PRESCOTT CITY COUNCIL
REGULAR VOTING MEETING
A G E N D A

PRESCOTT CITY COUNCIL
REGULAR VOTING MEETING
TUESDAY, July 13, 2010
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 **Regular Voting Meeting** pursuant to the Prescott City Charter, Article II, Section 13. Notice of this meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02.

- **CALL TO ORDER**
- **INTRODUCTIONS**
- **INVOCATION**: Reverend Julia McKenna, Spiritual Architect
- **PLEDGE OF ALLEGIANCE**: Councilwoman Lopas introducing Dakota McConnell
- **ROLL CALL**:

MAYOR AND CITY COUNCIL:

Mayor Kuykendall
Councilman Blair — Councilwoman Linn
Councilman Hanna — Councilwoman Lopas
Councilman Lamerson — Councilwoman Suttles

- **SUMMARY OF CURRENT OR RECENT EVENTS**

I. PUBLIC COMMENTS

A. David James re Prescott's reputation throughout his travels.

B. Melissa Jackson re Palmer Golf and The Club at Prescott Lakes.

C. Frank Creelman re Lessons by J.C., the Constitution of the United States of America and the Declaration of Independence (understanding; kindness; caring; compassion; *"Do unto others…"*; and rights to life, liberty and pursuit of happiness).

D. Presentation of award from Citizens Tax Committee.

II. PROCLAMATIONS

A. July 16 & 17, 2010 – *Prescott BBQ Days*

B. July 26, 2010 – *Americans with Disabilities Act Awareness Day*

III. CONSENT AGENDA

CONSENT ITEM A THROUGH E LISTED BELOW MAY BE ENACTED BY ONE MOTION. ANY ITEM MAY BE REMOVED AND DISCUSSED IF A COUNCILMEMBER SO REQUESTS.

A. Authorization to purchase Hazardous Materials/CBRN Protective Ensembles in an amount not to exceed $28,000.00 from Geomet Technologies.

B. Approval of Final Plat for Gardner Cove, a Planned Area Development comprising 16 Townhomes on 1.21 acres. Property located on Gail Gardner Way east of Pike Place; Zoning MF-M; APN: 115-08-034C, 034D & 071G; Owner and Agent: Rick Radovich of Advanced R.E. Management, File No. FP10-001.

C. Approval to purchase Lift Station Apparatus from James, Cooke & Hobson, Inc., in the total amount of $58,241.59.

D. Approval of total expenditure of $58,833.00 to Yavapai Fence, Stanley Security Systems, and B&W Security Systems for completion of the Prescott Police Department secured parking area fencing project.

E. Approval of the Minutes of the Prescott City Council Workshop of June 15, 2010; the Special Meeting of June 18, 2010; the Public Workshop of June 22, 2010; the Special Meeting of June 22, 2010; and the Regular Voting Meeting of June 22 2010.

IV. REGULAR AGENDA

A. Adoption of Ordinance No. 4750-1101 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, levying upon the assessed valuation of the property within the City of Prescott, subject to taxation, a certain sum upon each one hundred dollars ($100.00) of valuation sufficient to raise the amount estimated to be required in the annual budget, less the amount estimated to be received from other sources of revenue; providing funds for various bond redemptions for the purpose of paying interest upon bonded indebtedness, and providing funds for the general municipal expenses, all for the Fiscal Year ending the 30th day of June, 2011.

B. Discussion/direction of continuing with two Regular Voting meetings a month as previously adopted in Resolution No. 4001-1031.

C. Adoption of Ordinance No. 4752-1103 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, accepting right-of-way from the Arizona State Land Department and authorizing the Mayor and City staff to take all necessary steps to effectuate such right-of-way acceptance. (Sundog Connector Road east of Prescott Lakes Parkway).

D. Discussion of potential installation of crosswalks on Copper Basin Road between White Spar Road and Sheriffs Posse Trail.

E. Acceptance of payment in the amount of $23,000.00 from Asphalt Paving Supply, Inc. as fair compensation for placing asphalt pavement at less than specified thickness on a portion of Demerse Avenue.

F. Adoption of Ordinance No. 4751-1102 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the purchase of real properties, easements and improvements form Allen G. and Nadine N. Nell; Yakashba Estates Association, Inc. Gill Read President; James H. and Virginia L. Gresham; Dillahunty Living Trust, W.D. Dillahunty Trustee; Pioneer Title Agency Trust #353034 Gerald L. and Annett Gill Trustees; Robert H. Norman Jr. and Laura L. Norman; Larry M. and Leslie J. Steffes; and declaring portions of the Nature Center property for use as right-of-way and drainage easement for the widening of Williamson Valley Road, authorizing the Mayor and City staff to take all necessary steps to effectuate said purchases and declaration, and declaring an emergency.

G. Approval of Airport Ground Lease Agreement with Guidance Helicopters for approximately .395 acres of airport property at Ernest A. Love Field.

H. Approval of Amendment Two to Contract No. 2009-114 with TransitPlus at the request of Central Yavapai Metropolitan Planning Organization for FTA Grant Management Services, in an amount not to exceed $25,000.00.

V. 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, MMC, City Clerk

II-A

"Prescott BBQ Days Proclamation"
July 16 & 17, 2010

Whereas, Rotary International is an organization of business and professional leaders united worldwide, who provide humanitarian service, encourage high ethical standards in all vocations, and help build goodwill and peace in the world; and

Whereas, Prescott Sunup Rotary was chartered in December, 1981 to promote the ideals and objects of Rotary in the Prescott area; and

Whereas, Sunup Rotary contributes significantly in the area with its international, community, vocational and youth avenues of service; and

Whereas, Prescott Sunup Rotary has initiated Prescott BBQ Days Festival to raise funds for its community endeavors; and

Whereas, Prescott BBQ Days will be held July 16 and 17 at the Frontier Days Rodeo Grounds, home to the World's Oldest rodeo; and

Whereas, the festival is an official Arizona Triple Crown event wherein over 30 competitors from the local area and the Southwest USA will participate; and

Whereas, Prescott BBQ Days is a fun filled, family oriented entertaining event that appeals to all who appreciate tasty BBQ; and

Whereas, numerous businesses, groups and persons have contributed time, talent and treasury to help sponsor this event; and

Whereas, the proceeds from this fun filled festival will be used to benefit numerous local non profit activities and Prescott Sunup Rotary Foundation charities in our community.

Now therefore, I, Marlin D. Kuykendall, Mayor of the City of Prescott do hereby proclaim July 16 and 17, 2010 as:

Prescott BBQ Days

And ask all citizens to celebrate and partake in these festivities in "Everybody's Hometown."

In witness thereof, I do hereby hereunto set my hand and cause the seal of the City of Prescott to be affixed on this 13th day of July 2010.

MARLIN D. KUYKENDALL, MAYOR
City of Prescott

ATTEST:

ELIZABETH A. BURKE, CITY CLERK

II-B

PROCLAMATION

20th Anniversary of the ADA
(Americans with Disabilities Act)

July 26, 2010

WHEREAS, the Americans with Disabilities Act (ADA) was passed on July 26, 1990 to ensure the civil rights of citizens with disabilities; and

WHEREAS, the United States of America affirms the principles of equality and inclusion for persons with disabilities as set forth and embodied in the ADA; and

WHEREAS, New Horizons Independent Living Center works with constituents and communities to bring forth the promise of hope and freedom that is envisioned by the passage of the ADA; and

WHEREAS, July 26, 2010 celebrates the 20th Anniversary of the Americans with Disabilities Act.

NOW THEREFORE, we do hereby extend greetings and best wishes to all observing July 26, 2010 as:

Americans with Disabilities Act Awareness Day

IN WITNESS THEREOF, I have hereunto set my hand and caused the Seal of the City of Prescott to be affixed this 13th day of July, 2010.

MARLIN D. KUYKENDALL, MAYOR
City of Prescott

ATTEST:

ELIZABETH A. BURKE, CITY CLERK
City of Prescott

III-A

COUNCIL AGENDA MEMO – July 13, 2010	
DEPARTMENT: Fire	
AGENDA ITEM: Authorization for staff to purchase Haz Mat/CBRN Protective Ensembles.	

Approved By:	**Date:**
Department Head: Bruce Martinez	
City Manager: Steve Norwood	07/01/10

Background

On 12-15-2009 Council approved the acceptance of an Arizona Homeland Security grant for three items totaling $90,900. One of those items approved in that grant was $28,000 for the purchase of 10 Hazardous Materials/CBRN Protective Ensembles for the Prescott Area Regional Hazardous Materials Response Team.

Status

The grant details the approval to purchase National Fire Protection Agency (NFPA) 1991 (2005 ed.) certified vapor and flash fire protective ensembles. Formal bids were requested with one bid received. The vendor, Geomet Technologies, bid a US General Service Administrative (GSA) contract price of $2,132 per suit including shipping. This pricing will allow us to purchase 12 ensembles, as well as remit use tax, with the available grant funding. The total cost is $27,784.22.

In conjunction with the suits purchased by Central Yavapai Fire District through a grant last year, the hazardous materials team will now have a sufficient number of up-to-date protective ensembles.

The estimated $215.78 of unused grant funding will be returned to Homeland Security for re-allocation.

Financial

This is a 100% grant; no City match is required.

Recommended Action: **MOVE** to authorize staff to execute all documents pertaining to the purchase of the Hazardous Materials/CBRN Protective Ensembles in an amount not to exceed $28,000.00 from Geomet Technologies.

Form A – Solicitation Response Cover Sheet

City of Prescott
Solicitation Response

Solicitation Number: 10PFD0043

Description:... Flash Fire Protective Suits

Please note all that apply:

☒ Form 'B' Total (Not To Exceed $28,000.00)..... $ 27,716.00

☐ Addenda Number(s) Received (if any)
.....

☒ Original Forms A through H plus one (1) photocopy

Business Name: Geomet Technologies, LLC

Business Address: 20251 Century Blvd, Ste. 300
Germantown, MD 20874

Business Phone: (301) 428-9898

Business Contact: Mary L. Jones

Supplier Comments:

Form B – Price Sheet

ITEM	UNIT PRICE	QTY	TOTAL PRICE
1. XL, NFPA 1991 Certified Flash Fire Protective Suits	$ 2,132.00 **	13	$ 27,716.00

****OPEN MARKET ITEM** GSA Contract # GS-07F-0510V**

Freight, Prepaid & Allowed, FOB Prescott $ included

Sales Tax $ exempt

GRAND TOTAL NTE $28,000.00 $ 27,716.00

Payment Terms: Net 30

Dated this 19 **day of** May **2010.**

Signature

Director of Marketing &
Title Life Protective Systems Division

III-B

COUNCIL AGENDA MEMO – July 13, 2010

DEPARTMENT: Community Development

AGENDA ITEM: FP10-001 Final Plat for the Gardner Cove PAD comprising 16 townhouse units on 1.21 acres. Located on Gail Gardner Way east of Pike Place; **Zoning** MF-M; **APN**: 115-08-034C, 034D & 071G; **Owner and Agent:** Rick Radovich of Advanced R.E. Management, 3200 Lakeside Village Drive, suite 201, Prescott, Arizona 86301

Approved By:	**Date:**
Department Head: Tom Guice	
Finance Director:	
City Manager: Steve Norwood	07/06/10

PROJECT SUMMARY:

This Final Plat application features a 16 unit Townhome subdivision consisting of 8 duplex structures located on Gail Gardner Way. The project site consists of 3 meets and bounds tax parcels totaling 1.21 acres. Access is from Gail Gardner Way with a proposed private one-way frontage road. The common wall associated with each duplex creates a zero lot line which is permitted when platted as a Planned Area Development (PAD).

The applicant requested, and was approved by Council, for waivers to the rear setback, side setback, and open space requirements. As proposed, the building setbacks, not associated with the common wall, are 15' in the rear and 5' on the side. No common open space is provided, in part due to changes requested by the P&Z Commission. The applicant has provided for adequate movement of traffic, emergency access, utilities and other practical considerations addressed in the LDC. **The Final Plat is in substantial conformance with the approved Preliminary Plat.**

SUMMARY OF WAIVER REQUESTS:

	Non PAD	PAD, as approved
Rear and Side Setbacks	20' and 7'	15' and 5"
Common Open Space	25% or more	less than 25%

PREVIOUS COUNCIL ACTION:

On April 27, 2010 Council approved Preliminary Plat PP10-001 and Water Service Agreement WSA07-003 for Gardner Cove Townhomes.

CONSISTENCY WITH THE GENERAL PLAN

The project is consistent with the 2003 General Plan showing the area as Commercial, which allows for residential uses subject to the overlying zoning district. The subject property is not within any neighborhood or corridor plan area.

Agenda Item: Final Plat FP10-001 Gardner Cove Townhomes PAD.

NEIGHBORHOOD COMPATIBILITY

The proposed development is compatible with the greater neighborhood area. Multi-family development has occurred on adjacent lands zoned MF-M (MH) and IT.

DEPARTMENT AND AGENCY COMMENTS:

Comments were provided to agencies during the initial review process. No major issues have been identified on the proposed plat. Fire, Public Works and Engineering Services have reviewed the plat and have indicated no objections. A Traffic Impact Study is not needed for this project. The intersections of the one-way private frontage road where it connects to Gail Gardner Way will be required to be 36 feet or greater.

PUBLIC COMMENTS

No comments have been received regarding this application.

Attachments:

Proposed Final Plat.

RECOMMENDATION: MOVE to approve FP10-001, the Final Plat for Gardner Cove Townhomes, a Planned Area Development.

FINAL PLAT
GARDNER COVE TOWNHOMES

A PLANNED AREA DEVELOPMENT (P.A.D.)

A PORTION OF SECTION 29, T14N, R2W,
GILA AND SALT RIVER MERIDIAN,
CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA
COMPRISED OF ASSESSOR'S PARCEL NUMBERS 115-08-034C, 0340 AND 0710

OWNER:
GCT DEVELOPER, L.L.C.,
AN ARIZONA LIMITED LIABILITY COMPANY
RICK RADAVICH, MANAGER
3300 LAKESIDE VILLAGE DRIVE, STE.201
PRESCOTT, AZ. 86301
(928) 778-7043

LAND SURVEYOR:
KELLEY/WISE ENGINEERING, INC.
CHRISTOPHER J. KIMBALL RPLS 48100
148 GROVE AVENUE
PRESCOTT, ARIZONA 86301
(928) 771-1730

ZONING:
THE CURRENT ZONING FOR THE LAND SHOWN HEREON IS MF-M. NO ZONING CHANGE IS REQUESTED WITH THIS PLAT.

SETBACKS:
1. FRONT: 38'
2. SIDE: VARIES 0' OR 5'
3. REAR: 15'

REFERENCE DOCUMENTS:
RECORDS OF THE YAVAPAI COUNTY RECORDER:
BOOK 8, MAPS AND PLATS, PAGE 73.
BOOK 1867, OFFICIAL RECORDS, PAGE 200.
BOOK 1867, OFFICIAL RECORDS, PAGE 202.
BOOK 8, LAND SURVEYS, PAGE 57.
BOOK 24, LAND SURVEYS, PAGE 28.
BOOK 60, LAND SURVEYS, PAGE 60.
BOOK 4717, OFFICIAL RECORDS, PAGE 408.

BASIS OF BEARING:
THE CITY OF PRESCOTT MODIFIED GRID COORDINATE SYSTEM.
ANY MONUMENTED LINE SHOWN HEREON MAY BE USED TO ESTABLISH A LOCAL BASE OF BEARING.

NOTE:
THIS SUBDIVISION IS LOCATED WITHIN THE WATER SERVICE AREA OF THE CITY OF PRESCOTT WHICH IS AN AREA DESIGNATED AS HAVING AN ASSURED WATER SUPPLY PURSUANT TO SUBSECTION C OF ARS 45-576. FURTHERMORE, AN AGREEMENT FOR POTABLE WATER HAS BEEN OBTAINED BY THE CITY OF PRESCOTT FOR THE PROPERTY SHOWN PLATTED HEREON. THE AGREEMENT IS RECORDED IN BOOK 4486 OF OFFICIAL RECORDS AT PAGE 765 IN THE OFFICE OF THE YAVAPAI COUNTY RECORDER.

THE SEWER AND WATER SYSTEMS FOR THIS PROJECT WILL CONNECT INTO EXISTING CITY OF PRESCOTT MAINS.

C C & R'S
THE DECLARATION OF RESTRICTIONS FOR "GARDNER COVE TOWNHOMES" IS RECORDED IN BOOK ____, OF OFFICIAL RECORDS, PAGE _____, IN THE OFFICE OF THE YAVAPAI COUNTY RECORDER, AND IS HEREBY INCORPORATED AS A PART OF THIS PLAT.

DRAINAGE FACILITIES REQUIREMENTS:
THE HOMEOWNERS' ASSOCIATION IS RESPONSIBLE FOR MAINTAINING THE DRAINAGE FACILITIES' INTEGRITY. PERIODIC MAINTENANCE WILL CONSIST OF THE REMOVAL OF EARTH AND/OR VEGETATION THAT HAS ACCUMULATED SINCE THE ORIGINAL APPROVAL OF THE FINAL PLAT FOR THIS SUBDIVISION.

IN THE EVENT THE DRAINAGE FACILITIES ARE NOT ADEQUATELY MAINTAINED BY THE HOMEOWNERS' ASSOCIATION, IN THE OPINION OF THE CITY OF PRESCOTT ENGINEER, THE CITY OF PRESCOTT SHALL HAVE AUTHORITY TO ENTER THE PROPERTY AND/OR CAUSE THE NECESSARY MAINTENANCE, AND SHALL FURTHER HAVE THE AUTHORITY TO PASS ON ALL COSTS ASSOCIATED WITH SAID MAINTENANCE TO THE HOMEOWNERS' ASSOCIATION.

ACCEPTANCE CERTIFICATE
THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, ARIZONA, ON THIS _____ DAY OF _____, 2010, HEREBY APPROVE THIS PLAT.

_____ MAYOR

_____ CITY CLERK

CITY ZONING CERTIFICATE
I HEREBY CERTIFY THAT THIS PLAT IS IN COMPLIANCE WITH THE ZONING CODE REGULATIONS OF THE CITY OF PRESCOTT.

_____ COMMUNITY DEVELOPMENT DIRECTOR

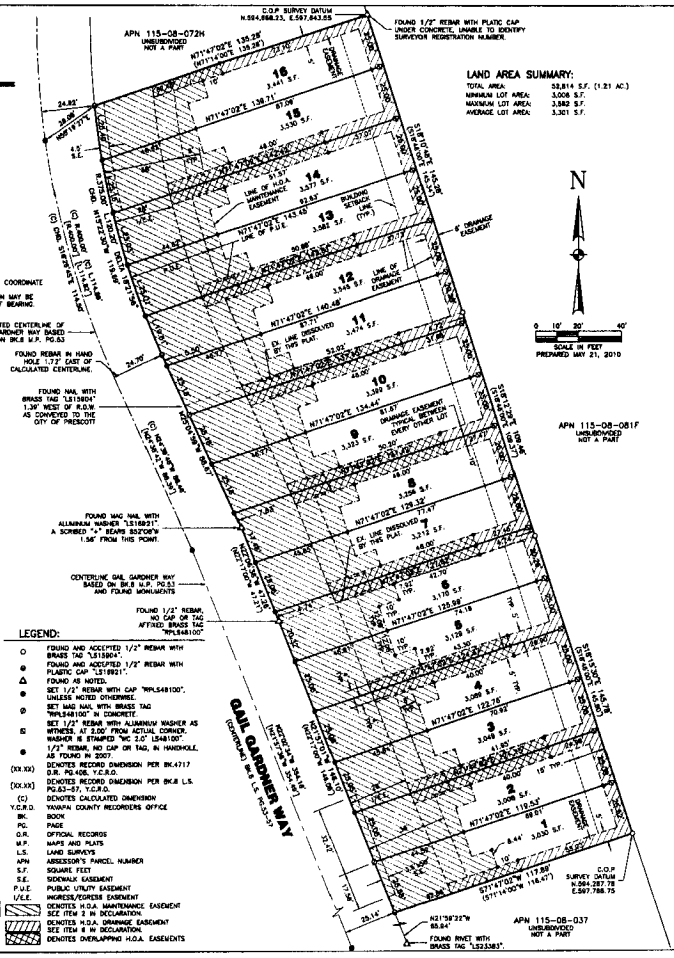
PUBLIC WORKS CERTIFICATE
I HEREBY CERTIFY THAT THIS PLAT IS IN COMPLIANCE WITH THE SUBDIVISION REGULATIONS OF THE CITY OF PRESCOTT.

_____ PUBLIC WORKS DIRECTOR

NOTE:
THE SUBDIVISION BOUNDARY AS SHOWN HEREON WAS SURVEYED BY THIS FIRM, UNDER THE DIRECTION OF JAMES R. WISE, IN THE YEAR 2007. THE SUBDIVISION BOUNDARY MONUMENTS DESCRIPTION AND POSITION WERE VERIFIED UNDER MY SUPERVISION ON FEBRUARY 23, 2010.

CERTIFICATION:
THIS IS TO CERTIFY THAT I, CHRISTOPHER JOHN KIMBALL AM A REGISTERED LAND SURVEYOR IN THE STATE OF ARIZONA, THAT I PREPARED THIS PLAT FROM AN ACTUAL AND ACCURATE SURVEY OF THE LAND AND THAT THE CORNER MONUMENTS SHOWN THEREON WERE PROPERLY PLACED UNDER MY SUPERVISION. THE SUBDIVISION BOUNDARY ACCURATELY CLOSED, AND IS DESIGNED IN CONFORMANCE WITH THE CITY'S SURVEY DATUM AND THE APPROVED PRELIMINARY PLAT. THE SURVEY AND MAP ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND ALL MONUMENTS ARE ACCURATELY REPRESENTED AND SUFFICIENT TO ALLOW THE SURVEY TO BE RETRACED.

Expires 6/30/2011



LAND AREA SUMMARY:

TOTAL AREA:	52,814 S.F. (1.21 AC.)
MINIMUM LOT AREA:	3,008 S.F.
MAXIMUM LOT AREA:	3,582 S.F.
AVERAGE LOT AREA:	3,301 S.F.

LEGEND:

○	FOUND AND ACCEPTED 1/2" REBAR WITH BRASS TAG "LS15804".
⊕	FOUND AND ACCEPTED 1/2" REBAR WITH PLASTIC CAP "LS19921".
△	FOUND AS NOTED.
●	SET 1/2" REBAR WITH CAP "RPLS48100", UNLESS NOTED OTHERWISE.
⊘	SET MAG NAIL WITH BRASS TAG "RPLS48100" IN CONCRETE
⊠	SET 1/2" REBAR WITH ALUMINUM WASHER AS WITNESS, AT 2.00' FROM ACTUAL CORNER. WASHER IS STAMPED "WC 2.0' LS48100".
●	1/2" REBAR, NO CAP OR TAG, IN HANDHOLE, AS FOUND IN 2007.
(XX.XX)	DENOTES RECORD DIMENSION PER BK.4717 O.R. PG.408, Y.C.R.O.
[XX.XX]	DENOTES RECORD DIMENSION PER BK.8 L.S. PG.53-57, Y.C.R.O.
(C)	DENOTES CALCULATED DIMENSION
Y.C.R.O.	YAVAPAI COUNTY RECORDERS OFFICE
BK.	BOOK
PG.	PAGE
O.R.	OFFICIAL RECORDS
M.P.	MAPS AND PLATS
L.S.	LAND SURVEYS
APN	ASSESSOR'S PARCEL NUMBER
S.F.	SQUARE FEET
S.E.	SIDEWALK EASEMENT
P.U.E.	PUBLIC UTILITY EASEMENT
I/E.E.	INGRESS/EGRESS EASEMENT
	DENOTES H.O.A. MAINTENANCE EASEMENT SEE ITEM 2 IN DECLARATION.
	DENOTES H.O.A. DRAINAGE EASEMENT SEE ITEM 6 IN DECLARATION.
	DENOTES OVERLAPPING H.O.A. EASEMENTS

BOOK _____ PAGE _____
MAPS AND PLATS

DECLARATION:
KNOW ALL MEN BY THESE PRESENTS:

THAT, GCT DEVELOPER, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY, AS OWNER, HAS SUBDIVIDED UNDER THE NAME OF "GARDNER COVE TOWNHOMES", A PORTION OF SECTION 29, TOWNSHIP 14 NORTH, RANGE 2 WEST, GILA AND SALT RIVER MERIDIAN, YAVAPAI COUNTY, ARIZONA, AS REFLECTED ON THIS PLAT AND HEREBY PUBLISHES THIS PLAT AS AND FOR THE PLAT OF "GARDNER COVE TOWNHOMES" AND HEREBY DECLARES THAT:

1. THIS PLAT SETS FORTH THE LOCATION, DIMENSIONS AND IDENTIFYING NUMBER OF THE LOTS AND THAT EACH LOT SHALL BE KNOWN BY THE NUMBER THAT IS GIVEN ON THIS PLAT.

2. EASEMENTS ARE HEREBY GRANTED TO THE GARDNER COVE TOWNHOMES HOME OWNERS ASSOCIATION WITHIN THE AREA ON THIS PLAT DESCRIBED AS MAINTENANCE EASEMENT FOR INGRESS AND EGRESS AND MAINTENANCE OF LANDSCAPING, IRRIGATION AND THE PRIVATE ROADWAY.

3. EASEMENTS ARE HEREBY GRANTED TO THE INDIVIDUAL LOT OWNERS WITHIN THE AREA ON THIS PLAT DESCRIBED AS 28' I/E.E. FOR INGRESS AND EGRESS.

4. EASEMENTS ARE HEREBY GRANTED TO THE CITY OF PRESCOTT WITHIN THE AREA ON THIS PLAT DESCRIBED AS 28' I/E.E. FOR INGRESS AND EGRESS FOR POLICE, FIRE, SANITATION AND OTHER OFFICIAL PURPOSES.

5. EASEMENTS ARE HEREBY GRANTED TO THE CITY OF PRESCOTT AND PUBLIC AND PRIVATE UTILITY COMPANIES WITHIN THE AREA ON THIS PLAT DESCRIBED AS P.U.E. FOR THE INSTALLATION, OPERATION AND MAINTENANCE OF UTILITIES AND ACCESS THERETO INCLUDING BUT NOT LIMITED TO SEWER, WATER, GAS, ELECTRIC, TELEPHONE AND CABLE TELEVISION.

6. EASEMENTS ARE HEREBY GRANTED TO THE GARDNER COVE TOWNHOMES HOME OWNERS ASSOCIATION WITHIN THE AREA ON THIS PLAT DESCRIBED AS DRAINAGE EASEMENT FOR DRAINAGE CONVEYANCE, MAINTENANCE AND ACCESS THERETO.

7. EASEMENTS ARE HEREBY GRANTED TO THE PUBLIC WITHIN THE AREA ON THIS PLAT DESCRIBED AS 3.5' S.E. OR 4.5 'S.E. FOR PUBLIC SIDEWALK EASEMENT.

IN WITNESS WHEREOF, ADVANCED RE MANAGEMENT, L.L.C., AM ARIZONA LIMITED LIABILITY COMPANY, HAS HEREUNTO CAUSED ITS NAME TO BE AFFIXED AND THE SAME TO BE ATTESTED BY THE SIGNATURE OF RICK RADAVICH, MANAGER, DULY AUTHORIZED TO SO DO.

DONE THIS _____ DAY OF _____, 2010;

GCT DEVELOPER, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY

_____
BY: RICK RADAVICH, MANAGER

ACKNOWLEDGMENT:
COUNTY OF YAVAPAI } ss.
STATE OF ARIZONA }

ON THIS _____ DAY OF _____, 2010, BEFORE ME, THE UNDERSIGNED NOTARY PUBLIC, DID PERSONALLY APPEAR RICK RADAVICH WHO ACKNOWLEDGED HIMSELF AS MANAGER OF GCT DEVELOPER, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY, THE OWNER OF THE REAL PROPERTY PLATTED HEREON, AND AS SUCH EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES THEREIN CONTAINED.

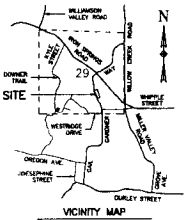
IN WITNESS WHEREOF, I HEREUNTO SET MY HAND AND OFFICIAL SEAL.

_____
NOTARY PUBLIC

MY COMMISSION EXPIRES: _____

EASEMENTS:
THE FOLLOWING EXCEPTION WAS NOTED ON POLICY NO: 08-08107485, FILE NO. 00406848-AMC, POLICY DATE: JANUARY 11, 2010, PREPARED BY YAVAPAI TITLE AGENCY, INC.:

BOOK 181 OF DEEDS, PAGE 314: THE RIGHT TO THE USE OF A RIGHT OF WAY OF SUFFICIENT WIDTH FOR AN ELECTRIC POWER TRANSMISSION LINE ACROSS PORTIONS OF SECTION 29, TOWNSHIP 14 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER MERIDIAN THAT COULD AFFECT THE SUBJECT PARCEL BUT IS NOT SUFFICIENTLY DESCRIBED TO ALLOW PLOTTING HEREON.



VICINITY MAP
N.T.S.

FILED AND RECORDED AT THE REQUEST OF

_____

_____ A.D. 2010,

AT _____ O'CLOCK ___ M

BOOK ____ OF MAPS AND PLATS

PAGE _____

RECORDS OF YAVAPAI COUNTY, ARIZONA.

