



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

**PRESCOTT CITY COUNCIL
REGULAR VOTING MEETING
TUESDAY, NOVEMBER 22, 2011
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 Mike Kuykendall, Calvary Chapel of Williams
- ◆ **PLEDGE OF ALLEGIANCE:** Councilman Lamerson
- ◆ **ROLL CALL:**

MAYOR AND CITY COUNCIL:

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

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

I. PROCLAMATION

- A. [November 22, 2011, as Arizona Centennial Day](#)
- B. [December 1, 2011, as World HIV/AIDS Awareness Day](#)

II. CONSENT AGENDA

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

- A. [Approval of payment to Yavapai County Elections Department in the amount of \\$45,913.30 for services provided for the Special Election held November 8, 2011.](#)

- B. Authorization of payment to CRW for annual Technical Support and Software Maintenance Agreement for the Trak-It development permit tracking software in the amount of \$12,300.00.
- C. Approval of the minutes of the November 1, 2011, Joint Workshop/Special Meeting, and the November 8, 2011, Regular Voting Meeting.

III. REGULAR AGENDA

- A. Acceptance of the Phase 2 funding grant from the Arizona Department of Transportation Aeronautics Division for the Runway 21L-3R Safety Improvement Project.
- B. Adoption of Ordinance No. 4819-1219 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona accepting the dedication of certain roadway and referred to as a portion of State Route 89 north of the Willow Lake Roundabout from MP 316.27 to approximately nine hundred feet south of the intersection of the State Route 89 traffic interchange and authorizing the Mayor and City staff to take necessary steps to complete acceptance and dedication as a City of Prescott public roadway.
- C. Adoption of Resolution No. 4110-1220 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona authorizing the City of Prescott to enter into a Maintenance Memorandum of Understanding pertaining to the maintenance of that portion of State Route 89 transferred to the City of Prescott by the Arizona Department of Transportation and further delineating the obligations of the parties pursuant to Resolution No. 4081-1151 which approved the Intergovernmental Agreement with Yavapai County pertaining to transfer of ownership and maintenance responsibility for two segments of State Route 89, and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.
- D. Approval to extend existing City Contract No. 2009-084 with D & K Farming Enterprises, LLC on a month-to-month basis for a period not to exceed four (4) months for hauling bio-solids from the Airport and Sundog wastewater treatment plants in an amount not to exceed \$60,000.00.
- E. Approval of additional funding for City Contract No. 2011-154 with Hill Brothers Chemical Company for purchase of chlorine tablets in an amount not to exceed \$79,430.00.
- F. Approval of purchase of 45 ea. Motorola XTL 2500 P-25 compliant narrowband mobile radios from Creative Communications, for a total purchase price of \$144,998.00.

- G. Adoption of Resolution No. 4107-1217 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona authorizing the City of Prescott to enter into a Memorandum of Understanding (MOU), with the Northern Arizona Council of Governments (NACOG) – Economic Workforce Development, providing for the administration of the Voucher Transit Program for Calendar Year 2012, and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.
- H. Adoption of Resolution No. 4109-1219 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona repealing Resolution No. 4013-1043 sunsetting the Transportation Coordinating Committee.
- I. Development (Impact) Fees:
 - 1. Adoption of Ordinance No. 4812-1212 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, amending the Prescott City Code by amending Chapter 14-12, *Development Fees*, thereof.
 - 2. Adoption of Resolution No. 4108-1218 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, adopting a Council Policy to require the Recreational Development Impact Fee Fund and Public Building Impact Fee Fund to reimburse and repay the Capital Improvement Fund for monies loaned from the Capital Improvement Fund to the Recreational Impact Fee Fund to pay for a portion of the gymnasium at the Adult Center building and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.

IV. INSTALLATION OF NEW OFFICERS

- A. Presentation of Resolution of Commendation to outgoing Councilman Len Scamardo and related comments.
- B. Presentation of Resolution of Commendation to past Councilwoman Lora Lopas and related comments.
- C. Presentation of Resolution of Commendation and Plaque to outgoing Councilwoman Mary Ann Suttles and related comments.
- D. ADMINISTER OATH OF OFFICE by Arizona Supreme Court Justice Robert M. Brutinel to:
 - 1. Councilman-Elect Charlie Arnold
 - 2. Councilman-Elect Alan Carlow
 - 3. Councilman-Elect Chris Kuknyo
 - 4. Councilman-Elect James Lamerson
 - 5. Mayor-Elect Marlin Kuykendall

- E. SEATING of new Council Members.

V. POST-INSTALLATION ACTION

- A. Invocation: Reverend Kimball C. Arnold, St. Luke's Episcopal Church

- B. ROLL CALL of New Mayor and Council.

Mayor Kuykendall	
Councilman Arnold	Councilman Hanna
Councilman Blair	Councilman Kuknyo
Councilman Carlow	Councilman Lamerson

- C. Appointment of Mayor Pro Tempore.
- D. Presentation of check from Friends of Jersey Lilly for courthouse lighting.

VI. ADJOURNMENT

CERTIFICATION OF POSTING OF NOTICE

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

Elizabeth A. Burke, MMC, City Clerk

PROCLAMATION

“ARIZONA CENTENNIAL DAY” November 22, 2011

WHEREAS: the Arizona Centennial Commission was formed to provide celebrations of the State’s 100th birthday; and

WHEREAS: the Arizona Centennial Commission deemed that as it’s first Territorial Capital, Prescott should be the first city to celebrate the centennial; and

WHEREAS: the Arizona Centennial Commission hired the services of Entertainment Solutions, Inc. to produce Arizona’s 100th birthday celebrations; and

WHEREAS: the celebration called “BEST FEST” held September 16, 17 and 18, 2011 was the most successful event in the history of Prescott; and

WHEREAS: in recognition of the efforts of the Arizona Centennial Commission and Entertainment Solutions, Inc. Arizona Centennial Day will be celebrated.

NOW, THEREFORE I, Marlin D. Kuykendall, Mayor of Prescott, by virtue of the authority vested in me by the Constitution and laws of Prescott do hereby proclaim November 22, 2011 as:

ARIZONA CENTENNIAL DAY

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Prescott to be affixed this 22ND day of November 2011.


MARLIN D. KUYKENDALL, MAYOR
City of Prescott

ATTEST:


ELIZABETH A. BURKE, CITY CLERK
City of Prescott



"WORLD AIDS DAY" – DECEMBER 1, 2011"

Whereas, Thirty years after finding AIDS was caused by a Blood-borne Viral Pathogen it has developed into a worldwide pandemic with no cure in sight. We are experiencing progress in the development of a vaccine to prevent the transmission of HIV such as we experienced with the polio virus in the 20th century. A just concluded World Aids vaccine conference in Bangkok has shown promising results. Thailand conducted a study using over 16,000 volunteers and concluded that a safe, general use vaccine is possible to develop. Next years' conference in Boston is expected to provide solutions to Thailand's RV144 study and report advances on other vaccine tests being conducted around the world. As with the NASA space program, much of the AIDS R&D has been incorporated into other medical and technical fields as well.

Whereas, The International Theme for 2011 is "**Getting to Zero**". (1) Zero new HIV infections, (2) Zero Discrimination and (3) Zero Aids related deaths. These are all attainable goals. Our target is to have everyone in our area between the ages of 13 and 64 know their HIV status. Testing in our area of Northern Arizona is free, fast, voluntary and confidential. We have active instruction programs through the local health departments, school systems and the main providers; Northland Cares centered in Prescott and North Country centered in Flagstaff. Both of these clinics, working in conjunction with each other and using satellite operations, are able to provide service to all of Northern Arizona. New infections are prevented by education. A much more difficult education process is "Zero Discrimination". When interacting with the general public it is extremely difficult and requires an ongoing effort to remove the undeserved stigma that has grown with this disease. "Zero Aids related deaths" is definitely within our grasp. Continuing research has produced many new drugs which are well tolerated by most HIV patients. This has changed AIDS from a fatal to a highly treatable chronic disease allowing patients to lead near normal lives. Patients must take an active part in their treatment much as a diabetic patient would.

Whereas, Along with the good news to report in the research and treatment areas we have had to face the harsh realities of economic hard times through 2011. Non-profit organizations, such as Northland Cares Clinic, struggle for support during the best of times. With conditions such as they are now we spend most of our administrative time seeking resources to keep our doors open. Financial and in-kind donations along with a cadre of heart driven volunteers have kept us in operation. Government flat funding continues and some programs are being reduced as our patient load increases. Fortunately, through hard times, we have not yet had to turn patients away.

Now Therefore, I, Marlin Kuykendall, Mayor of the City of Prescott, do hereby proclaim December 1, 2011 as **World HIV/AIDS Awareness Day** in Prescott. We must provide the most comprehensive education regarding HIV/AIDS, help detect those people who may be carriers of the virus and most importantly support the treating agencies in our community such as Northland Cares Clinic with the resources they critically need. Education, detection and treatment are the keys to containing this enduring health emergency.

In Witness Thereof, I have hereunto set my hand and caused the Seal of the City of Prescott to be affixed this 22nd Day of November, 2011.



Marlin D. Kuykendall
MARLIN D. KUYKENDALL, MAYOR
City of Prescott

ATTEST:

COUNCIL AGENDA MEMO – November 22, 2011

DEPARTMENT: City Clerk

AGENDA ITEM: Approval of payment to Yavapai County in the amount of \$45,913.30 for Special Election services

Approved By:

Date:

Department Head: Elizabeth A. Burke, City Clerk

Finance Director: Mark Woodfill

City Manager: Craig McConnell



11-16-11

Background

The City of Prescott contracts with Yavapai County Elections Department for assistance with its elections. Regularly-scheduled elections of the City are held in August and November of odd-numbered years. Additionally, special elections may be called by the City for other issues and pursuant to State Statutes may be held during March, May, August and November.

Since 2001 the City of Prescott has held Vote-by-Mail elections, however, when a special City election is held which coincides with a County polling place election containing statewide issues, the City must also hold their elections at the polls.

The City entered into an Agreement with the County in 2009 for election services which remains in effect until terminated by either party. The only change to this Agreement is when the County Board of Supervisors adopts new fees for services.

Financial

The County currently charges \$2.10 per registered voter for Vote-by-Mail elections. However, the Agreement allows for this amount to be reduced to \$1.85 per registered voter for those jurisdictions that provide help and/or no charge polling sites for County-wide elections.

With 24,818 registered voters in the Special Election, the expense is \$45,913.30, as reflected in the attached invoice.

Recommended Action: MOVE to approve payment in the amount of \$45,913.30 to Yavapai County Elections for their services in the November 8, 2011, Special Election.



YAVAPAI COUNTY ELECTIONS DEPT.

1015 Fair Street, Room 228
Prescott, AZ 86305
Phone: 928-771-3250
Fax: 928-771-3446
web.elections@co.yavapai.az.us

Lynn Constabile
Elections Director

INVOICE

JURISDICTION

City of Prescott
Attn: Elizabeth Burke, City Clerk
PO Box 2059
Prescott, AZ 86302

ELECTION DATE

November 8, 2011

DESCRIPTION

Cost per Registered Voter: \$ 1.85

Total Registered Voters: 24,818

Amount Due: \$ 45,913.30

Fee reflects total charges from Yavapai County Voter Registration and Elections Departments.

Payment for all costs is due no later than 30 days following the date of the election. A late charge of 2% of the unpaid balance will be imposed for each 30-day period or portion thereof.

Please make checks payable to: **Yavapai County Elections**
Thank you.

COUNCIL AGENDA MEMO – November 22, 2011
PROCUREMENT ITEM FOR CONSENT AGENDA (\$10,000 - \$20,000)

DEPARTMENT: PUBLIC WORKS

AGENDA ITEM CAPTION: Authorization of payment for CRW Annual Technical Support and Software Maintenance Agreement in the amount of \$12,300.00

Approved By: _____ **Date:** _____

Department Director: Mark Nietupski, Public Works Director

City Manager: Craig McConnell *Craig McConnell* 11-16-11

Good(s) or Service(s) to be Purchased	
Description of Item(s) Check if Prof. Services ___	Technical Support and Software Maintenance Services
Quantity	Services to be provided for a one year period - 12/1/11 through 11/30/12
Necessity/Use	Technical support and software maintenance for CRW TrakIt which supports all building safety, fire and public works project tracking and permitting.

Summary of Written Quotes (exclusive of tax) or Professional Services Proposals

** See Note (1) below for professional services **			
x	Vendor (Name and Location)	Price	Delivery/Schedule
X	1. CRW Systems, Inc.	\$12,300.00	12/1/11
	2.		
	3.		

x = recommended award

Budget Information	Acct # 1003800-8520 - Community Development = \$4,920, Acct # 1005005-8520 - Fire Dept = \$2,460 Acct # 7005800-8520 - Public Works = \$2,460 Acct # 7205850-8520 - Public Works = \$2,460
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Additional Comments: CRW TrakIt Software has been in use by the City since 1995 by several departments in the management of development projects and activities.

Attachments	1. CRW Systems, Inc. Invoice for Services
	2.
	3.

COUNCIL AGENDA MEMO – November 22, 2011

DEPARTMENT: Airport

AGENDA ITEM: Acceptance of the Phase 2 funding grant from the Arizona Department of Transportation Aeronautics Division for the Runway 21L-3R Safety Improvement Project

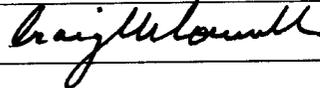
Approved By:

Date:

Department Head: Benjamin Vardiman, Airport Manager

Finance Director: Mark Woodfill

City Manager: Craig McConnell



11-16-11

This is a recommendation to accept a State of Arizona Department of Transportation grant in the amount of \$178,147.00 for the Runway 21L-3R Safety Improvement project. In July 2011, Council accepted the ADOT Phase 1 funding grant for this same project. In August 2011, Council accepted the Phase 2 funding grant from the FAA for the 95% federal portion of the Phase 2 funding.

Background

In March 2011, Council authorized design of the Runway 21L-3R Safety Improvement project at the Prescott Municipal Airport. This project will enhance the safety of the Airport by ensuring that the runway meets applicable safety standards and regulations. Design of this project has been completed and it is currently out for bids due November 30, 2011. It is anticipated that the construction contract will be brought before Council in December for award to the successful bidder. Construction is anticipated to begin in January 2012 and be completed in July 2012.

