

AGENDA

REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, TO BE HELD MARCH 19, 2013, AT 6:00 PM., AT THE PUBLIC SAFETY BUILDING, 199 S. 6TH STREET, COTTONWOOD, ARIZONA.

- I. CALL TO ORDER
- II. ROLL CALL
- III. PLEDGE OF ALLEGIANCE
- IV. BRIEF SUMMARY OF CURRENT EVENTS BY MAYOR, CITY COUNCIL AND/OR CITY MANAGER -- THE PUBLIC BODY DOES NOT PROPOSE, DISCUSS, DELIBERATE OR TAKE LEGAL ACTION ON ANY MATTER BROUGHT UP DURING THIS SUMMARY UNLESS THE SPECIFIC MATTER IS PROPERLY NOTICED FOR LEGAL ACTION.
- V. CHARACTERS BEETLE BAILEY AND BETTY BOOP WILL MAKE AN APPEARANCE IN SUPPORT OF THE WELCOME HOME VIETNAM VETERANS EVENT.
- VI. BERRIN NEJAD, COMMUNITY DEVELOPMENT MANAGER.
- VII. PROCLAMATIONS
PROCLAIMING APRIL AS GO BLUE FOR CASA MONTH.
- VIII. AWARDS

EMPLOYER SUPPORT OF THE GUARD AND RESERVE PATRIOT AWARD TO POLICE CHIEF JODY FANNING.

SILVER AWARD IN THE PROPERTY AND CASUALTY CATEGORY & AWARD OF RECOGNITION FOR THE CITY'S WORKERS' COMPENSATION PROGRAM.

- IX. CALL TO THE PUBLIC--This portion of the agenda is set aside for the public to address the Council regarding an item that is not listed on the agenda for discussion. However, the Council cannot engage in discussion regarding any item that is not officially listed on the agenda for discussion and/or action (A.R.S. §38-431.02.A.(H).) Comments are limited to a 5 minute time period.
- X. APPROVAL OF MINUTES
Regular Meeting of February 5, 2013.
Comments regarding items listed on the agenda are limited to a 5 minute time period per speaker.
- XI. UNFINISHED BUSINESS

1. REQUEST FROM THE BOYS & GIRLS CLUB FOR FUNDING IN THE AMOUNT OF \$10,000.
- XII. CONSENT AGENDA--The following items are considered to be routine and non-controversial by the Council and will be approved by one motion. There will be no separate discussion of these items unless a Council Member or a citizen so requests, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Agenda.
1. RESOLUTION NUMBER 2689-- AUTHORIZING THE SUBMISSION OF A GRANT PROPOSAL TO THE GOVERNOR'S OFFICE OF HIGHWAY SAFETY FOR TRAFFIC ENFORCEMENT DETAIL OVERTIME COSTS AND TRAFFIC MONITORING EQUIPMENT.
 2. RESOLUTION NUMBER 2690--AUTHORIZING THE SUBMISSION OF A GRANT PROPOSAL IN CONNECTION WITH THE GOVERNOR'S OFFICE OF HIGHWAY SAFETY (GOHS) FISCAL YEAR 2014 FUNDING CYCLE TO CONTINUE THE DUI TASK FORCE DETAIL OVERTIME AND TO PURCHASE FIVE PBTS AND 500 MOUTHPIECES.
- XIII. NEW BUSINESS—The following items are for Council discussion, consideration, and possible legal action.
1. AMENDMENT OF A CONTRACT WITH JACKSON KINSI CONSTRUCTORS FOR INSTALLATION OF A BEACON, WINDSOCK, AND POLE AT THE COTTONWOOD AIRPORT TO REFLECT CORRECTED CONTRACT AMOUNT.
 2. AWARD OF BID FOR CITY WEED ERADICATION SERVICES.
 3. ENCROACHMENT AGREEMENT WITH FOR COMMERCIAL BUILDING AND PATIO ENCROACHMENTS FOR THE PIZZERIA BOCCE RESTAURANT LOCATED AT 1060 NORTH MAIN STREET.
 4. CONSIDERATION OF A SUBSCRIBER RATE FOR REGIONAL PUBLIC SAFETY DISPATCH SERVICES FOR THE CITY'S PROPOSED NEW PUBLIC SAFETY COMMUNICATIONS CENTER.
 5. DESIGN PROPOSAL FROM ARRINGTON WATKINS ARCHITECTS, LLC, FOR THE PROPOSED PUBLIC SAFETY COMMUNICATIONS CENTER.
 6. SPECIAL SERVICE AGREEMENT WITH 4-COYOTES PRODUCTIONS, L.L.C. FOR THE 2013 THUNDER VALLEY RALLY.
 7. RESOLUTION NUMBER 2691--DECLARING AND ADOPTING THE RESULTS OF THE PRIMARY ELECTION HELD ON MARCH 12, 2013.
 8. CONTINUATION OR ELIMINATION OF THE JUDICIAL REVIEW AND APPOINTMENTS ADVISORY BOARD.

XIV. CLAIMS AND ADJUSTMENTS

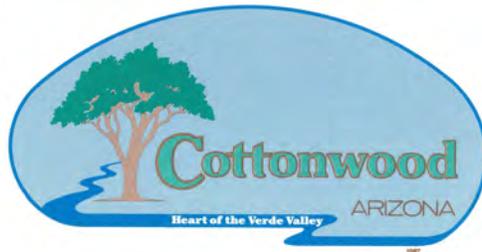
XV. ADJOURNMENT

Pursuant to A.R.S. 38-431.03.(A) the Council may vote to go into executive session on any agenda item pursuant to A.R.S. 38-431.03.(A)(3) Discussion or consultation for legal advice with the attorney or attorneys of the public body.

The Cottonwood Council Chambers is accessible to the disabled in accordance with Federal "504" and "ADA" laws. Those with needs for special typeface print or hearing devices may request these from the City Clerk (TDD 634-5526.) All requests must be made 24 hours prior to the meeting.

Members of the City Council will attend either in person or by telephone conference call.

Notice is hereby given that pursuant to A.R.S. 1-602.A.9 , subject to certain specified statutory exceptions, parents have a right to consent before the State or any of its political subdivisions make a video or audio recording of a minor child. Meetings of the City Council are audio and/or video recorded, and, as a result, proceedings in which children are present may be subject to such recording. Parents in order to exercise their rights may either file written consent with the City Clerk to such recording, or take personal action to ensure that their child or children are not present when a recording may be made. If a child is present at the time a recording is made, the City will assume that the rights afforded parents pursuant to A.R.S. 1-602.A.9 have been waived.



Proclamation

Go Blue for CASA® Month

WHEREAS, the National CASA® (Court Appointed Special Advocate) Association is a network of 955 programs that are recruiting, training, and supporting volunteers to represent the best interests of abused and neglected children in the courtroom and other settings; and

WHEREAS, CASA® volunteers are appointed by judges to watch over and advocate for abused and neglected children, to make sure they don't get lost in the overburdened legal and social service system or languish in inappropriate group or foster homes; and

WHEREAS, the Verde Valley CASA® Children's Foundation, a member of the National CASA® Association, a nonprofit 501(c)(3), was created in 2006 to provide financial assistance for the unmet needs of the children of our greater Verde Valley who are wards of the Court; and

WHEREAS, the Mission Statement of the Verde Valley CASA® Children's Foundation reads: "To enhance the quality of life for dependent children under Court supervision in the greater Verde Valley;" and

WHEREAS, at this time there are approximately over 100 children in the greater Verde Valley that have been removed from their homes and are currently wards of the Court; and

WHEREAS, independent research has demonstrated that children with a CASA® volunteer are substantially less likely to spend time in long-term foster care and less likely to reenter care; and

WHEREAS, the color blue is the national color representing abused and/or neglected children; and

WHEREAS, the month of April has been declared "Go Blue for CASA®" month in the greater Verde Valley.

