



# PRESCOTT CITY COUNCIL STUDY SESSION AGENDA

**PRESCOTT CITY COUNCIL  
PUBLIC MEETING – STUDY SESSION  
TUESDAY, FEBRUARY 19, 2008  
3:00 P.M.**

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

The following Agenda will be considered by the Prescott City Council at its Study Session pursuant to the Prescott City Charter, Article II, Section 13. Notice of this meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02.

## **CALL TO ORDER**

## **INTRODUCTIONS**

**INVOCATION:** Pastor Troy Powers, Prescott Free Methodist Church

**PLEDGE OF ALLEGIANCE:** Councilman Bell

## **ROLL CALL:**

### MAYOR AND CITY COUNCIL:

Mayor Wilson

Councilman Bell

Councilman Lamerson

Councilwoman Lopas

Councilman Luzius

Councilman Roecker

Councilwoman Suttles

## **SUMMARY OF CURRENT OR RECENT EVENTS**

**NOTE:** *Anyone wishing to speak regarding an item on the agenda must address the Council using the microphone at the podium. **PLEASE NOTE:** Comments from the public regarding any item on the agenda will be limited to five (5) minutes. Please refer to the Clerk's desk for the timing sequence of the lighting signals: **GREEN** at the beginning of comments, **YELLOW** with one minute remaining, and **RED** when time has ended.*

THE CITY OF PRESCOTT ENDEAVORS TO MAKE ALL PUBLIC MEETINGS ACCESSIBLE TO PERSONS WITH DISABILITIES. WITH 48 HOURS ADVANCE NOTICE, SPECIAL ASSISTANCE CAN BE PROVIDED FOR SIGHT AND/OR HEARING IMPAIRED PERSONS AT PUBLIC MEETINGS. PLEASE CALL 777-1272 OR 777-1100 (TDD) TO REQUEST AN ACCOMMODATION TO PARTICIPATE IN THIS MEETING.

**I. PROCLAMATION**

- A. February 22, 2008 - *World Thinking Day – Girl Scouts*

**II. DISCUSSION ITEMS**

- A. Adoption of Resolution No. 3880-0848 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City Manager and all City Department Heads to apply for grant funds up to \$20,000.00 providing that such application does not necessitate the City providing matching funds in excess of \$20,000.00 without prior Council approval and authorizing the City Manager and City Department Heads to accept grant funds up to \$20,000.00 without prior Council approval providing that such acceptance of grant funds does not necessitate matching of funds in excess of the City Manager's and/or City Department Head's procurement authority as set forth in the City Procurement Code.
- B. Approval of an Aviation Ground Lease for approximately 1.19 acres at Ernest A. Love Field with 2251 Ruger, L.L.C.
- C. Authorization of Amendment No. 1 to City contract #2008-067 which authorized an Airport Ground Lease agreement between the City and Legend Aviation for approximately 7.17 acres of airport property at Ernest A. Love Field.
- D. Adoption of Ordinance No. 4630-0832 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, amending the zoning of certain property within the City of Prescott located generally south of Rosser Street and west of S. Blooming Hills Drive and described as Open Space Tracts A, B, C, and D of the Cloudstone Unit 1 Planned Area Development Subdivision from Single Family-18 to Natural Open Space and Recreation Space Zoning.
- E. Approval of Amendment No. 2 to Development Agreement No. 2002-166 with Goodman/Savage Development for Cloudstone located on the southern extension of Blooming Hills Drive south of Rosser Street.
- F. Bradshaw Senior Community:
1. Approval of Site Plan for Bradshaw Senior Community dated January 11, 2008 with conditions. (SI07-003)
  2. Approval of Water Service Agreement with Bradshaw Apartments/Prescott LP for 60 apartment units for 21 acre-feet of water annually. (WSA08-003)

- G. Approval of Revision of Plat to Pinnacle III trail alignment with conditions, located north of Solstice Drive and east of St. Enodoc Circle. (RP08-003)
- H. Approval of a Downtown Management Agreement with Prescott Downtown Partnership for 2008.
- I. Adoption of Resolution No. 3882-0850 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the application for an Arizona State Heritage Fund grant for funding of open space for continuation of the Circle Trail, and authorizing the Mayor and staff to execute any and all documents to implement same.
- J. Approval of Contract Amendment Two to Contract No. 07-089, Iron Springs Road Improvement Project, with Fann Contracting, Inc., in the amount of \$979,340.07.
- K. Approval of Contract Amendment One to City Contract No. 07-271, Copper Basin Road Improvement Project, with Asphalt Paving & Supply, Inc., in the amount of \$502,018.39.
- L. Approval of Supplemental Agreement No. 3 to Contract No. 07-115 with Parsons Transportation Group, for final design of a grade separated traffic interchange in the vicinity of Side Road at SR89A in the amount of \$1,699,748.88.
- M. Adoption of Resolution No. 3881-0849 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott to enter into a Memorandum of Understanding with the Yavapai-Prescott Tribe providing for allocation of funds for the public benefit in accordance with the State of Arizona Gaming Compact and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.
- N. Approval of the Minutes of the Prescott City Council Regular Voting Meeting of February 12, 2008.
- O. Selection of Items to be placed on the Regular Voting Meeting Agenda of February 26, 2008.

### **III. ADJOURNMENT**

# “WORLD THINKING DAY”

February 22, 2008

WHEREAS, World Thinking Day is the day Girl Scouts and Girl Guides around the world “think” of each other and give thanks and appreciation to their “sister” Girl Scouts; and

WHEREAS, the date of February 22 was chosen as World Thinking Day because it was the mutual birthday of Lord Baden-Powell, founder of the Boy Scout movement, and his wife Olave, who served as World Chief Guide; and

WHEREAS, this year’s theme is caring for the environment with an emphasis on water, one of the most important natural resources impacting the lives of girls and women worldwide; and

WHEREAS, this year, girls voted and selected Girl Scouts and Girl Guides from Australia, Brazil, Egypt, Italy and Madagascar to represent the five regions of World Association of Girl Guides and Girl Scouts; and

WHEREAS, World Thinking Day not only gives girls a chance to celebrate international friendships, but it is also a reminder that Girl Scouts of the USA is part of a global community – one of 144 countries with Girl Guides and Girl Scouts organizations; and

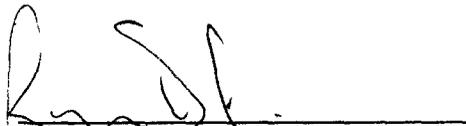
WHEREAS, the Girl Guide/Girl Scout movement provides girls with opportunities for training in the development of character, responsible citizenship, and service to the community.

NOW THEREFORE, I, Jack D. Wilson, Mayor of the City of Prescott, Arizona, do hereby proclaim February 22, 2008 as:

## “WORLD THINKING DAY”

IN WITNESS THEREOF, I have hereunto set my hand and caused the Seal of the City of Prescott to be affixed this 19<sup>th</sup> day of February 2008.



  
\_\_\_\_\_  
JACK D. WILSON, MAYOR  
City of Prescott

ATTEST:

  
\_\_\_\_\_  
ELIZABETH A. BURKE, CITY CLERK  
City of Prescott

**COUNCIL AGENDA MEMO – 2/19/08**

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**DEPARTMENT:** Emergency Services

**AGENDA ITEM:** Resolution No. 3880-0848 authorizing the City Manager and Department Heads to apply for and accept grant funds up to \$20,000 without City Council approval.

**Approved By:**

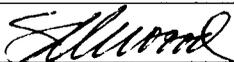
**Date:**

**Department Head:** Darrell Willis

2/7/08

**Finance Director:** Mark Woodfill

**City Manager:** Steve Norwood



02/11/08

**Background**

The City Procurement Code currently provides authority for the City Manager and/or City Department Heads to expend funds **not to exceed** \$20,000 without City Council approval. Currently all grants are required to be brought to the City Council for approval prior to submittal and final approval when the funds are to be expended.

**Status**

In an effort to improve efficiency while saving staff and City Council time, as well as improving the opportunities to receive time sensitive grants that do not exceed \$20,000, a change in policy is being requested. This change is in line with the current City of Prescott procurement code.

**Financial**

This policy change has the potential to increase small grant revenues by allowing departments to apply for and receive grants that do not exceed \$20,000 in a timely fashion.

**Recommended Action:** MOVE to approve Resolution No. 3880-0848.

## RESOLUTION NO. 3880-0848

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AUTHORIZING THE CITY MANAGER AND ALL CITY DEPARTMENT HEADS TO APPLY FOR GRANT FUNDS UP TO \$20,000.00 PROVIDING THAT SUCH APPLICATION DOES NOT NECESSITATE THE CITY PROVIDING MATCHING FUNDS IN EXCESS OF \$20,000.00 WITHOUT PRIOR COUNCIL APPROVAL AND AUTHORIZING THE CITY MANAGER AND CITY DEPARTMENT HEADS TO ACCEPT GRANT FUNDS UP TO \$20,000.00 WITHOUT PRIOR COUNCIL APPROVAL PROVIDING THAT SUCH ACCEPTANCE OF GRANT FUNDS DOES NOT NECESSITATE MATCHING OF FUNDS IN EXCESS OF THE CITY MANAGER'S AND/OR CITY DEPARTMENT HEAD'S PROCUREMENT AUTHORITY AS SET FORTH IN THE CITY PROCUREMENT CODE**

### **RECITALS:**

WHEREAS, the Mayor and Council of the City of Prescott believe it to be in the best interest of the City to provide for improved efficiency in the application for grant funding and acceptance thereof, to authorize the City Manager and/or City Department Heads to apply for grant funding providing that such application does not necessitate the City providing matching funds in excess of \$20,000.00 without prior Council approval and authority; and

WHEREAS, the Mayor and Council of the City of Prescott believe it to be in the best interest of the City, for improved efficiency to authorize the City Manager and/or City Department Heads to accept any and all grant funds up to \$20,000.00 providing that such acceptance of grant funds does not necessitate the City committing to match funds in excess of the City Manager's and/or City Department Head's procurement authority as set forth in the City Procurement Code.

### **ENACTMENTS:**

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

Section 1. That the City Manager and City Department Heads are hereby authorized to apply for grant funding up to \$20,000.00 providing that such application does not necessitate the City committing to provide matching funds in excess of \$20,000.00 without prior Council approval and authority.

Section 2. That the City Manager and City Department Heads are hereby authorized to accept grant funds without prior Council approval up to \$20,000.00 providing that such acceptance of grant funds does not necessitate the matching of funds

in excess of the City Manager's and/or City Department Head's procurement authority as set forth in the City Procurement Code.

Section 3. That the Mayor and staff are hereby authorized to execute any and all documents to effectuate the foregoing.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott this 26<sup>th</sup> day of February, 2008.

\_\_\_\_\_  
JACK D. WILSON, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
ELIZABETH A. BURKE, City Clerk

\_\_\_\_\_  
GARY D. KIDD, City Attorney

<b>COUNCIL AGENDA MEMO – February 19, 2008</b>
<b>DEPARTMENT: AIRPORT</b>
<b>AGENDA ITEM: Approve an Aviation Ground Lease for approximately 1.19 acres at Ernest A. Love Field with 2251 Ruger, L.L.C.</b>

<b>Approved By:</b>	<b>Date:</b>
<b>Department Head: Benjamin Vardiman, Airport Manager</b>	<b>Feb 11, 2008</b>
<b>Finance Director:</b>	
<b>City Manager:</b> <i>[Signature]</i>	<i>02/11/08</i>

2251 Ruger, L.L.C, has proposed to purchase 21 portable aircraft hangars located on the airport and currently operated by the City. The property has been advertised and two proposals were received. 2251 Ruger, LLC. offered the best overall plan for refurbishing and relocating the hangar units on the airport. This is a request to approve the lease agreement. Mr. Chuck Fulton, the principal behind the corporation is an aircraft owner and businessman in the Prescott area with years of experience building and operating mini-storage businesses.

The 21 portable hangars were purchased new in 1983 and installed on an asphalt ramp. The hangars have been expensive to maintain and the source of tenant complaints. The existing hangar location has been identified as a prime location for permanent improvements that will better serve the airport and generate increased revenues. Through the privatization of the hangars, the cost of relocation and refurbishing the 25 year old structures will be funded by the Lessee and the City will continue to receive ground rent for the term of the lease at \$648 per month during the construction period (until issuance of a Certificate of Occupancy or 12 months which ever occurs first) and \$1,512 per month thereafter.

Lease terms and conditions summary:

- Lessee: 2251 Ruger, L.L.C.
- Use: Relocating and Operating portable hangars
- Location: The North Ramp aircraft parking apron near Ruger Road adjacent to the Sturm Ruger plant.
- Sale of Hangars: Lessee shall pay City \$21,000 for 21 portable hangars
- Improvements: By Lessee at an estimated cost of \$ 625,000
- Term: Twenty-five year ground lease for 1.19 acres / One ten-year option
- Valuation: Proposed rate for this lease during the construction period is 13 cents per square foot year (sfy) (\$648.00 per month or \$7,776 per year) and then increasing to 35 cents per sfy (\$1,512 per month or \$18,144 per year)  
Annual CPI adjustment  
Additional Rental rate adjustment for extended term option.

**AGENDA ITEM: Consideration of a long term aviation ground lease at Ernest A. Love Field with 2251 Ruger, L.L.C.**

Minimum Initial Capital Improvements

Lessee shall refurbish and relocate 21 hangars to the new location designated in the Lease plus complete the associated paving and amenities per Exhibit C.

Fire Protection. City will install three fire hydrants onto the ramp to serve the leased premises and other improvements in the general area not associated with this Lease.

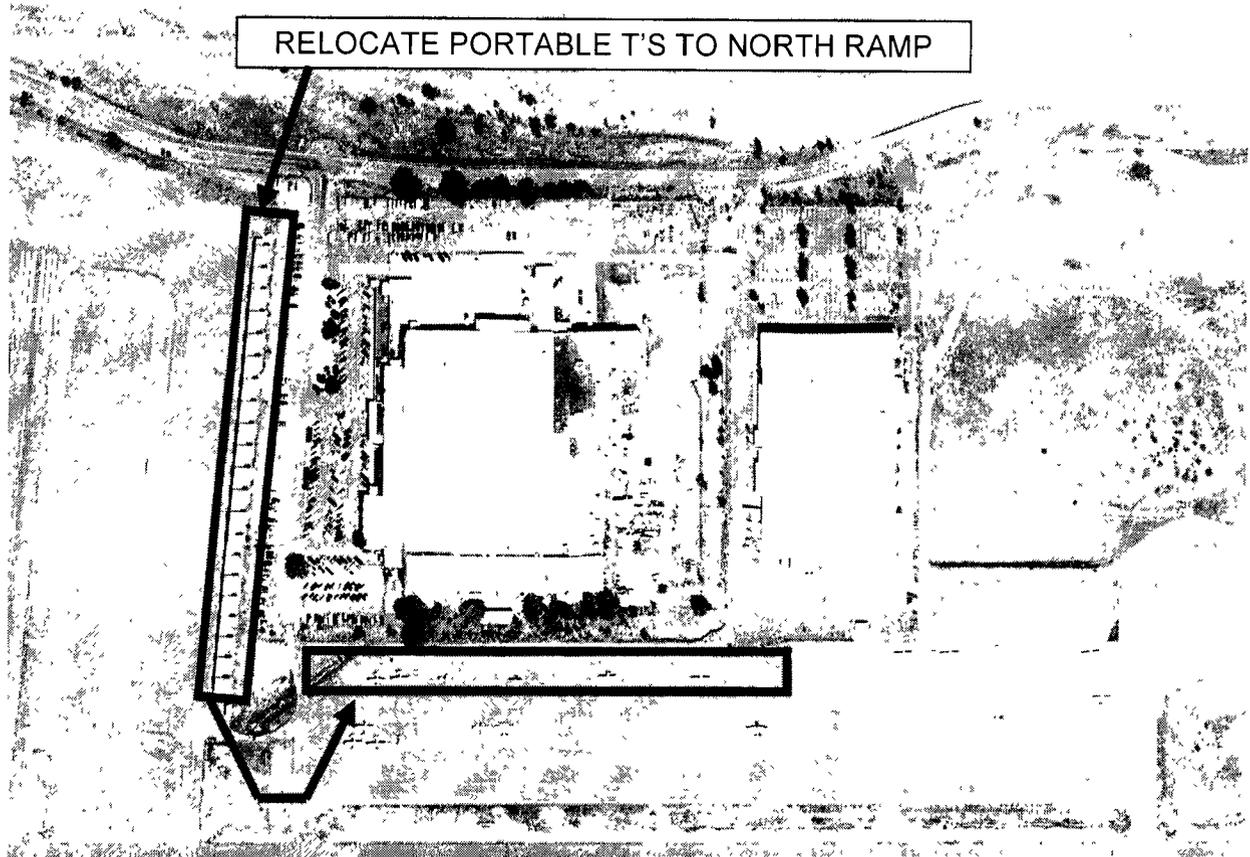
Use: The Lessee operation may include any or all of the following uses:

- (1) The rental or sale of Aircraft storage hangars.
- (2) Aircraft tie-down areas and facility support structures
- (3) Automobile parking lots and structures
- (4) Non-retail Aviation fuel service for Lessee's own aircraft on condition that city requirements are met to conform with fire and environmental protection and the payment of flowage fees.
- (5) Office uses and uses incidental to the uses permitted herein.
- (6) Non-commercial aircraft maintenance and repair.
- (7) Identification directional and safety signs

Existing Tenants: Existing tenants in the hangars will be given a first right of refusal to purchase their hangar.

**Recommended Action: MOVE to approve the lease agreement between the City of Prescott and 2251 Ruger, L.L.C.**

**AGENDA ITEM: Consideration of a long term aviation ground lease at Ernest A. Love Field with 2251 Ruger, L.L.C.**



**City Contract # \_\_\_\_\_**

**Airport Ground Lease between the**

**CITY OF PRESCOTT**

**&**

**2251 Ruger, L.L.C.**

**EFFECTIVE DATE**

**\_\_\_\_\_, 2008**

RS 02-11-08

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**AIRPORT GROUND LEASE BETWEEN THE  
CITY OF PRESCOTT AND 2251 RUGER, L.L.C.**

THIS AGREEMENT is made between the **City of Prescott**, a municipal corporation of the State of Arizona, and **2251 Ruger, L.L.C.** In consideration of the premises and the mutual covenants contained in this Lease, and for other good and valuable consideration, the receipt and sufficient of which is hereby acknowledged by each party to the other, the parties agree as follows:

**Recitals**

The City of Prescott has agreed to lease approximately 1.19 acres of land at Ernest A. Love Field to 2251 Ruger, L.L.C., the Lessee, for the purpose of constructing hangars and associated improvements upon the site. After completion of the improvements, Lessee will retain ownership of the leasehold during the term of this lease, sell the individual hangars to purchasers and be reconstituted into a condominium-styled development of the leasehold.

**Article 1. DEFINITIONS AND EXHIBITS.**

A. Definitions. The following words, as used in this Lease shall have the following meanings unless the context clearly indicates otherwise:

1. *Airport* means Ernest A. Love Field.
2. *Airport Manager* means the City's Airport Manager.
3. *Approved Lease Form* means a form of Space Lease which has been reviewed and approved by Lessor in advance of its use by Qualified Owners in establishing Space Leases with Qualified Sub-Tenants. Such form shall be prepared by the Qualified Owner and submitted to the Lessee who shall either recommend acceptance or rejection and forward to Lessor for its approval or disapproval.
4. *City* means the City of Prescott, Arizona.
5. *City Council* or *Council* means the City Council of the City
6. *City Manager* means the City Manager for the City.
7. *Encumbrance* means:
  - a. any pledge, mortgage, contract lien, assignment, sublease, or transfer, or all or part of Lessee's interest in the Premises; or
  - b. any transfer of fifty percent (50% OR MORE OF Lessee's total ownership interest in Lessee's business.
8. *Effective Date* means that date upon which the City Council has formally approved this Lease, which date shall be inserted upon the cover page of this Lease concurrent with the City's execution following such approval.
9. *F.A.A.* means the United States Federal Aviation Administration or its successor agency.
10. *Improvements* means the buildings, vehicular parking improvements and associated improvements to serve the buildings as more specifically described on Exhibit "C".

11. *Lease* means this Agreement
12. *Lessee* means 2251 Ruger, L.L.C.
13. *Mortgagee* means the beneficial holder of a mortgage on any Improvements and Lessee's interest under this Lease.
14. *Portable Hangarowner Association* (PHA) means a condominium-styled organization, in whatever form such entity is lawfully organized. The only members of the PHA shall be those vested with ownership of the hangars located upon the leasehold.
15. *Premises* mean the real property subject to this Lease as depicted upon the map in Exhibit "A" and as described by metes and bounds in Exhibit "A-1".
16. *Qualified Owner* means any person or entity vested with ownership in a portable hangar located upon the leasehold property for which the PHA is Lessee after having been approved by City for such ownership.
17. *Qualified Sub-Tenant* means anyone who has been approved by the Lessor as a lessee of a Qualified Owner. Such person shall have such rights to the use of the Qualified Owner's hangar as is agreed upon between the Qualified Owner and Qualified Sub-Tenant and consistent with the provisions of this Lease, but the Qualified Sub-Tenant shall not be entitled to sit as a member of the PHA.
18. *Qualified Users* is a combined grouping of Lessee, Qualified Owners and Qualified Subtenants.

## **ARTICLE II. LEASE OF PREMISES; ADVANCE PAYMENTS**

The City hereby leases to Lessee and Lessee leases from the City the Premises described in Exhibits "A" and "A-1", on the terms and conditions set forth in this Lease. Upon City Council approval of this Lease, Lessee shall deposit with the City the sum of \$1,512 representing the first month's Base Rent as defined in Article IV, paragraph B ("Advance Rent Deposit"); and the City shall credit such amount against Lessee's Base Rent obligation for the first month that Base Rent becomes payable hereunder. The Advance Rent Deposits shall be deemed earned by Lessor and non-refundable.

The City hereby acknowledges receipt of a non-refundable \$1,500.00 lease preparation fee. The sum of \$21,000 for the purchase of 21 portable hangar structures including all current inventories of spare keys and associated fixtures and hardware shall be due and payable to the City on or before the date that the last portable hangar tenant under control of the City vacates the hangar unit.

## **ARTICLE III. TERM; EXTENSION OPTIONS**

The term of this Lease shall be for 25 years, commencing on the Effective Date and continuing through the day immediately preceding the 25<sup>th</sup> anniversary of the Effective Date, unless earlier terminated under the Lease provisions. Notwithstanding any thing in this Lease to the contrary, if Lessee is unable to secure a financing commitment acceptable to Lessee for construction of the Improvements within ninety (90) days following City Council approval of this Lease, Lessee shall have the right to terminate this Lease by written notice to Lessor within fifteen (15) days following the end of such ninety (90) day period. The Lessee may extend the term of this Lease for one (1) additional ten (10) year term by giving the City written notice of said extension at least 120 days prior to the date the Lease would otherwise terminate. The

ground rent for any extended term shall be established at that time using the then prevailing rate for bare ground leases at Prescott Airport as may be agreed among the parties, or if the parties cannot agree, as set by an MAI appraiser retained by the parties, with the cost of such appraisal to be shared equally by the parties.

#### **ARTICLE IV. RENTALS AND PAYMENTS**

Lessee shall pay to Lessor rent, in equal monthly installments, on the 1<sup>st</sup> business day of each month during the term hereof, as follows:

A. Construction Period Rent. Beginning upon issuance of a City construction permit, the initial rent for the Premises shall be \$648 per month. The rent will increase to \$1,512 per month on the first day of the month following (a) the date of issuance of a certificate of occupancy or (b) the 12th month following the Effective Date of this Lease, whichever comes first.

B. Aggregate Base Rent. On the first day of the first calendar month following Lessee's completion of the Improvements, but not later than the first day of the 12<sup>th</sup> month following the Effective Date of this Lease, the aggregate base rent for Premises shall be \$1,512 per month ("Base Rent").

C. CPI Adjustments. On the first day of the month following the anniversary of the Effective Date of this lease first occurring after completion of the improvements and annually thereafter, the monthly rental payable by the Lessee shall be increased to an amount determined by multiplying the Base Rent described in paragraph B. above by a percentage equal to 100% plus the percentage increase between (1) the Consumer Price Index level most recently published prior to the Effective Date of this lease and (2) the Consumer Price Index level most recently published prior to the particular anniversary date; provided however that the rent shall not be less than the rent for the month immediately preceding such anniversary. As used herein, the term "Consumer Price Index" shall mean Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for All Items, 1982-84=100, not seasonally adjusted, or the successor of that Index, as published by the Bureau of Labor Statistics, U.S. Department of Labor. Should Lessor lack sufficient data to make the proper determination on the date of any adjustment, Lessee shall continue to pay the monthly rent payable immediately prior to the adjustment date. As soon as Lessor obtains the necessary data, Lessor shall determine the rent payable from and after such adjustment date and shall notify Lessee of the adjustment in writing; provided, however, that no annual adjustment shall be less than 3% or greater than 9%. Should the monthly rent for the period following the adjustment date exceed the amount previously paid by Lessee for that period, Lessee shall forthwith pay the difference to Lessor. Should the Consumer Price Index, as above described cease to be published, a reasonably comparable successor index shall be selected by Lessor.

D. Due Date and Place of Payment. Each monthly rental payment is due on the first City business day of each month without notice or billing from the City and shall be delivered to the City's Finance Department, P.O. Box 2059, Prescott, Arizona, or personally to the department at 201 S. Cortez Street, Prescott, Arizona, unless another address as specified by the City in writing.

E. Penalties for Delinquency. Any monthly rental payment not paid by the fifteenth (15) day of the month due is delinquent and shall include an additional monetary amount, as a penalty, equal to ten percent (10%) of the monthly rental due for that month. Additionally, all rental payments which are past due more than thirty (30) days shall accrue interest at the rate of one and one-half percent (1.5%) per month on the overdue amount.

## **ARTICLE V. USE OF PREMISES AND AIRPORT**

A. Permitted Uses. Lessee shall use the Premises solely for the purpose of operating, leasing or selling hangar space to Qualified Owners conducting those aviation related operations as set forth in Exhibit "B", attached hereto and made a part hereof. Lessee shall operate and manage the Premises according to City Codes, the Airport Rules and Regulations and minimum Development Standards as they may be amended from time to time. If there is a conflict between this Lease and the Airport Rules, this Lease shall govern. Lessee shall also comply with any future amendments to the city Code and airport Rules and Regulations that are not in conflict with this Lease. Lessee must comply with all applicable federal, state and local regulations.

B. Permitted Users. Only Qualified Users and their respective agents, employees, guests and subcontractors shall occupy or operate from the Premises.

C. Unpaved Areas. None of the authorized uses shall be permitted in any area of the Premises that have not been improved with paving, without the prior written consent of the Airport Manager.

D. Unrestricted Access to Airport Facilities. Qualified Users are granted the non-exclusive use of all portions of the airport that are open for use by the public, including taxiway, runways, aprons, navigational aids and facilities relating thereto for the purpose of landings, takeoffs and taxiing of aircraft, on the same terms and conditions as are applicable to the public.

E. Security. Lessee shall be solely responsible for providing security to protect the Premises against criminal acts and Lessee shall make no claim or bring any action against the City for any loss, damage, or injury to persons or property arising from any criminal act committed on the Premises. Lessee shall design and construct at Lessee's expense, all gates, fences or barriers on the Premises that Lessee determines is required to prevent unauthorized access to the Premises. Lessee shall design, construct and maintain fences, barriers or gates on the Premises so as to preclude casual or inadvertent entry by persons or vehicles onto an aircraft parking apron, or taxiway, according to plans approved in advance by the Airport Manager. The City may at its cost construct and maintain any fences, gates, walls or barriers on the Premises as may be required for compliance with FAA security regulations in a manner designed, in the Airport Manager's judgment, to prevent unauthorized access to the Airport operating area, taxiway and runways.

## **ARTICLE VI. IMPROVEMENTS TO PREMISES**

A. Approval of Improvements.

1. By approving this Lease, the City Council has approved the Initial Improvements on Premises, as described in Exhibit "C". Lessee shall pay for all survey and engineering costs associated with the project including but not limited to the Exhibit "A" and "A-1" contained in this Lease.

2. The plans for the Improvements shall be kept on file with the Airport Manager. Lessee shall not make any changes to the proposed and approved Improvements on the Premises unless and until the Airport Manager has approved said changes.

3. The City's ordinances and codes applicable to the construction of buildings and structures within the City shall apply to any Improvements made by Lessee on the Premises, including the requirements to apply for permits, pay fees, and receive permits prior to beginning construction of any Improvement. All Improvements shall be constructed in strict compliance with the plans for the Improvements as approved by the Airport Manager and the provisions of this Lease. Lessee shall construct Improvements in a manner as not to interfere with the normal operation and use of the Airport by others. Lessee shall file with the Airport Manager, a complete set of as-built drawings and documents showing the actual construction costs of the Improvement, within thirty (30) days of completion of any Improvement.

**B. Initial Improvements by Lessee.**

1. Within ninety (90) days following the Effective Date, Lessee shall submit a proposed construction schedule for the Initial Improvements to the Airport Manager, which schedule is subject to the approval of the Airport Manager; provided that it shall be deemed approved so long as it reasonably contemplates completion of the Initial Improvements by the end of the 12<sup>th</sup> month following the Effective Date of this Lease. Lessee shall make proper application for construction permits for the Initial Improvements to the City's building official within thirty (30) days of the Airport Manager's approval of the construction schedule. Lessee or Lessee's contractor shall commence construction of the Improvements no later than thirty days following the issuance of the construction permits and the installation of three fire hydrants by the City. The contractor shall diligently pursue construction to completion.

2. If for any reason, Lessee fails to complete construction of the Initial Improvements within 12 months following the Effective Date, the City may terminate this Lease by giving the other party written notice of termination thirty (30) days in advance of the termination date.

3. Notwithstanding the above, nothing shall prevent the contractor from commencing the construction of the Improvements at any time following the effective date of the Lease.

