PLAN: THE OWNER SHALL BE RESPONSIBLE TO IMMEDIATELY RESPOND TO AND RESOLVE ANY LIFT OR BACKUP FROM ANY POINT WITHIN THE PRIVATE SEWER SYSTEM. THE OWNER SHALL BE RESPONSIBLE TO IMMEDIATELY RESPOND TO AND RESOLVE ANY LIFT OR BACKUP FROM ANY POINT WITHIN THE PRIVATE SEWER SYSTEM. THE OWNER SHALL BE RESPONSIBLE TO IMMEDIATELY RESPOND TO AND RESOLVE ANY LIFT OR BACKUP FROM ANY POINT WITHIN THE PRIVATE SEWER SYSTEM.

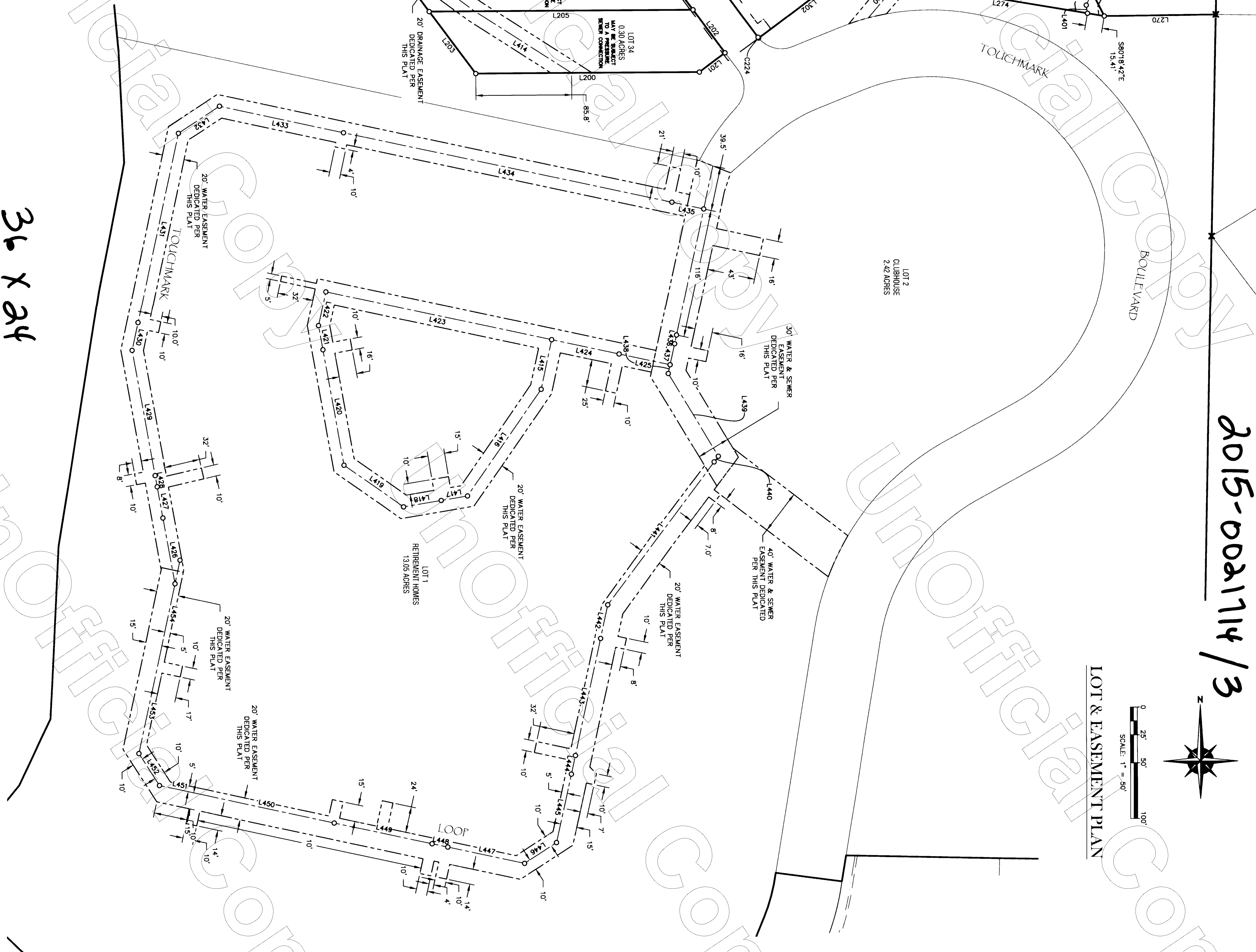
3. IDENTIFICATION OF PRIVATE SEWER SYSTEM: ALL SEWER MANHOLES AND CLEAN OUT CAPS ASSOCIATED WITH THE PRIVATE SYSTEM SHALL BE CLEARLY MARKED OR PRIVATE SEWER WITH COST LETTERING ON THE COVER.

4. HOMEOWNER RESPONSIBILITIES: CERTAIN HOMEOWNERS WITHIN THE PRIVATE SEWER COLLECTION AREA MAY HAVE A SEWER EJECTOR PUMP THAT SHALL BE OWNED, OPERATED, AND MAINTAINED BY THE HOMEOWNER. THE HOMEOWNER SHALL BE RESPONSIBLE FOR THE OPERATION AND MAINTENANCE OF THE SEWER EJECTOR PUMP. THE HOMEOWNER SHALL BE RESPONSIBLE FOR THE OPERATION AND MAINTENANCE OF THE SEWER EJECTOR PUMP.

5. ARIZONA BLUESTAKE RESPONSIBILITIES: THE LOCAL ENTITY SHALL AS THE OWNER OF UNDERGROUND FACILITIES AND AS REQUIRED BY STATE LAW, MAINTAIN THE ARIZONA BLUESTAKE RESPONSIBILITIES. THE LOCAL ENTITY SHALL AS THE OWNER OF UNDERGROUND FACILITIES AND AS REQUIRED BY STATE LAW, MAINTAIN THE ARIZONA BLUESTAKE RESPONSIBILITIES. THE LOCAL ENTITY SHALL AS THE OWNER OF UNDERGROUND FACILITIES AND AS REQUIRED BY STATE LAW, MAINTAIN THE ARIZONA BLUESTAKE RESPONSIBILITIES.

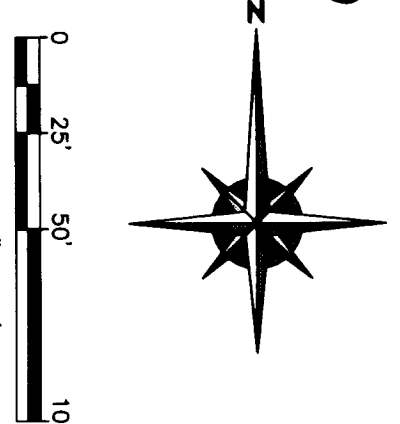
6. ACCEPTANCE OF PRIVATE SEWER SYSTEMS FOR CITY OWNERSHIP, OPERATION, AND MAINTENANCE: THE OWNER SHALL NOT PETITION THE CITY TO ACCEPT THE PRIVATE SYSTEM OR ANY PORTION THEREOF FOR OWNERSHIP, OPERATION OR MAINTENANCE UNTIL SUCH AS THE SYSTEMS ARE VERIFIED AND/OR CONSTRUCTED TO ALL CITY STANDARDS, INCLUDING ACCESS, IN EFFECT AT THE TIME OF ANY SUCH PETITION.

36 x 24



2015-0021714/3

LOT & EASEMENT PLAN



JOB: 13018

DATE: MAY 2015

SCALE: AS SHOWN

FIELD: NN

DRAWN: TJL

CHECKED: DB

TOUCHMARK DEVELOPMENT & CONSTRUCTION COMPANY
5150 SOUTHWEST GRIFFITH DRIVE
BEAVERTON, OREGON 97005

FINAL PLAT FOR TOUCHMARK AT THE RANCH
A PLANNED AREA DEVELOPMENT
PART OF THE WEST HALF OF SECTION 31, T14N, R1W
LOT & EASEMENT PLAN

REVISIONS			
NUM.	DESCRIPTION	DATE	BY

☐ FOR REVIEW ONLY

☐ FOR BID ONLY

☒ FOR APPROVAL ONLY

☐ FOR RECORDING ONLY

☐ FOR CONSTRUCTION ONLY

☐ FOR AS-BUILT ONLY

CALL TWO WORKING DAYS BEFORE YOU DIG
1-800-STAKE-IT
1-800-782-5348
(OUTSIDE MARICOPA COUNTY)

SHEET 3 OF 4

3

LOT 1, LOT 2, AND TRACT DATA

PARCEL LINE TABLE		
Line #	Length	Direction
L1	128.75	S82° 21' 58.18"E
L2	38.52	S34° 47' 50.81"E
L3	77.44	S12° 20' 24.00"W
L4	70.99	S18° 22' 31.73"W
L5	12.85	N5° 02' 20.66"W
L6	100.35	N2° 27' 53.10"W
L7	118.03	N1° 14' 40.63"E
L8	231.48	N9° 17' 00.86"E
L9	156.29	N2° 59' 29.00"E
L10	65.54	N25° 17' 31.3"E
L11	69.32	N39° 27' 38.78"E
L12	53.22	N47° 19' 08.90"E
L13	34.32	N89° 34' 15.29"E
L14	70.08	N81° 03' 06.30"W
L15	409.11	N45° 58' 25.18"W
L16	39.65	N56° 00' 14.92"W
L17	445.72	S57° 07' 44.63"W
L18	45.10	S21° 49' 44.63"W
L19	228.25	S1° 12' 19.63"W
L20	206.32	S88° 47' 45.46"E
L21	237.50	N36° 32' 36.58"W
L22	30.33	N68° 17' 45.64"W
L23	49.53	S49° 07' 26.24"W
L24	44.98	S68° 10' 24.07"W
L25	69.89	N61° 13' 42.59"E
L26	197.52	N9° 13' 22.28"E
L27	25.20	N9° 20' 05.23"E
L28	60.00	N82° 18' 23.37"W
L29	23.60	S9° 23' 39.41"W
L30	244.14	S36° 32' 36.58"E
L31	206.32	N88° 47' 45.46"W

PARCEL LINE TABLE		
Line #	Length	Direction
L32	209.00	N1° 12' 19.63"E
L33	13.77	S1° 12' 19.63"E
L34	197.52	S9° 13' 22.28"W
L35	87.78	S20° 37' 27.32"W
L36	87.78	S32° 18' 49.55"W
L37	87.78	S44° 00' 11.78"W
L38	87.78	S55° 41' 34.01"W
L39	87.78	S67° 22' 56.24"W
L40	87.78	S79° 04' 18.47"W
L41	69.95	S89° 04' 48.09"W
L42	371.44	N88° 47' 45.46"W
L43	98.73	S1° 16' 01.70"W
L44	79.16	S1° 03' 06.04"W
L45	36.04	S1° 12' 19.63"W
L46	121.91	S82° 26' 23.46"E
L47	774.09	S89° 50' 35.37"E
L48	333.19	N80° 59' 23.63"E
L49	251.89	S74° 51' 11.37"E
L50	233.67	S37° 49' 04.54"E
L51	57.29	S37° 35' 18.14"E
L52	63.92	S87° 42' 41.28"E
L53	24.38	S86° 39' 56.39"E
L54	27.79	N79° 08' 08.34"E
L55	71.09	N79° 53' 58.60"E
L56	106.99	N80° 19' 40.84"E
L57	41.83	N80° 19' 40.84"E
L58	223.53	N7° 28' 27.33"W
L59	22.49	N7° 29' 11.53"W
L60	137.10	N75° 50' 26.44"W
L61	86.56	N56° 49' 47.06"W
L62	145.42	S85° 57' 46.53"W

PARCEL LINE TABLE		
Line #	Length	Direction
L63	81.64	S74° 15' 19.63"W
L64	130.45	N87° 31' 02.37"W
L65	61.02	S68° 29' 57.56"W
L66	58.48	N87° 00' 42.37"W
L67	212.22	N83° 35' 12.05"W
L68	65.35	N68° 23' 32.02"W
L69	23.64	N19° 00' 21.57"W
L70	44.11	N8° 46' 59.44"W
L71	17.27	S65° 17' 10.33"W
L72	349.11	S65° 17' 10.33"W
L73	297.13	S82° 15' 28.99"W
L74	340.92	N68° 10' 39.90"W
L75	107.84	N3° 11' 18.99"E
L76	394.62	S85° 02' 08.01"E
L77	189.29	N78° 39' 21.99"E
L78	405.71	N61° 16' 54.23"E
L79	38.00	S61° 16' 54.23"W
L80	37.69	N10° 21' 23.85"E
L81	57.89	N2° 29' 25.45"W
L82	120.24	N9° 39' 29.71"E
L83	60.76	N0° 21' 14.73"E
L84	184.23	N8° 55' 06.81"W
L85	120.89	N5° 02' 20.66"W
L86	535.60	N77° 39' 36.00"W
L87	19.74	N35° 32' 36.58"E
L88	28.98	N53° 27' 23.42"E
L89	200.42	N80° 00' 00.00"E
L90	69.70	S36° 32' 36.58"E
L91	65.71	S36° 14' 32.77"E
L92	61.31	S30° 10' 17.63"E
L93	57.28	S22° 16' 59.88"E