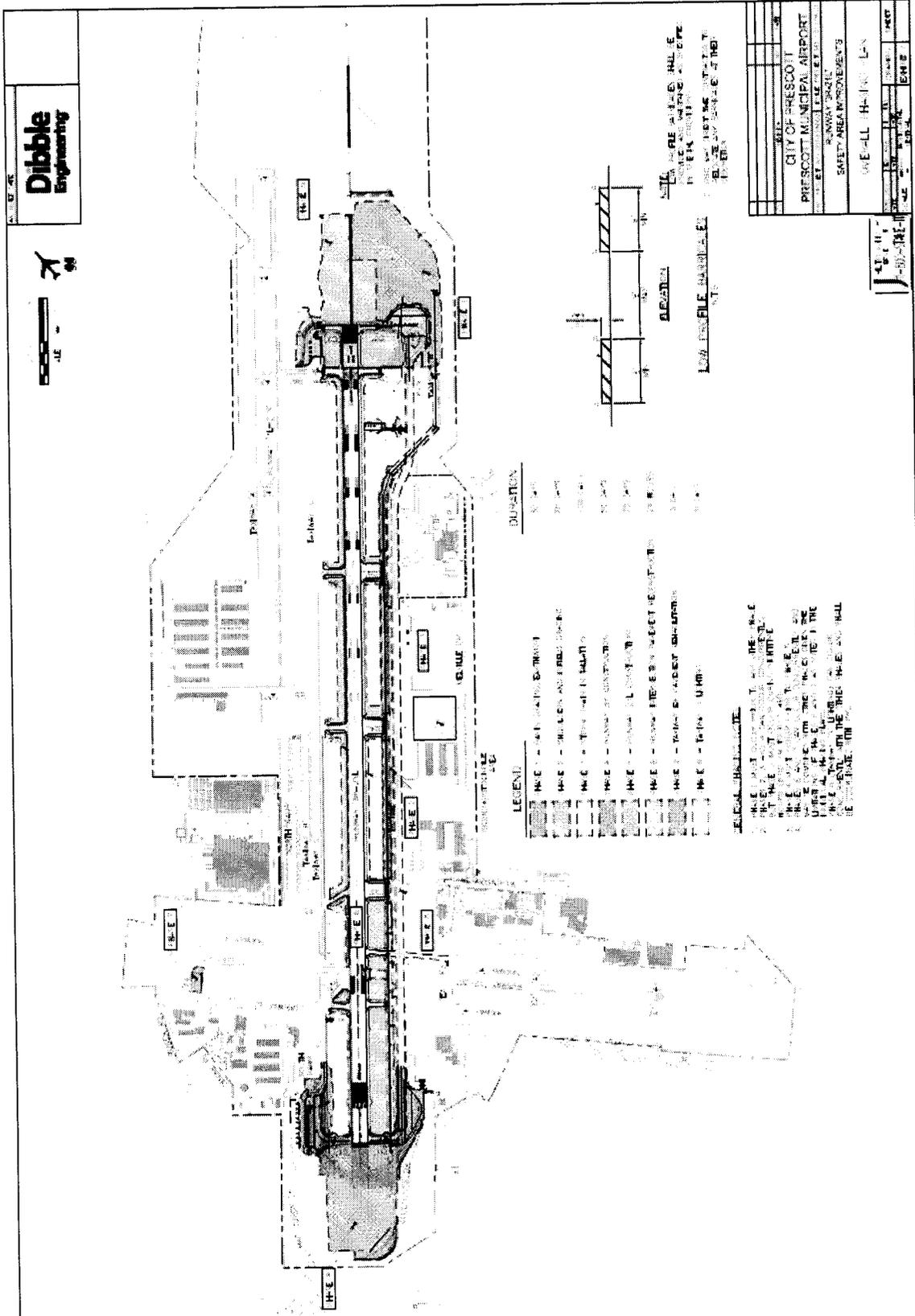
During the months of November and December, Airport staff will be conducting a series of stakeholder meetings to brief the local pilot community of the upcoming construction project and its associated benefits and impacts. A total of six meetings will be conducted by the end of December.

Financial

The Phase 2 funding portion of the project is 95% grant funded by the FAA and with the acceptance of this grant will be 2.5 % grant funded by ADOT Aeronautics Division in the amount of \$178,147. The City matching portion (2.5%) to the federal grant is \$178,147. While the majority of this grant has been budgeted in the FY2012 Capital Improvement Fund, approximately \$2,736 of this grant will be budgeted and expended in FY2013.

Recommended Action: MOVE to accept a Grant from the Arizona Department of Transportation (ADOT) in the amount of \$178,147 State share for Phase 2 funding of construction of the Runway 21L-3R Safety Improvements at Prescott Municipal Airport and further authorizing the Mayor and City staff to execute any and all related documents.

Agenda Item: Acceptance of the Phase 2 funding grant from the Arizona Department of Transportation Aeronautics Division for the Runway 21L-3R Safety Improvement Project



**Arizona Department of Transportation
Multimodal Planning Division
Aeronautics Group**

Airport Development Reimbursable Grant Agreement

Part I

THIS AGREEMENT is entered into _____, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION, through its Multimodal Planning Division (the "State") and the City of Prescott a political subdivision of the State of Arizona, (the "Sponsor") for a grant of State funds for the purpose of aiding in financing a Project to *Improve Runway 3R-21L safety area by moving existing runway (approx. 7,616' x 150') and parallel taxiways (2 each, approx. 7,616' x 50') 400 feet northeast along the runway and taxiway centerlines, including safety area grading and drainage on each runway side and ends, phase 2* (the "Project"), for the improvement of Ernest A. Love Field (the "Airport").

WITNESSETH

Recitals:

- 1) The Sponsor desires, in accordance with the authority granted by Arizona Revised Statutes (A.R.S.) Section 28-8413, funds from the State for the purpose of airport planning and/or development.
- 2) The Arizona State Transportation Board, as approved on October 21, 2011, and the Director of the Arizona Department of Transportation, in accordance with the authority granted by A.R.S. Sections 28-304, 28-363, and 28-401 and Title 28, Chapter 25, A.R.S., have authorized reimbursement to the Sponsor of funds expended for airport planning and/or development.

Now, therefore, in consideration of the foregoing recitals and of the covenants and agreements made by the parties herein to be kept and performed, the parties agree as follows:

Sponsor's Responsibility

- 1) The Sponsor shall accept this Agreement within 4 months of the date of the grant offer cover letter: November 3, 2011. This Grant offer, if not accepted by the Sponsor, shall expire at the end of the 4-month period.
- 2) The Sponsor shall commence the Project within 6 months of the date the grant was executed by the State. This Project will consist of the airport improvements as described in Exhibit C. The Sponsor shall proceed with due diligence and complete the Project in accordance with the provisions of this Agreement. The Sponsor shall provide and maintain competent supervision to complete the Project in conformance with the plans, specifications and work completion schedule incorporated as part of this Agreement.

Grant Number E2F97

City of Prescott
Ernest A. Love Field

- 3) The Sponsor shall submit completed Project Reimbursement and Milestone schedules, which shall be attached hereto, as Exhibit C, Schedules Two and Three respectively and shall complete the Project within that schedule. Any change to the schedule shall be submitted in writing and be approved by the State. A time extension beyond the State's obligation to provide funds herein must be reflected by formal Amendment to this Agreement.
- 4) The Sponsor shall comply with the Sponsor Assurances and abide by and enforce the General Provisions and Specific Provisions incorporated herein as Exhibits A, B and C respectively.

Obligations

- 1) The minimum funding participation from the Sponsor shall be two and one-half percent (2.5%) as determined by the State.
- 2) The maximum reimbursement available from the State to the Sponsor for this Agreement shall be **one hundred seventy-eight thousand one hundred and forty-seven dollars (\$178,147)**.
- 3) Except as otherwise provided herein, the State's obligation to provide funds hereunder expires upon completion of the efforts required herein or **December 30, 2015**, whichever is earlier.
- 4) The State may, after agreeing to provide said funds to the Sponsor, withdraw/terminate the grant if the Project has not been initiated as evidenced by a Notice to Proceed within 6 months of the date the grant was executed by the State the grant or has not progressed as scheduled over a period of 12 months. If it becomes necessary to terminate a grant at any time, the State will reimburse expenses of the Sponsor, approved by the State, up to the time of notification of cancellation.
- 5) Sponsor acknowledges that in the event of a late payment or reimbursement by the State, the State shall have no obligation to pay a late payment fee or interest and shall not otherwise be penalized.
- 6) In the case where funds are no longer available or have been withdrawn or not appropriated, or the Project is no longer in the State's best interest, the State shall have the right of termination as its sole option. The State shall not reimburse any costs incurred after receipt of the notice of termination. The Governor pursuant to A.R.S. Section 38-511 hereby puts all parties on notice that this Agreement is subject to cancellation.

Preliminary Work Provision

Any preliminary work, for which costs for this Project were incurred after January 1, 2011, shall be considered eligible for reimbursement provided that said costs are directly related to the Project on which this Agreement is written. The State shall review related records and determine eligibility at its sole discretion.

Part II

The Sponsor shall approve and attach to this agreement a resolution by its governing body that certifies as follows:

- 1) The Sponsor has the legal power and authority:
 - a) to do all things necessary, in order to undertake and carry out the Project;
 - b) to accept, receive and disburse grant funds from the State in aid of the Project.

- 2) The Sponsor now has on deposit, or is in a position to secure _____ Dollars (\$ _____), or an equivalent amount represented by Sponsor's proposed labor and equipment costs, for use in defraying Sponsor's share of the costs of the Project. The present status of these funds is as follows:

(enter local funding type and location)

- 3) The Sponsor hereby designates _____, _____
Name Title
to receive payments representing the State's share of project costs.

Signature of Sponsor's Representative

Title of Representative

- 4) The Sponsor has on file with ADOT the following vendor identification and address for project payments:

Sponsor Vendor Id #: **866000257 09**
Sponsor Vendor Address: **City of Prescott**
6546 Crystal Lane
Prescott, AZ 86301

Exhibits

The following Exhibits are incorporated herewith and form a part of this Agreement.

- Exhibit A - Sponsor Assurances
- Exhibit B - General Provisions
- Exhibit C - Specific Provisions and Project Schedules

STATE:

State of Arizona
Department of Transportation
Multimodal Planning Division

SPONSOR:

City of Prescott
Ernest A. Love Field

By: _____

Title: Joseph S. Omer, Director

Date: _____

By: _____

Title: _____

Date: _____

WITNESSED BY:

Signature: _____

Print Name: _____

Date: _____

WITNESSED BY:

Signature: _____

Print Name: _____

Date: _____

EXHIBIT A

Sponsor Assurances

Upon acceptance of the grant offer by the Sponsor, these assurances will become a part of this Agreement. The Sponsor hereby covenants and agrees with the State as follows:

General

- 1) That the Project is consistent with plans (existing at the time of approval of the Project) of political jurisdictions authorized by the State to plan for the development of the area surrounding the Airport and has given fair consideration to the interest of communities in or near where the Project is to be located. In making a decision to undertake any airport development Project under this Agreement the Sponsor insures that it has undertaken reasonable consultation with affected parties using the Airport at which the Project is proposed. All appropriate development standards of Federal Aviation Administration (FAA) Advisory Circulars, Orders, or Federal Regulations shall be complied with. All related state and federal laws shall be complied with.
- 2) That these covenants shall become effective upon execution of this Agreement for the Project or any portion thereof, made by the State and shall remain in full force and effect throughout the useful life of the facilities or the planning project's duration developed under the grant, but in any event, not less than twenty (20) years from the date of acceptance of the grant offer by the Sponsor.
- 3) The Sponsor certifies in this Agreement that it is a political subdivision of the State and is the public agency with control over a public-use Airport and/or on behalf of the possible future development of an Airport and is eligible to receive grant funds for the development or possible development of an Airport under its jurisdiction.
- 4) The Sponsor further agrees it holds good title, satisfactory to the State, to the landing area of the Airport or site thereof, or will give assurance satisfactory to the State that good title will be acquired.
- 5) That the Sponsor is the owner or lessee of the property or properties on which the Airport is located and that the lease guarantees that the Sponsor has full control of the use of the property for a period of not less than twenty (20) years from the date of this Agreement. All changes in airport ownership or to an airport lease shall be approved by the State.
- 6) The Sponsor agrees that it has sufficient funds available for that portion of the project costs which are not to be paid by the State (or the United States).
- 7) The Sponsor agrees to provide and maintain competent supervision to complete the Project in conformance with this Agreement.
- 8) Preserving Rights and Powers: The Sponsor agrees it shall not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions and assurances in this Agreement without written permission from the State, and shall act promptly to acquire, extinguish or modify any outstanding rights or claims of right by others which would interfere with such performance by the Sponsor. This will be done in a manner acceptable to the State. The Sponsor shall not sell, lease, encumber or otherwise transfer or dispose of any part of its title or other interests in the property shown on the airport property map included in the most recent FAA-approved Airport Layout Plan, or to that portion of the property upon which State funds have been expended, for the duration of the terms, conditions and assurances in this Agreement without approval by the State. If the transferee is found by the State to be eligible under Title 49, United States Code, to assume the obligations of this Agreement and to have the power, authority and financial resources to carry out such obligations, the Sponsor shall

insert in the contract or document transferring or disposing of Sponsor's interest and make binding upon the transferee all the terms, conditions and assurances contained in this Agreement.

- 9) **Public Hearings:** In Projects involving the location of an Airport, an airport runway or a major runway extension, the Sponsor has afforded the opportunity for public hearings for the purpose of considering the economic, social and environmental impacts of the Airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the State, submit a copy of such hearings to the State.

Financial

Pursuant to A.R.S. 35-326, the Sponsor may elect to utilize the Local Government Investment Pool ("LGIP") maintained by the state treasurer. The Sponsor shall request written approval from the State to use the LGIP. Thereafter, the State may deposit the funds authorized by the grant into the Sponsor's account. After approval of the reimbursements by the state, the funds shall be disbursed through the LGIP account to the Sponsor. The disbursements shall be made pursuant to the applicable laws and regulations.

The Sponsor shall establish and maintain for each Project governed by this Agreement, an adequate accounting record to allow State personnel to determine all funds received (including funds of the Sponsor and funds received from the United States or other sources) and to determine the eligibility of all incurred costs of the Project. The Sponsor shall segregate and group project costs into cost classifications as listed in the Specific Provisions of Exhibit C.

Record Keeping

The Sponsor shall maintain accurate records of all labor, equipment and materials used in this Project and that upon reasonable notice, shall make available to the State, or any of their authorized representatives, for the purpose of audit and examination all records, books, papers or documents of the recipient relating to work performed under this Agreement. For airport development Projects, make the Airport and all airport records and documents affecting the Airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the State upon reasonable request.

Airport Based Aircraft Reporting

The Sponsor shall furnish to the State on a quarterly basis, a current detailed listing (including: Registration/N Number, Name, Address and Phone Number of Owner) of all based aircraft on the Airport in a form approved by the State.

Airport Layout Plan

- 1) The Sponsor shall maintain a current signed/approved Airport Layout Plan (ALP) of the Airport, which shows building areas and landing areas, indicating present and planned development and to furnish the State an updated ALP of the Airport as changes are made.
- 2) The Sponsor shall be required to prepare an ALP for update or revalidation in accordance with current FAA and State standard guidelines. The ALP will indicate any deviations from FAA design standards as outlined in current FAA Advisory Circulars, orders or regulations. A copy of the signed/approved ALP in electronic format shall be forwarded to the State after authentication by FAA or the State.
- 3) The Sponsor shall assure that there are no changes to the airport property boundaries, together with any off-site areas owned or controlled by the Sponsor which support the Airport or its operations as a part of this project.

