

PRESCOTT CITY COUNCIL JOINT STUDY SESSION/ SPECIAL MEETING AGENDA

**PRESCOTT CITY COUNCIL
JOINT STUDY SESSION/SPECIAL MEETING
TUESDAY, NOVEMBER 3, 2009
3:00 P.M.**

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

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

- ◆ **CALL TO ORDER**
- ◆ **INTRODUCTIONS**
- ◆ **INVOCATION:** Reverend Julia McKenna, Spiritual Architect
- ◆ **PLEDGE OF ALLEGIANCE:** Councilman Luzius
- ◆ **ROLL CALL:**

MAYOR AND CITY COUNCIL:

Mayor Wilson	
Councilman Bell	Councilman Luzius
Councilman Lamerson	Councilman Roecker
Councilwoman Lopas	Councilwoman Suttles

- ◆ **SUMMARY OF CURRENT OR RECENT EVENTS**

STUDY SESSION

I. DISCUSSION ITEMS

- A. Approval of Lease Agreement between the City of Prescott and the Adult Center of Prescott, Inc. for lease of a portion of the Rowle P. Simmons Community Center located at 1280 East Rosser Street.
- B. Approval of an increase of the Guaranteed Maximum Price (GMP) of the CM@Risk agreement for the Elk's Opera House Restoration by \$170,000.00.
- C. Approval of a Plat Revision to create one new lot within the Idyllwild Tract subdivision for a water pumping station, APN 111-08-030 comprising .68 Acres; Owner: Roy and Donna Bennett, Agent: Jeff Low, City of Prescott Capital Projects Manager. (RP09-004)

- D. Approval of expenditure for construction of SR 89A Granite Dells Parkway Traffic Interchange Project in an amount not to exceed \$17,095,996.12.
- E. Adoption of Resolution No. 3995-1025 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, approving a Sewer Service Reimbursement Agreement between Chad W. Beyea, Jason R. Beyea, Patrick Lee McCarty, Harry and Reeda McCarty, and Laurentian Development, Inc. and the City of Prescott, and authorizing the Mayor and staff to take any and all steps deemed necessary to accomplish the above.
- F. Approval of minutes of the Prescott City Council Workshop of October 13, 2009, the Joint Public Workshop with Water Conservation/Safe Yield Committee of October 15, 2009; the Regular Voting Meeting of October 27, 2009 and the Study Session of November 3, 2009.
- G. Selection of items to be placed on the Regular Voting Meeting Agenda of November 10, 2009.

II. ADJOURNMENT

SPECIAL MEETING

- 1. Call to Order.
- 2. Recess into Executive Session.
- 3. EXECUTIVE SESSION:
 - A. Discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, pursuant to ARS §38-431.03(A)(4).
 - i. Raber v. City of Prescott
 - ii. City of Prescott v. CVID Investment LLC
 - B. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, pursuant to ARS §38-431.03(A)(1).
 - i. Annual review of City Manager.

4. POST EXECUTIVE SESSION

A. Possible amendment to Employment Agreement with City Manager.

5. Adjournment

CERTIFICATION OF POSTING OF NOTICE

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

Elizabeth A. Burke, City Clerk

COUNCIL AGENDA MEMO – November 3 & 10, 2009
DEPARTMENT: Parks, Recreation & Library
AGENDA ITEM: Adult Center of Prescott, Inc. Lease Agreement

Approved By:	Date:
Department Head: Debbie Horton	
Finance Director: Mark Woodfill	
City Manager: Steve Norwood 	<i>10/30/09</i>

BACKGROUND:

The City of Prescott and the Adult Center of Prescott, Inc. have an existing lease for a portion of the Rowle P. Simmons Community Center located at 1280 E. Rosser Street dated December 2003. Construction of the new City-owned facility was completed in 2006. After two full years of operation, City staff and the Board of Directors of the Adult Center of Prescott, Inc. (the AC) exercised the option to review the agreement as stated in the terms of the lease. Following are key points agreed to between the parties:

- The AC pays \$1 per year in rent.
- AC pays telephone, gas, electric, cable and internet services to their area, and 1/2 of these utility costs provided common areas of the building.
- City pays for water unless usage by all tenants exceeds 360,000 gallons per year, at which time the cost of the overage will be apportioned equally between the AC, the City and Meals On Wheels, the third tenant of the building.
- AC maintains General Liability insurance of \$2 million and casualty and risk insurance in the amount of \$3 million, naming the City of Prescott as an additional insured.
- City pays \$80,000 annually, subject to renegotiation at 5-year intervals, to help offset operational costs.
- Repair work required to the leased premises in amounts exceeding \$500 will be paid by the City.
- The City may use the leased premises free of charge for City programs, activities and related functions if City activities do not conflict with AC programs, activities and rentals previously scheduled.
- The term of the lease is 49 years, with an option to renew for an additional 49 years, subject to review and renegotiation between the parties at 5 year intervals.

The full text of the lease is attached for your review.

<p>Recommended Action: MOVE to approve Lease Agreement between the City of Prescott and the Adult Center of Prescott, Inc. for lease of a portion of the Rowle P. Simmons Community Center, 1280 E. Rosser Street, Prescott, as described.</p>
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LEASE AGREEMENT

THIS LEASE AGREEMENT, made this _____ day of _____, 2009, by and between the CITY OF PRESCOTT, a municipal corporation, hereinafter referred to as "Lessor", and THE ADULT CENTER OF PRESCOTT, INC., an Arizona non-profit corporation, hereinafter referred to as "Lessee";

WITNESSETH:

WHEREAS, Lessor owns certain real property upon which the new Prescott Community Center has been built, which property is more particularly identified as Yavapai County Assessor's Parcel Number 105-04-026; and

WHEREAS, Lessee made a significant financial contribution to the construction of the Rowle P. Simmons Community Center, which contribution provided a significant benefit to the public and is gratefully acknowledged by the City of Prescott on behalf of its citizens; and

WHEREAS, Lessor acknowledges the public benefit to be derived from Lessee's operations at the Rowle P. Simmons Community Center and has complied with its charter obligations pertaining to the lease of real property.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND 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, the parties hereto agree as follows:

1. **LOCATION OF THE PRESCOTT COMMUNITY CENTER.** The real property upon which the Rowle P. Simmons Community Center ("RPSCC") has been constructed is herein described as Yavapai County Assessor's Parcel No. 105-04-026, which property is located at postal address 1280 E. Rosser Street, Prescott, Arizona (the "City Property").

2. **CONSTRUCTION OF THE PRESCOTT COMMUNITY CENTER.** Lessor was responsible for the construction of the RPSCC. The estimated cost of the design and construction of the RPSCC was in excess of \$3,650,000. In June, 2006, Lessee paid Lessor \$300,000 that was applied towards the cost of that construction.

3. **EFFECTIVE DATE OF LEASE AGREEMENT; PREMISES.** This term of this Lease Agreement shall begin upon the Effective Date, as defined in Paragraph 4 of this Lease Agreement. Upon the Effective Date, the terms of this Lease Agreement shall thereafter govern Lessee's right to possess and its actual possession of that part of the RPSCC as more fully described on Exhibit "A" (the "Leased Premises") Subject to the terms and conditions of this Lease Agreement, Lessee shall accept the Leased Premises in their "as-is" condition as of the Effective Date.

4. **TERM.** The initial term of this Lease Agreement shall begin on _____ (the "Effective Date") and shall continue through December 31, 2058; provided, however, that during the term of this Agreement, both parties reserve the right to review the performance of the other and maintenance and operations of the leased premises every five (5) years. At the expiration of this initial Lease term, Lessee shall have the irrevocable option to renew this Lease Agreement for an additional forty-nine (49) year term on the same terms and conditions as set forth herein, except as the parties

may otherwise mutually agree at the time the option is exercised. Lessee may exercise this option by providing Lessor with no less than six (6) months written notice thereof prior to the expiration of the initial lease term.

5. **RENT.** In consideration of the public benefit to be realized from Lessee's operations at the RPSCC, as more particularly set forth in Paragraph 7 and 9 of this Lease Agreement, and also in consideration Lessee's financial contribution to Lessor which was used to finance, in part, the development of the City Property, Lessee shall pay rent to Lessor in the annual amount of One Dollar (\$1.00) payable each year commencing on the Effective Date and each year thereafter on the anniversary of the Effective Date for the remainder of the term of this Lease Agreement and any extensions thereof.

6. **ABANDONMENT.** If Lessee abandons the Leased Premises, Lessee shall automatically forfeit any and all rights under this Lease Agreement, and Lessor may exercise any and all available remedies as set forth in Paragraph 13 of this Lease Agreement or as allowed by law. Abandonment as used in this paragraph shall be deemed to have taken place upon the Lessee closing the Leased Premises to the public for seven (7) consecutive days, excluding, however, closures (i) required due to national or natural disaster or local emergency, (ii) necessary to allow Lessee or Lessor to comply with their obligations under this Lease Agreement, (iii) occurring due to circumstances beyond Lessee's control or (iv) for which Lessee has given prior written notice to Lessor and Lessor has approved thereof in writing before the date set for closure.

7. **LESSEE'S RESPONSIBILITIES.** During the term of this Lease Agreement, Lessee's responsibilities shall be as follows:

A. Lessee shall pay prior to delinquency any and all taxes which may be assessed against and levied upon trade fixtures, furnishings, equipment, and all other personal property of Lessee.

B. Lessee shall place all utilities that provide service to the Leased Premises in its name to the extent the existing metering system at the Leased Premises or the RPSCC will allow. Except as otherwise provided in this Lease Agreement, Lessee is responsible for the payment of any and all of utility bills for services provided to the Leased Premises, including, without limitation, telephone, gas, electric, cable and internet services. Further, Lessee shall pay for one-half of the utility bills for such services provided to common areas within the RPSCC. The common areas shall include all areas of the RPSCC that are not leased to any tenant. With respect to water service, which is provided by Lessor, Lessor shall not charge Lessee for water usage unless the combined total of water usage by all tenants of the RPSCC and the Lessor exceeds 360,000 gallons in any given year. If water usage exceeds this amount, then the cost of the overage shall be apportioned amongst all tenants and the Lessor in equal amounts. Lessor shall ensure that all lease agreements with all other tenants of the RPSCC shall contain a lease provision identical in effect to the one provided for herein.

C. Lessee shall, at Lessee's expense, comply with all applicable statutes, ordinances, rules, regulations, orders, and requirements in effect during the term of this Lease Agreement.

D. Lessee shall ensure that no lien shall encumber, be placed upon or recorded against the Leased Premises, the RPSCC or upon any other estate or reversion of

Lessor in the Leased Premises or in the RPSCC or upon any building or improvement thereon, and should any such lien arise, Lessee, at its own cost and expense, shall bond or otherwise discharge the same within ten days after receiving notice thereof.

E. Lessee shall make no alterations or additions to the Leased Premises without Lessor's prior written consent, which consent shall not be unreasonably withheld. Any alteration or addition of the Leased Premises, excepting movable furniture, machinery and trade fixtures, shall become part of the realty and shall belong to the Lessor upon termination of this Lease Agreement. Notwithstanding the foregoing, however, it is mutually agreed that the Audio Visual System shall be Lessee's property and Lessee may remove the same at the expiration of this Lease Agreement provided all damages caused thereby shall be repaired. It is further understood and agreed that under no circumstances is the Lessee to be deemed the agent of the Lessor for any alteration, repair or operation of the Leased Premises.

F. Subject to Lessor's prior written approval, which approval shall not unreasonably withheld, Lessee may install in the Leased Premises any new fixtures Lessee deems desirable and such shall remain Lessee's property. Lessee may remove these fixtures at any time, but shall repair any damage caused by the removal. No fixtures shall be installed which affect the structural integrity or external appearance of the Leased Premises or the RPSCC without Lessor's prior written consent, which consent Lessor may grant or withhold in its sole and absolute discretion. Any fixtures or other property of Lessee remaining on the premises after thirty (30) days after termination of this Lease Agreement shall become Lessor's property unless the parties have otherwise mutually agreed.

G. Lessee shall not assign, mortgage or encumber this Lease Agreement nor sublet the Leased Premises, without the prior written consent of the Lessor in each instance, which consent shall not be unreasonably withheld. The consent of the Lessor to an assignment or subletting shall not be construed to relieve the Lessee from obtaining the consent, in writing, of the Lessor to any further assignment or subletting.

H. Lessee shall not, at any time, without first obtaining the Lessor's express written consent, which consent Lessor may grant or withhold in its sole and absolute discretion:

i. Change, whether by alteration, replacement, rebuilding or otherwise, the exterior color or architectural treatment of the Leased Premises, the RPSCC, or the City Property, or any part thereof;

ii. Perform any act or carry on any practice which may damage, mar or deface the Leased Premises, the RPSCC or the City Property;

iii. Install, operate or maintain in the Leased Premises any electrical equipment which will overload the electrical system therein or any part thereof, beyond its reasonable capacity for proper and safe operation.

I. Lessee hereby agrees to indemnify, defend and hold harmless Lessor, its officers, employees, agents, successors or assigns herein (collectively the "Indemnified Party"), in both their public and private capacities, from and against any and all causes of action, claims, demands, expenses, liabilities, judgments, costs, losses or damages that any Indemnified Party may suffer or be subject to on account of, or in any way relating to or growing out of any and all known or unknown personal injuries, property damages, or claims

of any type or any other matter in any way relating to the Leased Premises, to Lessee's operations at the Leased Premises, to such matters arising from acts or omissions by patrons or invitees of the Lessee, or to the Lessee's use of the RPSCC or the City Property; provided, however, that the Arizona laws, statutes, court cases and other laws pertaining to comparative fault apply to any and all of the matters subject to this paragraph and to Lessee's obligation to indemnify, defend and hold harmless any Indemnified Party.

J. Lessee undertakes to indemnify, defend and hold harmless any Indemnified Party from any and against any and all causes of action, claims, demands, expenses, liabilities, judgments, costs, losses or damages that any Indemnified Party may suffer or be subject to on account of, or in any way relating to or growing out of or relating to Lessee's or Lessee's patrons or invitees use of the common areas (as defined in Paragraph 7B) in the RPSCC and on the City Property, and all areas adjoining, or used to access the Leased Premises in any way relating to use by Lessee's patrons or invitees, provided, however, that the Arizona laws, statutes, court cases and other laws pertaining to comparative fault apply to any and all of the matter subject to this paragraph and to Lessee's obligation to indemnify, defend and hold harmless any Indemnified Party.

