

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

**PRESCOTT CITY COUNCIL
REGULAR VOTING MEETING
TUESDAY, OCTOBER 26, 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:** Councilman Blair
- ◆ **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. PROCLAMATION

A. [October 2010 as Palliative Care Month.](#)

II. CONSENT AGENDA

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

A. [Appointment of Sheri Swain as the City of Prescott Yavapai Combined Trust Board Trustee and Mary Jacobsen as Alternate.](#)

- B. Approval of the minutes of the Prescott City Council Workshop of October 5, 2010, and the Regular Voting Meeting of October 12, 2010.

III. REGULAR AGENDA

- A. Public Hearing and consideration of State Liquor License Application No. 12133471, for a new Series 12, Restaurant, license for Stephen Allan Rice applicant for Adirondack Cafe located at 126 South Montezuma Street
- B. Public Hearing and consideration of State Liquor License Application No. 10133221, for a new Series 10, Beer & Wine Store, license for Rebecca Estorga, applicant for Thumb Butte Gas and Convenience Mart located at 1451 West Gurley Street.
- C. Acceptance of Arizona Department of Homeland Security grants for the Prescott Fire Department (Total of \$114,706.00 in 100% grants—no matching funds required).
- D. Adoption of Ordinance No. 4766-1117 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the purchase of real property and easement rights from James Deep Well Ranches #1, L.L.C., for the Intermediate Pump Station and Reservoirs Project, and authorizing the Mayor and City staff to take all necessary steps to effectuate said purchase.
- E. Approval of a professional services agreement with Post Buckley Schuh & Jernigan for engineering and construction support services for the Zone 27 Reservoir and construction support services for the Zone 24 reservoir in an amount not to exceed \$441,716.00.
- F. Assignment and Assumption of Rights – Prescott Lakes:
 - 1. Adoption of Resolution No. 4051-1121 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott to enter into an Assignment and Assumption of Rights and Obligations Pertaining to a Development Agreement, Contract No. 2004-157, with SDC Prescott, L.L.C. thereby assigning the rights and obligations under the existing agreement to EFO/PL Investors, L.L.C., and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.
 - 2. Adoption of Resolution No. 4052-1122 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott to enter into an Assignment of Rights Pertaining to the Agreement for Potable Water, Contract No. 2004-151, with SDC Prescott, L.L.C. thereby assigning the rights and obligations under the existing agreement to EFO/PL Investors, L.L.C., and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.

- G. Presentation on direction being taken by the City of Prescott Department of Tourism.
- H. Recess into Executive Session.

IV.* EXECUTIVE SESSION:

- A. Discussion or consultation for legal advice with the attorney or attorneys of the public body 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)(3) and (4).
 - 1. Spire Engineering LLC v. City of Prescott
 - 2. Brighton Patio Homes v. City of Prescott
 - 3. City of Prescott v. CVID Investments LLC
 - 4.* **Legislative Representation Services**
 - 5.* **Elks Theater Review**

V. 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

PROCLAMATION

“PALLIATIVE CARE MONTH”

October, 2010

WHEREAS, a coalition named “Roadmap for End-of-Life Care...How to Find the Help You Need”, representing several groups of healthcare organizations, was formed in 2000 to educate the general public that there exists “Palliative Care”, a care that promotes physical, psychological, social and spiritual comfort, allowing a person to live life as best as possible considering the circumstances, and

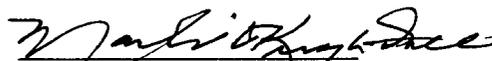
WHEREAS, it is important to understand that “Palliative Care”, unlike “Hospice”, does not necessarily require the presence of an imminently terminal condition, a time limited diagnosis or exclusion of all aggressive therapies; and

WHEREAS, informed choices related to end-of-life care are part of living life to the fullest, the community Partnership for Comfort Care collaborates with local, state, and national projects to bring the most current information to individuals in the community; and

WHEREAS, a most informative seminar, “Roadmap for End-of-Life Care...How to Find the Help You Need” October 29, 2010 at the Yavapai/NAU Facility in Prescott Valley.

NOW, THEREFORE, I, Marlin D. Kuykendall, Mayor of the City of Prescott, Arizona, do hereby proclaim the month of October, 2010 as Palliative Care Month.

IN WITNESS THEREOF, I have hereunto set my hand and caused the Seal of the City of Prescott to be affixed this 26th day of October 2010.

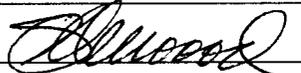

MARLIN D. KUYKENDALL
Mayor

ATTEST:


ELIZABETH A. BURKE,
City Clerk



COUNCIL AGENDA MEMO – 10/26/10	
DEPARTMENT:	City Manager/Human Resources
AGENDA ITEM:	Appointment of Yavapai Combined Trust Trustees

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

Background

The Yavapai Combined Trust (YCT) is the cooperative health trust that provides the City's health/life/dental insurance. The Trust is formed with cooperation and participation from Yavapai County, Yavapai College, the Town of Chino Valley and the City of Prescott. The City of Prescott is allotted 2 trustees and an alternate on the Board.

Mark Woodfill and Jolaine Jackson are the City's trustees on the board and Sheri Swain is the alternate. With the resignation of Jolaine, the Council needs to appoint a new trustee to represent the City.

Item

Staff recommends that the Council appoint Sheri Swain as trustee and Mary Jacobsen as alternate. This would make Mark Woodfill and Sheri Swain the City's Trustees on the YCT Board and Mary Jacobsen the alternate, representing the City in Mark or Sheri's absence.

Recommended Action: MOVE to appoint Sheri Swain as the City of Prescott Yavapai Combined Trust Board Trustee and Mary Jacobsen as Alternate.

PRESCOTT CITY COUNCIL
REGULAR VOTING MEETING
TUESDAY, OCTOBER 12, 2010
PRESCOTT, ARIZONA

MINUTES OF THE REGULAR VOTING MEETING OF THE PRESCOTT CITY COUNCIL held on TUESDAY, OCTOBER 12, 2010 in the COUNCIL CHAMBERS located at CITY HALL 201 SOUTH CORTEZ STREET, Prescott, Arizona.

◆ **CALL TO ORDER**

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

◆ **INTRODUCTIONS**

Councilman Lamerson thanked the Chamber of Commerce and Prescott Downtown Partnership for being present.

◆ **INVOCATION:** Reverend Julia McKenna, Spiritual Architect

Reverend McKenna gave the invocation.

◆ **PLEDGE OF ALLEGIANCE:** Councilwoman Linn

Councilwoman Linn led the Council and audience in the Pledge of Allegiance.

◆ **ROLL CALL:**

PRESENT:

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

ABSENT:

Councilwoman Lopas

◆ **SUMMARY OF CURRENT OR RECENT EVENTS**

None

I. PROCLAMATION

A. October as *United Way Month*.

Councilwoman Linn read the proclamation and presented it to Michael Whiting and Don Shaffer of the United Way of Yavapai County.

Mr. Whiting thanked the Council for the proclamation and noted that the City of Prescott employees have been great supporters of the United Way. He said that the proclamation was a way to kick off their campaign this year. He said that their mission has changed a little in that they are focusing on basic needs, self-sufficiency and education. He then introduced Don Shaffer, Campaign Executive for United Way.

Councilwoman Linn said that United Way has typically raised funds through employees but many people are not employed at a business that is set up for such donations, so they could visit them on line to make a donation.

II. REGULAR AGENDA

A. Public Hearing and consideration of a liquor license application from Janice Louise Martin, applicant for Safeway #274 for a Series 9S, Sampling, license for Safeway #274 located at 450 White Spar.

Ms. Burke said that this application was for a new type of license, a sampling license for Series #9 holders. She said that although sampling has been permitted in the past, this new license also allows store employees to provide sampling opportunities under certain restrictions. She said that the property had been posted and no public comments had been received. She noted that Ms. Martin was present for any questions Council may have.

Councilwoman Suttles aid that there seems to be a little misunderstanding from what she has heard and read. Ms. Martin said that she has been to a lot of communities in the state and can understand the confusion. She said that the way it was rolled out with the State was not ideal.

She said that she did send a letter the other day that explains that the old law allowed only vendors to do the sampling; the new law also allows store employees. She said that from Safeway's perspective nothing will change. They will probably rely on vendors for the most part but this would allow their employees to also provide samples, primarily during the holiday seasons.

Ms. Martin said that the old law required that an area be blocked off, and although the new law does not require that they still intend to do so.

COUNCILWOMAN SUTTLES MOVED TO CLOSE THE PUBLIC HEARING; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.

COUNCILWOMAN SUTTLES MOVED TO APPROVE THE LIQUOR LICENSE APPLICATION FROM JANICE LOUISE MARTIN, APPLICANT FOR SAFEWAY #274 FOR A SERIES 9S, SAMPLING, LICENSE FOR SAFEWAY #274 LOCATED AT 450 WHITE SPAR; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.

Mayor Kuykendall asked Ms. Martin if she was also the person listed on the store's #9 license application. Ms. Martin replied that she acts as agent for both licenses. Mayor Kuykendall asked about the logs maintained by those serving the samples. Ms. Martin said that a log has been maintained all along, regardless of who is serving the sample.

- B. Public Hearing and consideration of a liquor license application from Janice Louise Martin, applicant for Safeway #245 for a Series 9S, Sampling, license for Safeway #245 located at 1044 Willow Creek Road.

Ms. Burke reviewed this application as well, noting that is the same as the previous license, but for the Safeway #245 located at 1044 Willow Creek Road.

COUNCILMAN LAMERSON MOVED TO CLOSE THE PUBLIC HEARING; SECONDED BY COUNCILWOMAN SUTTLES; PASSED UNANIMOUSLY.

COUNCILMAN LAMERSON MOVED TO APPROVE THE LIQUOR LICENSE APPLICATION FROM JANICE LOUISE MARTIN, APPLICANT FOR SAFEWAY #245 FOR A SERIES 9S, SAMPLING, LICENSE FOR SAFEWAY #245 LOCATED AT 1044 WILLOW CREEK ROAD; SECONDED BY COUNCILWOMAN LINN; PASSED UNANIMOUSLY.

- C. Adoption of Resolution No. 4047-1117 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott to enter into a Library Service Agreement for FY2010/2011 with the Yavapai County Library District to participate in cooperative funding for the benefit of the City of Prescott Public Library, and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above. (Contribution from YCLD to City of Prescott Public Library in amount of \$589,156)

Library Director Toni Kaus said that she was usually before the Council asking for authorization to spend money; today she was asking for authorization to receive \$589,156 from the Yavapai Council Library District which comes from the City's property tax revenues. She said that the amount represents a five percent increase over last fiscal year's. She said that the entire amount has been designated for library materials.

Councilwoman Suttles said that this was an example of some of the things that property taxes pay for. Ms. Kaus said that each of the libraries in the incorporated areas get a portion of that tax based on a formula.

Councilwoman Suttles asked how the five percent increase evolved. Ms. Kaus said that it is simply based on the taxes taken in.

Councilman Blair asked if there were any constraints on what it could be used for, such as O&M versus materials, and why and who makes that determination. Ms. Kaus said that the County Librarian and the County Library Administrator would make that decision, based on input received from the respective library. She said that there are certain restrictions. It has to be spent on designated areas such as materials, services and automation and special projects.

Councilman Blair said that he has been asked why it could not help to keep the Library open more hours. Ms. Kaus said that it was her understanding that it could not be used for personnel.

Councilman Lamerson said that the money is going to be used for library materials and those materials are used by residents as well as nonresidents. Ms. Kaus said that was correct; the Library was open to everyone and they have a lot of visitors.

COUNCILMAN BLAIR MOVED TO ADOPT RESOLUTION NO. 4047-1117; SECONDED BY COUNCILWOMAN LINN; PASSED UNANIMOUSLY.

- D. Award of bid and contract for the Virginia Street Sewer Replacement Project to A. Miner Contracting, Inc., in an amount not to exceed \$1,087,737.00.

Mr. Nietupski said that this contract is for replacement of a six inch sewer main that runs down Virginia Street, from Sheldon south to Acker Park. He said that they the six inch main will be replaced with a new ten inch main. He said that this is one of the higher maintenance areas due to overflows, root intrusions, etc. This is part of their annual replacement program and includes replacement of all service laterals back to the curb,

or back of curb, about 3300 feet of sewer main, 17 new manholes and 67 services.

He said that they received nine bids with an engineer's estimate of \$1.5 million. The project would begin later this month to be completed by February of 2011.

He said that the funding was budgeted with financing through WIFA, which requires Davis-Bacon wages to be paid.

Councilman Blair complimented Mr. Miner and the process they had on the Yavapai College property. He said that they have always done a great job in the community and he apologized for holding this contract up for internal issues. They feel fortunate and respectful enough to let this contract go on through while those issues are being resolved.

Councilwoman Suttles asked what dictated financing through WIFA. Mr. Nietupski said that was based on advice from the Finance Department. In looking at the projects and overall program, they understand those that will be paid for through cash and others to be financed through the issuance of debt. This project was identified for financing from WIFA and they are the agency that requires Davis-Bacon wages.

Councilwoman Suttles said that they were doing more financing through WIFA. Mr. Nietupski said that they have identified three projects recently to be submitted to WIFA. He believed that the Finance Director is also looking at other financing options available to the City to obtain the best economic benefit they can.

Daniel Mattsen, Prescott, said that the City recently had a contract that is going into arbitration. He asked if the "not to exceed" amount was a ceiling or if there was a danger they would have the same problem. Mayor Kuykendall said that the two contracts being considered today would be using the old contract. They hope the next ones will be working with a new contract that the contractors and City representatives have been working on.

Mr. Nietupski said that they were looking at the provisions. These are local contractors that the City has experience with. He said that their recommendation was to go forward with the contracts they bid the projects under and in the future they may have a contract modification based on the committee's work.

Councilman Blair said that he would assume that if there was an issue that more material was needed based on unknowns underground, that it

would come back as a unit price change order. Mr. Nietupski said that this was a unit-price contract so for every designated item of work there is a separate unit price provided to the City for that element. If they overrun that element, such as adding a sewer service at a manhole, then that compensation would be made based on the bid for that added component of work. If they determine that they do not need to do one, that item of work could also be deleted. It does provide flexibility.

Councilman Hanna said that there were no contracts out there that will not have change orders on. Mr. Miner and Mr. Moody are people that have been here a long time and they have integrity. When they are dealing with people from the local area it is a lot different that dealing with someone from another area.

Mayor Kuykendall asked if the six inch line was coming out. Mr. Nietupski said that the existing main line will remain in place and be abandoned through established procedures.

Mr. Miner said that the ten inch line was going in significantly deeper than the existing line. He said that today they made contact with the car wash and the Berry's Restaurant. He was working with them on a personal basis so they know their hours and they will be working off hours, perhaps at night, so they always have Sheldon access. They have also switched the bore pits on Virginia Street across Gurley to go to the south to avoid the Arizona Credit Union ingress/egress. Councilman Hanna said that was the difference between local guys and those from out of town.

COUNCILMAN LAMERSON MOVED TO AWARD THE BID AND CONTRACT FOR THE VIRGINIA STREET SEWER REPLACEMENT PROJECT TO A. MINER CONTRACTING, INC., IN AN AMOUNT NOT TO EXCEED \$1,087,737.00, REQUIRING DAVIS-BACON WAGES; SECONDED BY COUNCILMAN HANNA; PASSED UNANIMOUSLY.

- E. Award of bid and contract for Zone 24 Reservoir Replacement Project to CLM Earthmovers, LLC in an amount not to exceed \$1,019,477.50.

Mr. Nietupski said that this contract was for the Zone 24 Reservoir Replacement Project consisting of a 100,000 gallon storage facility being replaced with a .5 mg tank to enhance the City's ability to provide storage capacity, fire flow, etc. for Zone 24 which extends down to Copper Basin Road

He said that the project is ready to go to construction. Arizona Public Service, CableOne, and Qwest have all relocated facilities that were in conflict with some of the water line tie-ins. In the process of developing the process they had two public meetings and will be doing this project

during the winter season to minimize impact to the customers and while they have a lower demand on the system.

He said that the project was bid with two alternatives, one was welded steel tank (more conventional) and the other was glass-fused bolted steel. In this project they are recommending that they go with the glass-fused bolted steel. He said that the packet information includes a life-cycle cost comparison. To recoat the tank at Frontier Village it cost \$97,000. If they consider that in every 12 years they have to recover a tank, the comparison shows that the City could reap a lot more benefit with the glass-fused bolted steel tank. He said that is a savings of \$126,000 to the City over that life expectancy and that was a conservatively low number.

He said that they contacted seven different communities that have used this type of tank and they received nothing but positive comments. It requires no painting or interior coating. There are some maintenance needs later on with seams, but they also provide a shorter construction timeframe. It is easily installed in areas with limited work space.

Mr. Nietupski said that the site is at the very top of Thumb Butte. It is well concealed by boulders and vegetation as they approach and is open on the south side to the view shed.

He said that the bid is \$35,607 more for a glass-fused, but they believe that the long-term maintenance needs will make up for that differential. He said that this was a budgeted project. They contemplate construction beginning in November and finishing in April of 2011.

Councilman Blair said that they just completed a tank off of Country Club and they used the welded type tank. He asked why they did not look at the other type. Mr. Nietupski said that they did, but at the time when they went through the Indian Hill issues the economy of scale was not there.

Councilman Lamerson asked if it was fair to anticipate that at some point in the future the City will be able to provide service in other areas where they have not had service in the past. Mr. Nietupski said that because of the City's program to enhance the facilities and improve the system, the potential is there to provide such service in the future.

Councilwoman Suttles asked how long it took to drain the existing water tank, take it down, refill it and have the neighbors notified. Mr. Nietupski said that they will begin the project in November and complete it in April. As far as the actual time to drain the tank it would probably be a couple of days. Dismantling of the tank will not take but maybe a week and then the site preparation will begin. New tie-in lines have to be installed and once the foundations are complete the assembly would begin.

Councilwoman Suttles asked if they would use the old tank for water supply. Mr. Nietupski said that they have reconfigured their system to allow them to provide service; they will rely on the Zone 27 tank for pressurization.

Councilman Hanna said that he would also like to apologize to both contractors for holding them up and he hoped they understood it will be beneficial to them down the road as well. He asked Connor (CLM) if they had done these glass-fused tanks before and if he thought they were worth the money.

Connor replied that he had never personally done them. After talking with a bolted company and reviewing it for the lifespan and everything, it is a lot better for the City in the long run. The cost is real close to the other and in the long run they will save a lot of money. He said that the ease of construction makes it better for that site as well.

Councilman Blair asked if the decommission of the existing tank and removal of the steel was included in the pricing of the bids. Mr. Nietupski said that when the contractor bids the project they bid it with the removal and materials belonging to them. They consider that savings when submitting their bid.

Mayor Kuykendall asked why the AP&S bid showed a number cheaper with the glass-fused tank. Mr. Nietupski said that if they were to look at the individual bid items it may have been different.

COUNCILMAN HANNA MOVED TO AWARD THE BID AND CONTRACT FOR THE ZONE 24 RESERVOIR REPLACEMENT PROJECT TO CLM EARTHMOVERS, LLC IN AN AMOUNT NOT TO EXCEED \$1,019,477.50 WITH THE GLASS-FUSED TANK; SECONDED BY COUNCILMAN BLAIR; PASSED UNANIMOUSLY.

- F. Adoption of Resolution No. 4048-1118 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, accepting U.S. Department of Homeland Security, Cooperating Technical Partners Grant, in the amount of \$350,000 for the Federal Emergency management Agency (FEMA) Flood Insurance Map Updates and authorizing the execution of any and all documents to implement same.

Mr. Nietupski said that this was the City's first opportunity to accept federal funding directly in lieu of going through the Yavapai County Flood Control District. Mr. Tock has worked in his capacity to develop resources for the City's benefit and this is one where he was successful. Through

that effort and FEMA taking note of the City's program to update the studies for the Granite Creek and Willow Creek watersheds, it acknowledged that effort and encouraged the City to complete it. He said that it requires no matching funding from the City.

Councilman Hanna asked if they were mandated by the Feds to have the studies done. Mr. Nietupski said that the federal government does require the City to be the floodplain administrator and it is their responsibility. In this case they were assisting the City.

Mayor Kuykendall said that in looking at the map it appears that it goes to the border of the reservation, stops and starts again on the other side. Mr. Tock said that was because the reservation is tribal land and the City has no control over it. Mr. Tock distributed a clearer map to the Council.

COUNCILWOMAN LINN MOVED TO ADOPT RESOLUTION NO. 4048-1118; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.

- G. Adoption of Ordinance No. 4762-1113 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the purchase of easements from Donald H. Cramer, Bernard J. and Barbara T. Sheridan, Watson Family Trust, Ross M. and Ann Mellencamp, and Daniel R. and Janet S. Conrad, for the construction of the Zone 19 12-inch transmission main, and authorizing the Mayor and City staff to take all necessary steps to effectuate said purchases.

Mr. Nietupski said that this was for the acquisition of real property rights for the Zone 19 12-inch transmission main located in the Copper Basin Road area, located west of Sheriff's Posse Trail around Mullin Way. He said that the total purchase was \$38,413.32 and it involved five parcels.

He said that the City indicated the site of the future tank and noted that the City would be purchasing the lot adjacent to the site and there will be a lot split. The property owner has agreed to the appraised value of that lot, less the cost of the easements.

He said that this was a budgeted project and they will be pursuing and proceeding with engineering services to develop the project further. This was the first step in the process.

Councilman Lamerson said that this is another item that suggests that at some point in time some of the service available to some residents may be available to others. Mr. Nietupski said that it does provide for that opportunity.

Councilwoman Linn asked why it has been so long since the appraisal was done, in October of 2009. Mr. Nietupski said that they have been in a development phase to determine the location. The City went through some public meetings and worked with a local engineering firm. He said that through that process they have come to this conclusion and that appraisal was done to begin the negotiations.

COUNCILWOMAN LINN MOVED TO ADOPT ORDINANCE NO. 4762-1113; SECONDED BY COUNCILMAN HANNA; PASSED UNANIMOUSLY.

- H. Adoption of Ordinance No. 4765-1116 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, Authorizing the Purchase of Real Property Belonging to the James Deep Well Ranches #1, L.L.C. for the Siting and Construction of a New Airport Zone Production/Recovery Well, and authorizing the Mayor and City staff to take all necessary steps to effectuate said purchase.

Mr. Nietupski said that this was for property acquisition for purposes of drilling and installing a new recovery production well in and near the airport. In 2005 when ADWR granted an increase to the City for its designated assured water supply it came with a proviso that the well capacity should be implemented within approximately one mile of the recharge facility, which is at the airport wastewater treatment facility on the east side of the airport. This site was developed through a number of processes that involved Carollo Engineering and HydroSystems Inc. They did an evaluation of existing wells and one of the requirements was that they locate a well where it did not impact any other well.

They went through that process to ensure that they were finding the most desirable site for that purpose. They employed a very sophisticated process to look at the substructure of the soils in that area. It profiled the subterranean soils up to 2500 feet. Then geophysical engineers and hydrogeologists study that and look at where they find the most desirable sites. This company has worked for a number of municipalities. They identified three wells for Flagstaff and have a high degree of success.

He said that the area is approximately two acres with an appraised value of \$82,800 and the agreement provides for a 12-inch stub-out to the Deep Well Ranch; however, that does not mean they would get water. They would go through the entire process of a water service agreement and comply with all of the City procedures for obtaining that water at some time in the future. It would just avoid the expense in the future of having to cut into the line. He said there was no demand for water at this time.

He said that the well site is within 300 feet of an existing 12-inch main to which it will be tied into once it becomes operational.

Councilman Blair asked Mr. Nietupski to explain the process, with the well fields in Chino Valley going to a centralized treatment facility, and how this would relate to that process. Mr. Nietupski said that Chino Valley does have six wells with a centralized treatment facility. The wells in Prescott have a high water quality; the only treatment that they were bound to do is arsenic and they can provide wellhead treatment for arsenic when necessary. He said that this line will be tied to an existing transmission line.

Councilman Blair asked how deep the well would be and how much water it would produce. Mr. Nietupski said that it would reduce the need for pumping into the Airport Zone, but they cannot know that until they begin drilling and ultimately then they would know the quality of the water.

Councilman Blair said that this will be put in but there is not a demand yet. Mr. Nietupski clarified that there was a demand at this time.

Councilwoman Linn asked when the appraisal on the property was done. Mr. Nietupski said that he did not have the exact date, but probably within the last six to nine months.

Councilman Lamerson asked if heard them say that they well would be pumping less from the well sites in Chino Valley. Mr. Nietupski said that this well would augment that pumping. They would still have the same capacity in Chino Valley but they would not have to pump as much into the Airport Zone.

Councilman Lamerson asked why they would increase the pumping in total. Mr. Nietupski said that this is a recovery well, as required by ADWR; the City was developing redundancy in the system. They will be implementing an intermediate pump station. This is an improvement that will benefit the airport as well as the City as a whole because of its proximity to the City, new pump station, etc.

Councilman Lamerson said that he would anticipate that at some point they would get an arsenic assessment. Mr. Nietupski said that they would when the pilot well was drilled they would water quality sampling to determine whether treatment was needed.

Mayor Kuykendall said that since this well would pump directly into the 12" line he asked if it would have the capacity of pressure up to the existing line and be able to feed water without something else in place. Mr. Nietupski said that well would have a pump with a certain pressure

capacity. In its design it will be done to be compatible with our system in the area. Whether it is working to provide direct supply or reservoir during periods of less demand, it will be configured appropriately. He said that those costs come at a later date, when they develop the physical improvements.