NOW, THEREFORE, I, Diane Joens, Mayor of the City of Cottonwood, Arizona, do hereby proclaim April 2013 as "**Go Blue for CASA®**" month in the City of Cottonwood.

Diane Joens, Mayor

**City of Cottonwood, Arizona
City Council Agenda Communication**



 Print

Meeting Date: March 19, 2013

Subject:

Department:

From:

REQUESTED ACTION

SUGGESTED MOTION

If the Council desires to approve this item the suggested motion is:

BACKGROUND

This award is by Employer Support of the Guard and Reserve (ESGR) for Chief Fanning and nominated by SSG Matthew Watson of the 539th Military Police Detachment.

Luke Sefton, Northern Arizona Chair for ESGR will be presenting the award. ESGR, a Department of Defense operational committee, was established in 1972 to promote cooperation and understanding between Reserve Component Service members and their civilian employers and to assist in the resolution of conflicts arising from an employee's military commitment. ESGR is supported by a network of more than 4,900 volunteers ESGR has served our country for 40 years, fostering a culture in which all employers support and value the employment and military service of members of the National Guard and Reserve in the United States. These citizen warriors could not defend and protect us at home and abroad without the continued promise of meaningful civilian employment for themselves and their families. ESGR has continued to adapt to meet the needs of Reserve Component members, their families and America's employers by joining forces with a network of other national, state and local government and professional trade organizations as together, We All Serve!

Your Chief is getting the Patriot Award – This award recognizes supervisors and bosses nominated by a Guardsman or Reservist employee for support provided directly to the nominator. Spouses of Service Members are also eligible to nominate their supportive supervisor.

JUSTIFICATION/BENEFITS/ISSUES

COST/FUNDING SOURCE

ATTACHMENTS:

Name:

Description:

Type:

No Attachments Available

**City of Cottonwood, Arizona
City Council Agenda Communication**



 Print

Meeting Date:	March 19, 2013
Subject:	AMRRP Awards
Department:	HR
From:	Iris Dobler, Human Resources & Risk Manager AMRRP Awards

REQUESTED ACTION

N/A

SUGGESTED MOTION

If the Council desires to approve this item the suggested motion is:

N/A

BACKGROUND

The Arizona Municipal Risk Retention Pool (AMRRP) gives awards annually in two categories: Property and Casualty claims, and Workers' Compensation claims. These awards are based on loss ratios. They awarded the City of Cottonwood an award in each of these categories for 2012.

We were awarded a Silver award in the Property and Casualty category, and an Award of Recognition for our Workers' Compensation program.

JUSTIFICATION/BENEFITS/ISSUES

N/A

COST/FUNDING SOURCE

N/A

ATTACHMENTS:

Name:

Description:

Type:

No Attachments Available

City of Cottonwood, Arizona City Council Agenda Communication



 Print

Meeting Date:	March 19, 2013
Subject:	Council Consideration of Providing Financial Support to the Boys and Girls Club in the amount of \$10,000
Department:	City Manager
From:	Doug Bartosh, Office of the City Manager

REQUESTED ACTION

The City Council has been asked to donate \$10,000 to the Boys and Girls Club to help them continue to operate while they seek additional long-term financial support.

SUGGESTED MOTION

If the Council desires to approve this item the suggested motion is: **"I move to grant \$10,000.00 from the City Council's Contingency Fund to the Cottonwood Boys and Girls Club to support the club's operation while they seek sustainable funding."**

BACKGROUND

During the regular meeting of the City Council on March 5th, the Boys and Girls Club made a request to the City Council for funding in the amount of \$10,000 to assist in matching a \$25,000 dollar grant with another \$25,000. This would provide the Boys and Girls Club with a total of \$50,000 in additional operational funding that would allow them to continue to operate as they seek additional funding to sustain their operation into the future. The City Council directed staff to meet with representatives of the Boys and Girls Club to review their financial condition and their plans to acquire sustainable funding for the club so they could continue to operate.

On March 14th, staff met with the leadership of the club, including their finance committee. The committee members detailed the finances for the club during the last three years. They were unable to sustain their programs in Sedona so they moved the operation to Cottonwood which ended a \$40,000 contribution from the City of Sedona each year. However, they could not sustain the program in Sedona even with the city contribution. They have completely restructured the club to reduce costs as much as possible. The current Executive Director is stepping down as a paid position but will continue to manage the club. The club has pleaded for assistance from the regional Boys and Girls Club representatives and has gained their support for staying in operation. The regional representatives will be working with the club to help them identify funding sources. They stated that the regional representatives would have recommended closing the club if they did not feel the programs were needed and sustainable.

They shared their current Profit and Loss statements and their current debt which is considerable at over \$34,000. They plan to make payments to reduce their debt. They require an operating budget of approximately \$240,000 per year to keep the club functioning at its current level. They have fund raising plans to achieve this level of funding. Per their Profit and Loss statement, they currently have a little over \$12,000 to sustain the operation. Again, they are requesting that the City provide \$10,000 to help them match a \$25,000 grant that would improve their financial position until they can raise a more sustainable stream of funding.

Please find attached the club's 2010 audit. There were no significant issues in terms of accounting. Also attached is the club's 2013 budget that runs on a calendar year. They are attempting to complete a combined 2010-11 audit; however, they are unable to fund the audit at this point. As indicated by their Profit and Loss statement they have currently about \$12,000 to continue operations. Other funding targets are listed in the budget.

The club members also requested consideration by the Council for additional funding support in the City's 2013-14 budget in the amount of \$25,000. Their hope would be to reduce this level of funding in future years as they build a sustainable funding source.

JUSTIFICATION/BENEFITS/ISSUES

The Boys and Girls Club provides a valuable resource to parents and our youth by providing a location where youth can be supervised while they learn and play. Due to a lack of funding, the club will not be able to continue their operation without the funding to match the \$25,000 grant that will add \$50,000 to their budget. They recognize that they need to find a sustainable source of funding.

The only issue involves the ability of the Boys and Girls Club to obtain sustainable funding. Without sustainable funding the city's funding will be a short term fix resulting, most likely, in the closing of the center. It is also important to note that Richard Faust was consulted regarding the City's ability to fill the need if the Boys and Girls Club was unable to continue operating. Mr. Faust stated that the City would be required to hire two to three additional staff and, based on the demand, the services may not be able to be provided at the recreation center. The Recreation Center does currently provide an after school program with a cost per child of \$150 per month. While we do provide a sliding scale of costs related to a person's income level, it would be difficult for the City to provide services at the same level and cost as the Boys and Girls Club without a substantial subsidy from the City.

COST/FUNDING SOURCE

If the City Council approves the current request, the \$10,000.00 would be taken from the Council Contingency account. This account currently holds \$29,618.80.