K. Lessee expressly agrees that the provisions in Paragraphs 7I and 7J are intended to be as broad and inclusive as is permitted by City of Prescott Ordinances and the laws of the State of Arizona and that if any portion thereof is held invalid, it is agreed that the remaining provisions shall continue in full legal force and effect. Further, it is understood by Lessor that Lessee is not responsible for the acts or omissions of any other tenant or its patrons or invitees in the RPSCC or on the City Property and that the provisions of Paragraph

7I and 7J do not apply to thereto. Indemnification resulting from damage to portions of the RPSCC leased by any other tenant or from the actions of such tenant's officers, employees, agents, successors or assigns, patrons or invitees shall not be the responsibility of Lessee. In cases where damage shall be to the common areas of the RPSCC or the City Property shall be caused jointly by the Lessee and any other tenant, the Arizona laws, statutes, court cases and other laws pertaining to comparative fault shall apply.

L. Lessee shall obtain and maintain in continuous effect during the term of this Lease Agreement, a policy or policies of general liability and directors and officers insurance with minimum limits of not less than \$2,000,000 and shall obtain and maintain in continuing effect \$3,000,000 for casualty and risk related to damage caused by fire. Such policy or polices shall name Lessor and its agents, officers, employees and assigns as additional insureds. Lessee shall provide copies of such policy or policies to Lessor upon request. Liability insurance shall provide the following coverage:

- a) General Liability/Premises and Property Coverage which shall include coverage for all risks associated with this Lease Agreement;
- b) Bodily Injury and Property Damage coverage for all risks associated with this Lease Agreement;

All insurance required pursuant to this Lease Agreement must be written by an insurance company authorized to do business in the State of Arizona, to be evidenced by a Certificate of Authority as defined in ARS Section 20-217, a copy of which certificate is to be attached to each applicable bond or binder.

Lessee may, but shall not be required, to procure and maintain a policy of insurance covering its personal property. Except in the case of damages caused due to the acts of Lessor or its agent or employees, Lessor shall not be liable for any damages to the personal property of Lessee.

If Lessee fails to procure and maintain any insurance that Lessee is required to procure pursuant to the terms of this Lease, Lessor may, but shall not be required to, procure and maintain the same at Lessee's expense.

M. The terms and conditions of this Lease Agreement shall be binding upon Lessee, its successors, heirs and assigns.

N. Should it become necessary for any Indemnified Party to incur costs and expenses to retain the services of an attorney to enforce the indemnity and defense provisions of this Lease Agreement, or any portion thereof, Lessee agrees to pay such Indemnified Party's reasonable costs and attorneys' fees thereby expended, or for which liability is incurred as provided by law; provided, however, that Lessee and the Indemnified Party shall mutually select the attorney or attorneys providing the services. This paragraph shall not apply if Lessee provides written notice to Lessor of a necessary repair to be made which is the Lessor's responsibility under this Lease Agreement, and Lessor fails to perform said repairs within a reasonable time period after such written notice, and such failure of Lessor results in the bodily injury or property damage necessitating the services of an attorney.

O. Except as otherwise provide herein, Lessee shall be solely responsible for any and all costs associated with its programs and operations at the RPSCC, including but not limited to costs relating to materials, employees and reception services.

P. Lessee shall permit an inspection of the Leased Premises by Lessor, or Lessor's agents or representatives, during reasonable hours, at any time during the term of this Lease Agreement. If access to the Leased Premises for such purposes cannot be obtained, or if at any time an entry shall be deemed necessary for the protection of the PCC, whether for the benefit of the Lessor or Lessee, the Lessor, its agents or representatives, may enter the Leased Premises to accomplish such purposes. The provisions contained in this paragraph are not to be construed as creating or increasing any obligation on the part of the Lessor under this Lease.

Q. Lessee hereby agrees to provide proof of payments of any and all personal property taxes and insurance coverage required under the terms of this Lease Agreement.

R. Lessee shall keep the inside of the Leased Premises in a clean and neat condition at all times. Lessee shall, at its sole expense, including personnel costs, change all air-conditioning filters on a monthly basis. Lessor shall make available, at no cost to Lessee, man-lift equipment to perform minor repairs in high ceiling areas. Lessor may offer training and certification to one or more Adult Center employee in safe operation of man-lift, if desired by Adult Center staff.

S. Lessee shall, at its expense and throughout the Lease term, maintain, service, replace, and keep in good repair the interior of that portion of the Leases Premises,

including such items as floors, ceilings, walls, doors, glass, cleaning, partitions, and electrical fixtures, light bulbs, provided said repairs do not constitute "Major Repairs" as contemplated by Paragraph 8F of this Lease Agreement. If Lessor determines that any such maintenance, service or repairs are required, Lessor shall give Lessee written notice of the need for such repair, in order to give Lessee the opportunity to effectuate said repair or replacement. If Lessee does not effectuate the same within a reasonable time, Lessor may, but shall not be required to, effectuate said maintenance, service or repair, the costs of which Lessee shall reimburse to Lessor (unless said repairs are deemed "Major Repairs"); provided, however, that any damage caused by any negligent or intentional acts or omissions of Lessee, Lessee's agents, employees, or invitees, shall remain the responsibility of the Lessee, irrespective of the cost of repair or replacement.

8. **LESSOR'S RESPONSIBILITIES.** During the term of this Agreement, Lessor's responsibilities shall be as follows:

A. Lessor shall enforce any and all warranties relating to the design and construction of the RPSCC or any improvements on the City Property for deficiencies or other matter that come within the terms of any and all applicable warranties; provided, however, that Lessor shall not be liable to Lessee or its patrons or invitees for any bodily injury or property damage should any warranty work fail to be timely completed through no fault of Lessor. Lessee shall be able to obtain warranty work for any defective construction, equipment or fixtures by advising Lessor in a timely fashion in writing so that Lessor can arrange for said repairs and/or replacement of defective equipment, etc. under the applicable

warranty with the responsible party. No representations, statement or warranties, expressed or implied, have been made by or on behalf of Lessor as to the condition thereof.

B. Lessor shall keep all buildings, landscaping and site improvements and other buildings or fixtures on the City Property and in the RPSCC, including all alterations, additions and improvements, insured against loss or damage by fire, or other casualty losses, with all standard extended coverage, in an amount not less than the full replacement value. Nothing in this paragraph shall be deemed to require Lessor to procure a general liability insurance or fire casualty policy covering claims or losses for Lessee's operation or use of the Leased Premises, the RPSCC or Lessee's operation or use of the City Property. Further, Lessor shall not be responsible for insuring against any risk associated with the use of the RPSCC by Lessee or its invitees, licenses, guests or patrons.

C. Lessor will pay the electric and gas utilities, if any, for the common areas in the RPSCC and on the City Property, and will send a copy of said billing to the Lessee on a monthly basis. Within twenty days of its receipt of the billing, Lessee will reimburse Lessor for one-half the cost of the same. Further, Lessor shall be responsible for all landscape watering. Lessor will pay for any and all costs related to the operation and repair of the alarm system, sewer and sanitation services relating to the Leased Premises. Other than as set forth herein, Lessor shall in no way be responsible for the expenses related to any utilities.

D. Lessor shall provide snow removal services to the parking lots (which will include cinder application and cinder removal if needed) of the City Property. It is expressly understood and agreed to by and between the parties that this service will only be available when all other public streets and municipal lots have been cleared of snow, and is subject to

other demands of the City of Prescott. Notwithstanding the foregoing, Lessor shall use all reasonable efforts to ensure that snow removal services are provided for the parking lots on the City Property.

E. To help offset the Lessee's operational costs, Lessor will pay to Lessee the sum of eighty thousand dollars (\$80,000) annually, with payments due and payable quarterly in the sum of \$20,000.00 that commenced April 1, 2007 and thereafter was paid or will be paid quarterly for a period of five (5) years from the date it is first paid, at which time Lessor and Lessee will negotiate any modifications to said payment for the ensuing five (5) year period; and said sum shall be subject to renegotiation during each succeeding five (5) year period during the term of this Lease Agreement or any extensions thereof and shall be subject to annual budgetary approval and appropriation. Negotiations will coincide with that year's budget preparation by the City of Prescott for the following fiscal year. The negotiation and review shall be limited to the amount of monetary assistance to be provided by the City of Prescott pursuant to this subsection.

F. Any repairs which are required to be done to the Leased Premises, which repairs are not necessitated by the acts or omissions of the Lessee, its officers, employees, agents, successors or assigns which exceed FIVE HUNDRED DOLLARS (\$500.00) in cost, shall be Lessor's responsibility for all repairs; provided however that the Lessor will not be obligated to pay for any repairs unless the Lessee first gives written notice to Lessor of the repairs needed, the reason for such repairs, and the estimated cost of said repairs, whereupon Lessor shall have the option to undertake said repairs by its own agents, contractors, or subcontractors. If Lessor undertakes to have repairs made by its own agents,

contractors or subcontractors, and the repairs are not in excess of FIVE HUNDRED DOLLARS (500.00), the cost thereof shall be borne solely by the Lessee. In common areas, the repair expense shall be apportioned to and evenly born by all tenants of the RPSCC where the repair is necessitated. If the cost of such repairs exceeds FIV HUNDRED DOLLARS (\$500.00), the costs thereof shall be borne by the Lessor to the extent that said repairs exceed FIVE HUNDRED DOLLARS (\$500.00).

If emergency repairs become necessary and providing written notice to Lessor is not practical (e.g., after hours, during holidays, etc.), Lessor will remain obligated to pay for such repairs provided the Lessee has made a good faith effort to contact the Lessor. Lessor and Lessee agree to attend necessary training regarding the operation of thermostats, exterior lighting clocks, fire alarm control panel, building water shut off and water meter billing and meter locations. One copy of the building equipment maintenance specifications shall be kept and maintained on the Leased Premises. Lessee shall promptly notify Lessor of any needed warranty repairs or maintenance.

G. In accordance with ARS Section 42-17107(A)(2), it is expressly agreed by and between the parties that the Lessor is a body politic, and as such can neither incur debt in a succeeding fiscal year nor encumber future Prescott City Councils. As such, it is expressly agreed by and between the parties that in the event that in any subsequent fiscal year the Prescott City Council does not provide funding for the obligations provided for in this Paragraph 8, then and in that event this Lease Agreement shall be of no further force and effect; provided, however, that in the event of the termination of this Lease Agreement as a result of non-funding by the Prescott City Council during the first ten (10) years of this Lease

Agreement, then and in that event the Lessee will be reimbursed for its capital contribution (as provided for in Paragraph 3) the sum of \$30,000 for each year prior to the tenth anniversary of this Agreement. This shall be the City's sole obligation for such termination of the agreement.

H. Lessor shall, at its expense and throughout the term of this Lease, at least annually inspect, maintain, service, replace needed parts, and keep in good repair the following items: electrical and mechanical equipment, plumbing, heating and cooling equipment, air conditioning, fire sprinkler system, fire extinguishers, security system, irrigation system, foundations, exterior walls, exterior roof, and adjacent parking lot which is owned by the Lessor.

I. Lessor's Human Resources Division may provide Lessee with City of Prescott human resource policies and materials upon request by Lessee. It shall be Lessee's responsibility to deal with its employees and employment issues.

J. Lessor shall perform periodic maintenance to the outside of the demised premises, including sidewalks, parking area, and front, rear and side yards. Lessee shall keep and maintain general liability insurance covering these areas during the duration of this contract. Lessor shall be responsible for replacing any plants in the exterior of the Leased Premises.

9. **USE OF THE PROPERTY.** The prime consideration of this Lease Agreement is the public benefit to be realized from Lessee's operations at the Leased Premises. Therefore, compliance with this paragraph is of the utmost importance.

A. Lessee shall provide a broad range of adult activities to the community, on a non-discriminatory basis (other than differentiating fees between members and non-members, and between City of Prescott residents and non-City of Prescott residents, at Lessee's election).

B. Lessor may use the Leased Premises, free of charge, for City of Prescott programs, activities, and other community functions, provided, however, that the scheduling of said activities does not conflict with Lessee's programs, activities, and rental uses scheduled regularly scheduled FOR A TOTAL OF FIFTEEN DAYS, including use of a room for a polling place for statewide or countywide elections held in even-numbered years. It is further understood and agreed that special elections may be called by the County more frequently from time to time, and in accordance with Arizona Revised Statutes, elections may be held on four days of any year, but these would be an exception. Notwithstanding the forgoing provisions on scheduling conflicts, the City shall have priority for scheduling as to any and all election events.

In the event of conflict, other than for election events, between the Lessee's use of the Leased Premises and a use requested by the City of Prescott, the parties shall meet and resolve competing use issues on an equitable basis, and both parties agree to reasonably resolve such conflicts in a manner that accommodates equitable use by both parties. In the event that Lessor schedules an event at the Leased Premises, it shall be responsible for its own event associated activities, including meals, employee labor and cleanup. As an additional consideration for free use of the Leased Premises, Lessor hereby agrees to exempt, indemnify, and hold harmless the Lessee from any and all claims, costs, or judgments resulting from any acts or omissions by the Lessor, its officers, employees, agents, successors or assigns during the Lessor's use of the Leased Premises. For each

such event subject to the provisions of this section, Lessor shall provide to lessee a Certificate of Insurance naming the Lessee as an additional insured for that particular event.

C. To insure compliance with the provisions of this paragraph, the Lessee, upon request by the City of Prescott Recreation Services Director, shall submit a list of programs and fees to the Recreation Services Director, or such other contract administrator as designated by the City of Prescott Manager.

10. **TERMINATION OF EXISTING LEASE.** The parties acknowledge that the parties have an existing lease for an Adult Center dated December 10, 2003, City of Prescott Contract #96-149. The parties hereto agree that the existing lease agreement, together with any amendments thereto, shall be mutually rescinded as of the Effective Date, and that from and after that date neither party shall have any obligation or right under said prior lease and that this Lease Agreement shall be deemed the sole agreement between the parties.

11. **SURRENDER OF PREMISES.** It is agreed that at the expiration of the term of this Lease Agreement, any extension thereof pursuant to the Lessee's irrevocable option to renew for an additional 49-year term, or any sooner termination of this Lease Agreement, Lessee will quit and surrender the Leased Premises in good order and condition as reasonable use and wear thereof will permit, damage by the elements excepted. If Lessee should hold over the said term with the consent, express or implied, of Lessor, such holding over shall be construed as a tenancy only from month to month, and the Lessee shall continue to abide by the terms of this Lease Agreement during said holdover period.