Mayor Kuykendall said that the appraisal was about \$42,000 per acre, and asked if that was going to be the value in that area. Mr. Nietupski said that he was told that the appraisal was done within the last 60 days so it was very current. The size of the property acquired oftentimes bears on the cost. The greater the size the unit costs are usually less. He said that they may see an economy of scale when acquiring airport property.

Councilman Blair said that he thought it was great they were doing this. He asked that he be contacted when they started to drill as he would like to attend.

COUNCILMAN BLAIR MOVED TO ADOPT ORDINANCE NO. 4765-1116; SECONDED BY COUNCILWOMAN LINN; PASSED UNANIMOUSLY.

- I. Comprehensive Sign Plan for Tim's Subaru located at 3230 Willow Creek Rd.; Owner: TC Land Management LLC; Agent: A&B Signs; Zoning Industrial Light, APN: 106-08-008D.

George Worley said that this was a request for a comprehensive sign plan for Tim's Subaru located north of their existing auto facility on Willow Creek. The request is for a total of 234 sq. ft. of signs, 98 sq. ft. of which was on a pole sign. The area was zoned Highway Commercial which allows for a larger sign package for a commercial dealership and would actually allow up to 286 sq. ft., but there was a limitation on the freestanding sign in that they must be set back 50' from the street. The comprehensive sign plan allows for a dealership to ask for approval of the entire sign package together to get something they need out of it, which was the sign closer to the street, as well as give the City something, which was a comprehensive plan for all of the signage on the site at one time.

Mr. Worley said that it does include signage on the building itself. There is a logo with "Subaru" on the building and it may be replaced with lettering that says "Tim's" and they would ask that the Council consider that as part of the approval of the sign package, and allow for staff approval of that change should it occur.

He said that the freestanding sign is to be located about 10 feet back from the edge of their property and allows for people traveling south on Willow Creek Road to see the sign due to the terrain in that area.

Harry Wirick with A & B Sign Company came forward and Mayor Kuykendall thanked him for what they do for the community.

COUNCILWOMAN LINN MOVED TO APPROVE CC10-003 SUBJECT TO ALL SIGNAGE LIGHTING BEING SWITCHED OFF AT NIGHT IN ACCORDANCE WITH LDC SECTION 5.3.8; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.

- J. Adoption of Ordinance No. 4763-1114 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, to amend Title X, *Land Development Code*, of the Prescott City Code, by Amending Section 9.1, *Common Procedure*.

Mr. Worley said that this was a request to make modifications to the public participation sections of the Land Development Code. He said that they had a number of redundant uses of terminology and conflicting usage in that some are called “public meetings” and others “public hearings.” This was an attempt to clarify all of that. He said that it was reviewed by the Planning and Zoning Commission and they unanimously supported its adoption.

Councilwoman Linn thanked staff and the Commission for taking the time and effort to clean up the wording.

COUNCILMAN LAMERSON MOVED TO ADOPT ORDINANCE NO. 4763-1114; SECONDED BY COUNCILWOMAN SUTTLES; PASSED UNANIMOUSLY.

- K. In Lieu of Parking in Downtown Business District:

1. Adoption of Ordinance No. 4764-1115 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, amending Title X, *Land Development Code*, of the Prescott City Code by providing for Changes to Sections 4.9, *Downtown Business (DTB)*; Section 6.2, *Off-Street Parking & Loading*; and Table 11.2, *Terms Defined*.

Mr. Worley said that this ordinance had two parts, the first being to reinstate an exemption for properties built prior to 1968 which had been removed about ten years. That would allow for any buildings constructed within the Downtown Business zone prior to 1968 to not be required to have on-site parking for any permitted use. There are currently uses listed in the LDC that do not require on-site parking and those would not be affected in any way.

He said that the second half is that it creates an opportunity for newer buildings to pay a fee rather than try to provide a parking space on a very constrained parcel. Many of the lots in that area are narrow and long and this would give the property owner an opportunity to build a new building, or an addition, and not try to figure out how to put in parking. As they get out of the Downtown Business District it becomes different.

He said that while the concept of the fee and exemption has been discussed by the Uniform Development Code Committee and Planning and Zoning Commission, with input from the Prescott Downtown Partnership and business community through the Chamber, none of those agencies really talked about the fee amount. He said that staff was recommending a fee of \$12,500 but the ultimate decision was up to Council. He noted that Len Scamardo, Chairman of the UDC, was present as well as representatives from the Chamber and PDP.

Councilman Lamerson said that he has been working with them for awhile and he complimented the group of people that got together to try and restore some of the personal property rights of individuals. Going back to the 1968 standard will allow the free market to bring in redevelopment within the downtown by getting rid of some of the onerous costs of mandating certain things. While he was not real happy about charging a parking fee for new buildings, it was better than what they had now.

Mr. Worley noted that the fee was voluntary; it was an option. With regard to redevelopment, one of the prime things that help is to encourage more residential use in the downtown area and the current law makes that difficult.

Councilman Hanna said that he was glad to see they were doing something, but asked how they came up with the \$12,500. Mr. Worley said that it was an early estimate provided by a number of people getting together through the UDC meetings. They found that there was a range between \$12,500 up to \$15,000 based on surface parking versus parking in a garage. The estimate is a lifetime estimate and accounts for future maintenance of the space. He said that it was somewhat guesswork, and was Council's prerogative. They felt it was a starting point and would provide them with a low enough fee to collect some monies.

Councilman Hanna asked if they had talked with other municipalities that have had this same problem. Mr. Worley said that they did do research and found a very good investigative

report done by a municipality that looked at fees across the country. They ranged from \$27,000/space to \$1,800/space; the average was \$16,000. He said that the numbers did come up about two years ago when the process was beginning. Based on economic factors now with property value downtown and construction costs, the fee may be lower than that now.

Mayor Kuykendall asked where the money went. Mr. Worley said that it would go into a specific fund for creation of new parking spaces in the future, either by acquisition and development or maintenance and improvements of existing parking spaces. Mayor Kuykendall asked if it would be used to maintain the existing parking garage. Mr. Worley said that it would not.

Councilwoman Linn said that she would be interested to hear from the Chamber and PDP on the amount of the fee.

Steve Stazenski, Prescott Downtown Partnership, said that they were glad this was on the agenda and he thanked the UDC and Planning and Zoning Commission, as well as staff, for their hard work. He thought it was a restoration of property rights. With regard to the fee amount, he would digress to staff's opinion, as it was guesswork to a great degree. He said that the PDP was in support of the way the ordinance and resolution was written. They believed that at any time the Council could change the fee if they found it was restricting growth, or at some time decide it should be higher.

Councilman Lamerson said that regardless of the fee, it pays for the privilege for someone to have a choice on whether they provide parking or contribute to an account. He said that it would run with the lot and was a one-time fee. Mr. Worley said that was correct, just like creating a parking space, the fee creates a "virtual parking space" for that property.

Mayor Kuykendall asked what would happen if the change of use occurs after a fee is paid and the new use required more spaces. Mr. Worley said that the ordinance provides for the additional parking spaces to be created or additional fees paid; no refund would be issued if the requirements were less. He said that the Council also has the ability to waive or modify the fee depending on the type of use coming in.

Dave Maurer, Chamber of Commerce Executive Director, said that he echoed Mr. Stazenski's comments. The Chamber supports the proposal and is delighted it is before the Council. They, too, did not spend a lot of time on the specific fee but accepted the fact that

there should be a fee. He said that the market will decide. Councilman Hanna noted that if the fee did not work, they could bring it back and change it.

Mr. Mattsen said that in this economy it could be difficult starting up a business and asked if the \$12,500 fee could be paid over time. Mayor Kuykendall stated, and others agreed, that it could be addressed on a one-by-one basis. Mr. Worley agreed that it would be best to allow Council to consider that through the waiver process and the resolution gave them that authority.

COUNCILMAN LAMERSON MOVED TO AMEND THE LAND DEVELOPMENT CODE TO ALLOW A FEE TO BE PAID TO THE CITY IN LIEU OF PROVIDING PHYSICAL PARKING SPACES FOR BUSINESSES IN THE DOWNTOWN BUSINESS DISTRICT AND TO EXEMPT CERTAIN BUILDINGS FROM PROVIDING PARKING (ADOPT ORDINANCE NO. 4764-1115); SECONDED BY COUNCILMAN HANNA; PASSED UNANIMOUSLY.

2. Adoption of Resolution No. *** 4049 4749-1119 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, adopting an In-Lieu Parking Fee for the Downtown Business District

COUNCILWOMAN LINN MOVED TO ADOPT RESOLUTION NO. 4049-1119; SECONDED BY COUNCILMAN HANNA; PASSED UNANIMOUSLY.

- L. Approval of the minutes of the Prescott City Council Special Meeting of September 24, 2010, the Workshop of September 28, 2010, and the Regular Voting Meeting of September 28, 2010.

COUNCILWOMAN LINN MOVED TO APPROVE THE MINUTES OF THE PRESCOTT CITY COUNCIL SPECIAL MEETING OF SEPTEMBER 24, 2010, THE WORKSHOP OF SEPTEMBER 28, 2010, AND THE REGULAR VOTING MEETING OF SEPTEMBER 28, 2010; SECONDED BY COUNCILMAN BLAIR; PASSED UNANIMOUSLY.

- M. Recess into Executive Session.

COUNCILMAN LAMERSON MOVED TO RECESS INTO EXECUTIVE SESSION; SECONDED BY COUNCILMAN BLAIR; PASSED UNANIMOUSLY.

The Prescott City Council recessed Open Session at 4:39 p.m.

III. EXECUTIVE SESSION

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body 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)(3) and (4).

1. Centerpointe East/Side Road Interchange.

IV. ADJOURNMENT

The Prescott City Council reconvened into Open Session at 4:58 p.m. at which time the Regular Voting Meeting of October 12, 2010, adjourned.

MARLIN D. KUYKENDALL, Mayor

ATTEST:

ELIZABETH A. BURKE, City Clerk

CERTIFICATION

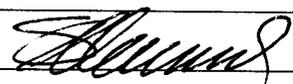
I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Voting Meeting of the City Council of the City of Prescott, Arizona held on the 12th day of October, 2010. I further certify the meeting was duly called and held and that a quorum was present.

Dated this ____ day of _____, 2010.

AFFIX
CITY SEAL

ELIZABETH A. BURKE, City Clerk

COUNCIL AGENDA MEMO -10/26/10
DEPARTMENT: City Clerk
AGENDA ITEM: Public Hearing and consideration of a liquor license application from Stephen Allan Rice, applicant for Adirondack Restaurant Company, LLC for a Series 12, Restaurant, license for Adirondack Cafe located at 126 South Montezuma Street

Approved By:	Date:
Department Head: Elizabeth A. Burke	10/26/10
Finance Director: Mark Woodfill	10/26/10
City Manager: Steve Norwood 	10/26/10

A Liquor License Application, City No. 11-168, State No. 12133471, has been received from Stephen Allan Rice, Applicant for Adirondack Restaurant Company, LLC for a Series 12, Restaurant, License for **Adirondack Cafe** located at 126 South Montezuma Street.

The public hearing will be held at the Regular Council Meeting of Tuesday, October 26, 2010. The applicant has been requested to attend the Regular Meeting to answer any questions Council may have.

A copy of the application is available for Council's review in the City Clerk's Office.

<p>Recommended Action: (1) MOVE to close the Public Hearing, and (2) MOVE to approve/deny State Liquor License Application No. 12133471, for a new Series 12, Restaurant, license for Stephen Allan Rice applicant for Adirondack Cafe located at 126 South Montezuma Street</p>

R19-1-102. Granting a License for a Certain Location

Local governing authorities and the Department may consider the following criteria in determining whether public convenience requires and that the best interest of the community will be substantially served by the issuance or transfer of a liquor license at a particular unlicensed location:

1. Petitions and testimony from persons in favor of or opposed to the issuance of a license who reside in, own or lease property in close proximity.
2. The number and series of licenses in close proximity.
3. Evidence that all necessary licenses and permits have been obtained from the state and all other governing bodies.
4. The residential and commercial population of the community and its likelihood of increasing, decreasing or remaining static.
5. Residential and commercial population density in close proximity.
6. Evidence concerning the nature of the proposed business, its potential market, and its likely customers.
7. Effect on vehicular traffic in close proximity.
8. The compatibility of the proposed business with other activity in close proximity.
9. The effect or impact of the proposed premises on businesses or the residential neighborhood whose activities might be affected by granting the license.
10. The history for the past five years of liquor violations and reported criminal activity at the proposed premises provided that the applicant has received a detailed report(s) of such activity at least 20 days before the hearing by the Board.
11. Comparison of the hours of operation of the proposed premises to the existing businesses in close proximity.
12. Proximity to licensed childcare facilities as defined by A.R.S. § 36-881.

Historical Note

Former Rule 2; Former Section R4-15-02 renumbered as Section R4-15-102 without change effective October 8, 1982 (Supp. 82-5). Repealed effective July 11, 1983 (Supp. 83-4). New Section adopted effective March 3, 1993 (Supp. 93-1). R19-1-102 recodified from R4-15-102 (Supp. 95-1). Amended by final rulemaking at 11 A.A.R. 5119, effective January 9, 2006 (Supp. 05-4).

**ARIZONA STATE LIQUOR LICENSES
TYPES / PURPOSES
AS OF 09/10**

SERIES 01 -- In-State Producer's License

Allows an in-state producer to produce or manufacture spirituous liquor and sell the product to a licensed wholesaler.

SERIES 02 -- Out-of-State Producer's License

Allows an out-of-state producer, exporter, importer or rectifier to ship spirituous liquor into the state to a licensed Arizona wholesaler.

SERIES 02L -- Limited Out-of-State Winery Application License

Allows an out-of-state winery to sell 50 cases of wine or less per calendar year and ship the wine into the state to an Arizona licensed wholesaler.

SERIES 02L -- Limited Out-of-State Domestic Farm Winery Application License

Allows an out-of-state domestic winery within or outside of the U.S. to produce less than 20,000 gallons of wine annually and ship the wine into the state to a licensed wholesaler.

SERIES 02L -- Limited Out-of-State Domestic Microbrewery Application License

Allows an out-of-state domestic microbrewery within or outside of the U.S. to ship beer into the state to a licensed Arizona wholesaler.

SERIES 03 -- Domestic Microbrewery License

Allows the licensee of a microbrewery to manufacture or produce at least 5,000 gallons but less than 310,000 gallons of beer annually.

SERIES 04 -- Wholesaler's License

Allows a wholesaler to warehouse and distribute for sale, spirituous liquor to a licensed retailer.

SERIES 05 -- Government License

Allows the holder of a government license to sell and serve spirituous liquor solely for consumption on the premises for which the license is issued. The license is issued in the name of a county, city, town or state university whose governing body has authorized its use.

SERIES 06 -- Bar License – TRANSFERABLE

Allows a bar retailer to sell and serve spirituous liquors, primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises.

SERIES 07 -- Beer and Wine Bar License - TRANSFERABLE

Allows a beer and wine bar retailer to sell and serve beer and wine, primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises.

SERIES 08 -- Conveyance License (Airplanes, Trains, and Boats)

Allows the owner or lessee of an operating airline, railroad or boat to sell all spirituous liquors in individual portions or in original containers for consumption *only* on the plane, train or boat.

SERIES 09 -- Liquor Store License (All spirituous liquors) - TRANSFERABLE

Allows a spirituous liquor store retailer to sell all spirituous liquors, only in the original unbroken package, to be taken away from the premises of the retailer and consumed off the premises.

SERIES 09S -- Liquor Store (Sampling) License

Allows either a new liquor store applicant or one holding an existing liquor store license to apply for sampling privileges, with conditions.

SERIES 10 -- Beer and Wine Store License (Beer and wine only)

Allows a retail store to sell beer and wine (no other spirituous liquors), only in the original unbroken package, to be taken away from the premises of the retailer and consumed off the premises.

SERIES 11 -- Hotel/Motel License (with Restaurant)

Allows the holder of a hotel/motel license to sell and serve spirituous liquor solely for consumption on the premises of a hotel or motel that has a restaurant where food is served on the premises.

SERIES 12 -- Restaurant License

Allows the holder of a restaurant license to sell and serve spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food.

SERIES 13 -- Domestic Farm Winery License

Allows a domestic farm winery licensee to manufacture or produce more than 200 gallons, but less than 40,000 gallons on wine annually.

SERIES 14 -- Club License

Allows the holder of a club license to sell and serve spirituous liquor for consumption only on the premises owned, leased or occupied by the club, and only to bona fide members of the club and their guests.

SERIES 15 -- Special Event License

Allows a charitable, civic, fraternal, political or religious organization to sell and serve spirituous liquor for consumption only on the premises where the spirituous liquor is sold, and only for the period authorized on the license. This is a temporary license.

SERIES 16 -- Wine Festival/Wine Fair License (Temporary)

1. *Wine festival license:* Allows a licensed domestic farm winery to serve samples of its products on the wine festival premises and the sale of such products in original containers for consumption off the wine festival premises.
2. *Wine fair license:* Allows a licensed domestic farm winery to serve samples of its products at a sanctioned county or state fair, and the sale of such products in original containers for consumption off the fair premises.

SERIES 17 -- Direct Shipment License

Allows an out-of-state producer, exporter, importer, or rectifier, blender or other producer of spirituous liquor to take orders from retail customers by telephone, mail, catalog or the Internet. The orders must be shipped into the state to a licensed Arizona wholesaler. The wholesaler must sell the product to a licensed retailer. The retailer will deliver the spirituous liquor to the customer.

COUNCIL AGENDA MEMO -10/26/10

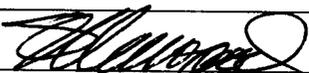
DEPARTMENT: City Clerk

AGENDA ITEM: Public Hearing and consideration of a liquor license application from Rebecca Estorga, applicant for Thumb Butte Gas and Convenience Mart for a Series 10, Beer & Wine Store, license for Thumb Butte Gas and Convenience Mart, located at 1451 West Gurley Street
--

Approved By:	Date:
---------------------	--------------

Department Head: Elizabeth A. Burke	10/26/10
--	-----------------

Finance Director: Mark Woodfill	10/26/10
--	-----------------

City Manager: Steve Norwood 	10/26/10
---	-----------------

A Liquor License Application, City No. 11-164, State No. 10133221, has been received from Rebecca Estorga, Applicant for Thumb Butte Gas and Convenience Mart for a Series 10, Beer & Wine Store, License for **Thumb Butte Gas and Convenience Mart** located at 1451 West Gurley Street.

The public hearing will be held at the Regular Council Meeting of Tuesday, October 26, 2010. The applicant has been requested to attend the Regular Meeting to answer any questions Council may have.

A copy of the application is available for Council's review in the City Clerk's Office.

Recommended Action: (1) MOVE to close the Public Hearing, and (2) MOVE to approve/deny State Liquor License Application No. 10133221, for a new Series 10, Beer & Wine Store, license for Rebecca Estorga, applicant for Thumb Butte Gas and Convenience Mart located at 1451 West Gurley Street.
--

R19-1-102. Granting a License for a Certain Location

Local governing authorities and the Department may consider the following criteria in determining whether public convenience requires and that the best interest of the community will be substantially served by the issuance or transfer of a liquor license at a particular unlicensed location:

1. Petitions and testimony from persons in favor of or opposed to the issuance of a license who reside in, own or lease property in close proximity.
2. The number and series of licenses in close proximity.
3. Evidence that all necessary licenses and permits have been obtained from the state and all other governing bodies.
4. The residential and commercial population of the community and its likelihood of increasing, decreasing or remaining static.
5. Residential and commercial population density in close proximity.
6. Evidence concerning the nature of the proposed business, its potential market, and its likely customers.
7. Effect on vehicular traffic in close proximity.
8. The compatibility of the proposed business with other activity in close proximity.
9. The effect or impact of the proposed premises on businesses or the residential neighborhood whose activities might be affected by granting the license.
10. The history for the past five years of liquor violations and reported criminal activity at the proposed premises provided that the applicant has received a detailed report(s) of such activity at least 20 days before the hearing by the Board.
11. Comparison of the hours of operation of the proposed premises to the existing businesses in close proximity.
12. Proximity to licensed childcare facilities as defined by A.R.S. § 36-881.

Historical Note

Former Rule 2; Former Section R4-15-02 renumbered as Section R4-15-102 without change effective October 8, 1982 (Supp. 82-5). Repealed effective July 11, 1983 (Supp. 83-4). New Section adopted effective March 3, 1993 (Supp. 93-1). R19-1-102 recodified from R4-15-102 (Supp. 95-1). Amended by final rulemaking at 11 A.A.R. 5119, effective January 9, 2006 (Supp. 05-4).

**ARIZONA STATE LIQUOR LICENSES
TYPES / PURPOSES
AS OF 09/10**

SERIES 01 -- In-State Producer's License

Allows an in-state producer to produce or manufacture spirituous liquor and sell the product to a licensed wholesaler.

SERIES 02 -- Out-of-State Producer's License

Allows an out-of-state producer, exporter, importer or rectifier to ship spirituous liquor into the state to a licensed Arizona wholesaler.

SERIES 02L -- Limited Out-of-State Winery Application License

Allows an out-of-state winery to sell 50 cases of wine or less per calendar year and ship the wine into the state to an Arizona licensed wholesaler.

SERIES 02L -- Limited Out-of-State Domestic Farm Winery Application License

Allows an out-of-state domestic winery within or outside of the U.S. to produce less than 20,000 gallons of wine annually and ship the wine into the state to a licensed wholesaler.

SERIES 02L -- Limited Out-of-State Domestic Microbrewery Application License

Allows an out-of-state domestic microbrewery within or outside of the U.S. to ship beer into the state to a licensed Arizona wholesaler.

SERIES 03 -- Domestic Microbrewery License

Allows the licensee of a microbrewery to manufacture or produce at least 5,000 gallons but less than 310,000 gallons of beer annually.

SERIES 04 -- Wholesaler's License

Allows a wholesaler to warehouse and distribute for sale, spirituous liquor to a licensed retailer.

SERIES 05 -- Government License

Allows the holder of a government license to sell and serve spirituous liquor solely for consumption on the premises for which the license is issued. The license is issued in the name of a county, city, town or state university whose governing body has authorized its use.

SERIES 06 -- Bar License – TRANSFERABLE

Allows a bar retailer to sell and serve spirituous liquors, primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises.

SERIES 07 -- Beer and Wine Bar License - TRANSFERABLE

Allows a beer and wine bar retailer to sell and serve beer and wine, primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises.

SERIES 08 -- Conveyance License (Airplanes, Trains, and Boats)

Allows the owner or lessee of an operating airline, railroad or boat to sell all spirituous liquors in individual portions or in original containers for consumption *only* on the plane, train or boat.

SERIES 09 -- Liquor Store License (All spirituous liquors) - TRANSFERABLE

Allows a spirituous liquor store retailer to sell all spirituous liquors, only in the original unbroken package, to be taken away from the premises of the retailer and consumed off the premises.

SERIES 09S -- Liquor Store (Sampling) License

Allows either a new liquor store applicant or one holding an existing liquor store license to apply for sampling privileges, with conditions.

SERIES 10 -- Beer and Wine Store License (Beer and wine only)

Allows a retail store to sell beer and wine (no other spirituous liquors), only in the original unbroken package, to be taken away from the premises of the retailer and consumed off the premises.

SERIES 11 -- Hotel/Motel License (with Restaurant)

Allows the holder of a hotel/motel license to sell and serve spirituous liquor solely for consumption on the premises of a hotel or motel that has a restaurant where food is served on the premises.

SERIES 12 -- Restaurant License

Allows the holder of a restaurant license to sell and serve spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food.

SERIES 13 -- Domestic Farm Winery License

Allows a domestic farm winery licensee to manufacture or produce more than 200 gallons, but less than 40,000 gallons on wine annually.

SERIES 14 -- Club License

Allows the holder of a club license to sell and serve spirituous liquor for consumption only on the premises owned, leased or occupied by the club, and only to bona fide members of the club and their guests.

SERIES 15 -- Special Event License

Allows a charitable, civic, fraternal, political or religious organization to sell and serve spirituous liquor for consumption only on the premises where the spirituous liquor is sold, and only for the period authorized on the license. This is a temporary license.

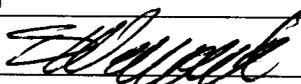
SERIES 16 -- Wine Festival/Wine Fair License (Temporary)

1. *Wine festival license:* Allows a licensed domestic farm winery to serve samples of its products on the wine festival premises and the sale of such products in original containers for consumption off the wine festival premises.
2. *Wine fair license:* Allows a licensed domestic farm winery to serve samples of its products at a sanctioned county or state fair, and the sale of such products in original containers for consumption off the fair premises.

SERIES 17 -- Direct Shipment License

Allows an out-of-state producer, exporter, importer, or rectifier, blender or other producer of spirituous liquor to take orders from retail customers by telephone, mail, catalog or the Internet. The orders must be shipped into the state to a licensed Arizona wholesaler. The wholesaler must sell the product to a licensed retailer. The retailer will deliver the spirituous liquor to the customer.

COUNCIL AGENDA MEMO – 10/26/2010
DEPARTMENT: Fire
AGENDA ITEM: Acceptance of Arizona Department of Homeland Security Grants

Approved By:	Date:
Department Head: Bruce Martinez	
Finance Director: Mark Woodfill	
City Manager: Steve Norwood 	<i>10/12/10</i>

Background

The Prescott Fire Department has been awarded funding from the Arizona Department of Homeland Security for five projects under the 2010 grant program. As you might recall, we are part of Homeland Security's West Regional Advisory Council (one of five in Arizona) and it is through these advisory councils that resources and needs for homeland security projects are identified and funded at regional levels throughout the state. The regional concept helps ensure the best use of limited federal funding for equipment purchases and training.