ATTACHMENTS:

Name:	Description:	Type:
 Profit and Loss Statement and Outstanding Debt.pdf	Boys and Girls Club Profit and Lose Statement and Debt	Cover Memo
 2010 Boys and Girls Club Audit Report.pdf	2010 Boys and Girls Club Audit Report	Cover Memo

Boys & Girls Clubs of Northern Arizona

Profit & Loss

January 1 through March 14, 2013

	Jan 1 - Mar 14, 13
Ordinary Income/Expense	
Income	
43400 · Unrestricted Contributions	
43410 · Corporate Contributions	651.79
43450 · Individual Contributions	1,250.00
Total 43400 · Unrestricted Contributions	1,901.79
47200 · Program Income	
47241 · Afterschool Program	11,686.44
Total 47200 · Program Income	11,686.44
Total Income	13,588.23
Expense	
60000 · Administration Expense	
60050 · Bank Service Charges	368.31
60051 · Credit Card MTOT Fees	19.90
60100 · Communications	
60130 · Telephone	318.91
Total 60100 · Communications	318.91
60200 · Dues/Memberships	566.45
60350 · Miscellaneous	838.00
60400 · Professional Fees	
60410 · Accounting Fees	250.00
Total 60400 · Professional Fees	250.00
60600 · Supplies	121.77
60601 · Snacks	391.08
Total 60000 · Administration Expense	2,874.42
60110 · Computer Expenses	99.99
62000 · Building Operating Expense	
62100 · Bldg/Grounds Maintenance	113.31
62500 · Rent	175.00
62600 · Utilities	723.49
Total 62000 · Building Operating Expense	1,011.80
66000 · Program Expenses	
66100 · Direct Program Expenses	800.00
66200 · Indirect Program Expenses	1.32
Total 66000 · Program Expenses	801.32
67000 · Salaries/Taxes/Employee Benefit	
67100 · Payroll Expenses	25,298.40
67200 · Employee Benefits	
67225 · Health Insurance	726.30
Total 67200 · Employee Benefits	726.30
Total 67000 · Salaries/Taxes/Employee Benefit	26,024.70
67150 · Payroll Tax Expense	1,920.06
68000 · Vehicle Expenses	
68300 · Fuel	513.99
68000 · Vehicle Expenses - Other	69.48
Total 68000 · Vehicle Expenses	583.47
70000 · Fund Raising Expense	151.60
Total Expense	33,467.36
Net Ordinary Income	-19,879.13
Net Income	-19,879.13

Boys & Girls Clubs of Northern Arizona
Balance Sheet
As of March 14, 2013

	<u>Mar 14, 13</u>
ASSETS	
Current Assets	
Checking/Savings	
10000 · National Bank	147.40
10100 · Event Account-Sedona Taste	596.82
10200 · JP Morgan Chase Checking Accoun	37.50
11000 · PayPal Checking	-532.20
11300 · Petty Cash	200.00
Total Checking/Savings	<u>449.52</u>
Accounts Receivable	
11001 · Accounts Receivable	2,475.00
Total Accounts Receivable	<u>2,475.00</u>
Total Current Assets	2,924.52
Fixed Assets	
15100 · N/P Sedona Time Share	4,134.22
16100 · Computer Equipment	5,064.18
Total Fixed Assets	<u>9,198.40</u>
TOTAL ASSETS	<u><u>12,122.92</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	34,700.27
Total Accounts Payable	<u>34,700.27</u>
Credit Cards	
2100 · NBA#0451	3,812.93
Total Credit Cards	<u>3,812.93</u>
Other Current Liabilities	
24000 · Payroll Liabilities	50,919.50
Total Other Current Liabilities	<u>50,919.50</u>
Total Current Liabilities	89,432.70
Long Term Liabilities	
27000 · Building Loan	-5,670.22
Total Long Term Liabilities	<u>-5,670.22</u>
Total Liabilities	83,762.48
Equity	
30000 · Opening Balance Equity	3,232.93
32000 · Unrestricted Net Assets	-49,295.20
Net Income	-25,577.29
Total Equity	<u>-71,639.56</u>
TOTAL LIABILITIES & EQUITY	<u><u>12,122.92</u></u>

Boys & Girls Clubs of Northern Arizona
A/P Aging Summary
As of March 14, 2013

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
501 C Agencies	0.00	356.50	0.00	0.00	0.00	356.50
Arizona Public Service	0.00	552.27	0.00	0.00	0.00	552.27
BGCA of America	0.00	0.00	0.00	0.00	3,315.00	3,315.00
Blue Cross Blue Shield	363.00	0.00	0.00	0.00	0.00	363.00
BSE	0.00	0.00	0.00	0.00	6,394.53	6,394.53
Cintas	0.00	0.00	0.00	0.00	63.40	63.40
Cottonwood Chamber of Commerce	0.00	0.00	75.00	0.00	0.00	75.00
Cottonwood Municipal Water	0.00	286.27	0.00	0.00	0.00	286.27
CTI Administrators	0.00	0.00	0.00	0.00	161.00	161.00
Darlene Woods	0.00	0.00	0.00	0.00	2,750.00	2,750.00
EZ Site Launch	0.00	0.00	0.00	0.00	1,798.20	1,798.20
Lauzon and Lauzon	0.00	0.00	0.00	0.00	1,550.00	1,550.00
National Bank	0.00	0.00	0.00	0.00	10,348.88	10,348.88
NCCI Workers Comp Insurance	0.00	0.00	0.00	0.00	0.00	0.00
Sedona Vacation Club Incorporated	0.00	0.00	4,134.22	0.00	0.00	4,134.22
Taylor & Sons	0.00	101.50	0.00	0.00	0.00	101.50
Unisource Energy Services	0.00	159.10	0.00	0.00	0.00	159.10
Verde Independent	0.00	0.00	1,601.70	0.00	-92.36	1,509.34
Waste Management	0.00	182.06	0.00	0.00	0.00	182.06
Yavapai Broadcasting	0.00	0.00	600.00	0.00	0.00	600.00
TOTAL	363.00	1,637.70	6,410.92	0.00	26,288.65	34,700.27

Northern Arizona Boys and Girls Clubs of America, Inc.

dba Boys and Girls Clubs of Northern Arizona

Financial Statements

Years Ended December 31, 2010 and 2009

Northern Arizona Boys and Girls Clubs of America, Inc.
dba Boys and Girls Clubs of Northern Arizona
Financial Statements
December 31, 2010 and 2009

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Darlene Wood

Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Northern Arizona Boys and Girls Clubs of America, Inc.
dba Boys and Girls Clubs of Northern Arizona
Sedona, Arizona

We have audited the accompanying Statement of Financial Position of Northern Arizona Boys and Girls Clubs of America, Inc. dba Boys and Girls Clubs of Northern Arizona (a not-for-profit organization) as of December 31, 2010 and 2009, and the related Statements of Activities, Functional Expenses and Cash Flows for the years then ended. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of Northern Arizona Boys and Girls Clubs of America, Inc. dba Boys and Girls Clubs of Northern Arizona (a not-for-profit organization) as of December 31, 2010 and 2009, and the changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Darlene Wood, CPA

Prescott, Arizona
June 20, 2012

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Northern Arizona Boys and Girls Clubs of America, Inc.
dba Boys and Girls Clubs of Northern Arizona
Statement of Financial Position
December 31, 2010 and 2009