12. DEFAULTS.

A. The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Lessee:

i. Lessee vacating or abandoning the Leased Premises.

ii. Lessee's failure to observe or perform any of the covenants, conditions, or provisions of this Lease Agreement to be observed or performed by Lessee, where such failure shall continue for a period of thirty (30) days after written notice hereof from Lessor to Lessee.

iii. (i) The making by Lessee of any general assignment, or general arrangement for the benefit of creditors; (ii) the filing by or against Lessee of a petition to have Lessee adjudged a bankrupt entity or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Lessee, the same is dismissed within sixty (60) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the premises or of Lessee's interest in the Lease, where possession is not restored to Lessee within thirty (30) days; or (iv) the attachment, execution, or other judicial seizure of substantially all of Lessee's assets located at the premises or of Lessee's interest in this Lease, where such seizure is not discharged within thirty (30) days.

B. The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Lessor:

i. Lessee's failure to observe or perform any of the covenants, conditions, or provisions of this Lease Agreement to be observed or performed by Lessee,

where such failure shall continue for a period of thirty (30) days after written notice hereof from Lessor to Lessee.

13. REMEDIES.

A. The parties hereto expressly covenant and agree that they will attempt in good faith to resolve any controversy or claim arising out of or relating to this Agreement through negotiation. If, however, a matter has not been resolved within a reasonable period of time, upon the written demand of either party, the matter shall be resolved by arbitration in accordance with the Uniform Arbitration Act, A.R.S. § 12-1501 *et seq.* A party desiring arbitration shall serve upon the other, a writing (the "Notice") describing, in general terms, the controversy and naming such party's Arbitrator. Within twenty (20) days after said Notice the other party shall serve upon the party demanding arbitration a writing (the "Response"), describing, in general terms, any additional issues to be arbitrated and naming its Arbitrator. Within seven (7) days thereafter the two Arbitrators shall meet, and at that time or within seven (7) days thereafter shall appoint a third Arbitrator. If the two Arbitrators cannot agree upon the third Arbitrator, either party may apply to the Arizona Superior Court in and for Yavapai County pursuant to the provisions of A.R.S. §12-1503 for appointment of the third Arbitrator. The three Arbitrators, immediately after appointment of the third Arbitrator, shall appoint a time and place and otherwise proceed under the provisions of A.R.S. §12-1505.

B. Subject to the arbitration provisions of Section 13A, if Lessor or Lessee determines that the other party has not fulfilled its duties or obligations under this Lease Agreement, this Lease Agreement may be terminated by that party upon twelve (12) months written notice to the other party, with or without cause. However, the party desiring to

terminate this agreement must provide notice as to the specific manner in which the other party has not fulfilled the aforementioned duties. The party deemed to be failing its duties or obligations would then have 30 days to implement a solution before final notice of termination is issued.

C. If Lessee is in material breach of this Lease Agreement, Lessor may re-take possession of the Leased Premises and remove therefrom all of Lessee's property and all persons then thereon. 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.

D. If Lessor is in material breach of this Agreement such that Lessee cannot reasonably comply with its obligation hereunder, Lessee may terminate this Lease Agreement by providing no less than thirty (30) days written notice thereof.

14. **NOTICES.** Any notice required or permitted to be given pursuant to this Lease Agreement shall be in writing and may be served personally or by regular mail, addressed to Lessor or Lessee respectively at the following addresses (until written notice of change of address is provided by either party to the other):

To Lessor:

City of Prescott
Recreation Services Director
P.O. Box 2059
Prescott, Arizona 86302

With a copy to the City of Prescott Manager at the foregoing address;

To Lessee:

Adult Center of Prescott, Inc.
President, Board of Directors
1280 E. Rosser St.
Prescott, Arizona 86301

15. **WAIVER.** The waiver by any party hereto of any breach or breaches by the other party 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 party from seeking a forfeiture or any other rights or remedies in the event of any subsequent breach of any such or other covenants, agreements, conditions, or obligations.

16. **SEVERABILITY.** The invalidity of any provision of this Lease Agreement as determined by a Court of competent jurisdiction, shall in no way effect the validity of any other provision hereof, so long as the original intent of the parties is not defeated thereby.

17. **CHANGE IN LEASE.** The making, execution and delivery of this Lease Agreement have not been induced by any representation, statement, warranties or agreements other than those herein expressed. The parties mutually agree that this Lease Agreement supersedes all other previous and/or other agreements bearing upon the above premises, and it is further agreed that no changes to or in this Lease shall be made without being in writing, agreed to and signed by all parties hereto.

18. **CONSTRUCTION.** The terms and conditions of this Lease Agreement shall be construed and governed in accordance with the laws of the State of Arizona.

19. **PREPARATION OF AGREEMENT.** This Lease Agreement is the result of negotiations by and between the parties. Therefore, any ambiguity in this Lease Agreement is not to be construed against either party.

20. **WAIVER OF ATTORNEY FEES.** Subject to Paragraph 7N, the parties hereto expressly covenant and agree that in the event of litigation arising from this Lease Agreement, neither party shall be entitled to an award of attorney fees, either pursuant to the Lease Agreement, pursuant to A.R.S. Section 12-341.01(A) and (B), or pursuant to any other state or federal statute.

21. **CONFLICT OF INTEREST.** Pursuant to A.R.S. Section 38-511, Lessor may cancel this Lease Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the Lease Agreement on behalf of the City of Prescott is, at any time while the Lease Agreement or an extension of the Lease Agreement is in effect, an employee or agent of any other party to the Lease Agreement in any capacity or a consultant to any other party of the Lease Agreement with respect to the subject matter of the Lease Agreement. In the event of the foregoing, Lessor further elects to recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating this Lease Agreement on behalf of the Lessor from any other party to the Lease Agreement arising as a result of this Lease Agreement.

22. **NON-DISCRIMINATION CLAUSE.** The Lessee, with regard to the provisions of services to the general public pursuant to this Lease, will not discriminate on the grounds of race, color, national origin, religion, sex, disability or familial status. The Lessee 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 Orders 99-4 and 2000-4.

23. **CONTRACT ADMINISTRATOR.** The Contract Administrator for the purposes of this Lease shall be the City of Prescott Recreation Services Director (or his designee), until such time that a different contract administrator is designated by the City of Prescott Manager. Whenever the consent of the City of Prescott is required pursuant to the terms of this Lease Agreement, the Contract Administrator is hereby empowered to give such consent on behalf of the Lessor, with the exception of changes to the Lease Agreement pursuant to Paragraph 17, which are required to be approved by the Prescott City Council.

PASSED, APPROVED AND ADOPTED by the Mayor and Council of the City of Prescott this _____ day of _____, 2009.

Jack D. Wilson, Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. BURKE
City Clerk

GARY D. KIDD
City Attorney

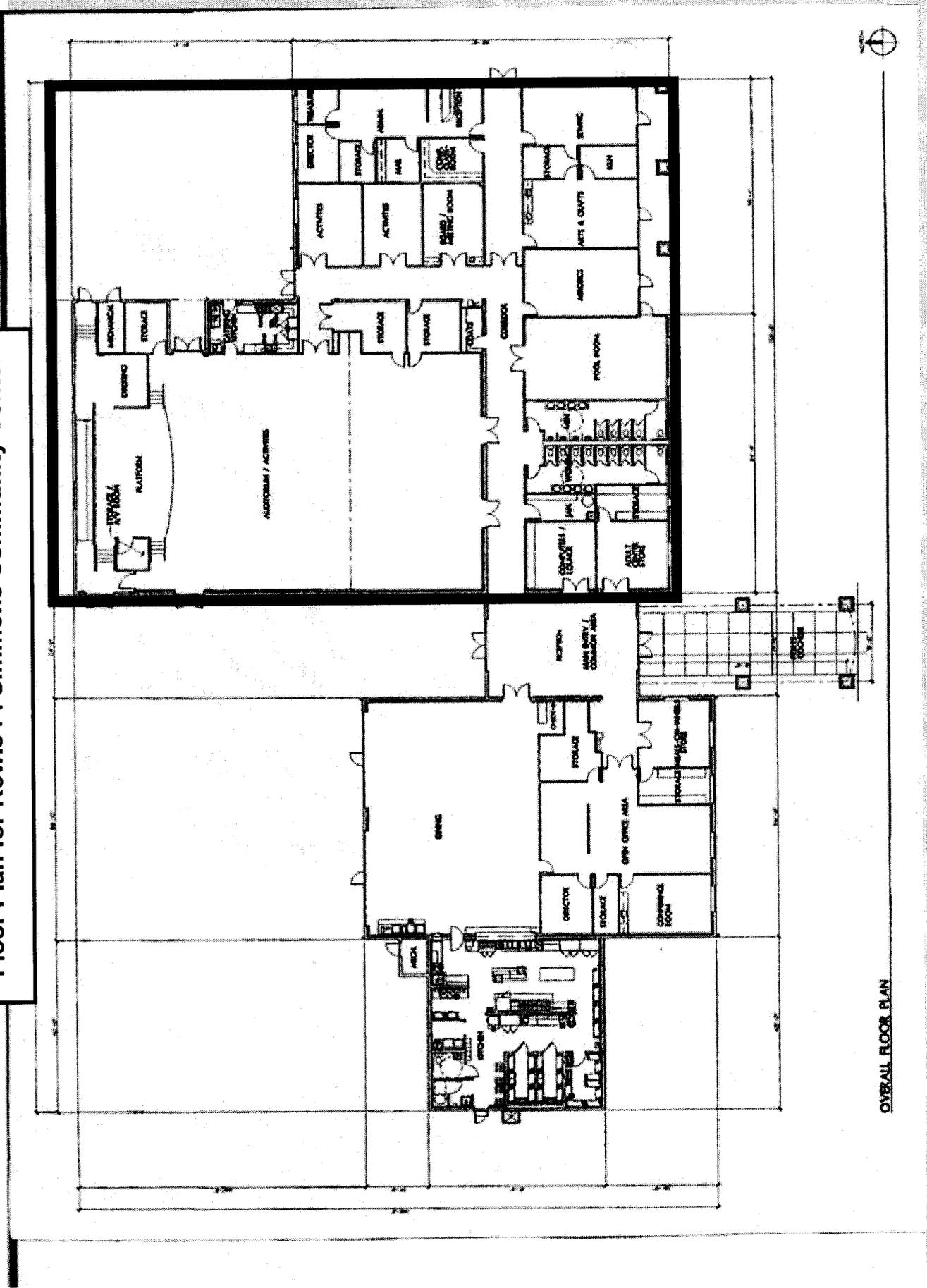
LESSEE:

PASSED, APPROVED AND ADOPTED by the Board of Directors of the ADULT CENTER OF PRESCOTT, INC., this _____ day of _____, 2009.

By: _____
Its: President, Board of Directors

Exhibit "A"

Floor Plan for Rowle P. Simmons Community Center



OVERALL FLOOR PLAN

IB

COUNCIL AGENDA MEMO – 11/03/09 & 11/10/09
DEPARTMENT: Administrative Services
AGENDA ITEM: Amendment to the Elks Opera House Restoration Contract #2010-018 to increase the Guaranteed Maximum Price to \$1,409,032 and the Elks Opera House Foundation liability by \$170,000 to \$1,012,946 from \$842,946.

Approved By:	Date:
Department Head: Mic Fenech	
Finance Director:	
City Manager: Steve Norwood 	<i>10/28/09</i>

Background:

On July 28, 2009 Council approved three party CM@Risk constructions services contract with a Guaranteed Maximum Price of \$1,151,323 between The Elk's Opera House Foundation, the City of Prescott, and Haley Construction for the Historic restoration of the Elk's Opera House. The Elks Opera House Foundation guaranteed their portion of this contract at \$842,946. The remaining \$308,377 was guaranteed by the City of Prescott for the fire sprinkler system and the marquee restoration. Subsequent to Council approval of this contract a change order was initiated for an additional \$87,709 for energy efficiency upgrades that was a result of a Federal Stimulus Grant.

The Elks Opera House Foundation has received additional donations for the restoration of the Elks Opera House in the amount of \$170,000. The attached letter has been approved by the Foundation's Board of Directors.

These funds will be used to provide additional restoration and decorative elements not funded in the original Guaranteed Maximum Price. Many of the decorative elements and the marquee were eliminated from the original scope of work due to the cost estimates for the fire sprinkler system as well as those elements themselves.

The financial liability of these funds will be the responsibility of the Elks Opera House Foundation. The scope of work will be the responsibility of the Elks Opera House Foundation in conference with City staff and Haley Construction.

Financial:	Elks Opera House Foundation:	\$1,012,946
	City of Prescott:	\$ 308, 377
	Stimulus Funds:	\$ 87,709
	New Contract Amount	\$1,409,032

Recommended Action: MOVE to approve Change Order # (2) amending Contract #2010-018 and increase the Guaranteed Maximum Price to \$1,409,032.00.

CITY OF PRESCOTT
CHANGE ORDER #(2)

Restoration and Renovation of the Historic Elks Opera House

CONTRACT NUMBER: 2010-018
ACCOUNT #: 2253425-8930-10017
CONTRACTOR: Haley Construction
DATE: November 3, 2009
CHANGE ORDER AMOUNT \$170,000.00

<u>ORIGINAL CONTRACT AMOUNT (GMP)</u>	<u>\$1,151,323</u>
ORIGINAL CITY LIABILITY	\$308,377
ORIGINAL ELKS FOUNDATION LIABILITY	\$842,946
<u>TOTAL CHANGE ORDER (1) – Stimulus Funds</u>	<u>\$ 87,709</u>
<u>TOTAL CHANGE ORDER (2) – Foundation Donations</u>	<u>\$ 170,000</u>
<u>NEW CONTRACT TOTAL</u>	<u>\$1,409,032</u>
REVISED CITY LIABILITY	\$ 396,086
REVISED ELKS FOUNDATION LIABILITY	\$1,012,946

DESCRIPTION OF CURRENT CHANGE ORDER:

To amend the GMP to include Elks Opera House Foundation donation funds.

APPROVED BY:

HALEY CONSTRUCTION

JACK D. WILSON, MAYOR
CITY OF PRESCOTT

JOHN OLSEN, PRESIDENT
ELKS OPERA HOUSE FOUNDATION



ELKS OPERA HOUSE FOUNDATION
P.O. Box 3692 ♦ Prescott, Arizona 86302-3692

Thursday, October 29, 2009

Mayor and City Council
City of Prescott
Prescott, Arizona

Attn: Mic Fenech

Dear Mayor and Council Members,

At the meeting of the Board of Directors of the Elks Opera House Foundation, held Wednesday , October 28th, 2009 it was presented and subsequently agreed upon through a vote of the Board that a letter of commitment be written for funding of the "decorative package" as proposed by Haley Construction for the Elks Opera House Foundation.

As stated by our Treasurer, Arnold Gray, 'Based on the success and community support to date it seems appropriate that the Foundation present a letter to the City which acknowledges our commitment for the proposed \$170,000 increase to the contract amount.'