PARCEL LINE TABLE		
Line #	Length	Direction
L200	200.42	N90° 00' 00.00"W
L201	28.98	S33° 27' 23.42"W
L202	48.22	S36° 32' 36.58"E
L203	69.70	N36° 32' 36.58"W
L204	65.71	N36° 14' 32.77"W
L205	236.49	N90° 00' 00.00"W
L206	65.97	S36° 32' 36.58"E
L207	61.31	N30° 10' 17.63"W
L208	236.06	N90° 00' 00.00"W
L209	65.97	S36° 32' 36.58"E
L210	57.28	N22° 16' 59.88"W
L211	227.59	N90° 00' 00.00"W
L212	57.34	S36° 32' 36.58"E
L213	54.83	N14° 49' 36.22"W
L214	210.22	N90° 00' 00.00"W
L215	49.51	N7° 59' 17.18"W
L216	196.77	N90° 00' 00.00"W
L217	57.77	N0° 39' 59.30"W
L218	191.19	N90° 00' 00.00"W
L219	87.78	N8° 56' 05.09"E
L220	190.00	N86° 54' 36.02"W
L221	87.78	N20° 37' 27.32"E
L222	190.00	N75° 13' 13.19"W
L223	87.78	N32° 18' 49.55"E
L224	190.00	N63° 31' 51.56"W
L225	87.78	N40° 00' 11.28"E
L226	190.00	N51° 50' 29.33"W
L227	87.78	N55° 41' 34.01"E
L228	190.00	N40° 09' 07.10"W
L229	87.78	N67° 22' 56.24"E
L230	190.00	N28° 27' 44.88"W

PARCEL LINE TABLE		
Line #	Length	Direction
L231	87.78	N79° 04' 18.47"E
L232	190.00	N16° 46' 22.65"W
L233	69.95	N89° 04' 48.09"E
L234	190.00	N5° 05' 00.42"W
L235	22.72	N88° 47' 45.46"W
L236	53.00	S88° 47' 45.46"E
L237	190.00	N1° 11' 49.98"E
L238	53.00	N88° 47' 45.46"W
L239	64.00	S88° 47' 45.46"E
L240	190.00	N1° 11' 49.98"E
L241	64.00	N88° 47' 45.46"W
L242	70.00	S88° 47' 45.46"E
L243	190.00	N1° 11' 49.98"E
L244	66.60	N88° 47' 45.46"W
L245	20.29	S1° 16' 01.70"W
L246	184.44	S88° 47' 45.46"E
L247	190.03	N2° 13' 19.64"E
L248	5.60	S1° 14' 03.77"W
L249	46.58	S1° 12' 19.63"W
L250	60.80	S1° 12' 19.63"W
L251	78.32	S1° 16' 01.70"W
L252	237.16	N40° 46' 08.71"E
L253	133.20	N80° 13' 48.41"E
L254	74.75	N1° 12' 19.63"E
L255	14.83	S1° 12' 48.77"W
L256	96.33	S1° 14' 03.77"W
L257	129.65	S88° 47' 37.16"E
L258	94.75	N1° 12' 19.63"E
L259	59.03	S1° 15' 25.18"W
L260	35.72	S1° 12' 48.77"W
L261	129.59	S88° 47' 37.16"E

PARCEL LINE TABLE		
Line #	Length	Direction
L262	94.75	N1° 12' 19.63"E
L263	7.81	S1° 28' 48.92"W
L264	86.94	S1° 15' 25.18"W
L265	129.48	S88° 47' 37.16"E
L266	9.95	N1° 12' 19.63"E
L267	41.23	S1° 07' 49.53"W
L268	65.56	S41° 26' 29.37"W
L269	32.36	S56° 42' 07.34"E
L270	100.18	S89° 29' 50.09"W
L271	106.21	S1° 07' 49.53"W
L272	100.66	S82° 13' 02.27"E
L273	130.49	S27° 01' 01.31"E
L274	186.42	N80° 16' 41.68"W
L275	124.61	N1° 11' 34.85"E
L276	32.75	N42° 39' 22.97"W
L277	10.64	N85° 57' 44.11"W
L278	128.05	S40° 27' 30.50"W
L279	13.71	S1° 12' 19.63"W
L280	156.55	S88° 47' 45.46"E
L281	90.00	N1° 11' 34.85"E
L282	96.35	N88° 47' 45.46"W
L283	156.55	N88° 47' 40.37"W
L284	75.00	S1° 12' 19.63"W
L285	2.00	S1° 12' 14.54"W
L286	76.98	N1° 11' 34.85"E
L287	156.56	N88° 48' 10.02"W
L288	76.00	S1° 12' 19.76"W
L289	52.02	N1° 11' 34.85"E
L290	130.60	S88° 47' 45.46"E
L291	156.58	N88° 47' 45.46"W
L292	54.00	S1° 12' 19.63"W

PARCEL LINE TABLE		
Line #	Length	Direction
L293	94.75	N1° 12' 19.63"E
L294	86.94	S1° 15' 25.18"W
L295	129.48	S88° 47' 37.16"E
L296	9.95	N1° 12' 19.63"E
L297	41.23	S1° 07' 49.53"W
L298	65.56	S41° 26' 29.37"W
L299	32.36	S56° 42' 07.34"E
L300	100.18	S89° 29' 50.09"W
L301	106.21	S1° 07' 49.53"W
L302	100.66	S82° 13' 02.27"E
L303	130.49	S27° 01' 01.31"E
L304	186.42	N80° 16' 41.68"W
L305	124.61	N1° 11' 34.85"E
L306	32.75	N42° 39' 22.97"W
L307	10.64	N85° 57' 44.11"W
L308	128.05	S40° 27' 30.50"W
L309	13.71	S1° 12' 19.63"W
L310	156.55	S88° 47' 45.46"E
L311	90.00	N1° 11' 34.85"E
L312	96.35	N88° 47' 45.46"W
L313	156.55	N88° 47' 40.37"W
L314	75.00	S1° 12' 19.63"W
L315	2.00	S1° 12' 14.54"W
L316	76.98	N1° 11' 34.85"E
L317	156.56	N88° 48' 10.02"W
L318	76.00	S1° 12' 19.76"W
L319	52.02	N1° 11' 34.85"E
L320	130.60	S88° 47' 45.46"E
L321	156.58	N88° 47' 45.46"W
L322	54.00	S1° 12' 19.63"W

PARCEL LINE TABLE		
Line #	Length	Direction
L323	94.75	N1° 12' 19.63"E
L324	86.94	S1° 15' 25.18"W
L325	129.48	S88° 47' 37.16"E
L326	9.95	N1° 12' 19.63"E
L327	41.23	S1° 07' 49.53"W
L328	65.56	S41° 26' 29.37"W
L329	32.36	S56° 42' 07.34"E
L330	100.18	S89° 29' 50.09"W
L331	106.21	S1° 07' 49.53"W
L332	100.66	S82° 13' 02.27"E
L333	130.49	S27° 01' 01.31"E
L334	186.42	N80° 16' 41.68"W
L335	124.61	N1° 11' 34.85"E
L336	32.75	N42° 39' 22.97"W
L337	10.64	N85° 57' 44.11"W
L338	128.05	S40° 27' 30.50"W
L339	13.71	S1° 12' 19.63"W
L340	156.55	S88° 47' 45.46"E
L341	90.00	N1° 11' 34.85"E
L342	96.35	N88° 47' 45.46"W
L343	156.55	N88° 47' 40.37"W
L344	75.00	S1° 12' 19.63"W
L345	2.00	S1° 12' 14.54"W
L346	76.98	N1° 11' 34.85"E
L347	156.56	N88° 48' 10.02"W
L348	76.00	S1° 12' 19.76"W
L349	52.02	N1° 11' 34.85"E
L350	130.60	S88° 47' 45.46"E
L351	156.58	N88° 47' 45.46"W
L352	54.00	S1° 12' 19.63"W

EASEMENT TABLE		
Line #	Length	Direction
L400	41.82	N40° 27' 30.50"E
L401	7.37	S6° 34' 57.88"E
L402	12.67	S25° 17' 29.87"W
L403	28.04	S58° 35' 09.22"W
L404	58.14	S70° 59' 36.53"W
L405	31.56	S41° 26' 29.37"W
L406	38.35	S4° 53' 41.45"W
L407	97.98	S1° 54' 11.10"E
L408	95.50	S6° 26' 55.63"E
L409	86.37	S4° 41' 59.19"E
L410	13.30	S47° 07' 06.39"E
L411	82.32	S88° 47' 38.34"E
L412	16.35	N54° 20' 17.43"W
L413	89.35	N53° 37' 00.70"W
L414	103.06	N57° 05' 11.66"W
L415	45.56	N12° 21' 23.42"E
L416	116.23	N34° 54' 12.78"E
L417	24.00	N80° 39' 05.85"E
L418	34.04	N80° 40' 28.22"E
L419	65.49	S94° 46' 59.78"E
L420	105.51	S10° 08' 33.15"E
L421	21.99	S10° 08' 45.05"E
L422	31.13	S12° 21' 23.42"W
L423	207.62	N77° 38' 36.58"W
L424	61.81	N77° 38' 36.58"W
L425	46.75	N77° 38' 35.61"W
L426	60.12	S10° 09' 36.00"E
L427	28.47	S10° 09' 36.00"E
L428	10.27	S10° 09' 36.00"E
L429	114.44	S10° 09' 36.00"E
L430	25.49	S12° 20' 21.94"W

 GRANITE BASIN ENGINEERING, INC. Commerce Circle # 5 AZ 85301 7.0171	☐ FOR REVIEW ONLY		REVISIONS			 C 1- 1- (OU
	☐ FOR BID ONLY	NUM.	DESCRIPTION	DATE	BY	
	☒ FOR APPROVAL ONLY					
	☐ FOR RECORDING ONLY					
	☐ FOR CONSTRUCTION ONLY					
	☐ FOR AS-BUILT ONLY					

8.H.3

AERIAL LOCATION MAP
(Attachment 3)

Lot 3
(Originally 6 Four-Plex Units)
(Proposed - 11 SF Lots)

Clubhouse

Area for Grand Lodge
and New Access Road
(Touchmark Loop)

St Route 69

Gateway Mall

Walmart

Attachment: Aerial

Packet Pg. 162

**COUNCIL AGENDA MEMO**

MEETING DATE/TYPE: **VOTING MEETING** **3-14-17**

DEPARTMENT: **City Manager**

AGENDA ITEM: Adoption of Resolution No. 4378-1587 establishing an Airport Advisory Committee as a Standing Committee

Approved By: Michael Lamar, City Manager

Item Summary

Approval of the attached resolution will establish an Airport Advisory Committee as a standing committee to act in an advisory role to the Council.

Background

Prior to 1998 there was an Airport Advisory Committee that acted in an advisory role to the Council. In 1998 that committee was dissolved as a standing committee, determining that it was no longer necessary to have the committee report directly to the Council.

There is now interest in re-establishing an Airport Advisory Committee as a method to work towards enhancing the directive of developing the airport, per the Council strategic planning initiatives. The role of the Airport Advisory Committee would be to make recommendations, suggestions, and provide general and technical aeronautical and aviation advice to the Council, City Manager, Airport Manager, and City staff related to strategic planning, development, and operations of the Prescott Airport. The Airport Advisory Committee shall not directly or indirectly manage the airport, but shall leave the management of the airport to the airport manager.

Per the City Code 1-13, standing committee membership shall consist of five members to be appointed by the Council for two-year, non-staggered terms, appointed in March of even-numbered years following the previous fall election. The Board Chair and Vice-Chair are also appointed by the Council, and designation of a Council liaison is customary.

Attachments

1. Resolution No. 4378-1587

AGENDA ITEM: Adoption of Resolution No. 4378-1587 establishing an Airport Advisory Committee as a Standing Committee

Recommended Action: **MOVE** to adopt Resolution No. 4378-1587.

RESOLUTION NO. 4378-1587**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, ESTABLISHING A FIVE MEMBER AIRPORT ADVISORY COMMITTEE AS A STANDING COMMITTEE OF THE CITY OF PRESCOTT.****RECITALS:**

WHEREAS, Chapter 1-13 of the Prescott City Code authorizes the Mayor and Council to form Standing Committees of the City to act in an advisory role to the Mayor and Council; and

WHEREAS, the Mayor and Council wish to create an Airport Advisory Committee to make recommendations, suggestions and provide general and technical aeronautical and aviation advice to the City Council, City Manager, Airport Manager, City staff related to strategic planning, development, and operations of the Prescott Airport; and

WHEREAS, the establishment of an Airport Advisory Committee is in the best interest and promotes the welfare of the citizens of Prescott.

ENACTMENTS:

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

Section 1. THAT there is hereby formed the Airport Advisory Committee (the "AAC"), which shall be comprised of five (5) members. The AAC shall function as a standing committee pursuant to Prescott City Code Chapter 1-13.

Section 2. THAT the role of the AAC is as follows:

- (a) Provide technical advice in the development and enhancement of the airport;
- (b) Make recommendations of airport policies;
- (c) Make recommendation about physical changes to the airport; and
- (d) Represent the citizens' and users' interest in the operation of the airport.

Section 3. THAT the AAC shall not directly or indirectly manage the airport but shall leave the management of the airport to the airport manager. The Airport Manager may, but is not required, to request AAC input on any items the Airport Manager deems appropriate. The AAC shall not make final policy for the airport; all recommendations of the AAC shall be forwarded to the City Council for final consideration and approval.

Section 4. THAT the AAC shall determine when and where regular meetings shall be held. The AAC shall follow all Arizona open meeting laws.