- 4) If a change or alteration is made at the Airport which the State determines adversely affects the safety, utility or efficiency of the Airport, or any State funded property on or off Airport which is not in conformity with the ALP as approved by the State, the Sponsor will, if requested by the State, eliminate such adverse affect in a manner approved by the State.

Immediate Vicinity Land Use Restriction

The Sponsor shall restrict the use of land, adjacent to or in the immediate vicinity of the Airport, to activities and purposes compatible with normal airport operations and to take appropriate action including the adoption of appropriate zoning laws. In addition, if the Project is for noise compatibility or to protect the 14 CFR Part 77 imaginary surfaces of the Airport, the Sponsor will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the Airport, of the noise compatibility program measures or the imaginary surfaces of the Airport upon which State funds have been expended.

Airport Operation

- 1) The Sponsor shall promote safe airport operations by clearing and protecting the approaches to the Airport by removing, lowering, relocating, marking and/or lighting existing airport hazards and to prevent, to the extent possible, establishment or creation of future airport hazards. The Sponsor shall take appropriate action to assure such terminal airspace as is required to protect instrument and visual operations to the Airport (including established minimum flight altitudes) will be adequately cleared and protected by preventing the establishment or creation of future airport hazards. The Sponsor shall promptly notify airmen of any condition affecting aeronautical use of the Airport.
- 2) The Sponsor further agrees to operate the Airport for the use and benefit of the public and to keep the Airport open to all types, kinds and classes of aeronautical use without discrimination between such types, kinds and classes; provided that the Sponsor shall establish such fair, equal and nondiscriminatory conditions to be met by all users of the Airport as may be necessary for the safe and efficient operation of the Airport; and provided further, that the Sponsor may prohibit any given type, kind or class of aeronautical use of the Airport if such use would create unsafe conditions, interfere with normal operation of aircraft, or cause damage or lead to the deterioration of the runway or other airport facilities.
- 3) In any agreement, contract, lease or other arrangement under which a right or privilege at the Airport is granted to any person, firm or corporation to conduct or engage in any aeronautical activity for furnishing services to the public at the Airport, the Sponsor shall insert and enforce provisions requiring said person, firm or corporation:
 - a) to furnish services on a reasonable and not unjustly discriminatory basis to all users thereof and charge reasonable and not unjustly discriminatory prices for each unit or service;
 - b) and be allowed to make reasonable and nondiscriminatory discounts, rebates or similar types of price reductions to volume purchasers;
 - c) each Fixed Based Operator (FBO) and Air Carrier at the Airport shall be subject to the same rates, fees, rentals and other charges as are uniformly applicable to all other FBOs and Air Carriers making the same or similar uses of the Airport and utilizing the same or similar facilities;
 - d) each Air Carrier using such Airport shall have the right to service itself or to use any FBO that is authorized or permitted by the Airport to serve any Air Carrier at the Airport.
- 4) The Sponsor shall not exercise or grant any right or privilege which operates to prevent any person, firm or corporation operating aircraft on the Airport from performing any services on its own aircraft with its own employees (including but not limited to maintenance, repair and fueling) that it may choose to perform. In the event the Sponsor

itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by a commercial aeronautical operator authorized by the Sponsor under these provisions.

- 5) The Sponsor shall suitably operate and maintain the Airport and all facilities thereon or connected therewith which are necessary for airport purposes and to prohibit any activity thereon which would interfere with its use for aeronautical purposes and to operate essential facilities, including night lighting systems, when installed, in such manner as to assure their availability to all users of the Airport; provided that nothing contained herein shall be construed to require that the Airport be operated and maintained for aeronautical uses during temporary periods when snow, flood or other climatic conditions interfere substantially with such operation and maintenance.
- 6) The Sponsor shall not permit an exclusive right for the use of the Airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, providing services at an Airport by a single FBO shall not be construed as an "exclusive right" if:
 - a) it would be unreasonably costly, burdensome or impractical for more than one FBO; and
 - b) if allowing more than one FBO to provide such services would require a reduction of space leased pursuant to an existing agreement between a single FBO and the Airport.

Note: Aeronautical activities that are covered by this paragraph include, but are not limited to: charter flights, pilot training, aircraft rental, sightseeing, air carrier operations, aircraft sales and services, aerial photography, agricultural spraying, aerial advertising and surveying, sale of aviation petroleum products whether or not conducted in conjunction with any other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity.

- 7) The Sponsor shall terminate any exclusive right to conduct an aeronautical activity now existing at the Airport before any grant of assistance from the State. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the Airport is used as an Airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with State funds.
- 8) Airport Pavement Preservation Program: The Sponsor certifies that they have implemented an effective pavement preservation management program at the Airport in accordance with Public Law 103-305 and with the most current associated FAA policies and guidance for the replacement, reconstruction or maintenance of pavement at the Airport. The Sponsor assures that it shall use and follow this program for the useful life of the pavement constructed, reconstructed or repaired with financial assistance from the State and that it will provide such reports on pavement condition and pavement management programs as may be required by the State.

Sponsor Transactions

The Sponsor shall refrain from entering into any transaction which would deprive the Sponsor of any of the rights and powers necessary to perform any or all of the covenants made herein, unless by such transaction the obligation to perform all such covenants is assumed by another public agency eligible to assume such obligations and having the power, authority and financial resources to carry out such obligations; and, if an arrangement is made for management or operation of the Airport by an agency or person other than the Sponsor, the Sponsor shall reserve sufficient powers and authority to insure that the Airport will be operated and maintained in accordance with these covenants or insure that such an arrangement also requires compliance therewith.

Airport Revenues

The Sponsor shall maintain a fee and rental structure for the facilities and services at the Airport which will make the Airport as self-sustaining as possible under the circumstances existing at the particular Airport, taking into account such factors as the volume of traffic and economy of collection. All revenues generated by the Airport (and any local taxes established after Dec 30, 1987), will be expended by it for the capital or operating costs of the Airport; the local airport system; or the local facilities which are owned or operated by the owner or operator of the Airport and which are directly or substantially related to the actual air transportation of passengers or property, on or off the Airport.

Disposal of Land

- 1) For land purchased under a grant for airport development purposes (it is needed for aeronautical purposes, including runway protection zones, or serve as noise buffer land; and revenue from the interim use of the land contributed to the financial self-sufficiency of the Airport), the Sponsor shall apply to the State and FAA for permission to dispose of such land. If agreed to by the State and/or FAA, the Sponsor shall dispose of such land at fair market value and make available to the State and FAA an amount that is proportionate to the State and FAA's share of the cost of the land acquisition. That portion of the proceeds of such disposition, which is proportionate to the share of the cost of acquisition of such land, shall be (a) reinvested in another eligible airport development Project or Projects approved by the State and FAA or (b) be deposited to the Aviation Trust Fund if no eligible Project exists.
 - 2) Disposition of such land shall be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the Airport.
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EXHIBIT B

General Provisions

Employment of Consultants

The term consultant, as used herein, includes planners, architects and/or engineers. If a consultant is to be used for this Project, the Sponsor agrees to consider at least three (3) consultant firms. If the Sponsor has contracted with or will contract with a consultant on a retainer basis, the Sponsor assures to the State that prior to entering such a contract, at least three (3) consultants were or will be considered. The Sponsor shall submit to the State, for review and approval, a copy of the request for proposals and/or request for qualifications, and the proposed consultant contract prior to its execution and upon award of the contract, a fully executed copy. All requests for qualifications and requests for proposals shall be in accordance with A.R.S. 34, Chapters 1, 2 and 6, and shall include a list of projects and project locations to be awarded project contracts.

Contracts

- 1) The Sponsor as an independent entity and not as an agent of the State may obtain the services required in order to fulfill the work outlined in the Project Description as approved by the State for funding in the Airport Capital Improvement Program. All contracts awarded to accomplish the project work described in this Agreement shall state:
 - a) The name of the consultant authorized to perform the work and to communicate on behalf of the Sponsor;
 - b) The Sponsor must insure that contracts issued under this Agreement comply with the provisions of Arizona Executive Order 75-5 as amended by Arizona Executive Order 99-4, relating to equal opportunity;
 - c) The terms for termination of the contract either for failure to perform or in the best interest of the Sponsor;
 - d) The duly authorized representatives of the State shall have access to any books, documents, papers and records of the consultant and/or contractor which are in any way pertinent to the contract for a period of five years, in accordance with A.R.S. 35-214, for the purpose of making inspections, audits, examinations, excerpts and transcriptions.
- 2) All contracts shall stipulate and make clear:
 - a) The responsibilities of the consultant to gain authorization for changes on the Project which may have an affect on the contract price, scope, or schedule;
 - b) That all construction contractors and sub-contractors hired to perform services, shall be in compliance with A.R.S. 32, Chapter 10.
 - c) That any materials, including reports, computer programs or files and other deliverables created under this Agreement are the sole property of the Sponsor. That these items shall be made available to the public. The Contractor/Consultant is not entitled to a patent or copyright on these materials and may not transfer the patent or copyright to anyone else.
 - d) That any travel shall be reimbursable by the State only within the rules and costs in accordance with the State of Arizona Travel Policy.

Conflict of Interest

Each consultant submitting a proposal shall certify that it shall comply with, in all respects, the rules of professional conduct set forth in Arizona Administrative Code R4-30-301. In addition, a conflict of interest shall be cause for disqualifying a consultant from consideration; or terminating a contract if the conflict should occur after the contract is made. A potential conflict of interest includes, but is not limited to:

- 1) Accepting an assignment where duty to the client would conflict with the consultant's personal interest, or interest of another client.
- 2) Performing work for a client or having an interest which conflicts with this contract.

Reports

The Sponsor shall submit monthly status reports during planning, shall submit monthly status reports during design, and shall submit weekly reports during construction. All reports shall reflect, at a minimum, the progress accomplished in relation to the Grant and Project schedules and milestones, the reasons for any changes, and the recommended corrections of problems encountered. Upon completion of the Project, the Sponsor shall submit a letter to the State specifying that the Project has been completed to their satisfaction and that the consultant and the contractor have completed their contractual responsibilities.

Changes

Any changes to the consultant contract, authorized by the Sponsor, that include additional funds, time and/or scope, shall be by amendment and shall be approved by the State prior to being made in order to be eligible for reimbursement. Approval of a change by the State shall not obligate the State to provide reimbursement beyond the maximum funds obligated by this Agreement. Any increase to the amount of funds authorized hereunder, to the expiration date of this agreement, or to the scope of work included in this agreement must be by formal amendment, and signed by all parties.

Any changes to the contract documents, authorized by the Sponsor, must be approved by the State prior to any changes being made in order to be eligible for reimbursement.

Audit

Upon completion of the Project, the Sponsor agrees to have an audit performed. The audit examination may be a separate project audit or in accordance with the Single Audit Act of 1984 (Single Audit). If the Sponsor is required under law to have a Single Audit, this Project shall be considered for inclusion in the scope of examination.

The Sponsor shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of the grant, the total cost of the Project in connection with which the grant is given or used, and the amount or nature of that portion of the cost of the Project supplied by other sources, and such other financial records pertinent to the Project. The accounts and records will be kept in accordance with A.R.S. 35-214.

In any case in which an independent audit is made of the accounts of a Sponsor relating to the disposition of the proceeds of a grant relating to the Project in connection with which the grant was given or used, it shall file a certified copied of such audit with the State not later than six (6) months following the close of the fiscal year in which the audit was made.

The Sponsor shall make available to the State or any of their other duly authorized representatives, for the purpose of audit and examination, any books, documents, papers and records of the recipient that are pertinent to the grant. The

Grant Number E2F97

City of Prescott
Ernest A. Love Field

Sponsor further agrees to provide the State a certified copy of the audit report. The State is to determine the acceptability of this audit.

Suspension

If the Sponsor fails to comply with any conditions of this Agreement, the State, by written notice to the Sponsor, may suspend participation and withhold payments until appropriate corrective action has been taken by the Sponsor. Costs incurred during a period of suspension may not be eligible for reimbursement by the State.

Failure to Perform

If the Sponsor fails to comply with the conditions of this Agreement the State, may by written notice to the Sponsor, terminate this Agreement in whole or in part. The notice of termination will contain the reasons for termination, the effective date, and the eligibility of costs incurred prior to termination. The State shall not reimburse any costs incurred after the date of termination.

Termination for Convenience

When the continuation of the Project will not produce beneficial results commensurate with the further expenditure of funds or when funds are not appropriated or are withdrawn for use hereunder, the State may terminate this Agreement. In the case where continuation of the Project will not produce beneficial results, the State and the Sponsor shall mutually agree upon the termination either in whole or in part. In the case where funds are no longer available or have been withdrawn or not appropriated, or the Project is no longer in the State's best interest, the State shall have the right of termination as its sole option. The State shall not reimburse any costs incurred after receipt of the notice of termination. The Governor pursuant to A.R.S. Section 38-511 hereby puts all parties on notice that this Agreement is subject to cancellation.

Waiver by State

No waiver of any condition, requirement or right expressed in this Agreement shall be implied by any forbearance of the State to declare a default, failure to perform or to take any other action on account of any violation that continues or repeats.

Compliance with Laws

The Sponsor shall comply with all Federal, State and Local laws, rules, regulations, ordinances, policies, advisory circulars, and decrees that are applicable to the performance hereunder.

Arbitration

In the event of a dispute, the parties agree to use arbitration to the extent required by A.R.S. Section 12-1518.

Jurisdiction

Any litigation between the Sponsor and the State shall be commenced and prosecuted in an appropriate State court of competent jurisdiction within Maricopa County, State of Arizona.

Excess of Payments

If it is found that the total payments to the Sponsor exceed the State's share of allowable project costs, the Sponsor shall promptly return the excess to the State. Final determination of the State's share of allowable costs shall rest solely with

the State. Any reimbursement to the Sponsor by the State not in accordance with this Agreement or unsubstantiated by project records will be considered ineligible for reimbursement and shall be returned promptly to the State.

State Inspectors

At any time and/or prior to final payment of funds for work performed under this Agreement, the State may perform an inspection of the work performed to assure compliance with the terms herein and to review the workmanship of the Sponsor's contractors and/or consultants. No inspector is authorized to change any provisions of this Agreement or any provisions of Agreements between the Sponsor and the Sponsor's contractor and/or consultant.

Indemnification

The State of Arizona, acting by and through the Arizona Department of Transportation, does not assume any liability to third persons nor will the Sponsor be reimbursed for the Sponsor's liability to third persons resulting from the performance of this Agreement or any subcontract hereunder.