_____ COUNTY RECORDER

_____ DEPUTY RECORDER

KELLEY / WISE ENGINEERING, INC.
148 GROVE AVENUE
PRESCOTT, AZ 86301
(928) 771-1730
FAX 778-2839

JOB NO.	10-007	CHECKED	CJK
DRAWN	CJK	DATE	5/21/10

REVISED 8-14-10
SHEET 1 OF 1

III-C

COUNCIL AGENDA MEMO – July 13, 2010	
DEPARTMENT: Public Works	
AGENDA ITEM: Award of bid to purchase Lift Station Apparatus from James, Cooke & Hobson, Inc., Phoenix in the total amount of $58,241.59.	
Approved By:	**Date:**
Department Head: Mark Nietupski	
Finance Director: Mark Woodfill	
City Manager: Steve Norwood	07/09/10

Item Summary

Approval of this item will authorize the purchase of one (1) Submersible Sewage Pump, one (1) Pump Control Panel, and associated materials from James, Cooke & Hobson Inc., (JCH) Phoenix, to be installed at Yavapai Hills Regional Lift Station. This equipment will provide auxiliary flow capacity, redundancy, and allow for maintenance of the existing facility.

Background

The original lift station and force main project were constructed in 1990. The project was driven by the City's objective to eliminate the wastewater treatment plant that once served the Yavapai Hills Subdivision. The lift station and force main were designed to transport wastewater from the Yavapai Hills Lift Station to the Ranch Regional Lift Station near the intersection of Highway 69 and Walker Road. This lift station then pumps to a gravity main line which ultimately flows to the Sundog Wastewater Treatment Plant.

The lift station design was projected to be functional until the average daily flow reached 245,500 gallons per day or approximately 17.5 years. The average daily flow for 2010 is projected to reach 256,400 gallons per day prompting the need for auxiliary flow capability to operate in a safe manner. Recommendations at the time of design were to install additional pumping capabilities in the existing overflow wet-well to provide auxiliary pumping capacity in the event of a failure in the existing system.

In making these necessary improvements, the wastewater collections system will have a higher level of operating capacity at this critical lift station while reducing the risk of a catastrophic pump system failure. This equipment will be installed by the Wastewater Collections staff.

AGENDA ITEM: Award of bid to purchase new Lift Station Apparatus from James, Cooke & Hobson, Inc., Phoenix in the total amount of $58,241.59.

Bid Evaluation

The key elements in awarding this bid were based on the pump performance capability to produce a flow rate of 825 gallons per minute at 295 feet of total dynamic head with a single pump. A total of four bids were received in response to the Request for Bids. Two bids did not meet the specifications and are considered nonresponsive (NR). The last two bids met the specifications and requirements:

Vendor		Total Bid Amount
Hennesy Mechanical Sales	(NR)	$ 45,643.68
Quadna – A DXP Company	(NR)	$ 47,593.60
James, Cooke & Hobson, Inc.		**$ 58,241.59**
Phoenix Pumps, Inc.		$121,952.57

Budget

Funding in the amount of $58,241.59 for the purchase is available from the Sewer Fund (Account #720-45-78-7810-8930-09587). FY 2011 Budget - Lift Station Rehab Program $200,000.

Recommended Action: MOVE to approve the purchase of Lift Station Apparatus from James, Cooke & Hobson, Inc., in the total amount of $58,241.59.

III-D

COUNCIL AGENDA MEMO – July 13, 2010

DEPARTMENT: POLICE

AGENDA ITEM: Recommendation for Council to approve expenditure of funds, as detailed below, pursuant to completion of the Police Department secured parking area fencing project.

Approved By:		Date:
Department Head:	Michael Kabbel	
Finance Director:	Mark Woodfill	
City Manager:	Steve Norwood	07/08/10

Summary:

In an effort to improve employee safety, as well as eliminating future occurrences of criminal damage and vandalism to marked patrol vehicles and officer's personal vehicles, the Police Department solicited component bids to install secure fencing, electronic ingress/egress, and surveillance cameras to our existing and expanded parking areas.

Background:

Currently, the two parking areas designated for marked patrol vehicles and Police Department employees are unsecured and assessable to anyone walking through the adjacent alleyways. As a result, past instances of criminal damage and vandalism, including punctured tires, "keyed" paint, and foreign substances placed in the fuel system, have occurred repeatedly. This criminal activity has resulted in both extensive repair bills and loss of valuable resources.

To prevent further vehicle damage, and to enhance employee safety, bids were solicited for necessary fencing and surveillance equipment to properly secure both parking areas. After review, specific bids or quotes were selected as detailed below:

- Yavapai Fence, Inc., Cottonwood, AZ - Necessary chain link and wrought iron fencing, including pedestrian and automatic vehicle gates. ($26,288.00 with funds budgeted from Field Operations Department project #10013.) This was the lowest of the eight bids submitted; one from Prescott Fence at a comparable product for $3,000 more. Additionally, Yavapai Fence just completed the Cottonwood Police Department fencing project and they were extremely satisfied with the outcome.

- Stanley Security Systems, Phoenix, AZ - Necessary hardware and software components to integrate ingress and egress of secured parking areas with Police Department's current Hirsch Velocity Electronic Monitoring System. ($27,845.00 with funds encumbered from an Anti-Racketeering (RICO) account provided by Yavapai County and available to the Prescott Police Department. Additionally, this is a sole source award due to the necessity to incorporate new components with the previous security system provided by Stanley.)

AGENDA ITEM: Recommendation for Council to approve expenditure of funds, as detailed below, pursuant to completion of the Police Department secured parking area fencing project.

- B&W Security Systems, Prescott Valley, AZ - Necessary hardware and software components to provide comprehensive video monitoring and recording of both parking areas. ($4,700.00 with funds encumbered from an Anti-Racketeering (RICO) account provided by Yavapai County and available to the Prescott Police Department. This is the lowest quote of the two submitted.)

Financial Impact:

The total project cost will be $58,833.00. However, only $26,288.00 will come from City funding, with the remainder provided through Anti-Racketeering (RICO) funds available to the Prescott Police Department.

Recommended Action: **MOVE** to approve a total expenditure of $58,833.00 to Yavapai Fence, Stanley Security Systems, and B&W Security Systems for completion of the Prescott Police Department secured parking area fencing project.

IV-A

COUNCIL AGENDA MEMO – July 13, 2010

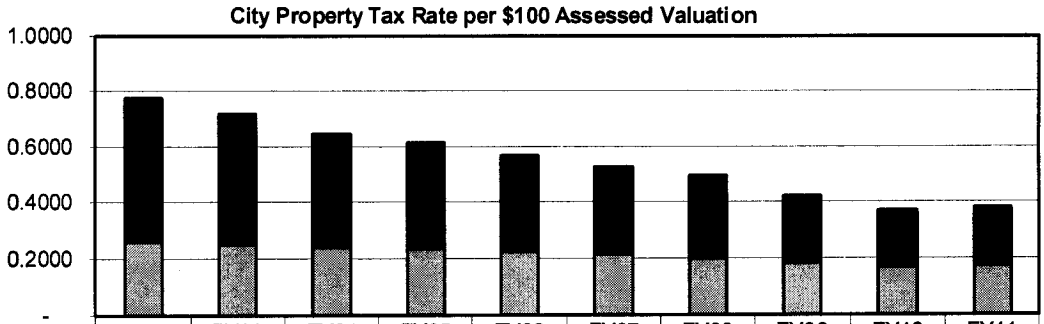
DEPARTMENT: Budget and Finance

AGENDA ITEM: Ordinance to set the Property Tax Levy for FY 2011

Approved By:	**Date:**
Department Head: Mark Woodfill	
Finance Director: Mark Woodfill	
City Manager: Steve Norwood	06/22/10

On June 22, 2010 the council held the public hearing on the adoption of the final budget, establishment of the expenditure limitation and levy of property tax for fiscal year 2011. After the hearing the council adopted the final budget and established the expenditure limitation. State law requires that the property tax levy not be adopted for a minimum of fourteen days after the public hearing.

The primary tax levy for fiscal year 2011 is $1,251,978. The increase over last year's levy is the result of new construction and not the increased valuation of existing homes. The secondary property tax is for the retirement of debt and will be set at $1,573,160. Following is a comparison of property tax rates over the last ten years.



	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11
Secondary Tax Rate	0.5121	0.4688	0.4072	0.3763	0.3413	0.3093	0.2981	0.2394	0.2002	0.2093
Primary Tax Rate	0.2627	0.2517	0.2415	0.2383	0.2245	0.2182	0.1991	0.1839	0.1695	0.1737
Total	0.7748	0.7205	0.6487	0.6146	0.5658	0.5275	0.4972	0.4233	0.3697	0.3830

Recommended Action: MOVE to adopt Ordinance No. 4750-1101.

ORDINANCE NO. 4750-1101

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF PRESCOTT, SUBJECT TO TAXATION, A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS ($100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS, AND PROVIDING FUNDS FOR THE GENERAL MUNICIPAL EXPENSES, ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2011

RECITALS:

WHEREAS, by the provisions of State law, the ordinance levying taxes for Fiscal Year 2010-11 is required to be finally adopted not less than fourteen days after adoption of the annual budget; and

WHEREAS, the County of Yavapai is the assessing and collecting authority for the City of Prescott, the Clerk is hereby directed to transmit a certified copy of this ordinance to the County Assessor and the Board of Supervisors of the County of Yavapai, Arizona.

ENACTMENTS:

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

SECTION 1. THAT, there is hereby levied on each one hundred dollars ($100.00) of the assessed value of all property, both real and personal, within the corporate limits of the City of Prescott, except such property as may be by law exempt from taxation, a primary property tax rate sufficient to raise the sum of $1,251,978.00 for the Fiscal Year ending on the 30th day of June, 2011. If such sum exceeds the maximum levy allowed by law, the Board of Supervisors or the County of Yavapai is hereby authorized to reduce the levy to the maximum amount allowed by law after providing notice to the City.

SECTION 2. THAT, in addition to the rate set in Section 1 hereof, there is hereby levied on each one hundred dollars ($100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Prescott, except such property as may be by law exempt from taxation a secondary property tax rate sufficient to raise the sum of $1,573,160.00, but not more than the actual general obligation bond debt service due during the year for the purpose of providing a bond

interest and redemption fund for the City of Prescott for the Fiscal Year ending June 30, 2011.

SECTION 3. THAT, failure by the County official of Yavapai County, Arizona, to properly return the delinquent list, any irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings or invalidate any title conveyed by any tax deed; failure or neglect of any officer or officers to timely perform any of the duties assigned to him or to them shall not invalidate any proceedings or any deed or sale pursuant thereto, the validity of the assessment or levy of taxes or of the judgment of sale by which the collection of the same may be enforced shall not affect the lien of the City of Prescott upon such property for the delinquent taxes unpaid thereon; overcharge as to part of the taxes or of costs shall not invalidate any proceedings for the collection of taxes or the foreclosure of the lien therefore or a sale of the property under such foreclosure; and all acts of officers de facto shall be valid as if performed by officers de jure.

PASSED and ADOPTED by the Mayor and Council of the City of Prescott, Arizona, on this 13th day of July, 2010.

_____
MARLIN KUYKENDALL, Mayor

ATTEST:

_____
ELIZABETH A. BURKE, City Clerk

APPROVED AS TO FORM:

_____
GARY D. KIDD, City Attorney

IV-B

COUNCIL AGENDA MEMO – (07/13/2010)	
DEPARTMENT:	City Clerk
AGENDA ITEM:	Discussion/Direction on two regular Council meetings a month

Approved By:		**Date:**
Department Head:	Elizabeth A. Burke, City Clerk	06/30/2010
City Manager:	Steve Norwood	07/01/10

Summary

This item is to provide time for Council and the public to discuss whether they wish to continue with holding two regular Council meetings a month.

Background

As you will recall, in February the City Council adopted new Rules of Procedures that included that there would no longer be Study Sessions held on the first and third Tuesday of each month, Regular Voting Meetings of the Council would be held on the second and fourth Tuesday of each month, and other meetings would be scheduled as needed. It was agreed that this would be for a three-month trial period. That trial period ended last month and this item has been placed on the agenda for the Council to discuss whether they wish to continue with this schedule or go back to holding Study Sessions on the first and third Tuesdays of each month.

I have attached a list of the meetings held during this three-month period with an indication of time spent on each meeting, and I have also attached a copy of the agendas for these meetings to show the number and types of items on the agendas.

From the perspective of the City Clerk's Office and Legal Department primarily, this schedule has saved us a great deal of time and allows that time to be spent on other projects.

Recommended Action: Council's pleasure.

Agenda Item: Discussion/Direction on two regular Council meetings a month

APRIL

04/06/2010	Special Meeting (Executive Session)	4:00 – 4:55 PM
04/13/2010	Regular Meeting	3:00 – 5:24 PM ES – 5:55 PM
04/27/2010	Regular Meeting	3:00 – 6:20 PM

MAY

05/11/2010	Workshop (Tour of PW Projects)	10:00 – 12:30 PM
05/11/2010	Workshop	2:00 – 2:40 PM
05/11/2010	Regular Meeting	3:00 – 5:00 PM ES – 5:50 PM
05/20/2010	Special Meeting	2:00 – 2:20 PM ES – 3:10 PM
05/24/2010	Budget Workshop	9:00 – 3:23 PM
05/25/2010	Special Meeting	2:30 – 2:52 PM
05/25/2010	Regular Meeting	3:00 – 5:20 PM

JUNE

06/08/2010	Special Meeting	2:00 – 2:45 PM
06/08/2010	Regular Meeting	3:00 – 8:07 PM ES – 9:04 PM
06/15/2010	Workshop	1:00 – 3:40 PM ES – 5:18 PM
06/18/2010	Special Meeting	1:30 – 2:20 PM
06/22/2010	Public Workshop	1:30 – 2:40 PM
06/22/2010	Special Meeting	2:45 – 2:50 PM
06/22/2010	Regular Meeting	3:00 – 6:10 PM ES – 7:25 PM

CITY OF PRESCOTT
Everybody's Hometown

PRESCOTT CITY COUNCIL REGULAR VOTING MEETING AGENDA

PRESCOTT CITY COUNCIL
REGULAR VOTING MEETING
TUESDAY, April 13, 2010
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 **Regular Voting Meeting** pursuant to the Prescott City Charter, Article II, Section 13. Notice of this meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02.

- **CALL TO ORDER**
- **INTRODUCTIONS**
- **INVOCATION**: Pastor Lee Wiggins, Heights Church
- **PLEDGE OF ALLEGIANCE**: Councilwoman Linn
- **ROLL CALL**:

MAYOR AND CITY COUNCIL:

Mayor Kuykendall
Councilman Blair — Councilwoman Linn
Councilman Hanna — Councilwoman Lopas
Councilman Lamerson — Councilwoman Suttles

- **SUMMARY OF CURRENT OR RECENT EVENTS**

I. PROCLAMATIONS

A. April 2010 as ***Substance Abuse Awareness Month***

B. April 2010 as ***Fair Housing Month***

C. April 11 – 17, 2010 as ***National Public Safety Telecommunications Week***

D. April 13 – May 14, 2010 as ***Prescott's Bike Month***

II. PUBLIC COMMENT

A. Yvonne Rogers of Big Brothers Big Sisters re recent Bowl-a-Thon

B. Bob Luzius re transient bed tax

III. CONSENT AGENDA

A. Authorization of purchase of a mass casualty incident trailer and associated supplies in an amount not to exceed $52,500.00 (100% grant funded).

B. Adoption of Ordinance No. 4741-1038 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona authorizing the purchase of real properties, easements and improvements from Gretchin Bacon Armstrong Living Trust, Richard and Syntha Sachs, Emrab Properties, LLC. And Willow Creek Corner LLC for the reconstruction of the Willow Creek 14-inch transmission main, and authorizing the Mayor and City staff to take all necessary steps to effectuate said purchases.

C. Authorization of payment to the Arizona Department of Transportation, in the amount of $27,430.10, for upgrade of the existing City 12" water main as part of SR89 Road Widening Project in Chino Valley.

D. Boards/Commissions/Committees:

1. Adoption of Ordinance No. 4735-1032 - An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, amending Section 1-13-6, ***Standing Committees: Organization***, of the Prescott City Code; and declaring an emergency.

2. Adoption of Resolution No. 4010-1040 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, repealing Section 2 of Resolution No. 2463 and reestablishing the **Acker Trust Board**; and declaring an emergency.

3. Adoption of Resolution No. 4011-1041 - A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, repealing Resolution No. 3885-0853 and reestablishing the **Parks and Recreation Board**; and declaring an emergency.

4. Adoption of Resolution No. 4012-1042 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, repealing Resolution No. 3947-0953 and reestablishing the **Prescott: The Arizona Centennial City Committee**; and declaring an emergency.

5. Adoption of Resolution No. 4013-1043 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, repealing Resolution No. 3300 and reestablishing the **Transportation Coordinating Committee**; and declaring an emergency.

6. Adoption of Ordinance No. 4736-1033 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, amending Chapter 1-6, ***Planning and Zoning Commission***, of the Prescott City Code; and declaring an emergency.

7. Adoption of Ordinance No. 4737-1034 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, amending Chapter 1-7, ***Board of Adjustment***, of the Prescott City Code; and declaring an emergency.

8. Adoption of Ordinance No. 4738-1035 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, amending Chapter 1-21, ***Advisory and Appeals Board***, of the Prescott City Code; and declaring an emergency.

9. Adoption of Ordinance No. 4739-1036 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, amending Chapter 1-22, ***Prescott Preservation Commission***, of the Prescott City Code; and declaring an emergency.

10. Adoption of Ordinance No. 4740-1037 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, amending Chapter 1-25, ***Fire Board of Appeals***, of the Prescott City Code; and declaring an emergency.

E. Appointment of Sheri Swain as City of Prescott Alternate Yavapai Combined Trust Board Trustee.

F. Approval of the City of Prescott Flexible Spending Plan Agreement.

G. Approval of the Minutes of the Prescott City Council Regular Voting Meeting of March 23, 2010; the Workshop of March 23, 2010; and the Workshop/Special Meeting of March 30, 2010.

IV. REGULAR AGENDA

A. Public Hearing and consideration of a liquor license application from Lauren Kay Merrett, applicant for Amigos, LLC, for a Series 12 Restaurant license for Kokopelli's Southwestern Cuisine located at 503 Miller Valley Road.

B. Authorization to enter a purchase agreement with Guidance Helicopters, Inc. in the amount of $171,740.40 for a double-wide commercial modular building.

C. Approval of engineering of a standard at-grade crossing, in conformance with nationally recognized standards, for the intersection of Granite Dells Estates Road 39 and Peavine Trail

D. Authorization of various traffic control additions and modifications.

E. Discussion of vagrancy in Prescott.

F. Recess into Executive Session.

V. EXECUTIVE SESSION

A. Discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property, pursuant to A.R.S. §38-431.03(A)(7).

i. Potential open space properties.

B. Discussion or consultation for legal advice with the attorney or attorneys of the public body, pursuant to A.R.S. §38-431.03(A)(3) and 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 A.R.S. §38-431.03(A)(4).

i. Big Chino Water Ranch project.

VI. 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, MMC, City Clerk

CITY OF PRESCOTT
Everybody's Hometown

PRESCOTT CITY COUNCIL REGULAR VOTING MEETING AGENDA

PRESCOTT CITY COUNCIL
REGULAR VOTING MEETING
TUESDAY, April 27, 2010
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 **Regular Voting Meeting** pursuant to the Prescott City Charter, Article II, Section 13. Notice of this meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02.

- **CALL TO ORDER**
- **INTRODUCTIONS**
- **INVOCATION**: Pastor John Chanillor, Heights Church
- **PLEDGE OF ALLEGIANCE**: Councilman Blair – introducing the Central Arizona Young Marines
- **ROLL CALL**:

MAYOR AND CITY COUNCIL:

Mayor Kuykendall	
Councilman Blair	Councilwoman Linn
Councilman Hanna	Councilwoman Lopas
Councilman Lamerson	Councilwoman Suttles

- **SUMMARY OF CURRENT OR RECENT EVENTS**

I. PROCLAMATIONS

A. May 1, 2010 as *Loyalty Day*

II. PUBLIC COMMENT

A. Bob Luzius re changes to City Charter.

III. PRESENTATIONS

A. Introduction of new businesses.

B. Presentation by Community Garden Committee re their plans for a community garden.

C. Report by Chairman Gilliss of the *Prescott: The Arizona Centennial City Committee.*

IV. CONSENT AGENDA

CONSENT ITEM A THROUGH E LISTED BELOW MAY BE ENACTED BY ONE MOTION. ANY ITEM MAY BE REMOVED AND DISCUSSED IF A COUNCILMEMBER SO REQUESTS.

A. Appoint Councilwomen Suttles and Linn and Councilman Hanna to the Prescott/Yavapai Enterprise Zone Commission.

B. Approve an increase of $25,000.00 to the Construction Manager at Risk contract between the City of Prescott, the Elks Opera House Foundation, and Haley Construction, changing the contract from $1,409,032.00 to $1,434,032.00. (100% private/grant funds)

C. Adopt Ordinance No. 4742-1039 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, accepting a water line easement from Dr. Brian Schilperoort, owner of Centerpointe West Medical Center.

D. Approve extension to the unit price contract, per bid specifications to Traffic Safety, Inc., of Prescott Valley, Arizona, in the total amount of $130,995.92 for annual pavement marking.

E. Approve the Minutes of the Prescott City Council Special Meeting of April 6, 2010; the Workshop of April 13, 2010; and the Regular Voting Meeting of April 13, 2010.

V. REGULAR AGENDA

A. Adoption of Resolution No. 4014-1044 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott to enter into a Supplemental Intergovernmental Agreement ("IGA") with the Town of Prescott Valley clarifying and memorializing the authority, procedures and responsibilities of Prescott and Prescott Valley for administration of the requirements and costs of the Big Chino Water Ranch project and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.

B. Adoption of Ordinance No. 4743-1040 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, accepting the dedication of certain roadway right-of-way within the City of Prescott and

referred to as a portion of State Route 89 between Overland Trail and Aven Drive and Sheldon Street from its intersection with Gurley Street westerly approximately 400 feet, for the operation and maintenance of the former ADOT highway system and authorizing the Mayor and City staff to take necessary steps to complete acceptance and dedication as a City of Prescott public roadway.

C. Adoption of Resolution No. 4016-1046 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott Central Garage to enter into an Intergovernmental Agreement (IGA) with the Groom Creek Fire District (G.C.F.D.) to allow City of Prescott to provide preventative maintenance services to the G.C.F.D. fire apparatus and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.

D. Approval of Preliminary Plat for Gardner Cove, A Planned Area Development comprising 16 townhomes located on Gail Gardner Way, east of Pike Place, and Water Service Agreement No. 10-004 in the amount of 3.85 ac. ft., Owner and Agent: Rick Radovich of Advanced R.E. Management, APN: 115-08-034C, File No. PP10-001.

E. Approval of License and Operations Agreement with the Crossings Homeowners Association for City operation of the Clearwater Drive low-water crossing.

F. Adoption of Resolution No. 4015-1045 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, supporting and authorizing applications and requests for grants from the Arizona State Department of Transportation for Transportation Enhancement Act (TEA) grants for Peavine Rails-to-Trails improvements.

G. Discussion and general direction on Prescott tourism efforts.

VI. 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, MMC, City Clerk

CITY OF PRESCOTT
Everybody's Hometown

PRESCOTT CITY COUNCIL
REGULAR VOTING MEETING
AGENDA
*AMENDED

PRESCOTT CITY COUNCIL
REGULAR VOTING MEETING
TUESDAY, May 11, 2010
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 **Regular Voting Meeting** pursuant to the Prescott City Charter, Article II, Section 13. Notice of this meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02.

- **CALL TO ORDER**
- **INTRODUCTIONS**
- **INVOCATION**: Pastor Lee Wiggins, Heights Church
- **PLEDGE OF ALLEGIANCE**: Councilman Lamerson
- **ROLL CALL**:

MAYOR AND CITY COUNCIL:

Mayor Kuykendall
Councilman Blair — Councilwoman Linn
Councilman Hanna — Councilwoman Lopas
Councilman Lamerson — Councilwoman Suttles

- **SUMMARY OF CURRENT OR RECENT EVENTS**

I. PUBLIC COMMENT

A. Bob Luzius re Charter amendments.

II. PROCLAMATIONS

A. May 2010 – *Historic Preservation Month*

B. May 9 – 15, 2010 – *Hospital Week in Prescott, Arizona*

C. May 16 – 22, 2010 - *Public Works Week*

D. May 17 – 23, 2010 – *American Craft Beer Week*

III. PRESENTATIONS

A.* ~~Presentation of Medal of Merit Awards~~ **REMOVED FROM AGENDA**

B. Presentation of Life Saving Award

C. Antelope Hills Golf Course Update by Golf Club Advisory Group

IV. CONSENT AGENDA

CONSENT ITEM A THROUGH F LISTED BELOW MAY BE ENACTED BY ONE MOTION. ANY ITEM MAY BE REMOVED AND DISCUSSED IF A COUNCILMEMBER SO REQUESTS.

A. Adoption of Resolution No. 4021-1051 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott Fire Department to enter into a renewal of the existing Intergovernmental Agreement ("IGA") with Yavapai County Office of Emergency Management that establishes Unified Emergency Management for the tri-city area and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.

B.* ~~Adoption of Resolution No. 4017-1047 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott Police Department to enter into a Memorandum of Understanding with the Department of Veterans Affairs ("VA") establishing jurisdictional, enforcement and reporting protocols regarding incidents occurring on lands, structures or spaces controlled by the VA within the City of Prescott and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.~~ **REMOVED FROM AGENDA**

C. Adoption of Resolution No. 4018-1048 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott Police Department to enter into a Memorandum of Understanding with the Rocky Mountain Information Network to establish Regional Information Sharing System, Officer Safety Event Deconfliction System (RISSafe) and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.

D. Adoption of Resolution No. 4019-1049 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott Police Department to enter into an Intergovernmental Agreement with the State of Arizona Department of Public Safety, Arizona Counter Terrorism Information

Center ("ACTIC") to enhance domestic preparedness regarding chemical, biological, radiological, nuclear and explosive response service and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.

E. Adoption of Resolution No. 4020-1050 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott Police Department to enter into a Memorandum of Understanding with the State of Arizona Department of Public Safety Arizona Counter Terrorism Information Center ("ACTIC"), and Terrorism Liaison Office ("TLO") Program and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.

F. Approval of the Minutes of the Regular Voting Meeting of the Prescott City Council held on April 27, 2010.

V. REGULAR AGENDA

A. Acceptance of Mechanical Wood Chipper from Prescott Area Wildland Urban Interface Commission.

B. Appointments to various Boards/Commissions/Committees of the City of Prescott.

C. Public Hearing and approval of the Consolidated Plan FY 2010 – 2014 and Annual Action Plan FY 2010 as associated with the City's Community Development Block Grant (CDBG) Program.

D.* Award of bid and contract for Small Water Mains – Rodeo Grounds, Tolemac Drive to Wildwood Drive Connection, and Ute Road Project to ~~JWJ Pipeline & Excavation, Inc.~~ **CLM Earthmovers, LLC** in an amount not to exceed ~~$283,858.18~~ **$319,388.15**, requiring Davis-Bacon wages.

E. Award of bid and contract for Small Water Mains – Flatau Drive, Overstreet Drive, Leroux Street, and Granite Street Project to CLM Earthmovers, LLC, in an amount not to exceed $523,129.28, requiring Davis-Bacon wages.

F. Consideration of a request for a Second Amendment to Development Agreement No. 03-243 between the City of Prescott and Tri-City Prep.

G. Approval for Arizona Public Service Company (APS) to perform night work in the downtown area.

H. Recess into Executive Session.

VI. EXECUTIVE SESSION

A. Discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property, pursuant to A.R.S. §38-431.03(A)(7).

1. Possible open space properties (Councilwoman Lopas)

B. Discussion or consultation for legal advice with the attorney or attorneys of the public body, pursuant to A.R.S. §38-431.03(A)(3).

1. Williamson Valley Road Right-of-way

VII. ADJOURNMENT

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing AMENDED 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, MMC, City Clerk

CITY OF PRESCOTT
Everybody's Hometown

PRESCOTT CITY COUNCIL REGULAR VOTING MEETING AGENDA

PRESCOTT CITY COUNCIL
REGULAR VOTING MEETING
TUESDAY, May 25, 2010
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 **Regular Voting Meeting** pursuant to the Prescott City Charter, Article II, Section 13. Notice of this meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02.

- **CALL TO ORDER**
- **INTRODUCTIONS**
- **INVOCATION**: Pastor Wil Ryland, Church of Nazarene
- **PLEDGE OF ALLEGIANCE**: Councilwoman Suttles
- **ROLL CALL**:

MAYOR AND CITY COUNCIL:

Mayor Kuykendall	
Councilman Blair	Councilwoman Linn
Councilman Hanna	Councilwoman Lopas
Councilman Lamerson	Councilwoman Suttles

- **SUMMARY OF CURRENT OR RECENT EVENTS**

I. PRESENTATIONS

A. Introduction of new businesses.

B. Presentation of Stewardship Awards by the Prescott Preservation Commission.

C. Presentation of Certificates of Appreciation for outgoing Board/Commission/ Committee Members.

D. Presentation by Yavapai Center for Constitutional Principles.

E. Presentation by Miss Poppy Nicolle Johnson re poppy sales by the American Legion Auxiliary.

F. Presentation by Councilwoman Tammy Linn re Volunteers in Prescott (VIP) and Town Square Ambassadors.

II. CONSENT AGENDA

CONSENT ITEMS A THROUGH G LISTED BELOW MAY BE ENACTED BY ONE MOTION. ANY ITEM MAY BE REMOVED AND DISCUSSED IF A COUNCILMEMBER SO REQUESTS.

A. Adoption of Resolution No. 4022-1052 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott to enter into a Grant-in-Aid Financial Agreement on behalf of the Arizona Wildfire and Incident Management Academy with the Gila River Indian Community and acceptance of a $75,000 grant from it, if awarded, for general operating expenses for the Arizona Wildfire Academy at ERAU and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.