Status

The funded projects funded include:

1. Haz Mat Detection Equipment-Replacement, Repair or New - \$6,604

This is the purchase of haz mat meters to replace outdated and unreliable 10+ year old meters that are not cost effective to replace sensors, etc. in to gain any additional reliability or life expectancy. Funding is also included for confidence test and calibration gas bottles and sensors for our newer haz mat meters; most of which were purchased with Homeland Security funds a few years ago. This haz mat detection equipment is on the engines and haz mat rig.

2. Mobile Data Computers - \$67,502

This is for seven MDCs that will allow us to complete implementation on the remaining front line apparatus. Currently the BC rig, Engine 71 and Engine 72 are the only units with MDCs. MDCs provide electronic communication between the Com Center and Prescott Fire and significantly reduce the amount of radio traffic in an extremely busy dispatch center. There are also specific CAD layers for mapping, target hazards, automatic vehicle locating, hydrants, etc. available via the MDC.

3. Balance of Rescue Equipment for Prescott Area Fire Departments - \$11,000

This was only partially funded (original request \$22,000). The TRT program has been funded solely with Homeland Security grants which have enabled standardized rescue equipment to be strategically placed throughout the Prescott Basin at those stations nearest a risk for a more effective response. This grant provides additional rope rescue

AGENDA ITEM: Acceptance of Arizona Department of Homeland Security Grants

gear for the outlying stations in Williamson Valley and Groom Creek and a second complement of trench rescue equipment at a Central Yavapai station in the Prescott Valley area (the other is at our Station 74 on Smoketree Lane).

4. Confined Space Entry Equipment and Trailer - \$6,600

Partial funding was awarded for only the trailer itself (original request \$61,000) and hopefully the specialized equipment can be funded in the future. Organizing what equipment we do have in a single trailer, will better support both the Haz Mat and Technical Rescue response teams who undertake confined space entries.

5. Mass Casualty Training Exercise - \$23,000

This project was also only partially funded (original request \$46,000) and is to conduct a mass casualty training exercise for first responders and emergency personnel from the area fire, law enforcement and public safety agencies, Prescott Municipal Airport, YRMC, and Lifeline Ambulance. It will incorporate use of the mass casualty trailer purchased a few months ago through Homeland Security funding and will also address regulatory requirements (i.e. FAA, etc.) for periodic drills. The reduction in funding was in the Backfill/Overtime category; however, there is still \$17,000 for that purpose which we can work with and still have a quality exercise.

Financial

Those projects that were only partially funded can be accomplished with no added cost to the City as we can scale the projects down to fit the available funding. **These are all 100% grants; no City match is required.** An amount sufficient to cover any grant awards the Fire Department may receive from a multitude of sources was included in FY 2011 budget. The grant performance period is October 1, 2010 through September 30, 2011; however, we intend to complete the projects prior to June 30th.

<p>Recommended Action: MOVE to accept the 2010 grant awards from Arizona Department of Homeland Security in a total amount of \$114,706.00.</p>

COUNCIL AGENDA MEMO – October 26, 2010

DEPARTMENT: Public Works

AGENDA ITEM: Adoption of Ordinance No. 4766-1117 authorizing purchase of real property and easement rights west of Willow Creek Road from James Deep Well Ranches #1, L.L.C., for the Intermediate Pump Station and Reservoirs Project

Approved By:		Date:
Department Head: Mark Nietupski		
Finance Director: Mark Woodfill		
City Manager: Steve Norwood 		10/19/10

Item Summary

Approval of this item will acquire real property and easement rights west of the Airport necessary for development of a new intermediate pump station (IPS) to be fed by the existing transmission pipelines from the Chino Valley Water Production Facility. The IPS Project, reducing operating pressures in these pipelines, will enhance efficiency and provide significant new additional storage closer to Prescott, benefiting public safety by increasing the availability of fire flow and reserve capacity in the event of future system outages.

The following will be located within the property and easements to be acquired: the new pump station, an adjacent electrical substation to be constructed by APS specifically required for the pump station, electrical feed, and pipes connecting the pump station to the water transmission pipelines and distribution system. The purchase price of the property in this transaction is the appraised amount of \$604,000.00.

Background

Prescott's Chino Valley Water Production Facility is currently the primary means of water supply for the City. In the future, the Big Chino Water Ranch (BCWR) Project is planned to augment the supply as an additional source. Although the BCWR Project includes reconstruction of the Chino Valley Water Production Facility, the existing transmission pipelines from Chino Valley to the City will continue to be used.

The new intermediate pump station will enable operating pressures in the transmission lines to be reduced, for efficiency and safety. The IPS, already designed in conjunction with the Big Chino Water Ranch Project, has since been separated as a standalone project in the City's Water Capital Improvement Program (CIP). This new pump station is needed independent of the BCWR Project.

The initial IPS phase will provide two (2) three-million gallon (3 MG) reservoirs and pumping capacity of 18 million gallons per day (18 MGD). At buildout, a third 3MG reservoir would be added, and capacity increased to 32 million gallons per day.

AGENDA ITEM: Adoption of Ordinance No. 4766-1117 authorizing purchase of real property and easement rights west of Willow Creek Road from James Deep Well Ranches #1, L.L.C, for the Intermediate Pump Station and Reservoirs Project

Considering constrained Water Fund capital availability, priorities, and water rates, construction of this major project, estimated in the \$30 million range, has been deferred to at least FY 17. However, given the necessity of eventually implementing and placing it into service, and to provide certainty as to location, acquisition of the real property upon which it will be placed has been budgeted in the current fiscal year (FY 11).

With respect to location, the parties wish to lock-in the site to enable more detailed planning of Relocated Willow Creek Road and adjacent land uses. The alignment of this roadway is now being addressed jointly by the City and the Arizona Department of Transportation (ADOT), including a City application to that state agency for a Planning and Rural Assistance (PARA) grant, and design of the related ADOT SR 89 widening project through the Airport area.

Prior Agreement for City Acquisition of this Property

Paragraph 9 d. of the Procedural Pre-Annexation Agreement dated November 24, 2009, between Deep Well Ranch and the City, contemplated acquisition of this property:

Intermediate Pump Station, Reservoirs, and APS Substation Site. The Owner agrees to sell upon request by the City, and City agrees to use its best efforts to purchase, for appraised value, as determined by Robert C. Huck, MAI, 724 Gail Gardner Way, Prescott, Arizona, or such other mutually satisfactory MAI appraiser, property for the Intermediate Pump Station, Reservoirs, and APS Substation Site, and an access easement extending from Willow Creek Road to these facilities, all as more particularly described by the "City of Prescott Public Works Big Chino Water Ranch Water Delivery Project, Bid Package No. 2, Pump Stations & Reservoirs (90% submittal, June 2007) designed by Black and Veatch Corporation, Phoenix, Arizona", a copy of which has been provided to the Owner. The parties acknowledge and agree that the landscaping and aesthetic design features indicated on said design plans and to be implemented by a construction project, are material to the willingness of the Owner to sell to the City the aforementioned property, and further, that although governmental communications facilities for City water operations, public safety, and/or other public operational purposes may be placed on the above described property consistent with applicable City codes and procedures, no communications towers or other facilities for private sector commercial communications purposes shall be permitted on this property. The parties shall in good faith endeavor to negotiate a mutually acceptable sales agreement pertaining to the subject property.

Appraisal

An appraisal of the real property and easement rights to be acquired was performed by Robert Huck, MAI, Huck Appraisal Office, in accordance with the Procedural Pre-Annexation Agreement referenced above. A copy of the detailed appraisal is available in the records of the Public Works Department. In summary:

Property to be acquired for the pump station and APS substation	11.232 acres
Permanent easements for appurtenant pipelines, etc.	7.948
Permanent grading easement	<u>0.693</u>
Total property and permanent property interests to be acquired	19.873 acres
Temporary construction easements	4.823 acres

AGENDA ITEM: Adoption of Ordinance No. 4766-1117 authorizing purchase of real property and easement rights west of Willow Creek Road from James Deep Well Ranches #1, L.L.C, for the Intermediate Pump Station and Reservoirs Project

The value of the property and easement rights, according to the appraisal dated August 17, 2010, is \$604,000.00.

The location, configuration, and acreage required for permanent vehicular access to the IPS are to be determined in the future, when the alignment of Relocated Willow Creek Road has been set.

Budget

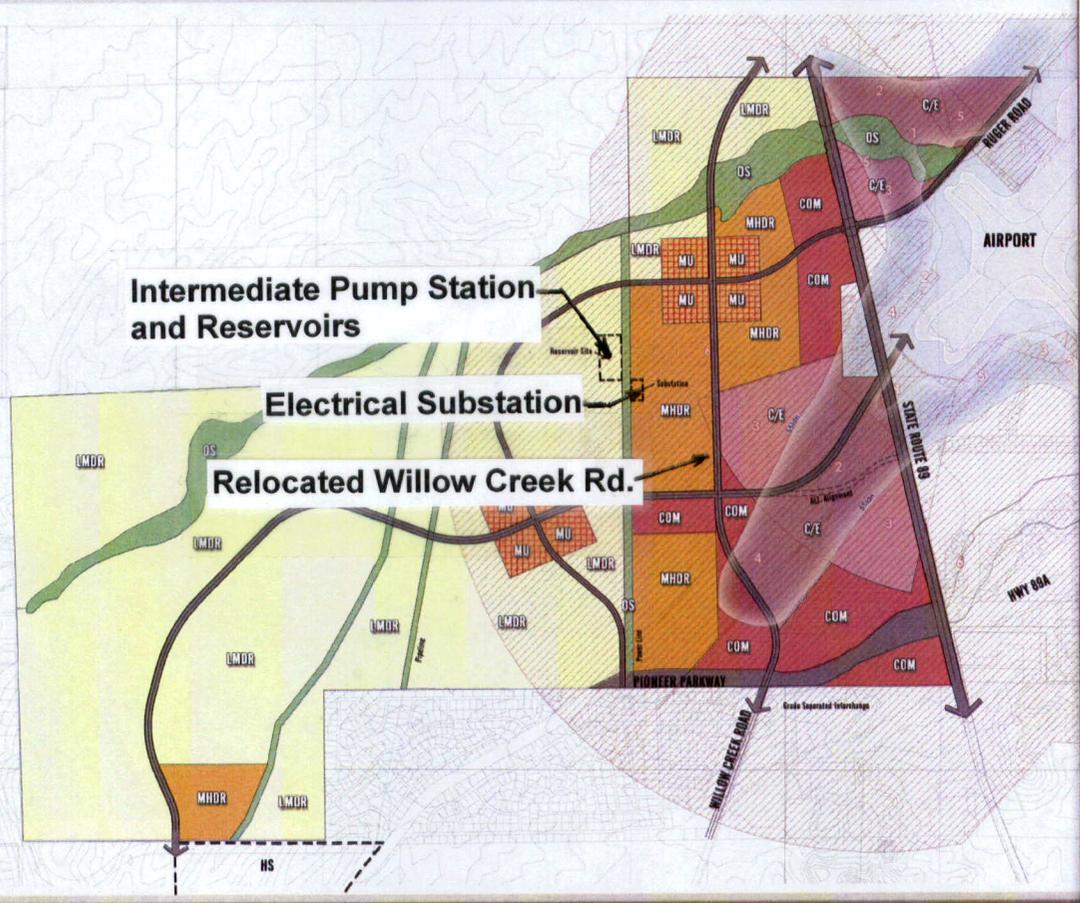
FY 11 funding for this budgeted land acquisition is available in the Water Fund.

- Attachments**
- West Airport Area Conceptual Master Plan and Key Maps
 - Ordinance No. 4766-1117
 - Agreement for Sale of Real Property with exhibits

Recommended Action: MOVE to adopt Ordinance No. 4766-1117.

PRESCOTT West Airport

Conceptual Master Plan



**Intermediate Pump Station
and Reservoirs**

Electrical Substation

Relocated Willow Creek Rd.

LEGEND

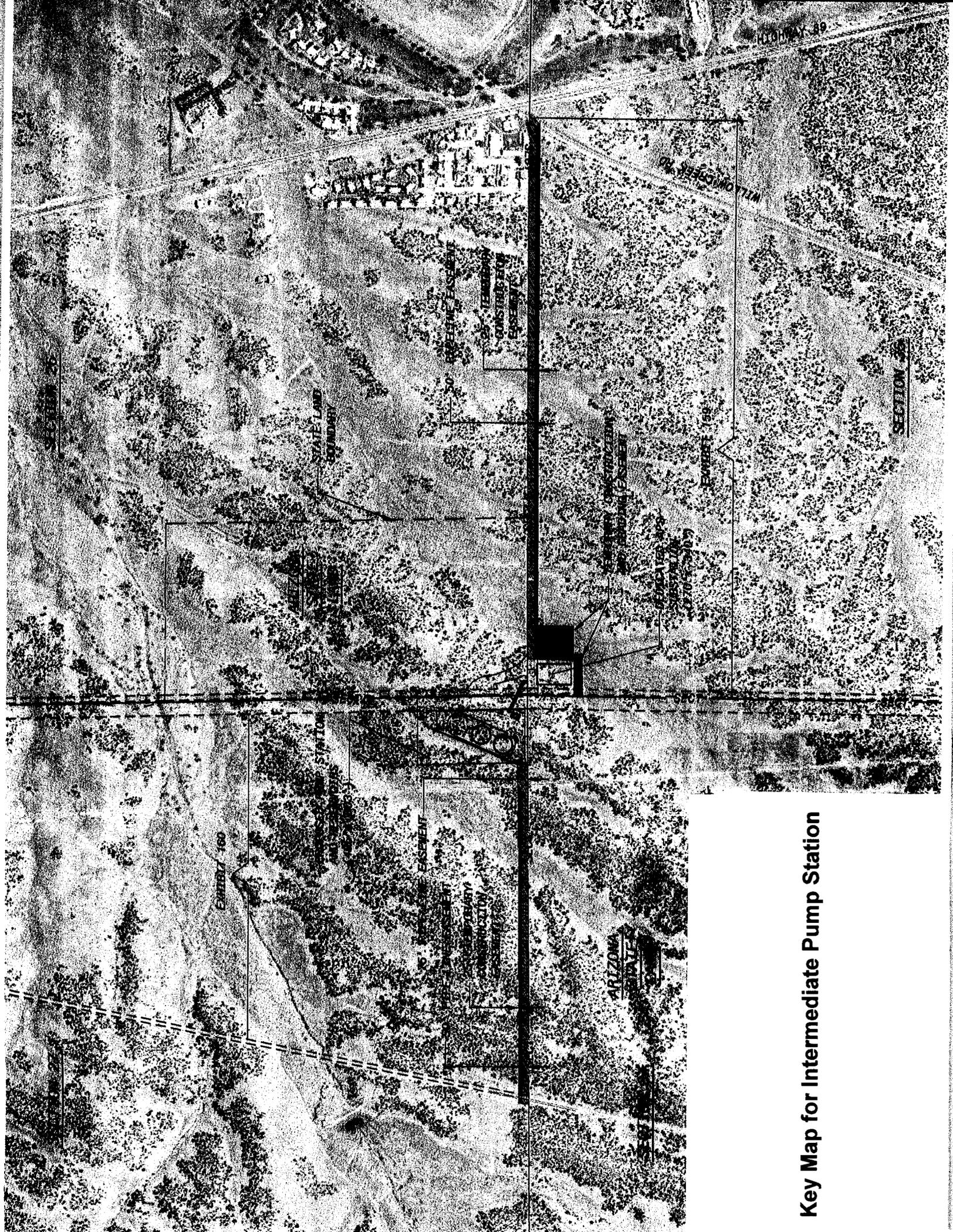
- MHDR (Med. High Density Res. 8-32 DU/AC) - 304.9 AC
- LMDR (Low Med. Density Res. 1-7 DU/AC) - 1829.2 AC
- OS (Open Space)
- COM (Commercial) - 223.7 AC
- C/E (Commercial/Employment) - 339.7 AC
- MU (Mixed Uses) - 101.5 AC
- HS (Possible High School Site)
- Roads

Work Force Housing location to be determined.



DATE: JULY 24TH 2008
JOB #: 1.07.0228001





Key Map for Intermediate Pump Station

ORDINANCE NO. 4766-1117

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AUTHORIZING THE PURCHASE OF REAL PROPERTY AND EASEMENT RIGHTS FROM JAMES DEEP WELL RANCHES #1, L.L.C., FOR THE INTERMEDIATE PUMP STATION AND RESERVOIRS PROJECT, AND AUTHORIZING THE MAYOR AND CITY STAFF TO TAKE ALL NECESSARY STEPS TO EFFECTUATE SAID PURCHASE

RECITALS:

WHEREAS, the City Council has determined that certain real property and easements are needed by the City for the Intermediate Pump Station and Reservoirs Project; and

WHEREAS, the proposed purchase price of the following described property and easement rights is deemed to be fair and equitable and will benefit the City of Prescott; and

WHEREAS, James Deep Well Ranches #1, L.L.C., the owner of certain real property, agrees to transfer title to the City and grant certain easement rights in exchange for the purchase price and closing costs to be paid by the City.

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 certain real property and easement rights more particularly described in that certain Real Estate Purchase Agreement attached as Exhibit "1" dated October 26, 2010, and agrees to purchase and accept said property and rights from James Deep Well Ranches #1, L.L.C., pursuant to the terms and conditions as set forth therein, for the purchase price of \$604,000.00 plus closing costs.

SECTION 2. THAT the Mayor and staff are directed to execute any and all documents in order to effectuate the foregoing purchase and acceptance of real property, including the payment of closing and other costs associated with the purchase and recordation of the closing documents.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott this 26thth day of October, 2010.

MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. BURKE, City Clerk

GARY D. KIDD, City Attorney

Exhibit "1" to Ordinance No. 4766-1117

REAL ESTATE PURCHASE AGREEMENT

Intermediate Pump Station, Reservoirs, APS Substation Site, and Appurtenant Easements

THIS REAL ESTATE PURCHASE AGREEMENT ("Agreement") is made and entered into this 26th day of October, 2010, by James Deep Well Ranches #1, LLC, an Arizona Limited Liability Company ("Seller"), and the City of Prescott, an Arizona municipal corporation ("Buyer"), collectively "the Parties."

WITNESSETH:

WHEREAS, Seller owns certain real property generally situated west of Willow Creek Road and north of Pioneer Parkway; and

WHEREAS, on November 24, 2009, Buyer entered into a Procedural Pre-Annexation Agreement with James Deep Well Ranches #1, LLC, and James Deep Well Ranches #2, LLC, which Agreement provides for the sale of a portion of said property to and purchase of an access easement by the Buyer for the Intermediate Pump Station project of the Buyer, subject to those certain conditions set forth therein; and

WHEREAS, the Parties now desire to restate, implement and/or update certain provisions of said November 24, 2009, Agreement, which are material to this Real Estate Purchase Agreement; and

WHEREAS, Seller desires to sell and Buyer desires to purchase, in accordance with the terms and conditions specified, the real property and appurtenant easements identified herein.

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Agreement, the parties hereby agree as follows:

1. RESTATEMENT OF PARAGRAPH 9.D. OF THE PROCEDURAL PRE-ANNEXATION AGREEMENT DATED NOVEMBER 24, 2009.

Intermediate Pump Station, Reservoirs, and APS Substation Site. The Owner agrees to sell upon request by the City, and City agrees to use its best efforts to purchase, for appraised value, as determined by Robert C. Huck, MAI, 724 Gail Gardner Way, Prescott, Arizona, or such other mutually satisfactory MAI appraiser, property for the Intermediate Pump Station, Reservoirs, and APS Substation Site, and an access easement extending from Willow Creek Road to these facilities, all as more particularly described by the "City of Prescott Public Works Big Chino Water Ranch Water Delivery Project, Bid Package No. 2, Pump Stations & Reservoirs (90% submittal, June 2007) designed by Black and Veatch Corporation, Phoenix, Arizona," a copy of which has been provided to the Owner. The parties acknowledge and agree that the landscaping and aesthetic design features indicated on said design plans and to be implemented by a construction project, are material to the willingness of the Owner to sell to the City the aforementioned property, and further, that although governmental communications facilities for City water operations, public safety, and/or other public operational purposes may

be placed on the above described property consistent with applicable City codes and procedures, no privately owned towers or other facilities for commercial communications purposes shall be permitted on this property. The parties shall in good faith endeavor to negotiate a mutually acceptable sales agreement pertaining to the subject property.

2. DESCRIPTION OF PROPERTY.

The real property and appurtenant easements which are the subject of this Agreement, generally situated west of Willow Creek Road and north of Pioneer Parkway, Yavapai County, Arizona (the "Property"), are more fully described in Exhibit "A" attached hereto.

3. AGREEMENT TO SELL AND PURCHASE.

Subject to the terms of this Agreement, Seller hereby agrees to sell to Buyer, and Buyer hereby agrees to purchase from Seller, on the terms and conditions herein set forth, the Property, together with all privileges, rights-of-way, easements, licenses, water rights, and other rights and benefits appurtenant to or used in connection with the beneficial use and enjoyment of such property. The parties acknowledge and agree that the Property is being purchased with public funds for municipal purposes. The parties acknowledge that this sale is sought by the City as a benefit to the public for public purposes and is a public necessity, and that the sale is being made in lieu of potential condemnation proceedings.

4. PERMANENT ACCESS EASEMENT(S).

The parties acknowledge that pursuant to the General Plan Map amendment approved by the Mayor and Council of the City of Prescott on November 25, 2008, via adoption of Resolution No. 3921-0927, future relocation of Willow Creek Road is anticipated north of Pioneer Parkway. In lieu of the sale and granting by Seller at this time of mutually acceptable permanent access easement(s) from a proximate public street suitable for construction access and subsequent access to the Property for operation and maintenance, Seller agrees to grant reasonable temporary access satisfactory to Buyer for these purposes, and subsequently provide to Buyer at fair compensation permanent access easement(s). Buyer shall pay reasonable closing costs for such conveyance(s).

5. DESIGN STANDARDS AND FEATURES TO BE APPLIED TO THE PROPERTY.

Buyer agrees to implement the landscaping, buffering, architectural treatments, and other aesthetic features indicated on the design plans identified hereinabove in Paragraph 1, and as depicted by other supplementary renderings and sample treatments which were developed during the design process, and cooperatively provide such information to the Seller.

6. MINOR LAND DIVISION PERMIT.

The Seller further agrees to assist the Buyer in obtaining, prior to and as a condition of close of escrow, a Minor Land Division Permit from Yavapai County establishing the Property as a separate parcel.

7. OPENING AND CLOSING DATES.

“Opening of Escrow” shall occur when the Escrow Agent accepts this Agreement as provided at the end hereof. Subject to the satisfaction of all contingencies as set forth herein, the intention of the Parties is that closing of this transaction (the “Closing” or the “Close of Escrow”) take place at the office of the Escrow Agent on or before December 31, 2010 (the” Scheduled Closing Date”).

8. PURCHASE PRICE.

A. The purchase price for the Property is agreed to be the appraised value as determined by Robert C. Huck, MAI, 724 Gail Gardner Way, Prescott, Arizona, and presented in "A Summary Appraisal Report Containing the Results of Appraisals of Portions of Deep Well Ranch located in Prescott, Arizona," dated August 17, 2010.

B. Buyer shall provide payment for the purchase price of Six Hundred and Four Thousand Dollars and No Cents (\$604,000.00) to the Seller as follows:

(1) The sum of Twenty Thousand Dollars and No Cents (\$20,000.00) (the “Earnest Money Deposit”) shall be deposited with the Escrow Agent, in cash or certified funds, within three (3) days from the Opening of Escrow, and shall be disbursed to the Seller upon the Close of Escrow. The Earnest Money Deposit shall be refundable until expiration of the Thirty (30) Day Examination Period, at which time, if Buyer has failed to terminate this Agreement, it shall become non-refundable and shall be forfeited to Seller upon Buyer’s failure to perform, subject only to (a) the conditions of Section 4 hereof and (b) to performance by Seller of its obligations hereunder. Immediately upon receipt of the Earnest Money Deposit, the Escrow Agent shall deposit the funds in a short-term interest-bearing account at a financial institution mutually acceptable to Buyer and Seller. The interest earned on such deposit shall accrue to the benefit of the Buyer, except in the event Seller becomes entitled to retain the Earnest Money Deposit by reason of Buyer’s failure to perform, in which event said interest shall accrue to the benefit of the Seller.

(2) The balance of the remaining purchase price, in the sum of Five Hundred and Eighty-Four Thousand Dollars and No Cents (\$584,000.00), shall be paid to the Escrow Agent for the benefit of Seller plus or minus pro-rations as hereinafter provided, in cash or certified funds or by wire, on or before the Scheduled Closing Date, unless the Scheduled Closing Date is extended by

mutual agreement of the parties in which case the balance shall be paid to the Escrow Agent on or before the agreed upon extended closing date. The balance shall not bear interest.

9. EXAMINATION PERIOD.

A. Buyer shall have a period commencing on the date of Opening of Escrow and ending at 5:00 p.m. on the Thirtieth (30th) day after the Opening of Escrow (the "Examination Period") during which to make its examination and investigation of the Property, and this Agreement is subject to and conditioned upon Buyer's approval of same in Buyer's sole and absolute discretion. Buyer's activities during the Examination Period shall include, without limitation, investigation of all aspects of the Property that Buyer deems advisable to confirm that the Property is suitable for Buyer's intended use.