**C. Connection to Taxiways.** Lessee agrees to install and maintain, at Lessee's expense, any connections between the City's apron or taxiway pavement and the Premises as needed by Lessee for the enjoyment or use of the Premises. Lessee shall construct any ramp and taxiway connections in accordance with the requirements of this Lease applicable to the construction of Improvements. Any connections constructed shall be used for the maneuvering of aircraft and shall not be used for aircraft parking, except as otherwise approved by the Airport Manager.

## ARTICLE VII. MAINTENANCE

A. Lessee Maintenance Obligations. Lessee shall, to the satisfaction of the Airport Manager, keep and maintain the Premises and all Improvements on the Premises in good condition and repair and in a safe, clean and sanitary condition. Lessee shall provide containers on the Premises for trash, garbage and waste. The Airport Manager may issue and Lessee shall comply with any written directive regarding the type, location, and screening of trash containers maintained by Lessee outside any building.

B. Offsite Maintenance. Lessee shall maintain the offsite drainage area along the northwest premises boundary, out a distance of 17 feet, to be free of weeds and debris, at its sole expense.

C. Lessor Self Help. If Lessee fails to make repairs to any Improvement, correct any unsafe or unsanitary condition, or remove any litter or waste as required by this Article, the City may give Lessee written notice of the defect. If Lessee fails to correct the condition within thirty (30) days of the City's written notice, the City may enter upon the Premises and correct the condition and Lessee shall pay the cost thereof, (including the cost of labor, material, and equipment) within ten (10) days of receipt of statement from the City.

D. City Protective Improvements. The City may, at its sole option, do any filling, grading, slope protection, retaining wall construction or replace or repair any City-owned or City-constructed facilities within or without the Premises in order to protect the Premises or any part of the Airport.

## ARTICLE VIII. INSURANCE

A. Minimum Lessee Insurance Requirements. Lessee shall obtain and maintain during this Lease, at Lessee's expense, the following minimum insurance. All insurance must be written by an insurance company authorized to do business in the State of Arizona, to be evidenced by a Certificate of Authority as defined in A.R.S. Section 20-217, a copy of which certificate is to be attached to the applicable insurance policy or binder.

1. Commercial General Liability Insurance against claims for bodily injury, death, and property damage occurring on, in or about the Premises, related to or arising out of Lessee's activities, in an amount not less than \$ 1,000,000.00 per occurrence. The policy must be written on an "occurrence basis" and name the City as an additional insured.

2. Fire and Extended Coverage to protect against loss or damage to any Improvements located on the Premises resulting from fire, lightning, vandalism, malicious mischief and such perils ordinarily defined as "extended coverage". The insurance shall be maintained in an amount of not less than 100% of the full replacement value of all Improvements constructed on the Premises, subject to a deductible clause not to exceed ten thousand dollars (\$10,000.00). The proceeds paid to Lessee from any loss under this policy(s) shall be used to replace or repair any loss or damage to the premises.

**B. Annual Delivery of Certificates.** Lessee shall furnish to the Airport Manager prior to occupancy of the Premises and annually during the term of this Lease, certificates of insurance showing that the insurance requirements of this Lease have been met and that the City is named as an additional insured under the required Commercial General Liability policy. New Certificates of Insurance shall be resubmitted to the City whenever changes or revisions occur. Each policy of insurance shall contain the following clause:

It is agreed that this policy shall not be canceled nor the coverage reduced until thirty (30) days after the City's Airport Manager has received written notice of the cancellation or reduction.

**C. Modification Of Coverage Requirements.** The City shall have the right from time-to-time to require Lessee to obtain increases in insurance coverage if the City reasonably determines that increases are necessary to provide adequate protection to Lessee or the City, but only to the extent that the increased coverages are in amounts that are commonly required by other airports for operations similar to those performed by Lessee.

**D. Self Help By City.** Should Lessee fail to obtain or keep the required insurance in effect during this Lease, the City may purchase the required insurance and Lessee shall reimburse the City for the cost thereof within ten (10) days of the City sending an itemized statement showing the cost incurred.

#### **ARTICLE IX. TAXES, ASSESSMENTS AND FEES**

Lessee shall pay, before they become delinquent, all taxes, assessments and fees assessed or levied upon Lessee, Lessee's property or the Premises by any government entity or political subdivision, including, without limitation, the following:

**A. Sales & Privilege Taxes.** Lessee shall pay any taxes measured by the gross rental receipts (rental taxes) which Lessor is required to collect or pay by reason of the amounts paid by Lessee to Lessor under this lease, as determined by any taxes imposed by the City of Prescott, County of Yavapai, or the State of Arizona.

**B. Real Property Taxes.** Lessee, in addition to the rent provided for herein, shall pay or reimburse Lessor for all ad valorem real property taxes and assessments upon the Premises and the Improvements, which are assessed during the lease term.

**C. Personal Property Taxes.** Lessee shall pay prior to delinquency all taxes assessed against and levied upon trade fixtures, furnishings, equipment, and all other personal property of Lessee contained in the Premises or elsewhere, and when possible, Lessee shall cause such property to be assessed and billed separately from the real property of Lessor.

Notwithstanding the above, Lessee shall not be responsible for, or have any personal liability to the Lessor for the payment (or a tenant's non-payment) of (1) taxes and assessments levied upon the personal property or fixtures of any tenant within the Premises, (2) the payment of any Airport related fees or charges assessed against any

tenant in the Premises with respect to such tenant's use of the Airport facilities, and (3) commercial use fees assessed by the City , which the City hereby agrees shall be assessed directly against tenants on the Premises and not Lessor.

#### **ARTICLE X. UTILITIES**

A. Lessee Responsible. Except as provided in ARTICLE X,C below, Lessee may install and maintain, at its sole expense, telephone, electric, cable television, gas and other utilities necessary to its use and enjoyment of the Premises. Lessee shall install and maintain, at its sole expense, any potable water supply systems and sanitary sewer facilities required to serve the Premises as approved by the City in accordance with this Lease.

B. City's Right To Connect. The City and its' authorized agents shall have the right, without charge by Lessee, to connect to water, sewer, power, gas and communication lines or equipment as are now or later installed upon the Premises and shall have the right of access to construct and maintain such connections. Lessee, however, will not be liable for any additional service fees or charges imposed by the utility provider as a result of such connection, nor will Lessee be required to contribute to the cost of upgrading any utility installations required in order to accommodate additional development within the vicinity of the Premises or the Airport generally.

C. Fire Hydrant Installation. The City, at its sole expense, will install and maintain water lines and a maximum of three fire hydrants to a location identified by the City Fire Marshall for the purpose of providing fire protection to the Premises and future offsite development. Said improvements shall be substantially completed by the City within 60 days of the effective date of this lease.

#### **ARTICLE XI. DAMAGE TO OR DESTRUCTION OF IMPROVEMENTS**

A. General Obligation to Repair or Rebuild. The damage or destruction of Improvements on the Premises shall not terminate this Lease. Within ninety (90) days of the damage or destruction, Lessee shall commence and diligently pursue to complete the repair, replacement, or reconstruction of Improvements necessary to permit full use and occupancy of the Premises for the purposes permitted by this Lease. Notwithstanding the foregoing, upon any material damage to or destruction of the Improvements (effectively rendering the Improvements untenable) occurring within the last 48 months of the initial term of this Lease or any renewal term, Lessee may elect not to reconstruct the Improvements, but rather may (1) assign to Lessor the rights to all insurance proceeds available to reconstruct the Improvements and (2) thereupon vacate and surrender the Premises to Lessor whereupon this Lease will be deemed terminated.

B. Lessor Approval of New Plans. If Lessee wishes to repair or reconstruct the damaged or destroyed Improvements so that the repaired or rebuilt Improvements would not comply with the plans previously approved by the City for the Improvements, Lessee shall submit the revised plans to the City and comply with the requirements of this Lease that apply to the approval of plans for new Improvements

**ARTICLE XII. ASSIGNING, SUBLETTING, ENCUMBERING AND SELLING OF HANGAR SPACE.**

A. Space Leases. A Qualified Owner may enter into a month to month lease with a Qualified Sub-Tenant for the use of Qualified Owner's hangar for activities allowed under this Lease using the Approved Lease Form in effect at the time of execution of such lease ("Space Lease"). Prior to entering into any Space Lease, Qualified Owner shall submit to the Lessee, who shall recommend approval or disapproval and forward to the Airport Manager a notice which sets forth the identity of the proposed Qualified Sub-Tenant and the natural persons (if the proposed Qualified Sub-Tenant is not a natural person) who own and control such proposed Qualified Sub-Tenant, together with such reasonable background information with respect to such parties as Lessor may from time to time require ("Notice of Intent to Lease"). Unless and until modified by Lessor, the Notice of Intent to lease shall be in the form, and contain the information require in Exhibit "D" attached hereto. The Airport Manager shall have ten (10) business days within which to provide Qualified Owner written notice of any objection that Lessor has to the identity or background of the proposed Qualified Sub-Tenant or any of its principals, together with an explanation of the basis for Lessor's concern with such proposed Qualified Sub-Tenant and either (I) an outright rejection of Qualified Owner's right to complete a Lease with such proposed Qualified Sub-Tenant or (ii) a statement of requirements that must be met with respect to the proposed Qualified Sub-Tenant before a Lease can be entered into ("Objection Notice"). If the Airport Manager fails to issue such an Objection Notice with respect to any proposed Qualified Sub-Tenant within the afore-mentioned ten (10) business day period, then Lessor shall be deemed to have approved the proposed Qualified Sub-Tenant and Qualified Owner shall be entitled to consummate the proposed Space Lease using the then applicable Approved Lease Form. With respect to each Space Lease created by a Qualified Owner, Lessor and Lessee agree as follows:

1. Each Space Lease shall be subject and subordinate to this Lease and the rights of Lessor hereunder, and the rights of a Permitted Encumbrance as provided for in this Lease.

2. Any act or omission by a Qualified User which constitutes a violation of any term of this Lease shall be deemed a violation of such provision by Lessee, it being the intention and meaning of the parties that Lessee shall assume and be liable to Lessor for any and all acts and omissions of any and all Qualified Users that constitute violations of this Lease.

3. Lessee will provide to Lessor a copy of each Space Lease following execution of same.

B. Other Leases. With the exception of Space Leases completed in accordance with paragraph "A", above, Qualified Users may not enter into any lease or sublease all or any portion of the Premises without the Lessor's prior written approval. In the event Lessor consents to any such other lease or sublease, the provisions of paragraph A, parts 1 through 3, above, shall apply to same.

C. Encumbrances Approved by the City. Any proposed encumbrance, or any Sublease (other than a Space Lease) of the Premises by a Qualified User, must be first approved in writing by the Airport Manager. Any encumbrance or Sublease not approved by the City shall be void and any occupancy of the Premises by any person acting under such an encumbrance or Sublease before City approval shall be a breach of this Lease. Any document used to encumber or Sublease the Premises shall incorporate the provisions of this Lease. The City may withhold consent to an encumbrance or Sublease for any of the following reasons:

1. Lessee is in default of this Lease, whether or not notice of default has been given by the City.
2. The prospective Encumbrancer or Qualified User has not agreed in writing to be bound by this Lease.
3. The terms of the Encumbrance or Sublease have not been revealed in writing to the City.
4. Construction of any Improvements previously undertaken by Lessee have not been completed to the satisfaction of the City.
5. A processing fee of \$200.00 for approval of an Encumbrance or Sublease has not been paid to the Lessor by Lessee.

D. Permitted Encumbrance for Financing Improvements. An Encumbrance to finance construction of Improvements, including the Initial Improvements, shall be permitted subject to the following terms and conditions ("Permitted Encumbrance"):

1. Permitted Encumbrance—Conditions Of. Lessee or Qualified Owners from time to time during the term of this Lease may make one or more Permitted Encumbrances, provided that,

- (a.) Each Permitted Encumbrance shall cover no interests in any real property other than their particular and specific interest in the Premises, the Improvements and the Space Leases;
- (b) The holder of such Permitted Encumbrance ("Mortgagee") shall promptly deliver to Lessor in the manner herein provided for the giving of notice to Lessor, a true copy of the Permitted Encumbrance(s) and of any assignment thereof, and shall notify Lessor of the address of the Mortgagee(s) to which notices may be sent;
- (c) Permitted Encumbrance shall contain provisions permitting the disposition and application of the insurance proceeds and condemnation awards in the manner provided in this Lease.

2. Effect of Permitted Encumbrance. For the purpose of this Section the making of a Permitted Encumbrance shall not be deemed to constitute an assignment or transfer of this Lease, nor shall any Mortgagee, as such, be deemed an assignee or transferee of this Lease or of the leasehold estate hereby created so as to require such Mortgagee, as such, to assume the performance of any of the terms, covenants, or conditions on the part of Lessee to be performed hereunder; but the purchaser at any sale of this Lease in any proceedings for the foreclosure of any Permitted Encumbrance, or the assignee or transferee of this Lease under any instrument of assignment or transfer in lieu of the

foreclosure of any Permitted Encumbrance, shall be deemed to be an assignee or transferee within the meaning of this Section and shall be deemed to have assumed the performance of all of the terms, covenants, and conditions on the part of Lessee to be performed hereunder from and after the date of such purchase and assignment.

3. Notice to Mortgagees. So long as any Mortgage shall remain a lien on Lessee's leasehold estate or Qualified Owner's hangar ownership, Lessor agrees, simultaneously with the giving of any notice to Lessee or Qualified Owner (i) of default, or (ii) of a termination hereof, or (iii) of a matter on which a default may be predicated or claimed, or (iv) of a condition which if continued may lead to a termination hereof, to give duplicate copies thereof or of any process in any action or proceeding brought to terminate or otherwise in any way affect this Lease, to Mortgagee, and no such notice to Lessee or Qualified Owner or process shall be effective unless a copy of such notice is given Mortgagee in the manner herein provided. Mortgagee will have the same period after receipt of that notice for remedying the default or causing the same to be remedied as is given Lessee or Qualified Owner after notice to it plus twenty (20) days thereafter, and Lessor agrees to accept such performance, on the part of the Mortgagee as though the same had been done or performed by Lessee or Qualified Owner.

4. Mortgagee Cures. Lessor shall take no action to effect a termination of this Lease by reason of any default without first giving to Mortgagee reasonable time within which either (i) to obtain possession of the Premises (including possession by a receiver) and thereafter to cure such default if the default be one which can be cured with the exercise of reasonable diligence by Mortgagee, or (ii) institute foreclosure proceedings and to complete such foreclosure, or otherwise to acquire Lessee or Qualified Owner's interest under this Lease with diligence and without unreasonable delay in the case of a default which cannot be cured with the exercise of reasonable diligence by the Mortgagee. In either case, the default of which notice shall be given shall be deemed cured. The Mortgagee shall not be required to continue such foreclosure proceedings if the default shall be cured by Lessee or Qualified Owner; provided, further, that nothing herein shall preclude Lessor from exercising any rights or remedies under this Lease with respect to any other default by Lessee or Qualified Owner during any period of such forbearance.

5. Conditions of Cure. The provisions of the preceding paragraph and this paragraph are conditioned upon the following: The Mortgagee shall, within thirty (30) days after notice of such default:

(a) Notify Lessor of its election to proceed with due diligence promptly to acquire possession of the Lessee or Qualified Owner's mortgaged interest or to foreclose the Permitted Encumbrance or Premises or otherwise to extinguish Lessee's or Qualified Owner's interest.

(b) Deliver to Lessor an instrument in writing duly executed and acknowledged wherein such Mortgagee agrees that:

(1) During the period that Mortgagee shall be in possession of the mortgaged interest and so long as it remains in possession and/or during the pendency of any such foreclosure or other proceedings and until the interest of Lessee in this Lease or Qualified Owner in the mortgaged interest shall terminate or such proceeding shall be

discontinued, it will pay or cause to be paid to Lessor all sums from time to time becoming due hereunder for rents and other regular assessments; and (2) If delivery of possession of the Premises or mortgaged interest shall be made to such Mortgagee, whether voluntarily or pursuant to any foreclosure or other proceedings or otherwise, such Mortgagee shall, promptly following such delivery of possession, perform all the covenants and agreements herein contained on Lessee or Qualified Owner's part to be performed (including but not limited to payment of net rent) to the extent that Lessee or Qualified Owner shall have failed to perform the same to the date of deliver of possession, except such covenants and agreements which cannot with the exercise of due diligence be performed by such Mortgagee. Nothing in this (2) shall be construed to require such Mortgagee to perform any of the Lessee's or Qualified Owner's obligations hereunder accruing after such Mortgagee ceases to be in possession.

6. Mortgagee Consent. This Lease shall not be modified or surrendered to Lessor or cancelled by Lessee, nor shall Lessor accept a surrender of this Lease without the prior written consent of Mortgagee, nor shall any merger result from the acquisition by, or devolution upon, any one entity of the fee and leasehold estates in the Premises.

7. Lessor Option To Purchase Mortgagee's Interest. Before exercising the power of sale or instituting foreclosure proceedings under the Permitted Encumbrance, Mortgagee shall first offer to the City and the City shall have the right to purchase all right, title, and interest in all property encumbered by the Permitted Encumbrance directly from trustee, and without public sale, for the then outstanding balance due on the note or notes secured by the Permitted Encumbrance, plus trustee's fees and costs of sale. The offer to the City shall be made no later than ten (10) days following the filing of Notice of Default, and the City may exercise the option to purchase within three (3) months following the filing.

E. Assignees Bound. Every assignee, whether as assignee or as successor in interest of any assignee of Lessee herein named or as assignee of the holder of any Permitted Encumbrance, or as successor in interest of any assignee, including any purchaser of under a foreclosure of any Permitted Encumbrance, shall immediately be and become and remain liable for the payment of all rent coming due hereunder, and for the due performance of all the covenants, agreements, terms, and provisions hereof on Lessee's part to be performed to the end of the term hereof, and every provision of this Lease applicable to Lessee shall apply to and bind every such assignee and purchaser with the same force and effect as though such assignee or purchaser were the Lessee named in this Lease. No transfer to such assignee or to such purchaser shall be binding upon Lessor unless such assignee or purchaser shall deliver to the Lessor a recordable instrument which contains a covenant of assumption by said assignee or purchaser to such effect, but the failure or refusal of such assignee or purchaser to deliver such instrument shall not release or discharge such assignee or purchaser from its obligations and liability as above set forth. Subsequent to the completion of the Initial Improvements and the discharge of all obligations in connection therewith, upon any assignment of this Lease, and the delivery of the instruments above referred to, the assignee shall be released from the performance of all of the obligations on the part of Tenant thereafter to be performed hereunder, except any obligation to hold and apply insurance or other

monies held by assignor on the date of the assignment and any unperformed obligations which shall have matured prior to such assignment.

F. Limitations on Third Party Transfers for Value. Beginning one year after a certificate of occupancy is issued by the City and continuing through the term of this Lease and any option period, except for space leases as defined in Article XII, if Lessee or Qualified Owner sells, assigns, subleases, conveys or otherwise transfers for value to a third party more than seven hundred (700) square feet of its building area interest in this Lease or hangar ownership interest to another entity, a conveyance fee equal to five percent (5%) of the sales price for the transferred interest shall be paid to the city, provided, however, that in no event shall this conveyance fee be less than \$2,000.00. The applicability of such conveyance fee is intended to be limited to third party transactions. Such fee shall not be charged to the first assignment of the entire Lease to the Portable Hangar owner's Association or where Lessee (or the members of the Lessee) are conveying interests in the Lease (or in Lessee) to family members or trusts or other entities in which family members hold beneficial interests, whether such conveyances occur as part of estate or family planning activities or as a result of the death of one or more of the members of Lessee.

G. Recognition Of Lessor Of Intent Of Lessee To Sell And Convey Ownership Interest In Hangars. Lessor hereby specifically recognizes the intentions of Lessee to create a Portable Hangarowner Association and, while retaining the leasehold estate created hereunder within that Association, to sell the ownership interest in the portable hangars located, thereon. The form of such Association and bylaws/operating agreement of that Association and subsequent Qualified Owners and Qualified Sub-Tenants shall be subject to approval by Lessor, and the provisions of this Lease shall control the conduct, responsibilities and liabilities of the Qualified Users in regard to their activities in regard to and upon the Premises

### **ARTICLE XIII. DEFAULT BY LESSEE**

A. Lessee Default. Should Lessee default in the performance of this Lease, the City shall give written notice to Lessee and any Mortgagee holding an interest under a Permitted Encumbrance, of the default and what must be done to correct the default and the period of time in which Lessor has to cure such default. If the default is monetary in nature, the cure period shall be no less than 10 business days. If the default is non-monetary in nature, the cure period shall be no less than thirty days; provided that if at the end of any applicable cure period, Lessee is diligently pursuing a cure of the default, then such period shall be extended up to an additional 60 days provided that Lessee continues to diligently pursue such cure. If the default as noticed by the City is not corrected within the applicable cure period, the City may declare this Lease terminated. In the event of any such termination, Lessor and/or its designee shall have the right to re-enter the premises and remove therefrom all persons and personal property of the Lessee and may pursue any other remedy provided for herein or under applicable law, or Lessor may treat this Lease as continuing and take, have, and recover any damages it may have sustained or continue to sustain by reason of such continuing breach. All rights of Lessee and those who claim under or through Lessee shall expire and be of no further force and effect at time of any such

termination; subject, however, to the continuing rights under Article XII, if any, of a Mortgagee holding a Permitted Encumbrance. If any Lessee default noticed by Lessor hereunder relates to any act or omission of a tenant under a Space Lease (including, without limitation, any act or omission described in Article XIX), Lessee's termination of the rights of the defaulting tenant under its Space Lease shall be deemed to be an effective cure of such default under this Lease, so long as such termination results in or is accompanied by a cure of the condition giving rise to the default.

B. Quitclaim Upon Termination. Upon termination of this Lease for any reason, Lessee shall execute, acknowledge and deliver to the City within thirty (30) days after receipt of written demand therefore, a good and sufficient document whereby all title and interest of Lessee in the Premises is quitclaimed to City.

#### **ARTICLE XIV. TERMINATION OF LEASE BY CITY.**

A. If the City should need the Premises during the term of this Lease for future expansion or operation of the Airport, the City may terminate this Lease by giving Lessee one-hundred-eighty (180) days prior written notice. Within thirty (30) days following the giving of such notice, Lessee and Lessor shall each identify an appraiser to conduct appraisals of the Lessee's interest in the Property. The cost of both appraisals shall be paid by the Lessor. Each appraiser shall be instructed to independently arrive at the fair market value of the Lessee's interest in the property and any Qualified Owner's interest in property improvements; taking into account the income producing capacity and/or the value of Qualified Owner's loss of use/loss of investment during the remaining term of the Lease and any remaining extension periods. The mathematical average of the valuations arrived at by the two appraisers shall be the "Buy Out Price."

B. Upon the effective date of the termination, Lessor shall pay to or for the benefit of Lessee and/or Qualified Owner and any mortgagee, in cash, the greater of (1) the Buy Out Price, or (2) the outstanding balance secured by the Permitted Encumbrance, whereupon all Improvements shall become the sole property of the Lessor.

#### **ARTICLE XV. TERMINATION BY LESSEE.**

If during the initial term of this Lease the city should, in the opinion of the F.A.A., fail to maintain the landing areas in a safe condition for aircraft operations, or any ordinance or law should become effective, the terms of which so restrict the uses to which the Premises may be put, such that Lessee and/or Qualified Users are unable to continue the use and occupation of the Premises substantially in the manner as allowed by this Lease, Lessee may terminate this Lease by giving Lessor sixty (60) days prior notice of termination. Upon the effective date of termination, Lessor shall pay to or for the benefit of Lessee and/or Qualified Owner, and any Mortgagee the greater of (1) the construction cost of all Improvements divided by the number of years in the initial lease terms and then multiplied by the number of whole years remaining under the Lease, or (2) the then outstanding balance due under all Encumbrances approved by

Lessor for the construction of Improvements. Upon making such payment all Improvements shall become the property of Lessee and/or Qualified Owner.

#### **ARTICLE XVI. DISPOSITION OF IMPROVEMENTS.**

A. Ownership of Improvements. All Improvements installed by Lessee and/or Qualified Owners shall be and remain the property of Lessee and/or the Qualified Owner during the term of this Lease. Upon the expiration or termination of this Lease, the Improvements shall become the property of the Lessor.

B. Disposition of Improvements Upon Termination. Upon termination of this Lease, Lessee and/or Qualified Owner shall not be required to remove from the Premises any Improvements that had been approved by Lessor at the time of their construction or installation.

#### **ARTICLE XVIII. EMINENT DOMAIN**

A. General. If all of the Premises is condemned by a public entity in the lawful exercise of the power of eminent domain, this Lease shall terminate upon the date possession is taken by the public entity. If only a part is condemned and the taking of that part does not substantially impair the capacity of the remainder to be used for the purposes allowed by this Lease, Lessee shall continue to be bound by the terms, covenants and conditions of this Lease, except, the monthly rental shall be reduced in proportion to the relationship that the compensation paid by the public entity for the portion of the Premises condemned bears to the value of the whole of the Premises as of the date possession of the part is taken by the public entity. Each Qualified Owner's interest shall also be valued and compensated accordingly. If only a part is condemned and the taking of the part substantially impairs the capacity of the remainder to be used for the purposes allowed by this Lease, Lessee and/or Qualified Party shall have the option to:

1. Terminate this Lease and be absolved of all obligations hereunder which have not accrued at the date possession is taken by the public entity; or
2. Continue to occupy the remainder of the Premises and remain bound by the terms, covenants and conditions of this Lease. If Lessee elects to continue to occupy the remainder, the monthly rental shall be reduced in proportion to the relationship that the compensation paid by the public entity for the portion of the Premises condemned bears to the value of the whole of the Premises as of the date possession of the part is taken by the public entity.

Lessee shall give notice in writing of its choice of remedies hereunder within thirty (30) days of the date possession of the part is taken by the public entity. If Lessor and Lessee can not agree as to whether a partial taking substantially impairs the capacity of the remainder to be used for the purposes allowed by this Lease, then they shall submit the issue to mediation in accordance with Article XXII.

B. Division of Award. If the order or decree in any condemnation or similar proceeding shall fail separately to state the amount to be awarded to the Lessor and the amount to be awarded to the Lessee and/or any Qualified Owner implicated thereby,

under the provisions of Article XVII, by way of compensation, damages, rent, the cost of demolition, removal or restoration or otherwise, and if the Lessor and the Lessee or Qualified Owner cannot agree thereon within thirty (30) days after the final award or awards shall have been fixed and determined, such dispute shall be determined in accordance with Article XXII herein.

C. Rights of Participation. Each party (Lessor, Lessee and/or Qualified Owner) shall have the right, at its own expense, to appear in any condemnation proceeding and to participate in any and all hearings, trials, and appeals therein. In addition, Lessor agrees to cooperate fully with Lessee and/or Qualified Owner to prevent any condemnation or eminent domain proceeding to be instituted or otherwise successfully prosecuted.

D. Notice of Proceedings. In the event Lessor or Lessee shall receive notice of any proposed or pending condemnation proceedings affecting the Premises or improvements thereon, the party receiving such notice shall promptly notify the other party of the receipt and contents thereof. To the extent that such notice implicates the interests of a Qualified Owner, Lessee shall notify such owner(s).

#### **ARTICLE XVIII. RESERVATIONS TO THE CITY**

A. Reservation for Utility Installations. The Premises are accepted by Lessee subject to any and all existing easements and encumbrances on the Premises. The City may, at no cost to Lessee, install, lay, construct, maintain, repair and operate water, oil, gas, sanitary sewer, storm water, telephone, communication lines, conduits, and equipment and appurtenances in, over, across and along the Premises so long as it promptly repairs any damage or disturbance to the Premises or the Improvements caused in exercising such rights. No right reserved by the Lessor this Article shall be so exercised as to interfere unreasonable with Lessee operations hereunder, or impair the security of the Mortgagee. The City agrees that rights granted to third parties shall contain provisions that the surface of the land shall be restored as nearly as practicable to its original condition upon the completion of any construction. The City further agrees that should the exercise of these rights temporarily interfere with the use of any or all of the Premises by Lessee, the rental shall be reduced in proportion to the interference with Lessee's use of the Premises.

B. General Inspection Right. The City reserves the right for the Airport Manager or his/her designee to enter the premises during normal business hours and conduct inspections of the entire premises for compliance with the provisions of this Lease. At least 24 hours prior written notice shall be given by the City with respect to each exercise of this right.

#### **ARTICLE XIX. FEDERAL AVIATION ADMINISTRATION REQUIREMENTS**

If there is any conflict between the provision in this Article and the other provisions in this Lease, the provisions in this Article shall take precedence.

A. Lessee for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a

covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the Premises for a purpose for which a United States Department of Transportation (DOT) program or activity is extended or for another purpose involving the provision of similar services or benefits, Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

B. Lessee for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of Lessee 's facilities; (2) that in the construction of any Improvements on, over, or under such Premises and the furnishing of services thereon, no person on the ground of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination; (3) that Lessee shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

C. In the event of Lessee's breach of any of the above nondiscrimination covenants, the City shall have the right to terminate this Lease and to re-enter and re-possess such land and the facilities thereon and hold the same as if this Lease had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.

D. Lessee shall furnish its accommodations and services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; PROVIDED, THAT Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.

E. Non-compliance with Provision "D" above shall constitute a material breach thereof and, in the event of such non-compliance, the City shall have the right to terminate this Lease and the estate hereby created without liability therefore, or at the election of the City or the United States either or both said Governments shall have the right to judicially enforce said Provisions.

F. Lessee agrees that it shall insert the above five (5) Provisions in any sublease, contract or agreement by which said Lessee grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the Premises herein leased.

G. Lessee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race,

creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Lessee assures that it will require that its covered sub organizations provide assurances to Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

H. The City reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of Lessee without interference or hindrance.

I. The City reserves the right but shall not be obligated to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of Lessee in this regard.

J. This Lease shall be subordinate to the provisions and requirements of any existing or future agreement between the City and the United States, relative to the development, operation or maintenance of the Airport.

K. There is hereby reserved to the City, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises herein leased. This public right of flight shall include the Premises herein leased. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from or operation on the Airport.

L. Lessee agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the leased Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the leased Premises.