The Sponsor shall indemnify and hold harmless the State, any of their departments, agencies, officers and employees from any and all liability, loss or damage the State may suffer as a result of claims, demands, costs or judgments of any character arising out of the performance or non-performance of the Sponsor or its independent contractors in carrying out any provisions of this Agreement. In the event of any action, this indemnification shall include, but not be limited to, court costs, expenses of litigation and reasonable attorney's fees.

Required Provisions Deemed Inserted

Each and every provision of law and clause required by law to be inserted in this Agreement shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, this Agreement shall forthwith be physically amended to make such insertion or correction.

Property of the Sponsor and State

Any materials, including reports, computer programs or files and other deliverables created under this Agreement are the sole property of the Sponsor. The Contractor/Consultant is not entitled to a patent or copyright on these materials and may not transfer the patent or copyright to anyone else. The Sponsor shall give the State unrestricted authority to publish, disclose, distribute and otherwise use at no cost to the State any of the material prepared in connection with this grant. At the completion of the project, the Sponsor shall provide the State with an electronic copy, in a format useable by the State, and one hard copy in a format useable by the State, of final plans, specifications, reports, planning documents, and/or other published materials as produced as a result of this project.

EXHIBIT C

Specific Provisions and Project Schedules

Provisions for Design/Construction

Financial Cost Categories

The Sponsor shall segregate and group project costs in categories as follows:

- 1) "Design/Engineering Services" (as applicable), including topographic surveys/mapping, geometric design, plans preparation, geotechnical and pavement design, specifications, contract documents.
- 2) "Construction" (must be accounted for in accordance with approved work items as presented in the bid tabulation).
- 3) "Construction Engineering" (as applicable), including contract administration, inspection/field engineering, materials testing, construction staking/as-built plans and other.
- 4) "Sponsor Administration" directly associated with this Project (not to exceed 5% of project costs).
- 5) "Sponsor Force Account" contribution (if applicable).
- 6) "Contingencies" (not to exceed 5% of construction costs).
- 7) "Other" with prior approval of the State.

Design Review – Plans, Specifications and Estimates

Plans, specifications and estimates shall be accomplished by, or under the direct supervision of a qualified engineer registered by the State of Arizona. The Sponsor shall conduct a Concept Design Review meeting with the State and Sponsor's consultant at approximately the thirty percent (30%) completion point in the design of the Project, and a Final Design Review at one hundred percent (100%) plan completion.

These mandatory reviews shall be completed before the Sponsor will be permitted to proceed with the Project. The State shall issue an approval to proceed with final design upon satisfactory completion of the 30% review. The State shall issue an approval of the 100% plans, specifications and estimates upon satisfactory completion of the 100% review. Upon State approval, the Sponsor may proceed to advertising if construction is included in the scope of the Project, or must close the Project and submit a final grant reimbursement request if the grant is for design only.

Any modification to the approved plans, specifications and estimates authorized by the Sponsor shall also be subject to approval of the State. **Changes made to approved plans, specifications, and estimates at any time must be authorized by the State prior to executing the changes in order to be eligible for reimbursement by the State.**

The National Environmental Policy Act (NEPA) documentation must be complete and approved by the State and/or FAA prior to construction. The Sponsor shall submit a copy of the documentation to the State.

FAA Notice of Proposed Construction

The Sponsor agrees to submit an FAA Form 7460-1, Notice of Proposed Construction or Alteration before construction, installation or alteration of any Project under this Agreement that falls under the requirements of Subpart B to Part 77, Objects Affecting Navigable Airspace.

Bidding - Alternate Bidding Methods

Design, Bid, Build is the standard and preferred method for project delivery for State airport development grant projects. Alternative contracting methods (Design Build, Construction Manager at Risk, Task Order Contract) may be used in accordance with A.R.S. Title 34, Chapters 1, 2 and 6. **Use of an alternative contracting method shall be reviewed and approved by the State prior to the Sponsor executing a contract for the work.** If a project is approved for an alternative contracting method, the Sponsor must comply with all Federal, State, and Local policies, regulations, rules, and laws, as well as all requirements of this grant agreement within that method.

Based on Bids

If a Sponsor has requested a match to a Federal construction grant that was based on bids (the project was already advertised by the Sponsor with no existing State airport development grant for the design work), then all design coordination with the State required by this agreement must have been met during the design process for any prior design work to be considered eligible for reimbursement by the State. The State shall review any documentation and work done prior to bidding and, at its sole discretion, determine the eligibility of the work. Only work items necessary to complete the Project as stated in Exhibit C, Schedule One, Project Description, may be considered eligible.

Contractor Allowance

This item may only be used to cover costs of unknown, unforeseen circumstances within the scope of the grant that are necessary for Project completion. (For example: if unknown underground utilities must be removed or relocated to accomplish the Project) **This item must have prior approval of the State for each use of the item during construction in order to be eligible for reimbursement by the State.** The bid item shall be clearly defined in the contract documents with concise language describing when it may be utilized. It shall also be specified that the item may not be used at all. The allowance may only be used for unforeseen items directly related to the Project.

Contingencies

Contingencies are to be used as an estimating tool during the preliminary phases of Project development. They are intended to allow room in the grant funding level for reasonable price increases or approved added items during design. Contingencies are not eligible for reimbursement by the State as bid items in a construction contract.

Itemized Allowance

Use of an itemized allowance items may only be included in a contract with prior approval of the State. Any use of an itemized allowance bid item as part of a grant must be for a clearly defined portion of the project. (For example: cabinet allowance – cabinets in terminal storage room as shown on plans to be selected by Sponsor, or carpet allowance – industrial Berber carpet for 200 SF lobby to be selected by Sponsor) Each contract allowance item must be approved by the State in order to be included in the bid package. The State will not approve use of an item to cover expenses not directly related to the item. (For example: Left over funds from cabinet allowance cannot be used to purchase light fixtures)

Construction Inspection

Airport planning, design, project estimates, bidding, and construction inspection are the direct responsibility of the Sponsor and may be accomplished by the Sponsor's staff or by a qualified consultant. The Sponsor shall provide and maintain competent technical supervision throughout the Project to assure that the work conforms to the plans, specifications and schedules approved by the State and the Sponsor.

Construction inspection shall be accomplished by, or under the direct supervision of a qualified engineer registered by the State of Arizona.

The Sponsor shall subject the construction work and any related documentation on any Project contained in an approved Project application to inspection and approval by the State and the FAA. The State shall, if in accordance with regulations and procedures, prescribe such work as needed for the Project.

Change Orders

The Sponsor shall notify the State in advance of the need for a change. Such notification shall clearly define the changed or added bid items, the locations of changed work, the quantities and costs of changed work, and the time required for the change. Justification for the change must be provided to the State by the Sponsor. Change orders may be approved by the State only if they are clearly necessary to accomplish the original grant scope. If approval is granted by the State, the Sponsor shall follow up with the written change order for the State's review and approval in a timely manner. The Sponsor may not request reimbursement for the work done under a change order until the change order is approved by the State.

Construction Contract Documents

Any changes to the construction contract documents (including scope, time and amount), authorized by the Sponsor, must be approved by the State prior to being implemented by the Sponsor in order to be eligible for reimbursement under the grant. All changes, as well as any notifications and approvals related to the changes, shall be documented in the final contract documents, change orders, and as built plans provided to the State at the end of the contract. Verbal requests and approvals are not sufficient as documentation for reimbursement. Final reimbursements will not be made until all documentation is received by the State.

Design/Construction Project Schedules

The Schedule Forms are intended to identify and monitor project scope, costs, and basic milestones that will be encountered during various phases of the Project. The Sponsor shall complete these three schedules showing the project description and total costs, project reimbursements (cash flow) schedule and project milestones.

Schedule One shows the total Project estimated costs associated with each share - State and Federal and Local. Schedule Two shows a projected cash flow for State funds only. The Sponsor is to estimate requests to the State for Project reimbursement. Schedule Three shows anticipated dates of Project milestones. These schedules will be used to keep track of the Project's progress. Be sure to develop realistic schedules.

As the project progresses, and the original reimbursement schedule and or milestone dates change, the Sponsor must submit a revised Schedule to the State for approval.

**Schedule One
Design/Construction Project Description and Funding Allocation**

Detailed Project Description:

Improve Runway 3R-21L safety area by moving existing runway (approx. 7,616' x 150') and parallel taxiways (2 each, approx. 7,616' x 50') 400 feet northeast along the runway and taxiway centerlines, including safety area grading and drainage on each runway side and ends, phase 2

(FAA AIP 3-04-0030-033-2011)

Project Cost Category	Total Estimated Project Cost	Estimated Local Share	Estimated Federal Share	Estimated State Share*
Design/Engineering Services	\$	\$	\$	\$
Construction	\$	\$	\$	\$
Construction Engineering	\$	\$	\$	\$
Sponsor Administration**	\$	\$	\$	\$
Sponsor Force Account Work***	\$	\$	\$	\$
Contingencies	\$	\$	\$	\$
Total Project Costs	\$	\$	\$	\$

*Total of this column to be used in Schedule Two.

** Sponsor Administration is not eligible for reimbursement above 5% of the project costs.

*** All force account work is to be approved by the State prior to the grant agreement being signed.

NOTE: The Sponsor must attach a project plan based upon the ALP that clearly shows the scope and the limits of the work.

Schedule Two
Design/Construction Project Reimbursement Schedule

The Sponsor must complete this Project Reimbursement Schedule showing the projected cash flow of State grant funds only for this Project. Projections must include all consultant and contractor services. The reimbursement schedule should be a realistic schedule and will be used to keep track of a project’s progress. Reimbursement requests must be submitted regularly by the Sponsor while the grant is active. The cash flow should reflect when a request is submitted to the State, not when invoices are paid by the Sponsor.

Instructions:

- 1) For “Total State Funds” below, enter the Total Project Costs/Estimated State Share from Schedule One.
- 2) For each month/year, indicate the projected reimbursement request amount for **State Funds Only** (use whole dollars only, e.g. \$540 or \$1,300).
- 3) Continue the process by entering a Zero (Ø) in the month/year for which no reimbursement is anticipated and/or a dollar amount of the reimbursement, until the total State funds are accounted for in the cash flow.

Total State Funds: \$ 178,147

Projected Reimbursement Requests / State Cash Flow						
<i>Calendar Year</i>	Jan	Feb	Mar	Apr	May	Jun
2011	\$	\$	\$	\$	\$	\$
2012	\$	\$	\$	\$	\$	\$
2013	\$	\$	\$	\$	\$	\$
2014	\$	\$	\$	\$	\$	\$
2015	\$	\$	\$	\$	\$	\$
<i>Calendar Year</i>	Jul	Aug	Sep	Oct	Nov	Dec
2011	\$	\$	\$	\$	\$	\$
2012	\$	\$	\$	\$	\$	\$
2013	\$	\$	\$	\$	\$	\$
2014	\$	\$	\$	\$	\$	\$
2015	\$	\$	\$	\$	\$	\$

Grants expire 4 years from the date of the grant offer. The Sponsor shall schedule the work to be completed within the 4 years.

Schedule Three
Design/Construction Project Milestones

Milestone Duration Guidelines

The below duration periods are intended to provide guidelines for you to consider. These are average time periods (in calendar days), but it is understood these periods may vary by Sponsor and Project, and are subject to modification. If an entry on the form is not applicable, write N/A.

- 1) The Consultant Selection Phase for all Projects, regardless of type, is approximately ninety (90) days but should not exceed one hundred eighty (180) days.
- 2) The Design/Engineering Phase is subject to the type and complexity of the Project, however, most designs can be accomplished within one hundred eighty (180) days to two hundred and seventy (270) days.
- 3) The Bidding Phase typically should be sixty (60) days or less.
- 4) The Construction Phase is dependent upon the type of Project, the airport traffic, and the available construction season, generally ninety (90) days to three hundred sixty (360) days.
- 5) The State review periods should be fifteen (15) days.

<u>Design/Construction Milestone Schedule</u>					
Milestones	Duration # of Days	Start Date		Completion Date	
		Proposed	Actual	Proposed	Actual
Submit Scope for State Review/Approval*					
Submit Contract for State Review/Approval					
Award Consultant Contract					
Sponsor Issue Notice to Proceed/Start Design					
Conduct 30% Design Review/Approval					
Conduct Final Design Review/Bid Set Submitted (100%) for Review/Approval					
Bid Set Submitted (100%) for Review/Approval					
Issue Invitation for Bids					
Submit Bid Tab for State Review/Approval					
Award Construction Contract/Submit to the State					
Pre-Construction Meeting					
Issue NTP – Begin Construction					
Final Inspection					
Submit As-Builts & Final Documentation					
Submit Final Reimbursement Request and Sponsor Closeout Letter					

* The solicitation for qualifications and the service agreements must contain a list of projects, including this grant project, per A.R.S. 34-Chapter .

COUNCIL AGENDA MEMO – November 22, 2011

DEPARTMENT: Public Works

AGENDA ITEM: Adoption of Ordinance No. 4819-1219 accepting ownership of two (2) segments of State Route 89 located north of the State Route 69/89 Traffic Interchange and south of State Routes 89/89A Traffic Interchange; and transferring one segment of State Route 89 to Yavapai County for ownership and maintenance responsibility

Approved By:		Date:
Department Head: Mark Nietupski, Director of Public Works		
Finance Director: Mark Woodfill		
City Manager: Craig McConnell 		11-16-11

Item Summary

Adoption of this ordinance will finalize the City's prior acceptance of two segments of State Route 89 right-of-way from the Arizona Department of Transportation (ADOT), and transfer of Segment 1 to Yavapai County for ownership and maintenance (see key map attached).

Segment 1 is located predominantly within the Yavapai-Prescott Indian Tribe (YPIT) Reservation; its limits begin approximately 400' north of the Veteran Administration entrance road, (Sta. 1685+90; MP 312.95), extending to the southern leg of Sundog Ranch Road intersection with SR 89 (Sta. 1633+10; MP 313.95).

Segment 2 is located north of the Willow Lake Road Roundabout; its limits are from Hillsdale Road, (Sta. 1510+72, MP 316.27), extending to approximately nine hundred feet (900') south of the intersection of the SR 89A Traffic Interchange.

Background

On May 24, 2011, the Prescott City Council adopted Resolution No. 4080-1150 and Resolution No. 4081-1151 approving intergovernmental agreements with the Arizona Department of Transportation and Yavapai County, respectively, pertaining to transfer of ownership and maintenance responsibility for two segments of State Route 89.

On July 12, 2011, the Prescott City Council adopted Resolution No. 4091-1201 repealing Resolution No. 4080-1150 for the purpose of authorizing an amended intergovernmental agreement with the Arizona Department of Transportation pertaining to transfer of ownership and maintenance responsibility for the two segments of State Route 89.

On August 18, 2011, the State Transportation Board on behalf of the Arizona Department of Transportation, abandoned Segment 1 and Segment 2 of State Route 89 to the City of Prescott through adoption of Resolution No. 2011-08-A-056 as shown on Exhibit "A" (attached).