B. Within the Thirty (30) day Examination Period after the Opening of Escrow, Seller shall assist in and cooperate with Buyer obtaining information and documents and any real property information possessed by Seller to assist Buyer in obtaining and procuring, at Buyers' sole cost, a survey of the Property (the "Survey") prepared by an Arizona licensed civil engineer. The Survey shall be certified to Buyer, Seller and Escrow Agent and shall meet the minimum ALTA/ASCM standards for issuance by Escrow Agent of a standard coverage owner's policy of title insurance. The Survey shall contain a legal description of the Property. In addition, Seller agrees to reasonably cooperate with Buyer during the Examination Period and to furnish Buyer such other documents, instruments and information in Seller's possession concerning the Property or its operation as Buyer may, from time to time, reasonably request.

C. Following the Opening of Escrow, Buyer, its agents and employees may enter upon the Property at any time for the purpose of conducting any and all tests, investigations, inspections, studies, and surveys which Buyer in its discretion may deem advisable. If Buyer desires an environmental report or any other reports of any kind with respect to the Property, Buyer shall obtain such reports at its expense during the Examination Period. Buyer hereby agrees to indemnify Seller and the Property and holds Seller and the Property free and harmless from any and all loss or liability resulting from the activities of Buyer, its agents and employees upon the Property, and from any and all mechanics', material man's and other liens resulting from such conduct of Buyer, its agents and employees upon the Property. The foregoing indemnification shall survive the termination of this Agreement.

D. At any time prior to the expiration of the Examination Period, if Buyer determines, for any reason whatsoever, that it does not desire to complete the transaction contemplated herein, Buyer may terminate this Agreement by so notifying Seller and Escrow Agent in writing. Upon termination of this Agreement pursuant to this paragraph, the escrow provided for herein shall be immediately canceled, the Earnest Money Deposit and all earnings thereon shall be returned to Buyer, and Buyer shall pay all escrow fees in connection with the escrow or the cancellation thereof. Notwithstanding anything to the contrary contained in this agreement, it is agreed that in the event that either Buyer or Seller wishes to cancel this agreement as may be provided herein during the examination period, they shall be required to

provide written notice of their intent to cancel this agreement which notice shall be provided to the other party and to Escrow Agent, not later than ten (10) days prior to the closing date specified herein.

10. TITLE REVIEW PERIOD.

A. Escrow Agent is hereby instructed to deliver to Buyer and Seller, as soon as practicable after the Opening of Escrow, a title commitment for an ALTA standard coverage Owner's title insurance policy (the "Title Report"), together with full, complete and legible copies of all instruments of record referred to therein. Buyer shall pay the premium for the standard portion of the title insurance policy, and Buyer shall pay all costs for any extended coverage and/or endorsements in excess of the cost of a standard coverage policy, if so desired by Buyer.

B. Buyer shall have ten (10) days after receipt of the Title Report and the Survey (the "Title Review Period") to give written notice of objection to any matter shown on the Title Report or the Survey. In the event an amended Title Report is issued or an amended Survey is prepared, Buyer shall have ten (10) days from Buyers' receipt of the amended Title Report or Survey within which to give written notice of objection to any matter shown on the amended Title Report or amended Survey. Seller will, within ten (10) days after timely notification of any objection, advise Buyer in writing whether or not Seller will attempt to eliminate or cure any matter to which Buyer has objected. In the event that Seller advises Buyer that Seller will not attempt to eliminate or cure the matter to which Buyer has objected, Buyer, may exercise its options in writing within five (5) days after receipt of Sellers's notice, may elect to (i) waive the objection; or (ii) terminate this Agreement and the escrow. If Buyer fails to give written notice of its election within the time period provided, Buyer will be deemed to have waived the objection. If Seller advises Buyer that Seller will attempt to eliminate any matter to which Buyer has objected, Seller shall use its best efforts to cure such matters on or before the Scheduled Closing Date, provided, however, Seller shall have no liability to Buyer for failure to cure such matters, and in the event such matters are not cured on or before the Scheduled Closing Date, Buyer shall at its option have the right to either (i) terminate this Agreement, or (ii) waive its objections to such matters. Upon termination of this Agreement pursuant to the terms of this paragraph, the escrow provided for herein shall be immediately canceled, the Earnest Money Deposit, together with all earnings thereon, shall be returned to the Buyer, and Seller and Buyer shall each pay one-half (1/2) of the fees in connection with the escrow or the cancellation thereof.

C. If Buyer fails to give written notice of any objection to the Title Report or the Survey within the time provided above, Buyer will be deemed to have approved all matters shown on the Title Report and the Survey, and the Property shall be conveyed to the Buyer subject to all such matters. All matters shown on the Title Report and the Survey, except those to which Buyer timely objects are hereinafter referred to as "Permitted Title Exceptions".

D. Notwithstanding anything to the contrary in the preceding subparagraphs,

Seller shall be obligated to remove any financial liens and monetary obligations without the necessity of Buyers' objecting to said matters. If any monetary liens or encumbrances have not been removed on or before the Scheduled Closing Date, the Buyer may cancel the agreement and obtain refund of the escrow deposit.

11. SELLER'S REPRESENTATIONS AND WARRANTIES.

Seller represents, warrants and covenants to Buyer those matters set forth below, with the understanding that Buyer shall rely upon said representations, warranties and covenants. All representations and warranties shall survive the Closing for a period of One (1) year after the Property is paid for and the transaction closes.

A. Seller and all persons acting for and on behalf of Seller have the full power, capacity and authority to enter into and deliver this Agreement, to perform all obligations of Seller hereunder, to complete and close this transaction in accordance with this Agreement and to sign, deliver and perform any documents and instruments in connection herewith on behalf of Seller.

B. Seller is not aware of any liens, encumbrances, claims of liens or encumbrances, or any possible defects, or claims of defects to the title to the Property which do not appear in the Title Report, and Seller shall protect Buyer against or remove as a lien or encumbrance any such matter arising prior to the Closing except those caused by Buyer.

C. The Property is not subject to any written or oral agreement which grants to any person or entity other than the Buyer an option, right of first refusal or other right to acquire any interest in the Property.

D. Seller has no knowledge of any pending, threatened or contemplated action of eminent domain or any other public or quasi-public taking of all or any portion of the Property.

E. Seller has not authorized any work on the Property which could result in any mechanics' liens, claims of lien or other claims against the Property, and all bills for work done or material supplied to the Property have been paid. Seller shall indemnify, defend, protect and hold Buyer harmless from any unrecorded mechanics', surveyors' or engineers' liens, claims of lien or other claims against the Property occurring or arising for work or services performed at Seller's request to or for the Property prior to the Closing, except for work performed by or on behalf of Buyer.

F. To Seller's knowledge, there are not any adverse claims of adjoining property owners against the Property; there are no adverse parties in possession of the Property or any part thereof; and there are no encroachments by Seller on the Property or by others in the Property, except as disclosed in the Title Report.

G. To Seller's knowledge, but without any investigation or inquiry of any kind, the Property has not been used by Seller or any of Seller's predecessors in title, nor by anyone else, to generate, manufacture, refine, transport, treat, store, handle, discharge or dispose of hazardous or toxic wastes or substances, except for insecticides, pesticides, chemicals, and other substances used in connection with the growing and harvesting of agricultural products or the preparation or use of the land for agricultural purposes other than grazing. Seller is not aware of any proceeding or inquiry by any governmental authority with respect to the presence of hazardous materials on the Property or the migration of hazardous materials from or to other property.

12. DISCLAIMER.

A. Except as herein specifically set forth, Seller makes no representations or warranties, express or implied, with respect to, and shall have no liability for: (i) the condition of the Property or the suitability of the Property for Buyer's intended use or for any use whatsoever; (ii) any applicable building or zoning laws or regulations or with respect to compliance therewith or with respect to the existence of or compliance with any required permits, if any, of any governmental agency; (iii) the availability of water, sewer or other utilities; (iv) water, sewer or other utility districts; (v) access to any public or private sanitary sewer system; or (vi) the presence of any hazardous substances on or under the Property. Without limiting the generality of the foregoing, but subject to the representations set forth in Section 8, Seller shall have no liability to Buyer with respect to the condition of the Property under common law, or any federal, state, or local law or regulation, including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 as amended, 42 U.S.C.A. §9601 et seq., or any similar state statutes in Arizona, including but not limited to the Arizona State Superfund Act, as codified in A.R.S. §49-281 through 287, and Buyer hereby waives any and all claims which the Buyer has or may have against the Seller with respect to the condition of the Property (except claims for a breach of Seller's representations and warranties set forth in Section 8), including any private causes of action arising under the foregoing statutes concerning the Property and any conditions in the Property.

B. Buyer's failure to terminate this Agreement during the Examination Period shall act as an acknowledgment by Buyer that: (i) during the Examination Period Buyer has had the opportunity to review the Property to determine if the Property is in violation of any federal, state or local environmental law, rule or regulation or otherwise contains levels or concentrations of "hazardous substances", "hazardous materials", "toxic substances" or "hazardous waste", as such terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended 42 U.S.C. §9601 et seq., the Hazardous Materials Transportation Act 49 U.S.C. §1801 et seq., the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §6901 et seq., or the Toxic Substances Control Act, as amended, 15 U.S.C. §2601 et seq., or analogous provisions of state law; (ii) Buyer is purchasing the Property "as is" in its present condition, subject only to the representations and warranties contained in this Agreement; and (iii) Buyer has fully inspected the Property and assumes the responsibility and risks of all defects and conditions, including such defects and conditions, if any, that cannot be observed by casual inspection.

C. By closing the transaction hereunder, Buyer agrees that (i) Buyer shall be deemed to have accepted all risks associated with adverse physical characteristics and existing environmental conditions that may or may not have been revealed by the Buyer's investigation of the Property, (ii) as between the Buyer and the Seller, Buyer shall be deemed to have accepted all costs and liability associated in any way with the physical and environmental condition of the Property, and (iii) the Buyer hereby waives any and all objections, setoffs, claims, or causes of action (whether under a statute or common law) concerning the physical characteristics and existing conditions of the Property, including, without limitation, any environmental hazards.

D. Notwithstanding the foregoing disclaimers, waivers and releases, nothing in this Section 9 shall be deemed to relieve Seller of any liability to Buyer for release of hazardous materials or other environmental contamination on the Property caused by Seller or Seller's officers, directors, shareholders, employees, agents, contractors, or invitees; nor shall this Section be deemed to release Seller from liability for breach of any express representations or warranties contained in this Agreement.

13. POSSESSION.

Possession of the Property and risk of loss will be delivered to the Buyer at Close of Escrow.

14. CONDEMNATION.

A. If any condemnation or eminent domain proceedings are commenced by the City of Prescott with respect to the Property, or any part thereof, prior to the Closing, Seller shall promptly give Buyer written notice thereof, and Buyer shall have the option, to be exercised within fifteen (15) days after receipt of such notice, to (i) close the purchase of the Property on the Scheduled Closing Date subject to such proceedings, whereupon any award paid or to be paid in connection therewith shall be paid to or assigned to Buyer by Seller at the Closing, or (ii) terminate this Agreement and receive a return of the Earnest Money Deposit, whereupon the rights and obligations of the parties to this Agreement shall cease and terminate, except for rights and obligations which by the express terms of this Agreement survive its termination.

B. In the event that condemnation or eminent domain proceedings are commenced by any entity with such authority other than the City of Prescott, the parties agree to meet and confer expeditiously upon any such action or threatened action and to mutually oppose any such action to the extent permitted by law.

15. CLOSING MATTERS.

A. On or before the Scheduled Closing Date, Seller shall deposit with Escrow Agent, for delivery to Buyer at the Closing, the following items, which shall be in form satisfactory to Buyer and be duly executed and acknowledged (where applicable): (i) a Special

Warranty Deed conveying fee simple title to the Property to Trustee, subject only to the Permitted Title Exceptions; (ii) an Affidavit of Real Property Value; (iii) an affidavit of Seller's non-foreign status, as required pursuant to Section 20; and (iv) such other documents as may be required by Escrow Agent.

B. On or before the Scheduled Closing Date, Buyer shall deposit with Escrow Agent, for delivery to Seller at the Closing the sum of Five Hundred and Eighty-Four Thousand Dollars and No Cents (\$584,000.00) plus Buyer's closing costs, in cash or certified funds.

C. All real property taxes and assessments shall be prorated as of the Closing Date on the latest information available to the Escrow Agent. All Escrow fees and all other closing costs shall be charged to and paid by Buyer. If any tax or assessments affects the property and any additional land not a part of the Property, only that portion of the tax or assessment attributable to the Property shall be prorated between Buyer and Seller, and the remainder of said tax or assessment shall remain the sole obligation of the Seller. The determination of the portion of the tax or assessment attributable to the Property shall take into account the value of improvements (if any) made to the property and/or any other property covered by the tax bill to properly account for differences in the valuation of, and resulting tax or assessment levied against the Property covered by the bill.

16. BROKERS' COMMISSIONS.

Buyer and Seller warrant, each to the other, that, there are no fees or commissions owing to any broker or other party for bringing about the sale contemplated hereunder. If any other person shall assert a claim to a fee, commission or other compensation on account of alleged employment as a broker or finder or for performance of services as a broker or finder in connection with this transaction, the party hereto under whom the broker or finder is claiming shall indemnify and hold harmless the other party against and from any such claim and all costs, expenses and liabilities incurred in connection with such claim or any action or proceeding brought thereon (including, but without limitation, counsel and witness fees and court costs in defending against such claim).

17. NOTICES.

All notices, requests and other communications hereunder shall be given in writing and either (i) personally served on the party to whom it is given, or (ii) mailed by registered or certified mail, postage prepaid, return receipt requested, or (iii) sent by private overnight courier such as Federal Express or Airborne, or (iv) sent by facsimile to the number set forth below, as long as such facsimile transmission is confirmed as received by the transmission equipment, and is followed the next business day by another permissible means of notice hereunder, addressed as follows:

If to Seller:

Ronald E. James
Deep Well Ranches #1, LLC
8400 N. US 89
Prescott, AZ 86301

With a copy to:

Selmer D. Lutey, PLLC
148 N. Summit Ave.
P.O. Box 591
Prescott, AZ 86302
Phone: (928) 445-5055

If to Buyer:

City Manager
City of Prescott
201 S. Cortez Street
P.O. Box 2059
Prescott, AZ 86302
(928) 777-1380

With a copy to:

City Attorney
City of Prescott
201 S. Cortez Street
P.O. Box 2059
Prescott, AZ 86302
Phone (928) 777-1274

If to Escrow Agent:

Connie Allman
Yavapai Title
123 N. Montezuma St.
Prescott, Arizona 86301
928-445-6860

All notices shall be deemed given when delivered or, if mailed as provided above, on the second day after the day of mailing, and if sent by overnight courier, on the next day after the date of deposit with the courier, and if sent by facsimile, upon machine confirmation of receipt. Any party may change his address for the receipt of notices at any time by giving written notice

thereof to the other parties in accordance with the terms of this section. The inability to deliver notice because of a changed address of which no notice was given, or rejection or other refusal to accept any notice, shall be deemed to be the effective receipt of the notice as of the date of such inability to deliver or rejection or refusal to accept.

18. SELLER'S REMEDIES.

Provided Seller is not in default hereunder, in the event the escrow hereunder fails to close because of a breach by the Buyer or Buyer's inability to satisfy any of the conditions precedent set forth herein, Seller shall not be entitled to specifically enforce this Agreement. In that event, the Earnest Money Deposit that has been deposited into escrow, together with all earnings thereon, shall be released to Seller, free of all claims of Buyer. Seller's sole remedy shall be to retain the Earnest Money Deposit and earnings thereon as liquidated damages.

19. BUYER'S REMEDIES.

Provided Buyer is not in default hereunder, in the event the escrow hereunder fails to close because of a breach by the Seller or Seller's inability to satisfy any of the conditions precedent set forth herein, Buyer shall not be entitled to specifically enforce this Agreement. In that event, the Earnest Money Deposit that has been deposited into escrow, together with all earnings thereon, shall be released to Buyer, free of all claims of Seller. Buyer's sole remedy shall be to retain the Earnest Money Deposit and earnings thereon as liquidated damages.

20. RIGHT TO CURE.

The breach by either party of any representation or warranty under this Agreement or such party's failure to perform any covenant, condition or obligation hereunder shall constitute a default hereunder, and the non-breaching party may exercise its remedies, including termination of this Agreement, only if such breach or nonperformance continues more than five (5) business days following the date of notice by the other party specifying such breach or nonperformance.

21. AFFIDAVIT OF NON-FOREIGN STATUS; IRS FORM 1099B.

Seller shall deliver or cause to be delivered to Escrow Agent at the Close of Escrow an affidavit executed by Seller under penalty of perjury setting forth Seller's taxpayer identification number and stating that Seller is not a foreign person, in accordance with Internal Revenue Code Section 1445(b)(2). Seller shall also execute and deliver to Escrow Agent at the Close of Escrow a copy of IRS Form 1099B for filing by Escrow Agent with the Internal Revenue Service (the "IRS"). Escrow Agent, as the party responsible for closing the transaction contemplated hereby within the meaning of Section 6045(e)(2)(A) of the Internal Revenue Code of 1986, as amended (the "code"), is instructed to file all necessary information reports, returns and statements (collectively the "reports") regarding the transaction required by the Code, including, but not limited to, the reports required pursuant to Section 6045 of the Code.

22. CLOSING PROTECTION LETTER.

If Escrow Agent acts as an agent for an underwriter and does not issue policies of title insurance, Escrow Agent agrees that, as a condition to acting as the escrow agent for this transaction, it shall cause its underwriter (the "title insurer") to issue to Seller and Buyer, within twenty (20) days after the Opening of Escrow, an escrow and closing protection letter, insured escrow and closing service, or statement of service responsibility in written form satisfactory to both Seller and Buyer.

23. MISCELLANEOUS.

A. This Agreement and the exhibits attached hereto or to be attached hereto, embody the entire agreement between the parties in connection with this transaction, and there are no oral agreements existing between the parties relating to this transaction that are not expressly set forth herein and covered hereby; this Agreement may not be modified except in a writing signed by all parties.

B. Time is of the essence of this Agreement.

C. In the event either party hereto fails to perform any of its obligations under this Agreement or in the event a dispute arises concerning the meaning or interpretation of any provision of this Agreement, the sole remedies shall be as specified in paragraphs 15 and 16 respectively, herein.

D. The captions and section numbers appearing in this Agreement are inserted only as a matter of convenience, and do not define, limit, construe or describe the scope or intent of such sections or articles of this Agreement nor in any way affect this Agreement.

E. This Agreement may be executed in multiple counterparts, each of which shall, for all purposes, be deemed an original and all of which, taken together, shall constitute one and the same agreement.

F. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors in interest and assigns; provided, however, that no assignment of this Agreement shall in any way relieve the assignor of its obligations hereunder. Buyer may assign its rights pursuant to this Agreement by giving written notice of such assignment to Seller and the Escrow Agent.

G. This Agreement shall be construed and interpreted under, governed and enforced according to the laws of the State of Arizona.

H. Cancellation in the Event of Conflict. The parties hereby note that either party hereto may cancel this agreement in the event of a conflict of interest as defined by A.R.S. § 38-511, the provisions of which are incorporated herein by reference.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the last date set forth below their respective signatures.

SELLER:

BUYER:

JAMES DEEP WELL RANCHES #1, L.L.C.

CITY OF PRESCOTT

By _____

Ronald E. James

Its:

By _____

Marlin D. Kuykendall

Its: Mayor

Attest: _____

Elizabeth A. Burke
City Clerk

SELMER D. LUTEY, P.L.L.C.
OF COUNSEL TO
MURPHY, SCHMITT, HATHAWAY
& WILSON, PLLC

Approved as to form:

By: _____

Selmer D. Lutey

By: _____

Gary D. Kidd
City Attorney

AGREEMENT AND CONSENT BY ESCROW AGENT

The undersigned, Yavapai Title Company, hereby agrees to (i) accept the foregoing Real Estate Purchase Agreement as instructions to the undersigned, (ii) act as Escrow Agent under said Agreement in consideration of its fees normally charged in such transactions, and (iii) be bound by said Agreement in the performance of its obligations as the Escrow Agent.

Dated this ____ day of _____, 2010.

YAVAPAI TITLE AGENCY

By: _____

Its: _____

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

Exhibit "A" to Real Estate Purchase Agreement
(Consisting of Prior Exhibits 159 and 160)

Land Description
July 1, 2010
Exhibit 159
Substation Parcel

That portion of Section 35, Township 15 North, Range 2 West, Gila and Salt River Base and Meridian, Yavapai County, State of Arizona, more particularly described as follows....

Beginning at the northwest corner of said Section 35;

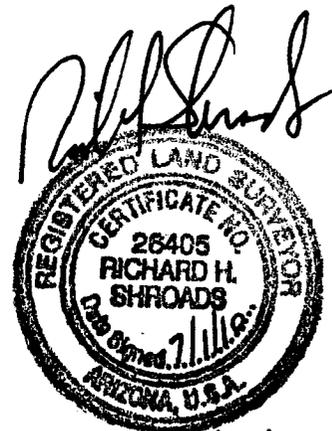
Thence North 89°39'34" East along the north line of said Section, a distance of 270.00 feet;

Thence South 00°34'22" West a distance of 340.00 feet;

Thence South 89°39'34" West a distance of 270.00 feet to the west line of said Section;

Thence North 00°34'22" East a distance of 340.00 feet along said west line to the **TRUE POINT OF BEGINNING.**

Containing 91,800 square feet (2.107 Acres), more or less.



Exp. 9/30/10

EXHIBIT 159

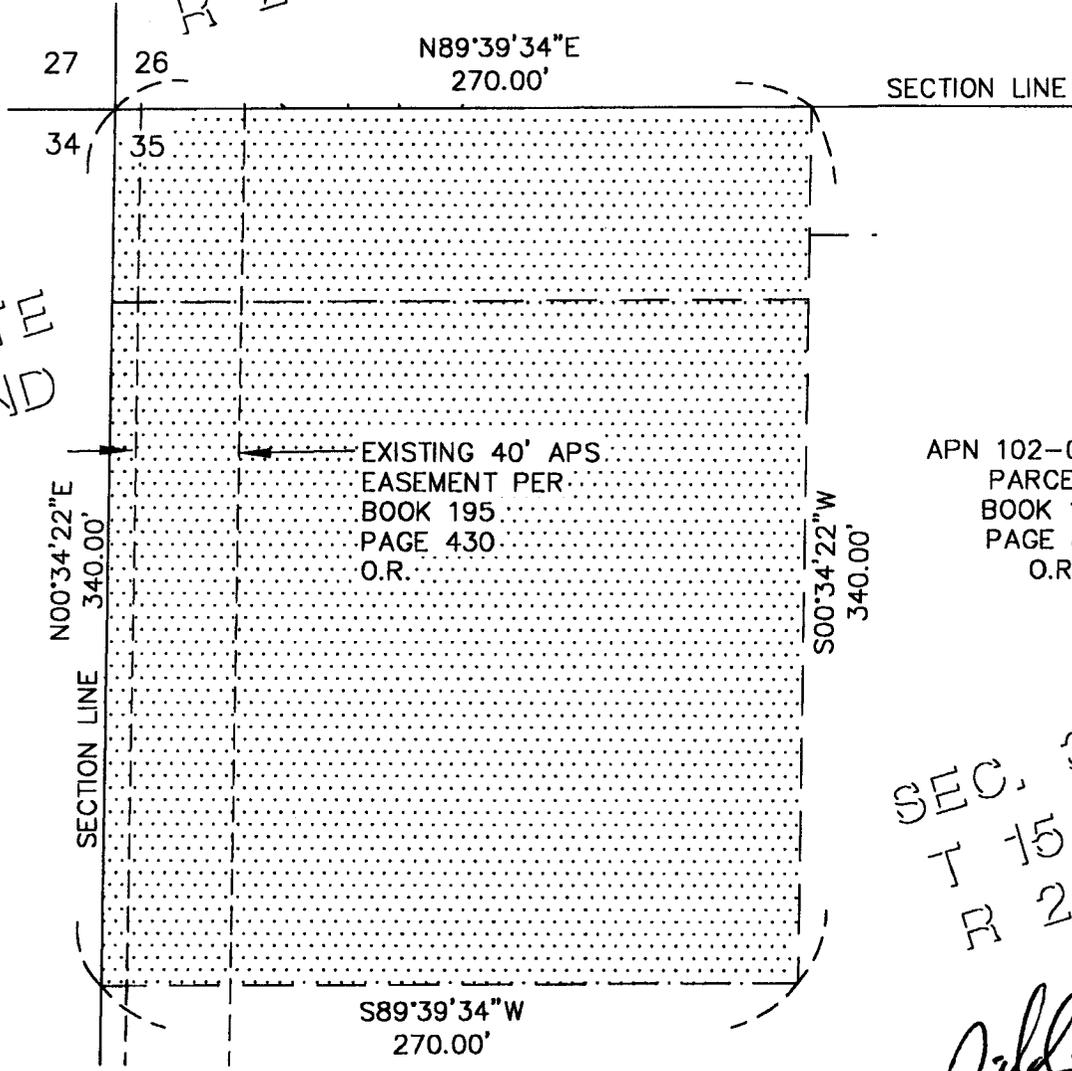
SUBSTATION PARCEL

SEC. 26
T 15 N
R 2 W

STATE
LAND

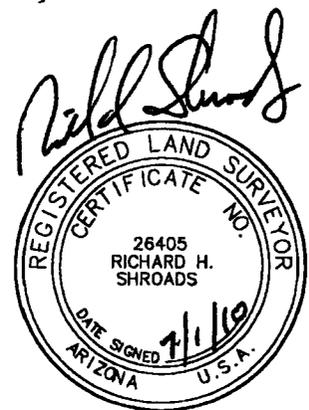


NO SCALE



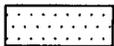
APN 102-05-324J
PARCEL 7
BOOK 1601
PAGE 803
O.R.