M. Lessee, by accepting this, expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object, nor permit the growth of any tree on the land leased hereunder that conflict with Part 77 of the Federal Aviation Regulations. In the event the aforesaid covenants are breached, the City reserves the right to enter upon the land leased hereunder and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of Lessee.

N. Lessee, by accepting this Lease, agrees for itself, its successors and assigns that it will not make use of the leased Premises in any manner which might interfere with the landing and taking off of aircraft from said Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, the City reserves the right to enter upon the Premises hereby leased and cause the abatement of such interference at the expense of Lessee.

O. Nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act of 1958 (49 U.S.C. 1349a).

P. This Lease and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of said Airport or the exclusive or non-exclusive use of the Airport by the United States during the time of war or national emergency.

## **ARTICLE XX. HAZARDOUS MATERIALS**

### **A. Definitions.**

(1) *Hazardous Materials Laws* means any Federal, State or local law, ordinance, rule, order, regulation or court decision relating to Hazardous Materials.

(2) *Hazardous Materials* means any substance or other material that:

(a) is defined as a hazardous substance, hazardous material, hazardous waste or toxic substance under any Hazardous Materials Law or is a flammable or explosive material (including gasoline, diesel, aviation fuels, lubricating oils, and solvents), asbestos, radioactive material, nuclear medicine material, drug, vaccine, bacterial, virus, or injurious or potentially injurious matter; or

(b) is controlled or governed by any Hazardous Materials Law.

B. Hazardous Material Handling, Spills, and Cleanup. Lessee shall comply with any Material Hazardous Law in the storage, distribution, processing, handling or disposal of any Hazardous Materials. If during the term of the Lease any Hazardous Material spills, leaks, or is discharged on or from the Premises, Lessee shall immediately make all repairs necessary to prevent further spills, leaks or discharges and shall immediately clean up the spill, remove any contaminated soil and promptly dispose of the spilled Hazardous Material and soil in the manner prescribed by Hazardous Materials Laws. If Lessee fails to immediately clean up the spill or properly dispose of any contaminated soil the City may, upon twenty-four (24) hours written notice to Lessee, take whatever action is necessary to clean up the spill and dispose of any contaminated soil. Lessee shall reimburse the City for the cost of all such work by the City within thirty (30) days from receipt of a bill from the City. Notwithstanding the foregoing, as between Lessee and Lessor, Lessee shall not be responsible for the cost of handling, removing and disposal of (a) any Hazardous Material which is determined to have been present on or below the Premises at the inception of this Lease, and (b) any material (whether or not a Hazardous Material) deposited on the Premises by any person exercising rights under the public right of flight reserved by the City under Article XIX, paragraph K. of this Lease.

C. Termination. Upon termination of this Lease, Lessee shall, at Lessee's cost, remove any equipment utilized in connection with any Hazardous Materials and shall clean up, detoxify, repair and otherwise restore the Premises to a condition free of Hazardous Materials, to the extent such condition is caused by Lessee or any assignee

or sublessee of Lessee or their respective agents, contractors, employees, licensee or invitees.

D. Default. The release or discharge of any Hazardous Materials or violation of any Hazardous Materials Law by Lessee or any assignee or sublessee of Lessee shall be a material default by Lessee under the Lease, subject to the notice and cure provisions of Article XIII. In addition to or in lieu of the remedies available under the Lease as a result of such default, the City shall have the right, without terminating the Lease, to require Lessee to suspend its operations and activities on the Premises until the City is satisfied that appropriate remedial work has been or is being adequately performed. The City's election to suspend Lessee's operations shall not constitute a waiver of the City's right thereafter to declare a default and pursue other remedies set forth in the Lease.

#### **ARTICLE XXI. DEFAULT BY LESSOR**

In the event of any breach by Lessor of any of the covenants, agreements, terms, or conditions hereof, Lessee, in addition to any and all other rights, shall be entitled to enjoin such breach and shall have the right to invoke any right and remedy allowed at law or in equity or by statute or otherwise for such breach.

#### **ARTICLE XXII. DISPUTE RESOLUTION; MEDIATION**

All claims, disputes and other matters in controversy (herein called "**dispute**") arising out of or related to any provision in this Agreement shall be resolved exclusively according to the procedures set forth in this Article XXII. No party to this Agreement shall commence any litigation proceeding against the other unless such party shall first give a written notice (a "**Dispute Notice**") to the other party setting forth the nature of the dispute. Each party shall designate a senior executive officer to act on its behalf and to attempt in good faith to resolve the dispute by mediation under the Commercial Mediation Rules of the American Arbitration Association (AAA) in effect on the date of the Dispute Notice. If the parties cannot agree on the selection of a mediator within twenty (20) days after delivery of the Dispute Notice, the mediator will be selected by the AAA. If the dispute has not been resolved by mediation as provided above within ninety (90) days after delivery of the Dispute Notice, then either party may thereafter elect to seek resolution of the dispute through legal process (litigation).

#### **ARTICLE XXIII. MISCELLANEOUS PROVISIONS**

A. Holding Over. In the event Lessee, or Qualified User, shall hold over after the term herein granted, the holding over shall be deemed to be a tenancy from month-to-month and shall be governed by the provisions of this Lease.

B. Amendments. This Lease sets forth all of the agreements and understandings of the parties and any modification of this Lease must be written and executed by Lessor and Lessee.

C. Force Majeure. If by reason of force majeure, Lessee cannot perform any obligation of this Lease, it shall give notice of the force majeure to the City in writing within ten (10) days of the occurrence relied upon. The obligation of Lessee, to the extent and for the period of time affected by the force majeure, shall be suspended. Lessee and Lessor shall jointly endeavor to remove or overcome the inability with all reasonable effort. For purposes of this provision, "force majeure" shall mean acts of God, landslides, lightning, earthquakes, hurricanes, storms, floods, or other natural occurrences; strikes, lockouts, insurrections, riots, wars, or other civil or industrial disturbances; orders of any kind of the Federal or State government or of any civil or military authority; explosions, fires, breakage or accidents to machinery, lines, or equipment, or the failure of the system or water supply system; or any other cause not reasonably within the control of Lessee. Force Majeure shall not include financial inability and shall not excuse Lessee from paying any monthly rental or other charge as required by this Lease.

D. Partial Invalidity. If any provision of this Lease is held by a court of competent jurisdiction to be invalid, the remainder of the Lease shall remain in effect.

E. Time. Time is of the essence of this Lease.

F. Americans With Disabilities Act. Lessee warrants that it is in compliance with the Americans with Disabilities Act (Public Law 101-336) and that it will, in carrying out the requirements of this Lease, comply in all respects with the provisions of the Act and its implementing regulations.

G. Unlawful Use. Qualified User and its employees and agents shall not use or knowingly allow any other person to use of the Premises in violation of any federal, state, county, or local regulation, order, law, or ordinance applicable to the Premises.

H. Notices. Any notice given under this Lease shall be given in writing by mail, by delivery in person or by telecopier addressed as follows, or as the City or Lessee may hereafter designate by written notice:

To the City:            Airport Manager  
                              City of Prescott  
                              6546 Crystal Lane  
                              Prescott, AZ 86301  
                              Facsimile:928-771-5861

With a copy to: City Manager  
                              City of Prescott  
                              P. O. Box 2059  
                              Prescott, AZ 86302  
                              Facsimile:928-777-1255

To Lessee:             2251 Ruger, L.L.C.  
                              Attn: Charles E. Fulton  
                              2141 Forest Mountain Rd.  
                              Prescott, AZ. 86303  
                              Tel: 928-778-4617

I. Successors in Interest. Unless otherwise provided in this Lease, this Lease shall apply to and bind the successors and assigns of Lessee and the City.

J. Signage. Qualified User shall place no signs, flags, or posters or other advertising or promotional materials on the premises, on the exterior of the premises, or in the windows of the demised premises without having obtained Lessor's prior written consent, which consent will not unreasonably be withheld.

K. Security. Lessee hereby agrees that the Lessor shall have a first and superior lien on all fixtures and personal property belonging to the Lessee in and about said building as additional security for the performance of this lease.

L. Lessee Indemnity. Lessee shall indemnify and hold harmless Lessor from and against any and all claims arising from Lessee's use of the premises or from the conduct of Lessee's business or from any activity, work, or things done, permitted, or suffered by Lessee in or about the premises or elsewhere and shall further indemnify and hold harmless Lessor from and against any and all claims arising from any breach or default in the performance of any obligation on Lessee's part to be performed under the terms of the lease or arising from any negligence of the Lessee, or any of the Lessee's agents, contractors, or employees, and from and against all costs, attorney's fees, expenses, and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon; and in case any action or proceeding be brought against Lessor by reason of any such claim.

M. Lessor Indemnity. Lessor shall indemnify and hold harmless Lessee from and against any and all claims arising from any breach or default in the performance of any obligation on Lessor's part to be performed under the terms of the lease or arising from any negligence of the Lessor, or any of the Lessor's agents, contractors, or employees, and from and against all costs, attorney's fees, expenses, and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon; and in case any action or proceeding be brought against Lessee by reason of any such claim.

N. Waiver. The waiver by the Lessor of any breach or breaches by the lessee of any one or more of the covenants, agreements, conditions, or obligations herein contained or the acceptance of any delinquent payments shall not bar the Lessor's right to declare a forfeiture or to employ any other rights or remedies of the said Lessor in the event of any subsequent breach of any such or other covenants, agreements, conditions, or obligations. Any entry and/or re-entry by the Lessor, whether had or taken under what is generally known as summary proceedings, or otherwise, as provided by the terms of this lease, shall not be deemed to absolve or discharge the Lessee from liability hereunder.

O. Governing Law. The terms and conditions of this agreement shall be construed and governed in accordance with the laws of the State of Arizona.

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

Q. Attorneys Fees. 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 attorneys' fees, either pursuant to the Lease, pursuant to ARS Section 12-341.01 (A) and (B), or pursuant to any other State or Federal Statute.

R. Memorandum. Lessor and Lessee agree that at the request of either, each will execute a short form memorandum of this Lease in form satisfactory for recording in the office of the Yavapai County Recorder.

S. A.R.S. Section 38-511. 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 foregoing event, the City of Prescott further elects to recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating this agreement on behalf of the City of Prescott from any other party to the agreement arising as a result of this agreement.

DATED this \_\_\_\_ day \_\_\_\_\_, 2008.

**LESSEE:**

2251 Ruger, L.L.C.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

PASSED, APPROVED AND ADOPTED by the Mayor and Council of the City of Prescott this \_\_\_\_ day of \_\_\_\_\_, 2008

\_\_\_\_\_  
Jack D. Wilson, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Elizabeth A. Burke  
City Clerk

\_\_\_\_\_  
Gary D. Kidd  
City Attorney

# EXHIBIT A

COMMENCING POINT

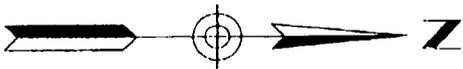
## 2251 RUGGER LEASE AREA

PARCEL REFERENCED ON RECORD  
OF SURVEY BK 10, S.,  
PGS. 46 - 50; BK 1638, O.R.,  
PG 32

POINT OF  
BEGINNING

AREA  
DESCRIBED

CL RUNWAY  
3R - 21L



DAYA AND ASSOCIATES  
310 EAST UNION STREET  
PRESCOTT, ARIZONA 86303  
928-778-7587  
071212 DWG T G C 12/12/07  
M:\899FUL\TN\WORD\071210 lgldesc.doc

# EXHIBIT A-I

DAVA AND ASSOCIATES  
310 EAST UNION STREET PRESCOTT, ARIZONA 86303  
928-778-7587

## 2251 RUGER, L.L.C. LEASE AREA

Description of land located in Section 25, Township 15 North, Range 1 West, of the Gila and Salt River Meridian, Yavapai County, Arizona.

**COMMENCING** at the northwest corner of said Section 25 as shown on the Record of Survey filed and recorded in Book 10 of Land Surveys, Pages 46 – 50 in the Yavapai County Recorder's Office;

thence, along the west line of said Section 25, South 01°51'56" East, 2,151.33 feet;

thence, departing said west line, North 88°08'04" East, 1,423.67 feet, to the most southerly corner of the parcel referenced on said Record of Survey sheet 4 of 5 as Book 1638 of Official Records, Page 32;

thence, South 43°27'20" East, 14.80 feet, to the **POINT OF BEGINNING**.

Thence, parallel with and 709.84 feet perpendicular to the centerline of runway 3R-21L right, North 41°15'00" East, 1,074.78 feet;

thence, South 48°45'00" East, 47.00 feet;

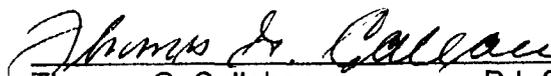
thence, parallel with and 662.84 feet perpendicular to centerline of runway 3R-21L right, South 41°15'00" West, 954.85 feet;

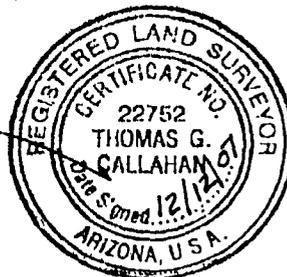
thence, South 16°15'00" West, 88.83 feet;

thence, North 73°45'00" West, 93.28 feet to the **POINT OF BEGINNING**.

Containing 51839 square feet / 1.19 acres.

I certify that, I, Thomas G. Callahan, am a Registered Land Surveyor in the State of Arizona, that this description was prepared under my direction and contains adequate information to allow retracement thereof.

  
Thomas G. Callahan, R.L.S. 22752



## **EXHIBIT "B"**

### **PERMITTED USES OF THE PREMISES**

Lessee shall use the Premises only for the following aeronautical purposes. No other uses of whatever nature shall be permitted under the terms of this Lease.

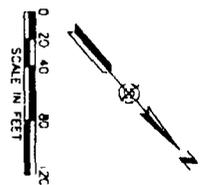
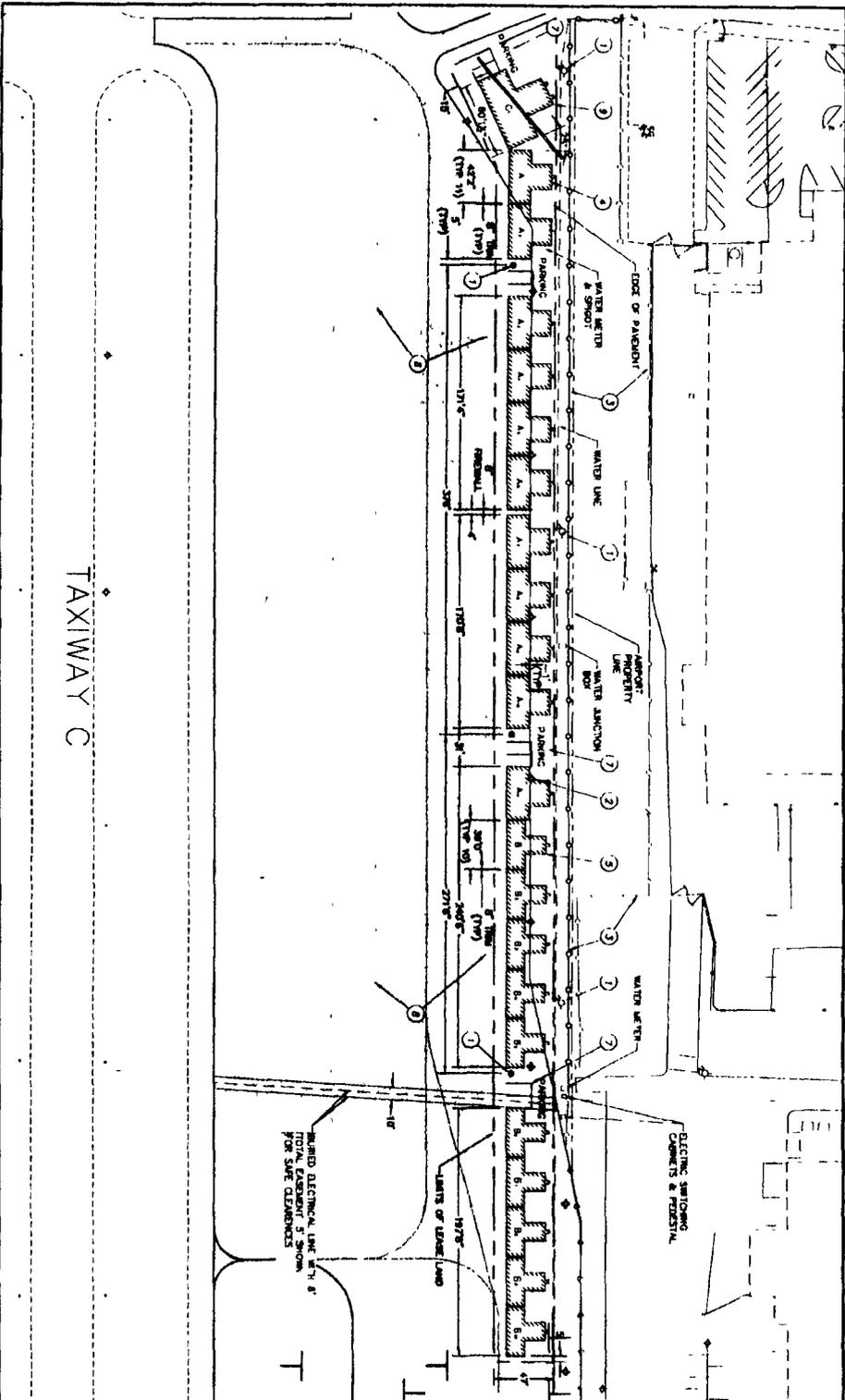
- a. The operation may include any or all of the following uses:
  - (1) Aircraft storage hangars and aircraft tie-down areas.
  - (2) Automobile parking lots and structures.
  - (3) Aircraft hangar space or tie-down leasing, sale or rental.
  - (4) Non-commercial maintenance and repair of aircraft.
  - (5) Non-retail Aviation fuel service for Lessee's own aircraft on condition that city requirements are met to conform with fire and environmental protection and the payment of flowage fees
  - (6) Office uses incidental to the uses permitted herein.
  - (7) Identification, directional and safety signs
- b. **NON-EXCLUSIVITY** Lessor in each and every enumerated use, reserves the right to provide to Airport users one or more of the services allowed by this Exhibit without the necessity of renegotiation of the terms and conditions of this Lease
- c. None of the uses enumerated in this Clause including, but not limited to aircraft tie-down or storage, shall be permitted in or upon any area of the Premises that have not been improved with paving without the prior written consent of the Airport Manager

# EXHIBIT C

2251 RUGGER ROAD  
PRESCOTT, AZ

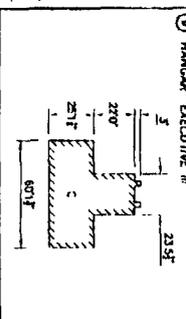
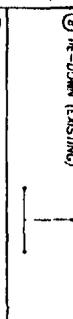
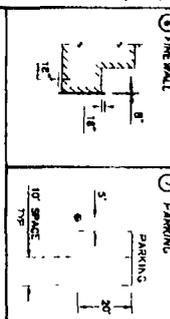
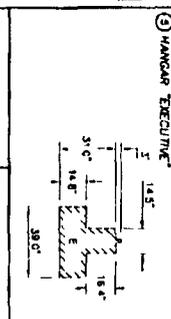
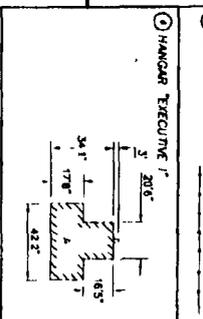
## HANGAR RELOCATION PLAN

INCLUDE: (1) EXECUTIVE III HANGAR, (11) EXECUTIVE I HANGARS & (10) EXECUTIVE HANGARS, (1) FIREWALL & (8) PARKING SPACES



### LEGEND

DESCRIPTION	EXISTING	PROPOSED
FIRE HYDRANT	⊙	⊕
LIGHT POLE	⊙	⊕
PAVEMENT	▨	▨
LEASE BOUNDARY	---	---
FENCE LINE	---	---



2251 RUGGER LLC  
PRESCOTT MUNICIPAL AIRPORT  
PORTABLE HANGAR  
RELOCATION

Z & F Engineering, Inc.  
777 North Douglas Avenue, Suite 10  
Prescott, AZ 86302  
PH: 928-445-2222  
www.zandfeng.com

PRELIMINARY  
FOR REVIEW  
ON

DATE	NO.	DESCRIPTION	BY
11/11/11	1	ISSUE FOR PERMIT	JL
11/11/11	2	REVISED PER COMMENTS	JL
11/11/11	3	REVISED PER COMMENTS	JL
11/11/11	4	REVISED PER COMMENTS	JL

**Exhibit “D”**

*Notice of Intent to Lease*

To: City of Prescott Airport Manager

Date:

Qualified Owner:

Proposed Qualified Sub-Tenant:

Principals of Proposed Qualified Sub-Tenant:

(If not a natural person)

This shall serve Notice to the City of Prescott from \_\_\_\_\_ of its intent to lease to the above-described Proposed Qualified Sub-Tenant, hangar space \_\_\_\_\_ / at the Prescott Airport, using the Space Lease form previously approved by the City. This notice is given pursuant to Article \_\_\_\_\_, Paragraph \_\_\_\_\_, of the *Airport Ground Lease between the CITY OF PRESCOTT & 2251 RUGER, L.L.C.*; also known as City contract number \_\_\_\_\_.

Set forth below is the Proposed Qualified Sub-Tenant related information required by the City.

THIS INFORMATION SHALL BE IDENTIFIED FROM TIME TO TIME BY THE CITY AND SHALL CONSTITUTE INFORMATION REQUIRED BY THE TRANSPORTATION SECURITY ADMINISTRATION OR OTHER GOVERNMENTAL AGENCIES FOR THE PURPOSES OF BACKGROUND SECURITY CHECKS THAT MAY, FROM TIME TO TIME, BE REQUIRED ON AIRPORT TENANTS.

<b>COUNCIL AGENDA MEMO – February 19, 2008</b>
<b>DEPARTMENT:</b> Airport
<b>AGENDA ITEM:</b> Authorization of Amendment No. 1 to City Contract #2008-067 which authorized an Airport Ground Lease agreement between the City and Legend Aviation for approximately 7.17 acres of airport property at Ernest A. Love Field.

<b>Approved By:</b>	<b>Date:</b>
<b>Department Head:</b> Benjamin Vardiman, Airport Manager	Feb 11, 2008
<b>Finance Director:</b>	
<b>City Manager:</b> <i>Alward</i>	<i>02/11/08</i>

In September of 2007, the City Council approved a ground lease of airport property with Legend Aviation (Prescott Aviation Land, LLC) for approximately 7.17 acres of airport property at the Ernest A. Love Field. This payment was included in the FBO proposal from Legend Aviation but staff has determined that it is more appropriate to place the language into the 7.17 acre lease document since this payment directly relates to that facility.

This Amendment No. 1 will place the appropriate language, which specifies the purchase of the City constructed improvements at the Arizona Aircraftsman hangar, into the lease document and completes the lease document.

<b>Recommended Action:</b> MOVE to approve Amendment No. 1 to City Contract #2008-067
---

LEASE AGREEMENT 2008 - 067

AMENDMENT NO 1

THIS Amendment No  1  to Lease Agreement 2008 - 067 is made this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_, between the CITY OF PRESCOTT, a municipal corporation of the State of Arizona, hereinafter designated "Lessor", and PRESCOTT AVIATION LAND, LLC, hereinafter designated "Lessee". The parties agree as follows:

Article I of the agreement shall be amended to read as follows:

Exhibit I – Warranty bill of sale

Article IV of the agreement shall be amended to read as follows

G. Building Purchase Price Within five (5) days following the Effective Date, Lessee shall pay to the City the sum of Two Hundred Sixty Thousand Dollars (\$260,000) ("**Building Purchase Price**") in consideration for the conveyance by the City to the Lessee pursuant to a warranty bill of sale in the form attached hereto as Exhibit "I" of the Arizona Aircraftsman Hangar Improvements located at 2020 Clubhouse Drive.

The agreement shall be amended as follows:

Exhibit I shall be included

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written

LESSOR:

\_\_\_\_\_  
CITY OF PRESCOTT  
Jack D Wilson, Mayor

ATTEST:

\_\_\_\_\_  
Elizabeth A. Burke  
City Clerk

\_\_\_\_\_  
Gary Kidd  
City Attorney

LESSEE:

\_\_\_\_\_  
Prescott Aviation Land, LLC

**EXHIBIT I**  
**WARRANTY BILL OF SALE**

For valuable consideration, receipt of which is hereby acknowledged, the City of Prescott, a municipal corporation of the State of Arizona ("**Seller**"), hereby sells, assigns, conveys and transfers to Prescott Aviation Fuel, LLC ("**Buyer**") good and marketable title, free and clear of any lien, encumbrance or claim of any right, title or interest, to the Arizona Aircraftsman Hangar Improvements located at 2020 Clubhouse Drive (collectively referred to herein as the "**Assets**") Nothing in this bill of sale conveys or shall be deemed to convey any interest whatsoever in the real property which the hanger is located upon.

Seller represents and warrants to Buyer that the Assets are free and clear of any lien, encumbrance or claim of any right, title or interest of any other person or entity and the Seller agrees to indemnify, defend and hold harmless Buyer from and against: (i) any claim of any person or entity that he/she/it has any lien, encumbrance or claim of any right, title or interest in and to all or any of the Assets; and (ii) any loss, cost, expense, including attorney fees and costs of litigation, investigation and appeal that may result from or arise out of any such claim

Dated \_\_\_\_\_, 2007

CITY OF PRESCOTT,  
a municipal corporation

\_\_\_\_\_  
By: JACK D. WILSON  
Its Mayor

ATTEST

APPROVED AS TO FORM:

\_\_\_\_\_  
Elizabeth Burke  
City Clerk

\_\_\_\_\_  
Gary Kidd  
City Attorney

M  
L  
S  
M

<b>COUNCIL AGENDA MEMO – 2/19/08 &amp; 2/26/08</b>
<b>DEPARTMENT:</b> Community Development
<b>AGENDA ITEM:</b> RZ05-005 Rezone from SF-18 to NOS and RS located generally south of Rosser Street and west of S. Blooming Hills Drive (extended) on ±5 acres

<b>Approved By:</b>	<b>Date:</b>
<b>Department Head:</b> Tom Guice	
<b>Finance Director:</b>	
<b>City Manager:</b> Steve Norwood <i>SNorwood</i>	<i>2/26/08</i>

**Agent/Applicant:** Haywood and Associates, P.O. Box 1001, Prescott  
**Owner:** Pasadena Corp, 1812 Peaceful Mesa, Prescott, AZ  
**Subject:** RZ05-005 Rezone from SF-18 to NOS and RS  
**Location:** Generally south of Rosser Street & west of S. Blooming Hills Drive (extended)

Parcels	Tract	Size (sq. ft.)	Zoning Existing / Proposed
105-03-505	A	6,316.7	SF-18 to RS
105-03-506	B	4,373.5	SF-18 to RS
105-03-507	C	68,197.5	SF-18 to NOS
105-03-508	D	139,089.8	SF-18 to NOS
Total Area		217,977.5 (±5 acres)	

**REQUEST:** RZ05-005 is a City of Prescott initiated request with the approval of the underlying property owner to rezone Open Space Tracts A, B, C, and D of the Cloudstone Unit I Planned Area Development Subdivision from Single-Family 18,000 sq ft. minimum lot size (SF-18) to Recreation Space (RS) for Tracts A & B, and to Natural Open Space (NOS) on Tracts C and D on ±5 total acres.

**PREVIOUS COUNCIL ACTION:** The Final Plat of Cloudstone Unit I (FP04-014) for a Planned Area Development of 95 lots on 27.32 acres was approved by City Council in 2005. As part of this approval, the City recommended rezoning of the open space to NOS with the property owner's approval and the waiving of the rezone application fee.

**STAFF ANALYSIS**

**Existing Conditions.** Cloudstone Unit I is presently under construction.

**Natural Open Space (NOS) Zoning.** This is one of the City's 2 open space zoning districts, and allows only passive uses which conserve public and private scenic resources of community value. Only those uses which entail minimum disturbance of the land's natural features are permitted within the NOS zone. These tracts are primarily hillside slopes over 20%.

**Recreation Space (RS) Zoning.** The other of the 2 open space zoning districts. This district is recommended by Staff instead of the NOS district because these two smaller tracts may be landscaped as entry features for the subdivision and will not remain in their natural state.

**Agenda Item: RZ05-005 Rezone from SF-18 to NOS and RS**

**Willow Lake South Area Plan.** The areas proposed for rezoning are designated Single-Family Residential. The NOS zoning will be compatible with this land use designation and the open space tracts within this approved subdivision.

**Trails.** As part of the open space system within the Cloudstone development, a 10-foot wide trail will be constructed by the developer within Tract D. The trail will ultimately connect to other future units within the Cloudstone subdivision.

**Area Meeting.** No area meeting was held because a downzoning of this nature is typically non-controversial and is welcomed by adjacent property owners

**Photo** of entrance to Cloudstone Unit I with landscaped open space on the right.



**PLANNING COMMISSION RECOMMENDATION:** On September 27, 2007, the Planning and Zoning Commission voted 4:0 to recommend approval. No city resident appeared before the Commission to either speak for or against the proposal.

**Recommended Action: MOVE to adopt Ordinance 4630-0832.**

**ORDINANCE NO. 4630-0832**

**AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AMENDING THE ZONING OF CERTAIN PROPERTY WITHIN THE CITY OF PRESCOTT LOCATED GENERALLY SOUTH OF ROSSER STREET AND WEST OF S. BLOOMING HILLS DRIVE AND DESCRIBED AS OPEN SPACE TRACTS A, B, C, AND D OF THE CLOUDSTONE UNIT 1 PLANNED AREA DEVELOPMENT SUBDIVISION FROM SINGLE FAMILY-18 TO NATURAL OPEN SPACE AND RECREATION SPACE ZONING**

**RECITALS:**

WHEREAS, the owners of certain properties within the corporate limits of the City of Prescott have requested a rezoning of their property; and

WHEREAS, no area meeting was held because a downzoning of this nature is typically non-controversial and is typically welcomed by adjacent property owners; and

WHEREAS, the City Council of the City of Prescott has determined that it would be in the best interest of public necessity, interest, convenience or general welfare to rezone certain property; and consistent with the general plan; and

WHEREAS, the requirements of Section 9.15 of the City of Prescott Land Development Code have been complied with.