	<u>Assets</u>	
	<u>2010</u>	<u>2009</u>
Current assets		
Cash and cash equivalents (Note 2)	\$ 35,215	\$ 127,251
Accounts receivables (net allowance for doubtful accounts - Note 3)	2,157	4,587
Promises receivables (Note 3)	4,938	23,564
Grants receivable (Note 3)	12,750	7,564
Inventories	1,860	1,860
Prepaid expenses	21	21
	<u>56,941</u>	<u>164,847</u>
Total current assets		
Other assets		
Property and equipment, at cost, net of accumulated depreciation of \$257,832 and \$233,812 for 2010 and 2009, respectively (Note 4)	196,174	218,784
Other assets	345	145
	<u>196,519</u>	<u>218,929</u>
Total other assets		
	<u>\$ 253,460</u>	<u>\$ 383,776</u>
Total assets		
 <u>Liabilities and Net Assets</u>		
Current liabilities		
Accounts payable and accrued expenses	\$ 23,076	\$ 12,443
Amounts due to other Organizations (Note 2)	-	-
Condo mortgage payable (Note 12)	12,983	12,983
	<u>36,059</u>	<u>25,426</u>
Total current liabilities		
Long term liabilities		
Condo mortgage payable (Note 12)	74,624	80,961
	<u>74,624</u>	<u>80,961</u>
Total long term liabilities		
	<u>110,683</u>	<u>106,387</u>
Total liabilities		
Net assets		
Unrestricted	132,805	271,242
Temporarily restricted (Note 8)	9,972	6,147
	<u>142,777</u>	<u>277,389</u>
Total net assets		
	<u>\$ 253,460</u>	<u>\$ 383,776</u>
Total liabilities and net assets		

See accompanying notes to financial statements.

Northern Arizona Boys and Girls Clubs of America, Inc.
dba Boys and Girls Clubs of Northern Arizona
Statement of Activities
Years Ended December 31, 2010 and 2009

Unrestricted Net Assets	2010	2009
Support and Revenue		
Support		
Fundraising	\$ 67,988	\$ 85,793
Contributions	180,500	290,638
Grants (Note 9)	<u>42,690</u>	<u>103,638</u>
Total support	291,178	480,069
Revenue		
Program fee revenue (net of scholarships and discounts Note 16)	69,873	76,946
Concession and sales revenue	1,805	296
Membership dues	10,571	2,215
Other income	3,365	4,696
Interest	<u>-</u>	<u>2</u>
Total revenue	<u>85,614</u>	<u>84,155</u>
Total support and revenue	376,792	564,224
Net assets released from restrictions	<u>87,166</u>	<u>40,743</u>
Total unrestricted revenue, support and reclassifications	<u>463,958</u>	<u>604,967</u>
Expenses		
Program	431,905	382,741
Management and General	109,718	121,823
Fundraising	<u>60,772</u>	<u>46,003</u>
Total expenses	<u>602,395</u>	<u>550,567</u>
Increase (decrease) in unrestricted net assets	(138,437)	54,400
Temporarily Restricted Net Assets		
Grants (Note 9)	90,991	11,000
Contributions	-	2,034
Temporarily restricted net assets released from restriction	<u>(87,166)</u>	<u>(40,743)</u>
Increase in temporarily restricted net assets	<u>3,825</u>	<u>(27,709)</u>
Total increase (decrease) in net assets	(134,612)	26,691
Net assets beginning of year	<u>277,389</u>	<u>250,698</u>
Net assets end of year	<u>\$ 142,777</u>	<u>\$ 277,389</u>

See accompanying notes to financial statements.

Northern Arizona Boys and Girls Clubs of America, Inc.
DBA Boys and Girls Clubs of Northern Arizona
Statement of Functional Expenses
Years Ended December 31, 2010 and 2009

<u>2010</u>	<u>Supporting Services</u>			<u>Total</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fund- Raising</u>	
Accounting services	\$ -	\$ 7,075	\$ -	\$ 7,075
Advertising and marketing	2,260	784	-	3,044
Audit	-	8,375	-	8,375
Board expenses	-	6,638	-	6,638
Depreciation (Note 4)	18,015	6,005	-	24,020
Dues/fees/ subscriptions/licenses	6,243	1,769	-	8,012
Employee taxes and benefits	15,984	6,537	-	22,521
Equipment and supplies	502	501	-	1,003
Equipment maintenance and repair	4,382	861	-	5,243
Food expense	7,396	2,072	-	9,468
Fundraising and special events	-	-	60,772	60,772
Grant writing services	-	-	-	-
Insurance	13,850	3,040	-	16,890
Interest expense	-	6,646	-	6,646
Inventory write down fundraising	-	-	-	-
Loss on disposition of asset	-	-	-	-
Miscellaneous/other expenses	2,135	856	-	2,991
Occupancy and maintenance	55,807	4,306	-	60,113
Other program expenses	14,960	-	-	14,960
Postage and shipping	110	1,103	-	1,213
Printing and reproductions	-	21	-	21
Salaries and wages	270,555	49,189	-	319,744
Staff expense	900	200	-	1,100
Summer camp program expenses	2,774	-	-	2,774
Supplies	4,850	1,480	-	6,330
Training	2,167	-	-	2,167
Travel and transportation	9,015	2,260	-	11,275
Total	<u>\$ 431,905</u>	<u>\$ 109,718</u>	<u>\$ 60,772</u>	<u>\$ 602,395</u>

See accompanying notes to financial statements.

Northern Arizona Boys and Girls Clubs of America, Inc.
DBA Boys and Girls Clubs of Northern Arizona
Statement of Functional Expenses
Years Ended December 31, 2010 and 2009

<u>2009</u>	<u>Supporting Services</u>			<u>Total</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fund- Raising</u>	
Accounting services	\$ -	\$ 9,988	\$ -	\$ 9,988
Advertising and marketing	2,715	2,233	-	4,948
Audit	-	9,269	-	9,269
Board expenses	-	1,973	-	1,973
Depreciation (Note 4)	20,747	6,915	-	27,662
Dues/fees/ subscriptions/licenses	8,022	522	-	8,544
Employee taxes and benefits	24,669	6,558	-	31,227
Equipment and supplies	5,007	5,007	-	10,014
Equipment maintenance and repair	604	523	-	1,127
Food expense	4,338	154	-	4,492
Fundraising and special events	-	-	39,402	39,402
Grant writing services	-	975	-	975
Insurance	12,574	2,738	-	15,312
Interest expense	-	7,328	-	7,328
Inventory write down fundraising	-	-	5,423	5,423
Loss on disposition of asset	1,868	1,055	-	2,923
Miscellaneous/other expenses	598	4,594	1,178	6,370
Occupancy and maintenance	49,733	6,829	-	56,562
Other program expenses	40,226	-	-	40,226
Postage and shipping	73	903	-	976
Printing and reproductions	60	191	-	251
Salaries and wages	182,829	50,133	-	232,962
Staff expense	2,426	186	-	2,612
Summer camp program expenses	5,362	-	-	5,362
Supplies	5,085	1,489	-	6,574
Training	3,014	-	-	3,014
Travel and transportation	12,791	2,260	-	15,051
Total	<u>\$ 382,741</u>	<u>\$ 121,823</u>	<u>\$ 46,003</u>	<u>\$ 550,567</u>

See accompanying notes to financial statements.