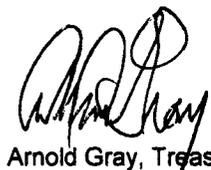
Please accept this letter as the Board's commitment to funding the \$170,000 increase to the restoration project specifically for the "decorative package".

We appreciate and applaud the City for its ongoing commitment to the restoration of the Elks Opera House and are pleased to be part of this wonderful project.

Sincerely,

John Olsen, Chairman

Elisabeth Ruffner, Secretary



Arnold Gray, Treasurer



I-C

COUNCIL AGENDA MEMO – 11/03/09 & 11/10/09

DEPARTMENT: Community Development

AGENDA ITEM: Plat Revision to create one new lot within the Idyllwild Tract subdivision for a water pumping station, RP09-004. APN 111-08-030 comprising .68 Acres. Owner: Roy and Donna Bennett, Agent: Jeff Low, City of Prescott Capital Projects Manager.

Approved By:		Date:
Department Head: Tom Guice		
Finance Director:		
City Manager: Steve Norwood		10/28/09

Background/Request:

A revision of plat of portions of lots 409, 410, 417 and 418 of the Idyllwild Tract subdivision creating one additional parcel located at 1451 West Gurley Street. Section 9.10.5.C.1.a of the Land Development Code requires that an increase in the number of lots within a subdivision be approved by the City Council. The Public Works Department is proposing to construct a pump station in order to enhance water delivery to Zone 27 customers (West of the pump station). See the attached Project Background for additional information.

Previous Council Action: The final plat for the Idyllwild Tract subdivision was approved within the County and recorded on August 6, 1909. The area was annexed on April 2, 1957.

Department/Agency Comments:

The Fire Department, Public Works and Engineering Services have reviewed this application and have indicated their approval.

Staff Analysis:

The existing parcel is zoned BG which allows for parcels of the proposed size. In the past, while still within County jurisdiction, the four affected lots were subdivided into the present day configuration. The proposed revision to plat will create one additional commercial parcel in the subdivision for the purpose of constructing a new water pump station.

Attachments:

- Vicinity/Zoning Map
- Proposed Replat
- Project Background

Recommended Action: MOVE to approve RP09-004, a Revision of Plat to the Idyllwild Tract Subdivision.



Public Works Department
Capital Project Management

433 N. Virginia Street
Prescott AZ 86301
928-777-1130

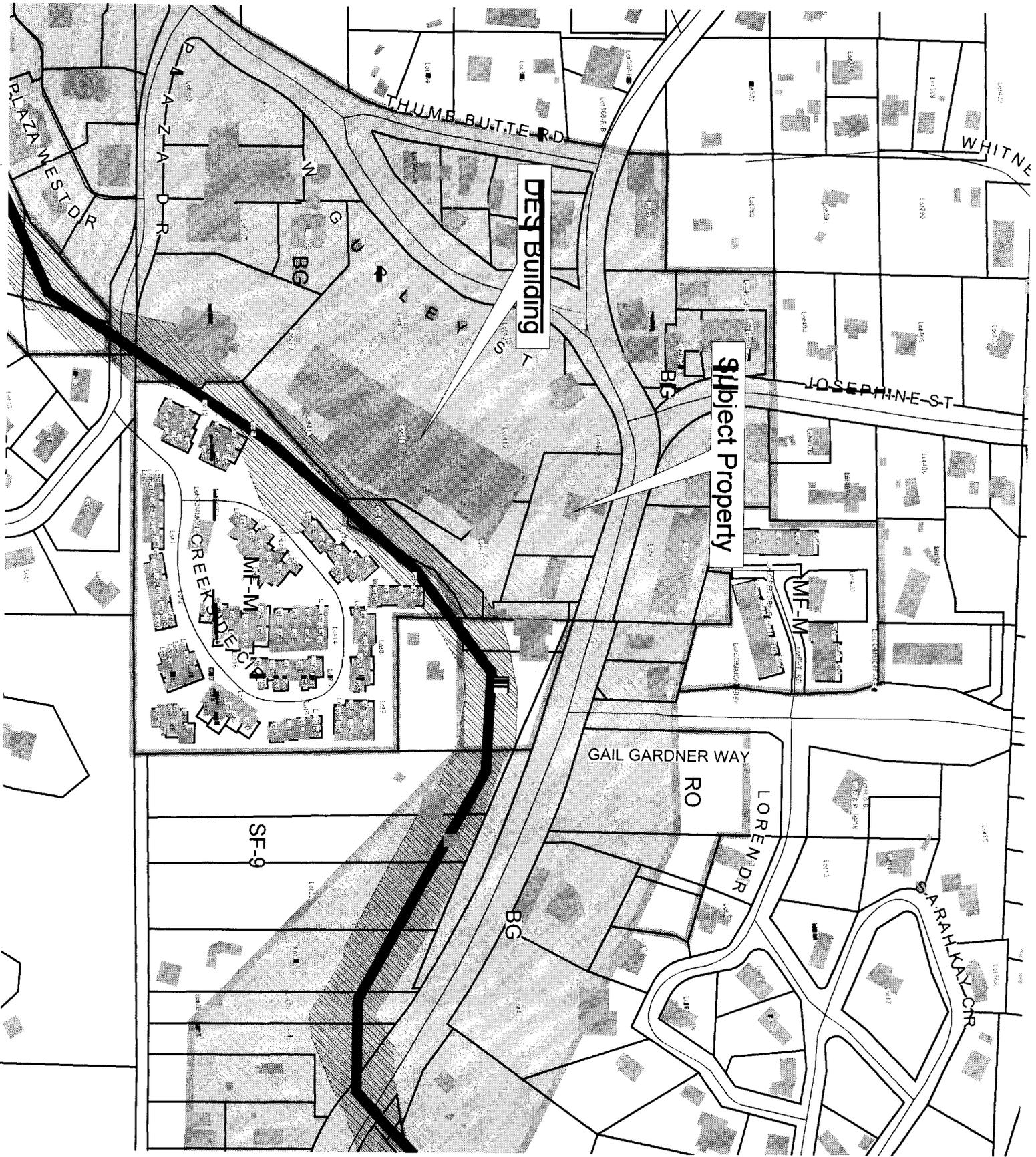
Background

It has been determined through the City of Prescott Water System Model and field observations that additional storage and water pressure is needed within Pressure Zones 24 and 27 of the water distribution area located in the southwest portion of the City, south of Thumb Butte Road, and east of the Prescott National Forest. Insufficient capacity is evident within the zones during periods of peak demand demonstrating an inadequacy in the existing facilities. The planned improvements will increase storage volume, enhance pressure, fire flows, and overall system performance within the two zones.

On February 3rd and 10th of this year, City Council approved a design contract with Post, Buckley, Schuh, and Jernigan, Inc., for the Zone 24 and 27 Water Utility Improvements. These improvements include the replacement of Zone 24 reservoir from a 100,000 gallon storage capacity reservoir to a 500,000 gallon storage capacity, the addition of a new Zone 27, 1.25 million gallon storage capacity reservoir, the construction of a new 800 gallon per minute (gpm) pump station and installation of a new 12-inch diameter water main.

City staff has completed one public meeting on the project and are working on property acquisition for the pump station and new Zone 27 water reservoir sites.

City staff has been working with A. Roy and Donna Bennett on the acquisition of the platted lot for the construction of a new 800 gpm capacity pump station to replace the existing 335 gpm pump station. The new pump station will be used to pump water to the new Zone 27 Water reservoir and will provide adequate fire flows for the area. A. Roy and Donna Bennett are willing to sell the new parcel to the City for appraised value.



DES Building

Subject Property

PLAZA WEST DR

A-Z-A DR

THUMB BUTTE RD

WHITNE

JOSEPHINE ST

CREEK

MF-M

MF-M

GAIL GARDNER WAY

RO

LOREN DR

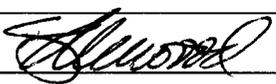
SF-9

BG

SARAH KAY CIR

I-D

COUNCIL AGENDA MEMO – 11/03/2009 & 11/10/2009
DEPARTMENT: Public Works
AGENDA ITEM: Approval of expenditure for construction of SR 89A Granite Dells Parkway Traffic Interchange Project in an amount not to exceed \$17,095,996.12

Approved By:	Date:
Department Head: Mark Nietupski	
Finance Director: Mark Woodfill	
City Manager: Steve Norwood 	10/29/09

Item Summary

This item is a formality to approve expenditure of funds for construction of the SR 89A Granite Dells Parkway Traffic Interchange Project east of existing Side Road as recently authorized in the Settlement Agreement. (Map attached)

Background

On October 13, 2009, City Council approved the Settlement Agreement between Asphalt Paving & Supply, Granite Dells Estates Properties, Inc., Granite Dells Estates Properties II, Inc., and the City regarding the dispute and litigation associated with the award of contract and construction of the SR 89A / Granite Dells Parkway Traffic Interchange Project.

Pursuant to the Settlement Agreement, which includes Supplemental Agreement Change Order No. 1 dated October 15, 2009, the City of Prescott accepted the responsibility to contract directly with Asphalt Paving & Supply for construction of the project. Therefore authorization of the expenditure is necessary.

The construction contract is "Unit Cost" based the various items and quantities in the bid schedule. Payments will be made based on the contract provisions and number of units actually constructed.

Schedule

The ADOT permit is in process with contractor submittals in review. Construction will commence after ADOT approves the permit; tentative dates follow.

Start	Late November 2009
Completion	March 2011

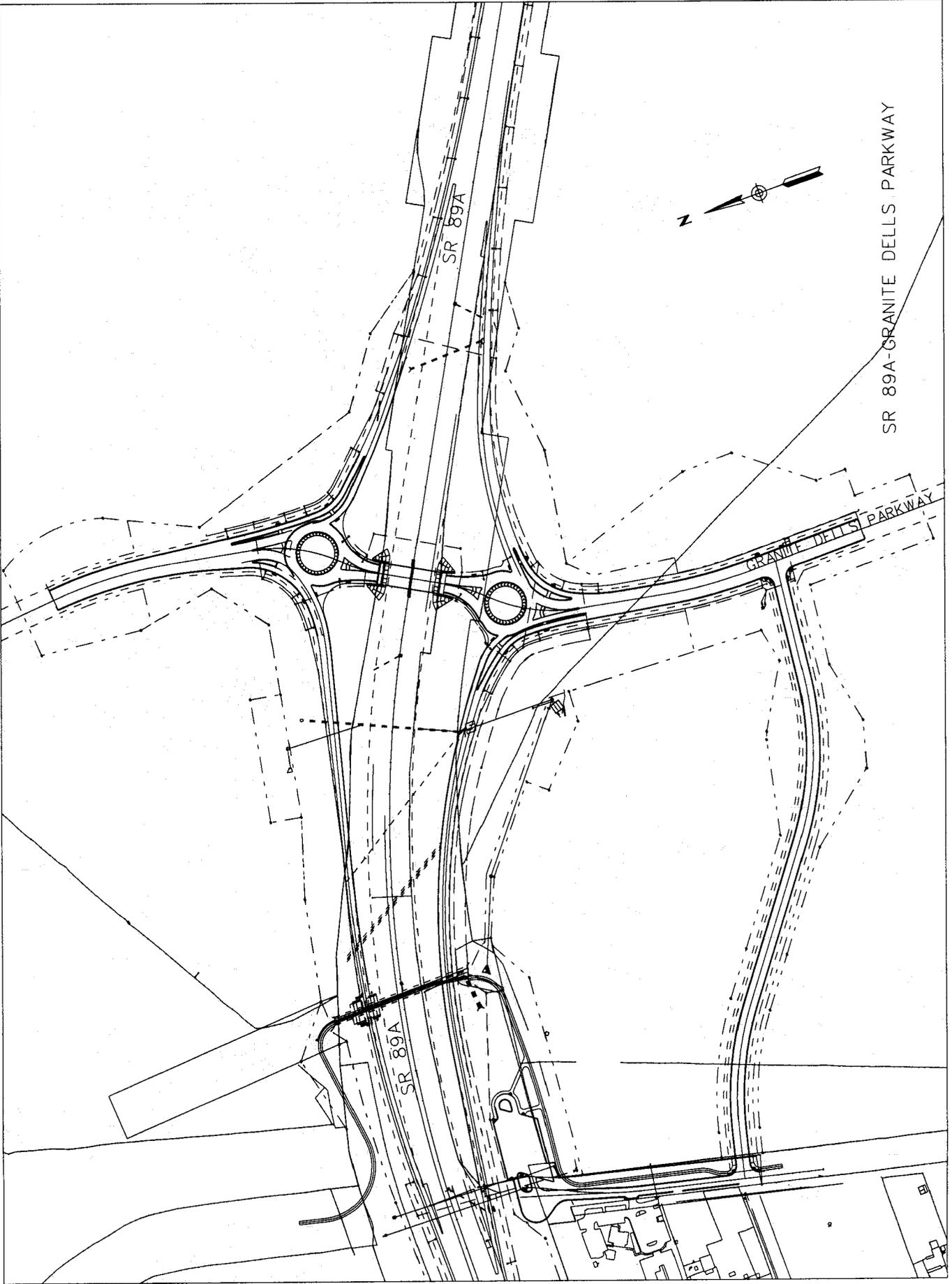
Agenda Item: Approval of expenditure for construction of SR 89A / Granite Dells Parkway Traffic Interchange Project in an amount not to exceed \$17,095,996.12

Budget

FY 2010 funding for the project is budgeted from the One Cent Sales Tax for Streets and Open Space. The initial contract total is in the amount of \$17,095,996.12. Minor costs will be paid from the Water and Sewer Funds to facilitate future utilities installation north of SR 89A. Due to the contract duration construction cost will continue into Fiscal Year 2011.

Attachments - Location map

Recommended Action: **MOVE** to approve expenditure for construction of the SR 89A / Granite Dells Parkway Traffic Interchange Project in an amount not to exceed \$17,095,996.12



SR 89A-GRANITE DELLS PARKWAY

SR 89A

GRANITE DELLS PARKWAY

SR 89A

I-E

COUNCIL AGENDA MEMO – 11/3/09 & 11/10/09
DEPARTMENT: Public Works
AGENDA ITEM: Sanitary Sewer Service Reimbursement Agreement #91, Shadow Valley Drive

Approved By:	Date:
Department Head: Mark Nietupski	
Finance Director: Mark Woodfill	
City Manager: Steve Norwood <i>SNorwood</i>	<i>10/27/09</i>

Item Summary

This item is to approve a sewer service reimbursement agreement between Chad W. Beyea, Jason R. Beyea, Patrick Lee McCarty, Harry and Reeda McCarty, and Laurentian Development, Inc and the City of Prescott regarding the Shadow Valley Drive sanitary sewer line extension which was completed in July 2009. The agreement provides for payment by other parties connecting to the line in the future for their proportionate share of the line cost.