SEC. 35
T 15 N
R 2 W



EXP.: 9/30/10

LEGEND



PROPOSED SUBSTATION PARCEL

CIVILTEC
engineering inc.

YAVAPAI COUNTY
STATE OF ARIZONA

EXHIBIT 159

JULY 1, 2010

Land Description
July 1, 2010
Exhibit 159
Grading Easement

That portion of Section 35, Township 15 North, Range 2 West, Gila and Salt River Base and Meridian, Yavapai County, State of Arizona, more particularly described as follows....

Commencing at the Northwest corner of said Section 35, said corner also being the Northwest corner of Parcel 7 of the land described in deed to Deep Well Ranches, Inc., in Book 1601, Page 803 of Official Records, in the office of the Recorder of said County;

Thence along the Northerly line of said Section 35 North 89°39'34" East a distance of 270.00 feet;

Thence South 00°34'22" West a distance of 50.00 feet to the **True Point of Beginning**;

Thence North 89°39'34" East a distance of 40.00 feet;

Thence South 00°34'22" West a distance of 350.00 feet;

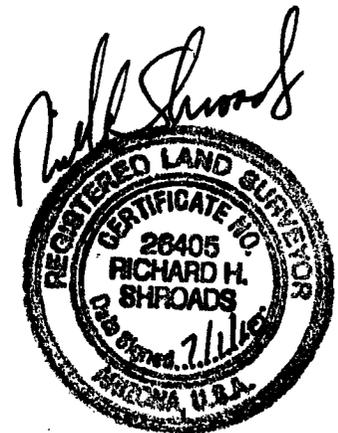
Thence South 89°39'34" West a distance of 310.00 feet to the Westerly line of said Section;

Thence along said Westerly line North 00°34'22" East a distance of 60.00 feet;

Thence North 89°39'34" East a distance of 270.00 feet;

Thence North 00°34'22" East a distance of 290.00 feet to **True Point of Beginning**;

Containing 30,197 square feet (0.693 Acres), more or less.



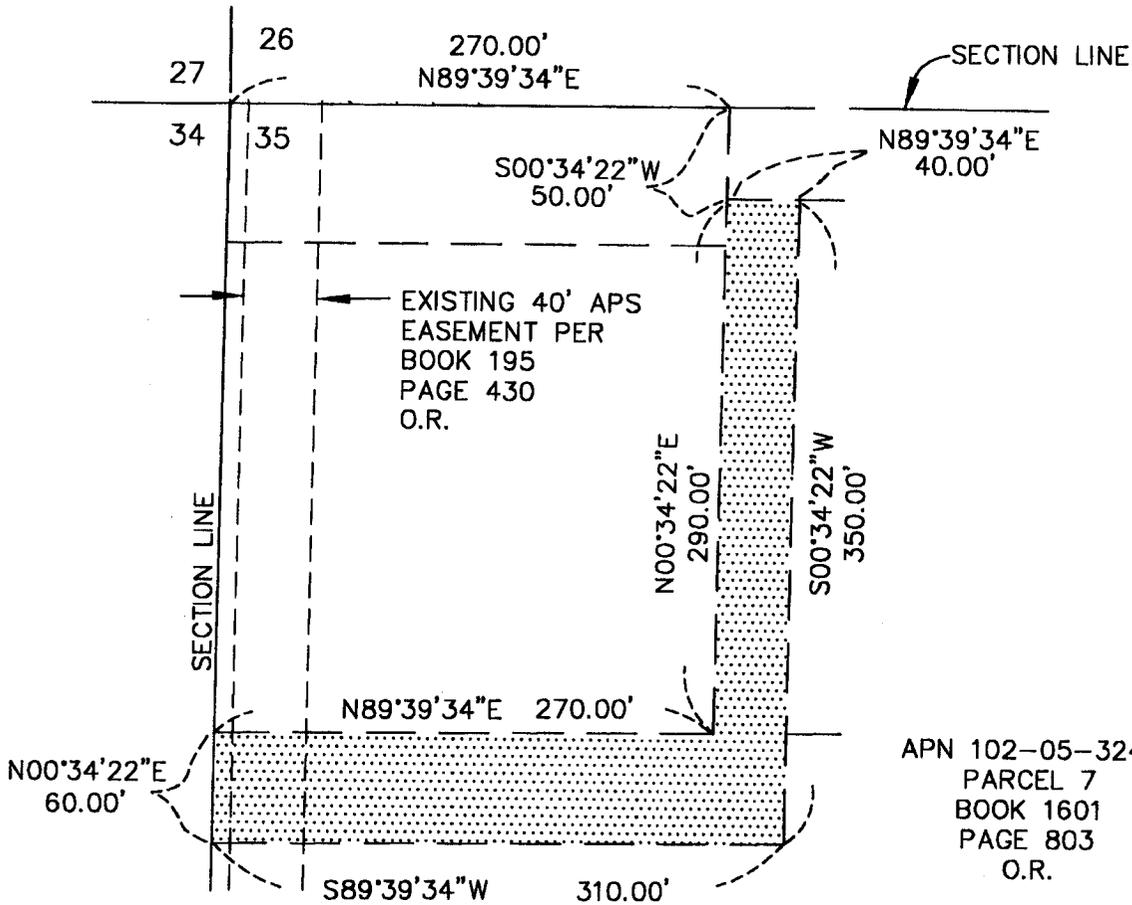
Exp. 9/30/10

EXHIBIT 159

GRADING EASEMENT

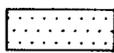
STATE
LAND

SEC. 26
T 15 N
R 2 W

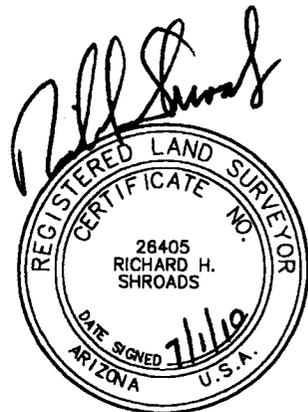


APN 102-05-324J
PARCEL 7
BOOK 1601
PAGE 803
O.R.

LEGEND

 PROPOSED GRADING EASEMENT

SEC. 35
T 15 N
R 2 W



EXP.: 9/30/10



YAVAPAI COUNTY
STATE OF ARIZONA

EXHIBIT 159

JULY 1, 2010

Land Description
July 1, 2010
Exhibit 159
TCE

PARCEL E

That portion of Section 35, Township 15 North, Range 2 West, Gila and Salt River Base and Meridian, Yavapai County, State of Arizona, more particularly described as follows....

Commencing at the Northwest corner of said Section 35, said corner also being the Northwest corner of Parcel 7 of the land described in deed to Deep Well Ranches, Inc., recorded in Book 1601, Page 803 of Official Records, in the office of the Recorder of said County;

Thence along the Northerly line of said Section, North 89°39'34" East a distance of 270.00 feet;

Thence South 00°34'22" West a distance of 50.00 feet;

Thence North 89°39'34" East a distance of 40.00 feet to the **True Point of Beginning**;

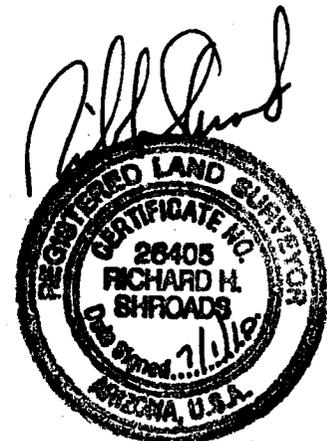
Thence North 89°39'34" East a distance of 210.00 feet;

Thence South 00°34'22" West a distance of 290.00 feet;

Thence South 89°39'34" West a distance of 210.00 feet;

Thence North 00°34'22" East a distance of 290.00 feet to the **True Point of Beginning**.

Containing 60,900 square feet (1.398 Acres), more or less.



Together with:

PARCEL F

That portion of Section 35, Township 15 North, Range 2 West, Gila and Salt River Base and Meridian, Yavapai County, State of Arizona, more particularly described as follows....

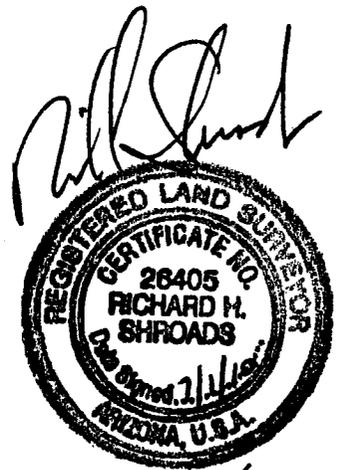
The Southerly 25.00 feet of the Northerly 75.00 feet of the land described as Parcel 7 in deed to Deep Well Ranches, Inc., recorded in Book 1601, Page 803 of Official Records, in the office of the Recorder of said County.

Excepting therefrom the Westerly 520.00 feet.

Also excepting therefrom any portion lying East of the Westerly right-of-way of Willow Creek Road (100 feet wide) as shown in Book 9, Page 56 of Maps and Plats of said County.

The sidelines of said easement shall be shortened or lengthened to terminate at said Westerly right-of-way of Willow Creek Road, and the Easterly line of Parcel "E" herein described.

Containing 91,224 square feet (2.094 Acres), more or less.



Ex. 9/30/10

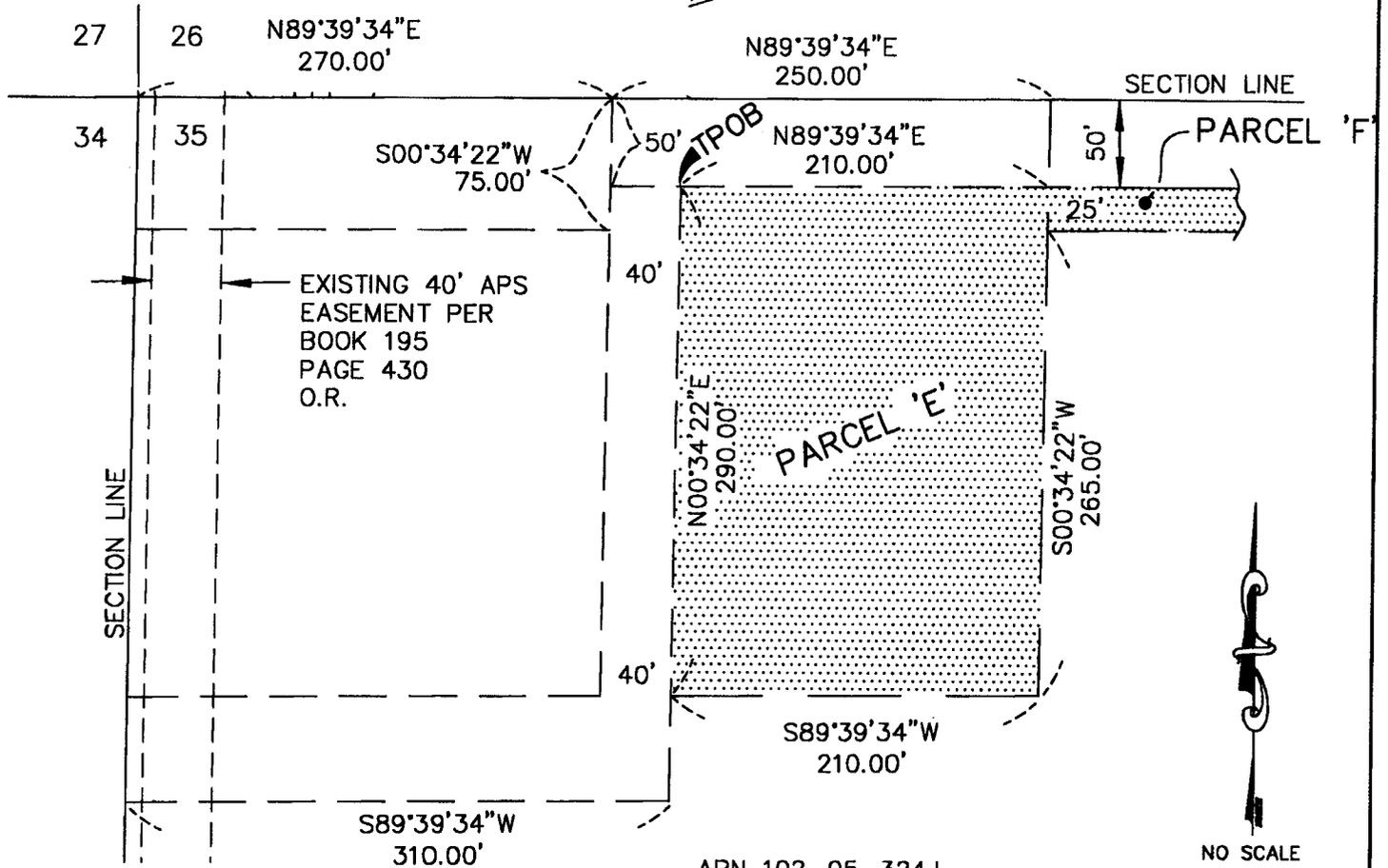
EXHIBIT 159

TEMPORARY CONSTRUCTION EASEMENT

1 OF 2

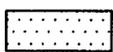
SEC. 26
T 15 N
R 2 W

STATE
LAND



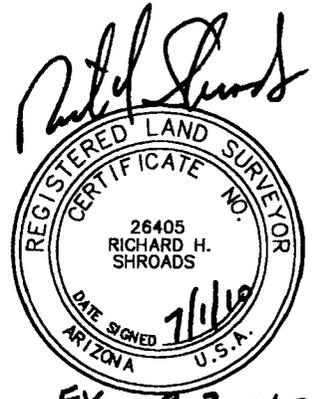
APN 102-05-324J
PARCEL 7
BOOK 1601
PAGE 803
O.R.

LEGEND



PROPOSED TEMPORARY
CONSTRUCTION EASEMENT
PARCEL 'E'

SEC. 35
T 15 N
R 2 W



EX. 9-30-10



YAVAPAI COUNTY
STATE OF ARIZONA

EXHIBIT 159

JULY 1, 2010

EXHIBIT 159

TEMPORARY CONSTRUCTION EASEMENT

2 OF 2

SEC. 26
T 15 N
R 2 W



STATE
LAND

EAST
SECTION LINE
SEC. 26

NORTH-SOUTH
MID SECTION
LINE

SECTION LINE

WESTERLY
R/W WILLOW
CREEK ROAD

N89°39'34"E
270.00'

27

26

2356.08' N89°39'34"E
250.00'

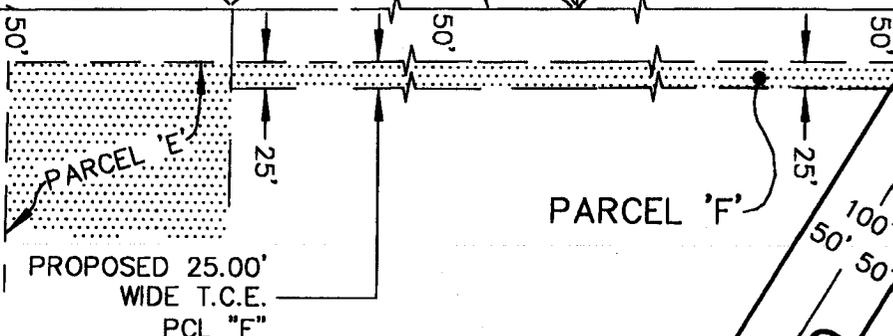
2106.08'

1579.35'±
N89°35'29"E

34

35

SECTION LINE



PROPOSED 25.00'
WIDE T.C.E.
PCL "F"

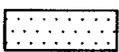
PARCEL 'F'

APN 102-05-324J
PARCEL 7
BOOK 1601
PAGE 803
O.R.

WILLOW
CREEK ROAD

SEC. 35
T 15 N
R 2 W

LEGEND



PROPOSED PARCEL 'F'
(25' WIDE T.C.E.)



EXP. 9-30-10



YAVAPAI COUNTY
STATE OF ARIZONA

EXHIBIT 159

JULY 1, 2010

Land Description
July 1, 2010
Exhibit 159
Pipeline Easement

Parcel C

That portion of Section 35, Township 15 North, Range 2 West, Gila and Salt River Base and Meridian, Yavapai County, State of Arizona, more particularly described as follows....

The Northerly 75.00 feet of the Westerly 270.00 feet of the land described as Parcel 7 in deed to Deep Well Ranches, Inc., recorded in Book 1601, Page 803 of Official Records, in the office of the Recorder of said County.

Containing 20,250 square feet (0.465 Acres), more or less.

Together with:

Parcel D

That portion of Section 35, Township 15 North, Range 2 West, Gila and Salt River Base and Meridian, Yavapai County, State of Arizona, more particularly described as follows....

The Northerly 50.00 feet of the land described as Parcel 7 in deed to Deep Well Ranches, Inc., recorded in Book 1601, Page 803 of Official Records, in the office of the Recorder of said County.

Excepting therefrom the Westerly 270.00 feet.

Also excepting therefrom any portion lying East of the Westerly right-of-way of Willow Creek Road (100 feet wide) as shown in Book 9, Page 56 of Maps and Plats of said County.

The sidelines of said easement shall be shortened or lengthened to terminate at said right-of-way of Willow Creek Road, and the Easterly line of Parcel "C" herein described.

Containing 196,042 square feet (4.501 Acres), more or less.

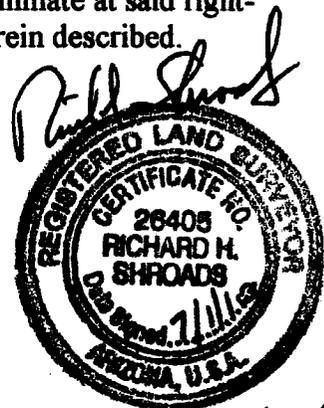


EXHIBIT 159

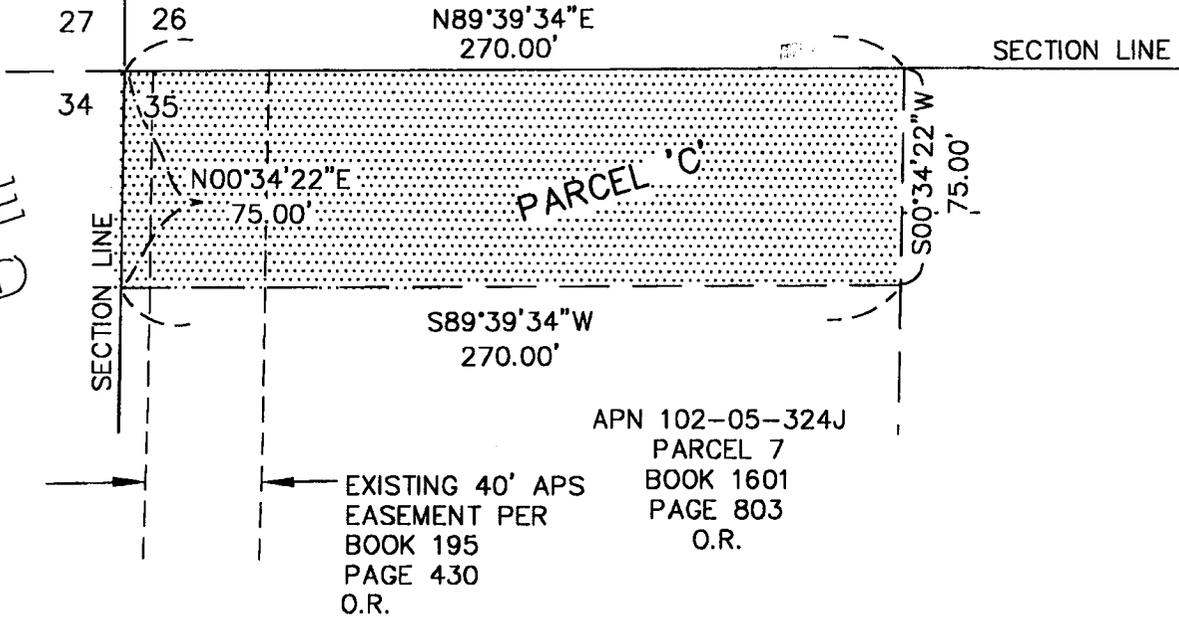
PIPELINE EASEMENT
1 OF 2

SEC. 26
T 15 N
R 2 W



STATE
LAND

STATE
LAND

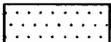


APN 102-05-324J
PARCEL 7
BOOK 1601
PAGE 803
O.R.

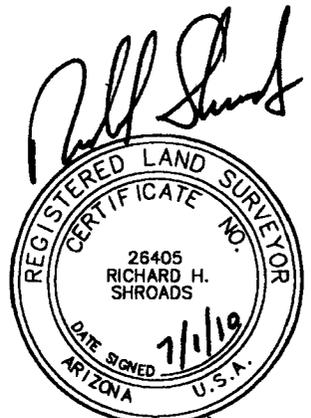
EXISTING 40' APS
EASEMENT PER
BOOK 195
PAGE 430
O.R.

SEC. 35
T 15 N
R 2 W

LEGEND



PROPOSED PARCEL "C" (PIPELINE EASEMENT)



EXP. 9/30/10



YAVAPAI COUNTY
STATE OF ARIZONA

EXHIBIT 159
JULY 1, 2010

EXHIBIT 159

PIPELINE EASEMENT
2 OF 2

SEC. 26
T 15 N
R 2 W

NO SCALE

EAST
SECTION LINE
SEC. 26

STATE
LAND

NORTH-SOUTH
MID SECTION
LINE

SECTION LINE

WESTERLY
R/W WILLOW
CREEK ROAD

PROPOSED 50.00'
WIDE PIPELINE
EASEMENT - PCL "D"

N89°39'34"E
270.00'

27 26

2356.08' N89°39'34"E

1579.35±

34 35

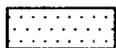
SECTION LINE

PARCEL 'D'

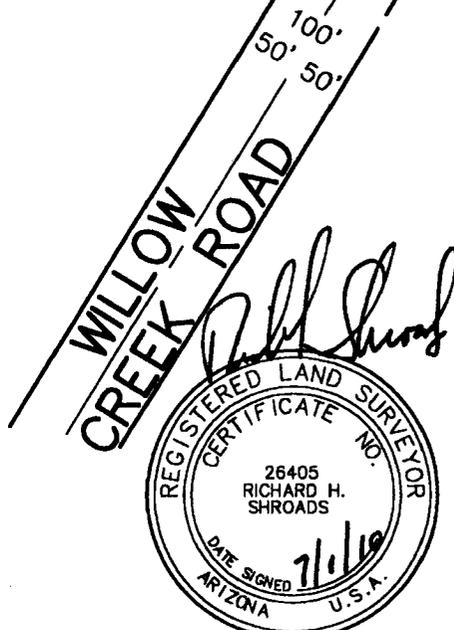
APN 102-05-324J
PARCEL 7
BOOK 1601
PAGE 803
O.R.

SEC. 35
T 15 N
R 2 W

LEGEND



PROPOSED PARCEL "D"
(50' WIDE PIPELINE EASEMENT)



YAVAPAI COUNTY
STATE OF ARIZONA

EXHIBIT 159

JULY 1, 2010

CIVILTEC
engineering inc.

**Land Description
August 26, 2007
Exhibit 160
Grant to City**

That portion of Section 27, Township 15 North, Range 2 West, Gila and Salt River Base and Meridian, Yavapai County, State of Arizona, more particularly described as follows....