Agenda Item: Adoption of Ordinance No. 4819-1219 accepting ownership of two (2) segments of State Route 89 located north of the State Route 69/89 Traffic Interchange and south of State Route 89/89A Traffic Interchange; and transferring one segment of State Route 89 to Yavapai County for ownership and maintenance responsibility

Pursuant to the agreements the City is to accept, by ordinance, the previously described highway segments for continued public transportation use. Segment 1 will be owned and maintained by Yavapai County in perpetuity. Segment 2 will be owned by Prescott and maintained by Yavapai County for at least 5 years. Per the previously adopted intergovernmental agreement, City maintenance of Segment 2 is specified to begin upon future annexation by the City of any adjacent property along the Segment 2 corridor but not sooner than five years from the date of approval of the agreement.

A separate Memorandum of Understanding defines the roles and responsibilities of the City, as owner of the right-of-way, and Yavapai County as the agency responsible for maintenance of the infrastructure.

Budget

The City has no initial financial obligation associated with the Segment 2; however, maintenance costs will be incurred when these activities become the responsibility of the City in the future. These costs are currently estimated at \$32,000 annually, for 5.75 lane miles, based on the annual budget for streets maintenance of \$3.2 million for 577 lane miles (\$5,500 per lane mile) within the City street inventory.

- Attachments**
- Exhibit "A" (Ownership Transfer Map)
 - Resolution No. 2011-08-A-056
 - Ordinance No. 4819-1219

Recommended Action: **MOVE** to adopt Ordinance No. 4819-1219.

ORDINANCE NO. 4819-1219

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, ACCEPTING THE DEDICATION OF CERTAIN ROADWAY AND REFERRED TO AS A PORTION OF STATE ROUTE 89 NORTH OF THE WILLOW LAKE ROUNDABOUT FROM MP 316.27 TO APPROXIMATELY NINE HUNDRED FEET SOUTH OF THE INTERSECTION OF THE STATE ROUTE 89 TRAFFIC INTERCHANGE AND AUTHORIZING THE MAYOR AND CITY STAFF TO TAKE NECESSARY STEPS TO COMPLETE ACCEPTANCE AND DEDICATION AS A CITY OF PRESCOTT PUBLIC ROADWAY

RECITALS:

WHEREAS, the City Council of the City of Prescott has determined to accept that certain portion of State Route 89 described herein pursuant to and in accordance with that certain Intergovernmental Agreement JPA 10-225-I by and between the City of Prescott and the State of Arizona, and to accept this highway segment as a public roadway.

ENACTMENTS:

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

SECTION 1. THAT the dedications and conveyances from the Arizona Department of Transportation, State of Arizona, generally referred to as that portion of State Route 89 from milepost 316.27 to approximately 900 feet south of the intersection of the SR 89 traffic exchange and more particularly identified in the attached Exhibit "A," which document legally describes the boundaries of the accepted roadway, is hereby incorporated herein by this reference, and is hereby accepted by the City of Prescott as a public roadway of the City of Prescott.

SECTION 2. THAT the Mayor and staff are hereby authorized to executed any and all documents to implement the foregoing.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott this 22nd day of November, 2011.

MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. BURKE, City Clerk

GARY D. KIDD, City Attorney

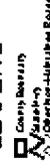


Fain Road Widening/SR89 Ownership Transfer Intergovernmental Agreement

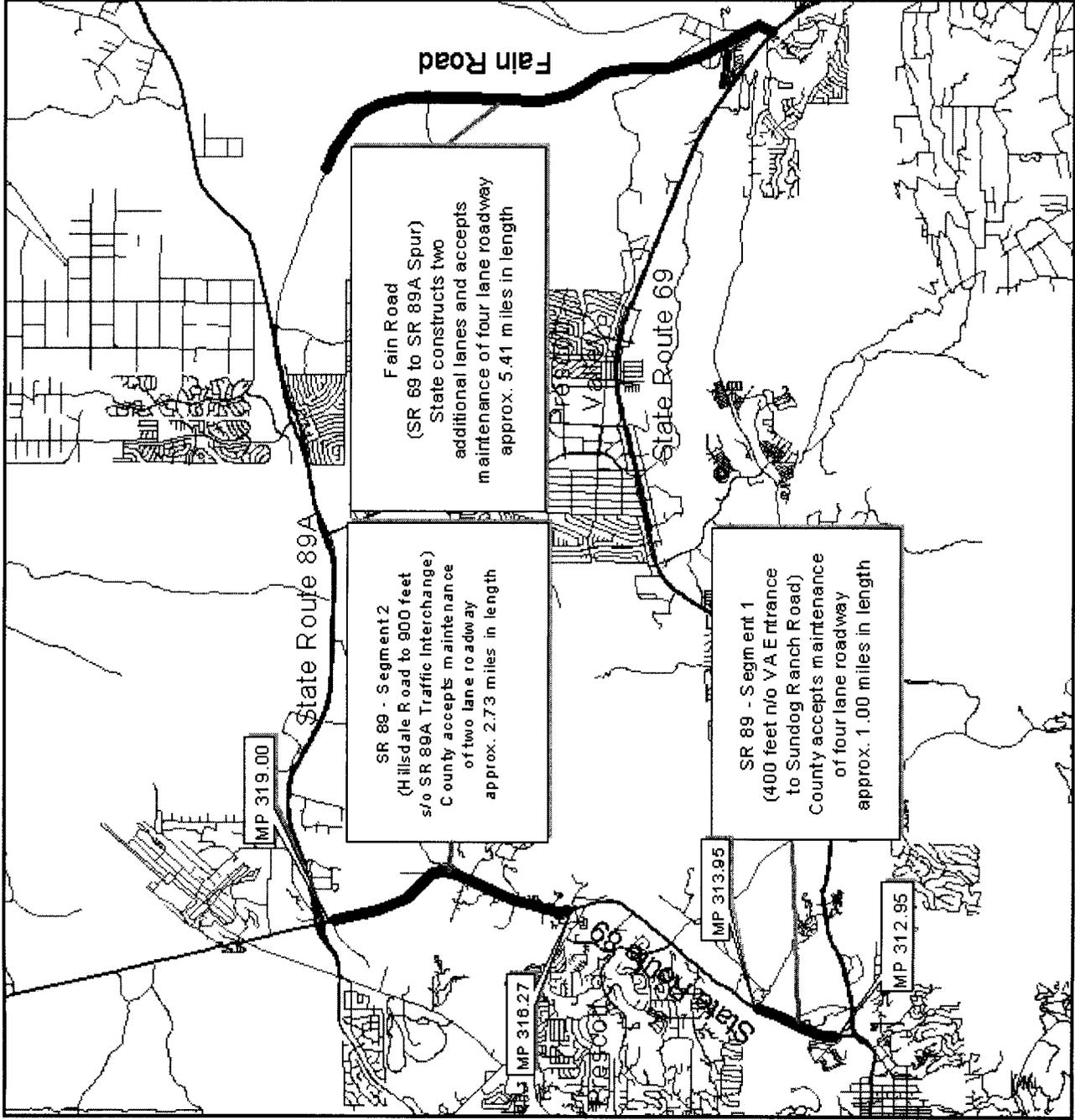
Exhibit A

(IGA/JPA 10-225-I)

LEGEND



1 in. = 9000 ft.



Yavapai County assumes no responsibility for errors, omissions, and/or inaccuracies in this mapping product.

January 27, 2011

ARIZONA DEPARTMENT OF TRANSPORTATION
205 SOUTH 17TH AVENUE
R/W Operations, MD 612E
PHOENIX, AZ 85007-3213

THIS IS A CONFORMED COPY OF INSTRUMENT
RECORDED ON DATE 8/25/11 TIME 9:10
IN BOOK 4830 PAGE 154
ANA WAYMAN TRUJILLO, RECORDER
DEPUTY

August 18, 2011

RES. NO. 2011-08-A-056
PROJECT: F-019; F-25; F-36; F-61 / 089YV312H088801R
HIGHWAY: PRESCOTT - ASH FORK
SECTION: (MP. 312.95-313.99) and (MP. 316.27-319.00)
ROUTE NO.: State Route 89
ENG. DIST.: Prescott
COUNTY: Yavapai

RESOLUTION OF ABANDONMENT

JOHN S. HALIKOWSKI, Director, Arizona Department of Transportation, on August 18, 2011, presented and filed with this Transportation Board his written report under Arizona Revised Statutes Section 28-7046, recommending the abandonment of State Route 89 to the City of Prescott within the above referenced project.

The right of way to be abandoned is delineated on maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled "Right of Way Plans, PRESCOTT - ASH FORK Highway, Project F-019; F-25; F-36; F-61 / 089YV312H088801R" between Mileposts 312.95-313.99 and 316.27-319.00 shown in Appendix "A" attached hereto.

WHEREAS said right of way is no longer needed for state transportation purposes; and

WHEREAS the City of Prescott has agreed to accept jurisdiction, ownership and maintenance of the right of way for continued public transportation use per Intergovernmental Agreement No. 11-144-I dated July 26, 2011; and

WHEREAS this Board finds that public safety, necessity and convenience will be served by accepting the Director's report; therefore, be it

August 18, 2011

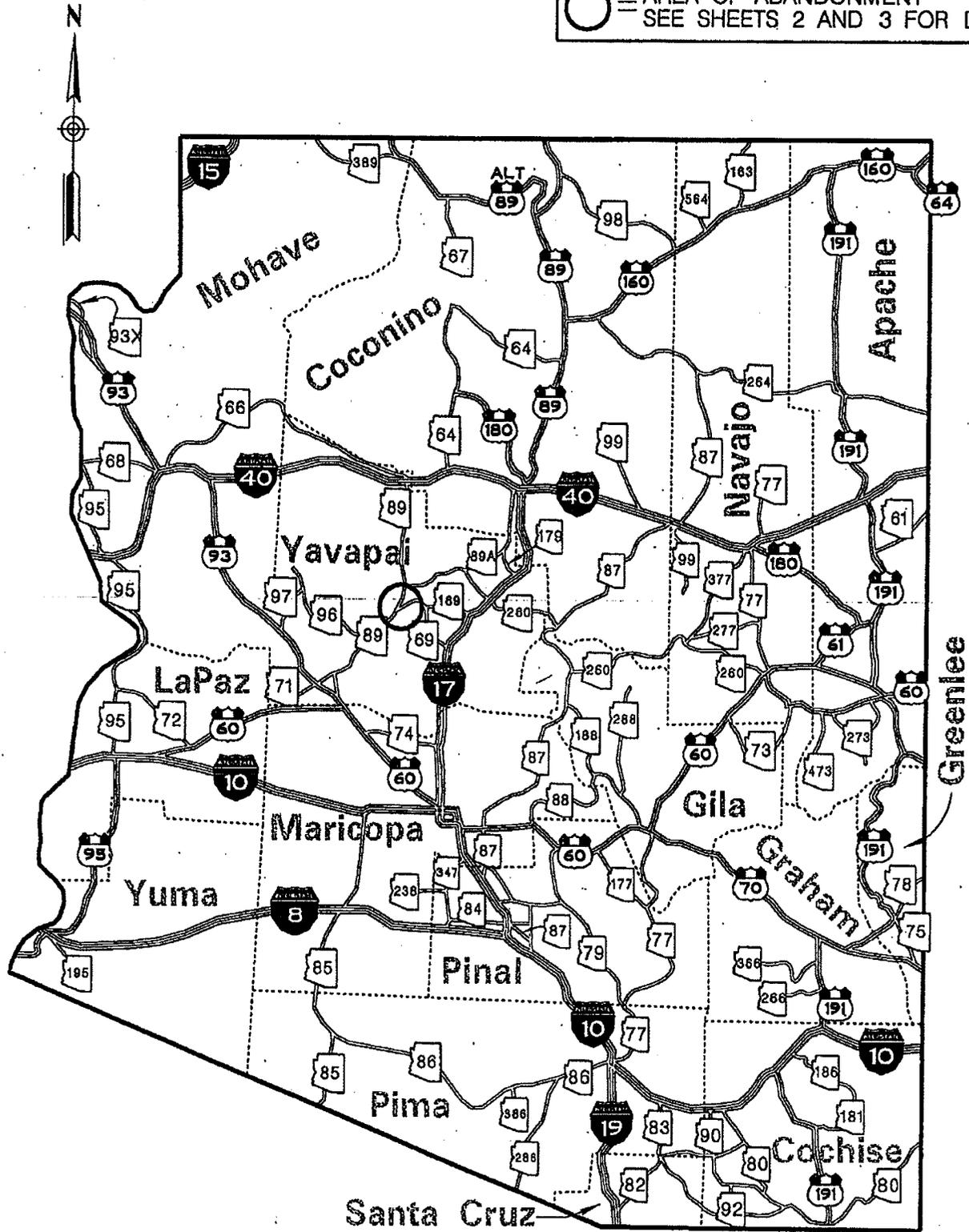
RES. NO. 2011-08-A-056
PROJECT: F-019; F-25; F-36; F-61 / 089YV312H088801R
HIGHWAY: PRESCOTT - ASH FORK
SECTION: (MP. 312.95-313.99) and (MP. 316.27-319.00)
ROUTE NO.: State Route 89
ENG. DIST.: Prescott
COUNTY: Yavapai

RESOLVED that the recommendation of the Director is adopted and made part of this resolution; be it further

RESOLVED that the right of way depicted in Appendix "A" is hereby removed from the State Highway System and abandoned to City of Prescott as provided in Arizona Revised Statutes Sections 28-7207 and 28-7209; be it further

RESOLVED that the Director provide written notice to the City of Prescott evidencing the abandonment of the State's interest.

○ = AREA OF ABANDONMENT
— SEE SHEETS 2 AND 3 FOR DETAILS



A LEGIBLE COPY CAN BE OBTAINED FROM THE
 ARIZONA DEPARTMENT OF TRANSPORTATION
 STATE ENGINEER'S OFFICE
 RIGHT OF WAY GROUP
 205 SOUTH 17TH AVENUE
 PHOENIX, ARIZONA 85007
 MAIL DROP 612E

APPENDIX "A"

089 YV 312 H0888 01R
 F-019; F-25; F-36; F-61
 PRESCOTT-ASH FORK HWY
 (MP 312.95-313.99)and
 (316.27-319.00)
 Yavapai County
 August 18, 2011 SHEET 1 OF 3

2011-08-A-056

35

36

ALT
89

31

To Jerome

T. 15 N.
T. 14 N.

Sta. 2352 + 50
MP 319.00



2

1

6

District P

To Jerome

WILLOW CREEK
RESERVOIR

GRANITE
DELLS

WATSON
LAKE

Dells Road

14

12

7

Sta. 1510 + 72
MP 316.27

Hillsdale Rd 13

18

City of Prescott

89

24

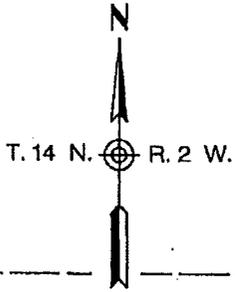
19

A LEGIBLE COPY CAN BE OBTAINED FROM THE
ARIZONA DEPARTMENT OF TRANSPORTATION
STATE ENGINEER'S OFFICE
RIGHT OF WAY GROUP
205 SOUTH 17TH AVENUE
PHOENIX, ARIZONA 85007
MAIL DROP 612E

AREA OF
ABANDONMENT

089 YV 312 H0888 01R
F-019; F-25; F-36; F-61
PRESCOTT-ASH FORK HWY
(MP 312.95-313.99) and
(316.27-319.00)
Yavapai County
August 18, 2011 SHEET 2 OF 3

2011-08-A-056



District P

27

YAVAPAI

Sta. 1633 + 12.72
MP 313.99

89

26

SLINDOG RANCH ROAD
TO CHINO VALLEY

PRESCOTT

TRIBAL

NORTHERN ARIZONA
VETERANS HEALTH
CARE SYSTEM

RESERVATION

Sta. 1685 + 90
MP 312.95

34

35

69

TO PRESCOTT VALLEY

SHELDON ST.