Background

Chad W. Beyea, Jason R. Beyea, Patrick Lee McCarty, Harry and Reeda McCarty, and Laurentian Development, Inc had approximately 1,178 feet of sanitary sewer main installed at Shadow Valley Drive, as shown in Exhibit "A".

Chad W. Beyea, Jason R. Beyea, Patrick Lee McCarty, Harry and Reeda McCarty, and Laurentian Development, Inc have acted as developers and are requesting formation of a reimbursement district in accordance with City Code 2-1-11: Utilities Division; Extension of Sewer Mains, to recover costs of the main extension. Approval of the attached "Sewer Service Reimbursement Agreement District #91 would create the mechanism for recovery of the \$93,859.68 line cost. The basis for proportionate reimbursement as set forth by Exhibit "B" is equitable division per site. The Agreement would remain in effect until the developers are reimbursed by other benefiting properties or fifteen (15) years, whichever comes first.

Budget

There is no fiscal impact to either the City's Sewer Fund or General Fund. Any reimbursements collected through Sewer Service Agreement District #91 would be remitted to Chad W. Beyea, Jason R. Beyea, Patrick Lee McCarty, Harry and Reeda McCarty, and Laurentian Development, Inc.

Agenda Item: Sanitary Sewer Service Reimbursement District #91, Shadow Valley Drive

- Attachments** – Sewer Service Reimbursement Agreement District #91
- Location Map Exhibit "A"
 - Resolution Approving Sewer Service Reimbursement Agreement
 - Bill of Sale

Recommended Action: Move to adopt Resolution No. 3995-1025.

RESOLUTION NO. 3995-1025

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, APPROVING A SEWER SERVICE REIMBURSEMENT AGREEMENT BETWEEN CHAD W. BEYEA, JASON R. BEYEA, PATRICK LEE MCCARTY, HARRY AND REEDA MCCARTY, AND LAURENTIAN DEVELOPMENT, INC. AND THE CITY OF PRESCOTT, AND AUTHORIZING THE MAYOR AND STAFF TO TAKE ANY AND ALL STEPS DEEMED NECESSARY TO ACCOMPLISH THE ABOVE

RECITALS:

WHEREAS, Chad W. Beyea, Jason R. Beyea, Patrick Lee McCarty, Harry and Reeda McCarty, and Laurentian Development, Inc. have requested a sewer service reimbursement agreement with the City of Prescott for the property located within the sewer service area as described in Exhibit "1" attached hereto and marked as Areas IDA-1 through IDA-8 and RA-1 and RA-2; and

WHEREAS, the improvement for which the sewer service reimbursement agreement is requested, consists of a sewer main extension to serve Areas IDA-1 through IDA-8 and RA-1 and RA-2; and

WHEREAS, said sewer main was constructed by Chad W. Beyea, Jason R. Beyea, Patrick Lee McCarty, Harry and Reeda McCarty, and Laurentian Development, Inc. at no cost to the City of Prescott, inspected and accepted as a part of the City of Prescott's sewer collection system; and

WHEREAS, the cost of said sewer main extension should be prorated over the sewer service area, resulting in a partial reimbursement to Chad W. Beyea, Jason R. Beyea, Patrick Lee McCarty, Harry and Reeda McCarty, and Laurentian Development, Inc..

ENACTMENTS:

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

SECTION 1. THAT, the Sewer Service Reimbursement Agreement with Chad W. Beyea, Jason R. Beyea, Patrick Lee McCarty, Harry and Reeda McCarty, and Laurentian Development, Inc., attached hereto as Exhibit "1" and made a part hereof, is hereby approved.

SECTION 2. THAT, the Mayor and staff are hereby authorized to execute said agreement and take any and all steps deemed necessary to accomplish the same.

SECTION 3. THAT, the Sewer Service Reimbursement District Agreement be recorded in the Office of the Yavapai County Recorder for each parcel in the reimbursable area.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott 10th day of November, 2009.

JACK D. WILSON, Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. BURKE, City Clerk

GARY D. KIDD, City Attorney



**SEWER SERVICE REIMBURSEMENT AGREEMENT
DISTRICT # 91**

THIS AGREEMENT, made and entered into this ___ day of _____, 2009, by and between the City of Prescott, a municipal corporation of the State of Arizona, hereinafter called "City", and Chad W. Beyea, Jason R. Beyea, Patrick Lee McCarty, Harry and Reeda McCarty, and Laurentian Development, Inc., hereinafter called "Second Parties".

WITNESSETH

WHEREAS, City owns a sewer main in close proximity to property owned by the Second Parties; and

WHEREAS, the real property owned by the Second Parties requires sewer service; and

WHEREAS, an extension of the sewer system of the City would have been required to serve the property described as IDA-1 through IDA-8 and RA-1 and RA-2 in Exhibit "A", attached hereto and made a part hereof; and

WHEREAS, Second Parties have constructed an extension of the City's sewer main on the terms, conditions, covenants and provisions contained herein; and

WHEREAS, City is willing to furnish sewer service on the terms, conditions, covenants and provisions contained herein; and

WHEREAS, this Agreement contains and incorporates the total and entire agreement and understanding between the parties hereto.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

I

Second Parties have constructed and installed, at no expense to the City, a sewer collection system in accordance with the construction plans prepared by Kelley-Wise Engineering, Inc. and based upon which an Approval to Operate was issued by the City on June 19, 2009.

II

The City expressly reserves the right to enter into future sewer service agreements or provide sewer service for or to lands additional to those included in the sewer service area as defined herein. Second Parties shall have no interest whatsoever in such future extensions.

III

The City, however, agrees that for a period of fifteen (15) years from the date of this Agreement, it will not permit or provide sewer service connections to that land more particularly described as IDA-1 through IDA-8 and RA-1 and RA-2 inclusive in the reimbursement map, attached hereto as Exhibit "A", without having first received payment pursuant to the terms of this Agreement and the City Code. City shall evaluate any such future sewer connections and determine whether such connections would adversely affect the adequacy of Second Parties' sewer service.

IV

In the event that any person or persons other than Second Parties desire sewer service from the sewer main extension described herein to service any portion of the property described in Paragraph III above (said area to be designated as "the reimbursement area"), the City shall not issue a permit nor provide sewer service to said person or persons desiring connection to the aforesaid sewer main until the City shall receive the proper amount of reimbursement to tie into the sewer system, said reimbursement to be set according to the formula set forth in Exhibit "B" – Schedule of Costs.

V

A. This agreement shall expire and terminate fifteen (15) years after its approval and adoption by the Prescott City Council.

B. The reimbursement calculations and figures as set forth in this agreement are subject to adjustment in accordance with Prescott City Code Section 2-1-11(B).

VI

This Agreement and the provisions for sewer service hereunder are subject to all laws, rules, regulations and policies which are now or may hereafter be adopted by the City.

VII

The parties hereto agree that a copy of this Agreement shall be recorded in the office of the County Recorder of Yavapai County, Arizona, to give notice to all persons purchasing or acquiring or dealing with the property in the reimbursement area, of the terms and provisions hereof and all title companies doing business in the Prescott area shall reflect this Agreement as a matter of record on all title reports affecting property in the reimbursement area.

VIII

Second Parties shall issue to the City a Bill of Sale evidencing transfer of the extension, free and clear of any and all encumbrances, claims and liens, contemporaneous with the execution of this Agreement, in the form attached hereto as Exhibit "C". The City agrees thereafter to maintain said sewer main.

IX

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.

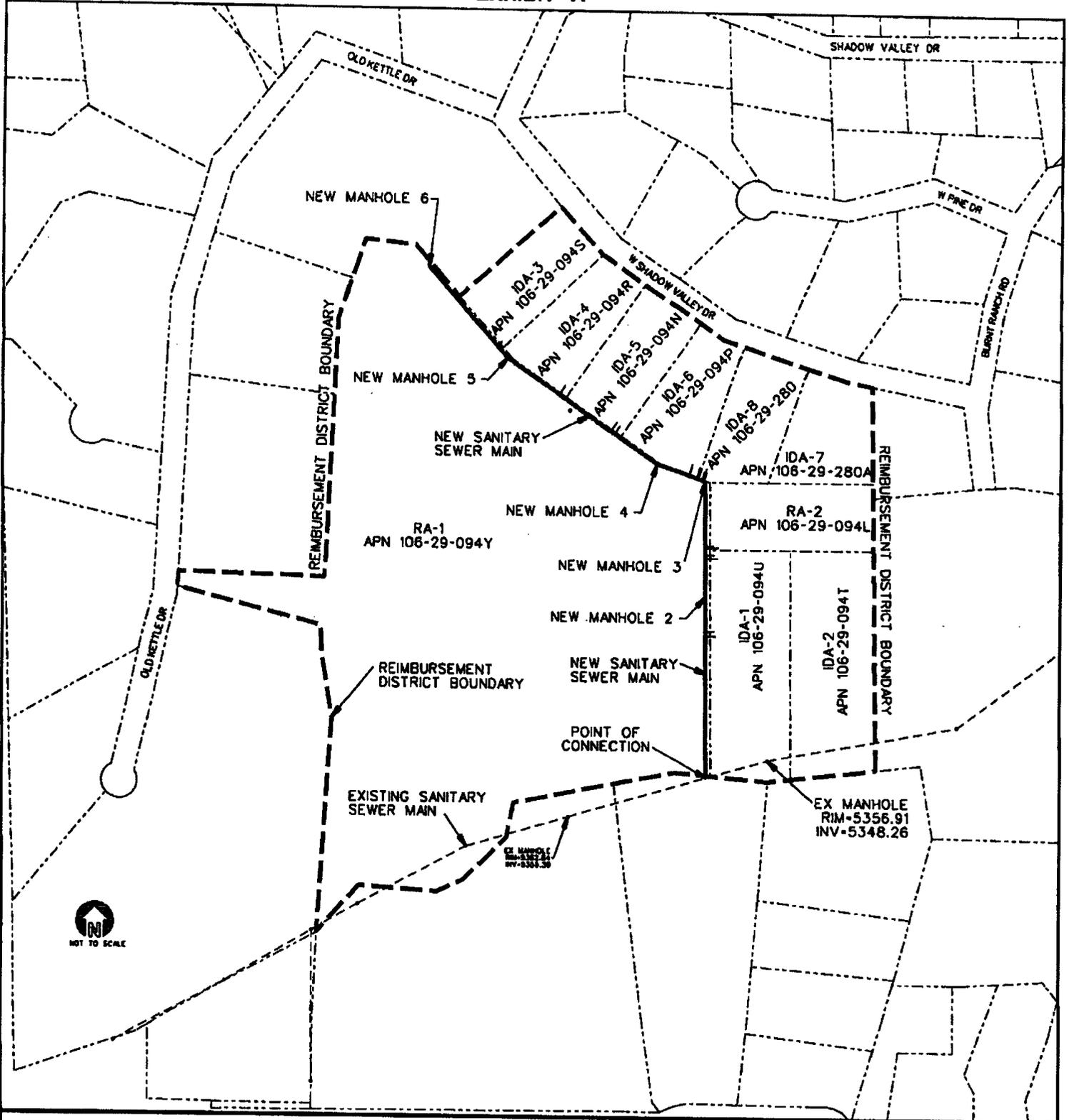
X

Any payments due the Second Parties shall be disbursed as follows: 50% to Laurentian Development, Inc., PO Box 10962, Prescott, AZ 86304, 12.5% to Chad W. Beyea, 1171 Loren Dr., Prescott, AZ 86305, 12.5% to Jason R. Beyea, 1171 Loren Dr., Prescott, AZ 86305, 25% to Harry and Reeda McCarty and Patrick Lee McCarty, PO Box 12793, Prescott, AZ 86304, until such time that the City receives written notice to send payments to a different address. It shall be and remain the responsibility of the Second Parties to advise the City, during the term of this agreement, of any new addresses to which payments should be sent; and further to advise their heirs and assigns of Second Parties' rights herein. In the event that the Second Parties, their heirs or assigns, breach this provision, and the City is unable to locate any of the Second Parties, their heirs or assigns using due diligence, after a period of six (6) months any monies collected pursuant to Paragraph V above shall revert to the City.

XI

This Sewer Service Reimbursement Agreement, its covenants and conditions, shall extend to and be binding upon the City, the Second Parties, their successors and assigns.

EXHIBIT "A"



IDA - INITIAL DEVELOPMENT AREA
 RA - REIMBURSEMENT AREA

IDA-1	APN 106-29-094U	\$9,385.97
IDA-2	APN 106-29-094T	\$9,385.97
IDA-3	APN 106-29-094S	\$9,385.97
IDA-4	APN 106-29-094R	\$9,385.97
IDA-5	APN 106-29-094N	\$9,385.97
IDA-6	APN 106-29-094P	\$9,385.97
IDA-7	APN 106-29-280A	\$9,385.97
IDA-8	APN 106-29-280	\$9,385.97
RA-1	APN 106-29-094Y	\$9,385.96
RA-2	APN 106-29-094L	\$9,385.96
		\$93,859.68

SHADOW VALLEY DRIVE
 SANITARY SEWER
 REIMBURSEMENT DISTRICT
 NO. 91

A PORTION OF SECTION 18
 TOWNSHIP 14 NORTH, RANGE 2 WEST
 GILA AND SALT RIVER BASE AND MERIDIAN
 YAVAPAI COUNTY, ARIZONA

Exhibit B – Schedule of Costs

**Sewer Reimbursement District
Shadow Valley Sewer Main Extension**

Schedule of Costs

Engineering Design by Kelley-Wise Engineering.....	\$ 11,180.64
City of Prescott fees and permits.	\$ 1,869.23
Escrow Fee.....	\$ 550.00
Construction: Sewer Main Contract by Arizona Earthmovers dba The Titus Group, Inc.....	<u>\$80,259.81</u>
Total.....	\$93,859.68

Payments for Parties for Reimbursement

I.D.	Parcel #	Assessment
IDA-1	106-29-094U	9,385.97
IDA-2	106-29-094T	9,385.97
IDA-3	106-29-094S	9,385.97
IDA-4	106-29-094R	9,385.97
IDA-5	106-29-094N	9,385.97
IDA-6	106-29-094P	9,385.97
IDA-7	106-29-280A	9,385.97
IDA-8	106-29-280	9,385.97
RA-1	106-29-094Y	9,385.96
RA-2	106-29-094L	9,385.96
Total		\$93,859.68

(RA) Reimbursement Area
(IDA) Initial Development Area

Engineering News Record Construction Cost Index for July 2009 is 8566.14.