B. Adoption of Resolution No. 4023-1053 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott Police Department to enter into a Memorandum of Understanding with Arizona State University ("ASU") establishing the basis for the Police Department to share police report information with ASU on incidents leading to violent deaths and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.

C. Adoption of Resolution No. 4024-1054 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the Prescott Police Department to accept grant funding in the amount of $42,000.00 from the Governor's Office of Highway Safety.

D. Approval of completion of a grant application to the U.S. Department of Justice, Bureau of Justice Assistance (BJA), for grant funds in the amount of $17,749.00; funds to be used to purchase supplies and equipment necessary to improve and enhance law enforcement programs.

E. Approval of the Minutes of the Workshop of the Prescott City Council held on May 11, 2010 (10:00 a.m.); the Workshop held on May 11, 2010 (2:00 p.m.); and the Regular Voting Meeting held on May 11, 2010.

III. REGULAR AGENDA

A. Approval of purchase of insurance policies for FY11: (1) Excess Public Entity Liability form Traveler's - $394,140.00; (2) Property Coverage from the Traveler's Indemnity Co. - $113,000.00; and (3) Excess Worker's Compensation from Safety National - $43,407.00; for a total of $550,547.00.

B. Adoption of Ordinance No. 4744-1041 – An ordinance of the mayor and Council of the City of Prescott, Yavapai County, Arizona, acquiring and dedicating for additional Estrella Drive public right-of-way a triangular shaped parcel of private property and authorizing the Mayor and City staff to take an necessary steps to effectuate such acquisition and dedication.

C. Adoption of Ordinance No. 4745-1042 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, declaring that it is necessary to acquire portions of Yavapai County Assessor's Parcel Numbers 115-01-055, 115-01-056, 115-01-061A, 115-01-065 and 115-01-001F under the power of eminent domain for an authorized public use and need and authorizing and directing the City Attorney to condemn and acquire such property as necessary and declaring an emergency.

D. Approval of resolutions to be submitted to the League of Arizona Cities and Towns for the 2011 Legislative Session.

E. Continuation from the May 24, 2010 Budget Workshop of FY 2011 Budget discussions (if necessary).

IV. ADJOURNMENT

CITY OF PRESCOTT
Everybody's Hometown

PRESCOTT CITY COUNCIL
REGULAR VOTING MEETING
AGENDA
*AMENDED

PRESCOTT CITY COUNCIL
REGULAR VOTING MEETING
TUESDAY, June 8, 2010
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 **Regular Voting Meeting** pursuant to the Prescott City Charter, Article II, Section 13. Notice of this meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02.

- **CALL TO ORDER**
- **INTRODUCTIONS**
- **INVOCATION**: Pastor Amy Ryland, Church of Nazarene
- **PLEDGE OF ALLEGIANCE**: Councilman Hanna
- **ROLL CALL**:

MAYOR AND CITY COUNCIL:

Mayor Kuykendall	
Councilman Blair	Councilwoman Linn
Councilman Hanna	Councilwoman Lopas
Councilman Lamerson	Councilwoman Suttles

- **SUMMARY OF CURRENT OR RECENT EVENTS**

I. PUBLIC COMMENTS

A. Prescott Western Heritage Foundation re Sam's Crossing.

B. Bill Bonewitz re Rosser Street improvements and noise.

C. David Hartke re the 30th Annual Quad City Pancake Breakfast on June 12, 2010.

D. Wayne Danniel re noise abatement.

E. Frank Creelman re lessons from George Washington.

II. PRESENTATIONS

A. Todd Sadow of Epic Rides re the economic impact of the Whiskey Off-Road Bike Race.

B. Presentation of plaque from The Associated General Contractors of America by representatives of Asphalt Paving and Supply.

C.* Presentation by Councilwoman Tammy Linn re Volunteers in Prescott (VIP) and Town Square Ambassadors.

III. CONSENT AGENDA

CONSENT ITEM A THROUGH B LISTED BELOW MAY BE ENACTED BY ONE MOTION. ANY ITEM MAY BE REMOVED AND DISCUSSED IF A COUNCILMEMBER SO REQUESTS.

A. Adoption of Ordinance No. 4746-1043 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, accepting the grant of a Public Utility Easement from TWC-Prescott Mall, LLC, owner of the Prescott Gateway Mall, and authorizing the Mayor and City staff to take all necessary steps to effectuate such acquisition and dedication.

B. Approval of the Minutes of the Special Meeting of the Prescott City Council held on May 20, 2010; the Workshop held on May 24, 2010; the Special Meeting of May 25, 2010; and the Regular Voting Meeting held on May 25, 2010.

IV. REGULAR AGENDA

A. Public Hearing and consideration of State Liquor License Application No. 10133217, for a new Series 10, Liquor Store License for Michael Francis Lewis, applicant for Mike's Mini Market located at 924 East Gurley Street.

B. Appointment of members to the Advisory and Appeals Board, Fire Board of Appeals and Prescott: The Arizona Centennial City Committee.

C. Adoption of Ordinance No. 4745-1042 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, declaring that it is necessary to acquire portions of Yavapai County Assessor's Parcel Numbers 115-01-055, 115-01-056, 115-01-061A, 115-01-065 and 115-01-001F under the power of eminent domain for an authorized public use and need and authorizing and directing the City Attorney to condemn and acquire such property as necessary and declaring an emergency.

D. Approval of Lease Agreement with MH Properties, LLC (Guidance Helicopters) for approximately .395 acres of airport property at Ernest A. Love Field.

E. The Homestead:

1. Adoption of Resolution No. 4027-1057 - A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott to enter into a Development Agreement with Tenney Homestead, LLC, and Jeanne Tenney Brown, and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.

2. Public Hearing and adoption of Ordinance No. 4747-1044 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona amending the Zoning Map pertaining to that certain property generally located north of Nathan Lane and West of Summer Field, described as Parcel Numbers: 110-06-005R, 110-06-005Q and 110-06-006A from "Single-Family-35 Zoning" to "Single-Family-18 Zoning".

3. Approval of Preliminary Plat (PP09-002) for the Homestead.

4. Approval of Water Service Agreement (10-001), property is generally located east of Senator Highway and west of Summer Field. APN's 110-06-005R, 110-06-005Q, 110-06-006A.

F. Award of bid for the FY2011 Chip Seal and Various Pavement Repairs Project to Cactus Asphalt, a division of Cactus Transport, Inc., in an amount not to exceed $1,445,090.00.

G. Award of bid for the FY2011 AR-ACFC Overlay Project to Grady's Quality Excavating, Inc., in an amount not to exceed $319,982.00.

H. Consideration of co-sponsorship of resolutions to be submitted to the League of Arizona Cities and Towns for the 2011 Legislative Session.

I. Approval of the OSDBA support and Munis software annual support and licensing agreement in the amount of $91,921.00.

J. Adoption of Resolution No. 4025-1055 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, approving the transfer of unencumbered appropriations from the Police Department to the Fire Department and the City Clerk Department.

K. Adoption of Resolution No. 4026-1056 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, adopting a Tentative Budget, expenses for the City of Prescott for the Fiscal Year 2010-11, authorizing and directing publication of Statements and Schedules of the Tentative Budget, together with Notice of Hearing on said Budget and Notice of Date of Final Adoption of said Budget, and Notice of Date of Establishment of the Expenditure Limitation, and Notice of the Date for Fixing a Tax Levy.

L. Recess into Executive Session.

V. EXECUTIVE SESSION

A. 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, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting, pursuant to A.R.S. 38-431.03(A)(1).

1. Annual evaluation of City Manager.

2. Annual evaluation of City Clerk.

VI. POST EXECUTIVE SESSION

A. Possible action on Employment Agreement with City Manager.

B. Possible action on Employment Agreement with City Clerk.

VII. 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, MMC, City Clerk

CITY OF PRESCOTT
Everybody's Hometown

PRESCOTT CITY COUNCIL JOINT REGULAR VOTING MEETING/SPECIAL MEETING AGENDA

PRESCOTT CITY COUNCIL
JOINT REGULAR VOTING MEETING/SPECIAL MEETING
TUESDAY, June 22, 2010
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 Regular Voting Meeting/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**: Pastor Hilylard Irvin of Church of Nazarene
- **PLEDGE OF ALLEGIANCE**: Mayor Kuykendall – introducing Shania Howe, a member of the Navajo Nation
- **ROLL CALL**:

MAYOR AND CITY COUNCIL:

Mayor Kuykendall
Councilman Blair
Councilman Hanna
Councilman Lamerson
Councilwoman Linn
Councilwoman Lopas
Councilwoman Suttles

- **SUMMARY OF CURRENT OR RECENT EVENTS**

I. PUBLIC COMMENTS

A. Bill Arnold re "The Arizona We Want."

B. John Sellers re Insurance / Risk Management.

C. George Karsa re Noise Pollution.

D. Prescott Alternative Transportation re latest Safe Routes to School grant awards.

II. PROCLAMATIONS

A. June 23, 2010 through July 4, 2010 as *Keep Prescott Cowboy and Wear Western Week in Prescott.*

III. PRESENTATIONS

A. Introduction of new businesses.

B. Presentation by Suchitoto Sister City Association to Lifeline Ambulance.

C. Presentation by Employers Support of the Guard and Reserve.

IV. CONSENT AGENDA

CONSENT ITEM A THROUGH D LISTED BELOW MAY BE ENACTED BY ONE MOTION. ANY ITEM MAY BE REMOVED AND DISCUSSED IF A COUNCILMEMBER SO REQUESTS.

A. Award Fiscal Year 2011 legal publications to Prescott Newspapers, Inc. at the rate of $11.16/column inch for straight copy and $9.30/column inch for camera-ready copy.

B. Appointment of William R. Whittington independent legal counsel for both the Police and Fire local boards for the City of Prescott Public Safety Personnel Retirement System.

C. Approval of lease agreement with Lifeline Ambulance Service, Inc. for the purpose of housing emergency medical service ambulance(s) and crew(s) at fire station #75.

D. Approval of the Minutes of the Prescott City Council Special Meeting of June 8, 2010 and the Regular Voting Meeting of June 8, 2010.

V. REGULAR AGENDA

A. Public Hearing and consideration of a liquor license submitted by David Wayne Hallum, Applicant for Hallum, Inc. for a Series 10 Beer & Wine Store license for Flyz located at 2889 Willow Creek Road.

B. Adoption of Resolution No. 4014-1044 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott to enter into a Supplemental Intergovernmental Agreement ("IGA") with the Town of Prescott Valley clarifying and memorializing the authority, procedures and responsibilities of Prescott and Prescott Valley for administration of the requirements and costs of the Big Chino Water Ranch Project and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.

C. Lease Agreement with MH Properties, LLC (Guidance Helicopters):

1. Reconsideration of Approval of Lease Agreement with MH Properties, LLC (Guidance Helicopters) for approximately .395 acres of airport property at Ernest A. Love Field.

2. Approval/denial of Lease Agreement with MH Properties, LLC (Guidance Helicopters) for approximately .395 acres of airport property at Ernest A. Love Field.

D. Charter Amendment Election:

1. Adoption of Ordinance No. 4749-1046 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona ordering calling a special election to be held November 2, 2010 to vote on municipal measures.

2. Adoption of Resolution No. 4030-1060 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the ballot language regarding proposed Charter amendments to be presented to the voters of the City of Prescott at the Special Election to be held on November 2, 2010.

E. Adoption of Ordinance No. 4748-1045 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, accepting title to real property known as the Stone Living Trust property located in the Thumb Butte Estates and authorizing the Mayor and staff to execute any and all documents to effectuate said purchase.

F. Approval to continue legal action (quiet title) to clear title to parcel of land located in the middle of the airport runway and approval of a legal services agreement with the law firm of Favour, Moore & Wilhelmsen for continuing legal representation.

G. Public Hearing on the Final Budget for Fiscal Year 2011 including expenditure limitation and proposed tax levy.

H. Recess Regular Voting Meeting for Special Meeting.

SPECIAL MEETING

1. Call to Order.

2. Adoption of Resolution No. 4029-1059 - A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, finally determining and adopting estimates of proposed expenditures for the Fiscal Year 2011, and declaring that the same shall constitute the budget for the City of Prescott for said fiscal year and establishing the expenditure limitation, approving and updating the job roster for the City of Prescott and setting forth its determination as to unfunded capital and other unfunded budgetary requests.

3. Adjournment of Special Meeting.

I. Reconvene the Regular Meeting of June 22, 2010 and recess into Executive Session.

VI. EXECUTIVE SESSION

A. 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, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting, pursuant to A.R.S. 38-431.03(A)(1).

1. Annual evaluation of City Clerk.

2. Annual evaluation of City Attorney.

VII. POST EXECUTIVE SESSION

A. Possible action on Employment Agreement with City Clerk.

B. Possible action on Employment Agreement with City Attorney.

VIII. 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, MMC, City Clerk

IV-C

COUNCIL AGENDA MEMO – July 13, 2010

DEPARTMENT: Public Works

AGENDA ITEM: Adoption of Ordinance No. 4752-1103 for acceptance of Right-of-Way from the Arizona State Land Department for the Sundog Connector Road east of Prescott Lakes Parkway

Approved By:		**Date:**
Department Head:	Mark Nietupski	
Finance Director:	Mark Woodfill	
City Manager:	Steve Norwood	07/01/10

Item Summary

This item is to accept 10.34 acres (2 parcels) of Right-of-Way from the Arizona State Land Department (ASLD); one will become a segment of the Sundog Connector Road to provide access to the Storm Ranch development and the other will provide for emergency apparatus turn around for a subdivision street terminating at/on State Land.

Background

On July 10, 2007, City Council approved Resolution 3827-0801 and a Development Agreement (DA) with Communities Southwest (CSW) for development of 292 acres of real property known as the Storm Ranch Middle Parcel. A condition of the DA required the developer to make application to the ASLD and acquire right-of-way for a segment of the Sundog Connector Road to provide access to the property. In the future the Sundog Connector Road will provide another east-west roadway between Prescott and Prescott Valley. The application was made by CSW on August 17, 2007 as shown on the attached exhibit. However, CSW terminated the purchase contract with the fee owner, RHP Development L.L.C. (RHP) in 2008.

On December 16, 2008, City Council adopted Resolution 3924-0930 which amended City Contract No. 2008-012 and assigned the Development Agreement obligations to Stratford Land Fund III, L.P. (SLF). SLF has acquired the Right-of-Way from the ASLD on behalf of the City of Prescott.

The ASLD Right-of-Way acquisition along with a City owned portion of Sundog Connector, established through the City/County IGA Rodeo and property transfer, will become primary access to the development via Prescott Lakes Parkway. The City owned portion will be dedicated as Public Right-of-Way in the future when the Storm Ranch development is ready to begin infrastructure work.

Agenda Item: Adoption of Ordinance No. 4752-1103 for acceptance of Right-of-Way from the Arizona State Land Department for the Sundog Connector Road east of Prescott Lakes Parkway

A public auction was held by ASLD on June 1, 2010 at 1:00 PM at the Yavapai County Courthouse. SLF was the only bidder for the Right-of-Way and paid the ASLD $220,337.00 which was the appraised value plus administration fees for the 10.34 acres of Right-of-Way.

Adoption of this Ordinance will authorize the City of Prescott to execute the Right-of-Way Grant Document issued by the Arizona State Land Department and accept 10.34 acres of Right-of-Way as described above.

There are no costs to the City associated with this Right-of-Way acquisition.

Attachments

- Area Map
- Application to ASLD
- Auction Receipt
- Right-of-Way Grant Document
- Ordinance

Recommended Action: **MOVE** to adopt Ordinance No. 4752-1103.

ORDINANCE NO. 4752-1103

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, ACCEPTING RIGHT-OF-WAY FROM THE ARIZONA STATE LAND DEPARTMENT AND AUTHORIZING THE MAYOR AND CITY STAFF TO TAKE ALL NECESSARY STEPS TO EFFECTUATE SUCH RIGHT-OF-WAY ACCEPTANCE

RECITALS:

WHEREAS, the City Council of the City of Prescott has determined that accepting Right-of-Way from the Arizona State Land Department more particularly described in Exhibit "A", attached hereto and made a part hereof, will benefit the City of Prescott; and

WHEREAS, the City Council of the City of Prescott wishes to accept the Right-of-Way described on Exhibit "A"; and

WHEREAS, all acquisition costs for the Right-of-Way were paid for by the Stratford Land Fund L.L.C., owner and developer of the Storm Ranch development. The Right-of-Way will be utilized for a segment of the Sundog Connector Road to access the Storm Ranch Middle Parcel and other Arizona State Land Department properties; and

ENACTMENTS:

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

SECTION 1. THAT the City of Prescott accepts Right-of-Way from the Arizona State Land Department as set forth in Exhibit "A".

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott this 13th day of July, 2010.

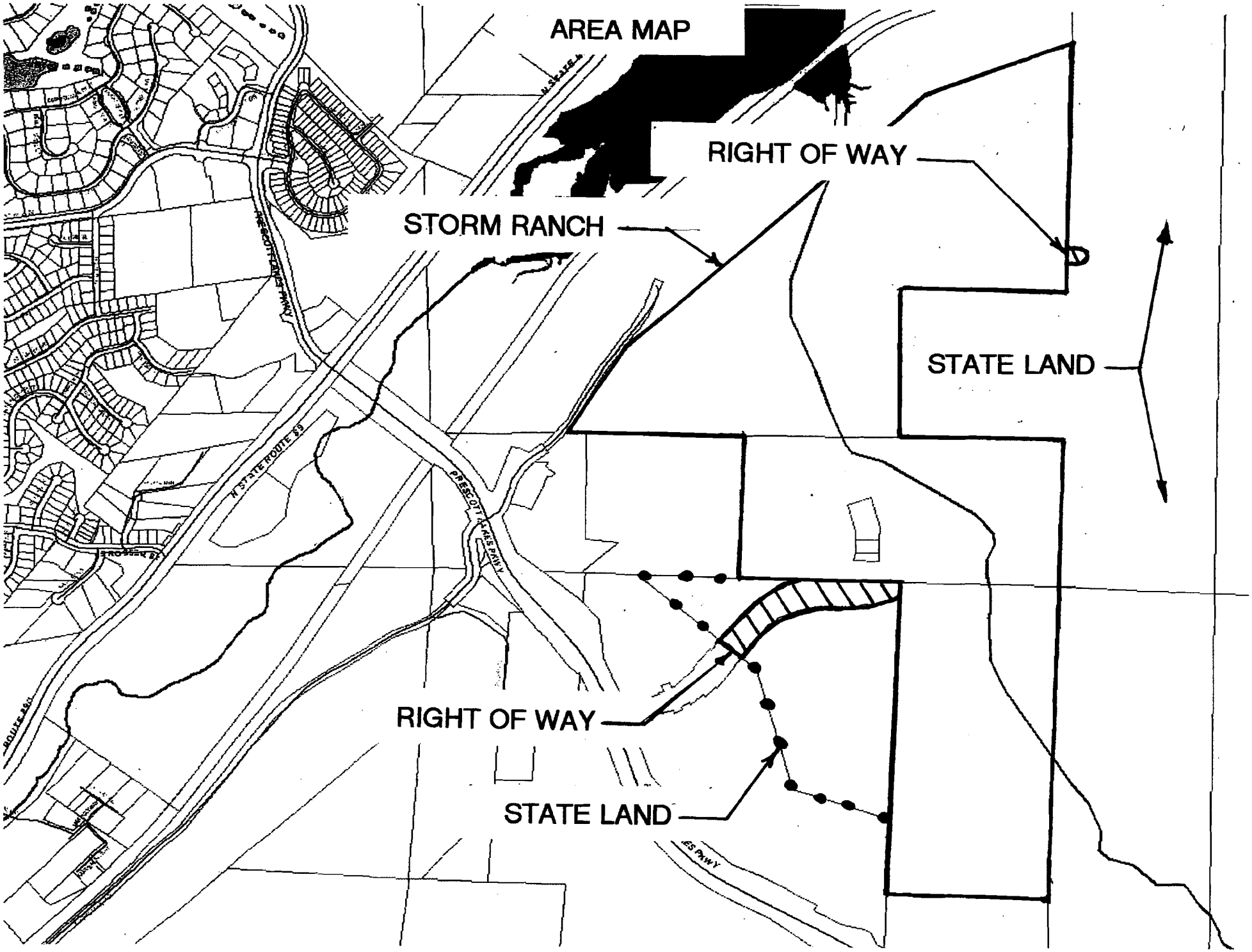
_____
MARLIN KUYKENDALL, Mayor

ATTEST:

_____
ELIZABETH A. BURKE, City Clerk

APPROVED AS TO FORM:

_____
GARY D. KIDD, City Attorney


AREA MAP
RIGHT OF WAY
STORM RANCH
STATE LAND
RIGHT OF WAY
STATE LAND
N STATE ROUTE 89
PRESCOTT LAKES PKWY

communities southwest

7001 N Scottsdale Road, Suite 1015
Scottsdale, Arizona 85253
p 480.315.2600 | f 480.315.2699
www.commsw.com

August 17, 2007

Arizona State Land Right-of-Way
Sun Dog Connector Road
Prescott, Arizona

Project Narrative

CSW Prescott, LLC has been authorized via a recorded development agreement with the City of Prescott to submit this application for a Public roadways right-of-way for a regional connector road across Arizona State Land APN # 800-20-036B. CSW Prescott, LLC will be the applicant for the right-of-way and the public road within the right-of-way will be owned and maintained by the City of Prescott once it is constructed. The regional connector road within this right-of-way will be built to the City's municipal standards for a minor arterial street and will provide access to a project know as Storm Ranch which is being developed by CSW Prescot, LLC. Additionally, as directed by the Arizona State Land Department and in an effort to provide access to Arizona State Lands to the east to prevent forest fires, the application for this right-of-way includes a portion of APN # 800-20-059S on which a public roadway (cul-de-sac) will be owned and maintained by the City of Prescott for emergency/fire vehicle access and for turnaround purposes.

Currently, the land identified in this application is undeveloped, grazing land with no improvements. The right-of-way included in this application is comprised of two segments. Segment 1 is the portion of the a public roadway that will cross Arizona State Lands in APN 800-20-036B and Segment 2 will terminate at the east end of Storm Ranch which will provide access to and intersect with Arizona State Land APN # 800-20-059S. Also, CSW Prescott, LLC has worked with the engineering department for Arizona State Lands to determine and provide the best access point to the State's land on APN # 800-20-036B and the location is included within the legal description submitted for Segment 1.

Included with this application are the legal descriptions for the proposed right-of-way and the status of the surveys and reports that are required as part of the public roadway application.

a. The Phase I Environmental Site Assessment administered by Liesch Southwest, Inc. concludes that "there is not evidence of recognized environmental conditions on the Property and no further environmental work is recommended at this time".

b. The Cultural Resources, Biological and Stumpage Count survey's have been recorded and the reports are currently being drafted by SWCA Environmental Consultants and will be added to this application when complete.

c. A US Army Corps of Engineers Jurisdictional Delineation request has not been submitted as of the date of this application.

CSW Prescott, LLC appreciates your review of this application and will forward final drafts of any preliminary surveys and reports as they become available.

Sincerely,

Jay Pennypacker
Vice President
CSW Prescott, LLC

NAME CHANGE FOR

* NEW APPLICATIONS ONLY

AZ STATE LAND DEPARTMENT R/W 16- 112203

By mutual consent, both parties request that the name of the applicant for the referenced Right-of-Way be changed from CSW Prescott, LLC to City of Prescott.

CSW Prescott, LLC 11/5/07
Current Applicant Date

By VP
Title

Communities Southwest Management, Inc., an Arizona corporation, Its manager

City of Prescott 11/06/07
New Applicant Date

P.O. Box 2059
201 S. Cortez Street
Address

Prescott AZ 86302
City State Zip

By
Title
Director, Engineering Services

APPLICANTS: The attached Certification Page MUST be completed and signed by the NEW APPLICANT.

Return this request and the attached Certification Page *within 10 days* to:

ARIZONA STATE LAND DEPARTMENT
ATTN: Right-of-Way Section
1616 W. Adams
Phoenix, AZ 85007

* This document ONLY pertains to perpetual right-of-way applications being transferred to Governmental entities with condemnation authority.

R/W 16 w/o Public Auction

CERTIFICATION: Pursuant to A.R.S. Title 37 and the Rules of the Arizona State Land Department, A.A.C. Title 12, Chapter 5, you must complete the following information pertinent to you and/or the organization you represent and sign the certification or your application will not be processed. NOTE: Applicant must complete item #1.

1. Is this application made in the name of: (Applicant must check one) _____Individual(s) _____Husband & Wife

_____Corporation _____Partnership _____Ltd. Partnership _____Estate _____Trust _____Ltd. Liability Co.

_____Joint Venture __X__Municipality _____Political Subdivision _____Other (specify)_____

2. INDIVIDUAL(s) OR HUSBAND & WIFE: Complete the following for each applicant:

NAME	AGE	MARITAL STATUS

3. CORPORATION: Complete the following:

(A) Do you have authority from the Arizona Corporation Commission to do business in the State of Arizona? Yes____ No____

(B) Is the corporation presently in good standing with the Arizona Corporation Commission? Yes____ No____

(C) In what state are you incorporated? _____

(D) Is the legal corporate name and Arizona business address the same as stated in this application? Yes____ No____

If no, state the Legal Corporate Name: _____

Address: _____
(Street or Box Number) (City) (State) (Zip)

4. LIMITED LIABILITY COMPANY: Complete the following:

(A) If an out-of-state limited liability company: Have you filed for a Certificate of Registration with the Arizona Corporation Commission?

_____Yes _____No

(B) If an Arizona limited liability company: Have you filed Articles of Organization with the Arizona Corporation Commission?

_____Yes _____No

(C) Are you authorized by the Arizona Corporation Commission to transact business in Arizona? _____Yes _____No

5. PARTNERSHIP OR JOINT VENTURE: Complete the following for each authorized partner or principal in the partnership or joint venture:

NAME	BUSINESS ADDRESS	AGE	MARITAL STATUS

6. LIMITED PARTNERSHIP: Is this Limited Partnership on file with the Arizona Secretary of State? ☐ Yes ☐ No

Complete the following for the authorized general partner(s) only:

GENERAL PARTNER(S) NAME	BUSINESS ADDRESS

7. ESTATE: Complete the following and attach a copy of the court or estate document(s):

Name of the court-appointed administrator or personal representative: _____

List the type and date of issuance of the court or Estate document: _____
(Date issued) (Type of Document)

8. TRUST: (A) Complete the following pursuant to A.R.S. § 33-404, for each beneficiary of the Trust:

NAME	ADDRESS	AGE	MARITAL STATUS

or (B) Identify the Trust document by title, document number, and county where document is recorded: _____

9. I HEREBY CERTIFY, UNDER PENALTY OF PERJURY, THAT THE INFORMATION AND STATEMENTS CONTAINED HEREIN, TOGETHER WITH ALL EXHIBITS AND ATTACHMENTS ARE TRUE, CORRECT AND COMPLETE AND THAT I/WE HAVE AUTHORITY TO SIGN THIS DOCUMENT.

SIGNATURE(S)

City of Prescott 11/06/07
(Name of Corporation, Partnership, etc.) Date

_____
Signature of Applicant (Individual) Date

Mark J. Nietupski
Signature Title

_____
Signature of Applicant (Individual) Date

Director, Engineering Services

6111-03/92 (Rev. 12/2005) RW

RETURN TO:

ARIZONA STATE LAND DEPARTMENT
PUBLIC COUNTER
1616 WEST ADAMS
PHOENIX, ARIZONA 85007

SUBMIT NON-REFUNDABLE FILING FEE:

New: $100
Renewal: $100
Amend: $50

DEPARTMENTAL USE ONLY — RECEIPT #

ACCOUNTING		T&C	RECOMMENDATION/INITIAL	DATE
Filing Fee:		Exam:	Approve	
New:	$100	Exam #:	Deny	
Renewal:	$100	Int Title:	Reject	
Amend:	$ 50	App Entry:	Withdraw	
N(34) R(35) A(23)				

APPLICATION FOR RIGHT OF WAY

Type or print in ink.

APPLICATION NO. _____ - _____

Complete ALL questions, SIGN and SUBMIT application with appropriate NON-REFUNDABLE FILING FEE.

1. APPLICANT(S):

CSW Prescott, LLC
Name(s)

7001 N. Scottsdale Rd. #1015
Mailing Address

Scottsdale AZ 85253
City State Zip

Jay Pennypacker (480) 315-2600
Contact Person Phone No.

jpennypacker@commsw.com
E-Mail Address for Contact Person

2. TYPE OF APPLICATION:

✓ NEW

____ RENEWAL

____ AMEND

Reason for amendment:

3. REQUEST FOR RIGHT OF WAY: Applicant hereby makes Right of Way application under A.R.S. § 37-461, for the purpose of public road w/ utilities over and across the lands hereinafter described for a term of perpetual ~~years~~, in accordance with the laws of the State of Arizona and the rules of the State Land Department.

4. LEGAL DESCRIPTION: (Complete below and attach metes and bounds legal description, maps, surveys & plans)

TWN.	RNG.	SEC.	LEGAL DESCRIPTION	ACRES	COUNTY	SLD USE ONLY CTY	GRT	PARCEL
14N	2W	24	see attached					

a. If construction is required, when is the proposed construction anticipated to begin? 8/2008

b. Typical processing time for an application is 12-16 months. Does your construction schedule allow for this processing time? ☐ No ☑ Yes If no, please complete R/W Supplement "RW-CO" Conditional Right of Way Supplement.