ROBINSON DRIV.

LEATHER HEIGHTS

OVERLAND

T. 14 N. R. 2 W.
T. 13 N. R. 2 W.

GURLEY ST.
CITY

OF

PRESCOTT

A LEGIBLE COPY CAN BE OBTAINED FROM THE
ARIZONA DEPARTMENT OF TRANSPORTATION
STATE ENGINEER'S OFFICE
RIGHT OF WAY GROUP
205 SOUTH 17TH AVENUE
PHOENIX, ARIZONA 85007
MAIL DROP 612E

AREA OF  ABANDONMENT

089 YV 312 H0888 01R
F-019; F-25; F-36; F-61
PRESCOTT-ASH FORK HWY
(MP 312.95-313.99) and
(316.27-319.00)
Yavapai County
August 18, 2011 SHEET 3 OF 3

August 18, 2011

RES. NO. 2011-08-A-056
PROJECT: F-019; F-25; F-36; F-61 / 089YV312H088801R
HIGHWAY: PRESCOTT - ASH FORK
SECTION: (MP. 312.95-313.99) and (MP. 316.27-319.00)
ROUTE NO.: State Route 89
ENG. DIST.: Prescott
COUNTY: Yavapai

REPORT AND RECOMMENDATION

TO THE HONORABLE ARIZONA TRANSPORTATION BOARD:

The Intermodal Transportation Division has made a thorough investigation concerning the abandonment of right of way acquired for State Route 89 within the above referenced project.

The right of way to be abandoned was previously established as a state route and state highway designated U.S. Route 89 by Highway Commission Resolution dated September 9, 1927, page 26 of the Official Minutes; various Resolutions authorized improvements and subsequently, Arizona Transportation Board Resolution 92-08-A-056, dated August 21, 1992 redesignated and renumbered U.S. Route 89 to State Route 89 and Resolution 04-11-A-061, dated November 19, 2004 and 05-02-A-015, dated February 18, 2005 established additional right of way for improvements thereof.

The right of way is no longer needed for state transportation purposes. The City of Prescott has agreed to accept jurisdiction, ownership and maintenance of the right of way for continued public transportation use per Intergovernmental Agreement No. 11-144-I dated July 26, 2011; Accordingly, I recommend that the State's interest in the right of way be abandoned.

The right of way to be abandoned is delineated on the maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled "Right of Way Plans, PRESCOTT - ASH FORK Highway, Project F-019; F-25; F-36; F-61 / 089YV312H088801R" between Mileposts 312.95-313.99 and 316.27-319.00 shown in Appendix "A" attached hereto.

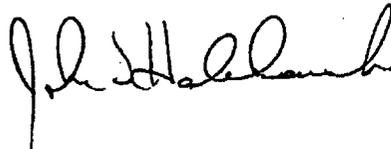
August 18, 2011

RES. NO. 2011-08-A-056
PROJECT: F-019; F-25; F-36; F-61 / 089YV312H088801R
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ROUTE NO.: State Route 89
ENG. DIST.: Prescott
COUNTY: Yavapai

I further recommend that the right of way depicted in Appendix "A" be removed from the State Highway System and abandoned to City of Prescott as provided in Arizona Revised Statutes Sections 28-7207 and 28-7209;

Pursuant to Arizona Revised Statutes Section 28-7046, I recommend that the Transportation Board adopt a resolution making this recommendation effective.

Respectfully submitted,



JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

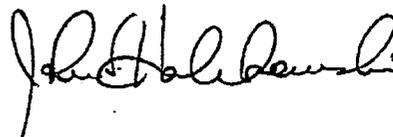
August 18, 2011

RES. NO. 2011-08-A-056
PROJECT: F-019; F-25; F-36; F-61 / 089YV312H088801R
HIGHWAY: PRESCOTT - ASH FORK
SECTION: (MP. 312.95-313.99) and (MP. 316.27-319.00)
ROUTE NO.: State Route 89
ENG. DIST.: Prescott
COUNTY: Yavapai

CERTIFICATION

I, JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, do hereby certify that the foregoing is a true and correct copy from the minutes of the Transportation Board made in official session on August 18, 2011.

IN WITNESS WHEREOF, I have hereunto set my hand and the official seal of the Transportation Board on August 18, 2011.



JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

APPROVED

Ron J. Ashenbach

Assistant Attorney General
Attorney for Department
of Transportation

Date 8/5/11

COUNCIL AGENDA MEMO – November 22, 2011

DEPARTMENT: Public Works

AGENDA ITEM: Adoption of Resolution No. 4110-1220 approving a Memorandum of Understanding associated with an intergovernmental agreement with Yavapai County approved under Resolution No. 4081-1151 for maintenance of a portion of State Route 89 generally located between the Willow Lake Road and State Route 89A intersections

Approved By:

Date:

Department Head: Mark Nietupski, Public Works Director	
Finance Director: Mark Woodfill	
City Manager: Craig McConnell <i>Craig McConnell</i>	11-16-11

Item Summary

This item is to approve a Memorandum of Understanding (MOU) between the City of Prescott and Yavapai County to further identify responsibilities of the parties regarding highway maintenance and permitting of projects for the segment of SR 89 generally located between the Willow Lake Road and State Route 89A intersections.

Background

On May 24, 2011, City Council adopted Resolution No. 4081-1151 approving an intergovernmental agreement with Yavapai County pertaining to the transfer of ownership and maintenance responsibility for two segments of SR 89 abandoned by ADOT to Prescott (See Exhibit A). Segment 1, located within the Yavapai – Prescott Indian Tribe Reservation, was in turn conveyed to Yavapai County for ownership, operation, and maintenance.

The attached MOU defines maintenance activities to be performed by Yavapai County and City responsibility for design review, permitting, and construction inspection associated with the right-of-way of Segment 2 which the City now owns.

Budget

There are no budget impacts associated with this agreement.

- Attachments**
- Memorandum of Understanding
 - Exhibit "A"

Recommended Action: MOVE to adopt Resolution No. 4110-1220.

RESOLUTION NO. 4110-1220

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AUTHORIZING THE CITY OF PRESCOTT TO ENTER INTO A MAINTENANCE MEMORANDUM OF UNDERSTANDING PERTAINING TO THE MAINTENANCE OF THAT PORTION OF STATE ROUTE 89 TRANSFERRED TO THE CITY OF PRESCOTT BY THE ARIZONA DEPARTMENT OF TRANSPORTATION AND FURTHER DELINEATING THE OBLIGATIONS OF THE PARTIES PURSUANT TO RESOLUTION NO. 4081-1151 WHICH APPROVED THE INTERGOVERNMENTAL AGREEMENT WITH YAVAPAI COUNTY PERTAINING TO TRANSFER OF OWNERSHIP AND MAINTENANCE RESPONSIBILITY FOR TWO SEGMENTS OF STATE ROUTE 89, AND AUTHORIZING THE MAYOR AND STAFF TO TAKE ANY AND ALL STEPS NECESSARY TO ACCOMPLISH THE ABOVE

RECITALS:

WHEREAS, the City of Prescott and Yavapai County have previously entered into an Intergovernmental Agreement ("IGA") for City of Prescott to transfer ownership and maintenance responsibility of only Segment 1 of SR 89, located within the Yavapai-Prescott Indian Tribe Reservation, to Yavapai County, and transferring (only) the highway maintenance responsibility of Segment 2 to Yavapai County pursuant to that certain Intergovernmental Agreement previously approved by the City by Resolution Number 4080-11512; and

WHEREAS, Yavapai County agreed to accept the maintenance responsibility of Segment 2, located north of the Willow Lake Road round-a-bout to SR 89A, until any such future annexation occurs, for a period of not less than five (5) years from initiating that maintenance; and

WHEREAS, the attached Memorandum of Understanding between the parties delineates the responsibilities of the parties relative to such maintenance activities; and

WHEREAS, ARS §§11-951 AND 11-952 authorize "public agencies" such as City of Prescott and Yavapai County to enter into intergovernmental agreements to contract for services and facilities.

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 Intergovernmental Agreement between the City of Prescott and Yavapai County attached hereto as Exhibit "A," and made a part hereof.

SECTION 2. THAT the Mayor and staff are hereby authorized to execute the attached Memorandum Of Understanding pertaining to the maintenance of portions of State Route 89 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 22nd day of November, 2011.

MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. BURKE, City Clerk

GARY D. KIDD, City Attorney

MEMORANDUM OF UNDERSTANDING

Maintenance of State Route 89
Station 1510+72 (MP 316.27) to Station 2352+50 (MP 319.00)

THIS MEMORANDUM OF UNDERSTANDING, with an effective date of _____, 2011 is by and between Yavapai County (the "COUNTY"), a political subdivision of the State of Arizona and the City of Prescott, a municipal corporation established pursuant to the laws of the State of Arizona (the "CITY").

Recitals

WHEREAS, on May 24, 2011, the CITY entered into Intergovernmental Agreements with the COUNTY and the Arizona Department of Transportation ("ADOT") pertaining to ownership and maintenance responsibilities for two segments of Arizona State Route 89 ("SR 89"), said Agreements referenced hereinafter as the "City-County" Agreement" and the "City-ADOT Agreement" respectively; and

WHEREAS, on July 12, 2011, the CITY adopted amendments to the City-ADOT Agreement; and

WHEREAS, On August 18, 2011, ADOT abandoned two segments of SR 89 (the "Abandoned Segments"); and

WHEREAS, the COUNTY and the CITY wish to enter into this Memorandum of Understanding ("MOU") in order to further clarify the provisions of the City-County Agreement with regard to maintenance and permitting of Segment 2 in order to ensure that the needs and interests of the Parties are maintained in a manner consistent with the desire to minimize the costs to each Party's citizens.

NOW, THEREFORE, IT IS UNDERSTOOD AND AGREED AS FOLLOWS:

1. **General County Maintenance.** The COUNTY will provide for standard roadway maintenance activities within the Segment 2 Right-of-Way in accordance with applicable COUNTY standards including, but not limited to maintenance of drainage facilities, shoulder maintenance, cutting weeds determined to be obstructing visibility, signing, delineators, object markers, guardrails, removal of fallen rock, accident scene clean-up, and road surface maintenance for snow and ice.
2. **County Pavement Maintenance** The COUNTY will perform pavement maintenance activities as it determines to be necessary in accordance with COUNTY standards which may include crack sealing, pothole patching, select area pavement replacement, application of asphalt seal coats or rejuvenation materials, and pavement striping and marking.
3. **City Permitting and Inspections.** As the owner of record of Segment 2, the CITY shall be responsible for all permitting and inspections associated with driveway access, utility projects, design review and construction of new improvements to the highway and final acceptance thereof.

4. **Planning for Maintenance.** In January of each year during the effective term of the City-County Agreement, the Parties will meet at a mutually acceptable time and place to discuss planned highway maintenance for the subsequent fiscal year commencing on July 1.
5. **Other Rights and Obligations.** The Parties understand and agree that, subject to the clarifications as set forth in this MOU, their respective rights and obligations shall be as set forth in the City-County Agreement including, but not limited to those provisions regarding ownership, maintenance indemnity and insurance.

Approvals

CITY OF PRESCOTT

YAVAPAI COUNTY

Marlin D. Kuykendall Date
Mayor

Carol Springer Date
Chairman, Board of Supervisors

ATTEST:

ATTEST:

Elizabeth A. Burke
City Clerk

Julie Ayers
Clerk of the Board

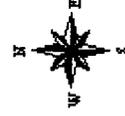
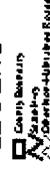


Fain Road Widening/SR89 Ownership Transfer Intergovernmental Agreement

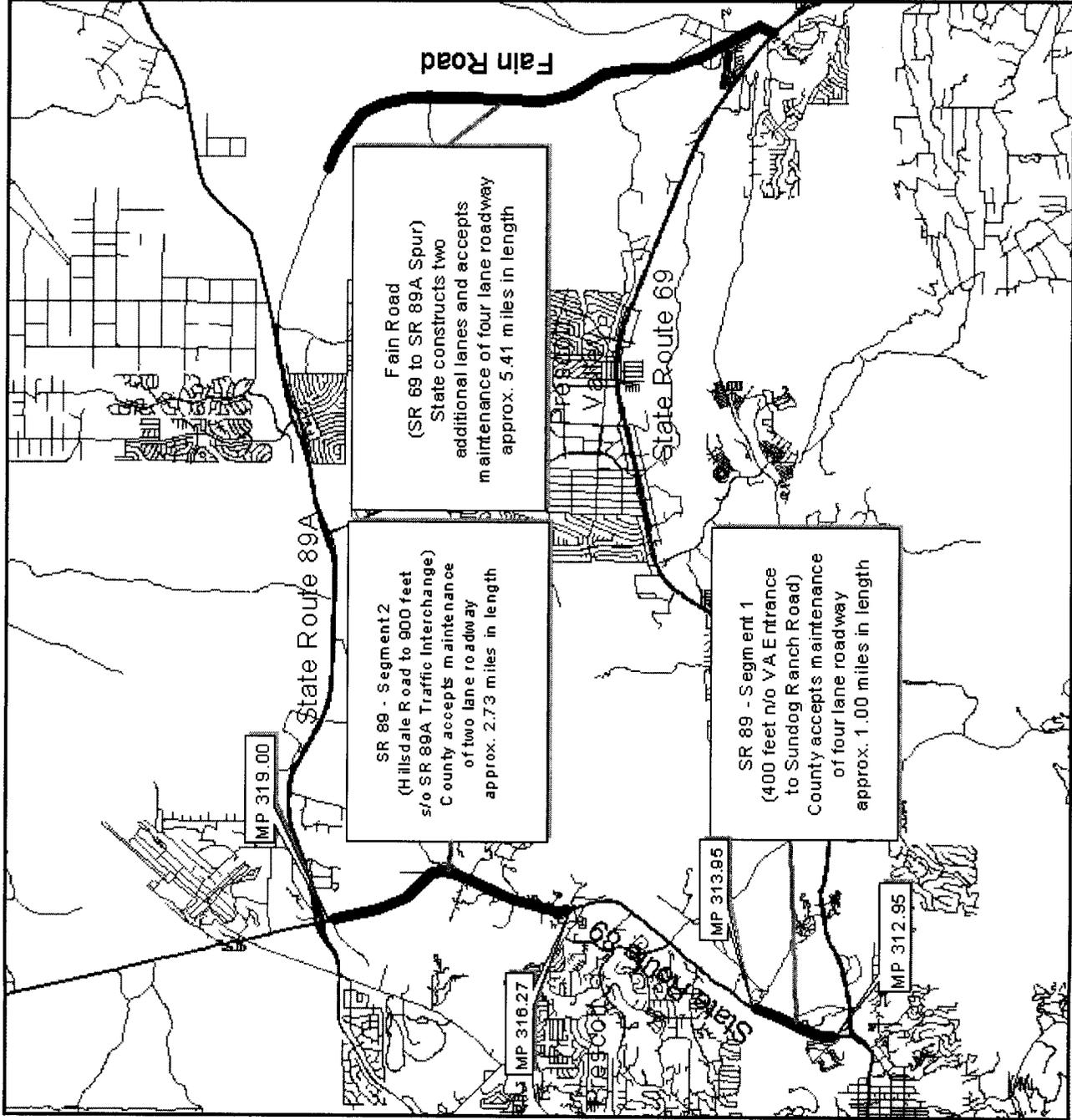
Exhibit A

(IGA/JPA 10-225-I)

LEGEND



1 in. = 9000 ft.