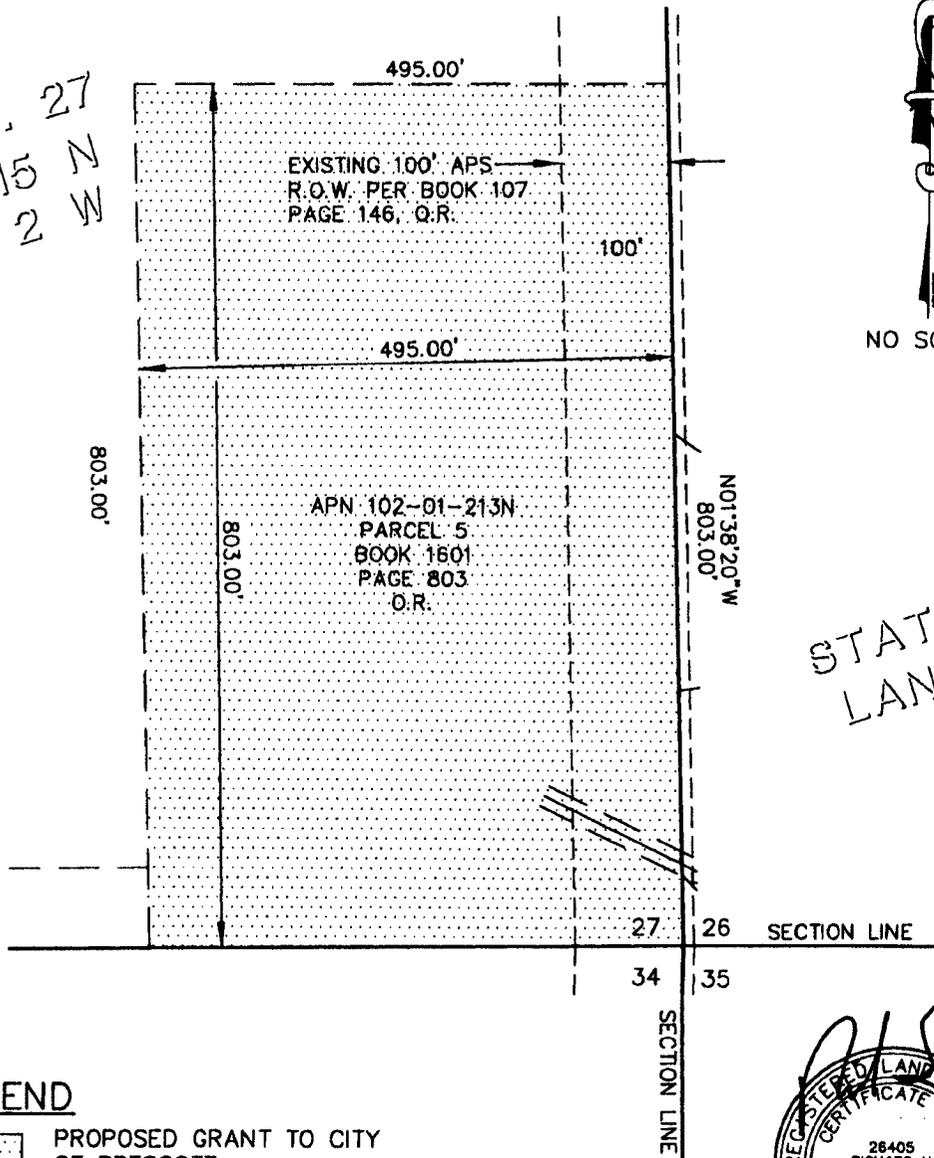
The Easterly 495.00 feet of the Southerly 803.00 feet of said Section 27.

Containing 397,485 square feet (9.125 Acres), more or less.



EXHIBIT 160
GRANT TO CITY OF PRESCOTT

SEC. 27
T 15 N
R 2 W

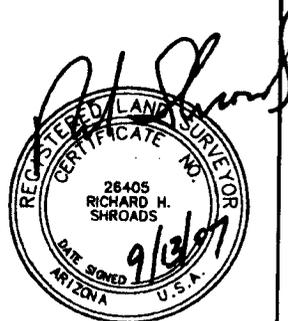


NO SCALE

STATE
LAND

LEGEND

 PROPOSED GRANT TO CITY OF PRESCOTT



CIVILTEC
engineering inc.

YAVAPAI COUNTY
STATE OF ARIZONA

EXHIBIT 160

AUGUST 26, 2007

**Land Description
August 26, 2007
Exhibit 160 TCE
Temporary Construction Easement**

That portion of Section 27, Township 15 North, Range 2 West, Gila and Salt River Base and Meridian, Yavapai County, State of Arizona, more particularly described as follows....

The northerly 25.00 feet of the southerly 75.00 feet of the westerly 2,320.00 feet of the easterly 3,000.00 feet of said Section.

Containing 58,000 square feet (1.331 Acres), more or less.



N:\20741 - Big Chino Phase 2\Legal Descriptions\EXHIBIT 160 TCE dwg.dwg, B/31/2007 2:11:25 PM, CIVILTEC ARIZONA, PRESCOTT

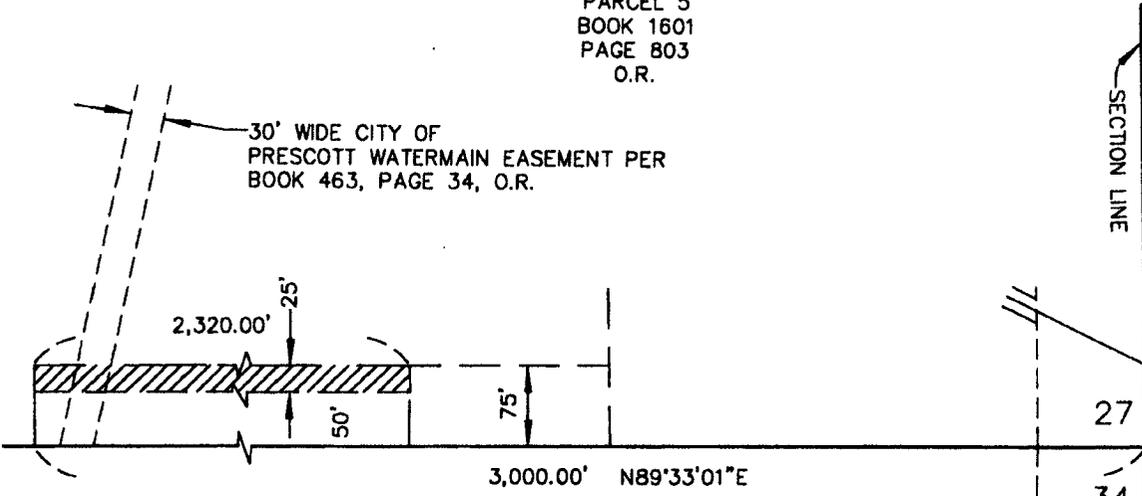
EXHIBIT 160 TCE

TEMPORARY CONSTRUCTION EASEMENT

SEC. 27
T 15 N
R 2 W



APN 102-01-213N
PARCEL 5
BOOK 1601
PAGE 803
O.R.



LEGEND

 PROPOSED 25' WIDE TEMPORARY CONSTRUCTION EASEMENT



CIVILTEC
engineering inc.

YAVAPAI COUNTY
STATE OF ARIZONA

EXHIBIT 160 TCE

AUGUST 26, 2007

**Land Description
August 26, 2007
Exhibit 160 Pipeline
Pipeline Easement**

PARCEL 'A'

That portion of Section 27, Township 15 North, Range 2 West, Gila and Salt River Base and Meridian, Yavapai County, State of Arizona, more particularly described as follows....

The southerly 50.00 feet of the westerly 2,320.00 feet of the easterly 3,000.00 feet of said Section 27.

Containing 116,000 square feet (2.663 Acres), more or less.

PARCEL 'B'

That portion of Section 27, Township 15 North, Range 2 West, Gila and Salt River Base and Meridian, Yavapai County, State of Arizona, more particularly described as follows....

The southerly 75.00 feet of the easterly 185.00 feet of the westerly 2,505.00 feet of the easterly 3,000.00 feet of said Section,

Containing 13,875 square feet (0.319 Acres), more or less.

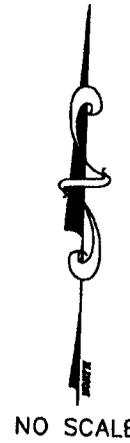


EXHIBIT 160 PIPELINE

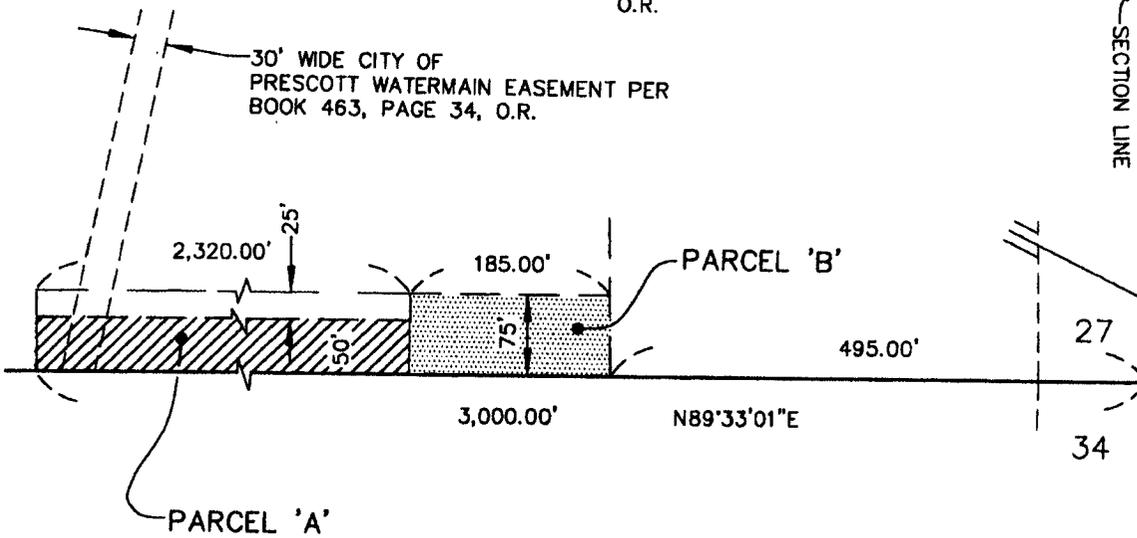
PIPELINE EASEMENT

SEC. 27
T 15 N
R 2 W

APN 102-01-213N
PARCEL 5
BOOK 1601
PAGE 803
O.R.



30' WIDE CITY OF
PRESCOTT WATERMAIN EASEMENT PER
BOOK 463, PAGE 34, O.R.



SECTION LINE

27
34

LEGEND

-  PROPOSED 50' WIDE PARCEL 'A' PIPELINE EASEMENT
-  PROPOSED 75' WIDE PARCEL 'B' PIPELINE EASEMENT

CIVILTEC
engineering inc.



YAVAPAI COUNTY
STATE OF ARIZONA

EXHIBIT 160 PIPELINE

AUGUST 26, 2007

X:\26721 - Big Chino Phase 2\Legal Descriptions\EXHIBIT 160 pipeline.dwg. 8/31/2007 2:22:24 PM, CIVILTEC ARIZONA, PRESCOTT

COUNCIL AGENDA MEMO – OCTOBER 26, 2010
DEPARTMENT: Public Works
AGENDA ITEM: Approval of a professional services agreement with Post Buckley Schuh & Jernigan for engineering and construction support services for the Zone 27 Reservoir; and construction support services for the Zone 24 reservoir in an amount not to exceed \$441,716.00.

Approved By:	Date:
Department Head: Mark Nietupski	
Finance Director: Mark Woodfill	
City Manager: Steve Norwood <i>[Signature]</i>	10/19/10

Item Summary

This item is for approval of a contract for engineering and construction support services for the Zone 27 1.25 million gallon reservoir, pump station, and water main; and construction support services Zone 24 replacement reservoir with Post Buckley Schuh and Jernigan, Inc., (PBS&J). Location map attached, Exhibit B.

Project scope of work includes:

- Zone 27, engineering design support for the 1.25 million gallon concrete partially buried reservoir and removal of the existing 200,000 gallon steel reservoir.
- Engineering support services during construction of the Zone 27 reservoir, pump station, water main and removal of the existing Zone 27 reservoir.
- Engineering support services during construction of the new 500,000 gallon Zone 24 reservoir to replace the existing 100,000 gallon reservoir.

Background

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

In February 2009, the City awarded a contract to PBS&J for the design of the Zone 24 water reservoir, Zone 27 booster station, water main and siting of the Zone 27 water storage reservoir (Phase I). The project was split into two phases anticipating a separate contract would be initiated with PBS&J for engineering of the Zone 27 reservoir (Phase II) once the site was selected and type of structure was determined.

Agenda Item: Approval of a professional services agreement with Post Buckley Schuh & Jernigan for engineering and construction support services for the Zone 27 Reservoir; and construction support services for the Zone 24 reservoir in an amount not to exceed \$441,716.00.

Two public meetings for the Zone 24 and 27 Water Infrastructure Improvement project were held with the most recent meeting being on February 11, 2010, at the City Library Founder's Room. The proposed Zone 27 reservoir design contract includes two additional public meetings, with one additional local meeting at or near the reservoir property.

On April 13, 2010, Council approved acquisition of Lot 18 of Thumb Butte Estates (APN 111-15-018) for construction of the new Zone 27 1.25 MG reservoir.

PBS&J completed the engineering and specifications for the Zone 24 Replacement Reservoir including the water main from Lookout Lane to the tank. The contract for demolition and removal of the existing 100,000 gallon tank and construction of a new 500,000 gallon tank, ductile iron pipe water main, access driveway, and storm drainage improvements was awarded to CLM Earthmovers on October 12, 2010.

It is prudent for the City to engage PBS&J for construction period services due to their intimate knowledge of both projects civil, mechanical, electrical elements and technical aspects.

PBS&J's scope of services for construction support includes attending select project meetings, responding to and documenting requests for information and material substitutions during construction, approving shop drawings for mechanical and electrical equipment used in the construction, inspection of specialized work, start-up and operational testing, staff training and other services as required and directed by the City.

Schedule

Construction for the Zone 24 replacement reservoir project is scheduled to commence in early November 2010 and be completed in spring 2011. Engineering of the Zone 27 replacement reservoir is scheduled to commence in November 2010 and be completed by summer 2011. Zone 27 reservoir construction will follow engineering completion.

Budget

FY11 funding was budgeted and is available for the Zone 27 and Zone 24 Water Replacement Reservoir Project in the Water Fund Account Nos. 7007810-8418-09525 and 7157820-8418-09525.

Attachments

Scope of Work and Fee Proposal
Location Map

Exhibit A
Exhibit B

Recommended Action: **MOVE** to approve a professional services agreement with Post Buckley Schuh & Jernigan for engineering and construction support services for the Zone 27 Reservoir; and construction support services for the Zone 24 reservoir in an amount not to exceed \$441,716.00.



An employee-owned company

October 4, 2010

Jeff Low, P.E.
Project Manager
City of Prescott Public Works
P.O. Box 2059
433 N. Virginia
Prescott, Arizona 86302

SUBJECT: PROPOSAL TO PROVIDE ENGINEERING DESIGN AND CONSTRUCTION SERVICES FOR THE ZONE 27 RESERVOIR AND CONSTRUCTION SUPPORT SERVICES FOR THE ZONE 24 RESERVOIR

Dear Mr. Low:

In response to your request, PBS&J is pleased to submit this scope of services proposal to the City of Prescott (City) to provide engineering consulting services for the design, bid and construction phases of a 1.25 million gallon capacity, prestressed concrete potable water storage reservoir adjacent to Skyline Drive in the City of Prescott. In addition, this scope of services proposal includes engineering consulting services during the construction phase of the Zone 24 steel water storage reservoir designed by PBS&J.

I. SCOPE OF SERVICES

Our proposed Scope of Services is outlined in Attachment "A."

II. FEES AND CONDITIONS

Fees and conditions are outlined in Attachment "B."

We appreciate the opportunity of offering this proposal, and we look forward to working with the City on this project. If you have any questions, please contact me at 928-445-0124 (office) or 702-533-0503 (cell).

Respectfully submitted,
PBS&J

Jeremy Clemmons
Group Manager

Attachments: A-Scope of Work
B-fees and Conditions
C-Zone 27 Reservoir Site Exhibit

c: Jennifer Duffy, PBS&J
Cenk Yavas, PBS&J
Mark Elliott, PBS&J

**ATTACHMENT A
SCOPE OF SERVICES AND TIME SCHEDULE**

**CITY OF PRESCOTT
ZONE 27 RESERVOIR DESIGN AND CONSTRUCTION
ZONE 24 RESERVOIR CONSTRUCTION**

(Project)

DATE OF PROPOSAL: OCTOBER 4, 2010

In response to your request, PBS&J is pleased to submit this proposal to the City of Prescott (City) for engineering consulting services for the design, bid and construction of the prestressed concrete reservoir Zone 27 water storage tank. The facilities to be designed by PBS&J include the following:

- **Zone 27 Water Storage Tank Reservoir** – 1.25 million gallon capacity potable drinking water tank reservoir. Reservoir shape will be circular and the material will be prestressed concrete, partially or fully buried. The design will be based on AWWA D110 – Pre-Stressed Concrete Water Tanks, and will be prepared for Type I pre-stressed concrete water tanks. The technical specifications for the tank will be prepared as conformance specifications, requiring the contractor to submit the manufacturer's design for review and approval by the City and Engineer.
- **Existing Zone 27 Water Storage Tank Removal** – The existing 200,000 gallons, above grade, welded steel reservoir on Skyline Drive will be removed, including below grade yard piping, to allow a portion of the City property to be placed into "Open Space". The existing Zone 24 pump station and appurtenances located at the existing reservoir site will remain.
- **Zone 27 Water Storage Tank Reservoir Connection Piping** – The yard piping from the new Zone 27 pre-stressed concrete reservoir site will be connected to the existing suction and discharge piping of the Zone 24 Pump Station. The piping will be placed within Skyline Drive.

Drawings and specifications will be developed for the facilities identified above and included in the current Zone 27 water facilities package (Zone 27 pump station and Zone 27 pipeline) being prepared by PBS&J (60% submittal anticipated for September 2010). Three intermediate submittals are anticipated as follows:

- 60% design submittal – Package will include Zone 27 reservoir drawings only and an interim title sheet – The submittal will not include general sheets
- 90% design submittal – To be included with the 90% Zone 27 water facilities plan set
- 100% design submittal – To be included with the 100% Zone 27 water facilities plan set

Upon approval of the 100% submittal, one (1) set of final stamped and signed originals of the construction documents (mylar drawings, Xerox reproducible specifications) will be submitted to the City.

Per request from the City, this proposal also includes engineering consulting services during the construction of the glass-fused-to-steel bolted Zone 24 water storage tank.

I. SCOPE OF SERVICES

Based on our current understanding of the Project, PBS&J will provide the following detailed scope of services:

TASK 2100 – PROJECT MANAGEMENT AND MEETINGS

Perform project management services, attend various project meetings and provide public outreach in support of the final design of the proposed Zone 27 Reservoir. These services include the following tasks:

- A. *Project Management and Coordination.* PBS&J will perform project management responsibilities throughout the project (1) to coordinate all project staff, (2) to maintain contact with and respond to communication from the City and approval agencies, (3) to monitor and control the budget and schedule of the project, and (4) to prepare and review project invoicing prior to submission to the City. Internal PBS&J project team meetings will be held weekly for the duration of the project to assure the project is on track and to coordinate design issues. The design phase of the project is anticipated to be completed, within four (4) months of the City's notice to proceed. Following completion of the design, the bid phase is anticipated to be completed within two (2) months and construction phase within a ten (10) month period.
- B. *Project Workshop Meeting.* Prepare for and attend a project workshop meeting with City staff to outline the design, establish general project procedures and establish action items needed to effectively and efficiently start the Project's design. Three (3) PBS&J staff will attend the meeting.
- C. *Monthly Project Progress Design Meetings.* Prepare for, attend and moderate monthly project progress design meetings with City staff. Two (2) monthly meetings are anticipated. Two (2) PBS&J engineers will attend each meeting. When appropriate, meetings agendas and minutes will be prepared and distributed.
- D. *Submittal Comment Meetings.* Prepare for, attend and moderate submittal comment meetings with City staff to discuss review comments and to provide on-going communication and coordination of the work effort. Three (3) meetings are anticipated following City review of the following submittals: 60%, 90% and 100% submittals. Two (2) PBS&J engineers will attend each meeting. When appropriate, minutes summarizing the meetings will be prepared and distributed.
- E. *Quality Assurance/Quality Control.* Senior PBS&J staff will perform internal quality control reviews of all designs and documents prior to each milestone submittal. In addition, senior PBS&J staff will be involved with key issues at strategic times. All work will be subjected to PBS&J's internal QCAP program to provide a formal review prior to delivery to the City. Reviews are provided to clarify plans, identify discrepancies, and identify ways to reduce construction costs and minimize Contractor claims
- F. *Public Outreach:* Prepare for, attend and conduct public meetings after the 60% and 90% submittals, in coordination with City staff. Two (2) PBS&J engineers will attend each public meeting. PBS&J will work in conjunction with City staff to perform the public outreach services;

including preparation of agendas, handouts, exhibits and presentations, as necessary; and recording public questions and comments from each meeting. The City will prepare and send out notifications via mailers and radio announcements; and procure and set up the locations for the meetings.

TASK 2200 – UTILITY AND ADEQ COORDINATION

Perform utility and agency coordination services in support of the final design of the proposed Zone 27 Reservoir. These services will include the following tasks:

- A. *Utility Gathering and Record Information.* Obtain record information from the City and Franchise Utilities regarding existing facilities within and adjacent to the proposed reservoir and connection piping alignment. Incorporate information into the surveyed base mapping of the alignment as needed.
- B. *Franchise Utility Coordination.* PBS&J will coordinate with the local franchise utility companies to review the detailed design documents. The anticipated franchise utility companies are Qwest (telephone), Cable One (cable tv), Unisource (natural gas), and APS (electrical). Comments from the franchise utility companies will be incorporated into the design documents, unless otherwise directed by the City. Prepare notices of utility removal or relocations as required per the City's franchise agreements with the local utilities. If the utilities do not respond within two (2) attempts by PBS&J, the City will complete the review and notice of utility removal services.
- C. *ADEQ Coordination.* PBS&J will coordinate with and make all required submittals to ADEQ for review of the detailed design documents. Application forms will be prepared in conjunction with City staff. PBS&J will prepare and deliver the required submittals to ADEQ. Comments from ADEQ will be incorporated into the design documents, unless otherwise directed by the City. It is assumed the City will pay all ADEQ fees required for the project.

TASK 2300 – FIELD WORK AND DESIGN INVESTIGATIONS

Perform field work and design investigation services in support of the final design of the proposed Zone 27 Reservoir. The design investigation services will include the following tasks:

- A. *Field Site Review and Visits:* PBS&J will perform up to two (2) field site visits to observe and confirm existing conditions as applicable to the project design. The initial field site visit will be conducted with City staff to review the project site and tabulate an inventory of existing improvements at the existing Zone 27 reservoir site.
- B. *Review of Existing Reports and Studies:* PBS&J will review available reports and other information provided by the City, as pertinent to the design of the project. Reports are anticipated to include existing drainage studies and geotechnical reports, off-site improvement plans, development maps, survey records, hydraulic analyses and other information pertaining to the project. PBS&J assumes that the information provided in the existing reports and documents will be complete enough to provide the information required and no additional studies will be necessary.

- C. *Surveying:* PBS&J will retain the services of a surveying consultant, SWI, to prepare a boundary and topographic survey of the proposed new Zone 27 reservoir project site, the connection pipeline alignment and the existing Zone 27 reservoir facilities. The survey will identify existing utility and ground surface features, the location of geotechnical borings and potholing, and will provide the control required to prepare the detailed design drawings. The surveying consultant will procure one (1) title report for the existing reservoir site and perform an assessment of available right-of-way documents to include all right-of-way and easements (in the project region) within the design survey. Based on discussions with the City, one (1) legal description and exhibit will be prepared to modify the current easement at the existing Zone 27 reservoir site in order to maintain the Zone 24 pump station site. PBS&J does not anticipate the City will have to acquire any additional easements. If determined otherwise, PBS&J can provide as Supplemental Services to the City, work required to aid in preparing legal descriptions, exhibits, and other documents necessary to acquire these easements.
- D. *Geotechnical Investigation:* PBS&J will retain the services of a geotechnical consultant, Ninyo & Moore, to determine existing geotechnical conditions and prepare a "Geotechnical Investigation Data and Recommendations Report" for the construction of the new pre-stressed concrete reservoir. Five (5) soil borings and four (4) seismic refraction surveys will be performed. Three borings will be at the reservoir site to a depth of thirty feet. Two borings will be in Skyline Drive to a depth of ten feet or refusal. In addition, PBS&J will request the geotechnical consultant to perform a quality control review of the related Contract Documents to confirm all geotechnical recommendations have been incorporated.
- E. *Subsurface Utility Investigations (Potholing):* Based on the results of utility research, the horizontal and vertical locations of utilities within Skyline Dr. between the existing and new reservoir sites will be established via potholing. For the purpose of this scope, PBS&J will perform up to ten (10) utility potholes. PBS&J will retain the services of a utility pothole consultant, Geospatial Corporation, to perform the potholing using non-destructive digging/vacuuming techniques. The location of each pothole will be surveyed for horizontal control purposes. All potholes will be patched with "UPM" cold patch mix.