6. TYPE OF RIGHT OF WAY – REQUIRED SUPPLEMENTS: (Complete supplement for each use marked)

Required supplements are available at 1616 W. Adams or online at www.land.state.az.us

a. Municipal/Utility Rights of Way

- ✓ Public Roadway & Underground Utilities – (Complete supplement "RW-RU")
- ____ Public Roadway – (Complete supplement "RW-R")
- ____ Drainage Easement – (Complete supplement "RW-D")
- ____ Service Road – (Complete supplement "RW-R")
- ____ Underground Utility Easement – (Complete supplement "RW-U")
- ____ Water Line, Reservoir or Lift Station – (Complete supplement "RW-U")
- ____ Sewer Line or Lift Station – (Complete supplement "RW-U")
- ____ Electrical Line or Substation – (Complete supplement "RW-U")
- ____ Gas Line – (Complete supplement "RW-U")
- ____ Temporary Construction Easement – (Complete supplement "RW-T")
- ____ Other, Please specify_____

b. Telecommunications Rights of Way

- ____ Communication Line – Distribution Line – (Complete supplement "RW-C")
- ____ Communication Line – Single User – Transmission Corridor – (Complete supplement "RW-C")
- ____ Communication Line – Multiple User – Transmission Corridor – (Complete supplement "RW-C")
- ____ Service Road – (Complete supplement "RW-R")
- ____ Temporary Construction Easement – (Complete supplement "RW-T")
- ____ Other, Please specify_____

c. Private Individuals & Entities

- ____ Non-Exclusive Access Road – (Complete supplement "RW-R")
- ____ Haul Road – (Complete supplement "RW-R")
- ____ Service Road – (Complete supplement "RW-R")
- ____ Temporary Construction Easement – (Complete supplement "RW-T")
- ____ Other, Please specify_____

7. BASIS FOR APPLICATION:

a. Why are you applying for this right of way? (Mark all that apply):

- ✓ Public Works Project
- ✓ Pending Private Development
- ✓ Required by City, County, etc.
- ✓ Necessary to provide infrastructure
- ✓ Necessary to provide access
- ____ Trespass/Encroachment
- ____ Pending Sale
- ____ Loss of Alternative Access
- ____ Other, Please specify:

_____

_____

_____

b. Does this right of way serve a specific property? ☑ No ☐ Yes If yes, complete R/W Supplement "RW-1" (Dominate Estate Supplement). If no, complete R/W Supplement "RW-2" (Easement in Gross Supplement).

c. Is the proposed right of way to be used in conjunction with any application for a state lease, permit or sale (commercial, mineral, etc.)? ☑ No ☐ Yes If yes, provide the application number:_____

8. EXISTING LESSEE – IMPROVEMENTS:

a. Are there any improvements that would be disturbed if this application is approved (water tanks, wells, fences, building, etc.)? ☑ No ☐ Yes If yes, list below:

b. If approved, will the construction and the maintenance of the right of way interfere with or intrude upon the existing lessee's rights under any existing lease? ☑ No ☐ Yes If yes, describe in detail:

c. Have you contacted the Lessee to discuss this application? ☐ No ☑ Yes ☐ N/A

9. JURISDICTIONAL WASHES:

a. Will the right of way cross any known washes, waterways, or other Waters of the U.S.? ☐ No ☐ Yes If yes, list the numbered washes or indicate "unnamed wash" below:

Request for Jurisdictional delineation approval has not been submitted as of date of application.

10. APPLICANT COMPLETE AND SIGN PAGE 4.

ARIZONA STATE LAND DEPARTMENT AUCTION RECEIPT/ESTIMATED FUNDS DUE

AUCTION NO: 16-112203 DATE: JUNE 01, 2010

APPRAISED VALUE OF ROW $ 213,919.00 SUCCESSFUL BID $ 213,919.00

RECEIPT:

$ 220,337.00 RECEIVED FROM: Diane Belcher

RECEIVED BY: Dawn R. Brown

ADDRESS: ASLD, 1616 West Adams Street, Phoenix, AZ 85007

ESTIMATED FUNDS DUE:

I, Diane Belcher acknowledge that as the successful bidder of the Arizona State Land Department Public Auction No. 16-112203, the following amounts will be due on or before **July 01, 2010**.

FAILURE TO REMIT PAYMENT WILL RESULT IN FORFEITURE OF ALL FUNDS PAID AT AUCTION.

ROW Value	213,919.00
3% S&A Fees	6,418.00
Reimbursable Estimated Legal Advertising Fee	$ 2,500.00
Reimbursable Appraisal Fee	$ 3,375.00
Reimbursable Stumpage Fee	$ 3,367.00
Auction Total	229,579.00
Less Reimbursable Estimated Advertising Fee (As Applicable)	<2,500.00>
Less Reimbursable Appraisal Fee (As Applicable)	<3,375.00>
Less Reimbursable Stumpage Fee (As Applicable)	<3,367.00>
Total Due	220,337.00
Overpayment of Legal Advertising ($2,500.00-$2,399.74)	$ (100.26)
Receipts at Auction	<220,337.00>
Total Due in 30 Days (Estimate)	<100.26>

Signature Diane Belcher Date 6/1/10

Acknowledged before me, the undersigned, by

Diane Belcher

On this 1st day of June, 2010

Dawn R. Brown

Notary Public

OFFICIAL SEAL
DAWN R. BROWN
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires Sept. 12, 2010

SEGMENT 1 (UPDATED) QP

LEGAL DESCRIPTION
State Right of Way Parcel
SWI # 06106
08/20/07

The following is a legal description of a parcel of land lying within that certain parcel APN # 800-20-036B, located in Section 25, Township 14 North, Range 2 West of the Gila and Salt River Meridian, Yavapai County, Arizona, more particularly described as follows:

Beginning at a found 2" aluminum cap stamped RLS 13010 and RLS 18297 at the north Quarter corner of Section 25 (said point also being the southwest corner of parcel APN # 105-05-001B as recorded in Book 4295 of Official Records, Page 62 in the Office of the Yavapai County Recorder), from which a found G.L.O. brass cap at the northeast corner of Section 25 bears South 88°45'54" East, a distance of 2640.20 feet (measured and Basis of Bearings for this description, South 89°03'22" East, 2640.21 feet per a Record of Survey as recorded in Book 101 of Land Surveys, Page 39 in the Office of the Yavapai County Recorder and herein referred to as R1);

Thence South 88°45'42" East (South 89°03'22" East R1) along the north line of said parcel APN # 800-20-036B, a distance of 254.98 feet to a set ½" rebar and aluminum cap stamped RLS 27253 and the TRUE POINT OF BEGINNING;

Thence South 88°45'42" East (South 89°03'22" East R1), a distance of 1065.01 feet to a found ½" rebar and plastic cap stamped RLS 33861 at the northeast corner of said parcel APN # 800-20-036B;

Thence leaving said north line, South 02°19'10" West (South 02°02'12" West R1) along the east line of said parcel APN # 800-20-036B, a distance of 128.98 feet to the beginning of a curve concave to the north having a radius of 765.00 feet and a central angle of 29°47'17", also being subtended by a chord which bears South 76°20'39" West, a distance of 393.26 feet, from which a found ½" rebar and plastic cap stamped RLS 13011 at the southeast corner of said parcel APN # 800-20-036B bears South 02°19'10" West, a distance of 1846.05 feet;

Thence leaving said east line, southwesterly and westerly along said curve, a distance of 397.72 feet to a set ½" rebar and aluminum cap stamped RLS 27253;

Thence North 88°45'43" West tangent to said curve, a distance of 284.59 feet to a set ½" rebar and aluminum cap stamped RLS 27253 and the beginning of a curve tangent to said line;

Thence westerly and southwesterly a distance of 381.11 feet along the curve concave to the southeast, having a radius of 435.00 feet and a central angle of 50°11'50" to a set ½" rebar and aluminum cap stamped RLS 27253;

Thence South 41°02'27" West tangent to said curve, a distance of 395.19 feet to a set ½" rebar and aluminum cap stamped RLS 27253 at a point on the westerly line of said parcel APN # 800-20-036B, from which a found ½" rebar and plastic cap stamped RLS 13011 at an angle point on the westerly line of said parcel APN # 800-20-036B bears South 50°45'29" East (South 51°04'49" East R1), a distance of 134.09 feet;

Thence North 50°45'29" West along said westerly line, a distance of 340.17 feet to a set ½" rebar and aluminum cap stamped RLS 27253, from which a found ½" rebar and plastic cap stamped RLS 13011 at the northwest corner of said parcel APN # 800-20-036B bears North 50°45'29" West (North 51°04'49" West R1), a distance of 791.39 feet;

Thence leaving said westerly line, North 41°02'27" East, a distance of 405.87 feet to a set ½" rebar and aluminum cap stamped RLS 27253 and the beginning of a curve tangent to said line;

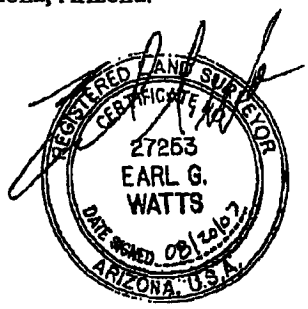
Thence northeasterly a distance of 261.09 feet along the curve concave to the southeast, having a radius of 775.00 feet and a central angle of 19°18'09" to the TRUE POINT OF BEGINNING.

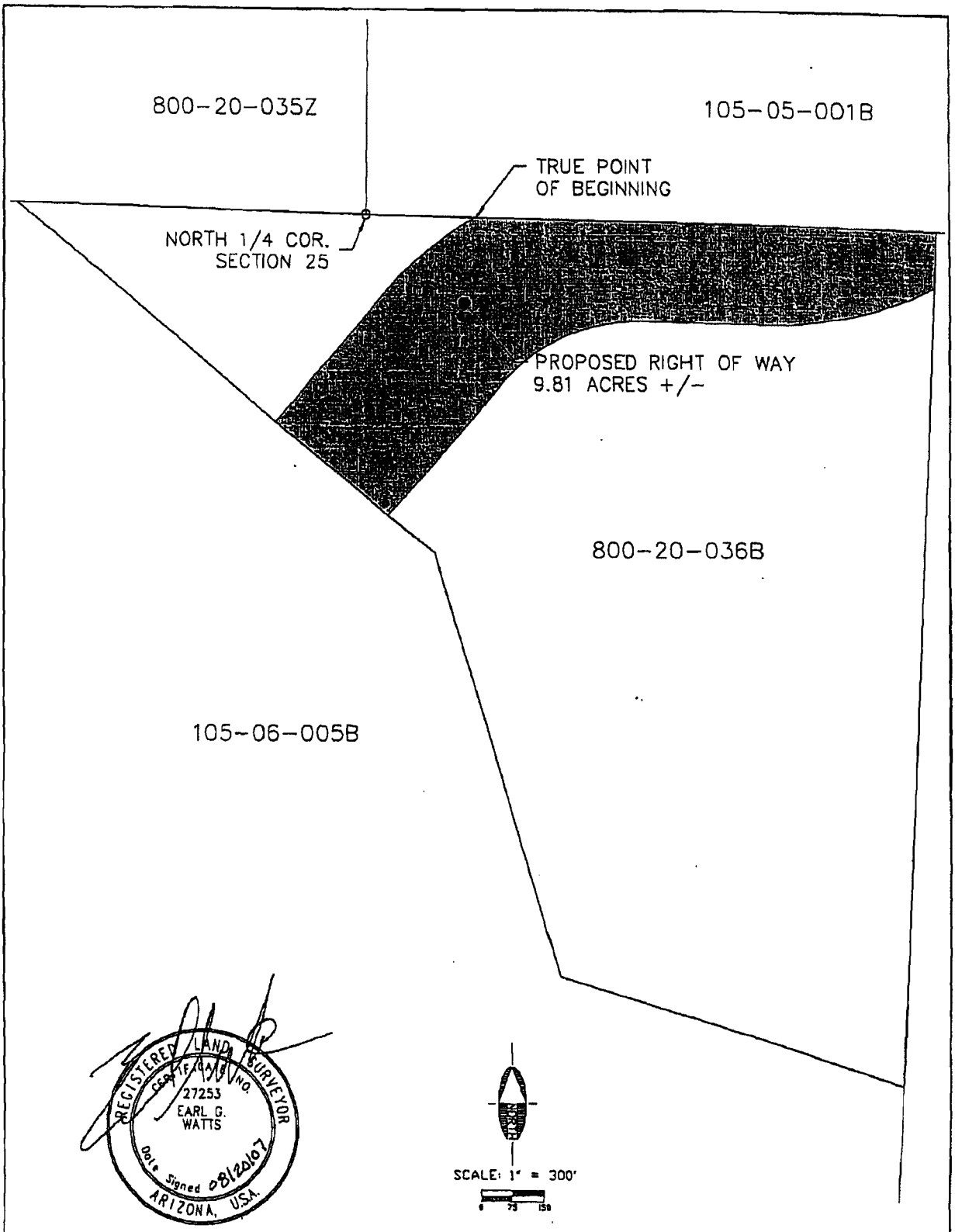
Containing 9.81 Acres, more or less.

Subject to any easements and/or Rights of Way that may exist on the above described parcel of land.

See Exhibit Drawing attached hereto and made a part hereof.

This legal description was prepared by Earl G. Watts, RLS 27253 at the request of Shephard-Wesnitzer Inc., Sedona, Arizona.





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SWI Shephard & Wesnitzer, Inc.	75 Kallof Place Sedona, AZ 86336 928.282.1061 928.282.2058 fax www.swiaz.com	JOB NO: 06106 DATE: AUG. 2007 SCALE: 1" = 300' DRAWN: JMK DESIGN: N/A CHECKED: EGW	STORM RANCH PROPOSED R-O-W YAVAPAI COUNTY ARIZONA EXHIBIT DRAWING TO ACCOMPANY LEGAL DESCRIPTION	SHEET 3 OF 3

SEGMENT 2

LEGAL DESCRIPTION
State Right of Way Turnaround Parcel
SWI # 06106
08/20/07

The following is a legal description of a parcel of land lying within that certain parcel APN # 800-20-059S, located in Section 19, Township 14 North, Range 1 West of the Gila and Salt River Meridian, Yavapai County, Arizona, more particularly described as follows:

Beginning at a found GLO brass cap at the west Quarter corner of Section 19, from which a found chiseled X on top of a stone monument at the northwest corner of Section 19 bears North 00°46'35" East, a distance of 2562.69 feet (measured and Basis of Bearings for this description, North 00°33'00" East, 2561.36 feet to a computed point per a Record of Survey as recorded in Book 5 of Land Surveys, Page 71 in the Office of the Yavapai County Recorder);

Thence North 00°46'35" East along the west line of Section 19, a distance of 245.12 feet to a set ½" rebar and aluminum cap stamped RLS 27253 and the TRUE POINT OF BEGINNING;

Thence North 00°46'35" East, a distance of 174.00 feet to a set ½" rebar and aluminum cap stamped RLS 27253;

Thence leaving the west line of Section 19 South 89°13'25" East, a distance of 63.18 feet to a set ½" rebar and aluminum cap stamped RLS 27253 and the beginning of a curve tangent to said line;

Thence easterly, southeasterly, southerly, southwesterly and westerly a distance of 273.32 feet along the curve concave to the west, having a radius of 87.00 feet and a central angle of 180°00'00" to a set ½" rebar and aluminum cap stamped RLS 27253;

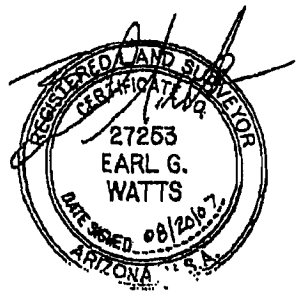
Thence North 89°13'25" West tangent to said curve, a distance of 63.18 feet to the TRUE POINT OF BEGINNING.

Containing 0.53 Acres, more or less.

Subject to any easements and/or Rights of Way that may exist on the above described parcel of land.

See Exhibit Drawing attached hereto and made a part hereof.

This legal description was prepared by Earl G. Watts, RLS 27253 at the request of Shephard-Wesnitzer Inc., Sedona, Arizona.



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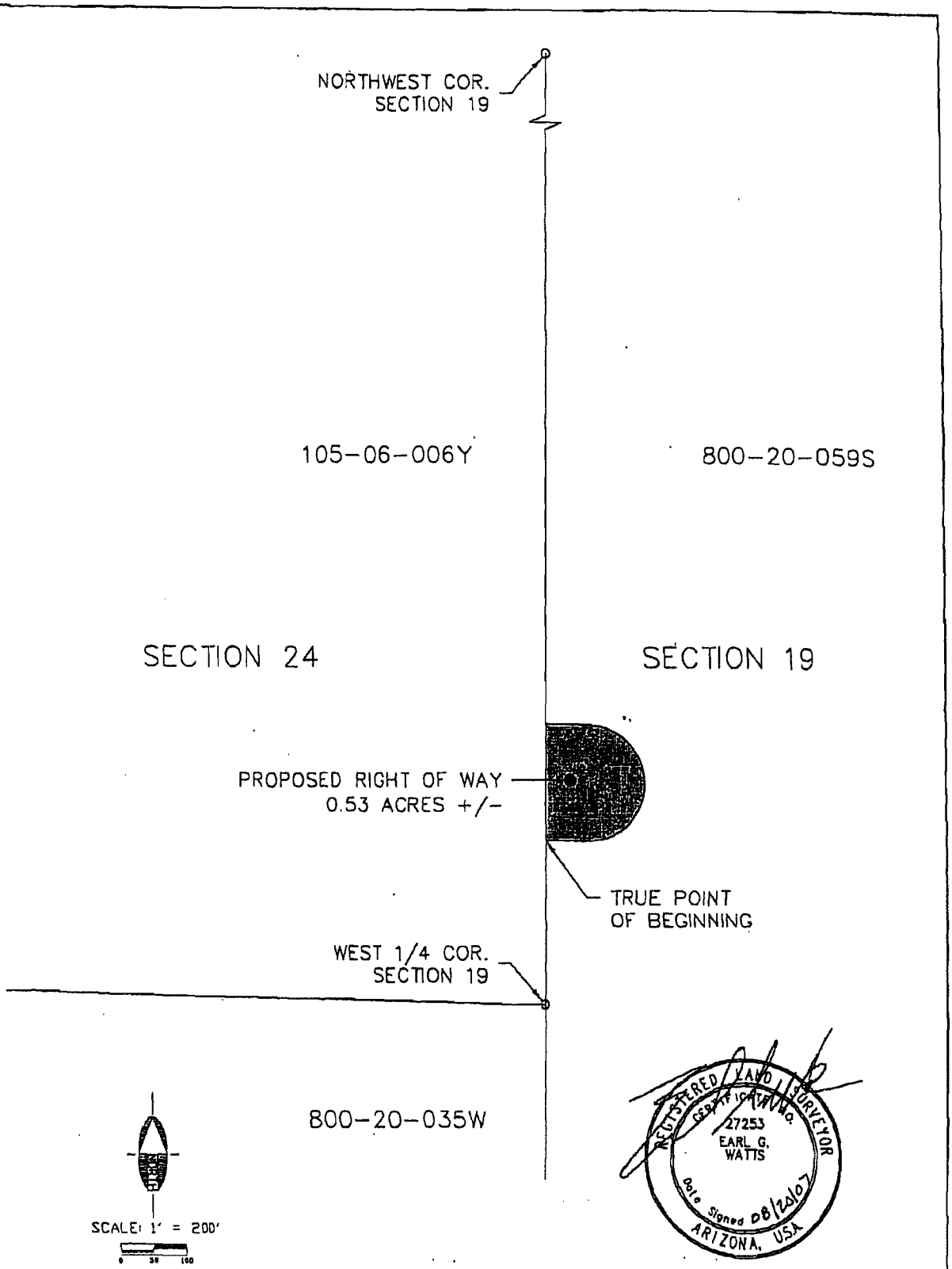


SWI
Shephard A Wesnitzer, Inc.
75 Kallof Place
Sedona, AZ 86336
928.282.1061
928.282.2058 fax
www.swiaz.com

JOB NO:	06106
DATE:	AUG. 2007
SCALE:	1" = 200'
DRAWN:	JMK
DESIGN:	N/A
CHECKED:	EGW

STORM RANCH PROPOSED R-O-W
YAVAPAI COUNTY ARIZONA

EXHIBIT DRAWING
TO ACCOMPANY
LEGAL DESCRIPTION

SHEET 2 OF 2

STATE LAND DEPARTMENT
STATE OF ARIZONA

Right of Way

R/W No. 16-112203

THIS RIGHT OF WAY ("Right of Way") is entered into by and between the State of Arizona (as "Grantor") by and through the Arizona State Land Department and

CITY OF PRESCOTT

("Grantee"). In consideration of payment and performance by the parties of each of the provisions set forth herein, the parties agree as follows:

EXTENT OF DOCUMENT

"Additional Conditions", "Exhibits", and "Appendixes" are an integral part of this document. In case of a conflict between the printed boiler document and the additional conditions, exhibits, or appendixes, the applicable additional condition, exhibit, or appendix shall be considered the governing document and supersede the printed boiler, but only to the extent necessary to implement the additional condition, exhibit, or appendix, and only if the additional condition, exhibit, or appendix does not conflict with governing state or federal law.

ARTICLE 1
SUBJECT LAND

1.1 Grantor grants to Grantee a Right of Way on, over, through, and across the State lands described in Appendix A attached hereto ("Subject Land").

1.2 Grantee makes use of the Subject Land "as is", and Grantor makes no express or implied warranties as to the physical condition of the Subject Land.

ARTICLE 2
TERM

2.1 The term of this Right of Way commences on June 1, 2010 ("Commencement Date"), and runs for a perpetual term ("Expiration Date"), unless sooner canceled or terminated as provided herein or as provided by law.

ARTICLE 3
RENT

3.1 Rental is due in advance for the term of this Right of Way document.

3.2 If the Grantee should fail to pay rental when due, or fail to keep the covenants and agreements herein set forth, the Commissioner, at his option, may cancel said Right of Way or declare the same forfeited in the manner provided by law.

ARTICLE 4
PURPOSE AND USE OF SUBJECT LAND

4.1 The purpose of this Right of Way is the location, construction, operation, and maintenance of:

Public road and underground utilities

4.2 No material may be removed by Grantee or its contractors without the written approval of the Commissioner.

4.3 Grantee shall not exclude from use the State of Arizona, its lessees or grantees, or the general public the right of ingress and egress over this Right of Way.

4.4 Grantee shall acquire required permits prior to construction, and adhere to all applicable rules, regulations, ordinances, and building codes as promulgated by the local jurisdiction and any applicable State or Federal agencies.

4.5 All use of State land outside the Right of Way must be applied for and authorized in accordance with applicable law.

4.6 Grantee shall not sublet or assign this Right of Way or any portion thereof without the written consent of the Grantor.

4.7 The Grantor retains ownership of the Subject Land. The use of this Right of Way is to be non-exclusive. This Right of Way is sold subject to existing reservations, easements, or rights of way heretofore legally obtained and now in full force and effect.

4.8 When necessary for Grantee's reasonable use of this Right of Way for the purposes for which the grant is made, it shall be deemed to include the rights in, upon, over, and across the described Subject Land to erect, construct, reconstruct, replace, repair, and maintain the facilities authorized by this Right of Way.

4.9 Grantee shall have the right to erect, maintain, and use gates in all fences under the control of the Grantor which now cross or shall hereafter cross said Right of

Way, and to trim, cut, and clear away trees or brush whenever in its judgment the same shall be necessary for the convenient and safe exercise of the right herein provided.

4.10 Grantee shall not fence any portion of this Right of Way unless specifically authorized in the attached additional conditions without prior written consent of Grantor, nor shall Grantee exclude from the use of the surface thereof the State of Arizona or its lessees or grantees as reserved in Paragraph 10.1.

ARTICLE 5
CONFORMITY TO LAW

5.1 This Right of Way is subject to applicable laws and covenants relating to State lands.

ARTICLE 6
CANCELLATION, TERMINATION AND ABANDONMENT

6.1 This Right of Way is subject to cancellation pursuant to A.R.S. § 38-511.

6.2 If at any time the Right of Way ceases to be used for the purpose for which it was granted, it shall become void, and the right to use the Subject Land and all the rights of Grantee hereunder shall revert to the Grantor.

6.3 Upon revocation or termination of the Right of Way, the Grantee shall remove all equipment or facilities and, so far as is reasonably possible, restore and/or rehabilitate the Subject Land to its original condition, and to the satisfaction of the Commissioner.

ARTICLE 7
INDEMNITY

7.1 This provision is pursuant to the July 12, 2000 memorandum issued by the Risk Management Section of the Arizona Department of Administration applicable to all political subdivisions of the State.

Each party (as "indemnitor") agrees to indemnify, defend, and hold harmless the other party (as "indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorneys' fees) (hereinafter collectively referred to as "claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or fault of the indemnitor, its officers, officials, agents, employees, or volunteers.

ARTICLE 8
RESERVATIONS; RELINQUISHMENTS

8.1 Grantor reserves the right to grant other rights in, upon, over, and across the described Subject Land for any purpose whatsoever not inconsistent or incompatible with the use allowed by this indenture, and the Grantee agrees not to exclude the Grantor or its lessees or grantees from the use of the Subject Land herein described.

8.2 Grantor reserves all natural resources, timber, and minerals (including oil or gas) in or upon the described Subject Land, and the right to grant leases, permits, easements, and/or rights of way to extract such resources as provided by law and in a manner not inconsistent or incompatible with Grantee rights hereunder. Where inconsistent or incompatible uses exist, the Grantor will require the applicant therefor to indemnify Grantee for loss it might suffer by reason of such use.

8.3 Grantor reserves the right to relinquish to the United States pursuant to the U.S. Act of August 30, 1890, land needed for irrigation works in connection with a government reclamation project.

ARTICLE 9
LOCATION, CONSTRUCTION AND MAINTENANCE

9.1 Grantee shall ensure full compliance with the terms and conditions of this Right of Way by its agents, employees, and contractors (including sub-contractors of any tier), and the employees of each of them and shall include the terms and conditions in all contracts and sub-contracts which are entered into by any of them.

9.2 Failure or refusal of Grantee's agents, employees, contractors, sub-contractors, or their employees to comply with these terms and conditions shall be deemed to be the failure or refusal of Grantee.

ARTICLE 10
NATIVE PLANTS AND ARCHAEOLOGICAL RESOURCES

10.1 If the removal of plants protected under the Arizona Native Plant Law is necessary to enjoy the privilege of this Right of Way, the Grantee hereunder must obtain the written permission of the Grantor and the Arizona Department of Agriculture prior to removal of those plants.

10.2 Grantee shall promptly notify the Commissioner of the amount of flora, if any, which will be cut, removed, or destroyed in the construction and maintenance of said Right of Way and shall pay the Grantor such sum of money as the Commissioner may determine to be the full value of the flora to be so cut, removed, or destroyed. Grantee shall notify the Grantor and the Arizona Department of Agriculture 30 days prior to any destruction or removal of native plants to allow salvage of those plants where possible.

10.3 Prior to surface disturbance, the Grantee hereof shall provide evidence of archaeological clearance to the Grantor. Archaeological surveys and site mitigation must be conducted in accordance with rules and regulations promulgated by the Director, Arizona State Museum. In the event additional archaeological resources are detected by Grantee after receipt of archaeological clearance, all work shall cease and notification shall be given to the Director, Arizona State Museum, and Grantor.

ARTICLE 11
GRANTEE SHALL PROTECT AND RESTORE THE SUBJECT LAND

11.1 Grantee shall be required, upon completion of Right of Way construction, to make such rehabilitation measures on the State lands, including but not limited to restoration of the surface, revegetation, and fencing as determined necessary by the Grantor.

11.2 Grantee shall conduct all construction and maintenance activities in a manner that will minimize disturbance to all land values including, but not limited to vegetation, drainage channels, and streambanks. Construction methods shall be designed to prevent degradation of soil conditions in areas where such degradation would result in detrimental erosion or subsidence. Grantee shall take such other soil and resource conservation and protection measures on the Subject Land under grant as determined necessary by the Grantor.

11.3 Costs incurred by the Grantee in complying with restoration and rehabilitation requirements, as determined by the Department, on State lands shall be borne by the Grantee.

11.4 Grantee shall conduct its operations on the Subject Land in such a manner as is consistent with good environmental practices. Grantee shall exert reasonable efforts to avoid damage of protected flora, and restore the surface to its condition prior to the occupancy thereof by Grantee.

ARTICLE 12
MISCELLANEOUS

12.1 The described Subject Land shall be used only for the purpose stated in Paragraph 4.1, and as may be further detailed elsewhere in this document.

12.2 This Document is submitted for examination and shall have no binding effect on the parties unless and until executed by the Grantor (after execution by the Grantee), and until a fully executed copy is delivered to the Grantee.

12.3 In the event of a dispute between the parties to this Right of Way, it is agreed to use arbitration to resolve the dispute, but only to the extent required by A.R.S. § 12-

1518. In no event shall arbitration be employed to resolve a dispute which is otherwise subject to administrative review by the Department.

12.4 Insurance provisions are intentionally omitted from this Permit pursuant to the July 12, 2000 memorandum issued by the Risk Management Section of the Arizona Department of Administration to all political subdivisions of the State.

12.5 The Grantor does not represent or warrant that access exists over other State lands which intervene respectively between the above Right of Way and the nearest public roadway.

12.6 If for any reason the State of Arizona does not have title to any of the Subject Land described herein, this Right of Way shall be null and void insofar as it relates to the land to which the State has failed to receive title.

12.7 Every obligation of the State under this Right of Way is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Right of Way, this Right of Way may be terminated by the State at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or any damages as a result of termination under this paragraph.

12.8 The parties agree to be bound by applicable State and Federal rules governing Equal Employment Opportunity, Non-discrimination and Disabilities, including Executive Order No. 2009-09.

12.9 Within 30 days of project completion, Grantee shall submit a completed certificate of construction (copy attached).

ADDITIONAL CONDITIONS
16-112203

LEGAL DESCRIPTION

1. The legal description of this Right of Way is detailed in Exhibit A. Subject to Grantor's rules and policies then in place and as a result of construction related restrictions, Grantor and Grantee may agree to modify the legal description by Grantee submitting "as built" or "proposed realignment" legals, depending on the situation, to the Grantor for Grantor's review. If approved by Grantor and additional acreage is impacted Grantee agrees to pay an appraised or pro-rated charge as the Grantor determines is appropriate. No refund will be made for a reduction in acreage.