Section 5. THAT the City Manager, or designee, shall act as an ex-officio member of the Committee to provide advice and assistance. Airport staff shall be the primary contact for the AAC.

Section 6. THAT the Committee shall operate in conformance with the policies and procedures for all other City advisory committees.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott this _____ day of _____, 2017.

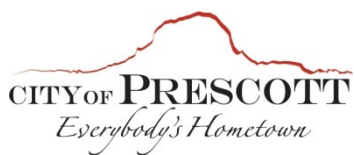
HARRY B. OBERG, Mayor

ATTEST:

APPROVED AS TO FORM:

DANA R. DeLONG, City Clerk

JON M. PALADINI, City Attorney

**COUNCIL AGENDA MEMO**

MEETING DATE/TYPE: **VOTING MEETING** **3-14-17**

DEPARTMENT: **City Clerk**

AGENDA ITEM: Approval of a Series 15 Special Event Liquor License Application for Yavapai Trails Association; Event Location: Manzanita Outfitters; Applicant: George S. Sheats; City Application No.: 17-008S; Date/Time of Event Liquor Sales; Saturday, April 15, 2017; 9:00 am to 7:00 pm

Approved By: Michael Lamar, City Manager

Item Summary

The following Series 15 Special Event Liquor License application is presented for Council consideration.

Yavapai Trails Association
377 N. Montezuma Street
Applicant: George S. Sheats
City Application No. 17-008S
Date/Time of Event Liquor Sales: Saturday, April 15, 2017; 9:00 am to 7:00 pm

Series 15 Special Event Liquor License

Special Event Liquor Licenses are processed in a similar manner as other liquor license applications, except that there are no posting or protest period requirements, and no school location restrictions. These licenses permit the sale of all spirituous liquor for consumption on the licensed premises. They can be issued only to: (1) a political party or campaign committee; (2) an organization formed for a specific charitable or civic purpose; (3) a fraternal organization in existence for over five years with a regular membership; or (4) a religious organization. Qualifying organizations will be granted a special event license for no more than ten (10) days per calendar year. The State places primary emphasis on the City's recommendation in deciding whether or not to issue these licenses.

Financial Impact

The application and license fees have been paid. According to State law, proceeds from liquor license fees are required to be used for hospitality promotion (tourism development) purposes.

AGENDA ITEM: Approval of a Series 15 Special Event Liquor License Application for Yavapai Trails Association; Event Location: Manzanita Outfitters; Applicant: George S. Sheats; City Application No.: 17-008S; Date/Time of Event Liquor Sales; Saturday, April 15, 2017; 9:00 am to 7:00 pm

Attachments

1. Yavapai Trails Association Application Information
2. Location Map
3. Liquor License Series Number Definitions
4. +ARS 4-203.02: Special event license; fees

Recommended Action: MOVE to forward Special Event Liquor License Application No. 17-008S. to the Arizona State Liquor Board with a recommendation of approval/denial.

SPECIAL EVENT – PRIVATE PROPERTY
Liquor License Information

NAME OF EVENT
OR ORGANIZATION: Yavapai Trails Association

EVENT LOCATION: 377 N. Montezuma Street

DATE /TIME

OF EVENT LIQUOR LICENSE: Saturday, April 15, 2017, 9:00 am - 7:00 PM

DATE/TIME OF EVENT:

APPLICATION INFORMATION

CITY LIQUOR LICENSE

APPLICATION NO: 17-008S

APPLICANT NAME: George S. Sheats

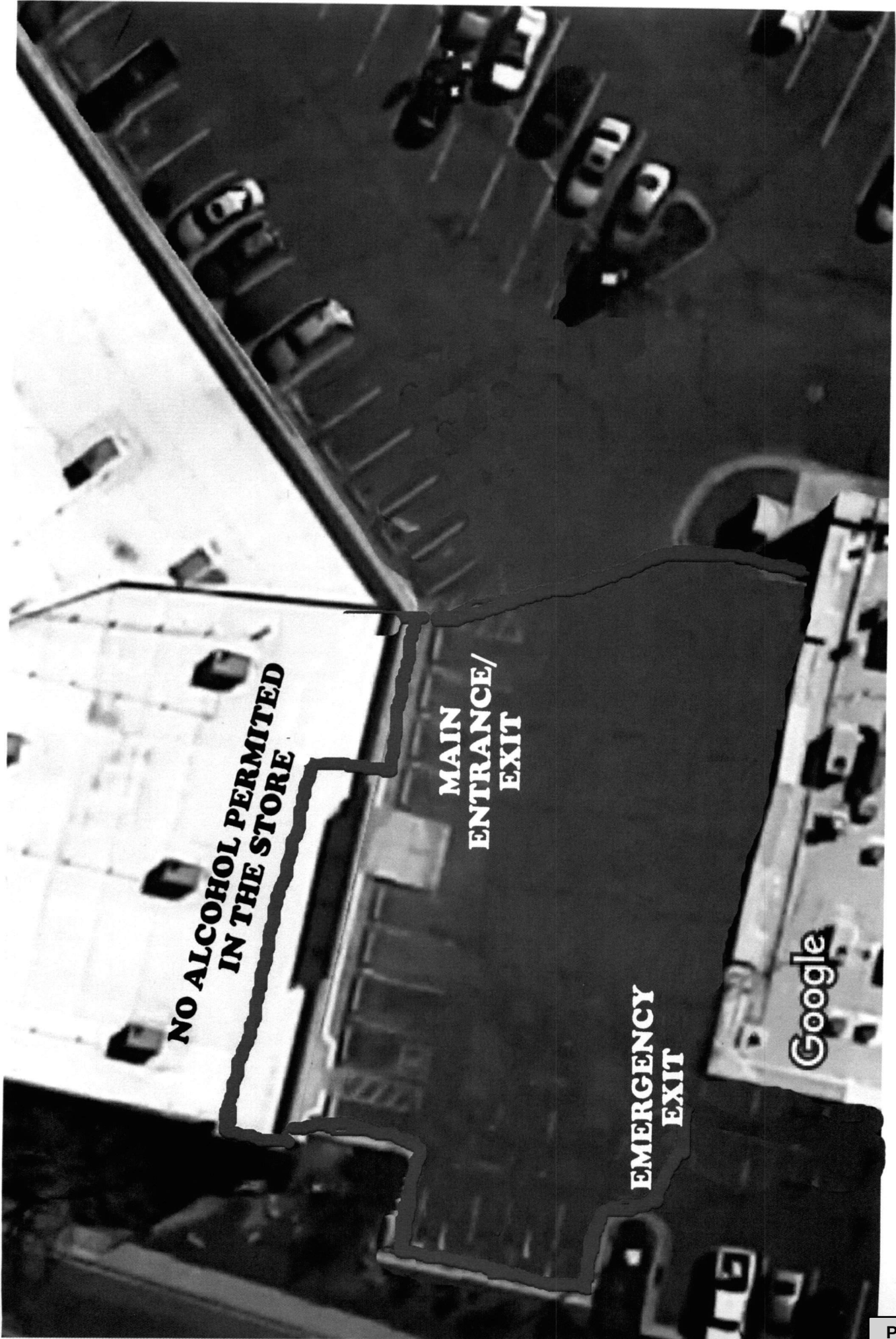
ORGANIZATIONS & INDIVIDUAL
RECEIVING PROCEEDS: Yavapai Trails Association 100%

STAFF RECOMMENDATION

COMMUNITY DEVELOPMENT: In Compliance

PUBLIC COMMENT RECEIVED: None

ADDITIONAL INFORMATION:



LIQUOR LICENSE SERIES NUMBER DEFINITIONS

- 1 **In-State Producer**, all spirituous liquor, produced on-premises, may sell to Arizona-licensed wholesalers only.
- 2 **Out-of-state Producer**, all spirituous liquor, produced on-premises, may sell to Arizona-licensed wholesalers only.
- 3 **Microbrewery**, less than 1,240,000 gallons of beer produced annually on premises, unlimited on- and off-sale, less than 93,000 gallons may be distributed to retail licensees annually.
- 4 **Wholesaler**, all spirituous liquor, purchased from in- and out-of-state Arizona licensed producers, may sell to Arizona-licensed retailers.
- 5 **Government**, all spirituous liquor, may sell to patrons to consume on premises.
- 6 **Bar**, all spirituous liquor, off-sale sales in original, unopened container may not exceed 30% of on-sale receipts, may sell to patrons to consume on premises.
- 7 **Beer and Wine Bar**, beer and wine only, off-sale sales in original, unopened container may not exceed 30% of on-sale receipts, may sell to patrons to consume on premises.
- 9 **Liquor Store**, all spirituous liquor, may sell "carry-out" to patrons to consume off-premises, on-site temporary sampling events hosted by producer or wholesaler.
- 9S **Liquor Store with Sampling Privileges**, all spirituous liquor, may sell "carry-out" to patrons to consume off-premises, provide limited residential delivery, on-site permanent sampling events using store inventory.
- 10 **Beer and Wine Store**, beer and wine only, may sell "carry-out" to patrons to consume off-premises, on-site temporary sampling events hosted by producer or wholesaler.
- 10S **Beer and Wine Store with Sampling Privileges**, beer and wine only, may sell "carry-out" to patrons to consume off-premises, on-site permanent sampling events using store inventory.
- 11 **Hotel/Motel w/Restaurant**, all spirituous liquor, may sell to patrons to consume on premises.
- 12 **Restaurant**, all spirituous liquor, may sell to patrons to consume on premises.
- 13 **Farm Winery**, produces at least 200 gallons, but not more than 40,000 gallons of wine annually, produced on premises and by other domestic farm wineries.
- 14 **Private Club**, all spirituous liquor, may sell to bona fide members & their guests for on-premises consumption.
- 15 **Special Event**, all spirituous liquor, temporary license, off-sale allowed by auction in closed, original container for off-sale consumption, may sell to patrons to consume on premises.
- 18 **In-State Craft Distillery**, less than 20,000 gallons of distilled spirits annually on-premises, may sell and ship to Arizona licensed wholesalers. May sell and ship to Arizona-licensed retailers when annual production is less than 1,189 gallons. On-and off-sale retail privileges on licensed premises.
- 19 **Remote Tasting Room**, owned and operated by a licensee that concurrently owns one of the following Arizona liquor licenses: (1) Series 2W, Out-of-state Farm Winery; (2) Series 2D, Out-of-state Craft Distillery; (3) Series 13, In-state Farm Winery; or (4) Series 18, In-state Craft Distiller.

4-203.02. Special event license; rules

A. The director may issue on a temporary basis:

1. A daily on-sale special event license authorizing the sale of spirituous liquor for consumption on the premises where sold. The fee for the license is twenty-five dollars per day. The director shall transfer the monies collected to the department of health services for the purpose prescribed in title 36, chapter 18, article 2.

2. A daily off-sale special event license authorizing a charitable auction for the sale of spirituous liquor for consumption off premises.

B. Before the director may issue a temporary special event license, a special event that is to occur at an otherwise unlicensed location or by a licensee at a location that is not fully within the licensee's existing licensed premises must be approved by the board of supervisors of a county if the event is to be held in an unincorporated area or by the governing body of the city or town if the event is to be held in a city or town.

C. The approval process prescribed in this section does not apply to physical locations that are fully within premises licensed pursuant to this title.

D. A physical location, other than a physical location that is owned, operated, leased, managed or controlled by the United States, this state or a city, town or county of this state, that is not licensed pursuant to this title may not be issued more than twelve special event licenses during the same calendar year. All applications for a special event license issued pursuant to this subsection must be submitted to the department at least ten days before the scheduled event.

E. The director may only issue the special event license to a political party or campaign committee supporting a candidate for public office or a ballot measure, an organization formed for a specific charitable or civic purpose, a fraternal organization in existence for over five years with a regular membership or a religious organization.

F. The director may issue a special event license concurrently with a wine festival license and a craft distillery festival license and may approve the location of the wine festival license within an excluded area of a special event license specifically described in each license. Notwithstanding section 4-244, paragraphs 13 and 19, both licenses shall permit the presence of purchased spirituous liquor in the possession of the purchaser.

G. An organization selling spirituous liquor under a special event license shall purchase the spirituous liquor from the holder of a license authorized to sell off-sale or a licensed wholesaler. In the case of a nonprofit organization that has obtained a special event license for the purpose of charitable fund-raising activities, the nonprofit organization may receive the spirituous liquor from a wholesaler, farm winery, microbrewery or producer as a donation, except that a licensee licensed pursuant to subsection A, paragraph 2 of this section may receive spirituous liquor from a donor when the donor receives no remuneration or payment of any kind, directly or indirectly, other than any tax benefits that might result.

H. An organization that is issued a license pursuant to subsection A, paragraph 2 of this section shall receive at least seventy-five per cent of the gross receipts of the auction. Up to twenty-five per cent of the gross receipts of a special event auction conducted pursuant to subsection A, paragraph 2 of this section may be used to pay reasonable and necessary expenses incurred in connection with the auction. All expenses shall be supported by written contracts, invoices or receipts, which shall be made available to the director on request.

I. The director may adopt those rules the director determines are necessary to implement and administer this section including a limitation on the number of times during a calendar year a qualified organization may apply for and be issued a license under this section. The qualified organization issued a license pursuant to subsection A, paragraph 1 of this section must receive at least twenty-five per cent of the gross revenues of all spirituous liquor sold at the special events, which shall be supported by a contract between the parties to be supplied at the time of application.