Northern Arizona Boys and Girls Clubs of America, Inc.
Boys and Girls Clubs of Northern Arizona
Statement of Cash Flows
Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities		
Increase (decrease) in net assets	\$ (134,612)	\$ 26,691
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	24,020	27,662
(Increase) decrease in operating assets:		
Prepaid expenses	-	-
Receivables	18,301	13,407
Inventory	-	5,923
Other assets	(196)	200
Increase (decrease) in accounts payable and accrued expenses	<u>10,630</u>	<u>(290,481)</u>
Net cash provided (used) by operating activities	(81,857)	(216,598)
 Cash flows provided (used) by investing activities		
Increase in fixed assets	(3,843)	(2,884)
Loss on disposition of asset	<u>-</u>	<u>2,923</u>
Net cash used by investing activities	(3,843)	39
 Cash flows provided (used) by financing activities		
Condo mortgage	<u>(6,336)</u>	<u>(6,910)</u>
Net cash flows provided (used) by financing activities	<u>(6,336)</u>	<u>(6,910)</u>
 Net increase (decrease) in cash and cash equivalents	(92,036)	(223,469)
Beginning cash and cash equivalents	<u>127,251</u>	<u>350,720</u>
Ending cash and cash equivalents	<u>\$ 35,215</u>	<u>\$ 127,251</u>

See accompanying notes to financial statements.

Northern Arizona Boys and Girls Clubs of America, Inc.
dba Boys and Girls Clubs of Northern Arizona
Notes to Financial Statements
December 31, 2010 and 2009

NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Boys and Girls Clubs of Northern Arizona dba Boys and Girls Clubs of Northern Arizona (the Organization) is a not-for-profit corporation formed in the State of Arizona in 1991. The Organization's mission is to inspire and enable all young people, especially those who need it the most, to reach their potential as productive, caring, responsible citizens. The Organization's Clubs provide a safe place to learn and grow in addition to ongoing relationships with caring, adult professionals, life-enhancing programs and character development experiences, and hope and opportunity to its members. The Organization is committed to programs that will help boys and girls develop the qualities needed to become responsible citizens and leaders. The Organization operates in and around Sedona, Arizona.

The Organization is a membership organization. Annual membership is obtained through annual membership dues of \$35. In addition to the annual membership, the Organization provides various supplementary programs for youth. Programs emphasize recreation, education, leisure, arts, music, and sports to develop and encourage healthy families and a healthy community. The Organization serves youth ages five to eighteen years of age. In addition to general access to the Organization's facilities, the Organization offers summer programs, after-school programs, and teen programs. Weekly dues range from \$49 to \$65 in 2009 and 2010.

It is within the mission of the Organization to offer discounts or scholarships to families that can not afford to pay full price for services. These discounts and scholarships are presented as net program amounts in the Statement of Activities.

The Organization is associated by membership with the Boys and Girls Clubs of America, Inc.

Although the Organization is a membership organization, substantial public support is required to continue operations. Without continued public support, it is unlikely the Organization could continue to provide its programs.

Accounting Basis

The financial statements of the Organization are prepared on the accrual basis of accounting. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Basis of Presentation

The Organization operates under the Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC) Section for Not-for-Profit Entities. As required by the ASC, the Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

Northern Arizona Boys and Girls Clubs of America, Inc.
dba Boys and Girls Clubs of Northern Arizona
Notes to Financial Statements
December 31, 2010 and 2009

NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Public Support and Revenue Recognition

The Organization has adopted the FASB's ASC Revenue subsection whereby contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restriction. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Amounts received that are restricted for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires or the restricted purpose is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received may be classified as unrestricted contributions.

The Organization receives a significant amount of support from contributions and fundraising events. Contributions are recognized when promised to the Organization. All promises are deemed collectible in the subsequent year. No allowance for doubtful accounts has been established.

As part of its mission, the Organization collects program fees to help defray Program costs. Program fees are recorded as revenues when the programs take place or services are offered.

Grant Revenue

The Organization receives grant funding from various granting agencies. Grant revenues that are reimbursable are recognized when applicable expenditures are made. Grant revenues that are not subject to reimbursement are recognized when the Organization has a contractual right to receive the monies. All grant receivables are expected to be received; thus, no allowance for doubtful accounts has been recognized in the financial statements. Any of the funding sources may, upon audit by the granting agency, request reimbursement for expenses or return of funds, or both, as a result of non-compliance by the granting agency with the terms of the grants or contracts. The Organization believes that any such instances, should they occur, are immaterial. No provision for non-compliance has been recorded in these financial statements.

Contributed Services

The Organization receives donated services from unpaid volunteers who assist in fundraising, special projects and direct services. Only those services that are specialized are recognized as donated services in the financial statements per the FASB's Revenue recognition for Not-for-Profits.

Unconditional Grants, Receivables, and Other Promises

Unconditional promises are all due within one year. All receivables recorded are considered collectible; therefore, no allowance for uncollectible accounts has been established.

Inventory

Inventory consists of donated raffle or auction items valued at donor designated fair values.

Property and Equipment

Acquisitions of property and equipment in excess of \$1,500 are capitalized. Property and equipment is carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using primarily the straight-line method over the applicable life of three, five, fifteen and thirty-nine years.

Northern Arizona Boys and Girls Clubs of America, Inc.
dba Boys and Girls Clubs of Northern Arizona
Notes to Financial Statements
December 31, 2010 and 2009

NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Tax Status

The Organization is a not-for-profit organization that is tax exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. It has been classified as an organization that is not a private foundation within the meaning of Section 509 (a).

Cash equivalents

For purposes of the Statements of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization maintains several accounts in one commercial bank, which may, at times, exceed federally insured limits. To date the Organization has not experienced any losses in these accounts.

NOTE 2 – CASH

The total cash held by the Organization is \$35,215 and \$127,251 at December 31, 2010 and 2009, respectively.

	<u>2010</u>	<u>2009</u>
Total cash and cash equivalents	<u>\$ 35,215</u>	<u>\$ 127,251</u>

NOTE 3 – RECEIVABLES

Receivables consist of the following at December 31, 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Accounts receivable	<u>\$ 2,157</u>	<u>\$ 4,587</u>

Certain grants and promises have been recognized in accordance with estimated projected allocations. All grants and unconditional promises are considered receivable within one year.

	<u>2010</u>	<u>2009</u>
<u>Charitable Contributions:</u>		
Other various individual contributions	<u>\$ 4,938</u>	<u>\$ 23,564</u>
<u>Grants Receivables:</u>		
Other	<u>\$ 12,750</u>	<u>\$ 7,564</u>

Northern Arizona Boys and Girls Clubs of America, Inc.
dba Boys and Girls Clubs of Northern Arizona
Notes to Financial Statements
December 31, 2010 and 2009

NOTE 4 – PROPERTY AND EQUIPMENT

Equipment consists of the following at December 31, 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Office equipment	\$ 35,418	\$ 35,418
Computer software	32,164	32,164
Game equipment	14,584	14,584
Leasehold improvements	49,467	49,467
Condo building	175,924	175,924
Building improvements	16,993	16,993
Vans	68,065	68,065
Furniture and fixtures	49,230	49,230
Program equipment	<u>12,161</u>	<u>10,751</u>
Total Property and Equipment	454,006	451,596
Less accumulated depreciation (A/D)	<u>(257,852)</u>	<u>(233,812)</u>
Total Property and equipment net of A/D	<u>\$ 196,174</u>	<u>\$ 218,784</u>

Depreciation expense for the years ended December 31, 2010 and 2009 is \$24,020 and \$27,662, respectively.