ACCESS TO STATE TRUST LAND CONNECTING TO RIGHT OF WAY ROADWAY

2. Grantee shall construct access points north and south of the right of way in Section 25, Township 14 North, Range 2 West to the State Trust lands located between STA 11+20 (approximate State Trust land boundary) and STA 14+00 as depicted in Exhibit B.

DRAINAGE/WASHES

3. If the wash systems are impacted by 1/10 of an acre or greater, by the road, Grantee must contact the U.S. Army Corp, and the appropriate nationwide permit will need to be acquired. All federal/state/county/city regulations must be met in accordance to the wash systems (floodway/floodplain), including FEMA Standards.

4. Grantee shall conduct all construction and maintenance activities in a manner that will minimize disturbance to surface features affecting adjacent land value, including, but not limited to, vegetation, drainage channels, and stream banks. Construction methods shall be designed to prevent degradation of soil conditions in areas where such degradation would result in detrimental erosion or subsidence. Grantee shall not cause any ponding upstream or downstream of any drainage crossing.

SURFACE LESSEE

5. The term "Surface Lessee" shall mean any lessee of State lands which include the Subject Land, including by way of illustration and not limitation any grazing lessees. Grantee shall provide the Arizona State Land Department written documentation of all such Surface Lessee's consents prior to making any alterations to any existing improvements on the Subject Land.

6. Grantee and its successors agree to notify all Surface Lessees of construction dates at least 15 days prior to beginning construction.

7. Any improvements (i.e. fencing, gates, pipelines, earthen structures, etc) removed or damaged due to construction will be replaced and/or reconstructed immediately. Cost of replacement and reconstruction will be the responsibility of the Grantee.

8. Material for road construction (i.e. fill dirt, sand and gravel, etc.) may not be acquired from State lands without the proper permits and authorization.

9. If construction occurs during periods of livestock grazing, Grantee and its successors will take

necessary measures to insure livestock protection and containment. This may require temporary fencing, cattle guards or gates.

10. All excess man-made materials or trash resulting from construction will be promptly removed from the site and disposed of properly.

11. Grantee shall construct and maintain right of way fences along both sides of road. Grantee shall follow fencing specification described in Exhibit C.

12. Grantee shall install a cattle guard where the road leaves State Trust land on the east end of Section 25, Township 14 North, Range 2 West.

13. Grantee shall install a standard 12' x 12' box culvert under the right of way, in a location identified by the grazing lessee and the local RRAM, to allow for livestock and wildlife passage to the southern part of this lease.

14. All vehicles/equipment entering State Trust land for the proposed project (construction or maintenance) will be power washed, including the undercarriage, to prevent the spread of noxious weeds.

15. Grantee shall conduct all construction and maintenance activities in a manner that will minimize disturbance to surface features. Grantee agrees to be responsible for any reclamation necessary to restore disturbed areas to a natural condition.

    a. Grantee shall re-seed the disturbed areas, including areas where vehicles are parked, with a seed mixture appropriate for the given ecological sites.
    b. Grantee shall be responsible for controlling weeds along the right of way for the duration of the right of way term.

THREATENED/ENDANGERED SPECIES

16. The Arizona Game & Fish Department's Heritage Data Management System has been accessed, and current records show that the species listed below has/have been documented as occurring in the project vicinity.

Common Name	Scientific Name	Status
Golden Eagle	Aquila chrysaetos	
Maricopa Tiger Beetle	Cicindela oregona Maricopa	Species of Concern
Bald Eagle	Haliaeetus leucocephalus (wintering population)	Species of Concern
Belted Kingfisher	Megaceryle alcyon	Wildlife of Special Concern in Arizona
Arizona Phlox	Phlox amabilis	Sensitive
American Redstart	Setophaga ruticilla	Wildlife of Special Concern in Arizona

Yavapai-Prescott Indian Reservation	Yavapai-Prescott Indian Reservation	

The Arizona Game & Fish Department recommends that you contact the U.S. Fish & Wildlife Service for additional information regarding the Endangered Species Act and how it applies to the species noted above.

SEGMENT 1 (UPDATED)

LEGAL DESCRIPTION
State Right of Way Parcel
SWI # 06106
08/20/07

The following is a legal description of a parcel of land lying within that certain parcel APN # 800-20-036B, located in Section 25, Township 14 North, Range 2 West of the Gila and Salt River Meridian, Yavapai County, Arizona, more particularly described as follows:

Beginning at a found 2" aluminum cap stamped RLS 13010 and RLS 18297 at the north Quarter corner of Section 25 (said point also being the southwest corner of parcel APN # 105-05-001B as recorded in Book 4295 of Official Records, Page 62 in the Office of the Yavapai County Recorder), from which a found G.L.O. brass cap at the northeast corner of Section 25 bears South 88°45'54" East, a distance of 2640.20 feet (measured and Basis of Bearings for this description, South 89°03'22" East, 2640.21 feet per a Record of Survey as recorded in Book 101 of Land Surveys, Page 39 in the Office of the Yavapai County Recorder and herein referred to as R1);

Thence South 88°45'42" East (South 89°03'22" East R1) along the north line of said parcel APN # 800-20-036B, a distance of 254.98 feet to a set ½" rebar and aluminum cap stamped RLS 27253 and the TRUE POINT OF BEGINNING;

Thence South 88°45'42" East (South 89°03'22" East R1), a distance of 1065.01 feet to a found ½" rebar and plastic cap stamped RLS 33861 at the northeast corner of said parcel APN # 800-20-036B;

Thence leaving said north line, South 02°19'10" West (South 02°02'12" West R1) along the east line of said parcel APN # 800-20-036B, a distance of 128.98 feet to the beginning of a curve concave to the north having a radius of 765.00 feet and a central angle of 29°47'17", also being subtended by a chord which bears South 76°20'39" West, a distance of 393.26 feet, from which a found ½" rebar and plastic cap stamped RLS 13011 at the southeast corner of said parcel APN # 800-20-036B bears South 02°19'10" West, a distance of 1846.05 feet;

Thence leaving said east line, southwesterly and westerly along said curve, a distance of 397.72 feet to a set ½" rebar and aluminum cap stamped RLS 27253;

Thence North 88°45'43" West tangent to said curve, a distance of 284.59 feet to a set ½" rebar and aluminum cap stamped RLS 27253 and the beginning of a curve tangent to said line;

Thence westerly and southwesterly a distance of 381.11 feet along the curve concave to the southeast, having a radius of 435.00 feet and a central angle of 50°11'50" to a set ½" rebar and aluminum cap stamped RLS 27253;

Thence South 41°02'27" West tangent to said curve, a distance of 395.19 feet to a set ½" rebar and aluminum cap stamped RLS 27253 at a point on the westerly line of said parcel APN # 800-20-036B, from which a found ½" rebar and plastic cap stamped RLS 13011 at an angle point on the westerly line of said parcel APN # 800-20-036B bears South 50°45'29" East (South 51°04'49" East R1), a distance of 134.09 feet;

Thence North 50°45'29" West along said westerly line, a distance of 340.17 feet to a set ½" rebar and aluminum cap stamped RLS 27253, from which a found ½" rebar and plastic cap stamped RLS 13011 at the northwest corner of said parcel APN # 800-20-036B bears North 50°45'29" West (North 51°04'49" West R1), a distance of 791.39 feet;

Thence leaving said westerly line, North 41°02'27" East, a distance of 405.87 feet to a set ½" rebar and aluminum cap stamped RLS 27253 and the beginning of a curve tangent to said line;

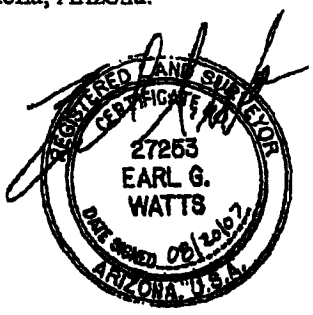
Thence northeasterly a distance of 261.09 feet along the curve concave to the southeast, having a radius of 775.00 feet and a central angle of 19°18'09" to the TRUE POINT OF BEGINNING.

Containing 9.81 Acres, more or less.

Subject to any easements and/or Rights of Way that may exist on the above described parcel of land.

See Exhibit Drawing attached hereto and made a part hereof.

This legal description was prepared by Earl G. Watts, RLS 27253 at the request of Shephard-Wesnitzer Inc., Sedona, Arizona.



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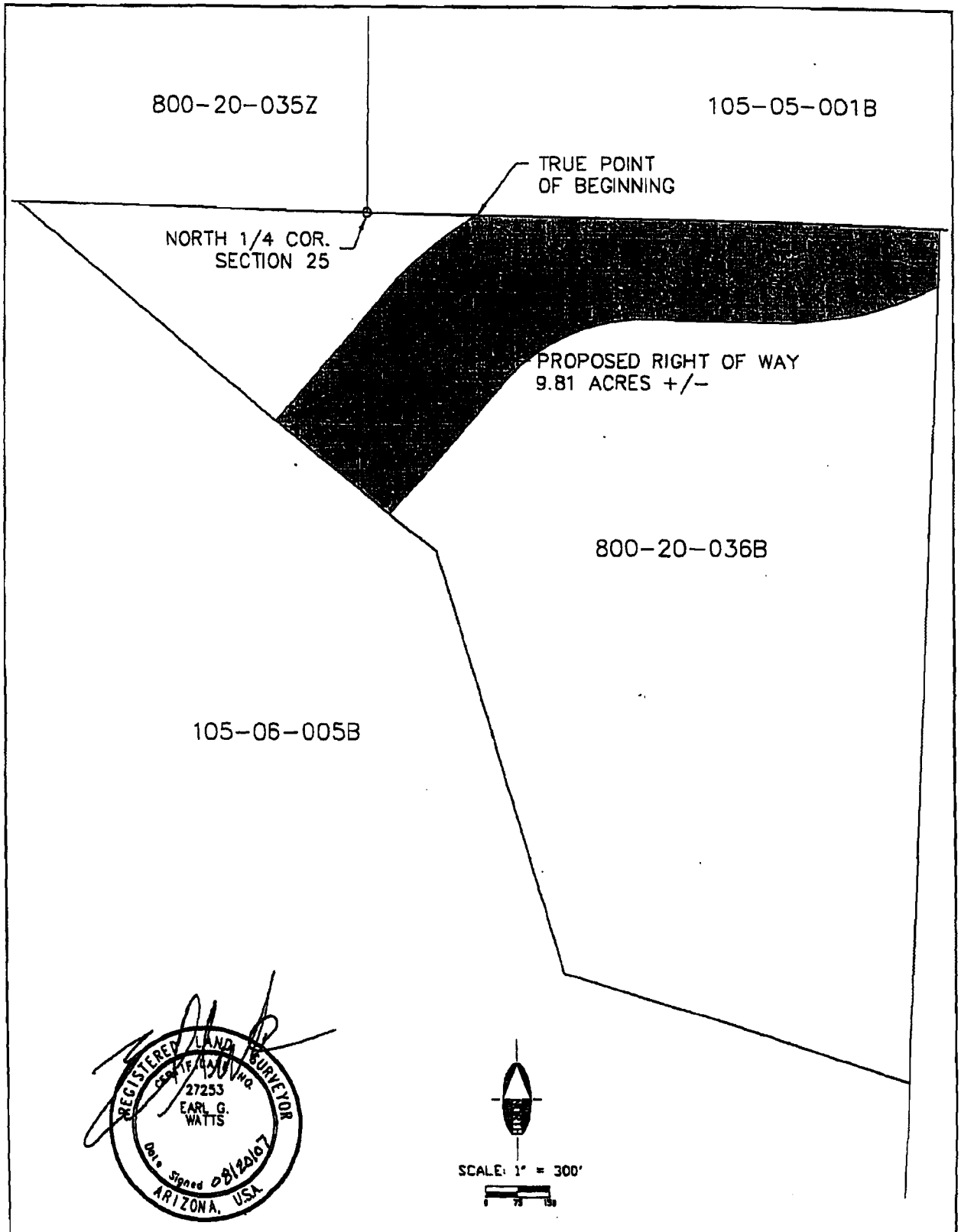


REGISTERED LAND SURVEYOR
27253
EARL G. WATTS
Date Signed 08/20/07
ARIZONA, U.S.A.

FILE: P:\2006\06106\SURVEY\EP\Legal Exhibit\06106 Legal Exhibit.dwg JIMK

SWI Shephard Wesnitzer, Inc.	75 Kallof Place Sedona, AZ 86336 928.282.1061 928.282.2058 fax www.swiaz.com	JOB NO: 06106 DATE: AUG. 2007 SCALE: 1" = 300' DRAWN: JMK DESIGN: N/A CHECKED: EGW	STORM RANCH PROPOSED R-O-W	YAVAPAI COUNTY ARIZONA	SHEET 3 OF 3
			EXHIBIT DRAWING TO ACCOMPANY LEGAL DESCRIPTION		

SEGMENT 2

LEGAL DESCRIPTION
State Right of Way Turnaround Parcel
SWI # 06106
08/20/07

The following is a legal description of a parcel of land lying within that certain parcel APN # 800-20-059S, located in Section 19, Township 14 North, Range 1 West of the Gila and Salt River Meridian, Yavapai County, Arizona, more particularly described as follows:

Beginning at a found GLO brass cap at the west Quarter corner of Section 19, from which a found chiseled X on top of a stone monument at the northwest corner of Section 19 bears North 00°46'35" East, a distance of 2562.69 feet (measured and Basis of Bearings for this description, North 00°33'00" East, 2561.36 feet to a computed point per a Record of Survey as recorded in Book 5 of Land Surveys, Page 71 in the Office of the Yavapai County Recorder);

Thence North 00°46'35" East along the west line of Section 19, a distance of 245.12 feet to a set ½" rebar and aluminum cap stamped RLS 27253 and the TRUE POINT OF BEGINNING;

Thence North 00°46'35" East, a distance of 174.00 feet to a set ½" rebar and aluminum cap stamped RLS 27253;

Thence leaving the west line of Section 19 South 89°13'25" East, a distance of 63.18 feet to a set ½" rebar and aluminum cap stamped RLS 27253 and the beginning of a curve tangent to said line;

Thence easterly, southeasterly, southerly, southwesterly and westerly a distance of 273.32 feet along the curve concave to the west, having a radius of 87.00 feet and a central angle of 180°00'00" to a set ½" rebar and aluminum cap stamped RLS 27253;

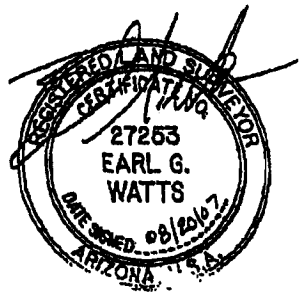
Thence North 89°13'25" West tangent to said curve, a distance of 63.18 feet to the TRUE POINT OF BEGINNING.

Containing 0.53 Acres, more or less.

Subject to any easements and/or Rights of Way that may exist on the above described parcel of land.

See Exhibit Drawing attached hereto and made a part hereof.

This legal description was prepared by Earl G. Watts, RLS 27253 at the request of Shephard-Wesnitzer Inc., Sedona, Arizona.



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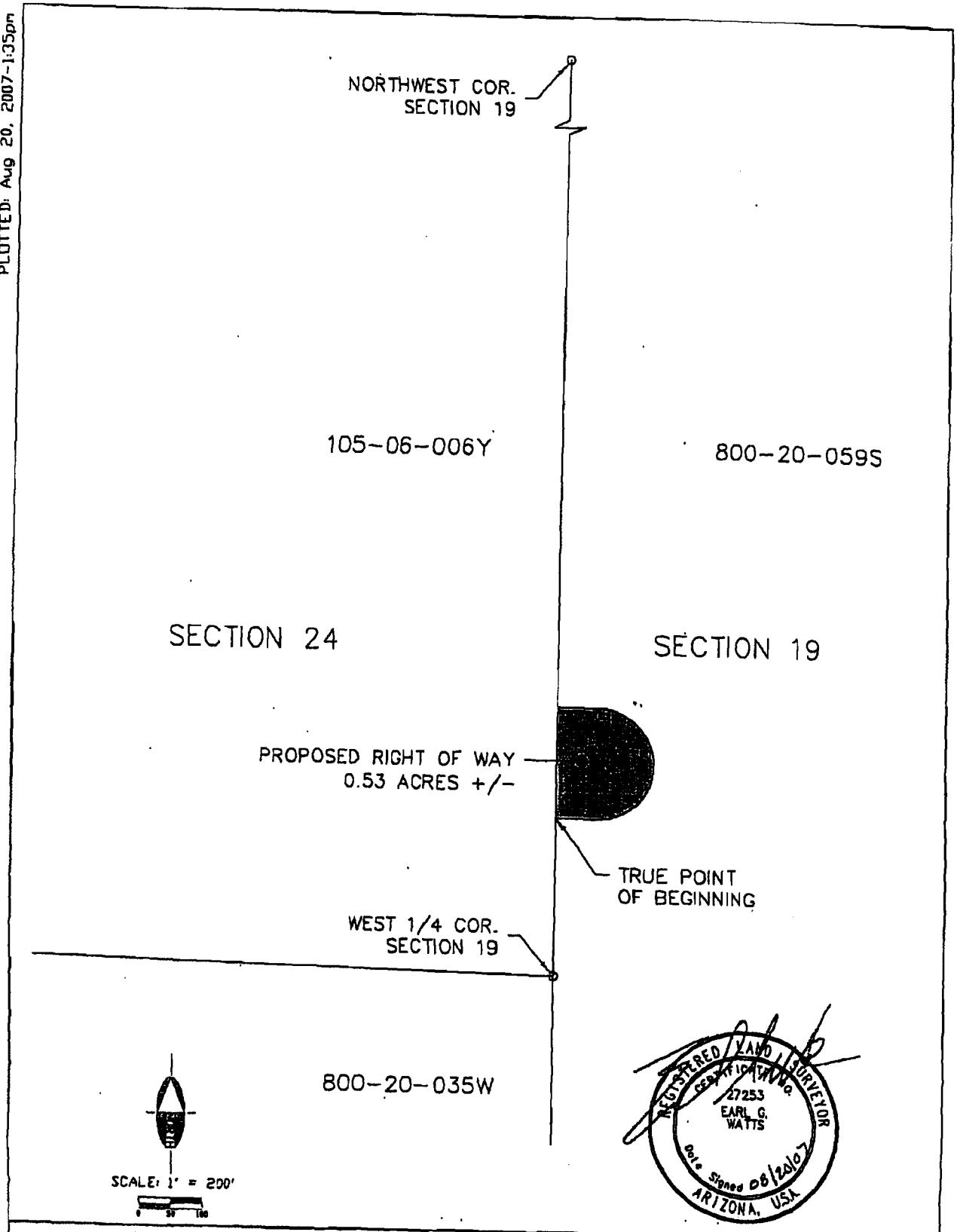


FILE: P:\2006\06106\SURVEY\EP\Legal Exhibit\06106 Legal Exhibit.dwg JMK

SWI
Shephard Wesnitzer, Inc.
75 Kallof Place
Sedona, AZ 86336
928.282.1061
928.282.2058 fax
www.swiaz.com

JOB NO:	06106
DATE:	AUG. 2007
SCALE:	1" = 200'
DRAWN:	JMK
DESIGN:	N/A
CHECKED:	EGW

STORM RANCH PROPOSED R-O-W
YAVAPAI COUNTY ARIZONA

EXHIBIT DRAWING TO ACCOMPANY LEGAL DESCRIPTION

SHEET 2 OF 2

STATE OF ARIZONA LAND DEPARTMENT
1616 W. ADAMS
PHOENIX, AZ 85007

RUN DATE 09-JUN-2010
RUN TIME: 10:23:10
APPENDIX A
PAGE: 001

KE-LEASE#: 016-112203-00-000 APPTYPE: NEW

AMENDMENT#: 0

LAND#	LEGAL DESCRIPTION	AUS	ACREAGE
14.0-N-01.0-W-19-13-031-9004	M&B THRU SW OF LOT 2	0.00	0.530
14.0-N-02.0-W-25-13-031-9003	M&B THRU NWNE E2NENW	0.00	9.810
	TOTALS:	0.00	10.340

IN WITNESS HEREOF, the parties hereto have signed this Right of Way effective the day and year set forth previously herein.

STATE OF ARIZONA, GRANTOR
Arizona State Land Commissioner

By: _____
Date

(SEAL)

CITY OF PRESCOTT
GRANTEE

_____
Authorized Signature **Date**

_____
Title

_____
Address

_____
City **State** **Zip**

GRANTEE'S CERTIFICATE OF CONSTRUCTION

RIGHT OF WAY NUMBER: _____

NAME OF GRANTEE: _____

DATE ISSUED: _____

PERMITTED USE: _____

LAND DEPARTMENT ADMINISTRATOR: _____

DATE CONSTRUCTION STARTED: _____

DATE CONSTRUCTION COMPLETED: _____

I hereby certify that the facilities authorized by the State Land Commissioner, were actually constructed and tested in accordance with the terms of the grant, in compliance with any required plans and specifications, and applicable Federal and State laws and regulations.

_____ _____

Grantee's Signature **Date**

Title _____

Return To: **Arizona State Land Department**
R/W Section
1616 W. Adams Street
Phoenix, AZ 85007

EXHIBIT B
16-112203
Page 1 of 1

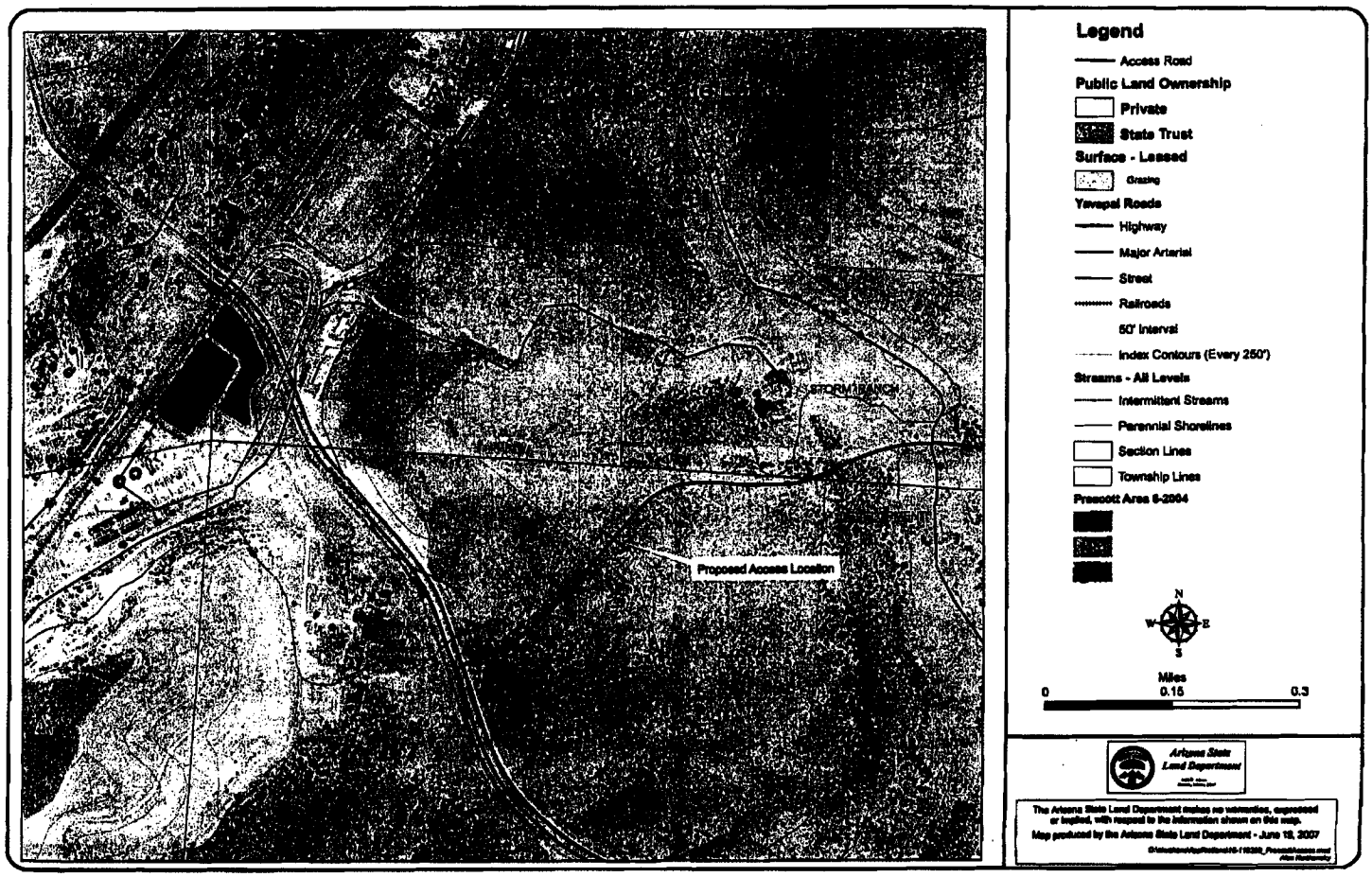
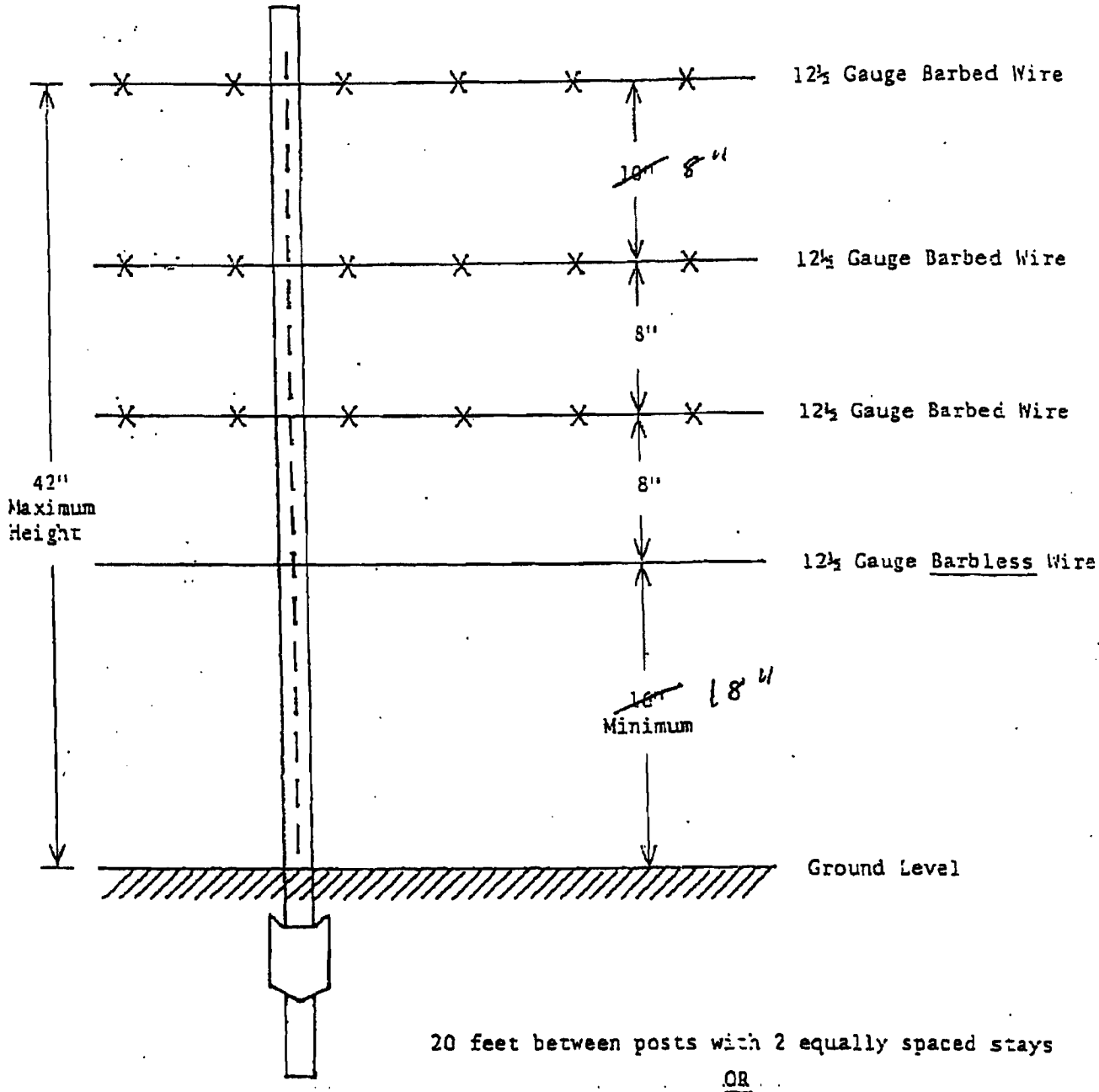


EXHIBIT C
16-112203

Arizona State Land Department

FENCING SPECIFICATION



20 feet between posts with 2 equally spaced stays

OR

25 feet between posts with 3 equally spaced stays

IV-D

COUNCIL AGENDA MEMO – July 13, 2010

DEPARTMENT: Public Works

AGENDA ITEM: Discussion of potential marked crosswalk installation on Copper Basin Road.

Approved By:		**Date:**
Department Head:	Mark Nietupski	
Finance Director:	Mark Woodfill	
City Manager:	Steve Norwood	07/01/10

Item Summary

This item is to consider whether a marked crosswalk shall be installed on Copper Basin Road at Highland Avenue.