This Reimbursement shall be in effect until July 2024.

Note: Reimbursement fees listed above must be adjusted to current ENR Construction.



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[ECONOMIC STIMULUS](#)
[FAQ](#)

Construction Economics

ENR publishes both a Construction Cost Index and Building Cost index that are widely used in the construction industry. This website contains an explanation of the indexes methodology and a complete history of the 20-city national average for the CCI and BCI. Both indexes have a materials and labor component. In the second issue of each month ENR publishes the CCI, BCI, materials index, skilled labor index and common labor index for 20 cities and the national average. The first issue also contains an index review of all five national indexes for the latest 14 month period. [Click here for more on using ENR indexes](#)

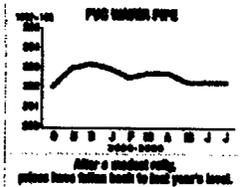
Current Cost Indices

Construction Costs	Building Costs	Materials Cost		
<p>Despite a 0.1% increase in the CCI this month, the annual rate of increase for the index fell from 5.3% to 4.8%.</p>	20-CITY: 1913 = 100	JULY 2009 INDEX VALUE	% CHANGE MONTH	% CHANGE YEAR
	CONSTRUCTION COST	9566.14	-0.1	+3.3
	COMMON LABOR	18201.18	0.0	+5.6
	WAGE SHR.	34.58	0.0	+5.6

[View Complete Construction Economics Report](#) (July 13, 2009)

Materials Trends

[View all Materials Trends >](#)



Pipe Prices Remain Under Pressure

Prices for pipe products showed little movement this month. PVC water and sewer pipe prices showed either no change or modest declines this month, but year-to-year prices were down as much as 1.7% from July 2008's levels. Ductile iron pipe prices held steady but are down about 2.3% from a year ago. Copper water tubing prices posted a modest rebound this month, following a series of sharp declines. Copper tubing prices are still down between 4.4% to 8.5% from a year ago. Corrugated steel pipe prices rose 0.1% this month but remain close to last year's level, according to ENR's 20-city average prices.

[View Complete Construction Economics Report](#) (July 13, 2009)

Historical Indices

[View all Historical Indices >](#)

Construction Cost Index History

200 hours of common labor at the 20-city average of common labor rates, plus 25 cwt of standard structural steel shapes at the mill price prior to 1996 and the fabricated 20-city price from 1996, plus 1.128 tons of portland cement at the 20-city price, plus 1,088 board-ft of 2 x 4 lumber at the 20-city price.

Building Cost Index History

88.38 hours of skilled labor at the 20-city average of bricklayers, carpenters and structural ironworkers rates, plus 25 cwt of standard structural steel shapes at the mill price prior to 1996 and the fabricated 20-city price from 1996, plus 1.128 tons of portland cement at the 20-city price, plus 1,088 board-ft of 2 x 4 lumber at the 20-city price.

Cost Index History Tables by City

The building and construction cost indexes for ENR's individual cities use the same components and weighting as those for the 20-city national indexes. The city indexes use local prices for portland cement and 2 X 4 lumber and the national average price for structural steel. The city's BCI uses local union wages, plus fringes, for carpenters, bricklayers and iron workers. The city's CCI uses the same union wages for laborers.

ENR Cost Indexes in 20 Cities 1978-2009

- | | | | |
|-------------------|---------------------|-------------------|--------------------|
| ▶ Atlanta, GA | ▶ Baltimore, MD | ▶ Birmingham, AL | ▶ Boston, MA |
| ▶ Chicago, IL | ▶ Cincinnati, OH | ▶ Cleveland, OH | ▶ Dallas, TX |
| ▶ Denver, CO | ▶ Detroit, MI | ▶ Kansas City, MO | ▶ Los Angeles, CA |
| ▶ Minneapolis, MN | ▶ New Orleans, LA | ▶ New York, NY | ▶ Philadelphia, PA |
| ▶ Pittsburgh, PA | ▶ San Francisco, CA | ▶ Seattle, WA | ▶ St. Louis, MO |

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Continuing Education Center

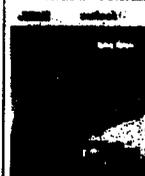
Gain Quick Access to ENR's Historical Cost Index Tables

Find ENR's Award-Winning Building Material Price Data (published later than March 1, 2005). Monthly tables on 75 different building materials! [Click here.](#)

Order ENR's Historical Prices For 75 Different Materials

Our tables for cement and concrete and aggregate prices are published in print editions in the first issue of every month; pipe prices in the second; lumber and drywall prices the third, and steel prices in the fourth. For information on how to order data sets prior to March, 2005, [click here.](#)

Construction Outlook 2009 Spring Update



A 14 page report on industry trends and detailed forecasts affecting the construction industry in 2009.

[Purchase your copy today >](#)

--- Advertising ---

EXHIBIT "C"

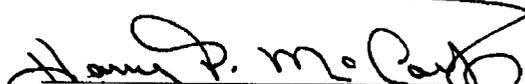
BILL OF SALE

For good and valuable consideration, the receipt of sufficiency of which is hereby acknowledged by each party to the other, Chad W. Beyea, Jason R. Beyea, Patrick Lee McCarty, Harry and Reeda McCarty, and Laurentian Development, Inc. (hereinafter referred to as "Sellers") hereby sell, transfer, and assign to the City of Prescott (hereinafter referred to as "Buyer"), the following described property; that certain sewer main extension located within a portion of Shadow Valley Dr., Prescott, Arizona, as more particularly identified in the Reimbursement Map attached hereto as Exhibit C-1.

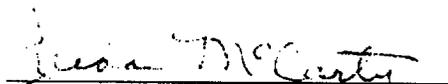
Sellers warrant that they are the owners of the above described property, warrant good and marketable title to it, and warrant that the property is unencumbered as of the date of this contract.

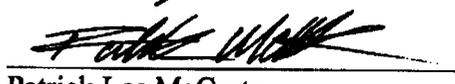
EXECUTED at Prescott, Arizona, this _____ day of _____, 2009.


Chad W. Beyea


Harry McCarty


Jason R. Beyea


Reeda McCarty

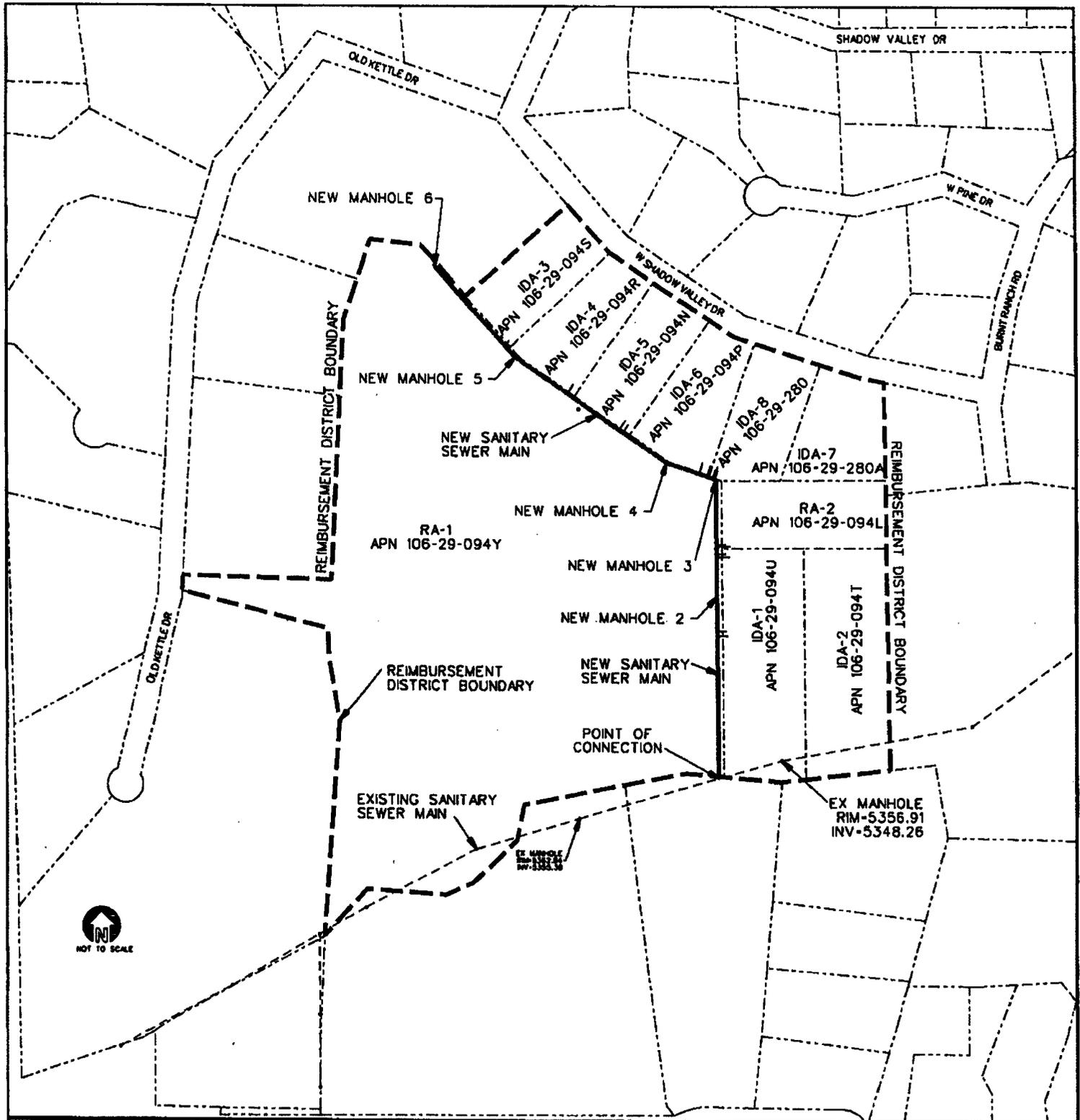

Patrick Lee McCarty


Laurentian Development, Inc.

ACCEPTED by the City of Prescott this _____ day of _____, 2009.

Jack D. Wilson, Mayor

EXHIBIT "C-1"



IDA - INITIAL DEVELOPMENT AREA
RA - REIMBURSEMENT AREA

IDA-1	APN 106-29-094U	\$9,385.97
IDA-2	APN 106-29-094T	\$9,385.97
IDA-3	APN 106-29-094S	\$9,385.97
IDA-4	APN 106-29-094R	\$9,385.97
IDA-5	APN 106-29-094N	\$9,385.97
IDA-6	APN 106-29-094P	\$9,385.97
IDA-7	APN 106-29-280A	\$9,385.97
IDA-8	APN 106-29-280	\$9,385.97
RA-1	APN 106-29-094Y	\$9,385.96
RA-2	APN 106-29-094L	\$9,385.96
		\$93,859.68

SHADOW VALLEY DRIVE
SANITARY SEWER
REIMBURSEMENT DISTRICT
NO. 91

A PORTION OF SECTION 18
TOWNSHIP 14 NORTH, RANGE 2 WEST
GILA AND SALT RIVER BASE AND MERIDIAN
YAVAPAI COUNTY, ARIZONA



City of Prescott
Public Works Department
PO Box 2059 Prescott, AZ 86302
Phone: (928) 777-1130 FAX: (928) 771-5929

June 19, 2009

Kelley/Wise Engineering
146 Grove Avenue
Prescott, Arizona 86301

Subject: City of Prescott
Shadow Valley Sewer Extension – Parcel 4A
Sewer Improvements
Approval to Operate

To Whom It May Concern:

The City of Prescott (COP) Public Works Department has received the construction testing and inspection reports, and project information.

Therefore, the COP Public Works Department has approved and accepted the water and sewer as-builts, construction testing, and inspection reports.

Sincerely,

Scott Tkach, P.E.
City Engineer
Public Works Department

cc:

Project Inspector
File, COP



City of Prescott

Public Works Department

PO Box 2059 Prescott, Arizona 86302
Phone: (928) 777-1140 FAX: (928) 771-5943

Memorandum

To: Distribution

From: Mark Nietupski, Director of Public Works

Date: June 19, 2009

Subject: **RELEASE OF SHADOW VALLEY SEWER EXTENSION -
PARCEL 4A**

Memos from Public Works Inspection and Public Works Division releasing subject project are on file in the Public Works Department office.

June 19, 2009 will serve as the date of release for warranty purposes.

Warranty on the Sewer will conclude on June 19, 2011.

Distribution:

- Chad McDowell, Field Operations
Field Operations Supervisor
- Mary Carey, Finance
- Erika Laster, Water Operations
- Dave Mecca, Fire Department
- Liz Burke, City Clerk (Bonds Posted
Only Projects)
- Craig Dotseth, Utilities Operations
- Dave Fizzell, Building Department
Project Inspector



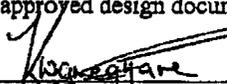
ENGINEERING REVIEW SECTION
DISCHARGE AUTHORIZATION
SEWAGE COLLECTION SYSTEM – 4.01 GP

Applicant Information:		County: Yavapai	
Name	City of Prescott	ADEQ File No.	20080026
Address	433 North Virginia Street Prescott, AZ 86302	Project Name:	Shadow Valley Drive Parcel 4A Sewer Line Extension
		LTF #:	46560
Project Type(s)		Project Location: The project is located approx. 0.3 miles west of Williamson Valley Road at the intersection of Williamson Valley Road and Willow Creek.	
<input checked="" type="checkbox"/> Gravity		Project Description: Installation of approx. 779 LF of 8-inch of gravity sewer main, 390 LF of 8-inch D.I.P sewer main, five manholes and related appurtenances.	
<input type="checkbox"/> Lift Station			
<input type="checkbox"/> Force Main			
<input type="checkbox"/> Other:			
Design Documents Approved for Discharge		WWTP Name: Airport WWTP	Treatment Facility Permitted Design Flow: 2.15 MGD
Document	Date	APP Number 10733	Treatment Facility Capacity Affirmation Date: 1/11/08
Engineer's Certificate of Completion	3/25/09	Sewage Collection System Capacity Affirmation Date: 1/11/08	
Deflection Tests	1/15/09 2/2/09	Location of Downstream End of System Proposed Herein:	
Uniform Slope Tests	2/26/09	Township 14 N	Range 2 W Section 18 ¼ ¼ ¼
Leakage Tests	1/15/09 2/2/09	Latitude	34° 35° 20" N
As-built Plans	3/25/09	Longitude	-112° 30' 11" W
Manhole Testing	1/16/09	Discharge Authorization: This Discharge Authorization is issued in accordance with Arizona Administrative Code Title 18, Chapter 9, Article 3, Part A, Section A301. The permittee is authorized to discharge from the facility at the location specified herein under terms and conditions of the general permit and applicable requirements of Arizona Revised Statutes Title 49, Chapter 2, and Arizona Administrative Code Title 18, Chapter 9.	
Certificate Distribution List		 <hr style="width: 50%; margin: 0 auto;"/> Kwame A. Agyard, P.E., Manager, Engineering Review Section	
Applicant	City of Prescott		
Engineer	Gary R. Kelley		
County	Yavapai		
County Planning and Zoning			
ADEQ Office	CRO		
Reviewer	ASB		
ERP	09:0294		
		Date <u>6/12/09</u>	