NOTE 5 –OPERATING LEASE AGREEMENTS

On October 1, 1997, the Organization entered into a twenty-five (25) year lease agreement with the City of Cottonwood for the operations of its Cottonwood program. Lease payments under the terms of the lease are one dollar (\$1) per year. Annual fair market value for use of the facility ending December 31, 2010 and 2009 is recognized at \$23,520 annually (Note 8 In-kind Contributions). The lease stipulates the property shall be used solely for the use as a Boys and Girls Club facility.

As of March 1, 2006, the Organization entered into a sixty-month lease for an office Xerox machine. The base monthly lease amount is five hundred fifty-three dollars (\$553). The lease can be cancelled by either party with thirty (30) days written notice. The lease was bought out by the Organization in 2009.

Northern Arizona Boys and Girls Clubs of America, Inc.
dba Boys and Girls Clubs of Northern Arizona
Notes to Financial Statements
December 31, 2010 and 2009

NOTE 6 -IN-KIND CONTRIBUTIONS

The Organization receives a significant amount of donated services from unpaid volunteers who assist in fund-raising and special projects. Only services satisfying the specialized requirement for recognition are recognized in the Statement of Activities as in-kind contributions. Following is a listing of recognizable in-kind contributions at December 31, 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Services	6,109	6,973
Facilities	23,520	23,520
Equipment	1,410	2,100
Supplies	1,529	8,470
Total in-kind contributions	<u>\$ 32,568</u>	<u>\$ 41,063</u>

NOTE 7-TEMPORARILY RESTRICTED NET ASSETS

For the years ending December 31, 2010 and 2009, temporarily restricted net assets totaled \$9,972 and \$6,147, respectively.

NOTE 8 - GRANTS

The Organization receives a portion of its revenues from government and nonprofit grants. These revenues are subject to annual appropriations and can be reduced or eliminated in subsequent years.

Signing of the agreements signifies an obligation of the Organization to fulfill all administrative and reporting requirements designated by the grant. Amounts received or receivable from contract agencies are subject to audit and adjustment by the granting agency, principally federal, state, and local governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the contractor cannot be determined at this time although the Organization expects such amounts, if any, to be immaterial.

Total grant revenues for the years ending December 31, 2010 and 2009, follows:

	<u>2010</u>	<u>2009</u>
Unrestricted grant revenues	\$ 42,690	\$ 103,638
Restricted Grant Revenues	90,991	11,000
Total	<u>\$ 133,681</u>	<u>\$ 114,638</u>

Northern Arizona Boys and Girls Clubs of America, Inc.
dba Boys and Girls Clubs of Northern Arizona
Notes to Financial Statements
December 31, 2010 and 2009

NOTE 9 - PENSION PLAN

On July 1, 2000, the Organization adopted a defined contribution pension plan for its employees managed by the Pension Trust of the Boys and Girls Clubs of America (Plan). Employees who have attained the age of twenty-one years old, two years of service and one thousand hours in the plan year are eligible to participate in the Plan. The Organization contributes five percent of the employee's salary, and participants vest at one hundred percent immediately upon entry to the Plan. New employees who were already participants in the pension plan for services at other Boys and Girls Clubs are one hundred percent vested. If a past employee procures employment with another Boys and Girls Clubs within six months of termination with the Organization, the pension plan follows the employee.

There were no contributions to this plan for 2010 or 2009.

NOTE 10 – RELATED PARTY TRANSACTIONS

During the course of business the Organization may purchase or receive goods and services from companies whose employees are members of the Organization's Board of Directors.

NOTE 11 – CONDO MORTGAGE PAYABLE

On October 25, 2005, the Organization entered into a promissory note to finance an office condo located at 1785 W. Hwy 89A, Suite 2D, Sedona, AZ 86336. The note assures that the Organization agrees to pay National Bank of Arizona (Lender) the principal amount of \$117,750 together with an interest rate of 7.250% per annum on the unpaid principal balance beginning November 25, 2005. Under the note, the Organization agrees to pay eighty-three regular payments of \$1,082 and one irregular last payment estimated at \$79,421.

The outstanding note balance as of December 31, 2010 and 2009 follows:

	2010	2009
Short term portion of note	\$ 12,983	\$ 12,983
Long term portion of note	74,624	80,961
Total note payable	\$ 87,607	\$ 93,944

Home Owners Association (HOA) fees are paid quarterly. Total HOA fees paid are \$2,006 and \$2,052 for 2010 and 2009, respectively.

NOTE 12 – CONTRACTS

On July 1, 2008, the Organization entered into a contract/lease agreement with the City of Sedona for the operation of the Sedona Teen Center. The terms of the lease are from July 1, 2008, through June 30, 2010. In lieu of rent payments, the Organization agrees to operate and manage a Teen Center for a minimum of twenty hours per week. The Organization's use of the building and premises, together with the other benefits is strictly conditional upon the Organization's full and timely performance of all obligations to the City of Sedona in operating the Teen Center. Sedona City Council approval is required prior to using the facility for after-school programs for specified periods under the terms of the lease. Upon certain reporting considerations, the City agrees to provide funding in the amount of \$40,500 for the 2008-2009 and 2009-2010 fiscal years. Funding shall be used exclusively for the operations of the Sedona Teen Center and is subject to change according to budget allowances. (Also See Note 15)

Northern Arizona Boys and Girls Clubs of America, Inc.
dba Boys and Girls Clubs of Northern Arizona
Notes to Financial Statements
December 31, 2010 and 2009

NOTE 13 – BEQUEST

In 2009 the Organization was notified it was 1/8 beneficiary of an estate. The Organization requested that their portion of the estate be distributed prior to completion of all administrative matters. The Trustee agreed to distribute funds to the Organization stipulating that in the event there was a deficiency in the trust estate to pay all bequests, claims, liabilities, expenses or administration, or other cost, the Organizations was to promptly repay their portion of the distribution to cover said costs. At time of writing the financial statements there is no indication that the Organization would have to repay any portion of its distribution.

NOTE 14 – CONCENTRATION OF RISK

In the years ending December 31, 2010 and 2009, the Organization received significant contributions from legacies, bequests and grant funding. If the Organization is unable to obtain similar funding in subsequent years, the Organization may not be able to maintain its current level of program services.

NOTE 15 – SUBSEQUENT EVENTS

Management of the Organization has evaluated events and transactions subsequent to December 31, 2010, for potential recognition or disclosure in the financial statements and determined that one item required disclosure.

After a year of review, in May 2012 the Board of Directors voted to make a significant change in its program by not renewing its annual Teen Center lease with the City of Sedona. Reasons provided for the decision included low or declining membership numbers, high facility overhead, staff turnover, declining community support and few, if any, critical partnerships. The Board determined the change was critical to the sustainability of the Organization, as a whole, for both current and future years.

At the same time, the Board consolidated its programs in its Cottonwood Branch due to its longevity, strong community ties with the families it serves, a strong and symbiotic relationship with the Cottonwood-Oak Creek School District, support from local businesses, private individuals and community groups, and a 25-year lease with the City of Cottonwood which it determined provides a stable and sustainable location. As part of the change, the Organization will provide transportation for children coming from the Sedona area. The Organization anticipates the change will significantly reduce overhead expenditures and strengthen its financial condition.