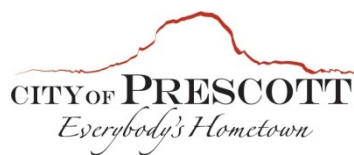
J. An organization that is issued a license pursuant to subsection A, paragraph 2 of this section shall not sell more than twenty cases of spirituous liquor annually under a special event license.

K. Section 4-201 does not apply to the licenses provided for under this section.

L. A licensed wholesaler may donate spirituous liquor directly to an organization that is issued a license pursuant to subsection A of this section. The licensed wholesaler shall in such instances issue a net zero cost billing invoice in the name of the special event licensee. All licensees making or receiving spirituous liquor donations remain subject to the applicable limitations and requirements set forth in this title and in the rules adopted by the department.

M. A licensed wholesaler may temporarily leave a delivery vehicle and other items of equipment necessary for the sale or service of spirituous liquor on the premises of a licensed special event for the duration of the event and up to one business day before and after the event.

N. A licensed wholesaler may leave spirituous liquor products at a special event if the products are properly described on a preliminary billing invoice from the wholesaler that is issued in the name of the special event licensee. The licensed wholesaler has up to five business days after the special event ends to make any necessary billing adjustments and issue a final billing invoice to the special event licensee.

**COUNCIL AGENDA MEMO**

MEETING DATE/TYPE: **VOTING MEETING** **3-14-17**

DEPARTMENT: **City Clerk**

AGENDA ITEM: Approval of a Series 15 Special Event Liquor License Application for Prescott Area Celtic Society; Event Location: Watson Lake; Applicant: Andrew J. Hamilton; City Application No.: 17-007S; Date/Time of Event Liquor Sales: Saturday, May 13 and Sunday, May 14, 2017; 9:00 am to 6:00 pm

Approved By: Michael Lamar, City Manager

Item Summary

The following Series 15 Special Event Liquor License application is presented for Council consideration.

Prescott Area Celtic Society
Watson Lake, Hwy 89
Applicant: Andrew J. Hamilton
City Application No. 17-007S
Date/Time of Event Liquor Sales: Saturday, May 13 and Sunday, May 14, 2017;
9:00 am to 6:00 pm

Series 15 Special Event Liquor License

Special Event Liquor Licenses are processed in a similar manner as other liquor license applications, except that there are no posting or protest period requirements, and no school location restrictions. These licenses permit the sale of all spirituous liquor for consumption on the licensed premises. They can be issued only to: (1) a political party or campaign committee; (2) an organization formed for a specific charitable or civic purpose; (3) a fraternal organization in existence for over five years with a regular membership; or (4) a religious organization. Qualifying organizations will be granted a special event license for no more than ten (10) days per calendar year. The State places primary emphasis on the City's recommendation in deciding whether or not to issue these licenses.

Financial Impact

The application and license fees have been paid. According to State law, proceeds from liquor license fees are required to be used for hospitality promotion (tourism development) purposes.

AGENDA ITEM: Approval of a Series 15 Special Event Liquor License Application for Prescott Area Celtic Society; Event Location: Watson Lake; Applicant: Andrew J. Hamilton; City Application No.: 17-007S; Date/Time of Event Liquor Sales: Saturday, May 13 and Sunday, May 14, 2017; 9:00 am to 6:00 pm

Attachments

1. Prescott Area Celtic Society Application Information
2. Location Map
3. Liquor License Series Number Definitions
4. ARS 4-203.02: Special event licenses; rules

Recommended Action: MOVE to forward Special Event Liquor License Application No. 17-007S to the Arizona State Liquor Board with a recommendation of approval/denial.

SPECIAL EVENT – CITY PROPERTY Event Information

NAME OF EVENT
OR ORGANIZATION:

Prescott Area Celtic Society

EVENT LOCATION:

Watson Lake

DESCRIPTION OF EVENT:

EVENT TIMES

DATE /TIME

Saturday, May 13, 2017, 9:00 am -6:00 PM

OF EVENT LIQUOR SALES:

Sunday, May 14, 2017, 9:00 am -6:00 PM

DATE/TIME OF EVENT:

TIME OF EVENT SETUP:

Friday, Approximately 1:00 pm

TIME OF EVENT TEAR DOWN:

Sunday, May 14, 2017 at 6:00 p.m.

APPLICATION INFORMATION

CITY LIQUOR LICENSE

17-007S

APPLICATION NO:

APPLICANT NAME:

Andrew J Hamilton

ORGANIZATIONS & INDIVIDUAL
RECEIVING PROCEEDS:

Prescott Area Celtic Society 100%

CITY SERVICES REQUIREDSTREET CLOSURE:☐

YES

☒

NO

STREET NAME:CLOSURE TIME:RE-OPEN TIME:SECURITY: Using Prescott PDCITY SANITATION SERVICES:☒

YES

☐

NO

CITY WATER CONNECTION:☐

YES

☒

NO

EVENT DETAILSLIVE MUSIC:☒

YES

☐

NO

LIVE ENTERTAINMENT:☒

YES

☐

NO

AMPLIFIED SOUND:☒

YES

☐

NO

FOOD SALES:☒

YES

☐

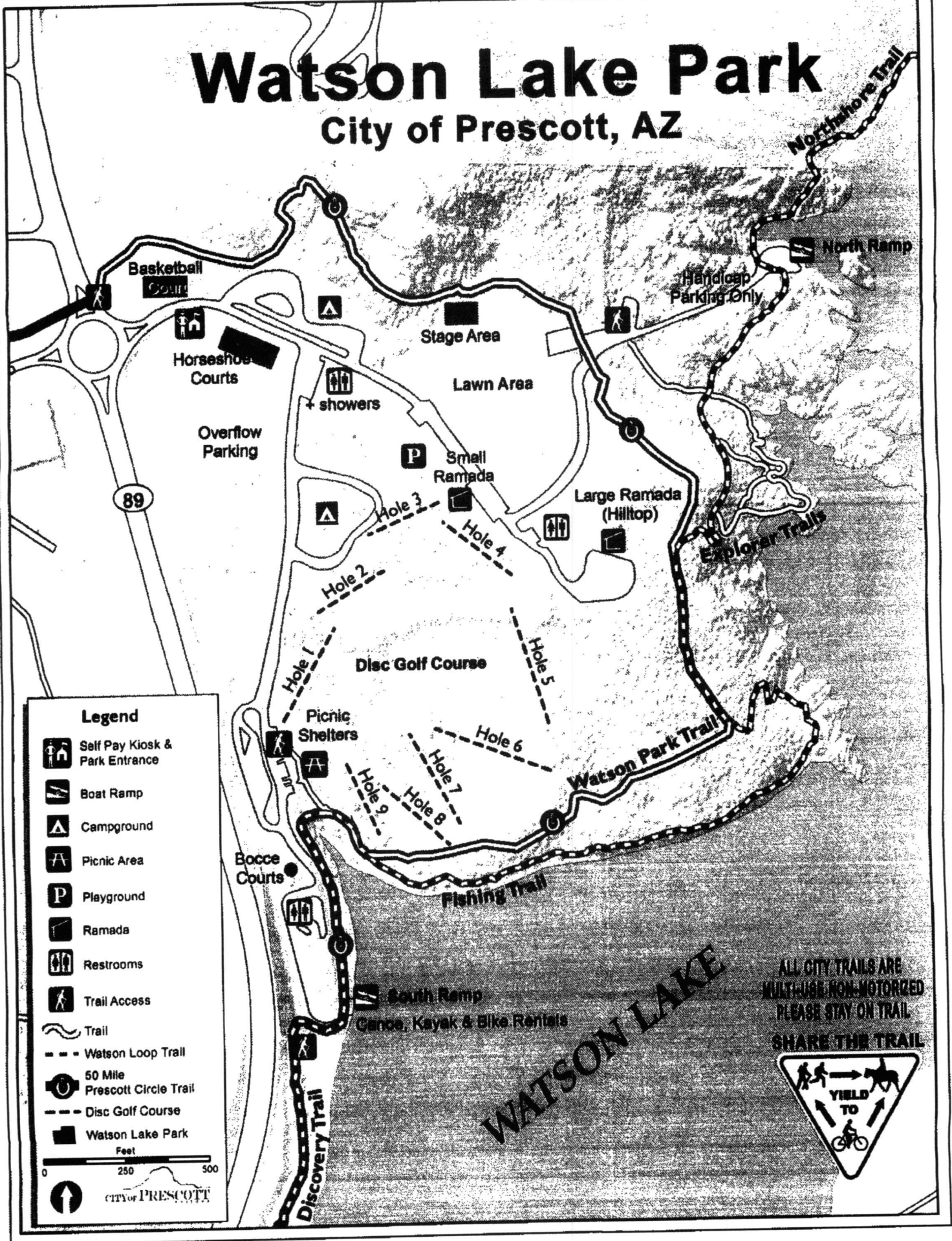
NO

ADDITIONAL INFORMATION:

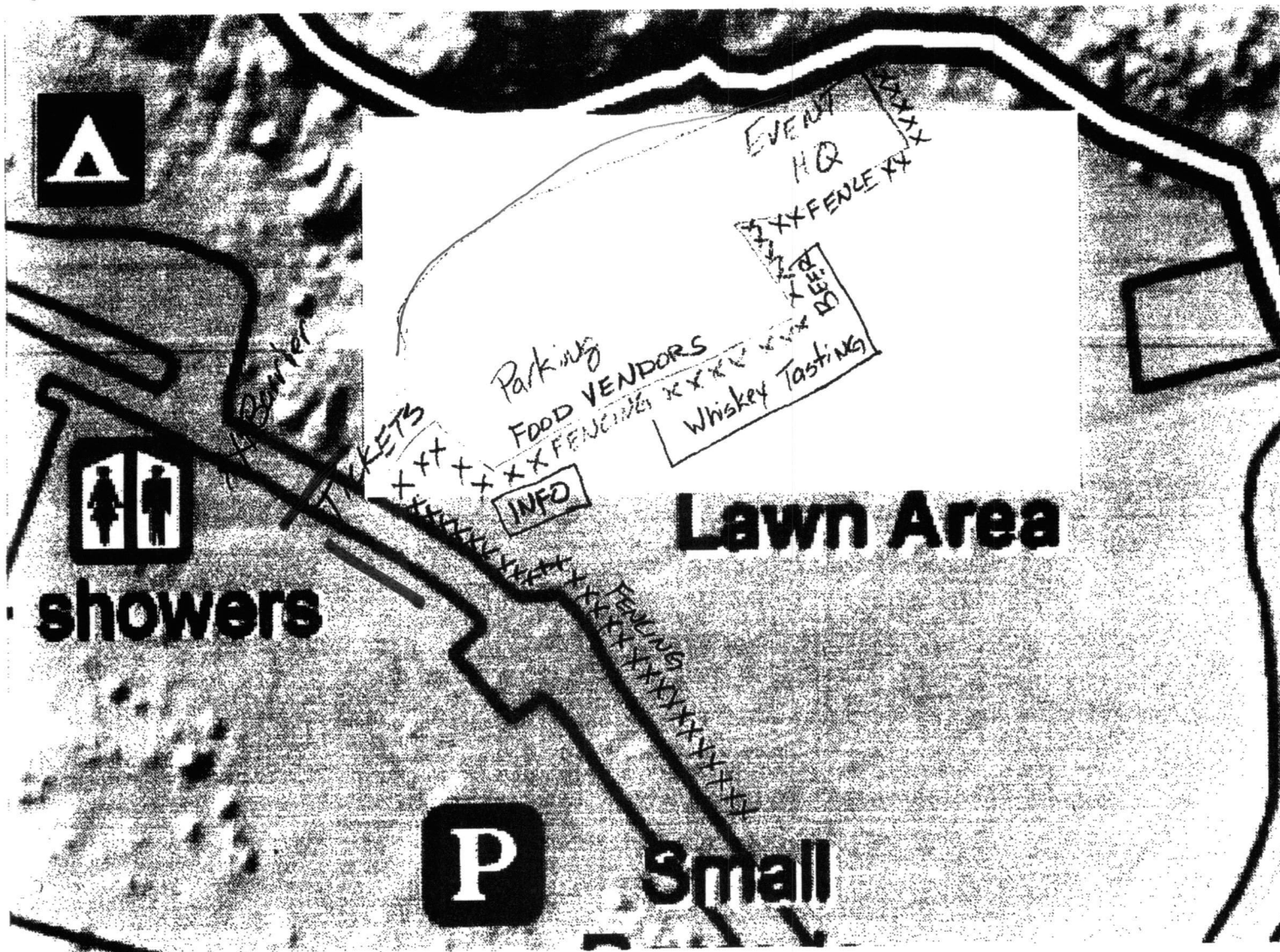
Event will go before the City's Special Event Committee on April 13, 2017.