**ENACTMENTS:**

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

SECTION 1. THAT the following described open space tracks of land, located generally south of Rosser Street and west of S. Blooming Hills Drive described as Open Space Tracts A & B of the Cloudstone Unit 1 Planned Area Development Subdivision shall be and are hereby reclassified from Single-Family 18,000 sq.ft. minimum lot size (SF-18) to Recreation Space (RS). A legal description of said tracks is attached hereto and marked Exhibit "A".

SECTION 2. THAT Tracts C & D on +/- 5 total acres of the Cloudstone Unit 1 Planned Area Development Subdivision shall be and are hereby reclassified from Single-Family to Natural Open Space (NOS). A legal description of said tracks is attached hereto and made a part hereof as Exhibit "A."

SECTION 3. THAT the Mayor and Staff are hereby authorized to take all necessary steps to effectuate such rezoning.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott this 26th day of February, 2008.

\_\_\_\_\_  
JACK D. WILSON, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
ELIZABETH A. BURKE, City Clerk

\_\_\_\_\_  
GARY D. KIDD, City Attorney

**EXHIBIT 'A'**

Those areas designated as Tract "A", Tract "B", Tract "C" and Tract "D" of Cloudstone Unit I Subdivision according to the plat of record recorded in the office of the Yavapai County Recorder in Book 53 of Maps, page 67.

SAMANTHA ST

HARVEST LN

SF-35

ASCOTT ST

TRACT 'M' →

TRACT 'N'

DIVINITY DR

DIVINITY DR

TRACT 'C'

STENODOC CR

BRIDGEWAY CR

SOLSTICE DR

SF-18 (PAD)

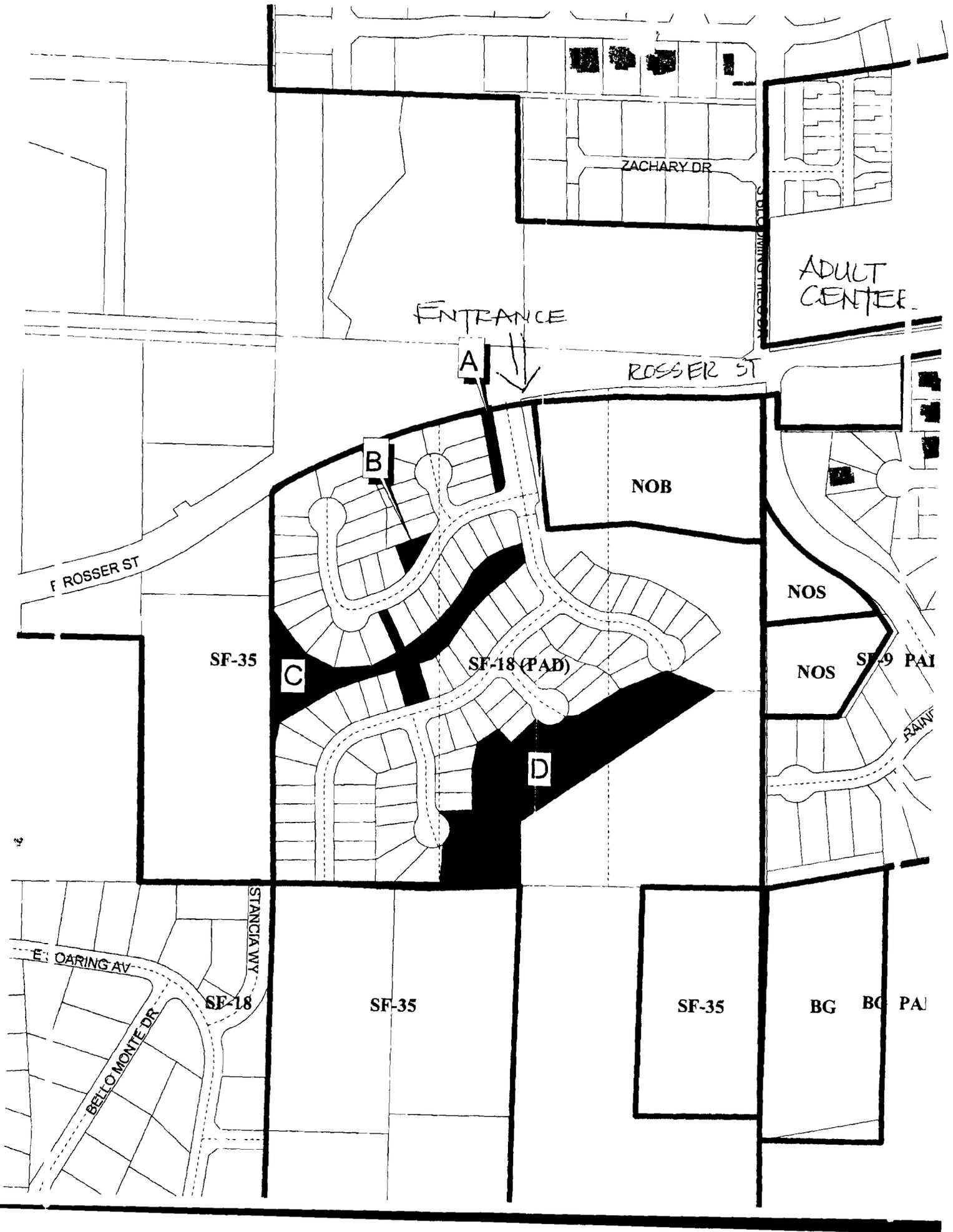
SOLSTICE DR

TAWNY DR

STENODOC CR







ZACHARY DR

ADULT CENTER

ENTRANCE

A

ROSSER ST

NOB

B

F ROSSER ST

NOS

SF-35

C

SF-18 (PAD)

NOS

SF-9 PAI

D

RAIN

E OARING AV

STANCIA WY

SF-18

SF-35

SF-35

BG

BC PAI

BELLO MONTE DR



EXHIBIT A

LEGAL DESCRIPTION

THOSE AREAS DESIGNATED AS TRACT "A", TRACT "B", TRACT "C" AND TRACT  
"D" OF

CLOUDSTONE UNIT I SUBDIVISION

ACCORDING TO THE PLAT OF RECORD

RECORDED IN THE OFFICE OF THE YAVAPAI COUNTY RECORDER IN

BOOK 53 of MAPS, PAGE 67

<b>COUNCIL AGENDA MEMO – 2/19/08 &amp; 2/26/08</b>
<b>DEPARTMENT:</b> COMMUNITY DEVELOPMENT
<b>AGENDA ITEM:</b> DA #02-166A Amendment No. 2 to the Goodman/Savage Development Agreement for Cloudstone

<b>Approved By:</b>	<b>Date:</b>
<b>Department Head:</b> Tom Guice	
<b>Finance Director:</b>	
<b>City Manager:</b> Steve Norwood <i>Ellward</i>	02/11/08

**APN:** SP04-002 (105-03-005P), FP05-023 (105-07-005, 105-08-001, 105-03-005K)  
 FP06-017 (105-07-005A, 105-08-001A)

**Location:** Southern extension of Bloominghills Drive south of Rosser Street

**Applicant/Owner:** Cloudstone Patio Homes, LLC, 7595 E. McDonald Drive, Suite 120,  
 Scottsdale, AZ 85250

**REQUEST:** A revised Development Agreement (DA) is needed to extend the DA from December 1, 2007 to December 31, 2010.

**PRIOR COUNCIL ACTION**

In Oct. 2007 Council approved the time extensions to file the final plat for Cloudstone Unit II to (SP04-002) until Oct. 10, 2009. In 2006 Council approved the Final Plats for Unit III.

In October 2005 Development Agreement DA #02-166A Amendment #1 was approved by Council for improvements to S. Bloominghills Drive. Water Service Agreement #04-146 was approved by Council in 2004 and runs with the development of the land.

**STAFF ANALYSIS**

In order to accommodate the applicant/owner's request for the aforementioned 2007 time extension, it was also necessary to amend the current Development Agreement.

Staff was hoping to have the amended DA approved by December 1, 2007; however, the property owner had to resolve an Engineering Dept. issue. This issue has now been resolved and the revised DA is attached. The new agreement will extend the completion date for the improvements to South Bloominghills Drive from December 1, 2007 to no later than December 31, 2010 with the required plans and specifications to be submitted to the Public Works Director to be extended from June 1, 2007 to no later than June 1, 2010.

Savage and Goodman are no longer signatories to the new agreement Savage has fulfilled his obligations, and his signature acknowledges this. Pasadena Corporation has sold their property to Cloudstone Patio Homes who is the new signee to the DA.

Staff recommends approval of the amended Development Agreement.

<b>Recommended Action:</b> Move to Approve Development Agreement No. 02-166A Amendment No.Two.
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**DEVELOPMENT AGREEMENT  
GOODMAN/SAVAGE  
CITY CONTRACT NUMBER 02-166A  
AMENDMENT NUMBER TWO**

WHEREAS the City of Prescott (hereinafter referred to as "City") entered into a Development Agreement with Gregory E. Goodman and Savage Enterprise, Inc. with respect to certain properties more particularly identified as City of Prescott Contract Number 02-166 (hereinafter referred to as the "Agreement"), which Agreement was approved by the Prescott City Council pursuant to Resolution Number 3471 on the 23<sup>rd</sup> day of July, 2002 and recorded in Book 3951 at Page 543, Record of the Yavapai County recorder, and which Agreement was amended on or about the 20<sup>th</sup> day of June, 2005, by a document duly recorded with the Yavapai County Records Office entitled "Development Agreement Goodman/Savage City Contract Number 02-166A Amendment Number One";

WHEREAS Pasadena Corporation, an Arizona Corporation, succeeded ownership to that Property which was owned by Gregory E. Goodman and which is the subject of the Agreement; and

WHEREAS, Cloudstone Patio Homes, L.L.C., an Arizona limited liability company, purchased the property from Pasadena Corporation on or about February 6, 2006, and is the present owner of the property which is the subject of this Agreement; and

WHEREAS, the parties hereto do wish to make certain amendments to the foregoing Agreement.

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. That Paragraph 4 of the Agreement is hereby amended to read as follows:

“4. That CLOUDSTONE PATIO HOME, L.L.C., will:

A. Effectuate the eighty (80) foot right-of-way dedication to Prescott, already approved by the Prescott City Council, for South Blooming Hills Drive through its property as described in Exhibit “A” generally along that alignment as shown in Exhibit “D”, at no cost to Prescott; act with due diligence and in good faith to get the plat map recorded effectuating said dedication.

B. Construct South Blooming Hills Drive from Rosser Street to the southern boundary of the property described in Exhibit “A”, no later than December 31, 2010, in accordance with plans and specifications as approved by the Prescott Public Works Director, said plans and specifications to be submitted to the Engineering Services Director no later than June 1, 2010, at no cost to Prescott.”

C. Agree that No Building Permits will be issued for Cloudstone Unit III until South Bloominghills Drive is completed per this agreement and accepted by the City.

D. Agree that State Street is not to be used for construction vehicle access or egress for Cloudstone Unit III.

2. The signator is an authorized representative and agent of Cloudstone Patio Homes, L.L.C., with power to bind the company regarding this Amendment Number Two to City Contract 02-166A.

3. That except as amended herein, the Agreement remains in full force and effect.

DATED this \_\_\_ day of \_\_\_\_\_, 2008.

CLOUDSTONE PATIO HOMES, LLC

By: \_\_\_\_\_

Name: Ceasar A. Perez

Title: Manager

DATED this \_\_\_ day of \_\_\_\_\_, 2007.

FURTHER SIGNATURES ON PAGE 3





SAMANTHA ST

HARVEST LN

SF-35

ASCOTT ST

TRACT 'N'

TRACT 'M' →

DIVINITY DR

DIVINITY DR

TRACT 'C'

ST ENODOC CR

BRIDGEWAY CR

SOLSTICE DR

SOLSTICE DR

SF-18 (PAD)

TAWNY DR





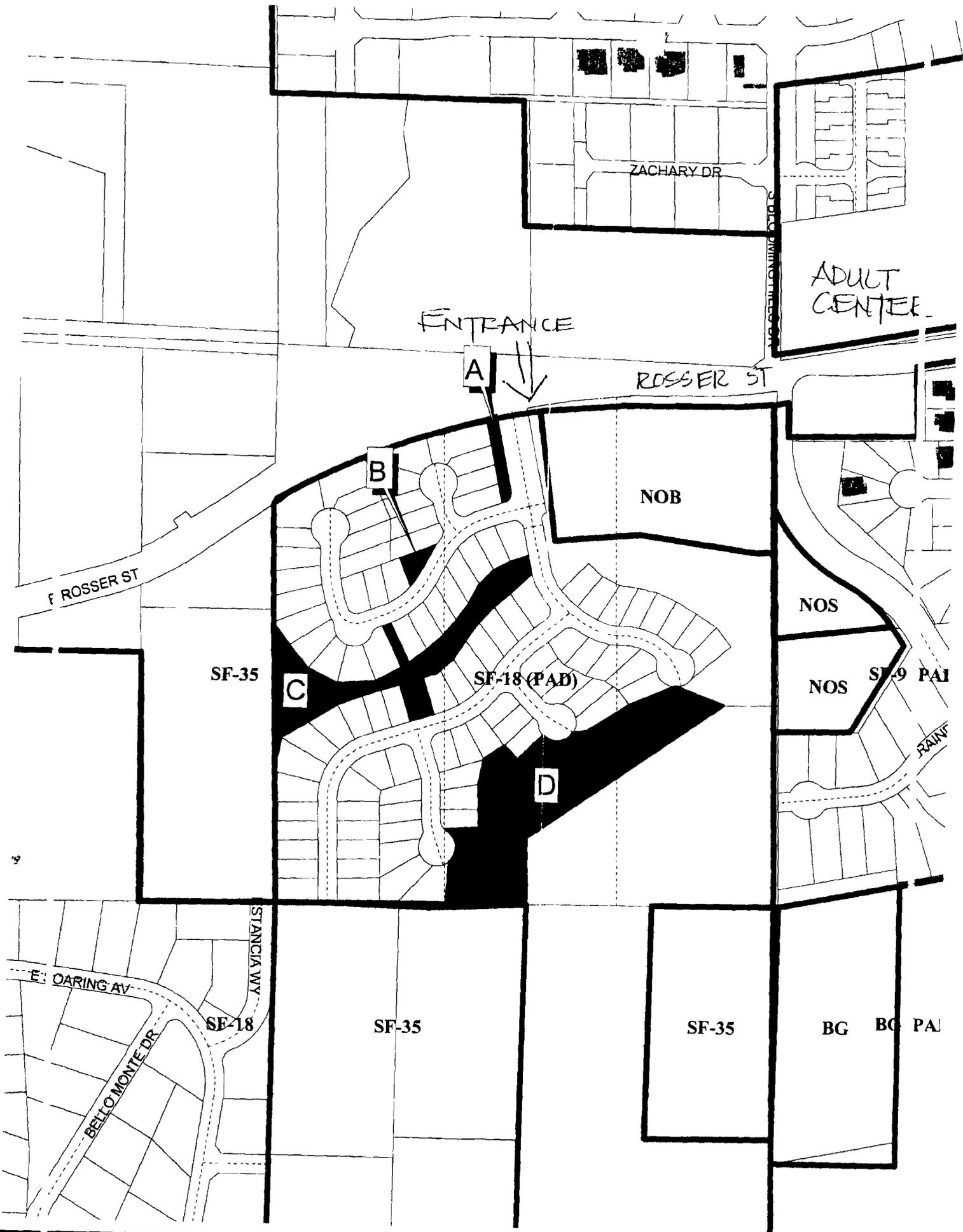




EXHIBIT A

LEGAL DESCRIPTION

THOSE AREAS DESIGNATED AS TRACT "A", TRACT "B", TRACT "C" AND TRACT  
"D" OF

CLOUDSTONE UNIT I SUBDIVISION

ACCORDING TO THE PLAT OF RECORD

RECORDED IN THE OFFICE OF THE YAVAPAI COUNTY RECORDER IN

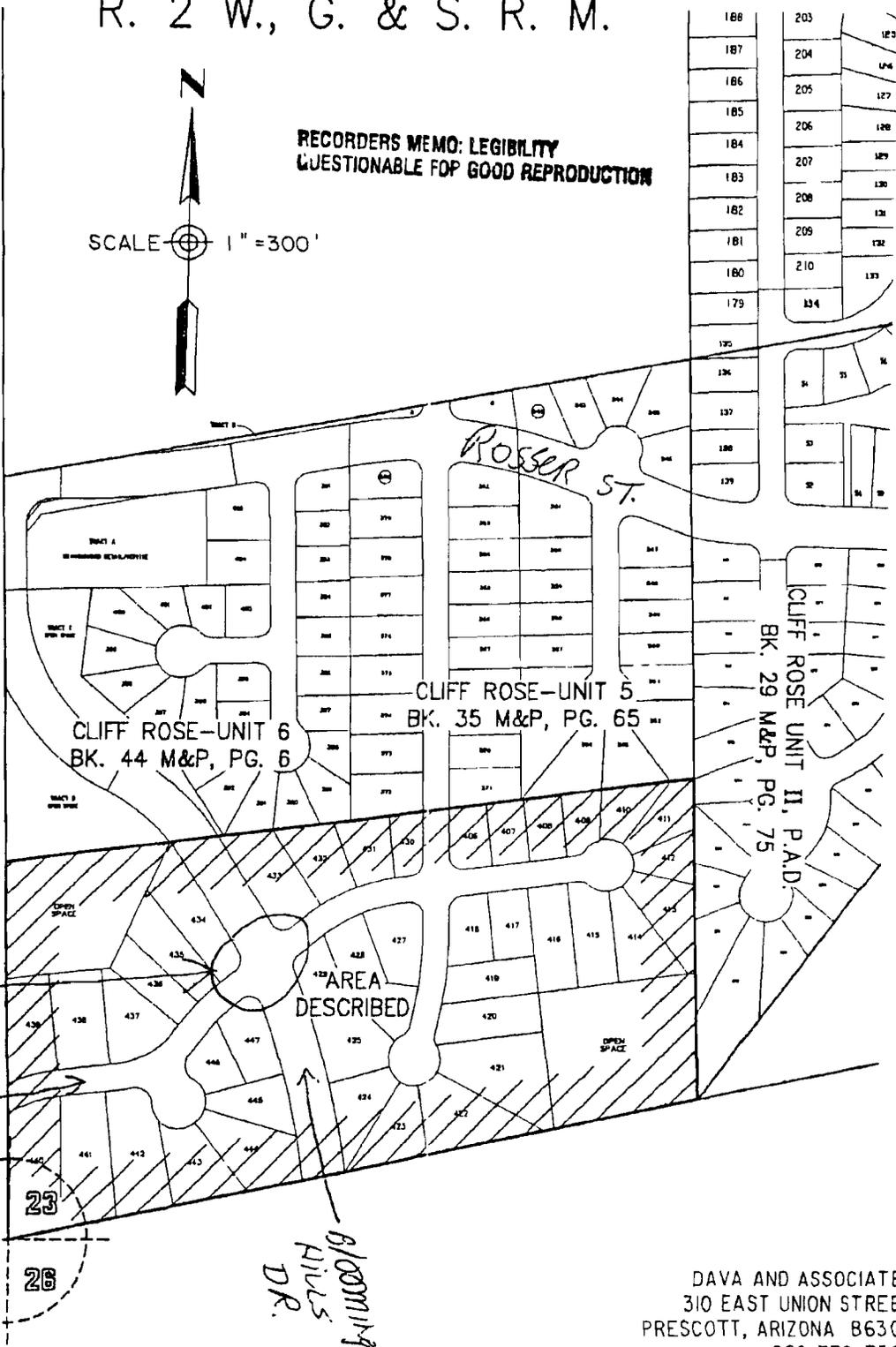
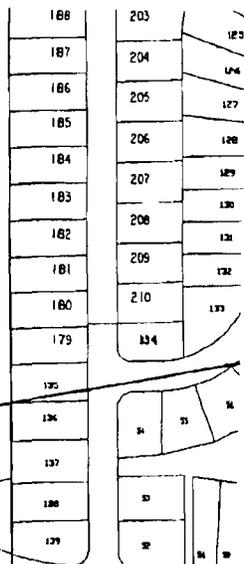
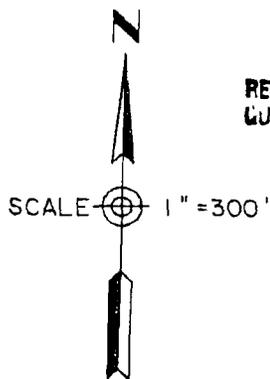
BOOK 53 of MAPS, PAGE 67



# EXHIBIT

A PORTION OF SEC. 23, T. 14 N.,  
R. 2 W., G. & S. R. M.

RECORDERS MEMO: LEGIBILITY  
QUESTIONABLE FOR GOOD REPRODUCTION



INTERSECTION  
TO BE  
CONSTRUCTED

CHANDLER  
WAY

BLOOMING  
HILLS  
DR.

DAVA AND ASSOCIATES  
310 EAST UNION STREET  
PRESCOTT, ARIZONA 86303  
928-778-7587  
K:\152\DWG\EXH-020 DWG BK 07/03/2002  
SEE K:\152\WP\U7-BDRY DSC



**Agenda Item: SI07-003 – Bradshaw Campus Site Plan  
WSA08-003 Water service Agreement**

**Photo 1:** View Northeast showing Peridot on the left.



**Photo 2:** View southeast toward Peridot.



**COMMISSION RECOMMENDATION**

On January 31, 2008, the Planning Commission voted 5:0 to approve the project with the Condition as noted. The present dumpster locations had been chosen to take them out of the view of the neighbors along Web Place; however, in response to an adjoining neighbor's request, the applicant agreed to investigate relocating the dumpsters so odors will not impact these adjoining properties.

**AREA MEETING.** An area meeting was held on January 16th with 3 residents attending the ±45 minute meeting. Comments discussed included parking, building heights and sight views from the adjoining residences to the east, drainage, and water-line capacity.

**STAFF ANALYSIS**

**Zoning.** The property is zoned Business General (BG) which allows residential development.

Direction	Land Use	Zoning
North	Single-family, vacant,	BG and SF9
East	Single-family, vacant	SF9
South	Peridot- Assisted Living	BG-PAD
West	Apartments and single-family	MF-H and SF-9

**Land Development Code (LDC) Requirements.** In summary, the site plan meets City requirements for development of this Business General (BG) Planned Area Development; some of which include:

Proposed (All Phases including Unit I)	LDC
Density: 16.42 DUA	32 D.U.A. max..via PAD
Max. Height: ± 43' and ± 38.5'	50' max.
Parking: 1 per bedroom	350 spaces required
Guest 0.5 / unit: (20 max) · 20	350 space provided
Open Space: 48.21%	25% min.
(456,488 sq. ft - 96,020 sq. ft. (buildings) – 140,378 sq. ft (parking and drives) = 220,090 sq. ft = <b>48.21%</b> )	
Maximum Building Lot Coverage: 21%	60%
All buildings will significantly exceed the required BG Building Setbacks of:	
Front: 10'	
Rear: 10' 15' min	
Corner: 8'	
Side: 12'	
All parking setbacks will also exceed the required minimums of:	
Front: 10'	
Side: 5'	
Rear: 5'	

**Building Height.** The maximum building height for this district is 50'. The 3-story family apartment buildings will be about 38.5' tall. Section G illustrates a finish floor elevation of 5443. Adding the building height will give an overall height in elevation about 5481.5'.

**Agenda Item: SI07-003 – Bradshaw Campus Site Plan  
WSA08-003 Water service Agreement**

An adjacent single-family residence to the east has an elevation of ±5469' and is located about 120'-150' away from the apartment building.

The 3-story senior apartment building height of ±43' will be similar in height to the previous approved building of Phase I

**Traffic.** The Traffic Study (TIA) satisfied all the traffic issues and no additional improvements will be required on Bradshaw or Stetson.

**Development Agreement (DA).** This site includes a Development Agreement (DA 96-150). The agreement addresses (but not limited to) the following:

- Neighborhood meeting required.
- Site plan review/approval by both Planning and Zoning Commission and City Council.
- Limits on use with residential uses permitted
- Right of way dedication
- Limit LOS "C" on traffic generation from the project site

**WATER SERVICE AGREEMENT**

A Water Service Agreement has been prepared for Phase II, only, for 60 units and 21 acre-feet of water annually.

**Recommended Action:**

(1) **MOVE** to Approve SI07-003 Site Plan for Bradshaw Senior Community dated with the following Conditions of Approval:

1. Comply with Agency comments within this Staff Report dated 1/31//2008, and

(2) **MOVE** to Approve Water Service Agreement WSA08-003 of Phase 2 for 60 apartments units for 21 acre-feet of water annually.

## **AGENCY COMMENTS**

### **Engineering**

1. Provide a complete set of Civil Improvement Plans including Grading, Drainage, SWPPP, Water, Sewer and all supporting Analysis.
2. On-site Detention required to contain the difference between the pre and post development flows for the 100-year storm event.
3. Provide an updated TIA.
4. The development subject to the Construction Site Erosion and Sediment Control and Post Construction Stormwater Runoff Ordinances.

**Fire:** Roadway width is required to be 26 feet for laddering purposes. The 6 foot sidewalk will not allow for a 2 foot vehicle overhang and 5 feet of sidewalk to meet ADA requirements. Therefore, this would reduce the fire lane by 1 foot to 25 feet. The sidewalk may need to be increased by 1 foot on the building side to meet the ADA requirement of 5 feet and to still maintain the fire lane requirement of 26 feet.

### **Planning**

1. Required erosion control and landscaping shall be provided in accordance with Sections 6.5, 6.7.8, and 6.8.4.D of the Land Development Code with appropriate calculations indicated on the site plan to clarify compliance with the LDC. The tree replacement requirement (Sec.6.5.4) applies to this site.
2. A 3-foot high solid screen is required along Bradshaw Drive. The landscape plan does not appear to show that this requirement is fully addressed. A revised landscape plan which meets the LDC is required at the time of Building Permit.
3. Comply with all City and Agency Building Permit and Site Plan Permit requirements prior to the issuance of Building Permits.
4. The site plan shall substantially comply with Exhibit A dated 1/31/08.
5. Lighting must meet the outdoor lighting requirements of the LDC and will be reviewed at the time of the Site plan application with the Building Department.
6. Signage is by separate permit.
7. A Water Service Agreement for the entire project is required to be approved by the City Council.
8. Deed restrictions will be enforced limiting the designated senior housing to this
9. Grading and landscaping plans to be reviewed by the Planning Commission.
10. All parking and access internal driveways are to be included in Phase II.

**Public Works:** Angles will not work and we need a dumpster detail on the site plans.

**AGREEMENT FOR POTABLE WATER  
BRADSHAW APARTMENTS/PRESCOTT LP**

WHEREAS, Bradshaw Apartments/Prescott LP, (hereinafter referred to as "Applicant") is the owner of certain real property within the City of Prescott, and

WHEREAS, Applicant wishes to secure approval for the provision of potable water for the foregoing property from the City of Prescott (hereinafter referred to as "City"); and

WHEREAS, the Applicant contemplates constructing sixty (60) dwelling units on the property, for a total of one hundred and six (106) dwelling units; and

WHEREAS, PCC Section 2-1-12(H) requires that an agreement be reached between the City and the Applicant in order to provide potable water, and

WHEREAS the City Council finds that compliance with this Agreement by the Applicant shall result in:

1 The project or development being consistent with and conforming to, furthering the implementation of, and is not contrary to, the adopted Water Management Policy, and

2. The project or development being consistent with and conforming to, furthering the implementation of, and is not contrary to the adopted General Plan, and

3 The project or development being consistent with and conforming to, furthering the implementation of, and is not contrary to any applicable adopted plans, including but not limited to Specific Area Plans, Circulation Plans, Capital Improvement Plans, Open Space and Trail Plans, Neighborhood Plans, Local Historic District Plans, growth planning or growth management plans, and redevelopment plans; and

4 The project being in accord with the duly adopted Prescott Water Budget.

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 That this Agreement shall relate to that property more specifically described as Yavapai County Assessor Parcel Number 110-04-141P & Q, more particularly described in the attached Exhibit "A" (hereinafter referred to as the "Property")

2. That the City will set aside and allocate 21 0 additional acre feet annually of potable water to serve the Property, subject to the following

A That the Applicant shall be solely responsible for the costs of any water and sewer main extensions or upgrades required to serve the Property.

B The Applicant shall tie the Property onto the City's Sanitary Sewer System, and shall be responsible for any and all costs associated therewith, before water service to the property is initiated

C That any change in use of the Property exceeding a total of one hundred and six (106) residential dwelling units shall result in the termination of this Agreement.

D In the event that the additional sixty dwelling units are not constructed by February 26, 2011, then and in that event, the amount of potable water set aside for the Property pursuant to this Agreement shall be reduced by .35 acre feet for each such dwelling unit not constructed.

E That the installation of any well on the Property, or the use of water on the Property from any other exempt well (less than 35 gpm), shall result in the termination of this Agreement

F That the Applicant agrees to pay the applicable water resource development and system impact fees in effect at the time of building permit approval.

G That there shall be no further lot splits on the Property

3 This Agreement shall run with the land, and shall be binding upon the Property owner's successors in interest and assigns

4 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 this 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 event of the foregoing, the City of Prescott further elects to recoup any fee or commission paid or due to any person significantly involved in initiating, 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

5 That the Property Owner hereby agrees to indemnify and hold harmless the City, its departments and divisions, its employees and agents, from any and all claims, liabilities, expenses or lawsuits as a result of this agreement, whether said claims, liabilities, expenses or lawsuits arise by the acts or omissions of the Applicant or its agents or employees.