The Organization did not have subsequent events, other than those disclosed in the above paragraphs, that required recognition or disclosure in the financial statements for the years ended December 31, 2010 and 2009. Subsequent events have been evaluated through the financial statements issue date of June 20, 2012.

City of Cottonwood, Arizona City Council Agenda Communication



 Print

Meeting Date:	March 19, 2013
Subject:	Governor's Office of Highway Safety Submittal of FY 2014 Grant Proposal on Selective Traffic Enforcement Overtime
Department:	Police
From:	Chief Jody Fanning

REQUESTED ACTION

Adoption of Resolution 2689, authorizing the submittal of a GOHS grant proposal requesting funds in the amount of \$14,682.00 for Selective Traffic Enforcement Overtime and to purchase a TMS-SA Portable Traffic Counter/Classifier.

SUGGESTED MOTION

If the Council desires to approve this item the suggested motion is:

"I move to approve Resolution 2689, authorizing the submission of a grant request to the Governor's Office of Highway Safety for Selective Traffic Enforcement Detail overtime and to purchase a TMS-SA Portable Traffic Counter/Classifier."

BACKGROUND

The Governor's Office of Highway Safety (GOHS) has, throughout the years, provided the City of Cottonwood Police Department with funding of many thousands of dollars. This grant proposal seeks overtime funding for Selective Traffic Enforcement. Selective Traffic Enforcement will focus on red light running, reckless drivers, speed and bus stop violations. This funding is the only way Cottonwood Police Department is able to participate in these special patrols. The TMS-SA Portable Traffic Counter/Classifier is non-intrusive portable equipment that can be mounted to any electrical or telephone pole. This equipment will count vehicles and give speed, date and time of each vehicle that passes the device. The data will be collected and the information will assist with citizen-generated complaints and areas of the City that are a traffic concern.

JUSTIFICATION/BENEFITS/ISSUES

The Governor's Office of Highway Safety requires a Resolution to be submitted at the time the grant

proposal is submitted. GOHS also states that if the date of submitting the grant proposal is before a scheduled Council meeting, the GOHS will allow the Resolution to be submitted after it has been approved at the next schedule Council meeting.

COST/FUNDING SOURCE

Governor's Office of Highway Safety

ATTACHMENTS:

Name:	Description:	Type:
 res2689.doc	Resolution 2689	Resolution Letter
 STEP GRANT PROPOSAL 2014.pdf	GOHS FY2014 Grant Submittal	Cover Memo

RESOLUTION NUMBER 2689

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, AUTHORIZING THE SUBMISSION OF A GRANT PROPOSAL IN CONNECTION WITH THE GOVERNOR'S OFFICE OF HIGHWAY SAFETY (GOHS) FY 2014 FUNDING CYCLE.

WHEREAS, the Governor's Office of Highway Safety (GOHS) is seeking proposals from state and local agencies for projects relating to all aspects of highway safety; and

WHEREAS, the City of Cottonwood, through its Police Department, is interested in submitting a grant to continue the Selective Traffic Enforcement Details overtime and to purchase a TMS-SA Portable Traffic Counter/Classifier.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Cottonwood, Arizona, as follows:

THAT the Cottonwood Police Department is hereby authorized to submit a grant proposal seeking funds from the Governor's Office of Highway Safety to assist with selective traffic enforcement detail overtime costs and the purchase of a TMS-SA Portable Traffic Counter/Classifier.

PASSED AND ADOPTED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, THIS 19TH DAY OF MARCH 2013.

Diane Joens, Mayor

APPROVED AS TO FORM:

ATTEST:

Steve Horton, Esq., City Attorney

Marianne Jiménez, City Clerk

Cover Page

Project Title Selective Traffic Enforcement Patrol Overtime & Equipment

Total Grant Funding Requested \$14,682.00

Total ERE Percentage 25

Agency Name: Cottonwood Police Department
Contact Information: 199 S. 6th Street
Cottonwood, AZ 86326
Phone: 928-634-4246
Fax: 928-639-0611

Governmental Unit: City of Cottonwood
Address: 827 North Main Street

Project Director: Jody Fanning
Contact Information: Chief of Police
199 South 6th Street
Cottonwood, AZ 86326
Phone: (928) 634-4246
Fax: (928) 639-0611
E-mail: jfanning@cottonwoodaz.gov

Project Administrator: Christine Christensen
Contact Information: Police Administrative Technician
199 South 6th Street
Cottonwood, AZ 86326
Phone: (928) 634-4246
Fax: (928) 639-0611
E-mail: cchristensen@cottonwoodaz.gov

Fiscal/Financial Contact: Jesus Rodriguez
Contact Information: Administrative Services General Manager
816 North Main Street
Cottonwood, AZ 86326
Phone: (928) 634-0060 x202
Fax: (928) 634-3727
E-mail: rrodriguez@cottonwoodaz.gov

Please upload a cover letter addressed to the Director of the Governor's Office of Highway Safety on agency letterhead. This cover letter **must** be signed by a representative of your agency authorized to commit your agency to conduct the grant should it be approved for funding.

Any proposal received without a cover letter will not be considered for funding by GOHS.

Cover Page

http://egrants.azgohs.gov/_Upload/9224-GrantCoverLetter-STEP.pdf

For GOHS Office use only

Total Proposal

Total Estimated Cost

Budget Item	Amount	
Personnel Services	\$8,000	
Employee Related Expenses	\$2,000	25%
Professional and Outside Services	\$0	
Travel In-State	\$0	
Travel Out-of-State	\$0	
Materials and Supplies	\$0	
Capital Outlay	\$4,682	
Total Estimated Cost	\$14,682	

Traffic Data Summary - Law Enforcement

Please include the following traffic data to support the identified problem in your proposal:

Description	2012	2011	2010
Total Fatal Collisions	0	2	0
Total Injury Collisions	89	82	85
Total Collisions Investigated	0	0	0
Alcohol-Related Fatalities	0	0	0
Alcohol-Related Injuries	3	9	2
Speed-Related Fatalities	0	1	0
Speed-Related Injuries	3	6	28
Pedestrian Fatalities	0	3	0
Pedestrian Injuries	7	3	10
Bicycle Fatalities	0	0	0
Bicycle Injuries	3	4	3
Total DUI Arrests	74	93	109
Total Misdemeanor DUI Arrests	54	67	85
Total Aggravated DUI Arrests	20	26	24
Total Extreme DUI .15 Arrests	70	34	26
Total DUI-Drug Arrests	20	23	29
Total Dre Evaluations	14	4	6
Sober Designated Drivers	6	3	12
Underage Alcohol Violations-Title 4	70	76	47
Underage DUI Arrests	13	15	20
Underage DUI-Drug Arrests	7	8	9
Total Agency Citations	2779	1854	1619
Speed Citations	534	511	446
Red Light Running Citations	35	24	64
Seat Belt Citations	85	68	14
Child Safety Seat Citations	11	11	6

Jurisdiction

Select the Type of Jurisdiction:

City

Select the Type of Agency:

Law Enforcement

Fire Department / District

Non-Profit / Other

Select the County Served:

Yavapai County

Proposal Summary

Proposal Summary:

Please include a summary of funding requested by program area (Alcohol, Aggressive Driving, Occupant Protection etc...).

As detailed below, the Cottonwood Police Department proposes to use the grant funds for Selective Traffic Enforcement Detail (STEP) overtime and for the purchase of a Non-intrusive Traffic Counter/Classifier, which will assist to further increase enforcement for specific traffic details.