TASK 2400 – ZONE 27 RESERVOIR FINAL DESIGN

Prepare detailed design drawings and technical specifications for construction of the proposed Zone 27 Reservoir with a capacity of 1.25 million gallons. The design will be based on AWWA D110 – Pre-Stressed Concrete Water Tanks, and will be prepared for Type I pre-stressed concrete water tanks. The technical specifications for the tank will be prepared as conformance specifications, requiring the contractor to submit the manufacturer's design for review and approval by the City and Engineer. The following subconsultants will be retained for preparation of the design:

DLT&V – Electrical, Instrumentation and Controls
Simon Wong Engineering (SWE) – Structural
Mark DiLucido (MDL) – Landscape architecture
RF Yeager Engineering (RFYE) – Cathodic Protection

The detailed design will be based on MAG, YAG, City of Prescott, ADEQ and AWWA D110 requirements. The detailed design phase will include the following tasks:

- A. ***Design Review Submittals:*** Submit the drawings, specifications and calculations to the City for review and comment at the 60%, 90% and 100% levels of completion. The 60% design will not include general sheets as the final contract drawings will be packaged with the Zone 27 water facilities plan set (pump station and pipeline). The 90% and 100% submittals will be included within the Zone 27 water facilities submittals. Upon approval of the 100% submittal, one (1) set of final stamped and signed originals of the construction documents (mylar drawings, Xerox reproducible specifications) will be submitted to the City.
- B. ***Engineering Calculations (90% and 100% submittals).*** Prepare detailed engineering calculations to determine the parameters for the components included in the reservoir design including tank dimensions; vent size; inlet, drain and overflow pipe size and others as required. Calculations will be reviewed, stamped and signed by a Licensed Professional Civil Engineer in the State of Arizona.
- C. ***Contract Drawings (60%, 90% and 100% submittals).*** Prepare construction contract drawings at each submittal level for the proposed prestressed concrete reservoir. Drawings will be prepared using AutoCAD 2010. Five (5) full size hard copies of the drawings will be provided to the City for each submittal. Drawings will be placed within the Zone 27 water facilities contract document set for the 90% and 100% submittals. The title, general notes and water details sheets of the current Zone 27 Water facilities project will be updated to incorporate the reservoir design requirements. The Zone 27 reservoir drawings to be prepared include the following:
- Horizontal control (1 sheet)
 - Reservoir site grading and access road plan, sections and details (3 sheets)
 - Reservoir plan and sections (2 sheets)
 - Reservoir roof and interior appurtenances plan and sections (1 sheet)
 - Reservoir washdown, sample piping and stair section and details (2 sheet)
 - Reservoir details (4 sheets)
 - Yard piping plan and profiles (2 sheets)
 - Meter and drain vault plan and sections (2 sheets)
 - Z24 P.S. connection piping plan and profiles (2 sheets)
 - Existing Zone 27 reservoir demolition plans (2 sheets)
 - Electrical and instrumentation design (8 sheets)
 - Structural design and details (3 sheets)
 - Reservoir corrosion protection details (2 sheet)
 - Landscaping plan and details (4 sheets)
- D. ***Technical Specifications (60%, 90% and 100% submittals).*** Prepare technical specifications at each submittal level for the proposed prestressed concrete reservoir. The reservoir technical section will be prepared as a conformance specification for Type I, AWWA D110 – Pre-Stressed Concrete Water Tanks. Specifications will be in CSI format and will be incorporated into the Zone 27 water facilities contract document book, currently under design by PBS&J. Five (5) hard copies of the specifications will be provided to the City for each submittal.

- E. *Opinion of Probable Construction Cost (60%, 90% and 100% submittals)* Prepare a detailed opinion of probable construction cost estimate for the reservoir and appurtenances.
- F. *Update the Current Zone 27 Design Report:* The current Zone 27 design report for the Zone 27 pump station and pipeline will be updated to include the design parameters and required information for the Zone 27 reservoir. The report will be updated in preparation for the project ADEQ submittal. The report will be submitted to the City for review and comments. City comments will be incorporated prior to submittal to ADEQ.

TASK 2500 – ZONE 27 PIPELINE SEWER REALIGNMENTS

Prepare detailed design drawings and technical specifications for realignment of existing sewer pipeline crossings within the Zone 27 potable water pipeline alignment to meet ADEQ requirements. The detailed design phase will include the following tasks:

- A. *Contract Drawings (60%, 90% and 100% submittals).* Prepare construction contract drawings at each submittal level for the proposed realignment of three (3) existing sewer pipeline crossings. Drawings will be placed within the Zone 27 water facilities contract document set for the 60%, 90% and 100% submittals.
- B. *Technical Specifications (60%, 90% and 100% submittals).* Prepare technical specifications at each submittal level for the proposed realignment of three (3) existing sewer pipeline crossings. Specifications will be incorporated into the Zone 27 water facilities contract document book, currently under design by PBS&J.

TASK 2600 – ZONE 27 WATER FACILITIES BID PHASE SERVICES

Provide engineering services to support City staff during the bid phase of the complete Zone 27 Water Facilities Project (pump station, pipeline and reservoir). The following scope of services is proposed, based upon our experience with similar projects and describes the anticipated tasks and level of effort anticipated to be performed by PBS&J for the bid phase of the Project. All bid phase support services are proposed on an “as-needed” and “as-requested” time and materials basis. The City at their option may elect not to proceed with some or all of these tasks.

- A. *Pre-Bid Meeting Attendance.* Attend the pre-bid meeting with City staff. It is assumed the meeting will be moderated by City staff. Provide technical information prior to and during the meeting as requested by the City. Two (2) PBS&J staff will attend the meeting.
- B. *Bid Addenda Preparation.* Prepare up to two (2) bid addenda addressing technical questions from potential bidders. The addenda will be signed and issued by the City.

TASK 3100 - ZONE 27 WATER FACILITIES CONSTRUCTION SUPPORT SERVICES

Provide engineering services during the construction phase of the complete Zone 27 Water Facilities Project (pump station, pipeline and reservoir). The following scope of services is proposed, based upon our

experience with similar projects and describes the anticipated tasks and level of effort anticipated for the construction phase of the Project. Quantities beyond those anticipated and identified below will be provided as additional services. This scope of services is based on a construction schedule of ten (10) months. All construction support services are proposed on an "as-needed" and "as-requested" time and materials basis. The City at their option may elect not to proceed with some or all of these tasks. PBS&J will retain the design subconsultants, as needed, to assist with the tasks noted below.

- A. *Pre-Construction Meeting Attendance.* Two (2) PBS&J staff will attend the pre-construction meeting. PBS&J has assumed that the City will organize and chair the pre-construction meeting.
- B. *Construction Project Meeting Attendance and Project Site Observations.* One (1) PBS&J engineer will attend up to twenty (20) meetings at the project site during construction. Following the meeting, the PBS&J engineer will perform a site visit with City staff. PBS&J has assumed that the City will organize and chair all construction meetings. If warranted, PBS&J will provide the City with written correspondence on observations during the site visits.
- C. *Respond to Requests for Information and Design Clarifications.* Review and prepare responses for up to twenty-five (25) Requests for Information (RFI's) and/or design clarifications. Responses will be provided to the City in MS Word format for processing.
- D. *Change Order Review and Preparation.* Review proposed contract change orders prepared by the Contractor and prepare responses and revisions, if required. PBS&J assumes two (2) change orders may be required. Responses will be provided to the City for processing.
- E. *Shop Drawing Submittal Reviews and Meetings.* Review and provide written comments for up to forty (40) initial shop drawings submittals and ten (10) re-submittals. Attend up to five (5) internal submittal review meetings with City staff to confirm submittal conformance and comments, in particular for the pump and reservoir submittals.
- F. *Start-up and Testing Assistance.* Assist City staff during start-up and testing of the water facilities, including attendance to the start-up for the pumps, reservoir, and controls system. PBS&J assumes up to six (6) site visits for testing assistance will be required. In addition, DLT&V will be retained to perform the start-up and testing of the controls system for the pump station.
- G. *Substantial Completion Walk and Punch List Assistance.* Attend the project substantial completion walk through with City staff. A written list of deficiencies and corrections pertaining to the pump station, pipeline and reservoir will be provided to the City for processing.

TASK 3200 - ZONE 27 WATER FACILITIES AS-BUILT PREPARATION SERVICES

Provide as-built preparation services during the construction phase and upon completion of the project construction for the complete Zone 27 Water Facilities Project (pump station, pipeline and reservoir). The following scope of services is proposed, based upon our discussions with City staff and experience with similar projects. This scope of services describes the tasks and level of effort anticipated for the as-built preparation phase of the Project. Quantities beyond those anticipated and identified below will be provided

as additional services. This scope of services is based on a construction schedule of ten (10) months. PBS&J will retain the design survey subconsultant, as needed, to assist with the tasks noted below.

- A. *Construction As-Built Monthly Meeting Attendance.* One (1) PBS&J engineer will attend up to ten (10) meetings at the project site during construction to review the Contractor redline mark-ups, determine items to be as-built surveyed and discuss the upcoming month's as-built schedule. PBS&J has assumed that the as-built meetings will take place once a month following one of the regularly schedule construction progress meetings.
- C. *Field As-Built Recording.* Performance of field site visits as required to observe and verify, including via field survey, items to be incorporated into the final as-built drawings. PBS&J assumes up to thirty (30) visits for as-built recording will be required. A portion of the site visits will be performed by the survey subconsultants, including for the Zone 27 pipeline installation, to confirm the exact surveyed location of items installed prior to backfilling or covering of the item.
- D. *Electronic As-Built Preparation.* Prepare electronic drawing files to reflect the as-built conditions recorded in the field and documented on the Contractor red-lines. The electronic files will be prepared utilizing the original design files in AutoCAD 2010. The electronic files and one (1) set of final mylar drawings will be submitted to the City.

TASK 4100 - ZONE 24 RESERVOIR CONSTRUCTION SUPPORT SERVICES

Provide engineering support services during the construction phase of the Zone 24 Reservoir. The following scope of services is proposed, based upon our experience with similar projects and describes the anticipated tasks and level of effort anticipated for the construction phase of the Project. Quantities beyond those anticipated and identified below will be provided as additional services. This scope of services is based on a construction and as-built schedule of seven (7) months. All construction support services are proposed on an "as-needed" and "as-requested" time and materials basis. The City at their option may elect not to proceed with some or all of these tasks. PBS&J will retain the design subconsultants, as needed, to assist with the tasks noted below.

- A. *Zone 24 Reservoir Construction - Project Management and General Coordination.* PBS&J will perform project management responsibilities throughout the construction and as-built phase of the project (1) to coordinate all project staff and subconsultants, (2) to maintain contact with and respond to communication from the City, (3) to monitor and control the budget and schedule of the project, and (4) to prepare and review project invoicing prior to submission to the City. The construction phase of the project is anticipated to be completed within five (5) months of the City's notice to proceed to the Contractor. Following completion of construction, the as-built phase is anticipated to be completed within two (2) months.
- B. *Pre-Construction Meeting Attendance.* Two (2) PBS&J staff will attend the pre-construction meeting. PBS&J has assumed that the City will organize and chair the pre-construction meeting.
- C. *Construction Project Meeting Attendance and Project Site Observations.* One (1) PBS&J engineer will attend up to ten (10) meetings at the project site during construction. Following the meeting, the PBS&J engineer will perform a site visit with City staff. PBS&J has assumed that

the City will organize and chair all construction meetings. If warranted, PBS&J will provide the City with written correspondence on observations during the site visits.

- D. *Respond to Requests for Information and Design Clarifications.* Review and prepare responses for up to ten (10) Requests for Information (RFI's) and/or design clarifications. The electrical, instrumentation and controls (EIC) design subconsultant, DLT&V, will be procured to assist with up to two (2) of the ten RFI's in reference to the EIC design. Responses will be provided to the City in MS Word format for processing.
- E. *Change Order Review and Preparation.* Review proposed contract change orders prepared by the Contractor and prepare responses and revisions, if required. PBS&J assumes two (2) change orders may be required. Responses will be provided to the City for processing.
- F. *Shop Drawing Submittal Reviews and Meetings.* Review and provide written comments for up to twelve (12) initial shop drawings submittals and three (3) re-submittals. Attend up to two (2) internal submittal review meetings with City staff to confirm submittal conformance and comments, in particular for the reservoir submittals. In addition, DLT&V will be retained to perform the reviews for the electrical and instrumentation submittals for the reservoir.
- G. *Reservoir Testing Assistance.* Assist City staff during testing of the reservoir, including observation of the welds/seals, vacuum testing and leak testing. PBS&J assumes up to four (4) total site visits will be required to provide testing assistance.
- H. *Substantial Completion Walk and Punch List Assistance.* Attend the project substantial completion walk through with City staff. A written list of deficiencies and corrections will be provided to the City for processing.

TASK 4200 - ZONE 24 RESERVOIR AS-BUILT PREPARATION SERVICES

Provide as-built preparation services during the construction phase and upon completion of the project construction for the Zone 24 Reservoir. The following scope of services is proposed, based upon our discussions with City staff and experience with similar projects. This scope of services describes the tasks and level of effort anticipated for the as-built preparation phase of the Project. Quantities beyond those anticipated and identified below will be provided as additional services. This scope of services is based on a construction schedule of five (5) months. PBS&J will retain SWI, as needed, to assist with field surveying required to prepare accurate as-built drawings.

- A. *Construction As-Built Monthly Meeting Attendance.* One (1) PBS&J engineer will attend up to five (5) meetings at the project site during construction to review the Contractor redline mark-ups, determine items to be as-built surveyed and discuss the upcoming month's as-built schedule. PBS&J has assumed that the as-built meetings will take place once a month following one of the regularly schedule construction progress meetings noted in Task 5030.
- C. *Field As-Built Recording.* Performance of field site visits as required to observe and verify, including via field survey, items to be incorporated into the final as-built drawings. PBS&J

assumes up to ten (10) site visits for as-built recording will be required.

- D. *Electronic As-Built Preparation.* Prepare electronic drawing files to reflect the as-built conditions recorded in the field and documented on the Contractor red-lines. The electronic files will be prepared utilizing the original design files in AutoCAD. The electronic files and one (1) set of final mylar drawings will be submitted to the City.

TASK 9100 thru 9300 – DIRECT COSTS

- A. *Direct Costs.* Direct reimbursable costs for all tasks associated with: (1) Task 9100- design of the Zone 27 Reservoir, (2) Task 9200 - construction of the Zone 27 reservoir, pump station and pipeline, and (3) Task 9300 – construction of the Zone 24 reservoir. These costs are anticipated to include printing, reproductions, postage, courier services, and project related travel.

TASK 2900, 3900 and 4900 – ALLOWANCES

- A. *Allowance.* In addition to the scope of work outlined in the tasks above, additional work may be necessary to complete the project. An Allowance budget will be established for additional work. The Allowance will only be used if the City deems the specific allowance task to be necessary to complete the project. A detailed scope of work for each allowance item will be developed and submitted to the City for approval, if these elements are required to complete the project.

II. ADDITIONAL ENGINEERING SERVICES

If requested by City, PBS&J will provide the following Additional Services, beyond the services included in Section I, Scope of Services:

- A. The Scope of Services in Section I assumes that the design of the Zone 27 reservoir will be included with the current Zone 27 pump station and pipeline contract documents. If a separate contract document package is required for the Zone 27 reservoir, this can be provided as an additional service.
- B. Attend and prepare for any additional meetings, including public meetings, beyond those specifically identified in Section I.
- C. Perform environmental services, including environmental reviews, analysis and studies, permit preparation and processing.
- D. Planning, analysis or design of additional or alternative facilities.
- E. Prepare legal descriptions and right-of-way exhibits beyond those specifically identified in Section I.
- F. Furnish on-site project observation and field quality monitoring services during construction.
- G. Prepare of an O&M Manual (beyond Contractor equipment submittals) for the project. Prepare and conduct facility-training sessions for City's staff.

- H. Assisting the City in the closing of the project with services such as Final Acceptance, claims negotiations, filing of the Notice of Completion, and make recommendations for final payment, and release of retention or securities of the Contractor.
- I. Any additional project related services not specifically included in Section I, Scope of Services.

III. CITY FURNISHED SERVICES

The City will provide the following services or information:

- A. Copies of all relevant reports, studies, drawings, correspondence, and other relevant project information or data.
- B. Assign one person to serve as the City's project manager who has authority to represent the City and will serve as the point of interface for all project issues and communications.
- C. Application and processing of all required permits including complete environmental compliance.
- D. All available as-built drawings needed to show utilities and the existing Zone 27 reservoir.
- E. Print all plans, specifications and contract documents required for bidding and construction purposes.
- F. Coordination, processing and fees with all utility companies, except the collection of utility drawings, which will be performed by PBS&J.
- G. Coordination, processing and fees for any public meeting mailings, advertising and radio announcements.

**ATTACHMENT B
FEES AND CONDITIONS**

**CITY OF PRESCOTT
ZONE 27 RESERVOIR DESIGN AND CONSTRUCTION
ZONE 24 RESERVOIR CONSTRUCTION**

(Project)

DATE OF PROPOSAL: OCTOBER 4, 2010

- A. The tasks described in Section I, Scope of Services, will be provided on an hourly rate basis in accordance with the PBS&J standard rate schedule in effect at the time when work is being invoiced. The requested upper limit allowances for the tasks below are per the following schedule:

Zone 27 Reservoir Design: (Tasks 2100 thru 2900, 9100)	\$273,374
Zone 27 Water Facility Construction Support Services: (Tasks 3100 thru 3900, 9200)	\$124,886
Zone 24 Reservoir Construction Support Services: (Tasks 4100 thru 3900, 9300)	\$43,455
Total Cost for the tasks above:	\$441,716

- B. The Services described in Section II, Additional Engineering Services, are not included in this proposal. If amended, these tasks could be performed on an hourly rate basis in accordance with the PBS&J Standard Rate Schedule in effect at the time the services are invoiced. A copy of the current Standard Rate Schedule is attached.

ZONE 27 RES DESIGN, Z27 WF & Z24 RES CONST SUPPORT

Oct-10



FEE SUMMARY

<u>ITEM</u>	<u>TOTAL</u>
Zone 27 Reservoir - Design Services	\$ 273,374
Zone 27 PS, PL and Res - Construction Support Services	\$ 124,886
Zone 24 Reservoir - Construction Support Services	\$ 43,455
TOTAL	\$ 441,716

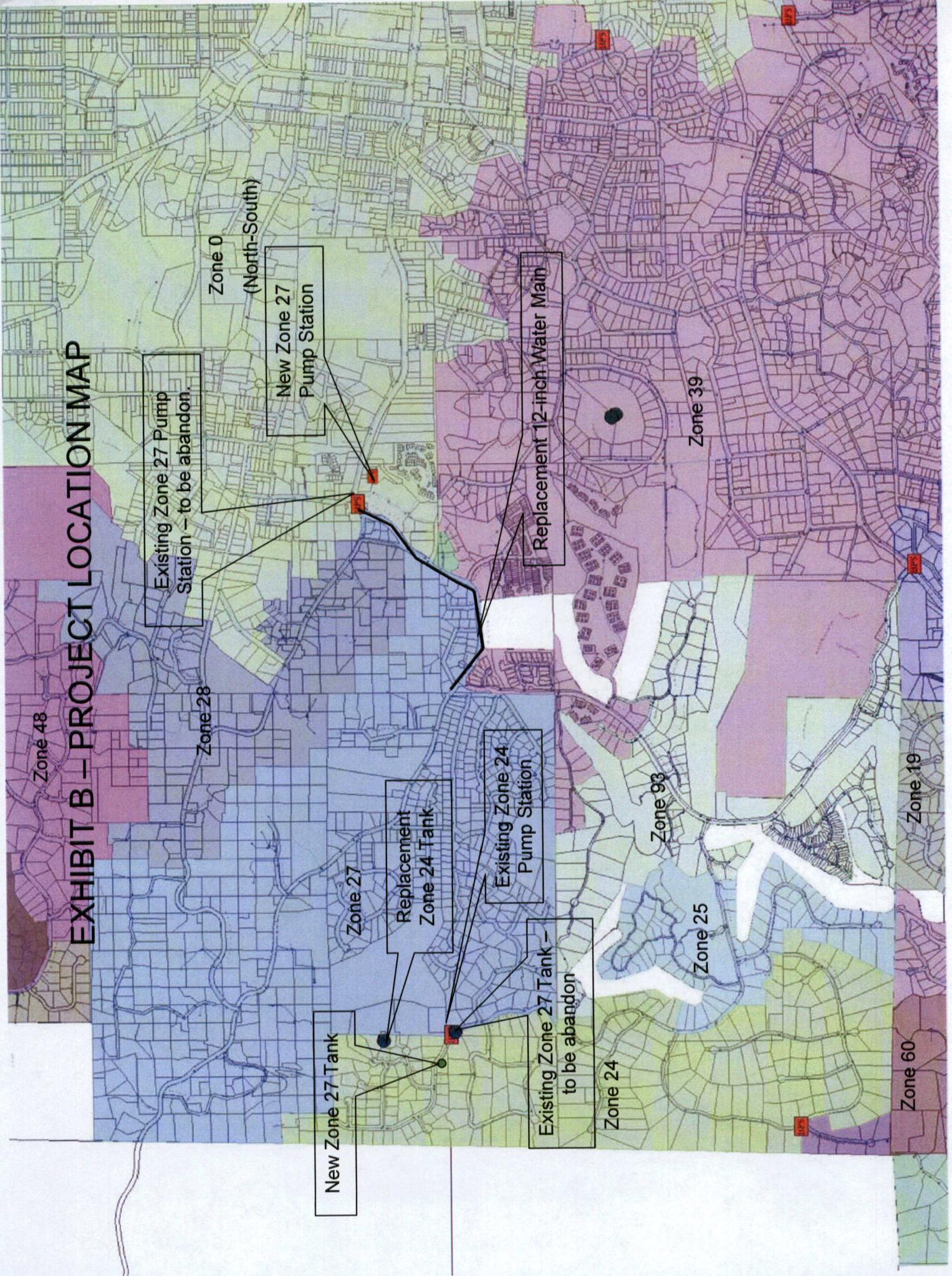
TASK DESCRIPTION		LABOR CODE/STAFF HOURS										TOTALS	
Pt	Task	Task/Sub	PRII	SPEII	EI	SDIII	SPEII	SEI	Subs	HOURS	FEE		
			CK	JC	AM	RW	JM						
2100 Project Management & Meetings													
1	PM, Coordination, QA/QC		32	60	20					112	\$18,572		
2	Meetings (6)			18	25	4				47	\$6,245		
3A	Public Outreach - PBS&J (2+1)			24	80	8				112	\$13,600		
	Subtotal									271	\$38,417		
2200 Utility and ADEQ Coordination													
1	Utility Gathering/Approval Coord			6	16	4				26	\$3,260		
2	ADEQ Coordination			4	24					28	\$3,200		
	Subtotal									54	\$6,460		
2300 Field Work and Design Investigations													
1	Field Inv/Site visits/Rev of reports			6	12	4				22	\$2,840		
2A	Surveying Map (PBS&J)			2	4	4				10	\$1,320		
2B	Surveying (SWI)									0	\$6,406		
3	Geotechnical Investigation (N&M)			2	8					0	\$23,400		
4A	SUE Potoling Map - PBS&J									10	\$1,180		
4B	SUE Potoling (10+5ft) - Geospatial									0	\$6,266		
5	Radio Path Survey (DLT&V)									0	\$3,027		
	Subtotal									42	\$44,440		
2400 Z27 Final Reservoir Design													
1	Design Review Submittals (4)			8	24	16				48	\$6,120		
2	Engineering Calculations (2)		3	12	20					35	\$4,728		
3	Contract Drawings - PBS&J (21)			67	116	544				727	\$99,730		
4	Technical Specs - PBS&J		8	24	40					72	\$9,848		
5	Contract Drawings & Specs - Subs									0	\$0		
	Structural (3) - SWE									0	\$6,760		
	EI&C (8) - DLT&V									0	\$13,879		
	CP (2) - RFYE									0	\$4,716		
	Landscaping (4) - MDL									0	\$1,976		
6	Cost Estimate			8	16					24	\$3,040		
7	Update to Z27 Design Report			8	20					28	\$3,460		
	Subtotal									934	\$154,257		
PAGE TOTALS													
TOTAL - THIS PAGE			43	249	425	584	0	0	0	0	1,301	\$243,574	
TOTAL - ALL PAGES			43	557	774.5	710	0	0	0	0	2,167	\$441,716	

TASK DESCRIPTION		LABOR CODE/STAFF HOURS											TOTALS					
Pt	Task/Task/Sub	PRII	SPEII	EI	SDIII	SPEII	SEI	Subs	JM	RW	AM	Subs	Subs	Subs	Subs	HOURS	FEE	
2500 Z27 PL Sewerline Relocations																		
1	Invest/Prelim Alignment Concepts		8	20												28	\$3,460	
2	Sewer P&P Prep (3)		6	12	36											54	\$7,320	
	Subtotal															82	\$10,780	
2600 Z27 WF Bid Phase Services																		
10	Pre-Bid Mtg (1)		2	4	2											8	\$1,040	
20	Bid Addenda (2)		4	16	8											28	\$3,480	
	Subtotal															36	\$4,520	
2900 Allowances - Z27 Design																		
1	Owner Contingency (Design)															0	\$10,000	
	Subtotal															0	\$10,000	
9100 Direct Costs - Z27 Design																		
1	Direct Cost - Design															0	\$4,500	
	Subtotal															0	\$4,500	
TOTAL - THIS PAGE			0	20	52	46	0	0	0	0	0	0	0	0	0	118	\$29,800	
TOTAL - ALL PAGES		43	557	774.5	710	0	90	0	0	0	0	0	0	0	0	2,167	\$441,716	

TASK DESCRIPTION		LABOR CODE/STAFF HOURS										TOTALS	
Pt	Task / Task/Sub	PRII CK	SPEII JC	EI AM	SDIII RW	SPEII JM	SEI Subs	-	-	-	-	HOURS	FEE
3100	Z27 WF Construction Support Services												
10	Pre-Con Mtg Attendance (1)		4	6								10	\$1,310
20	Const Mtgs/Site Visits (20)		28	12								40	\$6,020
30	RFI's/DC's (25) - PBS&J		45	45								90	\$12,375
40	CO Review (2)		6	2								8	\$1,230
50	Submittals (40/10) - PBS&J		60	120			30					210	\$26,700
60	Start-up/Testing		20				60					80	\$11,200
70	Compl Walk/Punch List		8									8	\$1,360
	Subtotal		8									446	\$60,195
3200	Z27 WF As-Built Preparation Services												
10	As-Built Mtgs/Field Recordings (10)			25								25	\$2,625
20S1	Field AB Survey-Res-SWI (5 days)											0	\$2,860
20S2	Field AB Survey-PL-Lyon (25 days)											0	\$13,166
30	As-Built Dwg Prep (100 shfts)		12	20	60							92	\$12,540
	Subtotal											117	\$31,191
3900	Allowances - Z27 Construction												
1	Owner Contingency											0	\$30,000
	Subtotal											0	\$30,000
9200	Direct Costs - Z27Construction												
1	Direct Cost											0	\$3,500
	Subtotal											0	\$3,500
TOTAL - THIS PAGE		0	191	230	60	0	90	0	0	0	0	563	\$124,886
TOTAL - ALL PAGES		43	557	774.5	710	0	90	0	0	0	0	2,167	\$441,716

TASK DESCRIPTION		LABOR CODE/STAFF HOURS										TOTALS	
Pt	Task/Task/Sub	PRII	SPEII	EI	SDIII	SPEII	SEI	SEI	SEI	SEI	SEI	HOURS	FEE
		CK	JC	AM	RW	JM	Subs						
4100	Z24 Res Construction Support Services												
10	PM & Coordination (7 months)		14	7								21	\$3,115
20	Pre-Con Mtg Attendance (1)		3	4								7	\$930
30	Const Mtgs/Site Visits (10)		14	6								20	\$3,010
40P	RFI's/DC's (8) - PBS&J		12	12								24	\$3,300
40S	RFI's/DC's (2) - DLT&V											0	\$832
50	CO Review (2)		6	2								8	\$1,230
60P	Submittals (12/3) - PBS&J		25	25								50	\$6,875
60S	Submittals - DLT&V (10)											0	\$5,338
70	Start-up/Testing (4) - PBS&J		12									12	\$2,040
80	Compl Walk/Punch List		4									4	\$680
	Subtotal											146	\$27,350
4200	Z24 Res As-Built Preparation Services												
10	As-Built Mtgs (5)		2	0.5								2.5	\$393
20P	Field AB recording (6) - PBS&J			6								6	\$630
20S	Field AB recording (4) - SWI											0	\$2,607
30P	AB Prep - PBS&J (23)		5	5								30	\$4,175
30S	AB Prep - DLT&V (8)											0	\$1,300
	Subtotal											38.5	\$9,105
4900	Allowances - Z24 Constuction												
1	Owner Contingency											0	\$5,000
	Subtotal											0	\$5,000
9300	Direct Costs - Z24 Constuction												
1	Direct Cost											0	\$2,000
	Subtotal											0	\$2,000
PAGE TOTALS												\$43,455	
TOTAL - THIS PAGE												185	
TOTAL - ALL PAGES												2,167	
PAGE TOTALS												\$441,716	

EXHIBIT B – PROJECT LOCATION MAP



COUNCIL AGENDA MEMO – (October 26, 2010)

DEPARTMENT: Legal Department

AGENDA ITEM: Resolution approving an Assignment and Assumption of Rights and Obligations pertaining to a Development Agreement with SDC Prescott, L.L.C., thereby assigning the rights to EFO/PL Investors, L.L.C., regarding property in the Prescott Lakes master planned community.