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

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

8 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

9 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 attorneys fees, either pursuant to the Contract, pursuant to ARS Section 12-341 01(A) and (B), or pursuant to any other state or federal statute

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2008

APPLICANT

\_\_\_\_\_  
Its

PASSED, APPROVED AND ADOPTED by the Mayor and Council of the City of Prescott this \_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
JACK D WILSON, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
ELIZABETH A. BURKE  
City Clerk

\_\_\_\_\_  
GARY D KIDD  
City Attorney

STATE OF ARIZONA            )  
  )ss.  
COUNTY OF YAVAPAI        )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2008, by \_\_\_\_\_, the \_\_\_\_\_ of Bradshaw Apartments/Prescott LP, personally known to me or proven to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged that they executed it

\_\_\_\_\_  
[Seal]

\_\_\_\_\_  
Notary Public

STATE OF ARIZONA            )  
  ) ss  
COUNTY OF YAVAPAI        )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2008, by jack D. Wilson, Mayor of City of Prescott, personally known to me or proven to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged that he executed it.

\_\_\_\_\_  
[Seal]

\_\_\_\_\_  
Notary Public

BRADSHAW APARTMENTS (PHASE II):

ALL THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 3, TOWNSHIP 13 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER MERIDIAN, YAVAPAI COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTH QUARTER CORNER OF SECTION 3, TOWNSHIP 13 NORTH, RANGE 2 WEST, THENCE ALONG THE NORTH LINE OF SAID SECTION 3, N.89°34'00"E., A DISTANCE OF 401.90 FEET TO A POINT ON THE SOUTHEASTERLY RIGHT OF WAY OF STETSON ROAD AND THE EXTENSION OF THE SOUTH LINE OF LOT 8 OF BLOCK "I" OF GREEN MANOR HEIGHTS AS DEPICTED IN BOOK 161 OF LAND SURVEYS, PAGE 100 OF OFFICIAL RECORDS, YAVAPAI COUNTY, ARIZONA, MARKED BY A ½" REBAR & CAP RLS 13941; THENCE CONTINUE ALONG SAID EXTENSION LINE, N.89°33'23"E., A DISTANCE OF 151.74 FEET TO A 3/8" REBAR & TAG RLS 23383 MARKING THE SOUTHEAST CORNER OF SAID LOT 8, BLOCK "I" OF SAID GREEN MANOR HEIGHTS; THENCE ALONG THE SOUTH LINE OF LOT 7 BLOCK "I", N.89°36'50"E., A DISTANCE OF 59.96 FEET TO A ½" REBAR MARKING THE CORNER COMMON TO LOT 6 AND 7; THENCE ALONG THE SOUTH LINE OF LOT 6 BLOCK "I", N.89°40'10"E., A DISTANCE OF 59.79 FEET TO A ½" REBAR MARKING THE CORNER COMMON TO LOT 5 AND 6; THENCE ALONG THE SOUTH LINE OF LOT 5 BLOCK "I", N.89°55'17"E., A DISTANCE OF 44.81 FEET TO A ½" REBAR MARKING THE NORTHWEST CORNER OF LOT 11 OF THE PARK EAST SUBDIVISION AS DEPICTED IN BOOK 10 OF MAPS AND PLATS, PAGE 32, SAID POINT MARKED BY A ½" REBAR & CAP, RLS 23383; THENCE ALONG THE SOUTHWESTERLY LINE OF SAID PARK EAST SUBDIVISION, S.41°59'27"E., A DISTANCE OF 74.25 FEET TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUE ALONG THE SOUTHWESTERLY LINE OF SAID PARK EAST SUBDIVISION, S.41°59'27"E., A DISTANCE OF 323.95 FEET TO A ½" REBAR MARKING THE CORNER COMMON TO LOT 9 AND 10 OF SAID PARK EAST SUBDIVISION;

THENCE ALONG THE SOUTH LINE OF LOT 9, S.42°07'48"E., A DISTANCE OF 99.04 FEET TO A ½" REBAR & CAP, RLS 23383 MARKING THE CORNER COMMON TO LOT 8 AND 9 OF SAID PARK EAST SUBDIVISION;

THENCE S.42°00'17"E., A DISTANCE OF 10.75 FEET;

THENCE LEAVING SAID SOUTHWESTERLY LINE, S.47°59'43"W., A DISTANCE OF 143.27 FEET TO A POINT ON THE SOUTHERLY LINE OF THE PERIDOT AS DESCRIBED IN BOOK 3942, PAGE 978 OF OFFICIAL RECORDS;

THENCE ALONG SAID SOUTHERLY LINE OF THE PERIDOT, S.72°07'33"W., A DISTANCE OF 194.97 FEET;

THENCE CONTINUE ALONG SAID SOUTHERLY LINE OF THE PERIDOT, S.34°33'45"W., A DISTANCE OF 169.83 FEET;

THENCE CONTINUE ALONG SAID SOUTHERLY LINE OF THE PERIDOT, N.89°42'27"W., A DISTANCE OF 102.48 FEET;

THENCE LEAVING SAID SOUTHERLY LINE, N.00°14'29"E., A DISTANCE OF 418.26 FEET;

THENCE N.42°05'36"W., A DISTANCE OF 68.30 FEET;

THENCE N.47°53'59"E., A DISTANCE OF 110.62 FEET;

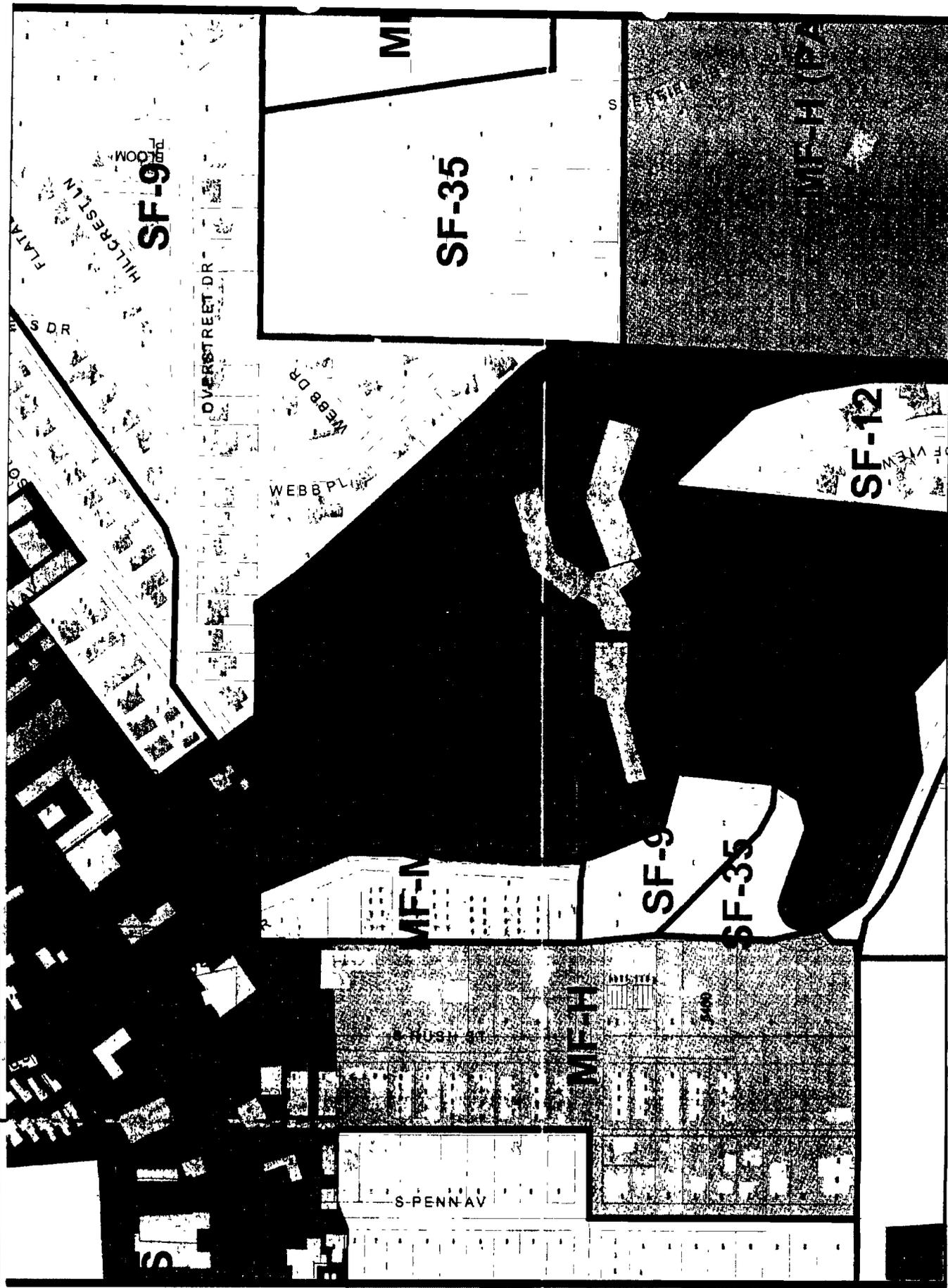
THENCE S.42°06'01"E., A DISTANCE OF 33.00 FEET;

THENCE N.47°53'59"E., A DISTANCE OF 87.00 FEET;

THENCE S.42°06'01"E., A DISTANCE OF 20.88 FEET;

THENCE N.47°53'59"E., A DISTANCE OF 83.24 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 181,072.91 SQUARE FEET OR 4.17 ACRES, MORE OR LESS.



SF-9

SF-35

SF-12

SF-9

SF-35

MI

MF-M

MF-H

HILLCREST LN  
WOOD

OVERSTREET DR

WEBB DR  
WEBB PL

S-PENN AV

S DR

S

MF-H (P)



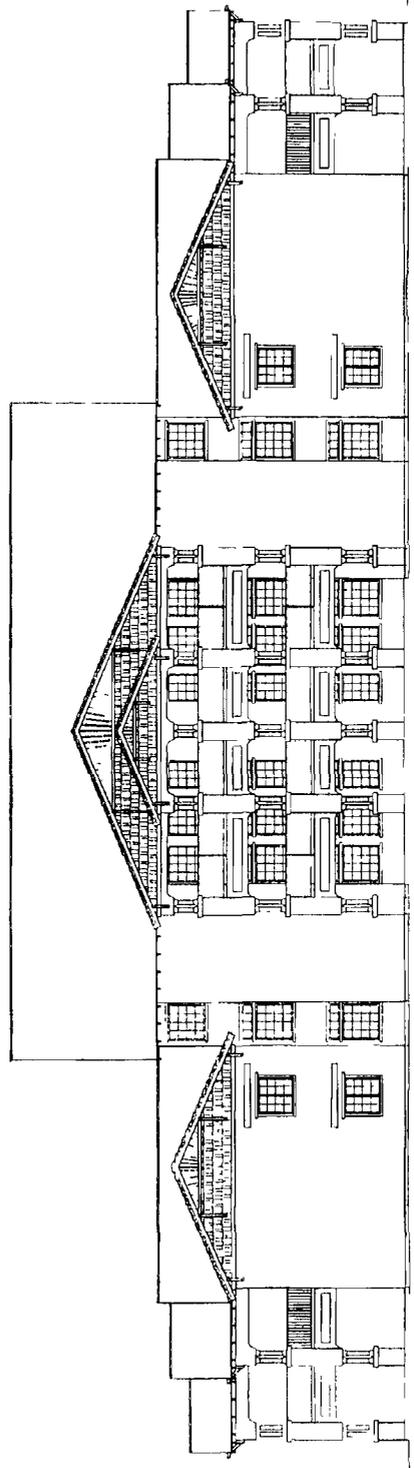

 FERGIS & HARDING, INC.  
 2721 N. 108th St.  
 PHOENIX, AZ 85020  
 PHONE (602) 278-1893  
 FAX (602) 286-1383

BRADSHAW FAMILY/  
 PRESCOTT LP  
 C/O WESCAP DEVELOPMENT, LLC  
 4245 N. 7th St. #110  
 PHOENIX, AZ 85014

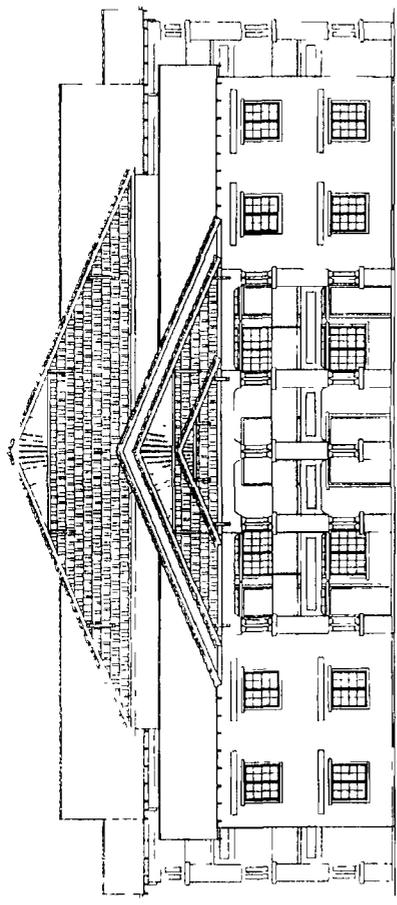
BRADSHAW  
 FAMILY COMMUNITY  
 PRESCOTT, ARIZONA

TITLE 20-UNIT BUILDING EXTERIOR ELEVATIONS  
 PROJECT 06016  
 DATE DECEMBER 10, 2007

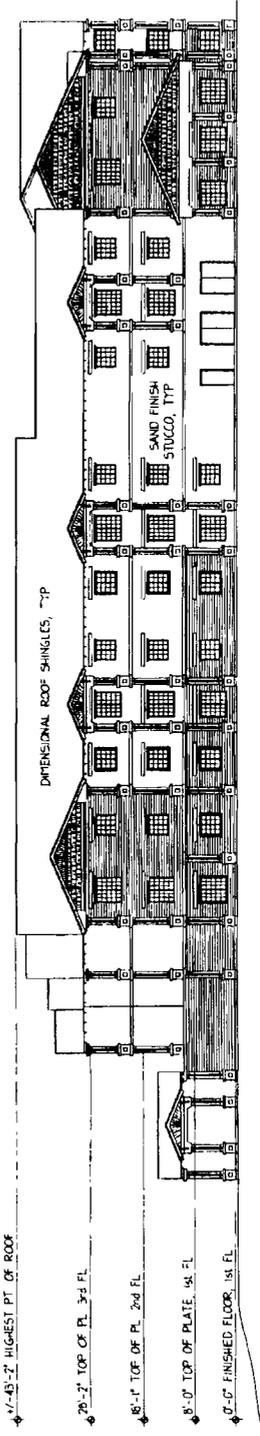
SHEET  
**A3.1**



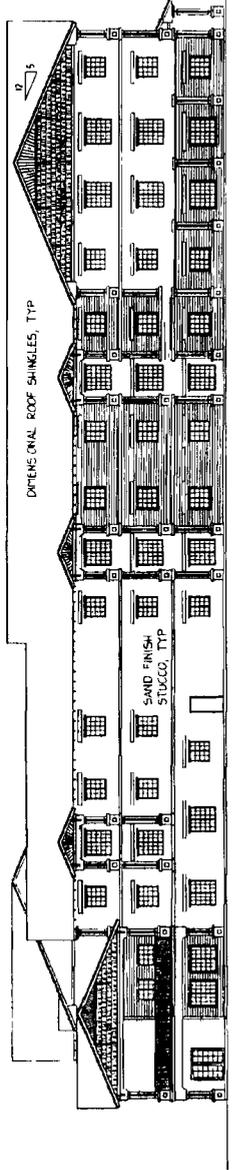
EXTERIOR ELEVATION - 20-UNIT BUILDING  
 SCALE 3/16" = 1'



EXTERIOR ELEVATION - 20-UNIT BUILDING  
 SCALE 3/16" = 1'



**NORTH ELEVATION**



**EAST ELEVATION**



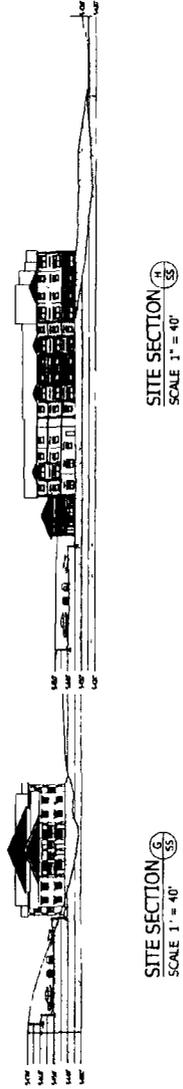
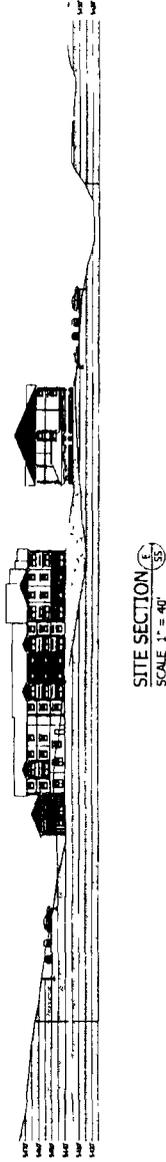
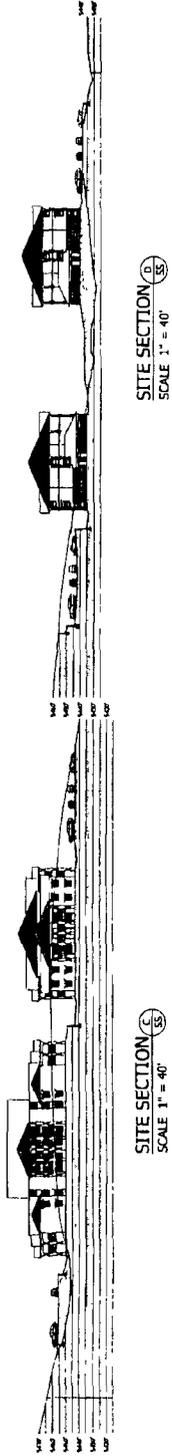
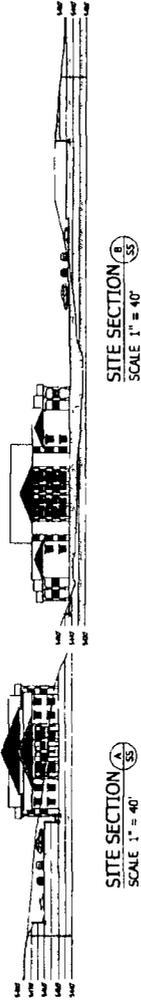
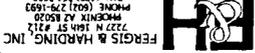
SS  
SHEET

TITLE SITE SECTIONS  
PROJECT 03003  
DATE NOVEMBER 19, 2007

REVISIONS  
DATE

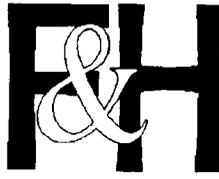
DEVELOPER:  
WESCAP DEVELOPMENT, LLC  
4745 N 7TH ST #110  
PHOENIX, AZ 85014

ARCHITECT:  
FERGIS & HARDING, INC.  
2222 N 16TH ST #212  
PHOENIX, AZ 85020  
PHONE (602) 298-1693  
FAX (480) 264-2383



SECTION (E)





5' 07-003

**FERGIS AND HARDING, INC.**

APN', 110-04-141Q  
110-04-141P

## *Project Narrative*

The Bradshaw Campus is a four phase planned Community on approx 11 acres located @ the southwest corner of Bradshaw & Stetson. Upon completion of all four phases the campus will include 92 units of senior 1 & 2 bedroom apartments & 80 units of family 2 & 3 bedroom apartments. The four phase project is an affordable housing campus.

Phase I which was recently permitted is a 46 unit elderly apartment complex.

Phase II proposes @ 60 unit family apartment complex. The 3, 3-story buildings contain a combination of 2 & 3 bedroom units.

Phase III proposes a 46 unit 3 story senior apartment complex similar in design to phase I.

Phase IV propose a 20 unit 3 story building identical in design as phase II.

1227 N. 16th St., Ste. 212  
Phoenix, Arizona 85020

Phone: (602) 279-1693  
Fax: (602) 264-2383

**ARCHITECTURE**

The overall site plan illustrates all four phases. The buildings have been positioned on the site to minimize impact on the neighboring developments. The larger senior apartment buildings were located close to Pradshaw & existing adjacent apartments as they relate in site. The family apartment buildings were located between the senior buildings and the neighboring single family residences, again, to minimize impact on these neighbors. Vehicular access & parking has been located around the perimeter of the site and exhibits a considerable landscape buffer between neighboring residences. The roads & parking have been designed into the existing contours screening majority of the paving from neighboring views. As illustrated in the site sections provided the buildings step down the and are placed to consider the impact of views from adjacent properties. Existing Trees @ the perimeter of the site have been saved wherever possible and are incorporated into the overall landscape design.

The parking calculations for the family units were based upon the current codes. The parking calcs. for the senior developments were based upon 1.5 spaces per unit. This is less than the current code allows, however, a code amendment goes before City Council in Jan 08 to allow 1.5 spaces per unit for senior housing. If this amendment is not approved the developer understands he will have to provide additional parking. This will not be an issue as the site will support this additional parking if required.

The project (all phases) provides considerably lower density than allowed and a much greater open spaces than required. The buildings are also well below the height restriction for this zoning type.

An overall rendering perspective will be provided @ neighborhood meetings & P&Z final session to illustrate the developments relationship to the neighboring residences.

A craftsman bungalow look for the exterior of the buildings is achieved through the use of stucco, stone veneer, lap siding, and a dimensional asphalt roof shingle roof. Varying textures and colors complement the surrounding area.

If you have any questions or require additional information, please contact me @ 602 279-1693

Sincerely,

A handwritten signature in cursive script, appearing to read 'A. E. J.', written in black ink.

<b>COUNCIL AGENDA MEMO – 2/19/08 &amp; 2/26/08</b>
<b>DEPARTMENT:</b> COMMUNITY DEVELOPMENT
<b>AGENDA ITEM:</b> RP08-003 Revision of Pinnacle III Final Plat Trail Alignment generally located north of Solstice Drive and east of St. Enodoc Circle.

<b>Approved By:</b>	<b>Date:</b>
<b>Department Head:</b> Tom Guice	
<b>Finance Director:</b>	
<b>City Manager:</b> Steve Norwood <i>Alwood</i>	<i>02/19/08</i>

**APN:** Tract M: 106-18-736, Tract N: 106-18-737, Tract O:106-18-738  
**Location:** Generally located north of Solstice Drive and east of St. Enodoc Circle  
**Applicant:** City of Prescott Initiated  
**Owner:** Prescott Lakes Community Association, c/o SunCor Construction AZ, Inc , 1300 North StoneRidge Drive, Suite 101, Prescott Valley, AZ 86314

**REQUEST:** The Revision to Plat proposes to abandon the middle portion of the public trail easement located west of St. Enodoc Circle within Tract 'O' and Tract 'M', and establish and accept a new public trail easement within Tract 'N'. This new trail will connect to Solstice Drive and the existing trail easement (to be retained) in Tract 'L2'. All of these fore-mentioned tracts are open space tracts

**PRIOR COUNCIL ACTION**

In November 2005 Council approved the Final Plat for the Pinnacle III – A Planned Area Development for 95 residential lots on ±60.35 acres

**STAFF ANALYSIS**

In accordance with the Land Development Code, a Revision of Plat is required when dedication or abandonment of a public easement is needed (Section 9.10.5.C.1.b)

The reason for the proposed abandoning part of an original public trail easement, and accepting a new public easement, is best described in the following chronology of events. In the master plan process for Prescott Lakes, it was determined that M3 Companies would dedicate to the City of Prescott a 10-acre park site (now open to the public as Vista Park), and a 1/2-acre undeveloped park site at the top of the highest mesa within Prescott Lakes. Staff desired to connect the two park sites with a one-mile recreation trail as a public trail easement through the Pinnacle III subdivision developed by SunCor.

At the time, Parks and Recreation staff member Eric Smith designed a trail alignment that fit the terrain with easy grades. SunCor provided the legal description for the easement. Following the grading and terracing for the subdivision, however, Eric Smith attempted to follow the alignment of the original public trail easement and determined that the middle portion (proposed to be abandoned in Tract 'M' and "O") was unsafe to build and use due to steep and unstable side slopes. Furthermore, the trail also looked down into the backyard areas of new residential lots and jeopardized their privacy.

**Agenda Item: RP08-003 Revision of Plat for Pinnacle III Trail Alignment**

A new replacement hiker/runner-only trail alignment (to be called the Panorama Trail) was found further to the east through Open Space Tract 'N', and was designed by Parks and Recreation staff member Chris Hosking. Once again, SunCor provided the legal description for the easement. The new replacement trail features a spur trail to a scenic rest stop. The new replacement trail alignment also provides the necessary connectivity between the two park sites without the close proximity to residential lots. Staff desires to begin trail construction immediately, and the destination of the 1/2-acre park site at the top of the mesa will afford some of the best views in Prescott.

The northernmost portions of the original public trail easement not being recommended for abandonment (west of St. Enodoc Circle in Tract 'N") are simply to provide connectivity for the neighborhood to the Vista Park.

**STAFF RECOMMENDATION**

Planning Division and Parks and Recreation Dept Staff recommend approval of this Revision to Plat.

**Recommended Action:** Move to Approve RP08-003 Revision of Plat to Pinnacle III Trail alignment with the following Condition of Approval:

1. Prior to Recordation by the City, all necessary approval blocks, and Yavapai County recording information to be added to the Revision to Plat mylar copies for City sign-off and recordation purposes

SAMANTHA ST

HARVEST LN

SF-35

ASCOTT ST

TRACT 'M' →

DIVINITY DR

TRACT 'N'

DIVINITY DR

TRACT 'C'

ST ENODOC CR

BRIDGEWAY CR

SOLSTICE DR

SF-18 (PAD)

SOLSTICE DR

TAWNY DR

ST ENODOC CR





**COUNCIL AGENDA MEMO – 2/19/08**

M  
L  
S  
M

**DEPARTMENT:** ECONOMIC DEVELOPMENT

**AGENDA ITEM:** DOWNTOWN MANAGEMENT CONTRACT FOR PRESCOTT DOWNTOWN PARTNERSHIP

**Approved By:**

**Date:**

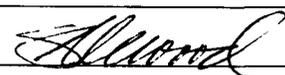
**Department Head:** Jane Bristol



2/13/08

**Finance Director:**

**City Manager:** Steve Norwood



2/15/08

**BACKGROUND**

The attached Downtown Management Agreement with the Prescott Downtown Partnership (PDP) continues the city's financial relationship with this organization through calendar year 2008. The PDP works with the Arizona Main Street program on behalf of the city.

For the last several years, the city's contribution has been derived from 60% of the \$25 vendor fees collected from events held on the Courthouse Plaza. A schedule detailing the amount due is attached.

**DETAILS**

The city's financial contribution is used to help fund the PDP manager's position. In return, the manager works to organize downtown events and administers the Main Street program. Staff has negotiated the following new provisions to this agreement:

1. The PDP will fulfill all state requirements to remain an Arizona Main Street Community.
2. The PDP will apply for National Main Street designation.
3. Strategic planning for the PDP shall include strategies outlined in the Focused Future II Strategic Plan.
4. The PDP shall submit written quarterly reports, as well as present an annual report to Mayor and Council.

The PDP Board of Directors will update Council on their activities at the study session of February 19th.

**FINANCIAL IMPACT**

During 2007, \$25,875 was collected from vendor fees from 9 events, of which \$15,525 will be allocated to the PDP. The allocation is budgeted in the bed tax fund for FY08.

**Recommended Action:** Approve the Downtown Management Agreement with the Prescott Downtown Partnership for 2008.

## **DOWNTOWN MANAGEMENT AGREEMENT**

THIS AGREEMENT, by and between the CITY OF PRESCOTT (hereinafter referred to as "City"), an Arizona municipality, and the PRESCOTT DOWNTOWN PARTNERSHIP (hereinafter referred to as "PDP") A NON-PROFIT ORGANIZATION EXISTING UNDER THE LAWS OF THE State of Arizona.

WHEREAS the City has the authority to enter into this Agreement pursuant to ARS §9-493 and ARS §9-500.11; and

WHEREAS it is in the best interests of the City of Prescott for the City to enter into this Agreement in order to ensure the future viability of the greater downtown Prescott area and participate in the Arizona Main Street Program.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants herein contained, 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 City shall provide to the PDP a sum in an amount of fifteen thousand five hundred twenty-five dollars (\$15,525) for the 2008 calendar year. This payment is based on 60% of vendor fees collected for events held on the Courthouse plaza as determined by the City's Budget and Finance Department. Said payment will be made within fifteen (15) days after the approval of this agreement.

2. The PDP shall expend all funds received from the City pursuant to Paragraph 1 above solely for the following purposes: to assist the PDP in funding a downtown manager position, who, in turn, will be charged with responsibilities including, but not limited to, the following: the administration of the Prescott Main Street program; the organization of downtown special events; the encouragement and facilitation of the physical development of downtown; act as a downtown liaison between the PDP and the City; and other tasks as assigned by the PDP Board of Directors.

3. The PDP shall fulfill all of the requirements to remain an active Arizona Main Street Community.

4. Working in concert with the Arizona Department of Commerce, The PDP shall apply for designation to become recognized as a National Main Street Program and, if awarded, shall continue to meet the standards of performance required to maintain such designation.,

5. Strategic planning for the PDP shall include strategies outlined in the Focused Future II Strategic Plan.

6. The PDP shall submit to the City's Economic Development Department a written quarterly report which shall be disseminated to the Mayor and Council of the City of Prescott within ten (10) days.

7. The PDP shall make an annual report to the Mayor and Council regarding the PDP's activities for the prior calendar year. Said report shall be made in January of each year.

8. The PDP shall allow representatives of the City to review and make available for inspection any and all records, disbursements, expenditures and other documents relating to the expenditure of the above funds during normal business hours at the offices of the PDP.

9. The PDP hereby agrees to indemnify and hold harmless the City, its departments and divisions, its employees and agents, from any and all claims, liabilities, expenses or lawsuits as a result of the PDP's receipt of or expenditure of monies pursuant to this agreement, whether said claim, liabilities, expenses or lawsuits arise by the acts or omissions of the PDP or its agents or whether by the acts or omissions of third persons.

10. Pursuant to ARS §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 foregoing event, the City of Prescott further elects to recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating this agreement on behalf of the City of Prescott from any other party for the agreement arising as a result of this agreement.