Yavapai County assumes no responsibility for errors, omissions, and/or inaccuracies in this mapping product.

January 27, 2011

COUNCIL AGENDA MEMO – November 22, 2011

DEPARTMENT: Public Works

AGENDA ITEM: Approval to extend existing City Contract No. 2009-084 with D & K Farming Enterprises, LLC on a month-to-month basis for a period not to exceed four (4) months for hauling bio-solids from the Airport and Sundog wastewater treatment plants in an amount not to exceed \$60,000

Approved By:

Date:

Department Head: Mark Nietupski, Public Works Director

Finance Director: Mark Woodfill

City Manager: Craig McConnell *Craig McConnell*

11-16-11

Item Summary

This item is to extend an existing contract with D & K Farming Enterprises, LLC (D&K) on a month-to-month basis for a period not to exceed four (4) months for hauling bio-solids from the City wastewater treatment plants. The hauling is necessary to properly dispose of the bio-solids per regulatory standards.

Background

On November 28, 2008, the City of Prescott entered into a contract with D & K to haul bio-solids from the City's wastewater treatment plants. The initial three (3) year contract is set to expire and contains two options to extend.

1. The contract can be extended for two (2) additional one (1) year periods if the parties mutually agree. The contractor does not wish to pursue this option due to disadvantageous contract pricing.
2. The contract can be extended on a month-to-month basis for a period not to exceed four (4) months if initiated by the City and agreed to in writing by the contractor.

Schedule

Written confirmation (attached) has been received from D&K Farming affirming their acceptance of the four (4) month contract extension with the same terms and conditions of the original contract. Pending Council approval bio-solids hauling will continue per the contract provisions.

Budget

The extension of this contract will allow the City to continue these services within the budgeted amount until a new contract can be advertised and awarded. The original terms, conditions, and fees will be maintained during the four (4) month extension.

Agenda Item: Approval to extend existing City Contract No. 2009-084 with D & K Farming Enterprises, LLC on a month-to-month basis for a period not to exceed four (4) months for hauling bio-solids from the Airport and Sundog wastewater treatment plants in an amount not to exceed \$60,000.

FY 11 expenditures under this contract were in the amount of \$159,777.00.

FY 12 hauling services are identified in Budget Account No. 720-58558433.

Attachments - Extension letter from D&K Farming

Recommended Action: **MOVE** to approve an extension of existing City Contract No. 2009-084 with D & K Farming Enterprises, LLC on a month-to-month basis for a period not to exceed four (4) months for hauling bio-solids from the Airport and Sundog wastewater treatment plants in an amount not to exceed \$60,000.00.

D&K Farming Enterprises, LLC

18107 W. Dunlap Road, Goodyear, AZ 85338

(623) 877-2638

November 15, 2011

City of Prescott Wastewater Operations
1505 Sundog Ranch Road
Prescott, AZ 86301

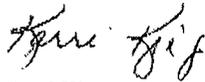
Re: Extension of sludge hauling and disposal contract

Dear Scott,

D&K Farming Enterprises, LLC agrees to extend our contract with the City of Prescott on a month to month basis for a period not to exceed four (4) months under the same contract terms and conditions with the following exception: The City of Prescott may terminate the month-to-month contract extension within ten (10) calendar days following written notification.

If you have any questions please call Domy at 602-228-2332.

Thank you,



Karri King
Owner/Manager, D&K Farming Enterprises, LLC

COUNCIL AGENDA MEMO – November 22, 2011
DEPARTMENT: Public Works
AGENDA ITEM: Approval of additional funding for City Contract No. 2011-154 with Hill Brothers Chemical Company for purchase of chlorine tablets in an amount not to exceed \$79,430.00

Approved By:	Date:
Department Head: Mark Nietupski, Public Works Director	
Finance Director: Mark Woodfill	
City Manager: Craig McConnell <i>Craig McConnell</i>	11-16-11

Item Summary

This item is to authorize additional funding in the amount of \$79,430.00 for existing Contract No. 2011-154. This contract provides chemical tablets required to chlorinate water at all City production wells. This authorization will cover the remaining term (24 months) of the contract.

Background

On November 23, 2010, the City of Prescott awarded a three-year (3) contract (#2011-154) for purchasing chlorine tablets from Hill Brothers Chemical Company in the amount of \$32,444.39. The contract amount was based the estimated amount of chlorine tablets required for one year. Chlorine tablets are utilized to disinfect water from City wells for distribution to the community to eliminate microorganisms and subsequently deliver safe drinking water.

The current average demand for chlorine tablets is approximately 15,600 pounds annually. PPG chlorine tablets are delivered in lots of 1,320 pounds (1 pallet of 24 pails each weighing 55 pounds) and stored on site for regular distribution to the individual wells. Purchases are made as needed based upon water demand and reserve inventory. The material is sensitive to temperature and cannot be stored for extended periods without degradation of chemical quality. Accordingly, multiple deliveries are required throughout the year in lots of 2,640 lbs. (2 pallets) in cool weather and 1,320 lbs. (1 pallet) in warm weather

Budget Implications

Funding is allocated annually in the operations budget for Water Production based on annual historic usage. FY 2012 account number 700-58158250.

Recommended Action: MOVE to approve additional funding for City Contract No. 2011-154 with Hill Brothers Chemical Company for purchase of chlorine tablets in an amount not to exceed \$79,430.00.

COUNCIL AGENDA MEMO – November 22, 2011

DEPARTMENT: Police

AGENDA ITEM: Approval to purchase 45 ea. Motorola XTL 2500 P-25 compliant narrowband mobile radios from Creative Communications, Phoenix, AZ, for a total purchase price of \$144,998.00

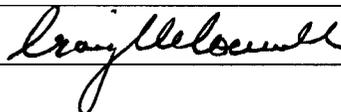
Approved By:

Date:

Department Head: Michael Kabbel

Finance Director: Mark Woodfill

City Manager: Craig McConnell



11-16-11

ITEM SUMMARY

The Prescott Police Department recommends purchase of 45 ea. Motorola XTL 2500 P-25 compliant narrowband mobile radios from Creative Communications, Phoenix, AZ, at Arizona State Contract pricing, for a total purchase price of \$144,998.00.

BACKGROUND

Advanced technology mobile radios are necessary to ensure full compliance with narrowbanding requirements mandated by the Federal Communications Commission. These units will provide sufficient channel capabilities to permit officers to communicate effectively among themselves and other public safety agencies, benefiting the community by improving first responder efficiency during response and mitigation of events requiring a localized or regional response.

Forty-five (45) additional mobile radios are required to fully equip all emergency vehicles within the Police fleet. Full outfitting of vehicles will provide officers a consistent communications platform, ensuring a level of interoperability capabilities not currently available, including encryption currently accessible only on our Department's portable radios. Upon acquisition of the 45 ea. advanced mobile radios, older fleet radios which meet narrowband requirements, but do not have the necessary functionality for continued Police Department use, may be transferred to other departments which do not currently possess compliant radios. This transfer will afford receiving departments sufficient functionality to meet current and future communication needs, while also greatly enhancing interoperability among all City Departments.

BUDGET

At the Arizona State Contract unit price, the total cost of the 45 ea. mobile radios, including an extended service agreement, will be \$144,998.00. Council has approved an appropriation for this purchase within the FY2012 Capital Improvements Budget.

Recommended Action MOVE to approve purchase of 45 ea. Motorola XTL 2500 P-25 compliant narrowband mobile radios from Creative Communications, Phoenix, Arizona, at the total Arizona State Contract price of \$144,998.00.

COUNCIL AGENDA MEMO – November 22, 2011
DEPARTMENT: Community Development
AGENDA ITEM: Adoption of Resolution No. 4107-1217 approving a Memorandum of Understanding with Northern Arizona Council of Governments (NACOG) for the administration of the Voucher Transit Program for Calendar Year 2012

Approved By:	Date:
Department Head: Tom Guice	
Finance Director: Mark Woodfill	
City Manager: Craig McConnell <i>Craig McConnell</i>	11-16-11

ITEM SUMMARY:

The Local Transportation Assistance Fund (LTAFF) program is an Arizona Department of Transportation (ADOT) administered program providing transit assistance for elderly, disabled and low income persons. For Calendar Year 2012, carryover monies from previous years have been approved by ADOT. No new transit funding has been established by the State, hence, it is anticipated that this will be the last year of the Voucher Transit Program for the City.

BACKGROUND:

The program began in 1998 and requires local governments that receive more than \$2,500 in LTAFF funds to use the funding for public transportation. Local governments desiring to participate in the program must provide a 25% cash match of the amount allocated by the State.

The 2012 available funding allotment is \$68,069.96, with the City's matching 25% in the amount of \$17,017.49, for a total of \$85,087.45. Partnership with NACOG allows for efficient administration of the voucher transit system. A Memorandum of Understanding (MOU) with NACOG is attached. The MOU includes the following conditions:

- Funds are distributed based on residency, not on the origin or destination of travel.
- Persons deemed eligible will be given vouchers based on need, as established by NACOG.
- Eligibility includes youth, elderly, developmentally disabled and low-income persons
- A co-pay of \$2.00 is required at the time of service.
- NACOG receives a 15% administration fee for performing duties set forth in the MOU.
- Option to terminate MOU within thirty days. If funds are swept by State, notice effective immediately.

- Attachments**
- Resolution No. 4107-1217
 - Summary of rides requested
 - Memorandum of Understanding with NACOG

Recommended Action: MOVE to adopt Resolution No. 4107-1217.

RESOLUTION NO. 4107-1217

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AUTHORIZING THE CITY OF PRESCOTT TO ENTER INTO A MEMORANDUM OF UNDERSTANDING (MOU), WITH THE NORTHERN ARIZONA COUNCIL OF GOVERNMENTS (NACOG) – ECONOMIC WORKFORCE DEVELOPMENT, PROVIDING FOR THE ADMINISTRATION OF THE VOUCHER TRANSIT PROGRAM FOR CALENDAR YEAR 2012, AND AUTHORIZING THE MAYOR AND STAFF TO TAKE ANY AND ALL STEPS NECESSARY TO ACCOMPLISH THE ABOVE

RECITALS:

WHEREAS, the City of Prescott and the Northern Arizona Council of Governments has entered into a Memorandum of Understanding (MOU) setting forth their agreement concerning their respective rights and responsibilities for the development and implementation of a voucher transit system; and

WHEREAS, this MOU shall supersede and replace all prior agreements between the parties with respect to their respective rights and responsibilities concerning the voucher transit system; and

WHEREAS, the City of Prescott and NACOG have the authority to enter into the foregoing agreement pursuant to ARS Section 11-952, 26-307 and 26-308; and

WHEREAS, the funding for the MOU is included in the City's Fiscal Year 2012 Budget; and

WHEREAS, the Northern Arizona Council of Governments has expertise in administering Local Transportation Assistance Funds (LTAFII).

ENACTMENTS:

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

Section 1. That the City of Prescott hereby approves the attached Memorandum of Understanding between the City of Prescott and NACOG for administering the City's Local Transportation Assistance Funds (LTAFII) projects for Calendar Year 2012, attached hereto as "Exhibit A".

Section 2. That the Mayor and staff are hereby authorized to execute the attached Memorandum of Understanding and to take any and all steps deemed necessary to accomplish the above.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott on this 22nd day of November, 2011.

MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. BURKE, City Clerk

GARY D. KIDD, City Attorney

MEMORANDUM OF UNDERSTANDING
between Northern Arizona Council of Governments-
Economic/Workforce Development Division
and the
City of Prescott, Arizona

General Provisions

I) Introduction – Purpose of Memorandum of Agreement

This Memorandum of Understanding (MOU) is made and entered into by and between the Northern Arizona Council of Governments – Economic Workforce Development, hereafter referred to as NACOG, and the City of Prescott, hereafter referred to as the City.

The purpose of this MOU is to establish an agreement between NACOG and the City concerning their respective rights and responsibilities for the development and implementation of a voucher transit system, or VTS, which shall serve the area including the City of Prescott and the Town of Prescott Valley.

All parties agree to coordinate and collaborate their efforts in mutual planning and implementation to ensure that each area benefits from this service. The vouchers shall be issued to residents of the City to be used for travel only within the Prescott-Prescott Valley area. Residents of the City will pay a \$2.00 co-payment per service provided.

II) NACOG - Authorities and Responsibilities Expressly Implied

1. **Fiscal Agent:** NACOG will act as the fiscal agent for the VTS being responsible to receive and disperse funds.
2. **Eligibility:** NACOG will establish eligibility screening which conforms to the requirements set forth.
3. **Reporting:** NACOG will collect data regarding all VTS users to include residency, origination, user name, eligibility category, age, income level as appropriate, and destination. This information will be compiled and reported to the City on a quarterly basis.

4. **Records Management:** NACOG will prepare and maintain all records relating to the VTS for the duration of this agreement. Records will be released to the City, upon request, at the termination of this agreement.
5. **Staff:** NACOG shall select and employ staff in order to provide project supervision and direct client services. This staff shall also perform administrative services as applicable.
6. **Compensation:** NACOG will receive a 15% administrative fee for performing all duties set forth herein.
7. **Contributions:** NACOG, when applicable, will make available other resources to VTS recipients.