Approved By:

Date:

Department Head: Gary D. Kidd	
Finance Director: Mark Woodfill	
City Manager: Steve Norwood <i>[Signature]</i>	<i>10/19/10</i>

Item Summary

The City entered into an Amended and Restated Development Agreement (“Development Agreement”) on September 21, 2004 with SDC Prescott, L.L.C. and other parties pertaining to property in the Prescott Lakes master planned community. This matter relates to a sale from SDC Prescott, L.L.C. to EFO/PL Investors, L.L.C., and the assignment of such Development Agreement. The sale was consummated in April of this year and escrow has closed. A remaining item to the above-referenced transaction is the City of Prescott’s consent thereto to the Assignment and Assumption of Rights and Obligations Under the Development Agreement attached hereto as Exhibit “A”.

An Agreement for Potable Water was entered into by the City on September 4, 2004 and simultaneously with the presentation of this agenda item, consent to the Assignment of the Rights Under Agreement for Potable Water by SDC Prescott, L.L.C. to EFO/PL Investors, L.L.C. is also sought.

Attachments-

- 1) Assignment and Assumption of Rights and Obligations Under Development Agreement.
- 2) Resolution No. 4051-1121

Recommended Action: MOVE to adopt Resolution No. 4051-1121.

RESOLUTION NO. 4051-1121

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AUTHORIZING THE CITY OF PRESCOTT TO ENTER INTO AN ASSIGNMENT AND ASSUMPTION OF RIGHTS AND OBLIGATIONS PERTAINING TO A DEVELOPMENT AGREEMENT, CONTRACT NO. 2004-157, WITH SDC PRESCOTT, L.L.C. THEREBY ASSIGNING THE RIGHTS AND OBLIGATIONS UNDER THE EXISTING AGREEMENT TO EFO/PL INVESTORS, L.L.C., AND AUTHORIZING THE MAYOR AND STAFF TO TAKE ANY AND ALL STEPS NECESSARY TO ACCOMPLISH THE ABOVE

RECITALS:

WHEREAS, the City, EFO/PL Investors, L.L.C., and SDC Prescott, L.L.C., together with certain other parties, are parties to an Amended and Restated Development Agreement, Contract No. 2004-157 ("Development Agreement") governing the development within the Prescott Lakes master planned community; and

WHEREAS, SDC Prescott, L.L.C., an Arizona limited liability company, is the second beneficiary of the First American Title Trust No. 4999, which is the owner of certain real property located in the Prescott Lakes master planned community described on Exhibit "A" attached hereto and is subject to the Development Agreement which was recorded in the Official Records of Yavapai County, Arizona at Book 4189, Page 338 on September 21, 2004.; and

WHEREAS, in connection with its conveyance of its interest in the Trust to EFO/PL Investors, L.L.C., an Arizona limited liability company ("EFO/PL"), SDC has assigned to EFO/PL all rights and obligations pursuant to the Development Agreement; and

WHEREAS, the parties seek the City of Prescott's approval and consent to the attached Assignment and Assumption of Rights and Obligations Under Development Agreement.

ENACTMENTS:

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

SECTION 1. THAT the City of Prescott hereby approves and consents to the attached Assignment and Assumption of Rights and Obligations Under Development Agreement (between SDC Prescott, L.L.C. and EFO/PL Investors, L.L.C., recorded September 21, 2004, in Book 4189, Page 338 of the Official Records of the Yavapai County Recorder), and approves the Assignment thereof as set forth in Exhibit "A" hereto.

SECTION 2. THAT the Mayor and Staff are hereby authorized to execute the attached Assignment and Assumption of Rights and Obligations Under Development Agreement and to take any and all steps deemed necessary to accomplish the foregoing.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott this 26th day of October, 2010.

MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. BURKE, City Clerk

GARY D. KIDD, City Attorney

When recorded return to:
Gregory W. Huber, P.C.
3031 Dollar Mark Way, Suite A
Prescott, AZ 86305

Reference: Book 4189, Page 338

**ASSIGNMENT AND ASSUMPTION OF RIGHTS AND OBLIGATIONS UNDER
DEVELOPMENT AGREEMENT**

This Assignment and Assumption of Rights and Obligations Under Development Agreement (the "Assignment") is made and entered into as of the 26th day of April, 2010, by and between SDC Prescott, L.L.C., an Arizona limited liability company ("SDC"), EFO/PL Investors, LLC, an Arizona limited liability company ("EFO/PL"), and the City of Prescott, a municipal corporation ("City").

RECITALS

- A. The City, EFO/PL, and SDC, together with certain other parties, are parties to the Amended and Restated Development Agreement governing development within the Prescott Lakes master planned community ("Prescott Lakes") located in the City of Prescott, which was recorded in the Official Records of Yavapai County, Arizona at Book 4189, Page 338 on September 21, 2004 (the "Development Agreement").
- B. SDC is the second beneficiary of The First American Title Trust No. 4999 (the "Trust"), which is the owner of certain real property within Prescott Lakes that is subject to the Development Agreement (the "Property").
- C. Concurrent with execution and delivery of this Assignment, SDC is conveying its interest in the Trust to EFO/PL (the "Conveyance").
- D. In connection with the Conveyance, SDC wishes to assign to EFO/PL all of SDC's rights and obligations under the Development Agreement as the same relate to the Property, and EFO/PL desires to assume all of SDC's obligations under the Development Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, EFO/PL, SDC, and the City hereby agree as follows:

AGREEMENT

1. Assignment. SDC hereby absolutely assigns to EFO/PL all of its rights under the Development Agreement with the understanding that such assignment shall become fully effective upon the date that this Assignment is recorded in the Official Records of Yavapai County, Arizona (the "Effective Date"). EFO/PL hereby accepts the foregoing assignment and

hereby assumes (and accepts the beneficial interest in title to the Property subject to) all obligations of SDC under the Development Agreement arising from and after the Effective Date.

2. Warranties. SDC represents and warrants to EFO/PL that SDC owns all of the rights and interests being transferred hereunder, and such rights and interests are not encumbered, pledged, assigned, transferred or hypothecated in any manner whatsoever nor subject to the interest of any third person or anyone else.

3. City Consent. The City hereby consents to the foregoing assignment and assumption and agrees that from and after the Effective Date it shall look solely to EFO/PL with respect to any and all performances due with respect to the Property under the Development Agreement; and City hereby releases SDC from any and all further performance or obligations under the Development Agreement from and after the Effective Date. City further represents and warrants that it is not aware of any default or event which with the giving of notice or passage of time, or both, would constitute a default by SDC, or otherwise with respect to the Property, under the Development Agreement, and covenants and agrees that if at any time prior to the Effective Date said representation would, to the City's knowledge, be inaccurate, that it will inform both SDC and EFO/PL in writing of the same.

4. Arizona Law. This Assignment shall be interpreted according to, and governed by, the laws of the State of Arizona.

5. Captions. The headings and captions in this Assignment are for convenience and reference only and shall not control or affect the meaning or construction of any of the provisions hereof.

6. Attorneys' Fees. The parties hereto expressly covenant and agree that in the event of a dispute arising from this Assignment, each of the parties hereto waives any right to a trial by jury. In the event of litigation, the parties hereby agree to submit to a trial before the Court. The parties hereto further expressly covenant and agree that in the event of litigation arising from this Assignment, neither party shall be entitled to an award of attorney's fees, either pursuant to the Development Agreement, pursuant to ARS Section 12-341.01(A) and (B), or pursuant to any other state or federal state statute.

7. Remedies. Each of the parties hereto confirms that damages at law may be an inadequate remedy for a breach or threatened breach of this Assignment and agrees that, in the event of a breach or threatened breach of any provision hereof, the respective rights and obligations hereunder shall be enforceable by specific performance, injunction or other equitable remedy, but nothing herein contained is intended to, nor shall it, limit or affect any rights at law conferred, by statute or otherwise, on EFO/PL for a breach or threatened breach of any provisions hereof.

8. Successors And Assigns. This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, devisees, personal representatives, agents, employees and servants.

9. Counterparts. This Agreement may be executed in one or more counterparts for the convenience of the parties. Each executed counterpart shall for all purposes be deemed an original, but all of which together shall constitute in the aggregate one and the same instrument. The

signature pages from one or more counterparts may be removed therefrom and attached to one or more duplicate Assignments containing all original signatures.

IN WITNESS WHEREOF, the parties have executed this Assignment to be effective as of the Effective Date identified herein.

(signatures begin on next page)

SDC:

SDC PRESCOTT, L.L.C., an Arizona limited liability company

By: SunCor Development Company, its sole member

By: 
Name: Michael D. Martin
Title: Vice President & CFO

EFO/PL:

EFO/PL INVESTORS, L.L.C., an Arizona limited liability company

By: MAHOWALD GROUP III, L.L.C., a Texas limited liability company, its manager

By: _____
Chris Mahowald, its member

SDC:

SDC PRESCOTT, L.L.C., an Arizona limited liability company

By: SunCor Development Company, its sole member

By: _____

Name: _____

Title: _____

EFO/PL:

EFO/PL INVESTORS, L.L.C., an Arizona limited liability company

By: MAHOWALD GROUP III, L.L.C., a Texas limited liability company, its manager

By:  _____

Chris Mahowald, its member

CITY:

THE CITY OF PRESCOTT
a Municipal Corporation

By: _____
Its: _____

ATTEST:

By: _____
Its: _____

STATE OF ARIZONA)
) ss.
COUNTY OF Maricopa

On August 25, 2010, before me, the undersigned Notary Public, personally appeared Michael D. Martin, Vice President & CFO of SunCor Development Company, the sole Member of SDC Prescott, LLC., personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose (name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Georgia L. Moraga
Notary Public

My Commission Expires:

01-09-2013



STATE OF ARIZONA)
) ss.
COUNTY OF _____)

On _____, 2010, before me, the undersigned Notary Public, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose (name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

My Commission Expires:

STATE OF ARIZONA)
) ss.
COUNTY OF _____)

On _____, 2010, before me, the undersigned Notary Public, personally appeared _____

_____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose (name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

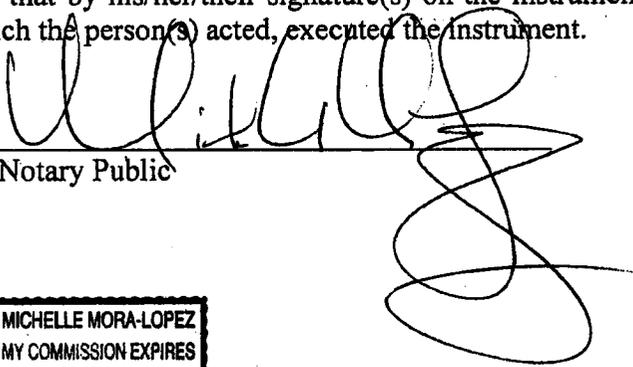
My Commission Expires:

STATE OF ~~ARIZONA~~)
 ~~Arizona~~ Texas) ss.
COUNTY OF Dallas)

On September 8, 2010, before me, the undersigned Notary Public, personally appeared Chris Mahowald

_____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose (name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Notary Public

My Commission Expires:

October 6, 2012



STATE OF ARIZONA)
) ss.
COUNTY OF _____)

On _____, 2010, before me, the undersigned Notary Public, personally appeared _____

_____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose (name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

My Commission Expires:

STATE OF ARIZONA)
) ss.
COUNTY OF _____)

On _____, 2010, before me, the undersigned Notary Public, personally appeared _____

_____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose (name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

My Commission Expires:

COUNCIL AGENDA MEMO – (October 26, 2010)

DEPARTMENT: Legal Department

AGENDA ITEM: Resolution approving an Assignment of Rights pertaining to agreement for Potable Water with SDC Prescott, L.L.C., thereby assigning the rights to EFO/PL Investors, L.L.C., regarding property in the Prescott Lakes master planned community.

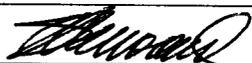
Approved By:

Date:

Department Head: Gary D. Kidd

Finance Director: Mark Woodfill

City Manager: Steve Norwood



10/19/10

Item Summary

The City entered into an Agreement for Potable Water dated September 4, 2004 with SDC Prescott, L.L.C. and other parties for the rights pertaining to the Potable Water in the Prescott Lakes planned community. This matter relates to a sale from SDC Prescott, L.L.C., to EFO/PL Investors, L.L.C. and the assignment of such rights. The sale was consummated in April of this year and escrow has closed. A remaining item to the above-referenced transaction is the City of Prescott's consent thereto to the Assignment Agreement attached hereto as Exhibit "A".

A Development Agreement was entered into by the City on September 21, 2004 and simultaneously with the presentation of this agenda item, consent to the Assignment of the Amended and Restated Development Agreement by SDC Prescott, L.L.C. to EFO/PL Investors, L.L.C. is also sought.

Attachments-

- 1) Assignment of Rights Under agreement for Potable Water.
- 2) Resolution No. 4052-1122

Recommended Action: MOVE to adopt Resolution No. 4052-1122.

RESOLUTION NO. 4052-1122

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AUTHORIZING THE CITY OF PRESCOTT TO ENTER INTO AN ASSIGNMENT OF RIGHTS PERTAINING TO THE AGREEMENT FOR POTABLE WATER, CONTRACT NO. 2004-151, WITH SDC PRESCOTT, L.L.C. THEREBY ASSIGNING THE RIGHTS AND OBLIGATIONS UNDER THE EXISTING AGREEMENT TO EFO/PL INVESTORS, L.L.C., AND AUTHORIZING THE MAYOR AND STAFF TO TAKE ANY AND ALL STEPS NECESSARY TO ACCOMPLISH THE ABOVE

RECITALS:

WHEREAS, the City, EFO/PL Investors, L.L.C., and SDC Prescott, L.L.C. together with certain other parties, are parties to an Agreement for Potable Water, Contract No. 2004-151, more particularly described as Agreement for Potable Water dated September 4, 2004, in Book 4189, Page 340 of the Official Records of Yavapai County, Arizona; and

WHEREAS, SDC Prescott, L.L.C., an Arizona limited liability company, is the second beneficiary of the First American Title Trust No. 4999, which is the owner of certain real property described on Exhibit "A" attached hereto located in the Prescott Lakes master planned community; and

WHEREAS, in connection with its conveyance of its interest in the Trust to EFO/PL Investors, L.L.C., an Arizona limited liability company ("EFO/PL"), SDC has assigned to EFO/PL all rights to the provision of potable water for the Property which SDC acquired from City of Prescott pursuant to the Water Agreement; and

WHEREAS, the parties seek the City of Prescott's approval and consent to the attached Assignment of Rights.

ENACTMENTS:

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

SECTION 1. THAT the City of Prescott hereby approves the attached Assignment of Rights Under Agreement for Potable Water (between SDC and EFO/PL Investors, L.L.C. which SDC acquired from City of Prescott, pursuant to the Water Agreement recorded September 4, 2004, in Book 4189, Page 340 of the Official Records of the Yavapai County Recorder), and approves the Assignment thereof as set forth in Exhibit "A" hereto.

SECTION 2. THAT the Mayor and Staff are hereby authorized to execute the attached Assignment of Rights Under Agreement for Potable Water and to take any and all steps deemed necessary to accomplish the foregoing.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott this 26th day of October, 2010.

MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. BURKE, City Clerk

GARY D. KIDD, City Attorney

When recorded return to:
Gregory W. Huber, P.C.
3031 Dollar Mark Way, Suite A
Prescott, AZ 86305

Reference: Book 4189, Page 340

**ASSIGNMENT OF RIGHTS UNDER
AGREEMENT FOR POTABLE WATER**

SDC Prescott, L.L.C., an Arizona limited liability company (hereinafter referred to as "SDC") is the second beneficiary of The First American Title Trust No. 4999 (the "Trust"), which is the owner of the real property described on **Exhibit "A"** attached hereto (the "Property"). SDC is the Applicant under that certain Agreement For Potable Water, recorded September 4, 2004, in Book 4189, Page 340 of the Official Records of Yavapai County, Arizona (the "Water Agreement") which relates to the Property.

In connection with its conveyance of its interest in the Trust to **EFO/PL Investors, LLC**, an Arizona limited liability company ("EFO/PL"), SDC hereby assigns to EFO/PL all rights to the provision of potable water for the Property which SDC acquired from City of Prescott, a municipal corporation ("City"), pursuant to the Water Agreement.

EFO/PL accepts such assignment of entitlements and acknowledges that its rights to exercise the "Applicant's Rights" under the Water Agreement are fully subject to the terms of the Water Agreement and EFO/PL's observance and performance of all requirements and covenants imposed upon the "Applicant" thereunder.

SDC represents, warrants, and covenants to and with EFO/PL as follows: SDC owns all the rights and interests being transferred hereunder, and such rights and interests are not encumbered, pledged, assigned, transferred or hypothecated in any manner whatsoever nor subject to the interest of any third person or anyone else.

This Assignment may be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one in the same instrument.

This Assignment shall be binding upon, and inure to the benefit of SDC, EFO/PL and City and their respective successors and assigns, and shall run with the Property.

The parties hereto expressly covenant and agree that in the event of a dispute arising from this Assignment, each of the parties hereto waives any right to a trial by jury. In the event of litigation, the parties hereby agree to submit to a trial before the Court. The parties hereto further expressly covenant and agree that in the event of litigation arising from this Assignment, neither party shall be entitled to an award of attorney's fees, either pursuant to the Water Agreement,

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

IN WITNESS WHEREOF, the parties have executed this Assignment to be effective as of the date first appearing above.

SDC:

SDC PRESCOTT, L.L.C., an Arizona limited liability company

By: SunCor Development Company, its sole member

By: 
Name: Michael D. Martin
Title: Vice President & CFO

EFO/PL:

EFO/PL INVESTORS, L.L.C., an Arizona limited liability company

By: MAHOWALD GROUP III, L.L.C., a Texas limited liability company, its manager

By: _____
Chris Mahowald, its member

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

IN WITNESS WHEREOF, the parties have executed this Assignment to be effective as of the date first appearing above.

SDC:

SDC PRESCOTT, L.L.C., an Arizona limited liability company

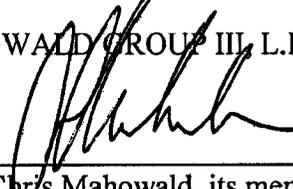
By: SunCor Development Company, its sole member

By: _____
Name: _____
Title: _____

EFO/PL:

EFO/PL INVESTORS, L.L.C., an Arizona limited liability company

By: MAHOWALD GROUP III, L.L.C., a Texas limited liability company, its manager

By:  _____
Chris Mahowald, its member

ACKNOWLEDGEMENT OF CITY

The undersigned hereby consents to the foregoing Assignment and agrees to render all performance under the Water Agreement directly to EFO/PL Investors, LLC from and after the date of this Assignment.

DATED this _____ of _____, 2010.

CITY OF PRESCOTT:

By: _____
Name: _____
Title: _____

ATTEST:

STATE OF ARIZONA)
) ss.
COUNTY OF Maricopa)

On August 25, 2010, before me, the undersigned Notary Public, personally appeared Michael D. Martin, Vice President & CFO of SunCor Development Company, the Sole Member of SDC Prescott, L.L.C., personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose (name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Georgia L. Moraga
Notary Public

My Commission Expires:

01-09-2013



STATE OF ARIZONA)
) ss.
COUNTY OF _____)

On _____, 2010, before me, the undersigned Notary Public, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose (name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

My Commission Expires:

STATE OF ARIZONA)
) ss.
COUNTY OF _____)

On _____, 2010, before me, the undersigned Notary Public, personally appeared _____

_____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose (name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

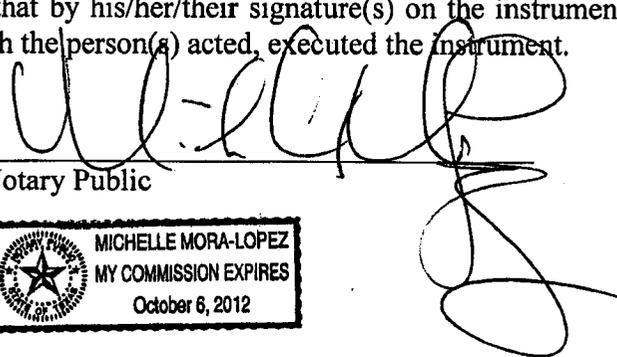
My Commission Expires:

STATE OF ^{TEXAS} ~~ARIZONA~~)
) ss.
COUNTY OF Dallas)

On September 8, 2010, before me, the undersigned Notary Public, personally appeared Chris Mahowald

_____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose (name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Notary Public

My Commission Expires:

October 6, 2012



EXHIBIT "A"

PARCEL NO. 1:

LOTS 136 THROUGH 141, INCLUSIVE, LOTS 144, 146, 147, 149, 150, 152, 158, 159, LOTS 162 THROUGH 171, INCLUSIVE, LOTS 173, 174, 176, LOTS 179 THROUGH 183, INCLUSIVE, LOTS 186 THROUGH 188, INCLUSIVE, LOTS 190 THROUGH 194, INCLUSIVE, LOTS 198 THROUGH 200, INCLUSIVE, OF BROOKSIDE AT PRESCOTT LAKES, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF YAVAPAI COUNTY, ARIZONA, RECORDED IN BOOK 54 OF MAPS, PAGES 34 THROUGH 36.

PARCEL NO. 2:

LOTS 10 AND 11, LOTS 15 THROUGH 19, INCLUSIVE, LOT 23, LAKESIDE PHASE 1A AT PRESCOTT LAKES, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF YAVAPAI COUNTY, ARIZONA, RECORDED AS BOOK 51 OF MAPS, PAGES 58, 59.

PARCEL NO. 3:

LOTS 93 THROUGH 95, INCLUSIVE, LOTS 101 THROUGH 112, INCLUSIVE, LOTS 115 THROUGH 123 INCLUSIVE, LAKESIDE PHASE 1B AT PRESCOTT LAKES, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF YAVAPAI COUNTY, ARIZONA, RECORDED IN BOOK 53 OF MAPS, PAGE 1, AND CERTIFICATE OF CORRECTION RECORDED AS BOOK 4262 OF OFFICIAL RECORDS, PAGE 143 AND BOOK 4265 OF OFFICIAL RECORDS, PAGE 677 OF YAVAPAI COUNTY, ARIZONA.

PARCEL NO. 4:

LOTS 202 THROUGH 294, INCLUSIVE, LOTS 390 AND 391, AND TRACTS L1, L2, M, N AND O, OF PINNACLE III AT PRESCOTT LAKES, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF YAVAPAI COUNTY, ARIZONA, RECORDED IN BOOK 56 OF MAPS, PAGES 17-23.

PARCEL NO. 5:

LOTS 295 THROUGH 389, INCLUSIVE AND TRACTS P THROUGH Y, INCLUSIVE, OF PINNACLE IV AT PRESCOTT LAKES, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF YAVAPAI COUNTY, ARIZONA, RECORDED IN BOOK 57 OF MAPS, PAGES 35-39.