Background

This segment of Copper Basin Road was recently improved with construction finalized in October 2007 with new pavement, sidewalk and curb and gutter. The roadway is 28 feet wide with two lanes in each direction with additional roadway width at selected intersections for left and right turn pockets. The posted speed is 25 MPH and the roadway is classified as a Major Collector.

A request has been made for the installation of marked crosswalk(s) by local area residents who feel that this addition will improve pedestrian safety by channelizing crossings to specific location(s) and raise driver awareness of crossing pedestrians. In order to better understand the desire of the neighborhood a public meeting was held on April 17th, 2010 to survey the amount of support for the crosswalks and to gather information on preferred crossing locations. The following summarizes the results of this meeting.

- 16 residents, 1 Council member, 3 Public Works staff members and 1 Transportation Coordinating Committee (TCC) member attended the meeting.
- 7 additional residents contacted staff by phone to provide input.
- Of the 23 total residents (representing 14 properties) who participated, 14 were in favor of the crosswalk(s), 6 opposed and 3 were neutral.
- Of those supporting marked crosswalk(s), the preferred locations were Highland Avenue (8), Linden Road (4), Hemlock (3), Hassayampa Village Lane (2), Park Avenue (1), and Paul Drive (1).
- Highland Avenue was of special concern due to limited sight distance for northbound to westbound left turning movements.

Based on this input Highland Avenue is recognized by residents as the preferred location for the installation of a marked crosswalk. This location currently exists as a legal unmarked crossing as intersections are not normally marked at locations apart from stop or signal control. This is because marked crosswalks at uncontrolled locations

must be installed carefully and selectively in locations that meet specific criteria. The Federal Highway Administration Research and Development Study from November 2000 entitled "Safety Effects of Marked vs. Unmarked Crosswalks at Uncontrolled Locations" provides the following conditions under which marked crosswalks are to be considered.

- That marked crosswalks can be used (without a reduction in pedestrian safety) on two lane roadways with speeds of 30 MPH or less and volumes under 9,000 vehicles per day.
- These marked crosswalks must be installed selectively and at locations with a minimum of 20 pedestrian crossings per peak hour (or 15 or more elderly and/or child pedestrians) before placing a high priority on the installation of a marked crosswalk.

The Highland Avenue location meets the first criteria but does not meet the pedestrian volume minimums. This does not preclude Council from installing the crosswalks it merely indicates that this location does not demonstrate pedestrian volumes that would necessitate placing a high priority on its installation. The final factor to consider is that Copper Basin Road has no pedestrian facilities on the south side and therefore any crosswalk installation would lack handicap ramps and adequate sidewalk facilities unless they were installed in conjunction with any change.

In addition to the marked crosswalk installation several residents expressed a desire to see a multi-way stop installed at the intersection. The multi-way stop installation is useful as a safety measure at locations where the volume of traffic on the intersecting roads is approximately equal, there is a collision problem, limited sight distance or at locations where the installation would improve traffic operations. To determine if any of these conditions exist, the intersection location was studied twice; once by Kimley Horn & Associates in conjunction with the reconstruction project and once by Public Works staff in late 2009. In both instances this location failed to meet any one condition of the warrant analysis which is taken directly from the Manual on Uniform Traffic Control Devices. Specifically the studies found the following:

- The side streets (Highland & Pine Knoll) do not have sufficient volume to warrant stop control on Copper Basin Road.
- The speeds recorded on Copper Basin Road are within normal limits for a major collector classification and indicate that the lower section may be under posted, 25MPH on lower section vs. 30 MPH on upper section.
- No collision problem exists at this location.
- Sight distance is adequate with 220' to 275' (depending on side street stop position) looking east on Copper Basin Road from northbound Pine Knoll. Additionally with a two-way center turn lane left turning vehicles are able to pull out and store in the center lane then proceed when traffic is clear, effectively breaking the left turn into two separate movements which requires reduced sight distance.

AGENDA ITEM: Discussion of potential marked crosswalk installation on Copper Basin Road.

- The installation of any unwarranted multi-way stop would negatively impact the overall Level of Service (LOS) on Copper Basin Road.

Based on this information two options are offered for Council consideration regarding this issue:

A. Leave the existing traffic control in place.
B. Leave the intersection uncontrolled and install a marked crosswalk with appropriate advanced warning signs on Copper Basin Road at Highland Avenue.

Any decision to modify the intersection can be accomplished using City crews. The estimated cost for crosswalk installation is in the amount of $5,200.00 including two new Handicap ramps and landings, warning signs and crosswalk striping.

Attachments Four Way Stop Evaluation for Copper Basin Road @ Highland Avenue

Recommended Action: MOVE to approve Option _____ for Copper Basin Road as defined in the Council memorandum.

TRAFFIC ENGINEERING REPORT

FOUR-WAY STOP EVALUATION FOR COPPER BASIN Rd AT HIGHLAND Ave

OCTOBER 2009

BACKGROUND

The intersection of Copper Basin Rd and Highland Ave is located in a residential area between White Spar Rd and the City limits to the west, with both streets having a 25 mph speed limit. Traffic is controlled on Highland Ave (minor street) through the use of stop signs while Copper Basin Rd (major street) traffic does not stop. Residents on and around Copper Basin Rd had concerns regarding this intersection, and requested it be changed to a multi-way stop. In order to determine if a multi-way stop is warranted at the location, City staff conducted an engineering investigation.

TRAFFIC ENGINEERING INVESTIGATION

A number of factors were investigated for this report. They include the existing posted speed, speed, alignment, width, sight distance, volume, crash data and roadside development. A discussion for each of these factors follows.

Posted Speed

The speed limit for both Copper Basin Rd and Highland Ave in the area of the intersection is 25 mph.

Alignment

Copper Basin Rd is a winding road that generally goes east and west. The roadway in this area rises in elevation as you travel west bound. Highland Ave is on a straight alignment to the north. It curves around a wooded neighborhood as you travel to the north... Highland Ave rises in elevation as you travel north bound. Highland Ave on the south leg does not line up with the road on the north leg. The south leg is 33' offset to the west.

Width

Copper Basin Rd has a ROW of 70' and a curb to curb distance of 39' for both the west and east leg. There are two through lanes (one in each direction) with a two way left turn lane at the intersection with Highland Ave. The through lanes are separated by a solid double yellow stripe. Parking is not allowed on either side. Highland Ave has a ROW of 50' and a pavement width of 22'on the north. The south leg has a ROW of 30' and a pavement width of 22'. There are no curbs or sidewalks on Highland Ave. . . .

There are two through lanes (one in each direction) with no centerline stripe. Parking is not allowed on either side. Copper Basin Rd has sidewalks on the north side only and there are no marked crosswalks in the intersection.

Sight Distance

S/B sight distance on Highland at the intersection is over 1,000 ft to the east and west. N/B sight distance is over 1,000 ft. to the west but to the east it is only 275'.

Traffic Volumes

Traffic volumes where collected on Tuesday October 16, 2009 with the following results.

Copper Basin Rd	W/B:	1,935	Highland Ave :	N/B:	125
	E/B:	2,104		S/B:	702
		4,039			827

Highest 8 hour combined volume (Major street, both directions)

Time:	Volume:
07:00a m	284
08:00am	300
09:00am	255
10:00am	293
11:00am	299
12:00pm	324
02:00pm	282
03:00pm	354
Average:	299

Highest 8-hour combined volume (Minor street, both directions)

Time	Volume:
07:00am	33
08:00am	54
09:00am	45
10:00am	40
11:00am	50
12:00pm	67
02:00pm	69
03:00pm	88
Average:	56

Collision Data

Reviewing traffic collision reports for the past four calendar years from January 1, 2005 to December 31, 2008 for the intersection of Copper Basin Rd and Highland Ave it was discovered that there was one collision susceptible to correction by a multiway stop installation in 2006. There other three years reported no intersection related collisions.

Roadside Development

The existing development can be summarized in the following manner:

Development around the intersection of Copper Basin Rd and Highland Ave consists strictly of single family dwellings.

ANALYSIS

- The "Multiway Stop" installation is useful as a safety measure at some locations. It should ordinarily be used only where the volume of traffic on the intersecting roads is approximately equal. The posting of an intersection for four-way stop control should be based on factual data, furthermore because it causes a substantial inconvenience to motorists, it should be used only where warranted. Any of the following conditions may warrant a multiway stop sign installation.

Warrant Met/Not Met:	Warrant Description
Not Met	A. Where traffic signals are warranted and urgently needed, the multiway stop is an interim measure that can be installed quickly to control traffic while arrangements are being made for the signal installation.
Not Met	B. An accident problem, as indicated by five or more reported accidents of a type susceptible to correction by a multiway stop installation in a 12-month period.
Not Met	C. Minimum traffic volumes: 1) The total vehicular volume entering the intersection from the major approach must average at least 300 vehicles per hour for 8 hours of an average day, (currently 299) and, 2) The combined vehicular and pedestrian volume from the minor street must average at least 200 units per hour for the same 8 hours, (currently 56) with an average delay to minor street traffic of at least 30 seconds per vehicle during the maximum hour. 3) If the 85^{th}-percentile approach speed of the major-street traffic exceeds 40 mph, the minimum vehicular volume warrants are 70 percent of the above values.

Not Met	D.	Where no single criterion is satisfied, but where Criteria B, C.1, and C.2 are all satisfied to 80 percent of the minimum values. Criterion C.3 is excluded from this condition.

As seen above this location **DOES NOT** meet the warrants set forth in the Manual on Uniform Traffic Control Devices (MUTCD) for a multiway stop installation.

IV-E

COUNCIL AGENDA MEMO – July 13, 2010	
DEPARTMENT: Public Works	
AGENDA ITEM: Acceptance of payment in the amount of $23,000.00 from Asphalt Paving & Supply, Inc., as fair compensation for placing asphalt pavement at less than specified thickness on a portion of Demerse Avenue	

Approved By:		**Date:**
Department Head:	Mark Nietupski	
Finance Director:	Mark Woodfill	
City Manager:	Steve Norwood	07/01/10

tem Summary

This item is to accept payment from Asphalt Paving & Supply, Inc. in the amount of $23,000.00 as compensation for placing less than the specified pavement thickness on the Demerse Avenue Reconstruction Project.

Background

Asphalt Paving & Supply, Inc. was the paving subcontractor who placed the asphalt concrete pavement on the Demerse Avenue Reconstruction Project. It is a standard procedure that the pavement thickness be verified by coring after the pavement is placed and compacted. Test results indicated that in the section of Demerse Avenue from Delano Avenue to Montebello Lane the average thickness was 5.5" instead of the 6" specified.

Speedie and Associates, an independent geotechnical engineering firm under the hire of Asphalt Paving & Supply, Inc. performed an engineering analysis of the pavement and submitted a report stating that the original design was conservative and that the pavement, as constructed, will provide adequate support for the 20 year design life, provided routine pavement maintenance is conducted and proper precautions are used to prevent moisture migration into the subgrade.

Western Technologies, Inc, (WTI) an independent geotechnical engineering firm under contract with the City Of Prescott also performed an engineering analysis of the constructed pavement and subsequently reviewed Speedie and Associates separate evaluation. WTI's evaluation noted many of the same observations and indicated the proposed mitigation approach as proposed by Speedie and Associates was acceptable. WTI was a sub-consultant to Civiltec Engineering, project engineers, and engineered the pavement structural section of 6" inches of ¾" asphalt concrete over 10" of aggregate base course placed on geogrid fabric at subgrade.

It is standard procedure to construct an asphalt-rubber concrete friction course as a pavement preservative over newly constructed arterial and collector streets. This friction course was not included in the original Demerse Avenue Reconstruction contract due to the expectation that temperatures would not be in the desired range when the

Agenda Item: Acceptance of payment in the amount of $23,000.00 from Asphalt Paving & Supply, Inc., as fair compensation for placing asphalt pavement at less than specified thickness on a portion of Demerse Avenue

project was programmed for completion. Therefore, an asphalt rubber - asphalt concrete friction course (AR-ACFC) was planned for Fiscal Year 2011 for construction during summer of 2010 by separate contract. The FY 2011 AR-ACFC Overlay Project has been bid and awarded to Grady's Quality Excavating, Inc. The FY 2011 AR-ACFC Overlay Project includes Demerse Avenue from Whetstine Avenue to Montebello Lane, as well as portions of Rosser Street and Gail Gardner Way.

To compensate the City for the less than specified pavement thickness, Asphalt Paving & Supply, Inc. has offered a cash payment of $23,000.00 to cover the cost of the proposed AR-ACFC on Demerse Avenue from Delano Avenue to Montebello Lane. The cost of the AR-ACFC under the contract with Grady's Quality Excavating, Inc. is calculated to be $22,880.00 for the section of Demerse Avenue from Delano Avenue to Montebello Lane.

Budget

The amount of $23,000 will be deposited into the revenue fund for street projects.

Recommended Action: **MOVE** to accept payment in the amount of $23,000.00 from Asphalt Paving & Supply, Inc. as fair compensation for placing asphalt pavement at less than the specified thickness on a portion of Demerse Avenue

IV-F

COUNCIL AGENDA MEMO – July 13, 2010

DEPARTMENT: Public Works

AGENDA ITEM: Adoption of Ordinance No. 4751-1102 authorizing purchase and acceptance of rights-of-way, drainage easements, and temporary construction easements from various owners; and declaring portions of the City Nature Center for use as right-of-way and drainage easement for the Williamson Valley Road Improvement Project

Approved By:		**Date:**
Department Head:	Mark Nietupski	
Finance Director:	Mark Woodfill	
City Manager:	Steve Norwood	07/01/10

Item Summary

Approval of this ordinance would acquire various rights-of-way; drainage easements, and temporary construction easements necessary for the Williamson Valley Road Improvement Project. Upon approval of the ordinance and associated closings, (4) four 17' dedication parcels and one (1) right-of-way remain to be acquired. The ordinance contains the emergency clause to expedite escrow and closing on the various parcels.

Background

Reconstruction of Williamson Valley Road was identified in the Ten-Year Street Improvement Program of July 1995. Exhibit "A" (attached) provides a summary of the acquisitions, involving eleven (11) parcels of real property and identifies property owner, address, assessors parcel number, areas and type of acquisitions, compensation (including where applicable real property improvements and severance) and other terms and conditions for each acquisition. The agreement amounts are based on appraisal or competitive market data provided by Michael Wolf Real Estate Appraisal Services, State Certified Appraiser, the appraisal firm retained by the City for this project. Copies of the actual agreements are available in the City Clerks Office; compensation worksheets are on file at the Public Works office.

The declaration of portions of the City Nature Center for use as right-of-way and drainage easement purposes is valued at $33,550.00 based on the purchase price paid to Prescott Unified School District in 2005. Funding for the Nature Center purchase was from the One Cent Sales Tax for Streets and Open Space.

Budget

The FY 11 Streets Capital Improvement Program includes $6,008,215.00 for the Williamson Valley Road Project (Account No. 2155400-8925-09528 for right-of-way; source – One Cent Sales Tax for Streets and Open Space). The total amount required for the acquisitions listed on Exhibit "A" is $272,233.00 plus closing costs estimated between $200 and $1000 for each closing. The actual closing costs will determine the final amount for each transaction.

AGENDA ITEM: Adoption of Ordinance No. 4751-1102 authorizing purchase and acceptance of rights-of-way, drainage easements, and temporary construction easements from various owners; and declaring portions of the City Nature Center for use as right-of-way and drainage easement for the Williamson Valley Road Improvement Project

Attachments

- Exhibit "A" summary of acquisitions
- Location Map
- Ordinance No. 4751-1102

Recommended Action: MOVE to adopt Ordinance No. 4751-1102.

Williamson Valley Road Rights-of-Way
Acquisition Summary July 13, 2010

Owner Name	Property Address	Assessor Parcel No	Acquisition ROW / Easements	Compensation	Other Terms and Conditions
City of Prescott Open Space	1981 Williamson Valley Rd Prescott, AZ. 86302	116-04-002C	Row= 14,536.3 SF Drn= 23,831.0 SF		Includes Loss of Landscaping Value = $33,550.00
Allen G. and Nadine N. Nell	2047 Williamson Valley Rd Prescott, Az. 86305	115-01-014A 116-03-007G	Row= 20,188.8 sf Drn= 627.4 sf TCE= 245.5 sf	$73,850.00	Includes Loss of Landscaping
Yakashba Estates Association, Inc. Gill Read President	6 Pinnacle Road P.O. Box 10944 Prescott, Az. 86304	116-03-004H	Row= 5,757.9 sf TCE= 5,514.0 sf	$4,733.00	
James H. and Virginia L. Gresham	2237 Shadow Ridge Rd Prescott, AZ. 86301	115-01-001C	Row= 823.8 sf TCE= 2,079.5 sf	$7,000.00	
Dillahunty Living Trust W.D.Dillahunty Trust	2015 Shadow Valley Ranch Rd. Prescott, AZ. 86	115-01-065 302	Row= 3,812.7 sf	$21,300.00	Includes Loss of Landscaping
Pioneer Title Agency Trust # 353034 Gerald L.and Annett Gill Trust	2109 Standing Rock Dr. Prescott, AZ. 86301	115-01-101	TCE= 334.9 sf	$100.00	
Pioneer Title Agency Trust # 353034 Gerald L.and Annett Gill Trust	2105 Burlwood Drive Prescott, AZ. 86301	115-01-102	TCE= 2,095.9 sf	$5,000.00	Includes Loss of Landscaping
Pioneer Title Agency Trust # 353034 Gerald L.and Annett Gill Trust	2113 Burlwood Drive Prescott, AZ. 86301	115-01-089	Drn= 1,224.4 sf TCE= 820.2 sf	$200.00	Includes Loss of Landscaping
Robert H. Norman Jr. and Laura L. Norman	2253 Shadow Ridge Rd Prescott, AZ. 86305	115-01-001J	R/W= 19,098.6 sf TCE= 5,663.6 sf	$98,750.00	Includes Loss of Landscaping

Williamson Valley Road Rights-of-Way
Acquisition Summary July 13, 2010

Exhibit "A"
2

Owner Name	Property Address	Assessor Parcel No	Acquisition ROW / Easements	Compensation	Other Terms and Conditions
Larry M. and Leslie J. Steffes	2008 Williamson Valley Rd Prescott, AZ. 86305	116-03-005	R/W= 6,153.2 sf Drn= 1,273.5 sf TCE= 6,274.60 sf	$61,300.00	Includes Loss of Landscaping
			Total	$272,233.00	

SF =	Square Feet
R/W =	Right-of-Way
Drn Esmt =	Drainage Easement
Slp Esmt =	Slope Easement
TCE =	Temporary Construction Easement
SE =	Sewer Easement
QC =	Quit Claim

ORDINANCE NO. 4751-1102

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AUTHORIZING THE PURCHASE OF REAL PROPERTIES, EASEMENTS AND IMPROVEMENTS FROM ALLEN G. AND NADINE N. NELL; YAKASHBA ESTATES ASSOCIATION, INC. GILL READ PRESIDENT; JAMES H. AND VIRGINIA L. GRESHAM; DILLAHUNTY LIVING TRUST, W.D. DILLAHUNTY TRUSTEE; PIONEER TITLE AGENCY TRUST #353034 GERALD L. AND ANNETT GILL TRUSTEES; ROBERT H. NORMAN JR. AND LAURA L. NORMAN; LARRY M. AND LESLIE J. STEFFES; AND DECLARING PORTIONS OF THE NATURE CENTER PROPERTY FOR USE AS RIGHT-OF-WAY AND DRAINAGE EASEMENT FOR THE WIDENING OF WILLIAMSON VALLEY ROAD, AUTHORIZING THE MAYOR AND CITY STAFF TO TAKE ALL NECESSARY STEPS TO EFFECTUATE SAID PURCHASES AND DECLARATION AND DECLARING AN EMERGENCY

RECITALS:

WHEREAS, the City Council has determined that certain real properties, easements and improvements are needed by the City for the widening of Williamson Valley Road; and

WHEREAS, the proposed purchase prices of the following described properties, easements and improvements are deemed to be fair and equitable and will benefit the City of Prescott.

ENACTMENTS:

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

SECTION 1. THAT the City Council hereby accepts the offer to purchase that certain real property and easements more particularly described in a certain Agreement for Sale of Real Property dated May 14, 2010, from Allen G. and Nadine N. Nell, which property and easements consist of: (1) real property as described in Exhibits A and B thereto; (2) a Drainage Easement as described in Exhibits C, C1 and D thereto: (3) a Right of Entry and Temporary Construction Easement described in Exhibits E and F thereto, all located in APN 116-03-007G and 115-01-014A (2007, 2008), and the City agrees to purchase said property from Allen G. and Nadine N. Nell pursuant to the terms and conditions as set forth therein, for the purchase price of $73,850.00 plus closing costs.

SECTION 2. THAT the City Council hereby accepts the offer to purchase that certain real property and easement more particularly described in that certain Agreement for Sale of Real Property dated March 29, 2010, from Yakashba Estates Association, Inc. Gill Read President, which property and easement consist of: (1) real property as described in Exhibits A and B thereto: (2) a Right of Entry and Temporary Construction Easement described in Exhibits C and D thereto, all located in APN 116-03-004H (2007, 2008), and the City agrees to purchase said property from Yakashba Estates Association, Inc. Gill Read President`, pursuant to the terms and conditions as set forth therein, for the purchase price of $4,733.00 plus closing costs.

SECTION 3. THAT the City Council hereby accepts the offer to purchase that certain real property and easement more particularly described in that certain Agreement for Sale of Real Property dated May 3, 2010, from James H. and Virginia L. Gresham, which property and easement consist of: (1) real property described in Exhibits A and B thereto: (2) a Right of Entry and Temporary Construction Easement described in Exhibits C and D thereto, all located in APN 115-01-001C (2007, 2008), and the City agrees to purchase said property and easement from James H. and Virginia L. Gresham pursuant to the terms and conditions as set forth therein, for the purchase price of $7,000.00 plus closing costs.

SECTION 4. THAT the City Council hereby accepts the offer to purchase that certain real property and easement more particularly described in that certain Agreement for Sale of Real Property dated October 14, 2008, from Dillahunty Living Trust, W.D. Dillahunty Trustee, which real property consist of: (1) real property described in Exhibits A and B thereto, located in APN 115-01-065 (2007, 2008), pursuant to the terms and conditions as set forth therein, for the purchase price of $21,300.00 plus closing costs.

SECTION 5. THAT the City Council hereby accepts the offer to purchase that certain real property and easement more particularly described in that certain Agreement for Sale of Real Property dated May 17, 2010, from Pioneer Title Agency Trust # 353034 Gerald L. and Annett Gill Trustees, which easement consist of: (1) a Right of Entry and Temporary Construction Easement described in Exhibits A and B thereto, located in APN 115-01-101 (2007), pursuant to the terms and conditions as set forth therein, for the price of $100.00.

SECTION 6. THAT the City Council hereby accepts the offer to purchase that certain real property and easement more particularly described in that certain Agreement for Sale of Real Property dated May 17, 2010, from Pioneer Title Agency Trust # 353034 Gerald L. and Annett Gill Trustees, which easement consist of: (1) a Right of Entry and Temporary Construction Easement described in Exhibits A and B thereto, located in APN 115-01-102 (2007), pursuant to the terms and conditions as set forth therein, for the price of $5,000.00.

SECTION 7. THAT the City Council hereby accepts the offer to purchase that certain real property and easement more particularly described in that certain Agreement

for Sale of Real Property dated May 17, 2010, from Pioneer Title Agency Trust # 353034 Gerald L. and Annett Gill Trustees, which easements consist of: (1) a Drainage Easement as described in Exhibits A and B thereto: (2) a Right of Entry and Temporary Construction Easement described in Exhibits C and D thereto, all located in APN 115-01-089 (2007), pursuant to the terms and conditions as set forth therein, for the price of $200.00.

SECTION 8. THAT the City Council hereby accepts the offer to purchase that certain real property and easement more particularly described in that certain Agreement for Sale of Real Property dated May 17, 2010, from Robert H. Norman Jr. and Laura L. Norman, which property and easement consist of: (1) real property described in Exhibits A and B thereto: (2) a Right of Entry and Temporary Construction Easement described in Exhibits C and D thereto, all located in APN 115-01-001J (2007), pursuant to the terms and conditions as set forth therein, for the purchase price of $98,750.00 plus closing costs.

SECTION 9. THAT the City Council hereby accepts the offer to purchase that certain real property and easement more particularly described in that certain Agreement for Sale of Real Property dated May 17, 2010, from Larry M. and Leslie J. Steffes, which property and easement consist of: (1) real property as described in Exhibits A and B thereto: (2) a Drainage Easement as described in Exhibits C and D thereto: (3) a Right of Entry and Temporary Construction Easement described in Exhibits E, F and G, H, thereto, all located in APN 116-03-005 (2010), pursuant to the terms and conditions as set forth therein, for the purchase price of $61,300.00 plus closing costs.

SECTION 10. THAT the City Council hereby declares a change of use of certain real property from open space to right of way and drainage easement located at the City of Prescott Nature Center (Open Space), more particularly described in Exhibits 1, 2, 3 and 4 attached: Right-of-way as described in Exhibits 1 and 2 and Drainage Easement as described in Exhibits 3 and 4, all located in APN 116-04-002D. The City recognizes the value of the right-of-way and drainage easement property at the Nature Center, as set forth herein, to be in the amount of $33,550.00 based on the unit price paid in 2005 when the Nature Center was acquired for Open Space.

SECTION 11. THAT the immediate operation of the provisions of this Ordinance is necessary for the immediate preservation of the public peace, health or safety, and that an EMERGENCY is hereby declared to exist; and THIS ORDINANCE SHALL BE IN FULL FORCE AND EFFECT FROM AND AFTER ITS PASSAGE, ADOPTION AND APPROVAL BY THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott this 13th day of July, 2010

_____

MARLIN KUYKENDALL, Mayor

ATTEST:

ELIZABETH A. BURKE, City Clerk

APPROVED AS TO FORM:

GARY D. KIDD, City Attorney

NATURE CENTER
EXHIBIT "1"
116-04-002C
RIGHT-OF-WAY

All that portion of Section 20, Township 14 North, Range 02 West, of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, more particularly described as follows:

Beginning from the Northwest corner of that certain parcel described in Book 4468, Page 323, of the Official Records of the Yavapai County Recorder, Yavapai County, Arizona.

Thence Southwesterly along the East right-of-way of Williamson Valley Road on a non-tangent curve to the right having a chord bearing of S 04°24'06" W, a chord length of 75.93 feet, a central angle of 11°08'28", and a radius of 391.10 feet;

Thence S 09°58'19" W, 430.03 feet, along the East right-of-way of Williamson Valley Road;

Thence Southwesterly along the East right-of-way of Williamson Valley Road on a non-tangent curve to the left having a chord bearing of S 07°25'50" W, a chord length of 247.18 feet, a central angle of 05°00'10", and a radius of 2831.79 feet;

Thence S 04°55'56" W, 77.60 feet, along the East right-of-way of Williamson Valley Road to the Southwest corner of said parcel;

Thence S 84°55'56" E, 6.28 feet, along the South line of said parcel;

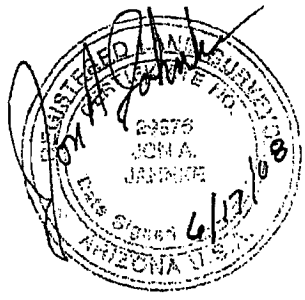
Thence Northeasterly along a non-tangent curve to the right having a chord bearing of N 09°14'39" E, a chord length of 462.33 feet, a central angle of 04°39'36", and a radius of 5686.078 feet;

Thence N 11°36'20" E, 255.39 feet;

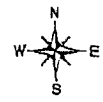
Thence Northeasterly along a non-tangent curve to the left, having a chord bearing of N 03°50'05" E, a chord length of 116.21 feet, a central angle of 15°27'42", and a radius of 431.946 feet, to the North line of said parcel;

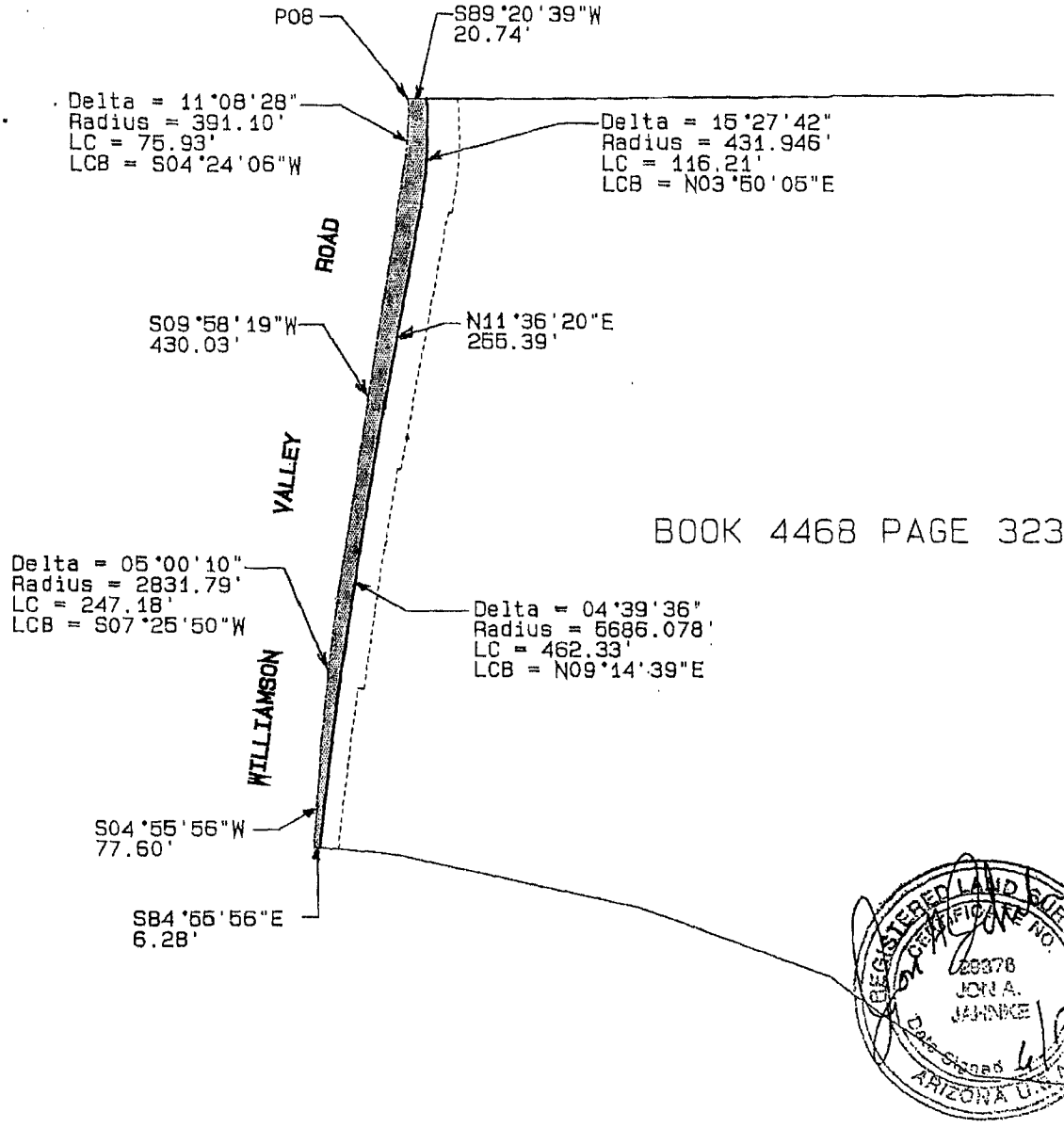
Thence S 89°20'39" W, 20.74 feet, along the North line of said parcel, to the Point of Beginning.