Watson Lake Park

City of Prescott, AZ



Attachment: Location Map (1352 : Special Event Liquor License Application-Prescott Area Celtic Society)



— Enforcement Personnel Stationed Here as People Exit

LIQUOR LICENSE SERIES NUMBER DEFINITIONS

- 1 **In-State Producer**, all spirituous liquor, produced on-premises, may sell to Arizona-licensed wholesalers only.
- 2 **Out-of-state Producer**, all spirituous liquor, produced on-premises, may sell to Arizona-licensed wholesalers only.
- 3 **Microbrewery**, less than 1,240,000 gallons of beer produced annually on premises, unlimited on- and off-sale, less than 93,000 gallons may be distributed to retail licensees annually.
- 4 **Wholesaler**, all spirituous liquor, purchased from in- and out-of-state Arizona licensed producers, may sell to Arizona-licensed retailers.
- 5 **Government**, all spirituous liquor, may sell to patrons to consume on premises.
- 6 **Bar**, all spirituous liquor, off-sale sales in original, unopened container may not exceed 30% of on-sale receipts, may sell to patrons to consume on premises.
- 7 **Beer and Wine Bar**, beer and wine only, off-sale sales in original, unopened container may not exceed 30% of on-sale receipts, may sell to patrons to consume on premises.
- 9 **Liquor Store**, all spirituous liquor, may sell "carry-out" to patrons to consume off-premises, on-site temporary sampling events hosted by producer or wholesaler.
- 9S **Liquor Store with Sampling Privileges**, all spirituous liquor, may sell "carry-out" to patrons to consume off-premises, provide limited residential delivery, on-site permanent sampling events using store inventory.
- 10 **Beer and Wine Store**, beer and wine only, may sell "carry-out" to patrons to consume off-premises, on-site temporary sampling events hosted by producer or wholesaler.
- 10S **Beer and Wine Store with Sampling Privileges**, beer and wine only, may sell "carry-out" to patrons to consume off-premises, on-site permanent sampling events using store inventory.
- 11 **Hotel/Motel w/Restaurant**, all spirituous liquor, may sell to patrons to consume on premises.
- 12 **Restaurant**, all spirituous liquor, may sell to patrons to consume on premises.
- 13 **Farm Winery**, produces at least 200 gallons, but not more than 40,000 gallons of wine annually, produced on premises and by other domestic farm wineries.
- 14 **Private Club**, all spirituous liquor, may sell to bona fide members & their guests for on-premises consumption.
- 15 **Special Event**, all spirituous liquor, temporary license, off-sale allowed by auction in closed, original container for off-sale consumption, may sell to patrons to consume on premises.
- 18 **In-State Craft Distillery**, less than 20,000 gallons of distilled spirits annually on-premises, may sell and ship to Arizona licensed wholesalers. May sell and ship to Arizona-licensed retailers when annual production is less than 1,189 gallons. On-and off-sale retail privileges on licensed premises.
- 19 **Remote Tasting Room**, owned and operated by a licensee that concurrently owns one of the following Arizona liquor licenses: (1) Series 2W, Out-of-state Farm Winery; (2) Series 2D, Out-of-state Craft Distillery; (3) Series 13, In-state Farm Winery; or (4) Series 18, In-state Craft Distiller.

4-203.02. Special event license; rules

A. The director may issue on a temporary basis:

1. A daily on-sale special event license authorizing the sale of spirituous liquor for consumption on the premises where sold. The fee for the license is twenty-five dollars per day. The director shall transfer the monies collected to the department of health services for the purpose prescribed in title 36, chapter 18, article 2.

2. A daily off-sale special event license authorizing a charitable auction for the sale of spirituous liquor for consumption off premises.

B. Before the director may issue a temporary special event license, a special event that is to occur at an otherwise unlicensed location or by a licensee at a location that is not fully within the licensee's existing licensed premises must be approved by the board of supervisors of a county if the event is to be held in an unincorporated area or by the governing body of the city or town if the event is to be held in a city or town.

C. The approval process prescribed in this section does not apply to physical locations that are fully within premises licensed pursuant to this title.

D. A physical location, other than a physical location that is owned, operated, leased, managed or controlled by the United States, this state or a city, town or county of this state, that is not licensed pursuant to this title may not be issued more than twelve special event licenses during the same calendar year. All applications for a special event license issued pursuant to this subsection must be submitted to the department at least ten days before the scheduled event.

E. The director may only issue the special event license to a political party or campaign committee supporting a candidate for public office or a ballot measure, an organization formed for a specific charitable or civic purpose, a fraternal organization in existence for over five years with a regular membership or a religious organization.

F. The director may issue a special event license concurrently with a wine festival license and a craft distillery festival license and may approve the location of the wine festival license within an excluded area of a special event license specifically described in each license. Notwithstanding section 4-244, paragraphs 13 and 19, both licenses shall permit the presence of purchased spirituous liquor in the possession of the purchaser.

G. An organization selling spirituous liquor under a special event license shall purchase the spirituous liquor from the holder of a license authorized to sell off-sale or a licensed wholesaler. In the case of a nonprofit organization that has obtained a special event license for the purpose of charitable fund-raising activities, the nonprofit organization may receive the spirituous liquor from a wholesaler, farm winery, microbrewery or producer as a donation, except that a licensee licensed pursuant to subsection A, paragraph 2 of this section may receive spirituous liquor from a donor when the donor receives no remuneration or payment of any kind, directly or indirectly, other than any tax benefits that might result.

H. An organization that is issued a license pursuant to subsection A, paragraph 2 of this section shall receive at least seventy-five per cent of the gross receipts of the auction. Up to twenty-five per cent of the gross receipts of a special event auction conducted pursuant to subsection A, paragraph 2 of this section may be used to pay reasonable and necessary expenses incurred in connection with the auction. All expenses shall be supported by written contracts, invoices or receipts, which shall be made available to the director on request.

I. The director may adopt those rules the director determines are necessary to implement and administer this section including a limitation on the number of times during a calendar year a qualified organization may apply for and be issued a license under this section. The qualified organization issued a license pursuant to subsection A, paragraph 1 of this section must receive at least twenty-five per cent of the gross revenues of all spirituous liquor sold at the special events, which shall be supported by a contract between the parties to be supplied at the time of application.

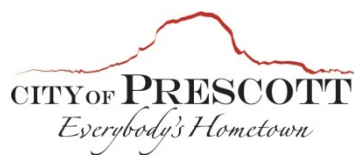
J. An organization that is issued a license pursuant to subsection A, paragraph 2 of this section shall not sell more than twenty cases of spirituous liquor annually under a special event license.

K. Section 4-201 does not apply to the licenses provided for under this section.

L. A licensed wholesaler may donate spirituous liquor directly to an organization that is issued a license pursuant to subsection A of this section. The licensed wholesaler shall in such instances issue a net zero cost billing invoice in the name of the special event licensee. All licensees making or receiving spirituous liquor donations remain subject to the applicable limitations and requirements set forth in this title and in the rules adopted by the department.

M. A licensed wholesaler may temporarily leave a delivery vehicle and other items of equipment necessary for the sale or service of spirituous liquor on the premises of a licensed special event for the duration of the event and up to one business day before and after the event.

N. A licensed wholesaler may leave spirituous liquor products at a special event if the products are properly described on a preliminary billing invoice from the wholesaler that is issued in the name of the special event licensee. The licensed wholesaler has up to five business days after the special event ends to make any necessary billing adjustments and issue a final billing invoice to the special event licensee.



COUNCIL AGENDA MEMO

MEETING DATE/TYPE: **VOTING MEETING** **3-14-17**

DEPARTMENT: **City Clerk**

AGENDA ITEM: Approval of a Series 16W Fair/Festival Special Event Liquor License application for the Mountain Artist Guild-Arts and Craft Show and Wine Festival (eight applicants), located at 100 Block of South Cortez St.; Date/Time of Event Liquor Sales: Saturday, May 13, 2017, 11:00 a.m. to 5:00 p.m. and Sunday, May 14, 2017, 11:00 a.m. to 4:00 p.m.

Approved By: Michael Lamar, City Manager

Liquor License Application

The following Series 16W Fair/Festival Special Event Liquor License applications are presented for Council consideration.

<u>City Application</u>	<u>Applicants</u>	<u>Business</u>
17-009S	Arlene Damarico	Passion Cellars, LLC
17-010S	Rodney Fletcher Snapp	Javelina Leap Estate Vineyards
17-011S	Rodney Young	Arizona Stronghold Vineyards, LLC
17-012S	Dubrauka Wahl	Oak Creek Vineyards & Winery
17-013S	Jeffery Manning	Kief-Joshua Vineyards
17-014S	Eric Glomski	Page Springs Vineyards & Cellars
17-015S	John McLoughlin	Cellar 433
17-016S	Joseph Bechard	Chateau Tumbleweed

Series 16W Wine Fair/Festival Liquor License

A Fair/Festival Liquor License is processed in a similar manner as other liquor license applications, except that there are no posting or protest period requirements, and no school location restrictions. A Fair/Festival license allows a licensed farm winery to serve products produced at the farm winery at a festival, sanctioned county or state fair, or within the premises of a licensed special event. Liquor produced under the provision of the farm winery license may be served for consumption on the fair/festival premises or “to-go” in the original, sealed container.

The application requires approval of the governing body of a city or town, where the fair/festival will take place. Up to fifty wine festival licenses for each calendar year for

AGENDA ITEM: Approval of a Series 16W Fair/Festival Special Event Liquor License application for the Mountain Artist Guild-Arts and Craft Show and Wine Festival (eight applicants), located at 100 Block of South Cortez St.; Date/Time of Event Liquor Sales: Saturday, May 13, 2017, 11:00 a.m. to 5:00 p.m. and Sunday, May 14, 2017, 11:00 a.m. to 4:00 p.m.

each licensed farm winery, for up to a total of one hundred fifty calendar days per winery may be issued.

The application has been reviewed and determined to be in compliance with City requirements.

Financial Impact

The application and license fees have been paid. According to State law, proceeds from liquor license fees are required to be used for hospitality promotion (tourism development) purposes.

Attachments

1. Mountain Artist Guild - Arts & Craft Show & Wine Festival Application Information
2. Location Map
3. Liquor License Series Number Definitions
4. A.R.S. 4-203.03 Wine festival license: wine fair license; fee

Recommended Action: MOVE to forward Fair/Festival Special Event Liquor License Application Nos. 17-009S through 17-016S to the Arizona State Liquor Board with a recommendation of approval/denial.

SPECIAL EVENT – CITY PROPERTY Event Information

NAME OF EVENT
OR ORGANIZATION:

Mountain Artist Guild - Arts & Craft Show & Wine Festival

EVENT LOCATION:

100 Block of South Cortez Street

DESCRIPTION OF EVENT:

EVENT TIMES

DATE /TIME

Saturday, May 13, 2017, 11:00 am - 5:00 pm

OF EVENT LIQUOR SALES:

Sunday, May 14, 2017, 11:00 am - 4:00 pm

DATE/TIME OF EVENT:

TIME OF EVENT SETUP:

Friday, Approximately 1:00 pm

TIME OF EVENT TEAR DOWN:

Sunday, May 14, 2017 at 6:00 p.m.

APPLICATION INFORMATION

CITY LIQUOR LICENSE

17-009S thru 17-016S

APPLICATION NO:

APPLICANT NAME:

See Council memo

ORGANIZATIONS & INDIVIDUAL
RECEIVING PROCEEDS:

Attachment: Mountain Artist Guild - Arts & Craft Show & Wine Festival Application Information (1362 : Special Event Liquor License

CITY SERVICES REQUIREDSTREET CLOSURE:☒

YES

☐

NO

STREET NAME:

UNION TO GOODWIN

CLOSURE TIME:

Saturday, 6:00 AM

RE-OPEN TIME:

Sunday, 5:00 pm

SECURITY:

Using Prescott PD

CITY SANITATION SERVICES:☒

YES

☐

NO

CITY WATER CONNECTION:☐

YES

☒

NO

EVENT DETAILSLIVE MUSIC:☐

YES

☒

NO

LIVE ENTERTAINMENT:☐

YES

☒

NO

AMPLIFIED SOUND:☐

YES

☒

NO

FOOD SALES:☐

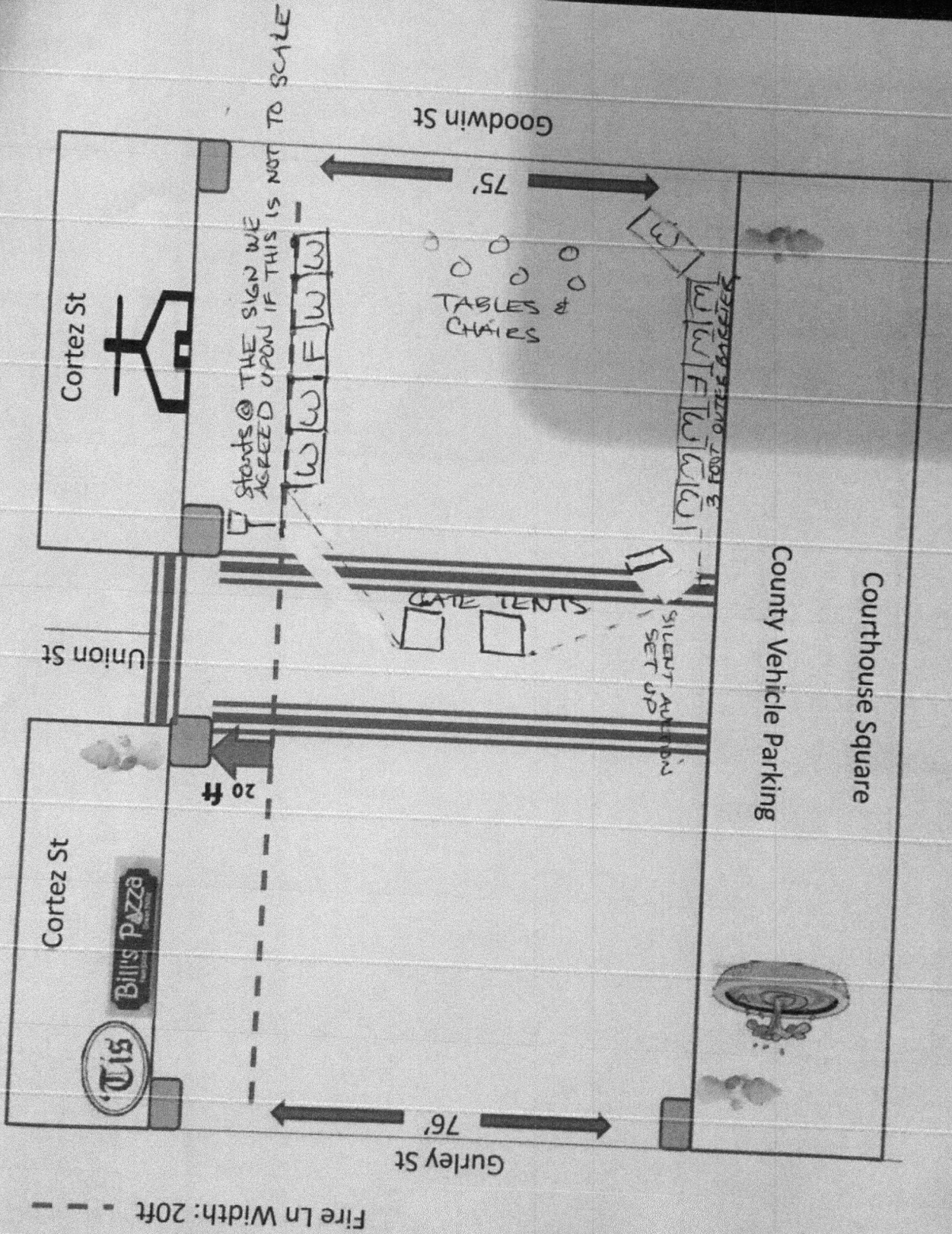
YES

☒

NO

ADDITIONAL INFORMATION:

Event will go before the City's Special Event Committee on April 13, 2017.



LIQUOR LICENSE SERIES NUMBER DEFINITIONS

- 1 **In-State Producer**, all spirituous liquor, produced on-premises, may sell to Arizona-licensed wholesalers only.
- 2 **Out-of-state Producer**, all spirituous liquor, produced on-premises, may sell to Arizona-licensed wholesalers only.
- 3 **Microbrewery**, less than 1,240,000 gallons of beer produced annually on premises, unlimited on- and off-sale, less than 93,000 gallons may be distributed to retail licensees annually.
- 4 **Wholesaler**, all spirituous liquor, purchased from in- and out-of-state Arizona licensed producers, may sell to Arizona-licensed retailers.
- 5 **Government**, all spirituous liquor, may sell to patrons to consume on premises.
- 6 **Bar**, all spirituous liquor, off-sale sales in original, unopened container may not exceed 30% of on-sale receipts, may sell to patrons to consume on premises.
- 7 **Beer and Wine Bar**, beer and wine only, off-sale sales in original, unopened container may not exceed 30% of on-sale receipts, may sell to patrons to consume on premises.
- 9 **Liquor Store**, all spirituous liquor, may sell "carry-out" to patrons to consume off-premises, on-site temporary sampling events hosted by producer or wholesaler.
- 9S **Liquor Store with Sampling Privileges**, all spirituous liquor, may sell "carry-out" to patrons to consume off-premises, provide limited residential delivery, on-site permanent sampling events using store inventory.
- 10 **Beer and Wine Store**, beer and wine only, may sell "carry-out" to patrons to consume off-premises, on-site temporary sampling events hosted by producer or wholesaler.
- 10S **Beer and Wine Store with Sampling Privileges**, beer and wine only, may sell "carry-out" to patrons to consume off-premises, on-site permanent sampling events using store inventory.
- 11 **Hotel/Motel w/Restaurant**, all spirituous liquor, may sell to patrons to consume on premises.
- 12 **Restaurant**, all spirituous liquor, may sell to patrons to consume on premises.
- 13 **Farm Winery**, produces at least 200 gallons, but not more than 40,000 gallons of wine annually, produced on premises and by other domestic farm wineries.
- 14 **Private Club**, all spirituous liquor, may sell to bona fide members & their guests for on-premises consumption.
- 15 **Special Event**, all spirituous liquor, temporary license, off-sale allowed by auction in closed, original container for off-sale consumption, may sell to patrons to consume on premises.
- 18 **In-State Craft Distillery**, less than 20,000 gallons of distilled spirits annually on-premises, may sell and ship to Arizona licensed wholesalers. May sell and ship to Arizona-licensed retailers when annual production is less than 1,189 gallons. On-and off-sale retail privileges on licensed premises.
- 19 **Remote Tasting Room**, owned and operated by a licensee that concurrently owns one of the following Arizona liquor licenses: (1) Series 2W, Out-of-state Farm Winery; (2) Series 2D, Out-of-state Craft Distillery; (3) Series 13, In-state Farm Winery; or (4) Series 18, In-state Craft Distiller.

4-203.03. Wine festival license; wine fair license; fee

A. The director, subject to the approval of the board of supervisors for events to be held in an unincorporated area or the governing body of a city or town for events to be held in a city or town, may issue up to fifty wine festival licenses for each calendar year for each licensed farm winery, for up to a total of one hundred fifty calendar days per winery, authorizing sampling of farm winery products on the wine festival premises, the sale of the products for consumption on the wine festival premises and the sale of the products in original containers for consumption off the wine festival premises. The fee for a farm winery wine festival license is fifteen dollars per day for each event.

B. Any farm winery may apply for a wine festival license pursuant to this section.

C. With the permission of the fair organizers, any farm winery is authorized to allow sampling of farm winery products on the fair premises, the sale of the products for consumption on the fair premises and the sale of the products in original containers for consumption off of the fair premises at any sanctioned county or state fair. The fee for a farm winery fair license is fifteen dollars per day for each event.

D. Section 4-201 does not apply to the licenses provided for under this section.

**COUNCIL AGENDA MEMO**

MEETING DATE/TYPE: **VOTING MEETING** **3-14-17**

DEPARTMENT: **City Manager**

AGENDA ITEM: Legislative Update

Approved By: Michael Lamar, City Manager

Item Summary

This item is to discuss and determine the Council's support for or opposition to various bills relative to the previously adopted policy objectives guiding City activity pertaining to the 2017 State of Arizona Legislative Session.

Attachments

1. Legislative Agenda 2017

Recommended Action: Presentation for Council information, discussion, and direction.



2017 Legislative Agenda

The City of Prescott provides superior and financially sustainable municipal services, and leadership in the region. Prescott is a beautiful, growing city with a vibrant historic downtown, the regional economic center, and a first-class tourist destination. A livable, dynamic community, Prescott offers a range of housing choices, where residents and guests enjoy active lifestyles with great recreation and leisure amenities and a high quality of life.

Prescott City Council Strategic Plan Priorities

- Ø Balanced Budget – Stabilizing the General Fund, continually supporting the market compensation plan, and providing adequate and stable funding and flexibility to maintain a balanced budget as required by the Charter
- Ø Economic Development – Providing an environment to enable prosperity and job creation by providing great services
- Ø Quality of Life – A clean and safe city that provides superior essential services and enhances opportunities that allow for retention and attraction of people who want to live, learn, work, and play in Prescott
- Ø Service-Oriented Culture – Promote an accountable organizational culture of excellent, superior, and solutions-driven service

Guiding Principles

I. Oppose Preemption of Local Authority

SUPPORT the retention of local government decision-making authority. Prescott was enabled by its residents to provide an expanded degree of self-government via the City Charter, empowering the Prescott City Council to make decisions recognizing the unique needs and characteristics of the City in the best interests of the community. Unfunded mandates imposed by the State of Arizona legislature are little different than federal mandates placed upon the state of Arizona, which are vocally opposed by many of our legislators due to the cost of implementation and impact to states rights. Unfunded mandates and preemptive efforts remove the ability to set policy at the local level, and should be **OPPOSED**.

II. Preserve Local Funding

PROTECT existing funding and authorities that bring revenues necessary to the City of Prescott and support the quality of life our residents expect and are paying for. This includes protection of state-shared revenues, the ability to collect compensation for uses of public rights-of-way, and opposition to the imposition of new fees by other levels of governments that would increase costs to the City and its residents.

State Shared Revenues – Through a series of initiatives, Arizona voters chose to return a portion of tax revenues to local communities through revenue sharing. This was provided to municipalities in exchange for limitations to local taxing authority such as income and luxury taxes. The City's adopted FY 16/17 General Fund budget includes as revenue \$11.6M in state-shared revenues (\$3.9M Sales Tax, \$5.1M Income Tax, and \$2.5M Vehicle License Tax). Those state-shared revenues fund 35% of the City's General Fund Operating Budget of approximately \$33.3 Million, and are the equivalent of 52% of the \$22.4 Million Public Safety Operating Budget. Since 2003, the City has lost over \$2.1 Million in street funding due to State HURF sweeps.

SUPPORT cooperative efforts by and among the State, League of Cities and Towns, and other stakeholders to streamline Arizona sales and use taxes in a manner that does not unduly jeopardize funding available to municipalities within rural areas of the state, including Prescott.

OPPOSE future sweeps of Highway User Revenue Funds (HURF) allocated to Arizona cities and towns.

OPPOSE legislation that further erodes the City's existing revenue base, such as elimination of taxable categories of retail sale, residential rental and construction sales tax (at point of construction).

SUPPORT the reinstatement of Highway User Revenue Fee (HURF) according to current funding formulas as an essential component to adequately fund the proper maintenance and preservation of the capital investment in our streets and roads.

SUPPORT the inclusion of "Use Tax" collected by the State of Arizona in the state sales tax sharing formula that distributes the funds to Cities and Towns. Use Tax replaces the Sales Tax when a purchase is made out of state for use in state.

SUPPORT legislation that provides greater flexibility in local funding sources to provide assured revenue for the provision of public safety services, including but not limited to statutory authority to place an increase to the local primary property tax, beyond the current allowable effective tax rate increase, on a local election ballot for approval of the qualified electorate.

OPPOSE legislation that further erodes the City's existing revenue base, such as elimination of taxable categories of retail sale, residential rental and construction sales tax (at point of construction).

MONITOR state collection of Sales Tax, and administration of new audit procedures (enacted by HB 2111). **SUPPORT** changes as necessary to insure successful implementation, providing revenue and useful information to the City in a timely manner. Request that the Department of Revenue be required to provide a report to the Legislature, Cities, and Towns detailing their progress toward full implementation, and meaningful performance information on an ongoing basis thereafter.

State Legislative Objectives for the 2017 Session

Adequately Fund and Reform State Pension Plans – To remain solvent, Arizona's public pension systems must accumulate sufficient assets during members' working years to pay all promised benefits when members retire.

The City of Prescott participates in two of the four state pension plans, Arizona State Retirement System (ASRS) and Public Safety Personnel Retirement System (PSPRS). Employees and employers pay a substantial amount for each employee in each respective system. In 2016, during the second regular session of the 52nd Arizona Legislature, PSPRS was amended to create Tier III, applicable to all new hires beginning July 1, 2017, within a more sustainable long term formula. The new Tier III still requires decisions about pooling of assets and consolidation of Local Boards, with a draft analysis in the review stages, and anticipated to be finalized in January 2017.

Combining the local boards to a single or drastically fewer entities for all Tiers of PSPRS membership, as well as assuring pooled liability for Tier III members will help to avoid further inequity of individual entity liability as it relates to smaller more rural communities, and is essential to the continued sustainability of public safety models in these areas. Further, continued discussions with partner agencies and the State of Arizona to review options to reduce the remaining unfunded liability for Tier I and II member benefits will assure the lowest long-term cost to Prescott taxpayers either through shared repayment of the liability, or a clear local path to reducing the debt, in the absence of statewide solutions.

OPPOSE legislation that would increase the cost of pension programs to the employee or employer without addressing structural deficits in the existing systems.

SUPPORT efforts to pool Tier III PSPRS liability, consolidate the current local board structure, and assure realistic governance requirements.

SEEK legislation and other partnerships that improve the financial position of the "legacy" PSPRS system which should be closed to any future members upon inception of the new tier.

Pursue partnerships to fund Prescott Municipal Airport Enhancements and other Economic and Tourism Initiatives – A strong and vibrant economy is essential to Arizona and to the quality of life for the City's residents, businesses, and visitors. Proper and sustainable economic vitality is one of the primary strategic plan initiatives set forth by the City Council and is directly reflected in the 2015 General Plan. In Prescott, a key economic driver is tourism, encompassing transportation, catering, accommodations, recreation, and other services for travelers. In 2015, Tourism resulted in a \$340 million total economic impact to Prescott, generating \$46 million in federal, state, and local taxes.