III) Services to be provided

It is understood and agreed upon by all parties that this agreement is the result of collaboration between the Prescott-Prescott Valley area and NACOG. NACOG will develop and implement the VTS program, per the following guidelines:

1. Funds will be distributed based on residency not on origination/destination of travel, i.e., the residency or a recipient shall determine the allocation of funds from the respective Prescott-Prescott Valley area VTS budget.
2. Transportation originations and destinations will be limited to the Quad-City area only.
3. Eligibility includes the general public, elderly (55 or older), persons with disabilities, and welfare recipients and "low income" persons engaged in employment activities.
4. Special needs clients will be given transportation only when appropriate accessibility and safety precautions can be provided.
5. Clients deemed eligible will be given vouchers based on a monthly expenditure budget for each city of residency. The vouchers will be given out on a first come first serve basis beginning on the 1st on each month.
6. Transportation will be provided only by approved vendors.

7. NACOG may, as the City has requested, authorize processing of vouchers by select organizations as may be deemed appropriate. Said organizations will be required to comply with all record maintenance procedures set forth by NACOG to facilitate the reporting process. NACOG reserves the right to withdraw on-site voucher processing from any organization which does not comply with required procedures.
8. The City agrees that NACOG shall not be held accountable in the event of abuse by another organization utilizing on-site voucher processing. Neither shall payments be denied for services rendered by providers in good faith.

IV) Assignment of this amended agreement

This agreement is not assignable in whole or in part by NACOG without the express written permission of the City.

V) Term of this agreement

The City and NACOG agree that the terms of this agreement will become effective upon execution by signature and shall continue until such time as either party provides 30 days written notice to modify or amend or terminate this agreement.

In the event that state funds are swept or no longer available to the city, the city will immediately notify NACOG to stop the issuance of vouchers. The city will remain responsible for vouchers distributed or otherwise authorized up to this notification.

VI) Conflict of Interest

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

VII) Funding Level

The City agrees to fund the voucher program in the amount of \$85,087.45 during the period January 1, 2012 to December 31, 2012. This equates to \$7,090.62 per month. NACOG's 15% administration charge would equal \$1,063.59 per month, with the remainder of the funds going directly towards funding the vouchers.

VIII) Signatures

This Memorandum of Understanding shall constitute the entire agreement of both parties and is executed upon signature.

Passed, Approved, and Adopted by the Mayor and Council of the City of Prescott this ____ day of _____, 2011.

Marlin Kuykendall, Mayor

ATTEST:

Elizabeth A. Burke, City Clerk

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

Gary D. Kidd, City Attorney

Teri Drew
NACOG – Regional Director
Economic/Workforce Development Division

PRESCOTT TRANSPORTATION PROGRAM
Year-To-Date Voucher Report
01/01/2011 to 12/31/11

	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	TOTAL TO DATE
Medical	151	179	160	112	136	176	149	212	184				1459
Basic Needs	234	285	285	221	283	329	291	305	326				2559
Job Search	105	225	305	251	226	279	246	192	156				1985
Work	24	60	154	24	64	83	66	113	42				630
Social Service	47	45	42	59	61	62	63	76	67				522
Counseling	57	85	84	50	68	92	62	44	66				608
Education	55	49	94	54	81	108	60	80	102				683
Requested Monthly Totals	673	928	1124	771	919	1129	937	1022	943				8446
# People Requesting Rides	76	86	77	65	84	97	96	102	101				784

COUNCIL AGENDA MEMO – November 22, 2011

DEPARTMENT: Public Works

AGENDA ITEM: Adoption of Resolution No. 4109-1219 repealing Resolution No. 4013-1043 sunsetting the formal Transportation Coordinating Committee

Approved By:

Date:

Department Head: Mark Nietupski, Director of Public Works	
Finance Director: Mark Woodfill	
City Manager: Craig McConnell <i>Craig McConnell</i>	11-16-11

Item Summary

Resolution No. 4109-1219, attached, will sunset the Transportation Coordinating Committee.

Background

Since its inception as a standing committee in April 1992, the Transportation Coordinating Committee has served to advise City Council in the areas of traffic engineering and transportation planning. This effort was essential to the efficient operation of the City's transportation system since no specialized transportation/traffic engineer staff were in place to perform these functions. It has long been contemplated that the TCC would be sunsetted when the City gained the appropriate professional capability to assume this responsibility. With the City Traffic Engineer in place, this precondition has been satisfied for several years.

During several meetings over the last year, Public Works and TCC members discussed and agreed that the formal Committee be dissolved, with members continuing in an advisory capacity to the City's Public Works Department. This will allow professional staff to assume a more distinct role in advising Council, while still taking advantage of the experience and counsel of those individuals who have served on the TCC in an informal manner.

Attachments

- TCC Letter acknowledging sunsetting of the Committee.
- Resolution No.4109-1219

Recommended Action: MOVE to adopt Resolution No. 4109-1219.

RESOLUTION NO. 4109-1219

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA REPEALING RESOLUTION NO. 4013-1043 SUNSETTING THE TRANSPORTATION COORDINATING COMMITTEE

RECITALS:

WHEREAS, the City Council is authorized under the general powers found in A.R.S. §11-251 to establish advisory committees; and

WHEREAS, the City Council of the City of Prescott formed the Transportation Coordinating Committee as a Standing Committee pursuant to Resolution No. 2463, and subsequently amended by Resolution Number 3051, 3300 and 4013-1043; and

WHEREAS, the Committee provided essential services in the area of traffic engineering and transportation planning which now can be provided by professional staff; and

WHEREAS, it is the desire of the Prescott City Council that the Transportation Coordinating Committee be sunsetted as an advisory committee of the Council to allow more flexibility, to work in conjunction with the Public Works Department.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Prescott, Arizona that Resolution No. 4013-1043, establishing the Transportation Coordinating Committee, be repealed (sunsetting) effective January 1, 2012.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott on this 22nd day of November, 2011.

MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. BURKE, City Clerk

GARY D. KIDD, City Attorney

November 10, 2011

The Honorable Mayor and City Council
City of Prescott
201 S. Cortez Street
P.O. Box 2059
Prescott, Arizona 86302

Re: Sunsetting of the Transportation Coordinating Committee

Dear Mayor and Council:

During the nearly 20 year history as a standing committee the Transportation Coordinating Committee (TCC) and its volunteer members have served the City of Prescott in providing a venue for concerned citizens to appear and be heard on traffic conditions, issues, and concerns within Prescott. It has been a primary goal during this time that the City develop a professional staff to serve these and other needs in the area of traffic engineering and transportation planning. We are pleased to have worked closely with the Public Works Department to secure a full-time professional traffic engineering staff that can fulfill this role.

During several meetings over the last year the TCC members and staff have discussed and agreed that it is beneficial to have the formal Committee dissolved and allow the members to continue serving in an advisory manner to the City's Public Works Department. This will allow professional staff to assume greater role in advising Council, while still being able to solicit input as needed, in a more informal and timely manner apart from the statutes required when it was a standing committee.

We thank you the opportunity to have positively impacted the citizens of Prescott and look forward to continuing to work with staff on these important issues.

Sincerely,



Robert Meyer, Chairman
For Transportation Coordinating Committee Members

COUNCIL AGENDA MEMO – November 22, 2011
DEPARTMENT: City Manager
AGENDA ITEM: Adoption of Ordinance No. 4812-1212 eliminating Public Buildings and Recreation impact fees and adoption of Resolution No. 4108-1218 authorizing the transfer of funds from the Public Buildings Impact Fee Fund and Recreation Impact Fee Fund to the Capital Improvement Fund

Approved By:	Date:
Department Head:	
Finance Director: Mark Woodfill	
City Manager: Craig McConnell <i>Craig McConnell</i>	11-16-11

Item Summary

The first part of this item (Ordinance No. 4812-1212) is to align the City Code with legislation pertaining to certain development (impact) fees which was passed earlier in the year. Specifically, Public Buildings and Recreation impact fees are no longer permitted, and must be removed from the City of Prescott Impact Fee schedule.

The second part (Resolution No. 4108-1218) is to transfer the remaining fund balance from the Public Buildings Impact Fee Fund to repay the remaining principal of the \$595,000 loan that the City's Capital Improvement fund made to the Recreation Fee Impact Fund in FY2007 for a portion of the gymnasium at the Adult Center Building.

Background

During the 50th Arizona Legislative session Senate Bill 1525 was passed and signed into law by Governor Brewer. Senate Bill 1525 changes how municipalities calculate and use impact fees. The new law has numerous changes with several different effective dates. The most immediate of these dates is January 1, 2012, after which municipalities can no longer collect impact fees for Public Buildings and Recreation. The City has until January 1, 2020, to use the remaining fund balances in each of the Public Buildings and Recreation Impact Fee Funds or they will be distributed evenly among the remaining impact fee categories.

In FY2007 the Capital Improvement Fund loaned the Recreation Impact Fee Fund \$595,000 to pay for a portion of the gymnasium at the Adult Center. Recreation Impact Fee revenue was pledged to repay the Capital Improvement loan. Since the Adult Center Building is a public building constructed with funds from the Capital Improvement Fund, it is recommended that the remaining balance of the Public Buildings Impact Fee Funds (\$481,042 as of June 30, 2011) be used to repay the Capital Improvement Fund loan (\$363,874 as of June 30, 2011). In FY11, the Recreation Impact Fee Fund made a \$62,587 payment to the Capital Improvement Fund loan.

Agenda Item: Adoption of Ordinance No. 4812-1212 eliminating Public Buildings and Recreation impact fees and adoption of Resolution No. 4108-1218 authorizing the transfer of funds from the Public Buildings Impact Fee Fund and Recreation Impact Fee Fund to the Capital Improvement Fund

Budget

Pay off remaining debt of Capital Improvement Fund loan estimated at \$363,874 with the Public Buildings Impact Fee Fund leaving an estimated remaining balance of \$117,168 in that fund.

Attachments - Ordinance No. 4812-1212
 - Resolution No. 4108-1218

Recommended Action: (1) **MOVE** to adopt Ordinance No. 4812-1212; and (2) **MOVE** to adopt Resolution No. 4108-1218.

ORDINANCE NO. 4812-1212

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AMENDING THE PRESCOTT CITY CODE BY AMENDING CHAPTER 14-12, *DEVELOPMENT FEES*, THEREOF

RECITALS:

WHEREAS, on November 27, 2001, the Prescott City Council adopted Ordinance No. 4173 which established development fees for various purposes, including but not limited to public buildings and recreation; and

WHEREAS, Senate Bill 1525 was signed into law by Governor Brewer during the 2011 Arizona Legislative session and shall become effective from and after December 31, 2011; and

WHEREAS, under said law, development fees may no longer be imposed for recreation purposes, general government or public buildings.

ENACTMENTS:

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

SECTION 1. THAT Section 3-14-5 is hereby amended as indicated below.

3-14-5: DEVELOPMENT FEES FOR RECREATION:

- (A) ~~New residential construction within the city limits shall be assessed the sum of four hundred one dollars (\$401.00) per residential unit. (Ord. 4173, 11-27-2001, eff. 3-1-2002)~~
- (B) Fees collected pursuant to this section may only be used for upgrades and expansions to existing capital facilities of the city recreational system, and additional capital facilities for the city recreational system, as may be authorized pursuant to Arizona Revised Statutes section 9-463.05. (Ord. 3310, 1-24-1995, eff. 4-24-1995)

SECTION 2. THAT Section 3-14-12 is hereby amended as indicated below.

3-14-12: DEVELOPMENT FEES FOR PUBLIC BUILDINGS:

- (A) ~~New residential construction within the city limits shall be assessed the sum of two hundred seventy five dollars (\$275.00) per residential unit.~~

- (B) Fees collected pursuant to this section may only be used for upgrades and expansions to existing public buildings, and the acquisition and/or construction of additional public buildings which may be required, as may be authorized pursuant to Arizona Revised Statutes section 9-463.05. (Ord. 4173, 11-27-2001, eff. 3-1-2002)

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott, Arizona on this 22nd day of November, 2011.

 MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

 ELIZABETH A. BURKE, City Clerk

 GARY D. KIDD, City Attorney

RESOLUTION NO. 4108-1218

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, ADOPTING A COUNCIL POLICY TO REQUIRE THE RECREATIONAL DEVELOPMENT IMPACT FEE FUND AND PUBLIC BUILDING IMPACT FEE FUND TO REIMBURSE AND REPAY THE CAPITAL IMPROVEMENT FUND FOR MONIES LOANED FROM THE CAPITAL IMPROVEMENT FUND TO THE RECREATIONAL IMPACT FEE FUND TO PAY FOR A PORTION OF THE GYMNASIUM AT THE ADULT CENTER BUILDING AND AUTHORIZING THE MAYOR AND STAFF TO TAKE ANY AND ALL STEPS NECESSARY TO ACCOMPLISH THE ABOVE

RECITALS:

WHEREAS, the City of Prescott's Capital Improvement fund loaned to the Recreational Development impact fee fund \$595,000 in FY 2007, for the purposes of paying for a portion of the gymnasium at the Adult Center Building, a portion of which loaned funds remain unpaid; and

WHEREAS, recent legislation effective January 1, 2012, will prohibit municipalities in certain circumstances from collecting and using impact fees for the "construction, acquisition or expansions of [certain] public facilities or assets," and certain recreational facilities, which include "auditoriums, arenas . . . arts and cultural facilities . . . clubhouses, community centers greater than 3000 square feet, . . . or similar recreation facilities", which legislation will prevent the City's Recreational Development ("Recreation") and Public Building impact fee funds from accumulating sufficient funds to reimburse the Capital Improvement Fund; and

WHEREAS, the Adult Center Building is a public building that was constructed with the funds of \$595,000 that were loaned from the Capital Improvement fund in FY 2007 to the City's Recreational Development impact fee fund, which funds the City contemplated would be repaid from such Recreational Development impact fee fund, and the Mayor and Council of the City of Prescott desire to reimburse the City's Capital Improvement Fund for the remaining balance due on its loan to the Recreational Development impact fee fund.

ENACTMENTS:

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

Section 1. That the City shall, as is immediately reasonably possible, use and transfer all remaining monies from the Recreation impact fee fund and any additional

necessary monies from the Building impact fee fund to repay the remaining balance due on the \$595,000 loan that the City's Capital Improvement fund made to the Recreation Fee Impact Fund in FY 2007, which was made for the purposes of paying for a portion of the gymnasium at the Adult Center Building.

Section 2. That any remaining balance in the Public Building impact fee fund shall be used, in the discretion of the Mayor and Council of the City of Prescott, for any of the purposes as henceforth allowed by law for the use of such impact fees. [A.R.S. § 9-463.05(K)(1) & (2)]

Section 3. THAT the Mayor and staff are hereby authorized to take any and all steps deemed necessary to accomplish the above.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott this 22nd day of November, 2011.

MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. BURKE, City Clerk

GARY D. KIDD, City Attorney