11. 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.

12. 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 §12-341.01(A) and (B), or pursuant to any other state or federal statute.

13. PDP, 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. PDP will not participate either directly or indirectly in the discrimination prohibited by or pursuant to Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973,

Section 109 of the Housing and Community Development Act of 1974, the Age Discrimination Act of 1975, and Executive Order 99-4.

14. It is expressly agreed and understood by and between the parties that PDP is an independent contractor, and as such neither PDP, its employees or agents shall become a City employee, and are not entitled to payment or compensation from the City or to any fringe benefits to which other City employees are entitled other than that compensation as set forth in Section 1 above. As an independent contractor, PDP 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, PDP further agrees that it and its employees and agents will conduct themselves in a manner consistent with such status, and that they will neither hold themselves out nor claim to be an officer or employee of the City by reason thereof, and that they 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.

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

16. This Agreement is non-assignable by the PDP.

PASSED, APPROVED AND ADOPTED by the Mayor and Council of the City of Prescott this \_\_\_\_\_ day of February, 2008.

\_\_\_\_\_  
JACK D. WILSON, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
ELIZABETH A. BURKE  
City Clerk

\_\_\_\_\_  
GARY D. KIDD  
City Attorney

DATED this \_\_\_\_\_ day of February, 2008.

PRESCOTT DOWNTOWN PARTNERSHIP

By: \_\_\_\_\_  
Steve Stazenski, President

ATTEST:

\_\_\_\_\_  
Patti Ezell, Secretary

**Square Events for Calendar Year 2007**

<b>Date</b>	<b>Event</b>	<b>FY</b>	<b>Fees Collected</b>
May-07	Mountain Artists Spring Festival	2007	3600
May-07	Phippen Fine Arts Sale	2007	1975
Jun-07	Chamber Territorial Days	2007	3425
Jun-07	Rodeo Days Art & Crafts - PDP	2008	3325
Jul-07	Willimanson Valley Fire Dept	2008	3350
Aug-07	Antiques on the Square	2008	850
Aug-07	Mountain Artist Summer Show	2008	2725
Sep-07	Chamber Faire on the Square	2008	3850
Oct-07	Chamber Fallfest	2008	2775
	Tsunami on the Square	2008	0
			<b>Total: 25,875</b>
	To Prescott Downtown Partnership (60% of Total)		15,525

<b>COUNCIL AGENDA MEMO – February 19, 2008</b>
<b>DEPARTMENT: Parks, Recreation and Library</b>
<b>AGENDA ITEM: Prescott Circle Trail</b>

<b>Approved By:</b>	<b>Date:</b>
<b>Department Head: Debbie Horton</b>	
<b>Finance Director: Mark Woodfill</b>	
<b>City Manager: Steve Norwood</b>	

**Background:**

The Prescott Circle Trail is a 50-mile trail created with cooperative efforts between the City of Prescott, Prescott National Forest, Arizona Game and Fish, Embry Riddle University, Yavapai County and private landowners. The next planned phase is to purchase the State Trust Land across (east) from the Stringfield Ranch, just north of Pioneer Park, which will connect to Pioneer Park. This purchase will add just under two miles to the trail, and approximately 3.6 acres of open space. Of the remaining undeveloped trail sections, private developers have committed several miles, leaving approximately 10 miles of State land trail to complete the 50-mile Prescott Circle Trail.

**Summary:**

The Open Space Acquisition Advisory Committee would like to apply for an Arizona State Heritage Fund Grant for the acquisition of the next phase of the Prescott Circle Trail. The grant would provide \$64,570, and matching staff/ volunteer labor, and Open Space funds for \$37,270 would be required. The City of Prescott and the Open Space Acquisition Advisory Committee have seen that the Prescott Trail System is not only an aesthetic contribution, but also an economic draw to the City through tourism.

The grant application must be received by the State no later than February 29, 2008 and the City would receive notification of approval/denial in September 2008. This grant would be budgeted in the FY09 Budget, pending Council's approval.

<b>Recommended Action: MOVE to approve Resolution # 3882-0850.</b>
--



**RESOLUTION NO. 3882-0850**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AUTHORIZING THE APPLICATION FOR AN ARIZONA STATE HERITAGE FUND GRANT FOR FUNDING OF OPEN SPACE FOR THE CONTINUATION OF THE CIRCLE TRAIL, AND AUTHORIZING THE MAYOR AND STAFF TO EXECUTE ANY AND ALL DOCUMENTS TO IMPLEMENT SAME**

**RECITALS:**

WHEREAS, the City Council wishes to authorize City staff to submit an application for Arizona State Heritage Grant funds to provide for funding of open space for the continuation of the Circle Trail, a 50-mile trail created by cooperative efforts between the City of Prescott, Prescott National Forest, Arizona Game and Fish, Embry Riddle Aeronautic University, Yavapai County and private landowners.

**ENACTMENTS:**

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

Section 1. That the City of Prescott hereby authorizes City staff to submit an application for Arizona State Heritage Grant funds to provide for funding of open space for the continuation of the Circle Trail.

Section 2. That the Mayor and staff are hereby authorized to execute any and all documents to effectuate the foregoing.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott this 26<sup>th</sup> day of February, 2008.

\_\_\_\_\_  
JACK D. WILSON, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
ELIZABETH A. BURKE, City Clerk

\_\_\_\_\_  
GARY D. KIDD, City Attorney

M  
L  
S  
M

**COUNCIL AGENDA MEMO – February 19, 2008**

**DEPARTMENTS:** Transportation Engineering Services and Utilities

**AGENDA ITEM:** Approval of Contract Amendment Two to Contract No. 07-089, Iron Springs Road Improvement Project, with Fann Contracting, Inc., in the amount of \$979,340.07

**Approved By:**

**Date:**

<b>Department Heads:</b> Mark Nietupski Jim Ciaffoni	
<b>Finance Director:</b> Mark Woodfill	
<b>City Manager:</b> Steve Norwood <i>SNorwood</i>	02/14/08

**Item Summary**

This item is to amend City Contract No. 07-089 with Fann Contracting Inc., for the Iron Springs Road Improvement Project to adjust various contract bid items reflecting measured as-built quantities to date, and provide compensation for additional work required to properly complete the project.

**Background**

The Iron Springs Road Improvement project began in December 2006 and is nearly finished. The contractor's current schedule anticipates substantial completion (excluding the final asphalt layer, adjustment of utility facilities and striping to be performed in May/June 2008) by the end of March 2008, weather permitting.

As previously reported a number of issues developed during the course of this major construction project which have caused the City to incur additional expenses including: utility conflicts (Fann Contracting had to work around third party utility conflicts from December 2006 through July 2007), plan omissions, changed/unforeseen conditions, and additional quantities.

The success of this project thus far cannot be denied when considering the magnitude and difficult challenges encountered in its delivery. The public has benefited as a result of the City's project approach and fundamental goal to minimize construction impacts.

Emergency services have been unaffected and through traffic has rarely been delayed. Maintenance of access to schools and businesses has been of the highest priority. Flagging operations, off-duty uniformed officers and safety control devices have been used extensively and successfully to facilitate traffic, school, and business access. However, this success has come at considerable monetary cost.

Contract Amendment No. Two (attached) details the specific items of work with adjustments.

**Agenda Item:** Approval of Contract Amendment Two to Contract No. 07-089, Iron Springs Road Improvement Project, with Fann Contracting, Inc., in the amount of \$979,340.07

The increase for roadway and drainage improvements totals \$757,547.57, of which \$495,820.83 is for traffic control beyond the amount estimated in the contract. Payment for this item is based on predetermined rates (unit costs x hourly or daily use for each device, arrow/message board, flagger, uniformed off-duty officer & vehicle, and concrete barriers) in the contract. The accelerated schedule and intensity of work during construction, with contractor activities in multiple locations, contributed to increased costs in conjunction with weather impacts.

Other costs were incurred for: blasting/excavation of rock for retaining wall footings; trenching for relocation of gas facilities (reimbursement received from UniSource Gas \$41,454.13); existing storm drain conflicts with new walls; electrical conduits and measured quantities.

The increase for water improvements is in the amount of \$18,851.00. An additional contractor request in excess of \$120,000.00 associated with main line vertical realignments, required to avoid other underground facilities during construction is presently in dispute. The City and contractor share differing views of the payment provisions in the contract pertaining to vertical realignments. Discussions are continuing with the objective of reaching a mutually satisfactory resolution.

Sewer installation costs in the amount of \$202,941.50 are primarily due to measured quantities greater than those shown in the bid schedule, and an extension of a newly identified capacity need for a 12" sewer main (351') to serve residential lots west of Williamson Valley Road, as well as to avoid cutting the new asphalt pavement within the next few years to support new development.

Council will recall this contract is not a "lump sum" or "fixed price" contract, but rather a "unit cost" contract with payment made based on completed and measured quantities for the specific work items necessary for the project. Lump sum prices do apply to some items of work under the contract or where Force Account (cost plus 15%) was required for additional work where unit prices don't exist.

The final contract amount for Iron Springs Road will not be determined until all project work is completed and disputed items resolved. Street and utility projects of this scope and complexity often experience increased costs prior to completion. An increase in the range of 5-7% is not extraordinary.

### **Contract Amendment Summary**

No. One	Fire Station No. 72 Parking Lot Paving	\$ 36,484.50
No. Two	Quantities Adjustment	\$979,340.07

**Agenda Item:** Approval of Contract Amendment Two to Contract No. 07-089, Iron Springs Road Improvement Project, with Fann Contracting, Inc., in the amount of \$979,340.07

**Budget**

Contract Amendment No. Two in the total amount of \$979,340.07 will increase the original contract amount of \$17,414,323.30 by 5.62%. Budgeted funds are available from the One Cent Sales Tax for Streets and Open Space (\$757,547.57), Water Fund (18,851.00), and Sewer Fund (\$202,941.50).

Increased contract costs will be addressed in the FY 09 budget process as Streets and Utilities improvement program planning proceeds.

**Attachment** - Contract Amendment Two to City Contract No. 07-089

**Recommended Action:** Move to approve Contract Amendment No. Two to City Contract No. 07-089, with Fann Contracting, Inc., in the amount of \$979,340.07 for the Iron Springs Road Improvement Project.



**City of Prescott  
Contract Amendment Two  
Iron Springs Road Reconstruction**

Contractor Fann Contracting, Inc  
Contract No. 07-089  
Account. Various  
Date February 4, 2008

**Purpose of Contract Amendment:**

To compensate Contractor for additional work required to complete the project to date.

**You are directed to make the following changes in the Contract Documents:**

Increase Contract amount by \$979,340.07.

**Road Work Contract Allowance Item No. 1 Expenditures**

Item	Description	Adjustment to Quantity	Unit	Unit Price	Total
WD 1	Modify Retaining Wall #3	1	LS	23,784.00	23,784.00
WD 9	Install Type A Pole & Foundation	1	LS	3,900.00	3,900.00
WD 9A	Install Type A Pole & Foundation	1	LS	3,900.00	3,900.00
WD 10	Add Truncated Domes at Walk Ramps @ \$825 ea	21	EA	825.00	17,325.00
WD 16	Install 1 5" Gas Regulator	1	EA	2,884.00	2,884.00
FA 1	Retaining Wall #1 Footer - Force Acct	1	LS	3,730.75	3,730.75
FA 2	Retaining Wall #2 Footer - Force Acct	1	LS	24,581.91	24,581.91
FA 3	Pothole Existing Gas Main - Force Acct	1	LS	7,338.93	7,338.93
FA 4	Relocate T-valve 1/6" DIP to Avoid Conflict	1	LS	5,335.76	5,335.76
FA 5	Dig & Backfill Unsource Trench	1	LS	41,454.13	41,454.13
FA 6	Redo Watters Landscape Island	1	LS	6,237.38	6,237.38
FA 7	Remove & Relocate 4" Service @ Shady Acres	1	LS	26,253.97	26,253.97
FA 8	Retaining Wall #4 Footer	1	LS	15,899.71	15,899.71
FA 9	Tie-in Windssock Bldg to Water Main	1	LS	1,687.61	1,687.61
FA 10	Reroute 4" Sewer Service to Dance Studio	1	LS	756.76	756.76
FA 11	Install 1/5" PVC Bypass for Existing Water Line	1	LS	1,254.37	1,254.37
FA 12	Replace C Basin w/ Junction Box	1	LS	4,849.11	4,849.11
FA 13	Add 4" Service @ Fire Station	1	EA	16,921.47	16,921.47
FA 14	Modify Catch Basin #23 due to Conflict	1	LS	2,823.47	2,823.47
FA 15	Retaining Wall #7 Footer	1	LS	14,153.77	14,153.77
FA 16	Relocate Dry Gulch Sign	1	LS	775.76	775.76
FA 17	Pothole Qwest Lines	1	LS	3,121.21	3,121.21
FA 18	Remove Roack at Sewer Extension	1	LS	8,925.18	8,925.18
FA 19	Install French Drain @ Retaining Wall 4	1	LS	12,957.38	12,957.38
FA 20	Replace FD Driveway @ Williamson Vily Rd	1	LS	11,093.93	11,093.93
FA 21	Modify Manhole 37 & Manhole 30A	1	LS	1,340.33	1,340.33
FA 22	Qwest Delays w/ Storm Drain Laterals	1	LS	7,929.32	7,929.32
FA 23	Fix Water Leak @ School Exit	1	LS	2,382.57	2,382.57
FA 24	Sidewalk/Ramps @ Iron Springs Café	1	LS	8,653.59	8,653.59
FA 25	Lower Existing Manholes on ISRD	1	LS	3,121.91	3,121.91
FA 26	Standby Generator/Pressure Regulator	1	LS	5,132.00	5,132.00
FA 27	Fence Height Increase	1	LS	10,484.00	10,484.00
FA 28	Temp Signal Striping - Extra	1	LS	757.00	757.00
FA 29	Remove & Replace Mod Type A Driveway	1	LS	210.27	210.27
<b>Total Road Work Contract Allowance Expenditures Only</b>					<b>\$ 301,956.56</b>

**Road Work - Account No. 66-88681-758**

Item	Description	Adjustment to Quantity	Unit	Unit Price	Total
1	Contract Allowance	0.21	LS	250,000.00	51,956.55
10	Saw Cut	1,072.00	LF	3.00	3,216.00
36	Concrete Roll Curb & Gutter, YAG Std Dtl. 220 Type D	3.00	LF	18.00	54.00
36	Concrete Sidewalk Ramp, YAG Std Dt 231	2,198.00	SF	6.00	13,188.00
39	Concrete Driveway, YAG Std Dtl 251	4,496.00	SF	7.00	31,472.00
48	Traffic Control Allowance	0.99	LS	500,000.00	495,820.83
49	Temporary Concrete Barrier - Install & Remove	4,040.00	LF	10.00	40,400.00
52	Temporary Striping	15,513.00	LF	0.13	2,016.69
53	Obliterate Existing Striping	7,073.00	LF	0.50	3,536.50
55	Cantilever Retaining Wall with Cantilever Sidewalk	55.00	SF	116.00	6,380.00
56	Cantilver Retaining Wall with Concrete Barrier	143.00	SF	75.00	10,725.00
60	Block Retaining Wall, ADOT B-18 50 Split Faced Dbl Sided	144.00	SF	66.00	9,504.00
68	60" Smooth Bore Steel Pipe	21.00	LF	312.00	6,552.00
75	Catch Basin Modification	0.30	EA	9,000.00	2,700.00
113	Rip Rap with Filter Fabric, MAG 555	63.00	SY	42.00	2,646.00
139	Electrical Conduit 2" PVC	3,750.00	LF	20.00	75,000.00
169	Install Junction Box	7.00	EA	340.00	2,380.00
<b>Net Increase Account No. 66-88681-758</b>					<b>\$ 757,547.57</b>

**City of Prescott  
Contract Amendment Two  
Iron Springs Road Reconstruction**

Contractor Fann Contracting, Inc  
Contract No 07-089  
Account Various  
Date February 4, 2008

**Water Work Contract Allowance Item No. 203 Expenditures**

Item	Description	Adjustment to Quantity	Unit	Unit Price	Total
173	12" Water Main Construction DIP	30 00	LF	68 00	2,040 00
174	8" Water Main Construction DIP	351.00	LF	77 00	27,027 00
175	6" Main DIP	40 00	LF	83.00	3,320 00
176	16" Valve, Box & Cover	2 00	EA	5,040 00	10,080 00
178	8" Valve, Box & Cover	2 00	EA	1,690 00	3,380 00
179	6" Valve, Box & Cover	1 00	EA	1,406 00	1,406 00
180	6" Fire Hydrant Assembly, Complete	(1 00)	EA	4,985 00	(4,985 00)
181	16" Tapping Tee, Valve, Box & Cover	1 00	EA	4,241 00	4,241 00
182	2" Blow Off	6.00	EA	1,216 00	7,296 00
183	2" Combination Air & Vacuum Valve	1 00	EA	2,177 00	2,177 00
184	Double 1" Water Service Replacement Connections w/RPP	(2.00)	EA	6,333 00	(12,666 00)
186	Single 1" Water Service Replacement Connections w/ RPP	6 00	EA	5,040 00	30,240 00
187	Single 1" Water Service w/PRV & Shut Off Valve – Residential	5 00	EA	3,891.00	19,455 00
189	Single 2" Water Service Replacement Connections w/RPP	4 00	EA	6,460.00	25,840 00
<b>Total Water Work Contract Allowance Expenditures</b>					<b>\$ 118,851.00</b>

**Water Work - Account No. 2-90537-758**

Item	Description	Adjustment to Quantity	Unit	Unit Price	Total
203	Contract Allowance	0 19	LS	100,000 00	18,851 00
<b>Net Increase Account No. 2-90537-758</b>					<b>\$ 18,851.00</b>

**Sewer Work Contract Allowance Item No. 208 Expenditures**

2-1	4" Restrained Joint DIP Force Main	60 00	LF	95 00	5,700 00
2-2	Connect to Existing Force Main & Manhole	1 00	LS	4,300.00	4,300 00
2-3	Slurry Backfill	610 00	CY	90 45	55,174 50
2-4	Quality Control	1 00	LS	1,920 00	1,920 00
2-5	Construction Staking	1 00	LS	300 00	300 00
2-6	Traffic Control	1 00	LS	5,000 00	5,000 00
<b>Total Sewer Work Contract Allowance Expenditures</b>					<b>\$ 72,394.50</b>

**Sewer Work - Account No. 13-90509-758**

208	Contract Allowance	0 45	LS	50,000 00	22,394 50
210	8" SDR-35 PVC Sanitary Sewer Line	15 00	LF	67 00	1,005 00
211	12" SDR-35 PVC Sanitary Sewer Line	351.00	LF	123 00	43,173 00
212	15" SDR-35 PVC Sanitary Sewer Line	357 00	LF	185 00	66,045 00
213	8" DIP Sanitary Sewer Line	3 00	LF	145 00	435 00
216	48" Sanitary Sewer Manhole - Dtl 4-03	3 00	EA	4,071 00	12,213 00
217	60" Sanitary Sewer Manhole - Dtl 4-03	3 00	EA	4,990 00	14,970 00
218	Concrete Encasement per MAG Dtl 404-1 & 404-2	90 00	LF	32 00	2,880 00
219	Inside Drop Bowl	2 00	EA	885 00	1,770 00
221	Sanitary Sewer Service Reconnect, MAG Std 440-3, Type C, 4" PVC	8.00	EA	3,260 00	26,080 00
222	Sanitary Sewer Service Reconnect, MAG Std 440-3, Type C, 4" DI	1 00	EA	4,892 00	4,892 00
224	Remove & Replace Pavement AC & PCC	1,288 00	SF	5 50	7,084 00
<b>Net Increase Account No. 13-90509-758</b>					<b>\$ 202,941.50</b>
<b>Total Increase This Amendment</b>					<b>\$ 979,340.07</b>

**Summary of Changes in Contract Price**

Original Contract Price	\$ 17,414,323 30
Net Increase this Contract Amendment	979,340 07
Amendment One	36,484 50
Amended Contract Price	<b>\$ 18,430,147 87</b>

**City of Prescott  
Contract Amendment Two  
Iron Springs Road Reconstruction**

Contractor Fann Contracting, Inc  
Contract No 07-089  
Account Various  
Date February 4, 2008

Recommended by

\_\_\_\_\_  
Craig Taylor, Construction Services Manager

\_\_\_\_\_  
Date

Approved by

\_\_\_\_\_  
Bruce Canavan, Utilities Engineer

\_\_\_\_\_  
Date

Approved by

\_\_\_\_\_  
Mark Nietupski, Engineering Services Director

\_\_\_\_\_  
Date

Approved by

\_\_\_\_\_  
Jack D Wilson, Mayor

\_\_\_\_\_  
Date

Approved by

\_\_\_\_\_  
Steve Norwood, City Manager

\_\_\_\_\_  
Date

Accepted by

\_\_\_\_\_  
Fann Contracting, Inc

\_\_\_\_\_  
Date

Copy to Steve Norwood, City Manager  
Liz Burke, City Clerk  
Dawn Foster, Purchasing

M	<b>COUNCIL AGENDA MEMO – February 19, 2008</b>
L	<b>DEPARTMENTS:</b> Transportation Engineering Services and Utilities
S	<b>AGENDA ITEM:</b> Approval of Contract Amendment One to City Contract No. 07-271, Copper Basin Road Improvement Project, with Asphalt Paving & Supply Inc., in the amount of \$502,018.39
M	

<b>Approved By:</b>	<b>Date:</b>
<b>Department Heads:</b> Mark Nietupski Jim Ciaffoni	
<b>Finance Director:</b> Mark Woodfill	
<b>City Manager:</b> Steve Norwood <i>[Signature]</i>	<i>02/14/08</i>

**Item Summary**

This item is to amend City Contract No. 07-271 with Asphalt Paving & Supply, Inc., for the Copper Basin Road Improvement Project to adjust the contract amount providing compensation for additional work which has been required.

**Background**

As anticipated, considerable difficulty has been encountered in constructing the Copper Basin Road improvements. Unlike Iron Springs Road the corridor is very narrow limiting options for maintenance of traffic while major underground utility construction proceeds. Extensive blasting has been required to excavate trenches for new water and sewer mains, and numerous water outages have been experienced due to breaks in the main or services lines to individual properties. The existing 6" asbestos-cement pipe at shallow depth, brittle, and installed directly on rock many years ago, has been problematic due to its close proximity to the new utility improvements. The locations of existing facilities have varied from those identified in the plans requiring adjustments in new construction. Special efforts requiring additional work and expense have been made to minimize service disruptions and assure operational efficiency in the future to achieve the City's emphasis on customer service. Added expenses to the project will ultimately benefit the City in the long term from an operations and maintenance perspective.

Necessary additional work and weather to date have justified an increase in the contract term by 66 days, which will add to the cost of project traffic control. As on Iron Springs Road, the use of flaggers to assist motorists and assure public safety has been extensive.

The value of work performed on the Copper Basin Road project is currently within the authorized contract amount. However, certain work required due to plan errors and omissions, value added changes, and changed/unforeseen conditions, will increase the contract total. A summary of significant changes follows.

**AGENDA ITEM:** Approval of Contract Amendment One to City Contract No. 07-271, Copper Basin Road Improvement Project, with Asphalt Paving & Supply Inc., in the amount of \$502,018.39

Required Sewer items include:

- The sewer line in the vicinity of Park Avenue was redesigned/realigned by the City to eliminate two manholes in Aspen Creek with the grade adjusted to assure proper flow. Cost \$38,375.19.
- Three sewer service laterals and four cleanouts were required for the church and two homes on Park Avenue that had existing services. New service laterals were not shown on the project plans. Cost \$12,766.49.
- A major change in pipe material was required by ADEQ for segments of the sewer main exceeding the maximum allowable design velocity of 10 feet per second for PVC. The design engineer recalculated all pipe segments and identified a total of 3,176 feet would require a change to ductile iron pipe. To reduce the cost impact an alternative design was pursued, and eventually approved by ADEQ, affecting 2,000 feet of line. Cost \$230,022.16
- Design of the box culvert crossing Aspen Creek failed to consider the depth of the sewer line up and downstream of the structure, which if not corrected would leave the line at risk from creek flows. Cost \$44,980.00

Required Water items include:

- Tie-ins to the existing water and new mains at the of White Spar, Copper Basin and Brookside Drive intersections required redesign to address alignment conditions. Existing service connections not shown on the plans were replaced. Cost \$16,670.28.
- Three water services were added to maintain service to the existing church and two homes on Park Avenue, which were not shown on the project plans. Cost \$4,411.64.
- Four isolation valves were installed along the existing 6" asbestos-cement water line to minimize customer service disruptions due to main breaks and construction cutovers on the existing water line. Cost \$8,087.51.
- The limits of the water line construction on Park Avenue were extended to connect to an existing main without the benefit of looped feed in Canyon Springs Road in order to maintain water service in this area during water outages due to main breaks or cut over construction. This work was to be included in the future Park Avenue water improvement project; and those plans will be revised to reflect the portion now completed. Cost \$44,365.00.

**AGENDA ITEM:** Approval of Contract Amendment One to City Contract No. 07-271, Copper Basin Road Improvement Project, with Asphalt Paving & Supply Inc., in the amount of \$502,018.39

- Several temporary service connections were installed for homes on the north side of Copper Basin Road when it was discovered that they were all connected to an existing 1" line, not shown on the plans, but in conflict with new sewer main construction. Cost \$5,834.73

Additional work in the construction of retaining walls is also required. Existing soils below the footing excavations lack adequate bearing capacity to support the walls. These soils will require removal, replacement, and compaction to achieve sufficient strength. Cost \$96,505.38

City engineers are evaluating these issues to determine what level of responsibility the design engineers may have with respect to the added costs the City will incur. The design firm has been formally notified of the City's intent to seek recovery of increased costs where justified. The cost of some items may ultimately be reduced depending upon the City's ability to recover a portion of the costs currently attributed to design errors.

Another issue was recently identified involving the sufficiency of drainage facilities shown on the project plans. The design engineer is currently evaluating concepts to recommend a solution to address the problem. The cost implications associated with this anticipated change are not yet known, however, they may be significant. When the additional costs are quantified another contract amendment is expected to be submitted to the Council for consideration.

**Budget**

Contract Amendment One, in the total amount of \$502,018.39, will increase the original contract amount by 4.25% from \$11,794,541.70 to \$12,296,560.09. Budgeted funds are available from the One Cent Sales Tax for Streets and Open Space (\$96,505.38), Water Fund (\$39,684.58), Capital Fund (\$39,684.59), and Sewer Fund (\$326,143.84) for the additional work.

Increased contract costs will be addressed in the FY 09 budget process as Streets and Utilities improvement program planning proceeds.

**Attachment** - Contract Amendment One to City Contract No. 07-271

**Recommended Action:** MOVE to approve Contract Amendment One to City Contract No. 07-271 with Asphalt Paving & Supply Inc., in the amount of \$502,018.39 for the Copper Basin Road Improvement Project.

**City of Prescott**  
**Contract Amendment One**  
**Copper Basin Road Improvements**

Contractor	Asphalt Paving & Supply, Inc
Contract No	07-271
Account	Various
Date	February 6, 2008

**Purpose of Contract Amendment:**

To adjust the contract amount and compensate Contractor for required additional work

**You are directed to make the following changes in the Contract Documents:**

Increase Contract amount by \$502,018.39

**Road Work Account No. 66-88684-758**

<i>Item</i>	<i>Description</i>	<i>Adjustment to Quantity</i>	<i>Unit</i>	<i>Unit Price</i>	<i>Total</i>
1-1	Retaining Wall Unsuitable Material Excavation @ Sta 67+17 to 68+06	1 00	LS	10,573 67	10,573 67
1-2	Retaining Wall Unsuitable Material Excavation at Sta 70+40 to 73+61	1 00	LS	85,931 71	85,931 71
<b>Net Increase Account No. 66-88684-758</b>					<b>\$ 96,505.38</b>

**Water Work Account Nos. 25-90515-758 & 2-90515-758**

<i>Item</i>	<i>Description</i>	<i>Adjustment to Quantity</i>	<i>Unit</i>	<i>Unit Price</i>	<i>Total</i>
1-3	Water Service, Gate, Valve, 45° Bend, & Barrel Sleeves	1 00	LS	16,670 28	16,670 28
1-4	Water Services @ Sta 21+24 and One 2" Service @ Sta 21+41	1 00	LS	4,411 64	4,411 64
1-5	Isolation Valves	4 00	EA	2,021 88	8,087 52
1-6	Water Main Extension - Park Ave to Canyon Spring Rd	1 00	LS	44,365 00	44,365 00
1-7	Relocate Water Services & Abandon 1" Main - Kopavi to Linden Road	1 00	LS	5,834 73	5,834 73
Total Water Work					\$ 79,369 17
<b>Net Increase Account No. 2-90515-758 - 50%</b>					<b>\$ 39,684.58</b>
<b>Net Increase Account No. 25-90515-758 - 50%</b>					<b>\$ 39,684.59</b>

**Sewer Work - Account No. 13-90520-758**

<i>Item</i>	<i>Description</i>	<i>Adjustment to Quantity</i>	<i>Unit</i>	<i>Unit Price</i>	<i>Total</i>
1-8	Redesign of Sewer & Manhole Nos 34 & 36 @ Copper Basin/Park Ave	1 00	LS	38,375 19	38,375 19
1-9	Additional Sewer Services & Cleanouts @ White Spar and Park Ave	1 00	LS	12,766 49	12,766 49
1-10	Sewer Design Revision per ADEQ	1 00	LS	230,022 16	230,022 16
1-11	Concrete Apron & Grouted Rip Rap @ West & East Side of Box Culvert	1 00	LS	44,980 00	44,980 00
<b>Net Increase Account No. 13-90515-758</b>					<b>\$ 326,143.84</b>
<b>Net Increase This Amendment</b>					<b>\$ 502,018.39</b>

**Summary of Changes In Contract Price**

Original Contract Price	\$ 11,794,541 70
Net Increase this Contract Amendment	502,018 39
Amended Contract Price	<u>\$ 12,296,560 09</u>

Recommended by

\_\_\_\_\_  
 Ben Mokhtari, Project Manager

\_\_\_\_\_  
 Date

Approved by

\_\_\_\_\_  
 Craiger Taylor, Construction Services Manager

\_\_\_\_\_  
 Date

**City of Prescott**  
**Contract Amendment One**  
**Copper Basin Road Improvements**

Contractor	Asphalt Paving & Supply, Inc
Contract No	07-271
Account	Various
Date	February 6, 2008

Approved by

\_\_\_\_\_ Mark Nietupski, Engineering Services Director \_\_\_\_\_ Date

Approved by

\_\_\_\_\_ Bruce Canavan, Utilities Engineer \_\_\_\_\_ Date

Approved by

\_\_\_\_\_ Jack D Wilson, Mayor \_\_\_\_\_ Date

Approved by

\_\_\_\_\_ Steve Norwood, City Manager \_\_\_\_\_ Date

Accepted by

\_\_\_\_\_ Asphalt Paving & Supply, Inc \_\_\_\_\_ Date

Copy to Steve Norwood, City Manager  
Liz Burke, City Clerk  
Dawn Foster, Purchasing

**COUNCIL AGENDA MEMO – February 19, 2008**

**DEPARTMENT:** Transportation Engineering Services

**AGENDA ITEM:** Approval of Supplemental Agreement No. 3, to Contract No. 07-115 with Parsons Transportation Group, for final design of a grade separated traffic interchange in the vicinity of Side Road at SR 89A in the amount of \$1,699,748.88

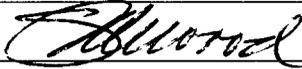
**Approved By:**

**Date:**

**Department Head:** Mark Nietupski

**Finance Director:** Mark Woodfill

**City Manager:** Steve Norwood



02/13/08

**Item Summary**

This item is to contract with Parsons Transportation Group (Parsons) for Phase II engineering services and design of a grade separated traffic interchange (TI) near Side Road intersection with SR 89A in conformance with Arizona Department of Transportation requirements.