REVISED AUGUST 2008



CONSTRUCTION AUTHORIZATION
 FOR A SEWAGE COLLECTION SYSTEM
 TYPE 4.01 GENERAL PERMIT

Applicant Information:		County: Yavapai	
Name	Alain Johnson	ADEQ File No.	20080026
Address	Laurentian Development	Shadow Valley Drive Parcel 4A Sewer Line	
	2487 Blueridge Circle	Project Name:	Extension
	Prescott, AZ 86301	LTF #:	46560
Project Type(s)		Project Location: The project is located approx. 0.3 miles west of Williamson Valley Road at the intersection of Williamson Valley Road and Willow Creek.	
<input checked="" type="checkbox"/> Gravity		Project Description: Installation of approx. 787 LF of 8-inch of gravity sewer main, 391 LF of 8-inch D.I.P sewer main, five manholes and related appurtenances.	
<input type="checkbox"/> Lift Station			
<input type="checkbox"/> Force Main			
<input type="checkbox"/> Other:			
Design Documents Approved for Construction		WWTP Name: Airport WWTP	Treatment Facility Permitted Design Flow: 2.15 MGD
Document	Date	APP Number 10733	System Capacity Affirmation Date: 1/11/08
Notice of Intent to Discharge	1/11/08	Sewage Collection System Capacity Affirmation Date: 1/11/08	
Site Plan	1/10/08	Location of Downstream End of System Proposed Herein:	
Design Plan	1/10/08	Township 14 N	Range 2 W Section 18 ¼ ¼ ¼
Operation & Maintenance Plan	On file	Latitude 34° 35' 20" N	
Design Report	1/11/08	Longitude -112° 30' 11" W	
		Description of Area Served by Project:	
<p>Construction Authorization: This Construction Authorization is issued in accordance with Arizona Administrative Code (A.A.C.) Title 18, Chapter 9, Article 3, Part A, Section A301. The applicant is authorized to construct the facility at the location specified herein under terms and conditions of the requested general permit and applicable requirements of Arizona Revised Statutes Title 49, Chapter 2, and A.A.C. Title 18, Chapter 9. The applicant has two years from the approval date of this document to complete construction and submit the applicable verification documents specified in A.A.C. R18-9-E301(E). Construction shall conform with the approved design documents.</p>			
 Kwame A. Agyare, P.E.		Manager, Engineering Review Section Title	
		Date: 7/31/08	

Reviewer: ASB
 ERP: 08:0636

REVISED MARCH 2006

Pioneer Funding Services, a Div of Pioneer Title

Final Disbursement Report

Print Date - Time: 07/09/2009 - 1:59:20PM

Page 1 of 2

User: CKK

File Information

Escrow Number: 02250288-017	Open Date: 12/08/2008
Escrow Officer: Cristy Nugent	Close Date:
Seller / Buyer: City of Prescott Sewer Main Extension/Bob Beyea etal	
Property Address: APN# 106-29-094 Prescott, AZ	

Payee / Payer	Ref Num	Date	Status / Type / Sub Amount	Amount	Totals
Receipts					
Receipts					
1. Transfer to Bank 03	000000	06/18/200	TBK	(8,180.32)	
2. Transfer from Bank 02	000000	06/18/200	TBK	8,180.32	
3. McCarty	002539	12/08/200	MD	12,755.00	
4. Jason & Chad Beyea	002540	12/08/200	MD	25,510.00	
5. Laurentian Development	002541	12/08/200	MD	38,695.04	
6. Laurentian Development	002542	12/08/200	MD	12,324.96	
7. Danette McCarty	002543	12/08/200	MD	12,755.00	
					102,040.00
Disbursements					
Disbursements					
1. LAURENTIAN DEVELOPMENT INC.	002015	12/08/200	WIO	(7,783.88)	
2. PIONEER FUNDING SERVICES, A DI Setup	014757	12/08/200		(550.00)	
			(430.00)		
			(120.00)		
3. KELLEY/WISE ENGINEERING, INC. Re: APN #106-29-094, Yavapai County,	014771	01/07/200		(448.66)	
4. THE TITUS GROUP, INC. APN 106-29-094 YAVAPAI COUNTY P.O. BOX 12680 PRESCOTT, AZ 86304 Construction Disbursement	014780	01/23/200		(65,288.08)	
5. KELLEY-WISE ENGINEERING Re: APN# 106-29-094, Yavapai County,	014807	04/03/200		(4,817.33)	
6. OLSON PRECAST OF ARIZONA Re: APN# 106-29-094, Yavapai County,	014808	04/03/200	VOID	(10,330.00)	
7. void per Eileen Re: APN# 106-29-094, Yavapai County,	014808	04/10/200	VOID	10,330.00	
8. THE TITUS GROUP, INC. Re: APN# 106-29-094, Yavapai County,	014809	04/03/200		(1,163.88)	
9. THE TITUS GROUP, INC. Re: APN# 106-29-094, Yavapai County,	014811	04/07/200		(3,477.85)	
10. TITUS GROUP, INC. Re: APN# 106-29-094, Yavapai County,	014814	04/10/200		(10,330.00)	
11. CHAD BEYEA Re: APN# 106-29-094 (Payout of contin	10015005	06/25/200		(960.04)	
12. CITY OF PRESCOTT Re: APN# 106-29-094 (Reimb. District Fe	10015006	06/25/200		(500.00)	
13. JASON BEYEA Re: APN# 106-29-094 (Payout of contin	10015007	06/25/200		(960.04)	
14. KERI PIKE C/O LAURENTIAN DEVEL Re: APN# 106-29-094 (Payout of contin	10015008	06/25/200		(3,840.16)	
15. PATRICK LEE MCCARTY, PATRICK H Re: APN# 106-29-094 (Payout of contin	10015009	06/25/200		(1,920.08)	
					(102,040.00)

CONTRACT

THIS AGREEMENT is made this 2 day of December, 2008, by and between The Titus Group, Inc., an Arizona corporation, dba Arizona Earthmovers (CONTRACTOR), AND (OWNER).

RECITALS

- A. CONTRACTOR is a licensed contractor in the States of Arizona holding General Engineering A License No. 085729.
- B. OWNER is developing the (PROJECT) in Prescott, Yavapai County, Arizona.
- B. CONTRACTOR is the successful bidder for the development work described below.

I. CONTRACT DOCUMENTS

- A. The contract documents for this contract consist of (i) this Agreement, (ii) Bid proposal as Exhibit "B", (iii) the drawings and specification attached hereto (PLANS) as Exhibit "A", and (iv) all modifications issued after execution of this Agreement. The plans and specifications referred to herein shall be initiated by each of the parties hereto and made a part hereof.
- B. If, during the performance of the WORK, CONTRACTOR finds a conflict, error or discrepancy in the Contract Documents, CONTRACTOR shall so report to ENGINEER in writing at once and before proceeding with Work affected thereby shall obtain a written interpretation or clarification from ENGINEER; however, CONTRACTOR shall not be liable to OWNER or ENGINEER for failure to report any conflict, error or discrepancy unless CONTRACTOR had actual knowledge thereof.

II. THE WORK

- A. CONTRACTOR shall furnish all the materials, labor, tools, equipment and everything necessary to fully construct and complete the work provided for in accordance with the PLANS and supplemental specifications for the PROJECT.
- B. The Work is generally described as excavation, road construction and paving, and water and sewer line installation.

III. THE ENGINEER

- A. The PROJECT has been designed by Kelly Wise, who is hereinafter referred to as ENGINEER and who is to act as OWNER'S representative, assume all duties and responsibilities and have the rights and authority assigned to ENGINEER in the PLANS in connection with completion of the WORK in accordance with the PLANS.
- B. CONTRACTOR is authorized to take instructions and orders from ENGINEER in connection with the performance and completion of the WORK in accordance with the PLANS.

IV. CONTRACT PRICE

- A. OWNER shall pay CONTRACTOR for completion of the WORK, in current funds, the sum of \$ 81,559.00
- B. CONTRACTOR shall perform the WORK based on the bid prices set forth on Exhibit "B" attached hereto and made a part hereof. The bid prices set forth on Exhibit "B" are based on material costs. In the event the cost of any materials or fuel increases more than 5%, then in that event, the Contract Price shall increase accordingly. In such event CONTRACTOR shall immediately notify OWNER in writing of the increase in costs.

(see Exhibit "D")

C. In addition to those items specified in Article II (C) above, the Contract Price does not include the costs of the following items:

1. ~~Government Taxes~~
2. Permits
3. Bonds
4. Engineering Costs
5. ~~Surveying~~
6. ~~Testing~~
7. ~~Construction Staking~~
8. Blasting

The OWNER shall obtain and pay for all construction permits and licenses.

V. PAYMENT PROCEDURES

- A. OWNER shall make periodic payments on account of the Contract Price on the basis of CONTRACTOR'S Application for Payment, on or about the 25th day of each month during construction. All periodic payments shall be paid on the 10th day of the following month. Any Application for Payment not paid within said time period, including the payments provided for in "B" below, shall bear interest at the rate of 18% per annum until paid.
- B. Materials ordered and used on the PROJECT shall be billed to OWNER and shall be paid by OWNER on the 10th day of the following month. Such payment shall be made by check, payable to CONTRACTOR and the material supplier.
- C. Upon application for the final periodic payment CONTRACTOR shall submit evidence satisfactory to OWNER that all labor costs, material bills and equipment costs have been satisfied, and deliver to OWNER a lien release with respect to the work performed by CONTRACTOR. Within 7 days following issuance by the ENGINEER of a certificate of completion, OWNER shall make payment to CONTRACTOR.
- D. As a matter of standard procedure and pursuant to the requirements of Title 33, Chapter 7, Article 6 of the Arizona Revised Statute, CONTRACTOR will deliver to OWNER and OWNER'S lender, if any, a twenty (20) day Preliminary Notice to property owner for purposes of preserving CONTRACTOR'S lien rights.

VI. CONTRACT TIME

The work will commence on or before 12/8/08.

VII. INSURANCE

- A. Prior to starting WORK, CONTRACTOR shall obtain the insurance hereinafter required and shall furnish evidence of same to OWNER.
- B. CONTRACTOR shall purchase and maintain comprehensive general liability insurance in a minimum amount of \$500,000.00. This insurance shall include the interests of OWNER.
- C. CONTRACTOR shall purchase and maintain such disability insurance coverage for its employees as required by the workmen's compensation laws and regulations for the State of Arizona.

VIII. CHANGES IN THE WORK

- A. Without invalidating the Agreement, OWNER may, at any time or from time to time, order additions, deletions or revisions in the WORK (CHANGES). Such CHANGES shall be authorized by a written Change Order in the for attached hereto as Exhibit "C". Upon receipt of any such document, CONTRACTOR shall promptly proceed with the WORK involved which will be performed under the Change Order. The Change Order shall provide for a decrease or an increase in the CONTRACT PRICE.

- B. In the event OWNER and CONTRACTOR are unable to agree as to the extent, if any, of an increase or decrease in the CONTRACT PRICE then, (i) where the WORK involved is covered by unit prices contained in the Contract Documents, the dispute shall be resolved by application of unit prices to the quantities of the items involved, and (ii) in all other cases, the dispute shall be resolved on the basis of the cost of the work plus a CONTRACTOR'S fee of 15%.
- IX. A. CONTRACTOR warrants and guarantees to OWNER that all WORK will be in accordance with the Contract Documents and will not be defective.
- C. Prompt notice, in writing, of all defects shall be given to CONTRACTOR by OWNER. The defective work shall be corrected by CONTRACTOR within 30 days of receipt of the notice of same, or if the defective work is the kind and substance that it cannot be completed within the thirty day period CONTRACTOR shall have started the correction of same and shall diligently pursue the corrective measures.

X. OBLIGATIONS OF OWNER

In addition to those obligations otherwise provided for herein,

- A. OWNER shall provide, on the project site, suitable areas for storage of (i) the materials furnished to and materials excavated from the project, and (ii) contractor's equipment; and,
- B. OWNER shall direct all communication concerning the WORK and the PROJECT to only those representatives of CONTRACTOR as designated in writing by CONTRACTOR, and shall not give instructions or orders directly to any non-designated employees, agents, or sub-contractors of CONTRACTOR.

XI. TERMINATION

- A. OWNER - if CONTRACTOR consistently or repeatedly fails or neglects to carry out the work in accordance with the Contract Documents or otherwise fails to perform in accordance with this Agreement and fails within seven days after receipt of written notice to commence and continue correcting such default or neglect with diligence and promptness, the OWNER may, upon written notice to CONTRACTOR terminate the Agreement.
- B. CONTRACTOR - If the WORK is stopped for a period of twenty days, through no fault of CONTRACTOR or if OWNER has not made payments thereon as provided for herein, the CONTRACTOR may, without prejudice to any other remedy he may have, upon seven (7) days' written notice to OWNER, terminate this Agreement and recover from OWNER payment for all work performed and any loss resulting from cessation of the WORK, including reasonable overhead, profit and damages, including attorney's fees and related costs.

XII. ARBITRATION

- A. All claims, disputes and other matters in question between OWNER and CONTRACTOR arising out of, or relating to the Contract Documents or the breach thereof, shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining, subject to the limitations of the Article XI. This agreement so to arbitrate and any other agreement or consent to arbitrate entered into in accordance herewith as provided in this Article XI will be specifically enforceable under the prevailing law of any court having jurisdiction.
- B. Notice of demand for arbitration will be filed in writing with the other party to the Agreement and with the American Arbitration Association. The demand for arbitration will be made within 30 days after the OWNER and CONTRACTOR have been unable to agree on a dispute, however, in no event shall any such demand be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations.