Containing 14,536.3 square feet more or less.

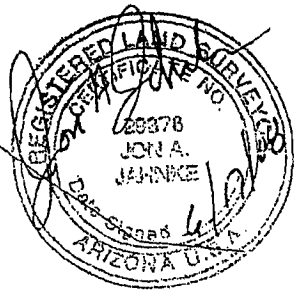


NATURE CENTER
EXHIBIT 2
116-04-002C
RIGHT-OF-WAY





BOOK 4468 PAGE 323



RIGHT-OF-WAY = 14,536.3sq.ft.

NATURE CENTER
EXHIBIT "3"
116-04-002C
DRAINAGE

All that portion of Section 20, Township 14 North, Range 02 West, of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, more particularly described as follows:

Commencing from the Northwest corner of that certain parcel described in Book 4468, Page 323, of the Official Records of the Yavapai County Recorder, Yavapai County, Arizona.

Thence N 89°20'39" E, 20.74 feet, along the North line of said parcel, also being the Point of Beginning of this description;

Thence Southwesterly along a non-tangent curve to the right having a chord bearing of S 03°50'05" W, a chord length of 116.21 feet, a central angle of 15°27'42", and a radius of 431.946 feet;

Thence S 11°36'20" W, 255.39 feet;

Thence Southwesterly along a non-tangent curve to the left, having a chord bearing of S 09°14'39" W, a chord length of 462.33 feet, a central angle of 04°39'36", and a radius of 5686.078 feet, to the South line of said parcel;

Thence S 84°55'56" E, 20.51 feet, along the said South line of said parcel;

Thence Northeasterly along a non-tangent curve to the right having a chord bearing of N 07°50'03" E, a chord length of 180.21 feet, a central angle of 01°49'21", and a radius of 5665.58 feet;

Thence S 81°14'49" E, 7.00 feet;

Thence Northeasterly along a non-tangent curve to the right having a chord bearing of N 09°58'35" E, a chord length of 244.86 feet; a central angle of 02°28'46", and a radius of 5658.58 feet;

Thence S 78°44'42" E, 4.00 feet;

Thence Northeasterly along a non-tangent curve to the right having a chord bearing of N 11°25'46" E, a distance of 34.63 feet, a central angle of 00°21'03", and a radius of 5654.58 feet;

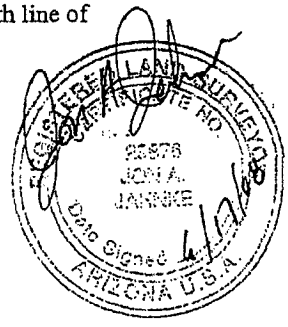
Thence N 11°36'20" E, 255.39 feet;

Thence S 78°21'15" E, 4.00 feet;

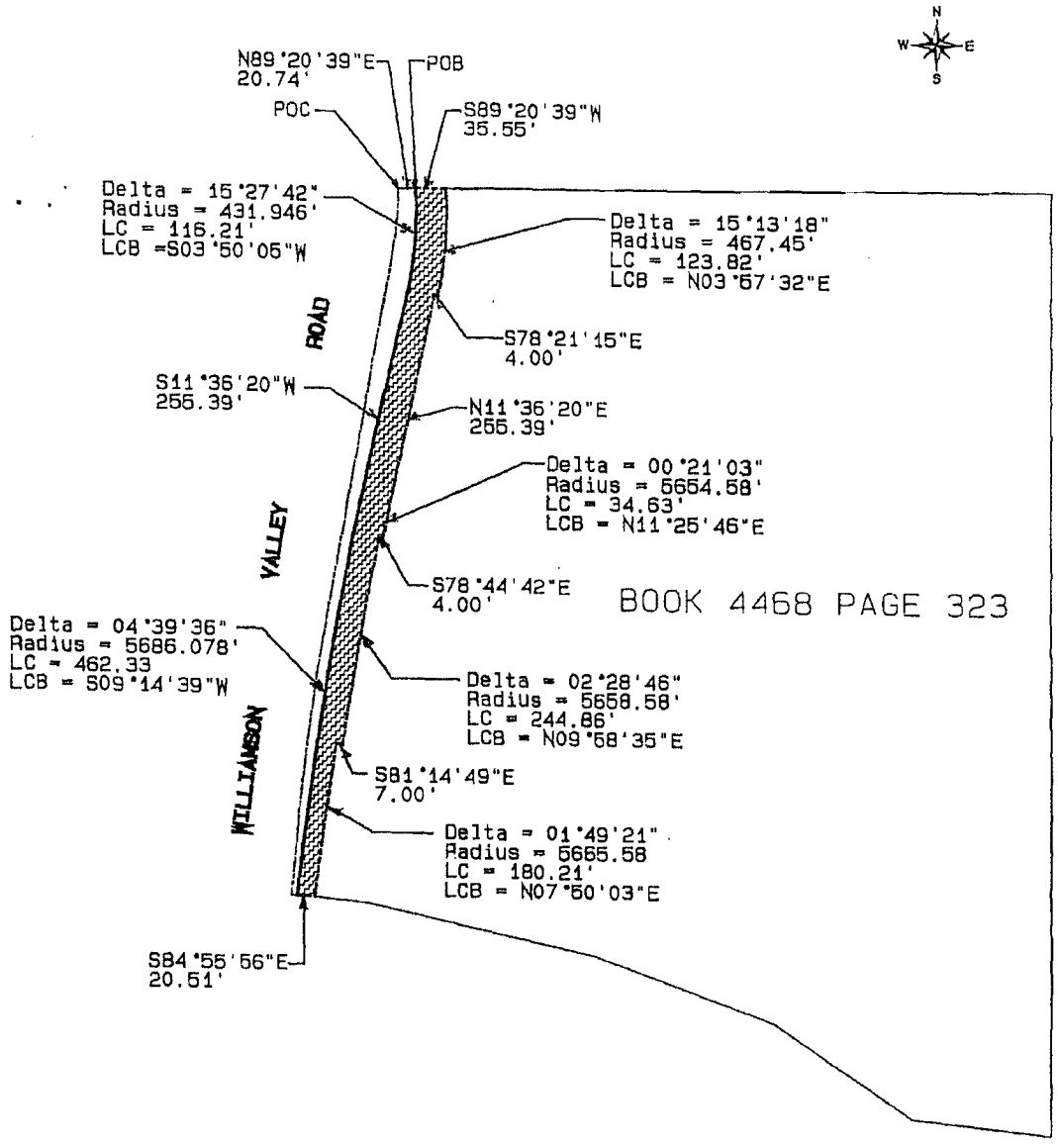
Thence Northeasterly along a non-tangent curve to the left having a chord bearing of N 03°57'32" E, a chord length of 123.82 feet, a central angle of 15°13'18", and a radius of 467.45 feet, to the North line of said parcel;

Thence S 89°20'39" W, 35.55 feet, along the North line of said parcel, to the Point of Beginning.

Containing 23,831.0 square feet more or less.



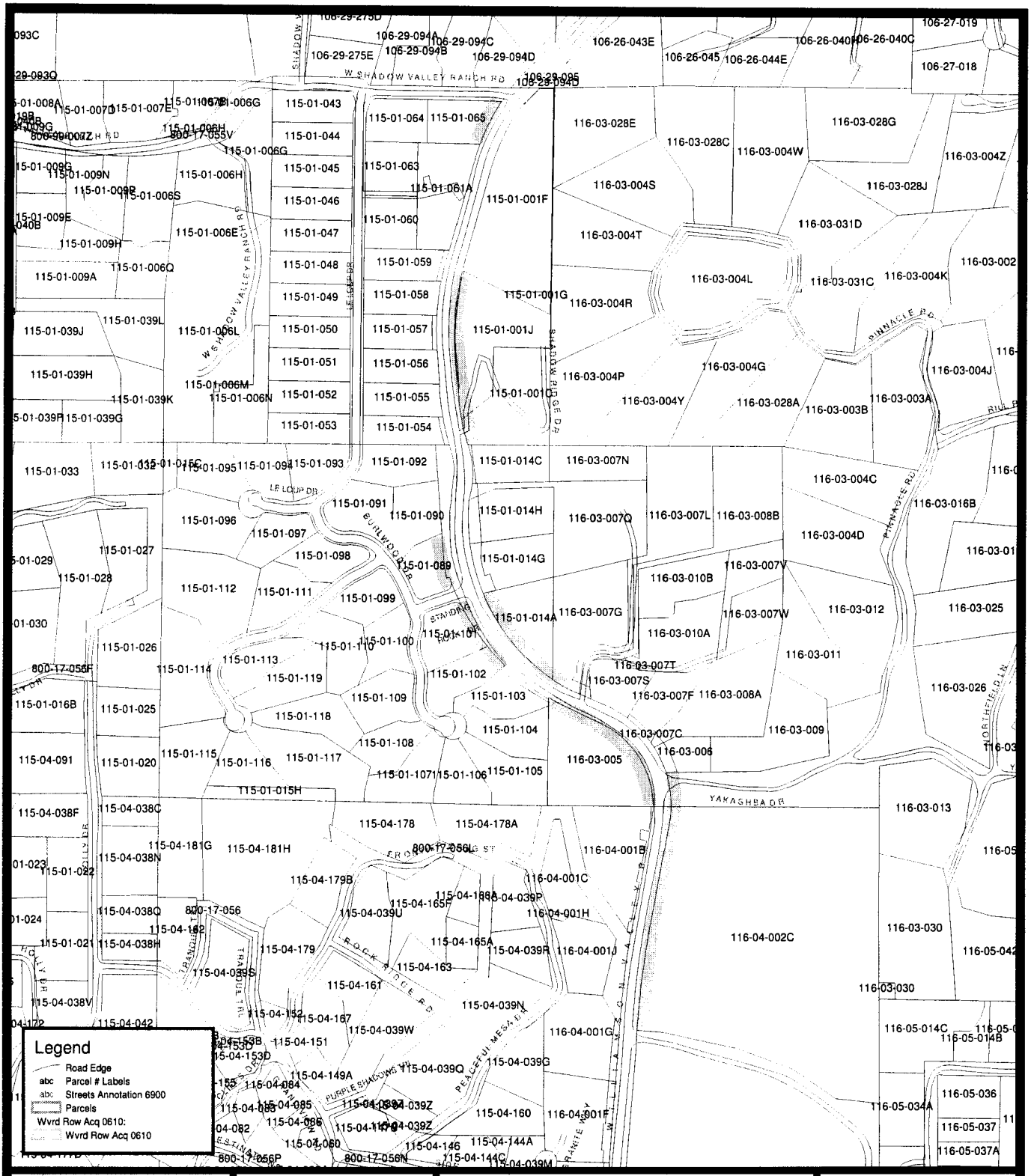
NATURE CENTER
EXHIBIT 4
116-04-002C
DRAINAGE EASEMENT



BOOK 4468 PAGE 323

DRAINGE = 23,831.0 sq.ft.

REGISTERED LAND SURVEYOR
CERTIFICATE NO.
22873
JON A.
JANNKE
Date Signed
ARIZONA U.S.A.



WILLIAMSON VALLEY RD. RIGHT OF WAY ACQUISITION SUMMARY PARCEL MAP

This map is a product of the The City of Prescott GIS

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This document is a graphic representation only of best available sources. The City of Prescott assumes no responsibility for any errors.

IV-G

COUNCIL AGENDA MEMO – July 13, 2010

DEPARTMENT: Airport

AGENDA ITEM: Request authorization to enter into an Airport Ground Lease agreement with Guidance Helicopters for approximately .395 acres of airport property at Ernest A. Love Field and further authorizing the Mayor and City Staff to execute any and all related documents necessary for the lease.

Approved By:	Date:
Department Head: Benjamin Vardiman	07-06-2010
Finance Director:	
City Manager:	07/06/10

This request is for the re-approval of the lease with Guidance Helicopters for the airport property located at 6418 MacCurdy Drive. As directed by Council at the June 22nd meeting, staff reentered negotiations with Mr. Stonecipher and has made the changes to the lease agreement desired by Council.

In the new version of the lease agreement, Mr. Stonecipher has committed to make at least $60,000 worth of improvements to the property and will have 6 months from the date of the lease to complete the construction.

The lease term has been reduced from a 20 year initial term to a 10 year initial term. Additionally, only two 5 year options are provided for in this new version. After the initial 10 year term, the City is not obligated to enter into either of the two 5 year options subject to payment of the buyout price which will not exceed $5,000.

As noted the first time this lease came before Council, this lease increases the size of the leased parcel by approximately 7,682 square feet and increased the agreed upon lease rate for this parcel to $0.697 cents per square foot per year ($1,000.08 per month). This new lease results in a yearly revenue increase for this parcel of approximately 900% compared to the previous lease ($111.25 per month).

The attached lease is the result of the renegotiations and is being recommended by staff for Council approval.

Basic Lease terms and conditions summary:

Lessee:	Guidance Helicopters.
Use:	Aviation related operations and any other of the uses listed below.
Location:	.395 acres of land on 6418 MacCurdy
Improvements:	By Lessee as shown below
Term:	Ten year ground lease for .365 acres with two 5-year options After the first 10 year term, the City may terminate this agreement for a buyout price of $5,000.
Valuation:	Proposed rate for this lease is: $0.697 Per sq ft. $1,000.08 per month or $12,000.69 per year Annual CPI adjustment not less than 3% and not more than 9%

Minimum Initial Capital Improvements

Within 6 months, lessee shall complete construction in initial improvements in the amount of no less than sixty thousand dollars ($60,000) on the premises.

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

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

(1) Automobile parking lots and structures.

(2) Aviation ground school, including pilot and student equipment sales.

(3) Aircraft sales, including radio and navigational equipment, parts, supplies and accessory equipment.

(4) Aircraft leasing, rental and charter.

(5) Aircraft and engine mechanic schools.

(6) Air taxi and air ambulance services.

(7) Aerial photography and surveying.

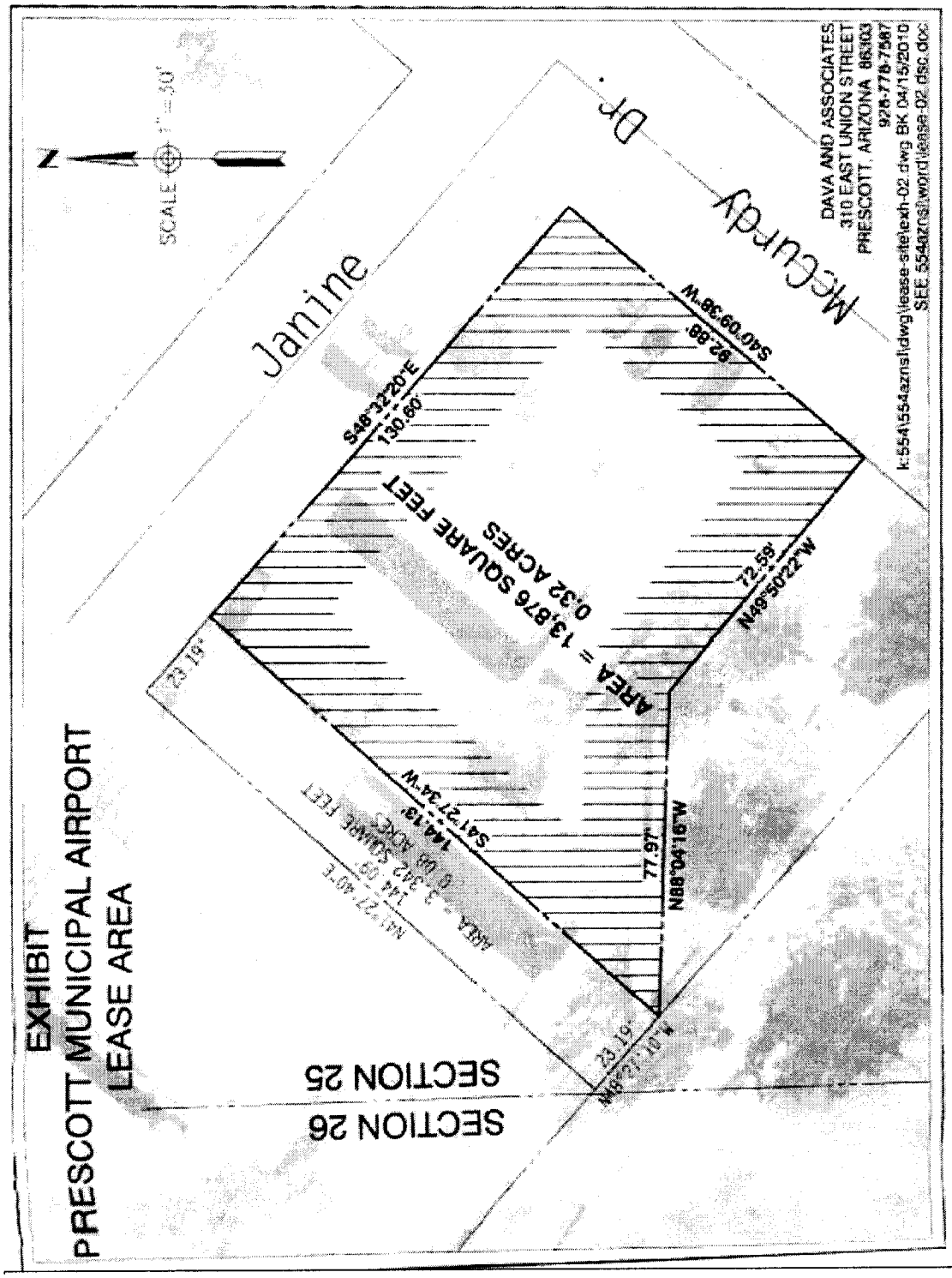
(8) Office, retail and service uses related or ancillary to other uses permitted herein.

(9) Identification, directional and safety signs.

Recommended Action: MOVE to authorize entering into an Airport Ground Lease agreement with Guidance Helicopters for approximately .395 acres of airport property at Ernest A. Love Field and further authorizing the Mayor and City Staff to execute any and all related documents necessary for the lease.

Agenda Item: Airport Ground Lease to Guidance Helicopters

VICINITY MAP



City Contract #_____

Airport Lease between the

CITY OF PRESCOTT

AND

Guidance Helicopters, Inc.

LEASE AGREEMENT

EFFECTIVE DATE

_____, 20____

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AIRPORT GROUND LEASE BETWEEN THE

CITY OF PRESCOTT AND GUIDANCE HELICOPTERS, INC.

This agreement is made between the **CITY OF PRESCOTT**, a municipal corporation of the State of Arizona, hereinafter referred to as "CITY" or "LESSOR", and **GUIDANCE HELICOPTERS, INC.**, hereinafter referred to as "LESSEE". In consideration of the premises and the mutual covenants contained in this Lease, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party to the other, the parties agree as follows:

RECITALS

The City of Prescott has agreed to lease approximately .395 acres of land at Ernest A. Love Field to **GUIDANCE HELICOPTERS, INC.**, the Lessee, for the purpose of conducting flight school operations and related aviation and or aeronautical business pursuant to Exhibit "B". Title to the existing improvements are hereby vested by the City of Prescott to the Lessee during the term of this Lease. Should improvements be made by the Lessee to the site, Lessee will retain ownership of the improvements during the term of this Lease.

ARTICLE I. DEFINITIONS AND EXHIBITS

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

Airport means Ernest A. Love Field.
Airport Manager means the City's Airport Manager.
Approved Lease Form means a form of Space Lease (as described in Article XII), which has been reviewed and approved by Lessor in advance of its use by Lessee in establishing Space Leases.
City means the City of Prescott, Arizona.
City Council or *Council* means the City Council of the City.
City Manager means the City Manager for the City.
Encumbrance means:

(1) any pledge, mortgage, contract lien, assignment, or transfer, of all or part of Lessee's interest in the Premises; or

(2) any transfer of fifty percent (50%) or more of Lessee's total ownership interest in Lessee's business.

Effective Date means that date upon which the City Council has formally approved this Lease, which date shall be inserted on the cover page of this Lease concurrent with the City's execution following such approval.
Existing Improvements means those buildings, vehicular parking improvements, and associated improvements to serve the buildings (if any) existing on the Premises as of the Effective Date of this Lease.
F.A.A. means the United States Federal Aviation Administration or its successor agency.
Improvement means the construction, erection, placement, removal, expansion, alteration, or modification of any building, structure, or fixture on the Premises by

Lessee, including any parking lot, driveway, walkway, landscaping feature, water well, water supply system, septic system, utility line, or outdoor sign.
Initial Improvements mean the initial buildings, vehicular parking improvements, and associated improvements to serve the buildings (if any), which comprise the Phase 1 Improvements.
Lease means this agreement.
Lessee means **GUIDANCE HELICOPTERS, INC**.
Mortgagee means the beneficial holder of a mortgage on any Improvement and Lessee's interest under this Lease.
Phase 1 Improvements are those improvements (if any) to be constructed as the first phase of Improvements as more specifically described on Exhibit C.
Premises means the real property subject to this Lease as depicted on the map in Exhibit A and as described by metes and bounds in Exhibit A-1.
Qualified Tenant mean a tenant under a Space Lease as described in Article XII of this Lease which meets the requirements set forth on Exhibit D attached hereto.

B. Exhibits. This Lease includes the following exhibits, attached to and incorporated into this Lease by reference. Any amendment of any Exhibit to this Lease approved by the City Council shall be attached to this Lease as a modification of this Lease. The amendment to any Exhibit shall be effective when the City and Lessee execute a written instrument accepting such amendment.

Exhibit A is a drawing of the Premises.
Exhibit A-1 is the legal description of the Premises.
Exhibit B are the allowed uses for the Premises.
Exhibit C is a description of the Phase 1 Improvements (if any).
Exhibit D sets forth the requirements for a "*Qualified Tenant*" of space in the Premises.
Exhibit E is the form of Notice of Intent to Sublease for use pursuant to Article XII(A).

ARTICLE II. LEASE OF PREMISES; ADVANCE PAYMENTS

The City hereby leases to Lessee and Lessee leases from the City the Premises described in Exhibits A and A-1, on the terms and conditions set forth in this Lease. Upon City Council approval of this Lease, Lessee shall deposit with the City the sum of $3,000.00 representing the first three month's Base Rent as defined in Article IV, paragraph B ("Advance Rent Deposit"); and the City shall credit such amount against Lessee's Base Rent obligation for the first threes months that Base Rent becomes payable hereunder. The Advance Rent Deposits shall be deemed earned by Lessor and non-refundable.

ARTICLE III. TERM; EXTENSION OPTIONS

The term of this Lease shall be for ten (10) years, commencing on the Effective Date and continuing through the day immediately preceding the 10th anniversary of the Effective Date, unless earlier terminated under the Lease provisions. The Lessee may request to extend, but the Lessor shall not be obligated to approve to extend, the term of this Lease for two (2) additional five (5) year terms by giving the City written notice of each said extension no more than 300 days and at least 180 days prior to the date the Lease would otherwise terminate. The ground rent for any extended term shall be established at that time using the then prevailing rate for bare ground leases at Prescott Airport as may be agreed among the parties, or if the parties cannot agree, as set by an MAI appraiser retained by the parties, with the cost of such appraisal to be shared equally by the parties. However, the ground rent for any extended term shall not be less than the rate in effect 180 days prior to the date the Lease would otherwise terminate.

ARTICLE IV. RENTALS AND PAYMENTS

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

A. Construction Period Rent. **-NOT APPLICABLE**

B. Aggregate Base Rent. On the first day of the Effective Date of this Lease, the aggregate base rent for Premises shall be $0.697 per square foot per year expressed in thousandths of cents per square foot per year multiplied by the combined square footage, as shown on the Exhibit A, divided by 12 ("Base Rent") equaling $1,000.08 per month.

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

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

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

ARTICLE V. USE OF PREMISES AND AIRPORT

A. Permitted Uses. Lessee shall use the Premises solely for the purpose of conducting those aviation related operations as set forth in Exhibit B, attached hereto and made a part hereof. Lessee shall operate and manage the Premises according to Federal, State, and Local Codes, Laws, Ordinances, the Airport Rules and Regulations, and Minimum Development Standards as they may exist and be amended from time to time. If there is a conflict between this Lease and the Airport Rules, this Lease shall govern. Lessee shall also comply with any future amendments to the City Code and Airport Rules and Regulations that are not in conflict with this Lease. Lessee must

comply with all applicable federal, state and local regulations, including but not limited to the Storm Water Pollution Prevention Plan.

B. Permitted Users. Only Lessee and its tenants operating under Approved Lease Forms, and their respective agents, employees, guests and subcontractors shall occupy or operate from the Premises.

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

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

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

ARTICLE VI. IMPROVEMENTS TO PREMISES

A. Approval of Improvements.

1. By approving this Lease, the City Council has approved the Lessee to make Initial Improvements in an amount of no less than sixty thousand dollars ($60,000.00) on the Premises, as described in Exhibit C, subject to compliance with this Lease and any and all applicable codes, ordinances, rules, regulations, and laws.

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

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

B. Initial Improvements by Lessee (if any).

1. Within three (3) months following the Effective Date, Lessee shall submit a proposed site plan and construction schedule for the Initial Improvements in an amount of no less than sixty thousand dollars ($60,000.00) to the Airport Manager, which plan and schedule are subject to the approval of the Airport Manager; provided that they shall be deemed approved so long as it reasonably contemplates completion of the Initial Improvements by the end of the 6th month following the Effective Date of this Lease and complies with this Lease and any and all applicable codes, ordinances, rules, regulations, and laws. The site plan and construction schedule, once approved by the Airport Manager shall be automatically incorporated into this lease and become binding upon the parties. Lessee shall make proper application for construction permits for the Initial Improvements to the City's building official within three (3) months of the Airport Manager's approval of the construction schedule. Lessee or Lessee's contractor shall commence construction of the Initial Improvements no later than thirty days following the issuance of the construction permits and diligently pursue construction to completion.

2. If for any reason, Lessee fails to complete construction of the Initial Improvements within six (6) months following the Effective Date, the City may terminate this Lease by giving the other party written notice of termination thirty (30) days in advance of the termination date.

C. Connection to Taxiways. **NOT APPLICABLE**

ARTICLE VII. MAINTENANCE

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

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

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

ARTICLE VIII. INSURANCE

A. Minimum Lessee Insurance Requirements. Lessee shall obtain and maintain during this Lease, at Lessee's expense, the following minimum insurance. The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. All insurance policies cited herein shall not contain any restrictions of coverage with regard to operations on or near airport premises. All insurance policies cited herein shall contain a waiver of subrogation rights endorsement with respect to the City. Insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

1. Commercial General Liability Insurance against claims for bodily injury, death, and property damage occurring on, in or about the Premises, related to or arising out of Lessee's activities, in an amount not less than $2,000,000 aggregate. The policy must be written on an "occurrence basis" The policy shall be endorsed to include the following additional insured language: "The City of Prescott shall be named as an additional insured with respect to liability arising out of the activities on Lessee's premises, using form CG2010 (10/01) or equivalent.

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

3. Automobile – Commercial/business automobile liability insurance for all owned, non-owned, leased, and hired vehicles assigned to or used in performance of commercial aeronautical activities in the amount of at least $1,000,000 per occurrence.

4. Worker's Compensation – Statutory as required by law and Employer's Liability in the amount of $100,000 per accident, $100,000 disease per person, $500,000 disease policy limit.

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

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

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

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

ARTICLE IX. TAXES, ASSESSMENTS AND FEES

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

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

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

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

Notwithstanding the above, Lessee shall not be responsible for, or have any personal liability to the Lessor for the payment (or a tenant's non-payment) of (1) taxes and assessments levied upon the personal property or fixtures of any tenant within the Premises, (2) the payment of any Airport related fees or charges assessed against any tenant in the Premises with respect to such tenant's use of the Airport facilities, and (3) commercial use fees assessed by the City , which the City hereby agrees shall be assessed directly against tenants on the Premises and not Lessor.

ARTICLE X. UTILITIES

A. Lessee Responsible. Lessee shall pay for and maintain all telephone, electric, cable television, gas and other utilities necessary to its use and enjoyment of the Premises. Lessee shall install and maintain water supply systems and sanitary sewer facilities to serve the Premises as approved by the City in accordance with this Lease.