The design phase will include preparation of design drawings, cost estimates and specifications in increasing detail (30%, 60%, 95%, and Final) for ADOT, City and utility review at each stage. The preferred interchange design concept consists of a diamond interchange with one-lane freeway ramps, 2-lane roundabouts at the south and north ramp termini with the north/south roadway, and a 4-lane bridge over SR89A. Design of the Connector Road extending south and west of the traffic interchange to link with existing Side Road at Center Point East Drive is also included. The TI will be located approximately 1800' east of Side Road and will enhance motorist safety over the current at grade intersection at Side Road and SR 89A. The initial construction will be compatible with design for the ultimate interchange improvements in the future to include 2-lane ramps, 3-lane roundabouts and a 6-lane bridge with Multi-use Path over SR 89A.

Additional design will provide for several facilities along existing Side Road adjacent and south of SR 89A including:

- Closure and removal of existing Side Road /SR 89A median turn area;
- Construction of a cul-de-sac on existing Side Road approximately 100 feet south of SR 89A (north terminus of Side Road);
- Construction of a multi-use path approaching and crossing beneath SR 89A via an existing box culvert connecting to the former railroad right-of-way north and south of SR 89A, parking lot, trailhead signs and access control fencing;

The attached scope of work contains the detailed breakdown of design tasks including supplemental efforts required by ADOT to complete the Phase I Traffic Report and Design Concept Report. Sub-consultant scopes of work, not attached, are available in the City Clerks office.

**Agenda Item:** Approval of Supplemental Agreement No. 3 to Contract No. 07-115, with Parsons Transportation Group, for final design of a grade separated traffic interchange in the vicinity of Side Road at SR 89A in the amount of \$1,699,748.88

## **Background**

On November 30, 2007, Council approved the Pre-annexation Development Agreement with Granite Dells Estates Properties I & II, Inc., (GDE) which obligates to the City to provide bid ready plans and specifications for the TI, with ADOT approval, to GDE by January 15, 2009, for bidding and construction. GDE is obligated to publicly bid and commence construction by June 30, 2009. Furthermore, the City is obligated under two other agreements (an intergovernmental agreement with Yavapai County and the agreement with Country Dells property owners) to provide for construction of the interchange by the same date noted above.

## **Project Schedule**

Phase II, Design commencement	March 1, 2008
Phase II, Design completion	January 15, 2009
Phase III, Construction	June 30, 2009

## **Budget**

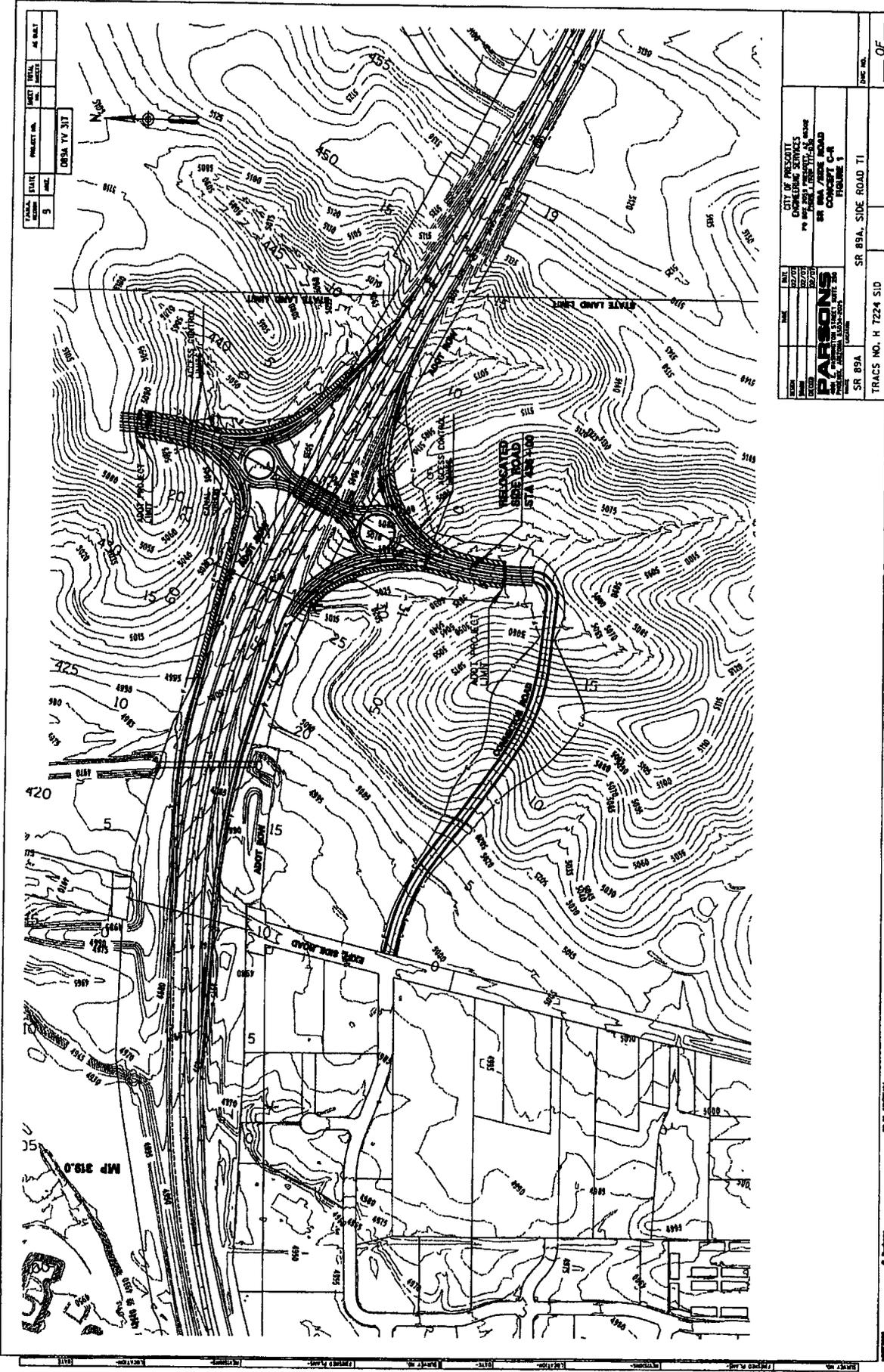
Project design was budgeted in FY 08 with funding allocated from the One Cent Sales Tax for Streets and Open Space. The engineering fee for Phase II final design is in the amount of \$1,699,748.88. Supplemental Agreement No. 3 will not cause the City to exceed the FY08 budgeted total for the One Cent Fund.

According to the previously mentioned IGA and City Contract No. 03-016, Yavapai County will provide a maximum contribution of \$1,500,000 and the Country Dells "Property Owner" will contribute a maximum of \$480,000 toward the cost of the interchange. As indicated previously the owner of the property where the TI will be located has offered to dedicate the right-of-way (25+ acres) and donate the borrow material (soil) necessary for fill construction on the project.

The current project estimate for design and construction of the TI, as detailed above, is \$18.2 million.

**Attachments** - Location Map  
- Scope of Work and Fee Breakdown

**Recommended Action:** MOVE to approve Supplemental Agreement No. 3 to Contract No. 07-115, with Parsons Transportation Group, Phoenix, Arizona, for final design of a grade separated traffic interchange in the vicinity of Side Road at SR 89A in the amount of \$1,699,748.88



# LOCATION MAP

## SIDE ROAD & HWY 89A

**SR 89A/SIDE ROAD INTERCHANGE  
PHASE 2 FINAL DESIGN  
SCOPE OF WORK  
2/6/08**

Following agreement on a preferred SR 89A/Side Road Interchange design concept, Parsons will prepare design drawings, cost estimates, and specifications in increasing detail (30%, 60%, 95%, Final) with opportunity for ADOT, City, and utility review at each stage. For cost estimate purposes, the preferred interchange design concept is assumed to include initial construction of a diamond interchange with 1-lane freeway ramps, 2-lane roundabouts at the south and north ramp termini with Side Road, and a 4-lane bridge over SR 89A at Station 436+00 (Location C). The initial construction will be compatible with design for ultimate construction of an 8-lane freeway with auxiliary lanes, 1- or 2-lane freeway ramps, 3-lane roundabouts at north and south ramp termini, and a 6-lane bridge with Multi-Use Path over SR 89A. See Figures 1 and 2.

Future Side Road bridge widening from the initial 4-lanes to the ultimate 6-lanes is assumed to take place along both sides of the bridge. Future expansion of the roundabouts from 2-lane to ultimate 3-lanes is assumed to take place from the outside toward the center to minimize reconfiguration of bypass lanes and outside improvements (curbs, lighting, etc.). Future widening is not included in this Scope of Work.

Parsons will also design a Connector Road extending south and west from the SR 89A/Side Road Interchange to link with existing Side Road at Centerpoint East Drive. The Connector Road will be 5 lanes following the planned Side Road alignment south from the SR 89A/Side Road Interchange approximately 800 feet to a future T-intersection (presumed future signalization), and thence 3 lanes west approximately 2000 feet to existing Side Road. The initial Connector Road construction will be compatible with an ultimate 7-lane Side Road (new alignment), and 3-lane roadway from the new Side Road to existing Side Road. See Figure 3.

In addition to the Interchange and Connector Road, Parsons would also design several facilities along existing Side Road adjacent SR 89A:

- Close/remove existing Side Road/SR89A median turn area;
- Construct a cul-de-sac on existing Side Road approximately 100 feet south of SR 89A (north terminus of existing Side Road);
- Construct a multi-use path approaching and crossing beneath SR89A via an existing cattle crossing—The path would connect with the abandoned railroad grade north and south of SR89A, continue south to the intersection of existing Side Road and Centerpoint East Drive. Path design would be compliant with American Disabilities Act (ADA) requirements.
- Provide a parking lot for 30 motor vehicles and 10 horse trailers to accommodate multi-use path users;
- Provide trailhead entryway signing between the parking lot and multi-use path;
- Provide access-control fencing between SR89A and the cul-de-sac/parking lot.

planimetric base, showing utilities at a scale of 1" = 40'. The roadway profile will be drawn for the centerline at a scale of 1" = 40'. Sections will be drawn at 100' intervals.

**2.3. Bridge Design and 30% Plan Preparation** – Parsons will design and prepare construction plans, project specifications and estimate of construction costs for the preferred bridge type over SR 89A selected by the City and ADOT.

The bridge design and plans shall be in conformance with *AASHTO LRFD Bridge Design Specifications, 3<sup>rd</sup> Edition with 2005 and 2006 Interims*, and the current edition of Arizona Department of Transportation (ADOT) Bridge Practice Guidelines. The consultant shall prepare project Special Provisions to the *ADOT Standard Specification for Road and Bridge Construction, 2000*, in standard ADOT format for all items not specifically addressed in the Standard Specifications. Bridge quantities and Estimate of Construction Costs shall be in conformance with ADOT approved Bid Tabulation items and units.

Close coordination will be maintained between Parsons, the City of Prescott and ADOT during the design process to insure compatibility and conformance with city, federal and state requirements.

**2.4. Drainage Analysis and 30% Design** – Drainage plans will be developed to address required on-site and off-site drainage improvements. Detailed scope of work is provided in the CRA proposal attached.

**2.5. Signing and Striping 30% Design** – Parsons will be responsible for preparing signing plans for all areas within the project limits. The design shall be in conformance with ADOT (mainline) and City of Prescott (cross road) criteria.

**2.6. Maintenance of Traffic 30% Design** – Parsons will be responsible for preparing plans for handling traffic operations during construction, including paving, signing, striping, and other measures necessary to facilitate project construction. The design shall be in conformance with the approved DCR.

**2.7. Final Design Traffic Engineering and Lighting 30% Design** – Parsons will be responsible for preparing final intersection layouts, including concept plans for roundabout construction at the intersections of freeway ramps and the cross road. For purposes of this proposal, it is assumed that no signalization will need to be designed, due to reliance on roundabouts for traffic control.

Parsons and their lighting specialist (R. A. Alcala Associates) will provide lighting plans for freeway ramp gore areas and ramp/cross road intersections in conformance with ADOT requirements. Lighting analysis will include preparation of an iso-lumen overlay to roundabout plans to insure lighting will provide uniform light for safe traffic operations.

**2.8. Survey to Support 30% Design** – Parsons will obtain supplemental survey data as needed to verify the location and elevation of existing improvements in the project area. Detailed scope of work is provided in the CRA proposal attached.

**2.9. Utilities to Support 30% Design** – Few utilities are located in the project area. Parsons will be responsible for obtaining existing utility data and coordinating the relocation of any utilities to accommodate completion of the interchange project.

**2.10. Geotechnical Investigation to Support 30% Design** – Parsons will provide a comprehensive testing program in support of final design. The program for the SR 89A/Side Road Interchange will include 13 test borings and 10 backhoe test pits to determine suitable soil bearing capacities for bridge support, retaining walls, roadway embankment and pavement design. Further scope of work detail is provided in the AMEC Earth and Environmental proposal attached. Draft and Final Interchange Geotechnical Investigation and Foundation Investigation Reports will be produced delineating design parameters. The Final Geotechnical Investigation and Foundation Report submitted in support of 95% plans will be sealed and signed by an Arizona Registered Geotechnical Engineer.

The geotechnical program for the Connector Road will include 7 test borings and 7 backhoe test pits to determine suitable soil bearing capacities for retaining walls, roadway embankment and pavement design. Draft and Final Connector Road Geotechnical Investigation and Foundation Investigation Reports will be produced delineating design parameters. The Final Connector Road Geotechnical Investigation and Foundation Report submitted in support of 95% plans will be sealed and signed by an Arizona Registered Geotechnical Engineer.

**2.11. Landscape and Revegetation to Support 30% Design** – Parsons will provide 20 scale plans for landscaping of the Interchange and Connector Road. The Interchange plans will include landscaping of roundabouts at freeway ramp termini and erosion control and revegetation of cut and fill areas at the freeway interchange. For the Interchange, this task will include preparation of a candidate Storm Water Pollution Prevention Plan (SWPPP) for use by the selected construction contractor. Connector Road plans will address erosion control and revegetation along the Connector Road. Further scope of work detail is provided in the Logan Simpson Design proposal. The Final Landscape Plans submitted at 100% design detail will be sealed and signed by an Arizona Registered Landscape Architect.

**2.12. 30% Engineering Design Drawings for City & ADOT Review**

The 30% design plans shall be prepared including engineering plans, profiles, sections and detail drawings for roadway, traffic engineering, drainage, bridge, signing, striping, landscaping, and lighting as described above and required to facilitate review by the City of Prescott and ADOT. All plans shall be 20-scale full size at 22"x34" or 40-scale half size at 11"x17". Half size drawings will be used for 30% design submittal and review. 50 copies of the plan set will be produced and distributed for review.

**2.13. Specifications, Quantities and Engineer's Estimate to Support 30% Design** – Parsons will prepare technical specifications for all elements of the work using the ADOT standard specifications and bid items. Construction quantities shall be tabulated in a bid schedule format approved by ADOT. Parsons will prepare the Engineer's Estimate

using the items of work in the bid schedule. Unit prices shall be determined from locally available unit price data from comparable construction projects.

### **3. 60% DESIGN SUBMITTAL (STAGE III)**

The 60% design shall consist of the preparation of preliminary plans including plan and profile drawings, engineer's estimate and draft specifications for review and approval by the City of Prescott and ADOT.

**3.1 Side Road Roadway Design and 60% Plan Preparation** – Roadway plan and profile drawings will be refined, as necessary, on planimetric base at a scale of 1" = 40'. The roadway profile will be drawn for the centerline at a scale of 1" = 40'. Sections will be drawn at 100' intervals.

**3.2 Final Bridge Selection Report (BSR) and 60% Design** — Parsons will prepare and submit a Final BSR in support of the 60% design drawings and in accordance with ADOT guidelines, including documenting, evaluating and recommending a preferred bridge type for crossing SR 89A and any retaining wall systems that may be required. The Final BSR, which will focus on the Preferred Bridge Alternative will reflect findings of the Preliminary Interchange Geotechnical Report. Project plan, elevation and typical section drawings and cost estimates of the Preferred Alternative will be included as an appendix at the end of the Final BSR. The Final BSR will be sealed and signed by a qualified Arizona Registered Engineer.

**3.3. Final Drainage Report and 60% Design** — A Final Drainage Report will be prepared in support of the 60% design drawings and will address both off-site and on-site drainage requirements. Off-site requirements will include hydrology and hydraulic considerations. On-site drainage will address roadway and structural drainage requirements. The Final Drainage Report will be sealed and signed by a qualified Arizona Registered Engineer.

**3.4. Signing and Striping to Support 60% Design** -- Signing and striping plans will be advanced to 60% completion for all areas within the project limits, and resolution of comments from review of 30% plans will be incorporated.

**3.5. Maintenance of Traffic to Support 60% Design** -- Plans for handling traffic operations during construction, including paving, signing, striping, and other measures necessary to facilitate project construction will be advanced to 60% completion.

**3.6. Cross Road and Ramp Traffic Engineering and Lighting to Support 60% Design** – Parsons will advance traffic engineering and lighting design for intersections of freeway ramps and the cross road to 60% detail, and incorporate resolution of comments from review of 30% plans.

**3.7 Survey to Support 60% Design** – Parsons will obtain supplemental survey data as needed to verify the location and elevation of existing improvements in the project area.

**3.8. Utilities to Support 60% Design** -- Parsons will be responsible for obtaining existing utility data and coordinating the location of any utilities to accommodate completion of the interchange project.

**3.9. Preliminary Geotechnical Report to Support 60% Design** -- A Draft Interchange and Connector Road Geotechnical Investigation and Foundation Investigation Reports will be submitted in support of the 60% design drawings.

**3.10. Landscaping and Revegetation to Support 60% Design** -- Parsons will refine landscape and erosion prevention plans to 60% level of detail, and incorporate resolution of review comments from 30% design review.

**3.11. 60% Specifications, Quantities and Engineer's Estimate** -- Parsons will prepare technical specifications for all elements of the work using the ADOT standard specifications and bid items for the Interchange and City specifications for the Connector Road. Construction quantities shall be tabulated separately for the Interchange and for the Connector Road in a bid schedule format approved by ADOT and the City, respectively. If appropriate, Parsons will incorporate both Interchange and Connector Road specifications, quantities, and estimates into a single complete City construction bid package. Parsons will prepare the Engineer's Estimate using the items of work in the bid schedule. Unit prices shall be determined from locally available unit price data from comparable construction projects.

**3.12. 60% Engineering Design Drawings for Review by City and ADOT** -- The 60% design plans shall be prepared including engineering plans, profiles, sections and detail drawings for roadway, traffic engineering, drainage, bridge, signing, striping, landscaping, and lighting as described above and required to facilitate review by the City of Prescott and ADOT. All plans shall be 20-scale full size at 22"x34" or 40-scale half size at 11"x17". Half size drawings will be used for 60% design submittal and review. 50 copies of the plan set will be printed and distributed for review.

#### **4. 95% DESIGN SUBMITTAL (STAGE IV)**

The 95% design shall consist of the preparation of preliminary plans including plan and profile drawings, engineer's estimate and draft specifications. An over-the-shoulder review of the 95% plans will be obtained from the City and ADOT staffs. All plans shall be 40-scale half size at 11" x 17". Half size drawings will be used for 95% design submittal and review.

**4.1. Roadway Design and 95% Plan Preparation** -- Roadway plan and profile drawings will be refined, as necessary, on planimetric base at a scale of 1" = 40'. The roadway profile will be drawn for the centerline at a scale of 1" = 40'. Sections will be drawn at 100' intervals.

**4.2. Bridge Design and 95% Plan Preparation** -- Project bridge plan, elevation and typical section drawings and cost estimates will be refined to 95% detail.

**4.3. Drainage Design and 95% Plan Preparation** – Drainage plans will be developed to address required on-site and off-site drainage improvements, as necessary. Detailed scope of work is provided in the CRA proposal attached.

**4.4. Signing and Striping to Support 95% Design** – Signing and striping plans will be refined to 95% design level for all areas within the project limits, and resolution of comments on the 60% plans will be incorporated.

**4.5. Maintenance of Traffic to Support 95% Design** – Plans for handling traffic operations during construction, including paving, signing, striping, and other measures necessary to facilitate project construction will be advanced to 95% completion.

**4.6. Cross Road and Ramp Traffic Engineering and Lighting to Support 95% Design** – Parsons will advance traffic engineering and lighting design for intersections of freeway ramps and the cross road to 95% detail, and incorporate resolution of comments from review of 60% plans.

**4.7. Survey to Support 95% Design** – Parsons will obtain supplemental survey data as needed to verify the location and elevation of existing improvements in the project area.

**4.8. Utilities to Support 95% Design** – Parsons will be responsible for obtaining existing utility data and coordinating the location of any utilities to accommodate completion of the interchange project.

**4.9. Final Geotechnical Report to Support 95% Design** – In support of 95% Design, the Final Geotechnical Investigation and Foundation Investigation Reports for Interchange and Connector Road will be produced delineating design parameters. The Final Geotechnical Investigation and Foundation Reports will be sealed and signed by a qualified Arizona Registered Engineer.

**4.10. Landscape and Revegetation to Support 95% Design** – Landscape design and erosion prevention plans shall be refined to support 95% design, and resolution of comments on 60% plans will be incorporated.

**4.11. 95% Specifications, Quantities and Engineer's Estimate** – Parsons will advance technical specifications and engineers estimate for all elements of the work to 95% detail using the ADOT standard specifications and bid items for the Interchange and City specifications for the Connector Road. Revisions will reflect changes needed to address review comments at the 60% level.

**4.12. 95% Design Plans for Review by City and ADOT** – The 95% design plans shall be prepared including engineering plans, profiles, sections and detail drawings for roadway, traffic engineering, drainage, bridge, signing, striping, landscaping, and lighting as described above and required to facilitate review by the City of Prescott and ADOT. 95% drawings will reflect changes needed to address review comments at the 60% level. All plans shall be 20-scale full size at 22"x34" or 40-scale half size at 11"x17". Half size

drawings will be used for 95% design submittal and review. 50 copies of the plan set will be printed and distributed for review.

#### **5. 100% (FINAL) DESIGN SUBMITTAL (STAGE V)**

The 100% design shall incorporate revisions needed to resolve review comments on the 95% plan and profile design drawings, specifications, engineer's estimate and contract documents. The 100% drawings will reflect changes needed to address review comments at the 95% level. All 100% plans shall be 40-scale half size at 11" x 17".

**5.1. Roadway Design and 100% (Final) Plan Preparation** -- Roadway plan and profile drawings will be refined, as necessary, on planimetric base at a scale of 1" = 40', incorporating response to comment on review of 95% plans.

**5.2. Bridge Design and 100% (Final) Plan Preparation** -- Project plan, elevation and typical section drawings and cost estimates will be refined to 100% detail, incorporating response to comment on review of 95% plans.

**5.3. Drainage Design and 100% (Final) Plan Preparation** -- Drainage plans will be developed to address required on-site and off-site drainage improvements, as necessary. Detailed scope of work is provided in the CRA proposal attached.

**5.4. Signing and Striping to Support 100% (Final) Design** -- Signing and striping plans will be advanced to 100% completion for all areas within the project limits, and resolution of comments on the 95% plans will be incorporated.

**5.5. Maintenance of Traffic to Support 100% (Final) Design** -- Plans for handling traffic operations during construction, including paving, signing, striping, and other measures necessary to facilitate project construction will be advanced to 100% completion.

**5.6. Cross Road and Ramp Traffic Engineering and Lighting to Support 100% (Final) Design** -- Parsons will advance traffic engineering and lighting design for intersections of freeway ramps and the cross road to 100% detail, and incorporate resolution of comments from review of 95% plans. Final design plans submitted at the 100% design detail will be sealed and signed by a Registered Arizona Electrical Engineer.

**5.7. Survey to Support 100% (Final) Design** -- Parsons will obtain supplemental survey data as needed to verify the location and elevation of existing improvements in the project area.

**5.8. Utilities to Support 100% (Final) Design** -- Parsons will be responsible for obtaining existing utility data and coordinating the location of any utilities to accommodate completion of the interchange project.

**5.9. Geotechnical to Support 100% (Final) Design** -- Geotechnical and pavement analysis will be provided, as necessary, to support submittal of 100% design drawings and specifications.

**5.10. Landscape and Revegetation to Support 100% (Final) Design** – Landscape design and erosion prevention plans shall be refined to support 100% design, and resolution of comments on 95% plans will be incorporated. Final plans will be sealed and signed by an Arizona Registered Landscape Architect.

**5.11. 100% (Final) Specifications, Quantities and Engineer's Estimate** – Parsons will advance technical specifications and engineers estimate for all elements of the work to 100% design detail using the ADOT standard specifications and bid items for the Interchange and City specifications for the Connector Road. The 100% package will be distributed to those City and ADOT reviewers making comments on the 95% plans. Revisions will reflect changes needed to address review comments at the 95% level.

**5.12. 100% (Final) Design Plans for Review by City and ADOT** – The 100% design plans shall be prepared including engineering plans, profiles, sections and detail drawings for roadway, traffic engineering, drainage, bridge, signing, striping, landscaping, and lighting as described above and required to facilitate review by a limited number (5 assumed) of City and ADOT reviewers authorized to verify changes have been made in the final plans to resolve reviewer comments on the 95% plans. All plans shall be 40-scale half size at 11"x17". Half size drawings will be used for 100% design submittal and review. Parsons will print and distribute 5 copies of the 100% plans for reviewers.

## **6. BID DOCUMENTS SUBMITTAL**

The Final (100%) design phase will include resolution of comments on the 95% design drawings, specifications, engineer's estimate and contract documents.

Parsons will provide one set of sealed originals on 22" x 34", vellum, together with the specifications and estimates for incorporation into the final bid documents. The final vellum will become the property of the City of Prescott. All items shall be submitted in electronic format in Word and MicroStation 8. The Consultant will also provide a CD of the documents for the City.

## **7. BID SOLICITATION SUPPORT**

Parsons will be available for Bid Solicitation Support, including the following services, if authorized by contract modification.

- Provide copies of bid documents to facilitate the bidding process.
- Answer questions during the bidding phase.
- Prepare addenda for review and approval by the City.
- Prepare bid analysis, including comparison of items in each Contractor's Bid with the Engineer's Estimate, and recommend bid award.

## **8. PROJECT MANAGEMENT/FINAL DESIGN**

**8.1. Client/Team Coordination/Progress Reports/Invoicing** – The Parsons Project Manager will have overall responsibility monitoring consultant progress and communicating to the City of Prescott's Project Manager regarding work progress and schedule/budget compliance. He will keep the City's Project Manager informed through e-mail, coordination meetings and monthly progress reports. Invoicing will be monthly in

accordance with City procedures.

**8.2. Project Controls/Budget/Schedule** – Upon Notice-to-Proceed, Parsons will prepare a project schedule using Primavera software. The Parsons Project Manager will have overall responsibility for monitoring project budget, maintaining the project schedule, and keeping the City of Prescott's Project Manager informed of budget/schedule conditions.

**8.3. Coordination Meetings/Minutes** – The Parsons Project Manager, in coordination with the City's Project Manager, will establish a monthly coordination meeting schedule and list of invitees, issue agendas and prepare supporting materials, lead the meeting, facilitate decision making, and prepare and distribute minutes.

**8.4. Subconsultant Administration** – The Parsons Project Manager will coordinate schedule of subconsultant tasks and submittals to correspond with the overall Project schedule. He will obtain monthly progress reports and invoices suitable for tracking timely completion of subconsultant work and incorporation of subconsultant invoices into the overall Parsons invoice to the City of Prescott. The Parsons Project Manager will insure subconsultant conformance with Project Quality Assurance and Safety Plans.

**8.5. Quality Assurance** – A Project Quality Assurance Plan will be prepared to insure application of Parsons Quality Assurance procedures in preparation and review of reports, drawings and calculations. The Quality Assurance Plan will extend to Parsons and subconsultant submittals. Application of quality assurance procedures will be the responsibility of a designated Parsons Project Quality Assurance Manager. His responsibilities will extend to establishment and enforcement of subcontractor quality assurance procedures in conformance with Parsons procedures.

**8.6. Project Safety** – Parsons will prepare a Project Safety Plan, including office and field procedures for consultant and subconsultant personnel to insure safety of project staff, and those who interface with the project. Safety responsibility, approach and emergency contact information will be identified.