SUPPORT *the continuation of a statewide entity, such as the Arizona Commerce Authority (ACA), and the Arizona Competes Fund, to assure funding availability to bolster potential Public Private Partnership for development of the Airport, be a magnet for direct investment, and retain and expand existing businesses and attract new businesses.*

SUPPORT *options to create regional authorities and financial assistance options including bonding authority through creation of a transportation and/or airport authority, to improve and attract commercial air service.*

SUPPORT *a sustainable, long-term funding mechanism for state tourism promotion. Increase awareness of the positive economic impact of Arizona tourism to business and community leaders, and support policies that enhance the reputation of Prescott and other Arizona towns as providing high quality and cutting-edge health care facilities and service. Position Prescott to consistently attract and host high level events.*

OPPOSE *legislation that reduces partnership and funding opportunities for development and improvements to attract investment, or further restricts local options to provide an environment that welcomes jobs and economic development.*

Water Service and Supply – The City of Prescott and its water service area are contained within a state defined water Active Management Area (AMA). The City also has been legally recognized by State statutes and Arizona Administrative Codes to be a Designated Provider of Assured Water Supplies (AWS) who has responsibilities for aquifer water supply protection by limiting the use of groundwater supplies and requiring significant annual reporting to document groundwater pumping and conservation efforts. The City, within the AMA, is also entirely contained within Yavapai County. State records, Arizona Department of Water Resources well databases, show that this County has the highest number of private (exempt) wells and drilling of new private wells continues at the fastest pace.

In 2006, legislative action placed into law A.R.S. §45-454(C); this allowed for exemptions to well drilling within 100' of a Designated Water Provider. The City has found repeatedly that these exemptions, allowing for well drilling activity within 100' of the community supply lines, counter to the intentions of the AMA Assured Water Supply

and Safe-yield requirements. Further, since 2009 it has become more evident how the loopholes created by this law are being misused with what appears to be no ability by the ADWR to take corrective actions to reasonably interpret specific language in §45-454(C), and assure it better aligns with the remaining State water laws, some of the most progressive water management laws in the Nation.

It is essential to ensure the protection and enhancement of the city's ability to provide safe, sustainable, and reliable water (and wastewater) services at a reasonable cost.

SEEK legislation to address the continued drilling of new private exempt wells within the corporate limits of Prescott and its service areaby creating statutory language or rulemaking that assures the statutes are not misused to access exempt wells in areas where supply and connection is available and at a reasonable cost to the property owner.

SUPPORT legislation to protect and maintain the city's established surface and ground water supplies.

SUPPORT legislation to ensure the city's role in water supply management and continued use of reclaimed and remediated waters to continue to reduce groundwater overdraft.

**COUNCIL AGENDA MEMO**

MEETING DATE/TYPE: **VOTING MEETING** **3-14-17**

DEPARTMENT: **Public Works**

AGENDA ITEM: Award of City Contract No. 2017-263 to Fann Contracting, Inc., for the Transfer Station Slab Remediation and Scale Replacement Project in an amount not to exceed \$435,420.00

FUNDING SOURCE: Solid Waste Fund

Approved By: Michael Lamar, City Manager

Item Summary

This item is to approve City Contract No. 2017-263 with Fann Contracting, Inc., for the Transfer Station Slab Remediation and Scale Replacement Project in the amount of \$435,420.00 (see Exhibit A).

Background

When the Sundog Landfill was approaching capacity in 1991, the City of Prescott built the Transfer Station to handle the solid waste needs of the community. Today, the facility serves the solid waste disposal and transfer needs of Prescott residents as well as the surrounding unincorporated areas of Yavapai County.

The Transfer Station processes approximately 200 tons per day and has the capacity to accommodate up to 250 tons of residential and commercial solid waste per day. Solid waste and recyclable materials are dumped onto the Transfer Station floor and loaded into transfer trailers. This is done by pushing the material across the floor to the pit area, which lies in between the interior and exterior floors. Abrasive materials and everyday use have worn down the floor of the Transfer Station where regular maintenance is no longer effective in stopping deterioration. The floor is in need of repairs in order to maintain daily operations and preserve the asset. Additionally, the walls and floor of the pit are also in need of repairs.

In January 2015, the City entered into a contract with SCS Engineers to perform a condition assessment and engineering design work for this project. The City bid the project in May 2016 and received one bid which exceeded the budget, and was therefore rejected.

The work method for the floor repairs has been re-evaluated to reduce costs and the

AGENDA ITEM: Award of City Contract No. 2017-263 to Fann Contracting, Inc., for the Transfer Station Slab Remediation and Scale Replacement Project in an amount not to exceed \$435,420.00

scope expanded to include the replacement of the scales at the entrance to the Transfer Station, as the scales have reached the end of their service life.

Bid Results

The Invitation for Bids was publicly noticed on January 29, 2017, and February 5, 2017. A mandatory pre-bid meeting was held on February 8, 2017. In response to the City's request, two (2) bids were received on February 23, 2017, as follows:

<u>Company</u>	<u>Location</u>	<u>Bid Amount</u>
Fann Contracting, Inc.	Prescott, AZ	\$435,420.00
Paul R. Peterson Construction, Inc.	Phoenix, AZ	\$437,814.60

Engineer's Estimate \$357,540.00

Fann Contracting, Inc. submitted written confirmation of the bid. Verification of license, bonding, references, and past performance of similar projects is complete. Based on this information, the bid is deemed responsive and balanced.

Award of the low bid in the amount of \$435,420.00 to Fann Contracting, Inc. is recommended.

Project Schedule

Per the contract, all work must be substantially complete within 40 calendar days of the notice to proceed. Pending contract award, the project will commence as follows:

Award of Contract	March	14,	2017
Pre-Construction Meeting	Week of	March	27, 2017
Notice to Proceed (NTP)	Week of	May	1, 2017
Substantial Project Completion	Week of June 12, 2017		

Financial Impact

Funding for this contract is budgeted in FY17 and available from the Solid Waste Fund. The City will use a standard construction contract.

Attachments

1. Exhibit A - Transfer Station Slab and Scale Location Map

Recommended Action: MOVE to award City Contract No. 2017-263.



EXHIBIT A
SUNDOG TRANSFER STATION
SLAB REMEDIATION AND SCALE REPLACEMENT PROJECT

Attachment: Exhibit A - Transfer Station Slab and Scale Location Map (1354 : Transfer Station Slab Remediation and Scale Replacement)

**COUNCIL AGENDA MEMO**

MEETING DATE/TYPE: **VOTING MEETING** **3-14-17**

DEPARTMENT: **Finance**

AGENDA ITEM: Adoption of Ordinance No. 5025-1563 amending Prescott City Code Title IV, Chapter 4-6, Sections 4-6-1 ("Definitions") and 4-6-2 ("License Required; Exemptions")

FUNDING SOURCE: General Fund

Approved By: Michael Lamar, City Manager

Item Summary

This item removes the requirement for long-term residential rental to obtain a City business license. They are still required to be registered with the Arizona Department of Revenue and pay local sales tax.

Background

In the spring of 2016 Council adopted business license regulations requiring all businesses including residential rentals to be licensed. One of the reasons for the new licensing requirements was to track who and what type of businesses were operating in the City including sober living homes and vacation rentals, which fall under the residential rental category. Later in the year a separate sober living home license and vacation rental license were adopted by Council.

Implementation of the new licenses adopted by Council began in January 2017. As we work with our citizens several complaints about the requirements related to licensing individual long-term residential rentals were voiced. Staff reviewed the need to license long-term residential rental properties and determined that it was no longer needed with the new sober living home and vacation rental licenses.

Currently 488 applications have been received of the 3,482 long-term residential rental properties. If Council adopts the proposed exclusion we will notify taxpayers of the change and refund the fees paid by the applicants.

Financial Impact

The business license fee of \$35.00 is designed to be a cost recovery so the loss of this revenue will be offset by reduced expenditures.

AGENDA ITEM: Adoption of Ordinance No. 5025-1563 amending Prescott City Code Title IV, Chapter 4-6, Sections 4-6-1 ("Definitions") and 4-6-2 ("License Required; Exemptions")

Attachments

1. Ordinance No. 5025-1563

Recommended Action: MOVE to adopt Ordinance No. 5025-1563.

ORDINANCE NO. 5025-1563

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AMENDING TITLE IV, CHAPTER 4-6, SECTIONS 4-6-1 ("DEFINITIONS") AND 4-6-2 ("LICENSE REQUIRED; EXEMPTIONS") OF THE PRESCOTT CITY CODE.

RECITALS:

WHEREAS, the City of Prescott wishes to update Title IV, Chapter 4-6, Sections 4-6-1 and 4-6-2 of the Prescott City Code to exempt residential real property rentals from procuring a business license and paying an annual license fee; and

WHEREAS, amending Title IV, Chapter 4-6, Sections 4-6-1 and 4-6-2, of the Prescott City Code is in the best interests of the health, safety and welfare of the City of Prescott.

ENACTMENTS:

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

SECTION 1. THAT Title IV, Chapter 4-6, Section 4-6-1 is amended to read as follows (new language in ALL CAPS):

4-6-1 DEFINITIONS:

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

"Business" means activities or acts engaged in or caused to be engaged in with the object of gain, benefit or advantage, or consideration either directly or indirectly; and shall include any trade, game or amusement, calling, profession, occupation or performance of services whether engaged in for profit or not for profit.

"Casual activity or sales" means a transaction of an isolated nature made by a person who neither represents himself to be nor is engaged in a business for which a license is required. The sale, rental, license for use, or lease transaction concerning real property shall not be treated, or be exempt, as casual. Examples of casual activities or sales include but are not limited to:

1. Individuals engaging in private sales activities, such as the sale of a personal automobile or yard sale, on no more than three (3) separate occasions during any calendar year.
2. Persons under the age of eighteen (18) years engaged in part time or seasonal employment while still attending school full time.

"Delivery" includes wholesale or retail deliveries.

"Person" includes all individuals and legal entities which may, under applicable law, conduct business.

"Profession" means any occupation which requires advanced learning acquired by a prolonged course of specialized intellectual instruction or which involves original or creative work depending primarily on invention, imagination, or talent, including, but not limited to, accountants, architects, artists, attorneys, dentists, doctors, medical technicians, nurses, engineers, surveyors, and veterinarians.

"RESIDENTIAL REAL PROPERTY RENTAL" MEANS THE BUSINESS OF OFFERING FOR RENT, LEASE OR LICENSE A BUILDING OR STRUCTURE THAT IS USED FOR A HOME OR RESIDENCE BY ONE OR MORE PERSONS WHO MAINTAIN A HOUSEHOLD. IT ALSO MAY MEAN A MOBILE HOME OFFERED FOR RENT, LEASE OR LICENSE BY ONE OF MORE PERSONS WHO MAINTAIN A HOUSEHOLD REGARDLESS OF OWNERSHIP OF THE LAND THAT SAID MOBILE HOME SITS. THIS DEFINITION DOES NOT INCLUDE SHORT TERM RENTALS (FOR PERIOD OF 29 CONSECUTIVE DAYS OR LESS), OR BUSINESS ACTIVITIES, SUCH AS ASSISTED LIVING OR BEHAVIORAL HEALTH RESIDENTIAL FACILITIES, AND/OR ANY OTHER BUSINESS OPERATION THAT DOES NOT MEET THIS DEFINITION OF A RESIDENTIAL REAL PROPERTY RENTAL.

"Separate business location" means a different physical address or branch location of the same business or franchise. A single business occupying more than one (1) suite in the same building does not constitute a separate business location.

"Special event" means any fair, parade, march, motorcade, ceremony, show, exhibition, procession, festival, street dance, circus, carnival, concert, performance, rodeo, organized race, seasonal/holiday sales lot or other temporary activity which invites public participation and patronage (with or without charge) whether held on public or private property. Special events do not include block parties or private events to which the public is not invited or allowed to participate.

"Special event sponsor/promoter" means an individual who promotes, schedules, contracts for, or otherwise arranges for a sales event, show, exhibition or any other public event where other individuals gather to sell, show, exhibit, display, entertain or in any other way render services to the general public.

"Vendor" means all activities or acts, personal or corporate, engaged in and caused to be engaged in with the object of gain, benefit, or advantage, either direct or indirect. The term "vendor" shall include any trade, business, game, amusement, calling, profession or occupation. (Ord. 4973-1513, 5-3-2016, eff. 1-1-2017)

SECTION 2. THAT Title IV, Chapter 4-6, Section 4-6-2 is amended as follows (new language in ALL CAPS and deleted language shown with strike-throughs):

4-6-2 LICENSE REQUIRED; EXEMPTIONS:

(A) All persons engaging in any business, occupation or profession within the City, including businesses located outside the City limits, except for those persons specified in subsection (B) of this section, shall be required to obtain a business license pursuant to this chapter and to pay an annual license fee.

(B) The following persons, when engaging in activities subject to the following licensing provisions, shall not be required to obtain a license:

1. Casual activity or sales.
2. Churches as religious institutions engaged solely as a place of worship.
3. Schools whether public or private.
4. Governmental entities, whether federal, state or municipal.
5. Political organizations and homeowner associations as defined and registered by the Internal Revenue Service (IRS).
6. Businesses physically located outside the municipal limits whose only contact within the City is the delivery of pre-ordered goods.
7. Any person who engages in a business, occupation or profession for which a City license is required only as an employee of or as an independent contractor for another person or entity which holds a City license for such business, occupation or profession.
8. RESIDENTIAL REAL PROPERTY RENTAL.
9. STRUCTURED SOBER LIVING HOMES AS DEFINED IN CITY CODE CHAPTER 4-11 AND VACATION RENTALS AS DEFINED IN CITY CODE CHAPTER 4-9, PROVIDED THAT SUCH STRUCTURED SOBER LIVING HOMES AND VACATION RENTALS COMPLY WITH THE EXISTING LICENSING, REGISTRATION, AND OTHER APPLICABLE REQUIREMENTS AS SPECIFIED IN CITY CODE.
10. All exemptions granted pursuant to the Arizona Revised Statutes.