SEWER MAIN EXTENSION - OLD KETTLE DRIVE (BID: 10/13/08)

CONTRACTOR	ITEM	ITEM DESCRIPTION	EST. QTY.	UNIT	BID UNIT PRICE	ITEM TOTAL
Arizona Earthmovers P O Box 12660 Prescott AZ 86304	1	8" SDR-35 GRAVITY SEWER MAIN	787	LF	20.83	16,235.81
	2	8" D.I.P. GRAVITY SEWER MAIN	391	LF	59.00	23,069.00
	3	48" DIAMETER SEWER MANHOLE (6'-12" DEEP)	5	EA	2,500.00	12,500.00
	4	SEWER CLEANOUT (YAG 4-13)	1	EA	330.00	330.00
	5	4" SEWER SERVICE CONNECTION	9	EA	500.00	4,500.00
	6	MAINTENANCE ROAD	900	SY	8.25	7,425.00
	7	CONCRETE CUT-OFF WALL	60	CY	195.00	11,700.00
	8	CONSTRUCTION STAKING	1	EA	2,800.00	2,800.00
	9	MATERIAL TESTING	1	EA	3,000.00	3,000.00
				TOTAL BID		81,559.81

CONTRACTOR	ITEM	ITEM DESCRIPTION	EST. QTY.	UNIT	BID UNIT PRICE	ITEM TOTAL
4 Kelly's Construction	1	8" SDR-35 GRAVITY SEWER MAIN	787	LF		0.00
	2	8" D.I.P. GRAVITY SEWER MAIN	391	LF		0.00
	3	48" DIAMETER SEWER MANHOLE (6'-12" DEEP)	5	EA		0.00
	4	SEWER CLEANOUT (YAG 4-13)	1	EA		0.00
	5	4" SEWER SERVICE CONNECTION	9	EA		0.00
	6	MAINTENANCE ROAD	900	SY		0.00
	7	CONCRETE CUT-OFF WALL	60	CY		0.00
	8	CONSTRUCTION STAKING	1	EA		0.00
	9	MATERIAL TESTING	1	EA		0.00
				TOTAL BID		101,597.83

- C. The award rendered by the arbitrators will be final, and judgment may be entered upon it in any court having jurisdiction thereof, and will not be subject to modification or appeal except to the extent permitted by Sections 10 and 11 of the Federal Arbitration Act (9 U.S.C. Secs. 10,11).

XIII. NOTICE

All notices, consents, requests, instructions, approvals and other communications provided for herein shall be validly given, made or served, if in writing and delivered personally or sent by United States registered or certified mail, return receipt requested, postage prepaid, to the respective party at the addresses set forth below:

OWNER: *Laurentian Development, Inc.*
Jason R. Beyer
Chad W. Beyer
Patrick Lee McCarty
Patrick H + Danette McCarty
Harry + Roeda McCarty

CONTRACTOR: The Titus Group, Inc., dba
ARIZONA EARTHMOVERS
P. O. Box 12680
Prescott, AZ 86304

The addresses for notice of a party may be modified from time to time by any party giving notice, as set forth herein, to the other parties stating the change of address.

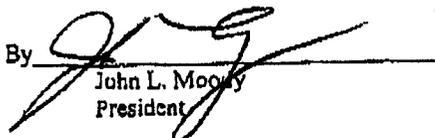
XIV. MISCELLANEOUS PROVISION

- A. Section Heading - The various section heading are inserted for convenience of reference only and shall not affect the meaning or interpretation of this Agreement or any section hereof.
- B. Entire Agreement - This agreement and such further instruments as are required by or referred to herein merge all previous negotiations between the parties hereto and constitute the entire Agreement and understanding between the parties with respect to the subject matter of this Agreement. No alteration, modification or change of this Agreement shall be valid except by an amendment in writing executed by the parties hereto.
- C. Applicable Law - This Agreement shall be interpreted, severed and construed in accordance with the laws of the State of Arizona.
- D. Attorney's Fees - In the event of legal action or arbitration proceeding taken by either party against the other for breach of any provision of this Agreement or for declaratory judgment to enforce a provision thereof, the prevailing party in such action shall be entitled to reasonable attorney's fees and costs of suit.
- E. Inurement - This Agreement shall be binding upon and inure to the benefit of the assigns and successors in interest of the respective parties hereto.

TIME IS OF THE ESSENCE of this Agreement and the parties hereby agree to perform each and every obligation hereunder in a prompt and timely manner.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written, in quadruplicate, each copy deemed to be an original instrument.

CONTRACTOR
The Titus Group, Inc., dba
ARIZONA EARTHMOVERS

By 
John L. Moody
President

OWNER

 12/02/8
By *Bob [unclear]*
Title Agent / Agent

AFFIDAVIT OF PUBLICATION

STATE OF ARIZONA)
County of Yavapai) ss.

I, **Aileen Kemper**, being first duly sworn on her oath says:
That she is the **Classified Coordinator** of **PRESCOTT NEWSPAPERS, INC.**, an Arizona corporation, which owns and publishes the **COURIER**, a Daily Newspaper published in the City of Prescott, County of Yavapai that the notice attached hereto, namely,

NOTICE INVITING BIDS
Sealed Bids are requested for 1,178 ft of sewer improvements located near the corner of Burnt Ranch Rd and Shadow Valley Dr off Williamson Valley Rd. Plans and a Bid Schedule are available at A&E Reprintgraphics located at: 1030 Sandretto Dr., Prescott, AZ. Ask for: Kelley-Wise/Shadow Valley Dr. Sewer Extension.
Bids must be returned to:
c/o Gary Kelley, Kelley-Wise @ 148 Grove Ave, Prescott, no later than 2:00 PM on Monday, October 13th 2008.
1TC PUB Oct 4, 2008

**NOTICE INVITING BIDS
1,178 FT OF SEWER IMPROVEMENTS**

has, to the personal knowledge of affidavit, been published in the news paper aforesaid, according to law, on 4 day of **OCT, 2008** to 4 day of **OCT, 2008** both inclusive without change, interruption or omission, amounting in all 1 insertions, made on the following dates:
OCT 4, 2008

By: _____
Dated this 4 Day of **OCT, 2008**

By: Malea L Miller
Notary Public

My commission expires:





ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

Sewage Treatment Facility CAPACITY ASSURANCE

\\shared\WEDRIA\APPLICATIONS-CollectionSystems\Notice Of Intent To Discharge -CAPACITY ASSURANCE for Sewage Treatment Facility 2/27/03

Instructions: The owner or operator of the downstream sewage treatment facility must complete and submit this Capacity Assurance Form to comply with Arizona Administrative Code (AAC) R18-9-E301(C)(1).

1. Sewage Treatment Facility: Name: <u>Airport WWTTP</u> APP (Aquifer Protection Permit) Number: P <u>101733</u> AZPDES Permit Number: _____ ADEQ Site Code: <u>43-005</u> Address: <u>2600 McLuville Rd.</u> <u>Prescott, AZ.</u> <u>86301</u> Telephone No. <u>(928)777-1130</u> Fax No. <u>(928)771-5929</u>	2. Owner/Operator for Facility Operation: Name: <u>Bruce Canavan</u> Position: <u>Utilities Engineer</u> Firm Name: <u>City of Prescott</u> Address: <u>433 N. Virginia</u> <u>Prescott, AZ.</u> <u>86301</u> Telephone No. <u>(928)777-1130</u> Fax No. <u>(928)771-5929</u>
3. Facility Capacity: Current 208 Plan* Approved Capacity: _____ (MGD) Constructed Capacity: <u>2.2</u> (MGD) APP Approved Capacity: <u>2.2</u> (MGD) AZPDES Discharge Limit: _____ (MGD) Operational Flow: <u>0.95</u> (MGD) *Areawide Wastewater Management Plan, per Section 208 of the Clean Water Act (State only capacity indicated in current approved plan on file with the Designated Management Agency)	4. Proposed Subdivision or other project: Name: <u>Shadow Valley Dr. Parcel 4A - Sewer Extension</u> Design Flow: <u>0.01461*</u> (MGD) Provide list of all previously approved subdivisions, commercial and industrial customers and associated design flows. Total Design Flow Connected to Facility: <u>2.3767**</u> (MGD) * Corrected peaking factor ** See attached summary & memo.

Capacity is expressed in million gallons per day (MGD) based on the monthly average capacity of the facility. Operational Flow is expressed in MGD based on the maximum monthly average flow for the last 12 months. Design Flow is based on the design flow for the proposed subdivision as submitted in accordance with AAC R18-9-E301.

5. Facility Plan and Schedule to Construct Additional Capacity: (Provide detail if total design flow connected to facility is greater than APP approved capacity)
See attached memo. Detailed plan & schedule to be developed.

6. Capacity Assurance: To be completed by owner/operator identified in Item "2" above.

I, Bruce Canavan, affirm that the additional volume of sewage delivered to the facility by the sewer collection system serving the proposed subdivision will not cause any flow or effluent quality limits of the facility's individual permit to be exceeded. I am aware that there are significant penalties for submitting false information including permit revocation as well as the possibility of fine and imprisonment for knowing violations.

Bruce Canavan Signature 7/11/08 Date



City of Prescott

Public Works Department

PO Box 2059 Prescott, Arizona 86302
Phone: (928) 777-1130 TDD: (520) 778-5680 FAX: (928) 771-5929

Memorandum

To: Jim Ciaffoni, City Utilities Engineer
From: Bruce Canavan, Civil Utilities Engineer *BC*
Date: July 11, 2008
Subject: **AIRPORT WWTP CAPACITY COMMITMENT**

Confirming our initial discussion yesterday, we recently exceeded the permitted capacity for the Airport WWTP based on the Commitment List I have prepared. As you are aware, ADEQ has allowed us to develop the initial Commitment List from the original work performed by Carollo Engineers for the Sewer Model, with adjustments I have made based on knowledge of specific development progress.

Based on this work, and as shown on the attached spreadsheet, the current committed capacity, including the proposed Prescott Executive Airpark and the Shadow Valley Sewer Extension, is 2.3767 MGD. The Airport WWTP has a permitted capacity of 2.2 MGD resulting in a theoretical over commitment of 0.1767 MGD. Note that the committed capacity assumes 100% buildout for any project and is different from the operational flows. An over commitment of treatment plant capacity, even though theoretical, may have negative consequences for additional development.

Current Airport WWTP operational flows as of June 30th are 0.95 MGD, which is slightly below and correlates very closely with the 2005 adjusted base flow of 0.9921 MGD from the sewer model. As shown on the bottom of the summary table page 7, this operational flow is less than half of our permitted capacity. Also please note on page 8 of the commitment summary that if projects permitted but still under construction and also those completed (but without additional development activity) are subtracted from the list we are slightly below our permitted capacity. I mention these items, not to downplay the seriousness of the situation, but only to put the "over commitment" into the proper system operational context.

With the City Council's increase of wastewater rates and fees in June of this year (*the first since 1991*) we have significant funds budgeted and available to program and complete required improvements. To resolve the situation identified above we are immediately taking the following steps within our Capital Improvement Program:

1. I have been in contact with Mark Courtney and Carollo Engineers wastewater specialists will be on-site within four weeks. They will work with Craig Dotseth, Utility Operations Manager, to develop a computerized process model for the Airport plant. This will allow critical evaluation and optimization of the existing process stream. This activity should be completed within sixty to seventy-five days.
2. If the model identifies required changes, we will initiate those changes and also concurrently apply to ADEQ for any permitted capacity increase that may result. Carollo has performed similar work for other communities in the recent past.

3. \$800,000 is funded within this years' budget for Airport Plant Process Expansion and Improvements. Any costs required for the process optimization could come from this account.
4. \$100,000 is funded within this years' budget for the Airport Plant Capacity & Treatment Technology Assessment with another \$50,000 for the Airport Plant Biosolids Master Plan. (Note that these amounts are also matched for the Sundog Plant.) This project will be expedited for development of a scope of work and submission of Statements of Qualification, selection and scope/fee negotiations from engineering firms. The goal will be to have a contract in place by late October or early November. The Airport Plant will be the top priority.
5. \$350,000 is funded within this years' budget for upgrades to the Airport RAS/WAS pump station.
6. We also currently have the Airport Biosolids Centrifuge permitted by ADEQ, the equipment is being manufactured and the building construction will be advertised within one week with a scheduled bid opening for August 14th. The centrifuge should be operational by mid-winter.
7. The APP for the Airport plant is currently being modified by ADEQ for the new process and it may be worthwhile to request delay of its finalization until Carollo completes the work identified in item #1 above. This could significantly streamline, both for the City and ADEQ, any additional permitted capacity increase.
8. \$1,800,000 in new funding is programmed in both FY 09-10 and FY 10-11 for the Airport plant to complete construction of the initial upgrades identified.

I also recommend a face to face meeting with ADEQ in Phoenix to apprise them of our situation and the steps we are taking to provide adequate committed capacity. I can arrange this meeting if you wish.

Cc: Tim Burkeen, CIP Program Manager
Craig Dotseth, Utility Operations Manager
Mark Nietupski, Public Works Director

March 3, 2008

Mr. Bruce Canavan
City of Prescott
Public Works Department
P. O. Box 2059
Prescott, AZ 86302

RE: Notice of Intent to Form a Reimbursement District

Dear Mr. Canavan:

This letter is serve as the Notice of Intent to Form a Reimbursement District for the following parcel numbers and owner's names:

Laurentian Development
106-29-094S, 106-29-094R, 106-29-094N, 106-29-094P

Mr. Robert Beyea
106-29-094Z

Mr. Ronald Sult
106-29-094K

Ms. DeeDee McCarty
106-29-094J

Mr. & Mrs. HP McCarty
Owner of 4B (McCarty's are going to split this parcel into 2 lots)

Along with this agreement, you will find a plat map indicting thereon the applicant's area of development, the location proposed from the development to the point of connection with the city sewer main providing sewer service to the development, and the map also indicates the area that will benefit from the extension, the area that constitutes the total area outside of the applicant's development, but is subject to reimbursement under the agreement.

Escrow No. 02250288 - 017 CCN

Check Date: 06/25/2009

Check No. 10015006

DESCRIPTION	CODE	AMOUNT
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Re: APN# 106-29-094 (Reimb. District Fee)

\$500.00

Check Total \$500.00

7209999 - 7807

Seller/Buyer: City of Prescott Sewer Main Extension/Bob Beyea etal
 Property Address: APN# 106-29-094. Prescott, AZ
 Tax Parcel Id:

Pioneer Title Agency, Inc.

M&I MARSHALL & ISLEY BANK
91-404/1221

NO. 10015006

14500 North Northsight Blvd.
 Suite 112
 Scottsdale, AZ 85260
 (480) 607-7308

02250288 - 017 CCN	06/25/09	\$500.00
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PAY FIVE HUNDRED DOLLARS and no/100

TO THE CITY OF PRESCOTT
 ORDER
 OF

ESCROW ACCOUNT



⑈ 10015006 ⑆ ⑆ 122104046 ⑆ 00426 ⑆ 90604 ⑆

Security Features included. Details on back.