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

ARTICLE XI. DAMAGE TO OR DESTRUCTION OF IMPROVEMENTS

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

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

ARTICLE XII. ASSIGNING, SUBLETTING AND ENCUMBERING

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

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

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

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

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

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

1. Lessee is in default of this Lease, whether or not notice of default has been given by the City.

2. The prospective Encumbrancer or Sublessee has not agreed in writing to be bound by this Lease.

3. The terms of the Encumbrance or Sublease have not been revealed in writing to the City.

4. Construction of any Improvements previously undertaken by Lessee have not been completed to the satisfaction of the City.

5. A processing fee of $200 for approval of an Encumbrance or Sublease has not been paid to the Lessor by Lessee.

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

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

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

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

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

4. Mortgagee Cures. Lessor will take no action to effect a termination of this Lease by reason of any default without first giving to Mortgagee reasonable time within which either (i) to obtain possession of the Premises (including possession by a receiver) and thereafter to cure such default if the default be one which can be cured with the exercise of reasonable diligence by Mortgagee, or (ii) to institute foreclosure proceedings and to complete such foreclosure, or otherwise to acquire Lessee's interest under this Lease with

diligence and without unreasonable delay in the case of a default which cannot be cured with the exercise of reasonable diligence by the Mortgagee. In either such case, the default of which notice shall have been given shall be deemed cured. The Mortgagee shall not be required to continue such foreclosure proceedings if the default shall be cured by Lessee; provided, further, that nothing herein shall preclude Lessor from exercising any rights or remedies under this Lease with respect to any other default by Lessee during any period of such forbearance.

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

(a) Notify Lessor of its election to proceed with due diligence promptly to acquire possession of the Premises or to foreclose the Permitted Encumbrance or Premises or otherwise to extinguish Lessee's interest in this Lease; and

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

(1) During the period that Mortgagee shall be in possession of the Premises and so long as it remains in possession and/or during the pendency of any such foreclosure or other proceedings and until the interest of Lessee in this Lease shall terminate or such proceeding shall be discontinued, it will pay or cause to be paid to Lessor all sums from time to time becoming due hereunder for Base Rent; and

(2) If delivery of possession of the Premises shall be made to such Mortgagee, whether voluntarily or pursuant to any foreclosure or other proceedings or otherwise, such Mortgagee shall, promptly following such delivery of possession, perform all the covenants and agreements herein contained on Lessee"s part to be performed (including but not limited to payment of net rent) to the extent that Lessee shall have failed to perform the same to the date of delivery of possession, as aforesaid, except such covenants and agreements which cannot with the exercise of due diligence be performed by such Mortgagee. Nothing in this (2) shall be construed to require such Mortgagee to perform any of the Lessee's obligations hereunder accruing after such Mortgagee ceases to be in possession.

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

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

E. Assignees Bound. Every assignee, whether as assignee or as successor in interest of any assignee of Lessee herein named or as assignee of the holder of any Permitted Encumbrance,

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

F. Limitation on Third Party Transfers for Value. If Lessee sells, assigns, conveys or otherwise transfers for value to a third party more than fifty percent (50%) of its interest in this Lease, or sells, assigns, conveys or otherwise transfers to a third party for value more than fifty percent (50%) of its business to another entity, then a conveyance fee equal to five percent (5%) of the sales price for the transferred interest shall be paid to the City, provided, however, that in no event shall this conveyance fee be less than $10,000.00. The applicability of such conveyance fee is intended to be limited to third party transactions. It and shall not apply where Lessee (or the members of Lessee) are conveying interests in the Lease (or in Lessee) to family members or trusts or other vehicles in which family members hold beneficial interests, whether such conveyances occur as part of estate or family planning activities or as a result of the death of one or more of the members of Lessee.

ARTICLE XIII. DEFAULT BY LESSEE

A. Lessee Default. Should Lessee default in the performance of this Lease, the City shall give written notice to Lessee and any Mortgagee holding an interest under a Permitted Encumbrance, of the default and what must be done to correct the default and the period of time in which Lessor has to cure such default. If the default is monetary in nature, the cure period shall be no less than 10 business days. If the default is non-monetary in nature, the cure period shall be no less than thirty days; provided that if at the end of any applicable cure period, Lessee is diligently pursuing a cure of the default, then such period shall be extended up to an additional 60 days provided that Lessee continues to diligently pursue such cure. If the default as noticed by the City is not corrected within the applicable cure period, the City may declare this Lease terminated. In the event of any such termination, Lessor and/or its designee shall have the right to re-enter the premises and remove there from all persons and personal property of the Lessee and may pursue any other remedy provided for herein or under applicable law, or Lessor may treat this Lease as continuing and take, have, and recover any damages it may have sustained or continue to sustain by reason of such continuing breach. All rights of Lessee and those who claim under or through Lessee shall expire and be of no further force and effect at time of any such termination; subject, however, to the continuing rights under Article XII, if any, of a Mortgagee holding a Permitted Encumbrance. If any Lessee default noticed by Lessor hereunder relates to any act or omission of a tenant under a Space Lease (including, without limitation, any act or omission described in Article XIX), Lessee's termination of the rights of the defaulting tenant under its Space Lease shall be deemed to be an effective cure of such default under this Lease, so long as such termination results in or is accompanied by a cure of the condition giving rise to the default.

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

ARTICLE XIV. TERMINATION OF LEASE BY THE CITY

A. If the City should need the Premises during the initial term of this Lease for future expansion or operation of the Airport, the City may terminate this Lease by giving Lessee one-hundred-eighty (180) days prior written notice. Within thirty (30) days following the giving of such notice, Lessee and Lessor shall each identify an appraiser to conduct appraisals of the Lessee's interest in the Property. The cost of both appraisals shall be paid by the Lessor. Each appraiser shall be instructed to independently arrive at the fair market value of the Lessee's interest in the Property (the leasehold interest (based upon the established monthly payments) under this lease and the Improvements) taking into account the income producing capacity of the Property as a whole during the remaining initial term of the lease. The mathematical average of the valuations arrived at by the two appraisers shall be the "Buy Out Price".

B. Upon the Effective Date of the termination, Lessor shall pay to or for the benefit of Lessee and any Mortgagee, in cash, the greater of (1) the Buy Out Price, or (2) the outstanding balance secured by the Permitted Encumbrance, whereupon all Improvements shall become the sole property of the City, or such other sums/agreements as may be approved by both parties. Notwithstanding anything contained herein to the contrary, in the event the City terminates or elects not to extend this Lease at any time after the initial 10 year term, commencing the Effective Date of this agreement, the City's Buy Out Price or total liability for payment under this agreement shall not exceed the total sum of $5,000.00.

ARTICLE XV. TERMINATION BY LESSEE

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

ARTICLE XVI. DISPOSITION OF IMPROVEMENTS

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

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

ARTICLE XVII. EMINENT DOMAIN

A. General. If all of the Premises is condemned by a public entity in the lawful exercise of the power of eminent domain, this Lease shall terminate upon the date possession is taken by the

public entity. If only a part is condemned and the taking of that part does not substantially impair the capacity of the remainder to be used for the purposes allowed by this Lease, Lessee shall continue to be bound by the terms, covenants and conditions of this Lease, except, the monthly rental shall be reduced in proportion to the relationship that the compensation paid by the public entity for the portion of the Premises condemned bears to the value of the whole of the Premises as of the date possession of the part is taken by the public entity. If only a part is condemned and the taking of the part substantially impairs the capacity of the remainder to be used for the purposes allowed by this Lease, Lessee shall have the option to:

1. Terminate this Lease and be absolved of all obligations hereunder which have not accrued at the date possession is taken by the public entity; or

2. Continue to occupy the remainder of the Premises and remain bound by the terms, covenants and conditions of this Lease. If Lessee elects to continue to occupy the remainder, the monthly rental shall be reduced in proportion to the relationship that the compensation paid by the public entity for the portion of the Premises condemned bears to the value of the whole of the Premises as of the date possession of the part is taken by the public entity.

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

B. Division of Award. If the order or decree in any condemnation or similar proceeding shall fail separately to state the amount to be awarded to the Lessor and the amount to be awarded to the Lessee under the provisions of this Article XVII, by way of compensation, damages, rent, the cost of demolition, removal or restoration or otherwise, and if the Lessor and the Lessee cannot agree thereon within thirty (30) days after the final award or awards shall have been fixed and determined, such dispute shall be determined in accordance with Article XXII hereof.

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

D. Notice of Proceeding. In the event Lessor or Lessee shall receive notice of any proposed or pending condemnation proceedings affecting the Premises, the party receiving such notice shall promptly notify the other party of the receipt and contents thereof.

ARTICLE XVIII. RESERVATIONS TO THE CITY

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

B. General Inspection Right. The City reserves the right for the Airport Manager or his/her designee, and upon presentation of identification confirming that person's employment with the City, to have access to, enter, and be upon the Premises with or without notice at all times to perform the duties of and related to airport operations and maintenance. The City further reserves the right for the Airport Manager or his/her designee to enter the premises during normal business hours and conduct inspections of the entire premises for compliance with the provisions of this Lease. At least 24 hours prior written notice shall be given by the City with respect to each exercise of this right.

ARTICLE XIX. FEDERAL AVIATION ADMINISTRATION REQUIREMENTS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Q. The Lessee will conform to airport, Federal Aviation Administration, and Transportation Security Administration safety and security rules and regulations regarding the use of the airport including but not limited to use of the airport operations areas, runways, taxiways, aircraft aprons by vehicles, employees, customers, visitors, etc. in order to prevent security breaches and avoid aircraft incursions and vehicle/pedestrian deviations; will complete and pass airfield safe driving instruction program when offered and/or required by the airport: and will be subject to penalties as prescribed by the airport for violation of the airport safety and security requirements.

ARTICLE XX. HAZARDOUS MATERIALS

A. Definitions.

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

(2) *Hazardous Materials* means any substance or other material that:
(a) is defined as a hazardous substance, hazardous material, hazardous waste or toxic substance under any Hazardous Materials Law or is a flammable or explosive material (including gasoline, diesel, aviation fuels, lubricating oils, and solvents), asbestos, radioactive material, nuclear medicine material, drug, vaccine, bacterial, virus, or injurious or potentially injurious matter; or
(b) is controlled or governed by any Hazardous Materials Law.

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

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

D. Default. The release or discharge of any Hazardous Materials or violation of any Hazardous Materials Law by Lessee or any assignee or sublessee of Lessee shall be a material default by Lessee under the Lease, subject to the notice and cure provisions of Article XIII. In

addition to or in lieu of the remedies available under the Lease as a result of such default, the City shall have the right, without terminating the Lease, to require Lessee to suspend its operations and activities on the Premises until the City is satisfied that appropriate remedial work has been or is being adequately performed. The City's election to suspend Lessee's operations shall not constitute a waiver of the City's right thereafter to declare a default and pursue other remedies set forth in the Lease.

E. Phase 1 Environmental Testing and Remediation. Notwithstanding any provision herein to the contrary, the Lessee, at its expense, shall have 30 days from the Effective Date to conduct Phase 1 environmental testing on and under the Premises for any Hazardous Materials. Should any Hazardous Materials be discovered in quantities exceeding applicable government standards, Lessee may terminate this lease agreement by providing written notice to the City within 60 days of the effective date of the lease.

ARTICLE XXI. DEFAULT BY LESSOR

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

ARTICLE XXII. DISPUTE RESOLUTION; MEDIATION

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

ARTICLE XXIII. MISCELLANEOUS PROVISIONS

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

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

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

Lessee. Force Majeure shall not include financial inability and shall not excuse Lessee from paying any monthly rental or other charge as required by this Lease.

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

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

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

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

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

To the City:

Airport Manager
City of Prescott
6546 Crystal Lane
Prescott, AZ 86301
Telephone: 928-777-1114
Facsimile: 928-771-5861

With a copy to:

City Clerk
City of Prescott
P. O. Box 2059
Prescott, AZ 86302
Telephone: 928-777-1100
Facsimile: 928-777-1255

To Lessee:

GUIDANCE HELICOPTERS, INC.
C/O John Stonecipher, President
6565 Crystal Ln
Prescott, AZ 86301
Telephone: 928-443-9370
EMail: john@guidancehelicopters.com

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

J. Signage. Lessee shall place no signs, flags, or posters or other advertising or promotional materials on the premises, on the exterior of the premises, or in the windows of the

demised premises without having obtained Lessor's prior written consent, which consent will not unreasonably be withheld.

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

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

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

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

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

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

S. Attorneys Fees. The parties hereto expressly covenant and agree that in the event of litigation arising from this Agreement, neither party shall be entitled to an award of attorneys' fees, either pursuant to the Lease, pursuant to ARS Section 12-341.01 (A) and (B), or pursuant to any other State or Federal Statute.

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

U. A.R.S. Section 38-511. Pursuant to A.R.S. Section 38-511, the City of Prescott may cancel this agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of the City is, at any time while the agreement or any extension of the agreement is in effect, an employee or agent of any

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

DATED this _____ day _____, 20_____.

LESSEE:

_____

By: _____

Name:_____

Title: _____

PASSED, APPROVED AND ADOPTED by the Mayor and Council of the City of Prescott this _____ day of _____, 20____

_____

_____, Mayor

ATTEST:

_____
Elizabeth A. Burke
City Clerk

APPROVED AS TO FORM:

_____
Gary D. Kidd
City Attorney

EXHIBIT A
PARCEL DRAWING

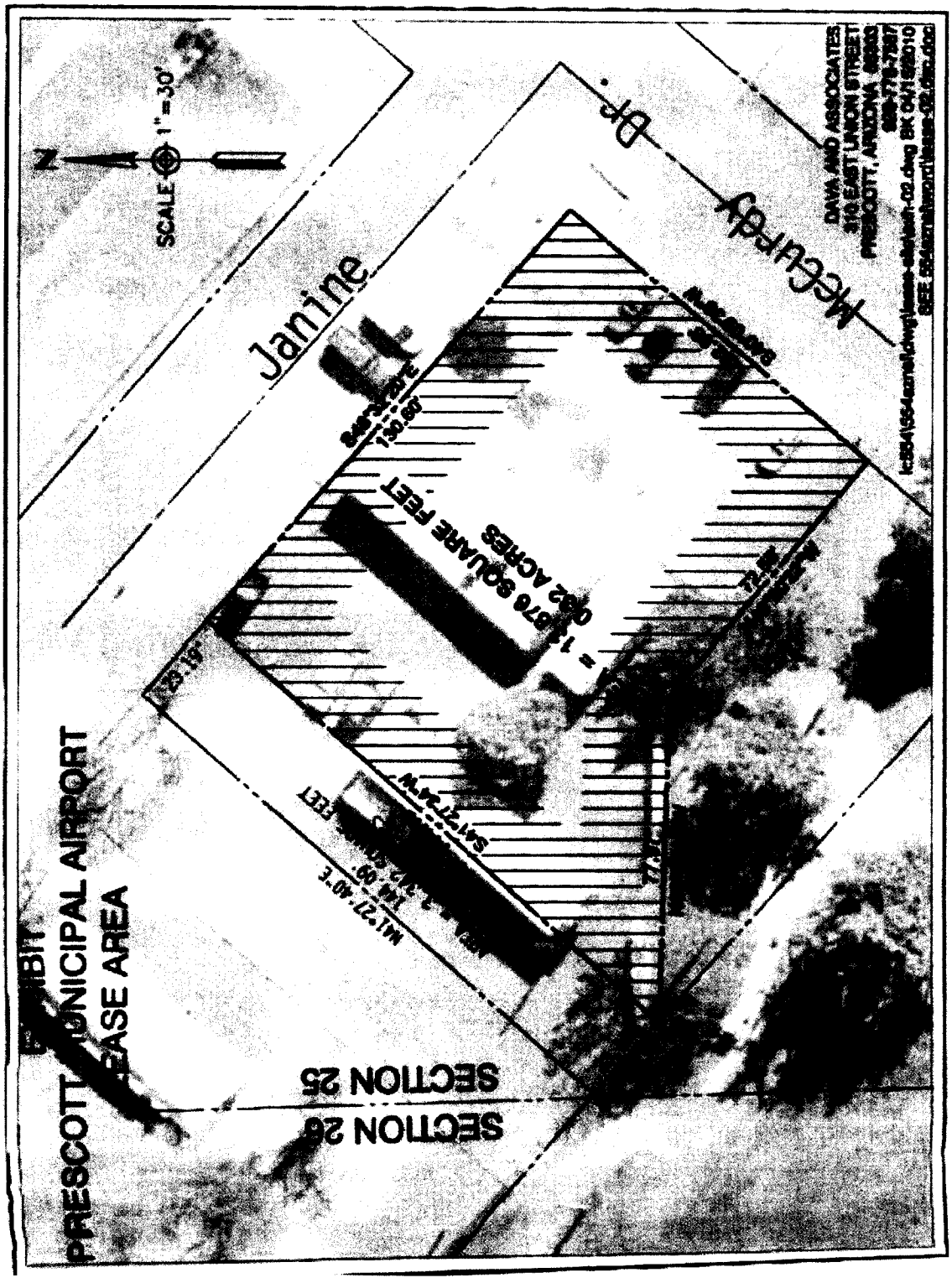

EXHIBIT A-1
MEETS AND BOUNDS LEGAL DESCRIPTION

DAVA & ASSOCIATES, INC. PLANNING • ENGINEERING • SURVEYING
310 E. Union Street, Prescott, AZ 86303 (928) 778-7587

LEASE AREA

A portion of Section 25, Township 15 North, Range 2 West of the Gila and Salt River Meridian, Yavapai County, Arizona, described as follows:

COMMENCING at the west quarter corner of Section 25 as identified by a 3" brass cap in pavement stamped "1/4 25 26 LS 42014 AZTEC";

thence, along the west line of Section 25, South 01°32'59" East, 854.12 feet to the southwesterly line of Prescott Municipal Airport-Ernest A. Love Field as shown on the results of survey recorded in Book 10 of Land Surveys, Pages 46-50 in the Yavapai County Recorder's Office;

thence, along the southwesterly line of Prescott Municipal Airport-Ernest A. Love Field, South 48°27'10" East, 24.57 feet to the **POINT OF BEGINNING**.

Thence, departing the southwesterly line of Prescott Municipal Airport-Ernest A. Love Field, North 41°27'34" East, 144.13 feet;

thence, South 48°32'20" East, 130.60 feet;

thence, South 40°09'38" West, 92.88 feet;

thence, North 49°50'22" West, 72.59 feet;

EXHIBIT A-1
MEETS AND BOUNDS LEGAL DESCRIPTION

thence, North 88°04'16" West, 77.97 feet to the **POINT OF BEGINNING**.

This description yields 13,876 square feet.

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

EXPIRES 6/30/2011

EXHIBIT A-1
MEETS AND BOUNDS LEGAL DESCRIPTION

DAVA & ASSOCIATES, INC. **PLANNING • ENGINEERING • SURVEYING**

310 E. Union Street, Prescott, AZ 86303 (928) 778-7587

LEASE AREA

A portion of Section 25, Township 15 North, Range 2 West of the Gila and Salt River Meridian, Yavapai County, Arizona, described as follows:

COMMENCING at the west quarter corner of Section 25 as identified by a 3" brass cap in pavement stamped "1/4 25 26 LS 42014 AZTEC";

thence, along the west line of Section 25, South 01°32'59" East, 854.12 feet to the southwesterly line of Prescott Municipal Airport-Ernest A. Love Field as shown on the results of survey recorded in Book 10 of Land Surveys, Pages 46-50 in the Yavapai County Recorder's Office.

thence, along the southwesterly line of Prescott Municipal Airport-Ernest A. Love Field, South 48°27'10" East, 1.38 feet to the **POINT OF BEGINNING**.

Thence, departing the southwesterly line of Prescott Municipal Airport-Ernest A. Love Field, North 41°27'40" East, 144.09 feet;

thence, South 48°32'20" East, 23.19 feet;

thence, South 41°27'34" West, 144.13 feet to the southwesterly line of Prescott Municipal Airport-Ernest A. Love Field;

EXHIBIT A-1
MEETS AND BOUNDS LEGAL DESCRIPTION

thence, along the southwesterly line of Prescott Municipal Airport-Ernest A. Love Field, North 48°27'10" West, 23.19 feet to the **POINT OF BEGINNING.**

This description yields 3,342 square feet.

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

EXPIRES 6/30/2011

EXHIBIT B
PERMITTED USES OF THE PREMISES

Lessee shall use the Premises only for the following aeronautical purposes on the condition that the facilities conform to all applicable codes, ordinances, laws, rules, and regulations. No other uses of whatever nature shall be permitted under the terms of this Lease.

a. The operation may include any or all of the following uses:

(1) Automobile parking lots and structures.

(2) Aviation ground school, including pilot and student equipment sales.

(3) Aircraft sales, including radio and navigational equipment, parts, supplies and accessory equipment.

(4) Aircraft leasing, rental and charter.

(12) Aircraft and engine mechanic schools.

(13) Air taxi and air ambulance services.

(14) Aerial photography and surveying.

(15) Office, retail and service uses related or ancillary to other uses permitted herein.

(16) Identification, directional and safety signs.

b. RESERVING TO LESSOR in each and every enumerated use, the right to provide to Airport users one or more of the services allowed by this Clause without the necessity of renegotiation of the terms and conditions of this Lease.

c. None of the uses enumerated in this Clause including, but not limited to aircraft tie-down or storage, shall be permitted in or upon any area of the Premises that have not been improved with paving without the prior written consent of the Airport Manager.

EXHIBIT C
INITIAL IMPROVEMENTS
SITE PLAN & CONSTRUCTION SCHEDULE

Within three (3) months following the Effective Date, Lessee shall submit a proposed site plan and construction schedule for the Initial Improvements in an amount of no less than sixty thousand dollars ($60,000.00) to the Airport Manager, which plan and schedule are subject to the approval of the Airport Manager; provided that they shall be deemed approved so long as it reasonably contemplates completion of the Initial Improvements by the end of the 6th month following the Effective Date of this Lease and complies with this Lease and any and all applicable codes, ordinances, rules, regulations, and laws. The site plan and construction schedule, once approved by the Airport Manager shall be automatically incorporated into this lease and become binding upon the parties. Lessee shall make proper application for construction permits for the Initial Improvements to the City's building official within three (3) months of the Airport Manager's approval of the construction schedule. Lessee or Lessee's contractor shall commence construction of the Initial Improvements no later than thirty days following the issuance of the construction permits and diligently pursue construction to completion.

The site plan and construction schedule, once approved by the Airport Manager shall be automatically incorporated into this lease as Exhibit "C" and become binding upon the parties.

EXHIBIT D
QUALIFIED TENANT DEFINITION

Qualified Tenant Definition

A "Qualified Tenant" shall means any prospective tenant with respect to whom Lessor has not issued a Notice of Objection pursuant to the lease terms and conditions following Lessee's submission of a complete Notice of Intent To Sublease.

EXHIBIT E
NOTICE OF INTENT TO SUBLEASE

Notice of Intent to Sublease

Date:_____

To: City of Prescott, Airport Manager

Owner: Guidance Helicopters, Inc. by John Stonecipher President:_____

Proposed Qualified Subtenant:_____

Principals of Proposed Qualified Subtenant (If not a natural person):_____

_____

Space to be subleased:_____

This shall serve as Notice to the City of Prescott of Guidance Helicopters, Inc. intent to lease to the above described Proposed Qualified Subtenant, the space identified above at the Prescott Airport. This notice is given pursuant to the Lease Agreement, Paragraph A Sublease or Assignment, between the City of Prescott & Guidance Helicopters, Inc..; also known as City contract number _____.

The Sublease agreement is attached for the City's records.

CITY CONSENT

The City of Prescott, by and through the Prescott Airport Manager, hereby consents to the sublease of the above referenced hangar space located within the premises defined in City of Prescott Contract Number _____-_____ (hereinafter referred to as the "Lease"), to the above referenced "Proposed Qualified Subtenant" (hereinafter referred to as "Subtenant"), upon the following terms and conditions:

1. That this consent shall not be deemed a waiver or relinquishment in the future of the covenant against assignment, sale or subletting without first obtaining the consent of the City of Prescott.

2. That in the event of any conflict between the terms and conditions of the Lease and the hangar sublease agreement, the terms and conditions of the Lease shall prevail.

3. That the Subtenant shall agree to accept and abide by any and all provisions in the Lease, and to faithfully perform any and all covenants, stipulations, agreements and obligations under the Lease.

CITY OF PRESCOTT

By:_____ Date: _____
Airport Manager

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

IV-H

COUNCIL AGENDA MEMO – July 13, 2010

DEPARTMENT: City Manager

AGENDA ITEM: Approval of Amendment Two to Contract No. 2009-114 with TransitPlus for Central Yavapai Metropolitan Planning Organization FTA Grant Management Services, in an amount not to exceed $25,000.00

Approved By:		**Date:**
Regional Programs Director:	Craig McConnell	6-28-10
Finance Director:	Mark Woodfill	
City Manager:	Steve Norwood	07/01/10

Background

In January 2009 Contract No. 2009-114, a professional services agreement with Transit Plus, was approved by Prescott at the request of the Central Yavapai Metropolitan Planning Organization (CYMPO), in an amount not to exceed $20,000.00. Amendment One, not to exceed $15,000.00, was subsequently issued in August 2009, again as requested by CYMPO. The City performs procurement and other services to CYMPO according to a Memorandum of Understanding (MOU) between the parties.

Yavapai County is recruiting a Transit Development Coordinator for CYMPO, which does not have an in-house employee with the extensive training required for the Federal Transit Administration (FTA) TEAM and ECHO systems used to access federal transit funding. Accordingly, continuation of the FTA Section 5307 grant management contract with TransitPlus will be necessary for the next 9-12 months at an estimated cost of approximately $25,000.00, until the prospective Transit Development Coordinator is able to perform grant management functions. As long as CYMPO continues to obligate and expend FTA funding, grant management will be required. TransitPlus has proven to be thoroughly versed in this very specialized field, and has performed well for CYMPO on an interim basis.

Budget

This amendment was approved by the CYMPO Executive Board on May 15, 2010, for forwarding to the City for issuance. The CYMPO FY2011 Budget includes transit grant management services. Eighty-percent (80%) of the $25,000 amount of this amendment ($20,000) is FTA-reimbursable. The required 20% local match ($5,000) will be split equally among the City of Prescott, Town of Prescott Valley, and Yavapai County. Funding is available for the $1,666.67 apportionment to Prescott.

Attachment - Scope of Work for Amendment Two

Recommended Action: MOVE to approve Amendment Two to Contract No. 2009-114 with TransitPlus, in an amount not to exceed $25,000.00.

Scope of Work

2010 FTA Technical Assistance

Purpose

Assist the CYMPO in 2010 grant management activities and in transitioning duties to the new Transit Development Coordinator to be hired later this year. Activities will include:

- completing FTA grant management activities (including documentation) and providing technical expertise for all grant management activities;
- assisting CYMPO, through review and guidance, in carrying out FTA funded activities;
- keeping abreast on FTA regulations and ensuring compliance;
- training and transition of responsibilities to new employee; and
- other miscellaneous tasks as required.

Suzanne O'Neill and Emily Jackson will work closely with CYMPO staff on this project. Suzanne will be responsible for oversight and making sure high quality work is produced on done on-time. Emily will carry-out routine daily functions.

The objective of both the MPO and the Consultant is to assure overall FTA compliance, to monitor FTA regulatory and program activities, and to provide for a smooth transition to the new Transit Development Coordinator.

Scope

Task 1. Project Management

1.1 Conduct regular communication with CYMPO staff to coordinate tasks and keep abreast of the progress of the project; submit monthly invoices.

Task 2. FTA Grant Compliance Activities

2.1 For all activities funded with FTA monies, review and provide guidance on how to carry them out so they will comply with FTA requirements. A procurement example would include: identifying procurement steps and reviewing and documenting the procurement and acceptance processes.

2.2 Review FTA regulatory documentation and monitor relevant program changes to ensure all grant activities are completed in their entirety and on-time.

2.2 Maintain regular communication among the consultant, MPO staff, and FTA Region 9 staff.

2.3 Document regulatory and compliance measures and make recommendations to CYMPO as necessary. Identify any additional documentation required so it can be added to the electronic and hard copy files.

Task 3. Monthly Activities

3.1 Update project milestones as they are completed. Attach completed documents as needed and submit materials via the TEAM website.

3.2 Complete Financial Status Report and submit supporting documents via the TEAM website. Send all financial documentation to CYMPO Staff and City of Prescott Finance (accounting) Department before uploading documents to the TEAM site.

3.3 Request grant reimbursements via the ECHO-Web system. Ensure all requests are accurate and verify the information entered into the system is consistent with the Financial Status Reports submitted in the TEAM. Document the Message Confirmation Number upon completion of the submittal for referencing the submittal.

3.4 Reconcile the grant accounts and keep the CYMPO staff current on the remaining funds available.

Task 4. Assigned Projects

This task includes any additional projects as assigned by CYMPO and may include:

- Assistance with procurement.
- Provide for transition of FTA work to new staff once individual is hired. Assist in training as needed and identify other training opportunities based on knowledge/skill of the individual hired.
- Assistance with initiation of voucher program (contractual arrangements, notices to vendors, training, etc.).
- Responses to special activities initiated by FTA.
- Completion of project close-out reports.

Proposed Budget

Task Description	O'Neill $140	Jackson $85	Clerical $60	Total Hours	Total Amount
1 Project Management	10	10	6	26	$2,610
2 Compliance of FTA Activities	20	60		80	$7,900
3 Monthly Activities	18	60		78	$7,620
4 Assigned Projects	25	30		55	$6,050
Subtotal Labor	73	160	6	239	$24,180
Direct Expenses					
Copies and Reproduction					$100
Travel expenses, as needed					$720
TOTAL					$25,000