(C) It is unlawful for any person to practice, transact or carry on any business within the municipal limits of the City without first having procured a license from the City to do so, or without complying with any and all regulations of such business designated in this chapter.

(D) A separate license shall be obtained for each branch or separate place of business and for each business transacted or carried on at the same place or location. ~~provided, however, that a residential landlord who leases three (3) or fewer rental units shall obtain a single license listing the rental units as residential landlord.~~ Each license issued shall authorize the licensee to practice, transact and carry on only that business set forth on such license and only at the location or place of business described thereon.

(E) A single license will be required for multiple professionals co-located at a single business address.

(F) Special event vendors and sponsor/promoters are required to obtain a business license, unless already possessing an annual license to operate in the City. All vendors and sponsor/promoters must also comply with the City Tax Code. In addition, all special event sponsor/promoters shall furnish a list of all vendors participating in the event, including information requested by the Finance Department, within ten (10) days of the close of the event. (Ord. 4973-1513, 5-3-2016, eff. 1-1-2017)

SECTION 3. SEVERANCE CLAUSE: THAT the provisions of this Ordinance, the City Code and these Code Amendments are hereby declared to be severable; and, if any section, sentence, clause or phrase of this Ordinance, or any Code and/or Code Amendments shall, for any reason, be held to be invalid or unconstitutional, such decisions shall not affect the validity of the remaining sections, sentences, clauses and phrases of this Ordinance and the Code and Code Amendments, but they shall remain in effect, it being the legislative intent that this Ordinance, the Prescott City Code and these Code Amendments shall stand, notwithstanding the invalidity of any part thereof.

SECTION 4. PENTALTIES: THAT the penalty provisions contained in Title IV, Chapter 4-6, Sections 4-6-4, 4-6-5 and 4-6-7 of the Prescott City Code shall remain in full force and effect for any violation of Title IV and the amendments to Title IV contained in this Ordinance.

SECTION 5. REFUNDS. Any business license fees or annual license fees paid by residential real property rentals since January 1, 2017, shall be refunded.

PASSED AND ADOPTED by the Council of the City of Prescott, Arizona, on this _____ day of March, 2017.

HARRY B. OBERG, Mayor

ATTEST:

APPROVED AS TO FORM:

DANA R. DeLONG, City Clerk

JON M. PALADINI, City Attorney

**COUNCIL AGENDA MEMO**

MEETING DATE/TYPE: **VOTING MEETING** **3-14-17**

DEPARTMENT: **City Manager**

AGENDA ITEM: Approval of an agreement with POLCO for the purpose of conducting online citizen surveys, for a period of one-year in an amount not to exceed \$6,000.00 (City Contract No. 2017-276)

FUNDING SOURCE: General Fund

Approved By: Michael Lamar, City Manager

Item Summary

Approval of this item will enter the City into an agreement with POLCO for online survey services for one-year for the primary purpose of, but not limited to, conducting an online citizen survey regarding the August 29, 2017, ballot measure of adopting a .75% Transaction Privilege Tax.

Background

In light of the ballot initiative for the .75 percent sales tax request, staff researched options for public polling and/or surveys to help the City better understand voter sentiment on matters related to this issue.

We are recommending an agreement with POLCO, an online public polling and survey firm based in Mountain View California. The agreement would be for a one-year term, and would allow the City to develop an unlimited amount of online polls and/or surveys. The cost of the agreement would be \$6,000.00, if paid up front.

POLCO will assist with survey language, marketing the poll, verification of voter status of all respondents, and analysis of the data in an easy-to-understand graphical format.

Since the agreement is for an unlimited amount of surveys for one year, it would allow staff to create additional public surveys to garner feedback about other City initiatives or programs as well.

Financial Impact

The total cost is \$6,000.00, which will be shared by various user departments.

AGENDA ITEM: Approval of an agreement with POLCO for the purpose of conducting online citizen surveys, for a period of one-year in an amount not to exceed \$6,000.00 (City Contract No. 2017-276)

Attachments

1. POLCO Services License Agreement, City Contract No. 2017-276
2. POLCO Statement of Work

Recommended Action: **MOVE** to approve City Contract No. 2017-276.



Master Services and License Agreement
City Contract No. 2017-276

This Master Services Agreement (the “Agreement”) is between the City of Prescott, Arizona (“Customer”), and Policy Confluence, Inc., a Delaware C corporation, (“Polco”) and governs Polco’s and Customer’s respective responsibilities under the services and licensing arrangement contemplated herein. This Agreement is entered between Customer and Polco as of the date it is executed by both parties (the “Effective Date”) and terminates as defined herein. Customer and Polco may be referred to in this Agreement individually as a Party, or collectively as Parties.

I. Grant of Limited Right

The services (including access to software and/or apps) outlined in this Agreement (the “Services”) are protected by copyright, trade secret, and other intellectual property laws. Customer is granted only the right to use the Services and only for the purposes described by Polco. Polco reserves all other rights in the Services. Until termination of this Agreement and as long as Customer meets any applicable fee or payment obligations and comply with this Agreement, Polco grants you a limited, nonexclusive, nontransferable right and license to use the Services.

Nothing in this Agreement grants or shall be construed to grant Customer rights to access or use those portions of the Services that are proprietary and/or trade secrets, including, but not limited to, Polco’s users’ information, which is defined herein as names, addresses, or any other information, including commentary, provided by individuals that register and/or use Polco’s website, app, or software (“Polco User Data”).

Further, Polco hereby grants to Customer, and Customer hereby accepts the right, privilege and nonexclusive license to use the Polco’s brand (“Brand”) solely in connection with the Services. Polco represents and warrants that, to the best of its knowledge, it owns the rights to the Brand. Nothing in this Agreement shall be construed to prevent Polco from granting any other licenses for the use of the Brand or Software or from utilizing the Brand or Software in any manner whatsoever. Customer recognizes that there exists great value and good will associated with the Brand, and acknowledges that the Brand and all rights therein and good will pertaining thereto belong exclusively to Polco, and that the Brand has a secondary meaning in the mind of the public. Customer agrees that it will not during the term of this Agreement, or thereafter, attack the title or any rights of Polco in and to the Brand or attack the validity of the license granted herein.

II. Scope of Services

By virtue of this Agreement, Polco is engaged to provide the following Services: validated summary policy polling results broken down by municipal jurisdiction and other fields available in the state voter registration file (requested by the Customer) or approved for use in results by each Polco User. Polco will also assist the Customer in conducting initial outreach in an effort to increase the total number of users in the

Customer's jurisdiction. Details for this initial outreach can be found in the Statement of Work.

The Services do not include any Polco User Data, including but not limited to, personally identifiable information, responses to any queries on Polco's website or app, and any other information of a similar nature or otherwise defined in agreements between Polco and Polco's users. Such Polco User Data remains the sole property of Polco and constitutes trade secrets and proprietary information whose disclosure is prohibited by privacy laws, trade secret laws, other laws and user agreements between Polco and its Users that requires such Polco User Data to be shielded from third parties (unless a User chooses to share Polco User Data) and to protect the privacy of users, to protect Customer from suspected "citizen targeting," and to further protect Customer from any liability and responsibility that would come with access to or disclosure of Polco User Data. □

Following the Effective Date and until such time as the Agreement is terminated, Customer shall not sublease, sublicense, or assign any of its rights under this Agreement. Either party may cancel this Agreement at any time upon providing the other party with 30 days written notice. This Agreement will automatically renew with same terms and conditions unless and until either party terminates it by providing the other party with 30 days written notice.

III. Fees

Polco shall provide its services and limited license outlined in this Agreement for the term of March 15, 2017 to March 14, 2018, for \$6,000.

IV. Warranties, Disclaimers and Exclusive Remedies

Polco warrants that it will provide the Services referenced in this Agreement. If the services provided to you for any given month during the services term were not performed as warranted, you must provide written notice to Polco no later than five business days after the last day of that particular month.

You acknowledge that Polco does not control the transfer of data over communications facilities, including the internet, and that the service may be subject to limitations, delays, and other problems inherent in the use of such communications facilities. Polco is not responsible for any delays, delivery failures, or other damage resulting from such problems. Polco does not guarantee that the services will be performed error-free or uninterrupted, or that Polco will correct all services errors.

For any breach of the above warranties, Polco will remit a services fee credit to you calculated at five percent (5%) of net monthly fees for the applicable services for the month in which the breach occurred. The credit will be provided only towards any outstanding balance for services owed to Polco, and the remittance of such credit will represent your exclusive remedy, and Polco's sole liability, for all breaches of any

warranty specified in the agreement.

To the extent not prohibited by law, these warranties are exclusive and there are no other express or implied warranties or conditions including for merchantability, satisfactory quality and fitness for a particular purpose.

V. Limitation of Liability

Neither party shall be liable for any direct, incidental, special, punitive, or consequential damages, or any loss of revenue or profits (excluding fees under the agreement), data, or data use. Polco's maximum liability for any damages arising out of or related to this agreement, whether in contract or tort, or otherwise, shall in no event exceed, in the aggregate, the total amounts actually paid to Polco for the services under the order that is the subject of the claim in the (12) month period immediately preceding the event giving rise to such a claim. Any damage in your favor against Polco shall be reduced by any refund or credit received by you under the agreement and any such refund and credit shall apply towards the limitation of liability.

VI. Indemnification

Notwithstanding anything contained in this Agreement otherwise limiting liability, Polco agrees to indemnify and hold harmless Customer from and against all third-party suits and causes of action, claims, losses, demands and expenses that Polco has breached its obligations to Customer under Section II (Scope of Services) only with respect to the disclosure of Polco's User Data and to the extent such disclosure is the result of actions predominantly attributable (as agreed to by the parties, such agreement not to be unreasonably withheld) to Polco.

VII. Governing Law and Jurisdiction

The laws of the state of Wisconsin, without giving effect to its principles of conflicts of law, govern all adversarial proceedings arising out of this agreement.

If either Party brings an action against the other party any proceeding arising out of this Agreement, that party may only bring that proceeding in the United States District Court for the Western District of Wisconsin or in any state court of Wisconsin, and each party hereby submits to the exclusive jurisdiction of those courts for purposes of any such proceeding. Each Party hereby waives any claim that any proceeding brought in accordance with this Agreement has been brought in an inconvenient forum or that the venue of that proceeding is improper.

VIII. Entire Agreement

This Agreement constitutes the entire understanding between the parties as to the subject matter of this Agreement and supersedes all other agreements, whether written or oral, between the parties. No amendment to this Agreement will be effective unless it is in writing and signed by both parties.

IX. Severability

If any term of this Agreement is to any extent illegal, otherwise invalid, or incapable of being enforced, such term shall be excluded to the extent of such invalidity or unenforceability; all other terms hereof shall remain in full force and effect; and, to the extent permitted and possible, the invalid or unenforceable term shall be deemed replaced by a term that is valid and enforceable and that comes closest to expressing the intention of such invalid or unenforceable term.

X. Force Majeure

Neither Party shall be responsible for failure or delay of performance if caused by: an act of war, hostility, or sabotage; act of God; electrical, internet, or telecommunication outage that is not caused by the obligated party; government restrictions (including the denial or cancellation of any export or other license); other event outside the reasonable control of the obligated party. The Parties will each use reasonable efforts to mitigate the effect of a force majeure event. If such event continues for more than 30 days, either of us may cancel unperformed services upon written notice. This section does not excuse either Party's obligation to take reasonable steps to follow its normal disaster recovery procedures or Customer's obligation to pay for the services.

By signing below, I, as an authorized agent on behalf of the Customer, certify that I have read and agree to be bound by this Agreement and Polco's Terms of Use.

Authorized Agent of Customer (as defined herein):

Name/Title: _____

Date: _____

Phone: _____

Email: _____

Authorized Signature: _____

Signed Agreements and additional questions should be directed to:

Nick Mastronardi, Polco CEO, nick@polco.us , 719-357-9452 , 608-709-VOTE

510 Charmany Lane, Suite 266, Madison, WI 53719





Polco Statement of Work

Customer: Prescott, AZ

Project: Initial Outreach Campaign

Date: 3.8.17

Overview: The purpose of this Statement of Work is to describe the intent and process for an initial Polco outreach campaign for Prescott, Arizona. Polco, after consulting with the City, will engage in a social media and outreach campaign designed to bring a significant number of users to the Polco platform to increase the value of response data for Prescott.

Goal: The goal is to have at least 400-600 residents or citizens of the Prescott community sign up on Polco within the first three weeks of the City launching on Polco.

Key Responsibilities:

- Polco will conduct market research to understand the dynamics of the City and how best to engage the community.
- A representative from the City will speak with a Polco representative to discuss levers the City has to motivate residents to sign up for Polco. Based on this conversation, Polco will make recommendations for simple actions the City can take.
- In conjunction with the City actions (for example, sending an email notification to homeowner associations), Polco will allocate staff and financial resources (approximately \$800, not including staff time) to a social media campaign designed to reach the goal.

Notes and Caveats: While Polco cannot guarantee a specific number of people will sign up on the Polco platform, we will leverage all previous experience and expertise in order to deliver the best result possible for the City of Prescott. Importantly, Polco will also not stop the campaign if the goal is reached early. As long as budget remains for this initial outreach campaign, the campaign will continue.

Any questions should be directed to:

Alex Pedersen, Polco COO, nick@polco.us , 719-357-9452 , 608-709-VOTE

510 Charmany Lane, Suite 266, Madison, WI 53719