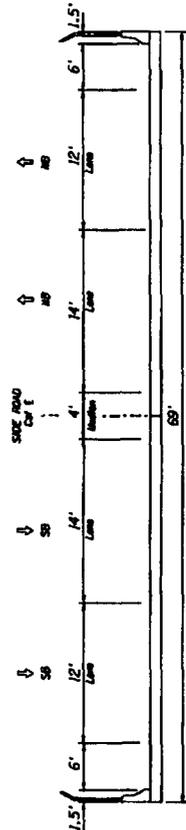
## **9. CONSTRUCTION SUPPORT SERVICES**

Parsons will be available for Construction Support Services, including the following services, if authorized by contract modification.

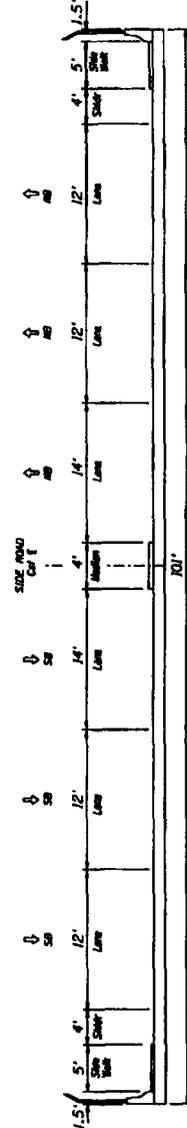
- Conduct inspections to assure compliance with design requirements.
- Answer questions regarding design intent during the construction phase.
- Process change orders as directed by the City.
- Conduct weekly project review meetings involving the contractor, City and ADOT representatives.
- Monitor changes in plans pursuant to change orders, and prepare As-Built drawings at the end of construction.



DATE	PROJECT NO.	SCALE	BY
9			
CORA TP 317			



CONCEPTUAL SIDE ROAD  
BRIDGE TYPICAL SECTION DOUBLE ROUNDABOUTS  
INTERIM CONSTRUCTION

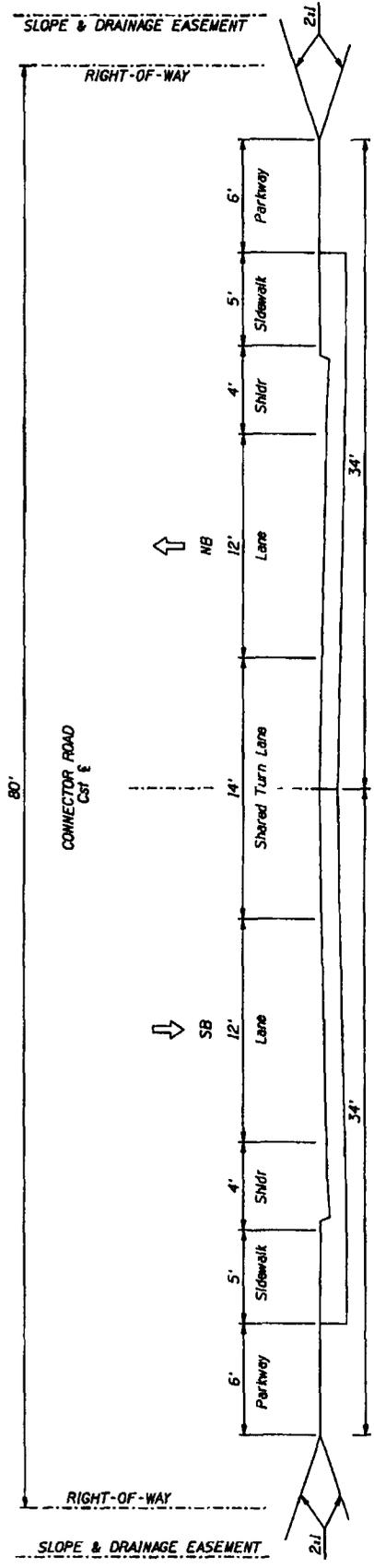


CONCEPTUAL SIDE ROAD  
BRIDGE TYPICAL SECTION DOUBLE ROUNDABOUTS  
ULTIMATE CONSTRUCTION

DATE	SCALE	BY	PROJECT NO.	SCALE	BY
CITY OF SEVILLA DESIGN DIVISION PROJECT NO. 13-000001-01 DOUBLE ROUNDABOUT INTERCHANGE AT I-75 AND STATE STREET TYPICAL SECTIONS FIGURE 3					
SR 89A					TRACES NO. H 7224 SID
					OF

DATE	NO.	DESCRIPTION
9		

AREA: 317



CONCEPTUAL CONNECTOR ROAD  
TYPICAL SECTION

DATE	NO.	DESCRIPTION
9		

AREA: 317

CITY OF PASADENA  
DEPARTMENT OF PUBLIC WORKS  
AS SHOWN ON THE ATTACHED  
CONCEPTUAL SECTION  
TYPICAL SECTION  
FIGURE 2

SR 89A  
SR 89A, SIDE ROAD T1

TRACES NO. H 7224 SID

OF

UNION COUNTY, NORTH CAROLINA

## **1. SUPPLEMENTAL STAGE I TASKS**

### **1.1 *Traffic Report***

A Traffic Report is required by ADOT (e-mails from Paul O'Brien of ADOT, April 2, 2007 and April 9, 2007) in lieu of a "brief memorandum"/Traffic & Transportation Planning Summary specified by Phase 1 contract. ADOT has provided the Traffic Report for I-40/Rattlesnake Wash Traffic Interchange as a prototype. The Traffic Report is to be developed with initial preparation of a "Pre-Draft" Report for review by City traffic engineering specialists (100 hours), followed by revision and distribution of a "Draft" Report for review by a larger City and ADOT audience (60 hours), followed by a "Pre-Final" Report for City and ADOT review (50 hours), and culminating in production of a "Final" Report (40 hours). The Traffic Report effort (estimated total 220 hours) is in lieu of a "brief memorandum"/Traffic & Transportation Planning Summary (Phase 1 budget of 80 hours). Added effort to complete the Traffic Report as required by ADOT is estimated at 170 hours.

### **1.2 *Design Concept Report (DCR)***

A full Design Concept Report (DCR) is required by ADOT (letters and emails of April 2-9, 2007) in lieu of the Project Assessment (PA) specified by Phase 1 contract. The scope of the required DCR is to reflect level of detail contained in the DCR for original 1998 SR 89A Realignment from SR 89 to Great Western. The DCR is to be developed iteratively with initial preparation of a "Pre-Draft" Report for City and ADOT internal review (300 hours), followed by revision and distribution of a "Draft" Report for agency and public review (100 hours), followed by a "Pre-Final" Report for City and ADOT internal review (70 hours), and culminating in production of a "Final" DCR for general distribution (40 hours). The DCR effort (estimated total 510 hours) is in lieu of a "Project Assessment" (Phase 1 budget of 145 hours). Estimated added effort to complete the DCR as required by ADOT is 365 hours.

## **2. 30% DESIGN SUBMITTAL (STAGE II)**

The 30% design shall consist of the preparation of preliminary plan drawings, engineer's estimate and draft specifications for review and approval by the City of Prescott and ADOT.

### **2.1 *Roundabout Conceptual Traffic Engineering***

Pursuant to conceptual interchange design provided in Phase 1, Parsons will retain the firm of Roundabouts & Traffic Engineering (RTE) to perform roundabout conceptual traffic engineering, including lane configuration, horizontal and vertical geometry, signing, striping, lighting, drainage and landscaping. Further scope of work detail is provided in the RTE proposal attached. Parsons would provide nominal oversight to Conceptual Traffic Engineering.

**2.2. *Side Road Interchange Roadway Design and 30% Plan Preparation*** – Parsons will prepare plans for all improvements in conformance with the latest edition of the ADOT and AASHTO Standards and Specifications and the City of Prescott Design Guidelines for Site Development and Infrastructure Construction. Plans will be prepared on

**CONSULTANT COST PROPOSAL -- PHASE 2 FINAL DESIGN**

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**CONSULTANT:            PARSONS TRANSPORTATION GROUP, INC.**  
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**PROJECT NAME:        SR 89/SIDE ROAD INTERCHANGE, CITY OF PRESCOTT**

**WORK ORDER NO.:** \_\_\_\_\_ **CONTRACT NO.:** \_\_\_\_\_ **CHANGE ORDER NO.:** \_\_\_\_\_  
-----

**DIRECT LABOR:**

<u>CLASSIFICATION</u>	<u>LABOR HOURS</u>	<u>HOURLY RATES*</u>	<u>LABOR COSTS</u>	<u>OVERTIME (1)</u>
Project Principal	47	\$80.00	\$3,760.00	
Project Manager	1302	\$70.00	\$91,140.00	
Senior Project Engineer	491	\$60.00	\$29,460.00	
Project Engineer	3335	\$48.50	\$161,747.50	
Design Engineer	2904	\$38.05	\$110,497.20	
Technical/Drafter	1994	\$31.10	\$62,013.40	
Secretarial	331	\$19.30	\$6,388.30	
Total Labor	10404			\$465,006.40
	Total Overhead @	153.40%	(of Labor)	\$713,320.00
			Subtotal	\$1,178,326.40

**DIRECT AND OUTSIDE EXPENSES:**

Mileage	\$0.5050/mile	\$4,023.84	
Vehicle Rental	\$150/day	\$300.00	
Messenger	\$10/trip	\$360.00	
Outside copying	At cost	\$16,580.00	
Other outside--film, etc.	At cost	\$0.00	
		Subtotal	\$21,263.84

\* Current average rate for each labor classification

**SUBCONSULTANTS:**

<u>NAME</u>	<u>COST</u>
Claycomb/Rockwell Associates, Inc. (Drainage, Survey/Mapping, Right of Way, Utilities)	84900
AMEC Environmental (Geotechnical, Materials)	158977
Logan Simpson Design (Landscape Design, Erosion Control)	32902
Roundabouts & Traffic Engineering (Roundabout Concept Design)	78850
R.A.Alcala & Associates (Lighting, Electrical)	26697

Subtotal (Subconsultants)	382326
	<hr/>
Subtotal Labor	\$1,178,326.40
	<hr/>
Subtotal (Direct and Outside) Expenses	\$21,263.84
	<hr/>
Subtotal Subconsultants	\$382,326.00
	<hr/>
Total Consultant Cost	\$1,581,916.24
	<hr/>
Net Fee (Subtotal Labor x 10%)	\$117,832.64
	<hr/>
<b>TOTAL PROPOSED FEE</b>	<b>\$1,699,748.88</b>
	<hr/> <hr/>

Note: Attach all financial and cost backup and calculation data.

Signature

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Senior Vice President

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Date

**CONSULTANT ESTIMATED LABOR HOURS--PHASE 2 FINAL DESIGN**

CONTRACT NO. \_\_\_\_\_

PROJECT NAME: 89A/SIDE ROAD INTERCHANGE

CONSULTANT/SUBCONSULTANT NAME \_\_\_\_\_

**PARSONS TRANSPORTATION GROUP**

WORK ORDER NO. \_\_\_\_\_

DATE February 6, 2008

**DIRECT LABOR CLASSIFICATIONS**

CONTRACT TASK/PHASE	PROJECT MANAGER		SR PROJ ENGINEER		PROJECT ENGINEER		ENGINEER DESIGNER		TECHNICIAN DRAFTER		CLERICAL		TOTALS
	PRINCIPAL	MANAGER	ENGINEER	SR PROJ ENGINEER	ENGINEER	DESIGNER	TECHNICIAN	DRAFTER	CLERICAL	TOTALS			
<b>1. SUPPLEMENTAL PREDESIGN TASKS (STAGE 1)</b>		36	55	236	89	55	55	55	55	55	55	55	246
1.1 Traffic Report		18	25	70	27	20							180
1.2 Design Concept Report		18	40	165	62	35							365
<b>2. 30% DESIGN SUBMITTAL (STAGE 2)</b>	14	244	57	523	821	557	46						2594
2.1 Roundabout Conceptual Traffic Engineering		7	13										20
2.2 Roadway Design and Plan Preparation	9	125	18	393	390	228							1145
2.3 Bridge Design and Plan Preparation		12	18	90	154	150							432
2.4 Drainage Analysis and Design		3	7										10
2.5 Signing and Striping		32		140	115	73							360
2.6 Maintenance of Traffic	5	44		160	162	106							477
2.7 Cross Road and Ramp Traffic Engineering		3	7	40									50
2.8 Survey		3	7										10
2.9 Utilities		3	7										10
2.10 Geotechnical Investigation		3	7										10
2.11 Landscaping and Revegetation		3	7										10
2.12 30% Engineering Design Drawings for Review		3	7										30
2.13 Specifications, Quantities and Engineer's Estimate		3	7										30
<b>3. 50% DESIGN SUBMITTAL (STAGE 3)</b>	14	237	74	523	821	557	46						2574
3.1 Roadway Design and Plan Preparation	9	125	18	393	390	228							1145
3.2 Bridge Design and Plan Preparation		12	18	90	154	150							432
3.3 Drainage Analysis and Design		3	7										10
3.4 Signing and Striping		32		140	115	73							360
3.5 Maintenance of Traffic	5	44		160	162	106							477
3.6 Cross Road and Ramp Traffic Engineering		3	7	40									50
3.7 Survey		3	7										10
3.8 Utilities		3	7										10

**CONSULTANT ESTIMATED LABOR HOURS--PHASE 2 FINAL DESIGN**

CONTRACT NO. \_\_\_\_\_

PROJECT NAME: 89A/SIDE ROAD INTERCHANGE

CONSULTANT/SUBCONSULTANT NAME \_\_\_\_\_

WORK ORDER NO. \_\_\_\_\_

**PARSONS TRANSPORTATION GROUP**

DATE February 6, 2008

**DIRECT LABOR CLASSIFICATIONS**

CONTRACT/TASK/PHASE	DIRECT LABOR CLASSIFICATIONS										TOTALS	
	PROJECT PRINCIPAL	PROJECT MANAGER	Sr. PROJ. ENGINEER	PROJECT ENGINEER	ENGINEER DESIGNER	TECHNICAL DRAFTER	CLERICAL					
3.9 Geotechnical Investigation		3	7									10
3.10 Landscaping and Revegetation		3	7									10
3.11 Specifications, Quantities and Engineer's Estimate		3	7								20	30
3.12 60% Engineering Design Drawings for Review		3	7								20	30
<b>4.0% DESIGN SUBMITTAL (STAGE IV)</b>	<b>7</b>	<b>267</b>	<b>74</b>	<b>946</b>	<b>931</b>	<b>629</b>	<b>48</b>					<b>2902</b>
4.1 Roadway Design and Plan Preparation	2	144	18	461	455	274	0					1336
4.2 Bridge Design and Plan Preparation		12	7	90	153	150	8					431
4.3 Drainage Analysis and Design		3	7				0					10
4.4 Signing and Striping		35		165	138	80						418
4.5 Maintenance of Traffic	5	52		190	185	125						557
4.6 Cross Road and Ramp Traffic Engineering		3	7	40								50
4.7 Survey		3	7									10
4.8 Utilities		3	7									10
4.9 Geotechnical Investigation		3	7									10
4.10 Landscaping and Revegetation		3	7									10
4.11 Specifications, Quantities and Engineer's Estimate		3	7								20	30
4.12 95% Engineering Design Drawings for Review		3	7								20	30
<b>6.00% DESIGN SUBMITTAL (STAGE V)</b>	<b>2</b>	<b>61</b>	<b>61</b>	<b>182</b>	<b>242</b>	<b>176</b>	<b>48</b>					<b>772</b>
5.1 Roadway Design and Plan Preparation	2	20	9	65	64	40	0					191
5.2 Bridge Design and Plan Preparation		5	7	50	130	104	8					306
5.3 Drainage Analysis and Design		3	7									10
5.4 Signing and Striping		5		22	20	13						60
5.5 Maintenance of Traffic		7		25	28	19	0					79
5.6 Cross Road and Ramp Traffic Engineering		3	3	20								26
5.7 Survey		3	7									10
5.8 Utilities		3	7									10

**CONSULTANT ESTIMATED LABOR HOURS--PHASE 2 FINAL DESIGN**

CONTRACT NO. \_\_\_\_\_

PROJECT NAME: 89A/SIDE ROAD INTERCHANGE \_\_\_\_\_

CONSULTANT/SUBCONSULTANT NAME \_\_\_\_\_

WORK ORDER NO. \_\_\_\_\_

**PARSONS TRANSPORTATION GROUP**

DATE February 6, 2008

**DIRECT LABOR CLASSIFICATIONS**

CONTRACT TASK/PHASE	PROJECT PRINCIPAL		PROJECT MANAGER		SR. PROJ. ENGINEER		PROJECT ENGINEER		ENGINEER DESIGNER		TECHNICAL DRAFTER		CLERICAL		TOTALS
5.9 Geotechnical Investigation			3		7										10
5.10 Landscaping and Revegetation			3		7										10
4.11 Specifications, Quantities and Engineer's Estimate			3		7									20	30
4.12 95% Engineering Design Drawings for Review			3		7									20	30
<b>6. BID DOCUMENTS SUBMITTAL</b>	<b>2</b>	<b>20</b>	<b>20</b>	<b>8</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>70</b>
<b>7. BID SELECTION SUPPORT</b>	<b>2</b>	<b>20</b>	<b>20</b>	<b>8</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>70</b>
<b>8. PROJECT MANAGEMENT/FINAL DESIGN</b>	<b>8</b>	<b>437</b>	<b>437</b>	<b>122</b>	<b>306</b>	<b>306</b>	<b>306</b>	<b>306</b>	<b>306</b>	<b>306</b>	<b>306</b>	<b>306</b>	<b>306</b>	<b>306</b>	<b>947</b>
8.1 Client/Team Coordination/Progress Reports/Invoicing	8	100	100	20	20	20	20	20	20	20	20	20	20	20	168
8.2 Project Controls/Budget/Schedule		100	100	20	200	200	200	200	200	200	200	200	200	200	320
8.3 Coordination Meetings/Minutes		100	100	56	56	56	56	56	56	56	56	56	56	232	
8.4 Subconsultant Coordination/Administration		100	100	14	14	14	14	14	14	14	14	14	14	160	
8.5 Quality Assurance		30	30	12	12	12	12	12	12	12	12	12	12	56	
8.6 Project Safety		7	7	4	4	4	4	4	4	4	4	4	4	11	
<b>TOTAL TASKS</b>	<b>47</b>	<b>1302</b>	<b>1302</b>	<b>491</b>	<b>3335</b>	<b>3335</b>	<b>3335</b>	<b>3335</b>	<b>3335</b>	<b>3335</b>	<b>3335</b>	<b>3335</b>	<b>3335</b>	<b>3335</b>	<b>10404</b>

**PRESCOTT SR 89A/SIDE ROAD INTERCHANGE  
CONSULTANT COST PROPOSAL – PHASE 2 FINAL DESIGN**

CONSULTANT: **PARSONS TRANSPORTATION GROUP, INC.**

PROJECT NAME: **SR 89A/SIDE ROAD INTECHANGE**

WORK ORDER NO.: \_\_\_\_\_ CONTRACT NO.: \_\_\_\_\_ CHANGE ORDER NO.: \_\_\_\_\_

MILEAGE	#Trips/ Month	# Months	Miles/ Trip	Cost/ Mile	
Miscellaneous in-town trips (Personal Vehicle)	4	12	16	\$0.505	\$387.84
City Meetings and field reviews	3	12	200	\$0.505	\$3,636.00
<b>MILEAGE SUBTOTAL:</b>					<b>\$4,023.84</b>

VEHICLE RENTAL:	#Trips	days	Cost/day	
Assume Field Review 15 Passenger Van	2	1	\$150.00	\$300.00
Gas for Van			\$2.80/gallon at 15 miles per gallon	\$0.00
<b>VEHICLE RENTAL SUBTOTAL:</b>				<b>\$300.00</b>

**TRAVEL TOTAL:** **\$4,323.84**

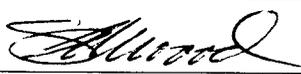
MESSENGER SERVICE	#Months	Calls/Mo.	Total	Cost/each	=	
Messenger Service	12	3	36	\$10.00	=	\$360.00
<b>MESSENGER SUBTOTAL</b>						<b>\$360.00</b>

Film, Processing, Photo log on CD, Final Drawings and Reports on CD, and Video Tapes	At Cost	
Miscellaneous mapping from agencies/developers		
<b>MISCELLANEOUS SUPPLIES TOTAL:</b>		<b>\$0.00</b>

REPORTS	# Shts	# Prints	Total	Cost/each	=	
Black and White Copies, 8 1/2 X 11		32000		\$0.07	=	\$2,240.00
Color Copies, 8 1/2 x 11 Graphics		4800		\$0.50	=	\$2,400.00
Black & White Copies, 11 x 17 Plans		32000		\$0.15	=	\$4,800.00
Color Copies, 11 x 17, Graphics		4500		\$1.00	=	\$4,500.00
Binding	480			4.5		\$2,160.00
Lamination	120			4		\$480.00
<b>REPRODUCTION TOTAL:</b>						<b>\$14,480.00</b>

**DIRECT AND OUTSIDE EXPENSES TOTAL:** **\$0.00**

<b>COUNCIL AGENDA MEMO – (02/19/08 &amp; 02/26/08)</b>	
<b>DEPARTMENT:</b>	City Manager
<b>AGENDA ITEM:</b>	Resolution approving a Memorandum of Understanding with Yavapai- Prescott Indian Tribe for gaming compact funding contributions

<b>Approved By:</b>	<b>Date:</b>
<b>Department Head:</b>	
<b>Finance Director:</b> Mark Woodfill	
<b>City Manager:</b> Steve Norwood 	02/12/08

**Item Summary**

The State of Arizona and the Yavapai-Prescott Tribe have previously entered into an agreement through which the Tribe has agreed to provide funds to assist the City with funding for services that benefit the general public. The proposed memorandum of understanding sets forth proposed distribution of funds to be distributed for the Sharlot Hall Museum, Children’s Museum Alliance, Inc., West Yavapai Guidance Clinic, Adult Care Services, Inc. and Yavapai College Foundation

**Background**

On May 20, 2003, the Yavapai-Prescott Tribe Council entered into an agreement with the State of Arizona to provide for distribution of gaming funds for services provided by governmental entities that benefit the general public. The Tribe is allowed to make 12% of its contributions for such services. The proposed memorandum of understanding (MOU) provides for distribution of funds to the Sharlot Hall Museum (\$27,000), Children’s Museum Alliance, Inc. (\$10,315), West Yavapai Guidance Clinic (\$25,000), Adult Care Services, Inc. (\$10,315) and Yavapai College Foundation (\$10,316).

Under the agreement, the City distributes these funds as allocated in the agreement by the Tribe to provide for public benefit services by the designated recipient entities. Essentially, the City acts as a conduit for the distribution of these funds for publicly beneficial services. The Tribe requests that these agencies be allocated the referenced amounts pursuant to this agreement.

**Attachment**

Resolution No. 3881-0849 (with MOU attached as Exhibit A)

**Recommended Action: MOVE** to adopt Resolution No. 3881-0849.

**RESOLUTION NO. 3881-0849**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AUTHORIZING THE CITY OF PRESCOTT TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE YAVAPAI-PRESCOTT TRIBE PROVIDING FOR ALLOCATION OF FUNDS FOR THE PUBLIC BENEFIT IN ACCORDANCE WITH THE STATE OF ARIZONA GAMING COMPACT AND AUTHORIZING THE MAYOR AND STAFF TO TAKE ANY AND ALL STEPS NECESSARY TO ACCOMPLISH THE ABOVE**

**RECITALS:**

WHEREAS, the City desires to receive cooperative funding from the Yavapai-Prescott Tribe to provide for funding of services determined to be beneficial to the Public; and

WHEREAS, ARS §§11-951 and 11-952 authorize "public agencies" to enter into intergovernmental agreements for cooperative resource sharing; and

WHEREAS, the parties hereto wish to enter into an agreement to provide for such cooperative resource sharing.

**ENACTMENTS:**

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

Section 1. THAT the City of Prescott hereby approves the attached Memorandum of Understanding with the Yavapai-Prescott Tribe providing funding for publicly beneficial services attached hereto as Exhibit "A".

Section 2. THAT the Mayor and Staff are hereby authorized to execute the attached Agreement and to take any and all steps deemed necessary to accomplish the above.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott this 26<sup>th</sup> day of February, 2008.

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JACK D. WILSON, Mayor

ATTEST:

APPROVED AS TO FORM:

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ELIZABETH A. BURKE, City Clerk

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GARY D. KIDD, City Attorney

**EXHIBIT 'A'**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
YAVAPAI-PRESCOTT INDIAN TRIBE AND  
CITY OF PRESCOTT, ARIZONA

This Memorandum of Understanding is entered into and is effective as of \_\_\_\_\_, 2008, by and between the Yavapai-Prescott Indian Tribe ("Tribe"), acting through its Board of Directors, and the City of Prescott, Arizona ("City"), acting through its City Council.

## R E C I T A L S:

WHEREAS, the Tribe signed a Tribal-State Gaming Compact with the State of Arizona on May 20, 2003 ("Compact"); and

WHEREAS, Section 12 of the Compact, entitled "Payment of Regulatory Costs; Tribal Contributions" allows the Tribe to make 12% of its total contributions required by Section 12(b) of the Compact to cities, towns or counties for government services that benefit the general public, including public safety, mitigation of impacts of gaming, or promotion of commerce and economic development; and

WHEREAS, the parties have a common objective to allow the Tribe to specifically designate its contributions to the City for particular purposes pursuant to this Memorandum of Understanding ("MOU");

NOW, THEREFORE, in consideration of the foregoing Recitals, the Parties agree as follows:

## O P E R A T I O N:

1. The Tribe shall pay a portion of its annual 12% contribution for the calendar year 2006 required under Section 12(b) of the Compact to the City. The Tribe shall make these payments in the manner and time required by Sections 12(d), (e), (f) and (g) of the Compact.

2. The Tribe shall pay the Funds to the City in amounts and on such date(s) as designated by the Tribe for the specific purpose of assisting the City with the funding for (1) the Sharlot Hall Museum, (2) the Children's Museum Alliance, Inc., (3) the West Yavapai Guidance Clinic Foundation, (4) the Adult Care Services, Inc. and (5) the Yavapai College Foundation f/b/o Del E. Webb Family Enrichment Center (collectively "Recipients"). The City and the Tribe agree that the Recipients are permitted purposes under Section 12 of the

Compact. The City shall disburse the Funds to the Recipients in amounts recommended by the Tribe within 20 days of the City's receipt of the Funds from the Tribe.

3. The City understands that the Tribe cannot make the contributions for any purpose other than that permitted by the Compact. Therefore, the City must use the contribution only for the purposes stated herein. If any of the Recipients cease to exist or is otherwise unable to carry out its purposes hereunder, the City shall have the authority to determine how to use and disburse the Funds and shall notify the Tribe within fifteen (15) days of such determination and the City's use of the Funds.

4. Any notices relating to this MOU shall be sent by U. S. Mail, postage prepaid, to the following:

Tribe: Yavapai-Prescott Indian Tribe  
ATTN: President  
530 E. Merritt  
Prescott, AZ 86301

City: City of Prescott  
ATTN: Mayor  
201 S. Cortez  
Prescott, AZ 86302

5. This MOU is effective on the date written on the first page and shall continue unless terminated by any party upon 30 days' written notice. This MOU will terminate in the event of lack of funding by the Tribe from the operation of its Gaming Facilities, as defined by the Compact or a change in any other applicable law that no longer requires the Tribe to make such contributions. This MOU will also terminate if any of the Recipients cease to exist, or is otherwise unable to carry out its purposes. This MOU may be modified or amended only by written agreement among the parties.

6. This MOU does not confer any rights or benefits on any third party, the City, the Recipients or any other distributee of the Tribe's contributions.

7. Nothing in this agreement obligates the Tribe to make (1) any current or future expenditures in advance of the availability of gaming revenues from its Class III Net Win or (2) any future contributions to the City or any of the Recipients beyond calendar year 2007, unless this MOU is extended upon written agreement by the Tribe and the City.

8. The City shall perform all services provided under this Agreement in compliance with all applicable laws and regulations of the Tribe and all federal, state and local government

entities.

9. Questions relating to the validity of the MOU, its interpretation, its performance and its enforcement, shall be brought in the Yavapai-Prescott Tribal Court. All such questions shall be governed by and construed in accordance with Tribal law.

In the event that there is no applicable Tribal ordinance, federal law shall apply, and in the absence of federal law, the law of the State of Arizona shall apply.

10. Nothing contained in this Agreement shall be construed as a waiver of the Tribe's sovereign immunity.

11. The City shall retain and shall require the Recipients to retain all data and records relating to the performance of this MOU. All such data and records shall be subject to inspection by the Tribe. Upon request, the City and/or the Recipients shall produce legible copies of any such data and records. At any time during the term of this MOU or any extensions thereof and one (1) year thereafter, the City's and/or the Recipients' books and records shall be subject to audit by the Tribe or its auditors to the extent that such books and records relate to the performance of this MOU.

12. The City shall provide to the Tribe at the end of each fiscal year either financial statements prepared in accordance with federal single audit regulations or financial statements prepared in accordance with generally accepted accounting principles, relating to the City's performance and the Recipients' receipt of Funds under this MOU.

13. Pursuant to A.R.S. Section 38-511, the City 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 foregoing event, the City 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 from any other party to the agreement arising as a result of this agreement.

DATED: \_\_\_\_\_

YAVAPAI-PRESCOTT INDIAN TRIBE

By \_\_\_\_\_  
Ernest Jones, Sr., President

By \_\_\_\_\_  
Lorna Galeano, Secretary/Treasurer

DATED: \_\_\_\_\_

CITY OF PRESCOTT

By \_\_\_\_\_  
Jack D. Wilson, Mayor

By \_\_\_\_\_  
Elizabeth A. Burke, City Clerk

Pursuant to A.R.S. Section 11-952(D), the foregoing agreement has been reviewed by the undersigned attorney for the City of Prescott, who has determined that the agreement is in proper form and is within the powers and authority granted under the laws of this State to the City of Prescott.

\_\_\_\_\_  
Gary D. Kidd, City Attorney