1. Requested funds will be used for overtime expense to hold selective traffic details, that include, but not limited to, Red Light Running, saturated traffic details, school bus stop details and patrolling high speed areas generated from specific complaints. These enforcement details are crucial in the Cottonwood area and without the support from GOHS the Cottonwood Police Department would not be able to pay the overtime incurred by these programs.

2. Requested funds will be used to purchase a Non-intrusive Traffic Counter/Classifier. This equipment is portable and can easily be mounted on any telephone or electrical pole. The Department does not have any non-intrusive equipment that will allow monitoring of traffic and speed in neighborhoods and major city roadways. This equipment will also count vehicles and give speed, date and time of each vehicle that passes the device. With this information the Department can setup traffic details at high speed areas and on specific days and times.

Background/Problem:

Provide general characteristics of the agency, including information on population, demographics, and a description of streets and highways in the agency's jurisdiction including road mileage.

The City of Cottonwood encompasses approximately 714 square miles and is located in Yavapai County which encompasses approximately 8800 square miles. It is the largest city in the Verde Valley and is a growing community that serves as the hub of the Verde Valley. The City of Cottonwood has a population of more than 11,265 with the Verde Villages, Verde Santa Fe and Cornville located in Yavapai County bordering the City of Cottonwood, adds another 11,000 residents. Along with the growth in population in the area, there is also a steady growth of tourism. Tourism during big event weekends, can increase the City's population by 10% to 20%. The City serves this entire population whether they live within or outside the City limits and the Police Department also assists other agencies that consist of Clarkdale Police Department, Jerome Police Department and Yavapai County Sheriff's Office.

The Cottonwood Police Department consists of 32 sworn officers, 16 civilian personnel and 15 volunteers. To keep up with the continued growth of our area, the Department takes an innovative approach to police services and strives to remain proactive in our efforts.

The City of Cottonwood has thirteen (13) traffic signals, two (2) roundabouts with approximately five (5) miles of Highway 260 and approximately five (5) miles of 89A in our jurisdiction. 89A is a thoroughfare to Clarkdale, Jerome, Prescott, to the west and Sedona and Flagstaff to the northeast. Highway 260 is a thoroughfare to Camp Verde and Interstate 17 to Flagstaff, Prescott and Phoenix. Both highways have a constant flow of traffic and is where a majority of our major accidents occur. Main Street in Cottonwood is approximately 3 miles long and runs through Cottonwood and is a connector road to Clarkdale and 89A to Jerome and Prescott.

Problem Statement:

What problem is your agency looking to solve with this grant? Provide appropriate data to support funding. The City of Cottonwood, being in a rural area, has only 13 traffic signals, but still has the same issues as

Proposal Summary

any other large city with Red Light Running. One third of the accidents are at these intersections and 20% of those are due to red light running. On an average, the City has only one (1) fatal accident per year and usually it is at one of these intersections. With the increase of traffic in the City and more distractions from different electronic devices, i.e., cell phones, computers, GPS systems, more accidents may occur.

The City of Cottonwood has one (1) high school, one (1) junior high school, three (3) elementary schools and several charter and private schools. The Department and the C.O.P.s (Citizens On Patrol) make a point of being at most of these locations at the beginning of the school year to remind the community that school is back in session and to be alert to the children, school buses and more vehicle traffic. Unfortunately, the Department does not have the manpower to continue this type of enforcement throughout the school year. The Department would like to do more school zone and school bus enforcement, along with school bus stop violations.

One of the problems facing the Cottonwood Police Department is having limited resources and manpower available to address Red Light Runners and traffic related issues in this growing community. The Department's manpower is limited, so the majority of these different enforcement details can only be done through overtime. As stated earlier, grant funding is the only way the Department is able to participate in special details.

Last year, out of the Department's non-emergency calls received, approximately 25% of the calls were on traffic issues throughout the city. When trying to determine problem traffic areas or responding to citizen complaints on neighborhood speeders, the Department only has the traffic trailer (when working) and placing a patrol vehicle in the problem area. We also have access to the City's pressure hose vehicle counters. Placing the traffic trailer or patrol officer in the problem area, because they are so visible, they slow down traffic and the issue becomes a temporary fix. Once you remove these devices, traffic returns to the original problem. The Department would like to have more specific data on these alleged traffic areas to be able to do saturation patrolling on specific dates and at specific times. This is information that the Traffic Trailer cannot give us.

If you have additional information, please upload:

Attempts to Solve Problem

Attempts to Solve Problem:

Identify past attempts to solve the problem identified in your proposal.

As part of their routine job, officers, while patrolling, are constantly looking for the traffic offenses, but traffic offenses are not their only responsibility during their regular shift and are often called away to handle other issues unrelated to traffic. Unfortunately, if it is a busy shift, traffic offenses become a non-priority issue. In high speed areas, the Department does set up the traffic trailer or has a patrol vehicle sit on the side of the road to slow down traffic, but as soon as the trailer and vehicle are moved the traffic problems return. If the Department could determine days of the week and times the problem traffic occurs, the Department could assign extra patrol or initiate Special Traffic Details. With the placement of the traffic trailer and/or parking a patrol vehicle along the side of the road, is just a very visible reminder to slow down. Without a reminder, like the traffic trailer or a patrol car, to alert drivers to slow down, the traffic problem will return. You can only get limited information from the traffic trailer, which then limits the department on responding to traffic issues.

Red-Light Running and school zone offenses are curtailed if the officer happens to be in the area and observes the offense. This is not a common occurrence. Constant patrolling through saturation and Red-Light Running details seems to be the only option to handle these continual traffic issues.

Project Objectives, Methods of Procedure, Performance Measures: Project 1

Title: Project 1

Objectives of the projects in your proposal should follow the SMART method. They should be:

S = Specific

M = Measurable

A = Action-Oriented

R = Realistic

T = Time-Framed

Project Objectives:

The project objectives should be stated in measurable terms directly related to the identified problem, concise and deal with a specific item, realistic, with a reasonable probability of achievement and related to a specific time frame.

The requested funds will support the Personnel Services (overtime) and Employee Related Expenses to enhance Speed and Selective Traffic Enforcement throughout the City of Cottonwood. The Department will participate in at least 10 speed enforcement details by September 30, 2014.

STEP will be utilized by all officers wishing to conduct additional traffic enforcement overtime details or participate in specific holiday/event overtime details. On scheduled STEP details, the enforcement will focus on, but not limited to specific high traffic residential areas, saturation details during the beginning of the school year and Red-Light Running. The Department will try to hold a STEP detail monthly to address these traffic issues.

The Cottonwood Police Department will carry out an enforcement and public awareness program. The Mobile DUI Enforcement Vehicle will be stationed at different events throughout the year, as not only a sub-station, but as a tool to educate the public regarding DUI's, Aggressive Drivers, Seat Belts and Child Restraints. The Cottonwood Police Department agrees that the key to a long-term solution to the problem of impaired and errant drivers is education. This program will actively participate in a public information and education campaign using both the electronic and printed media. The Cottonwood Police Department will design these, to heighten the awareness of the public to the hazards of excessive speed, aggressive driving, seat belt and child restraint violations.

When a neighborhood traffic generated complaint is made, currently, the only way the Department has to try and solve the complaint is to either place a speed trailer on the street or have a patrol officer sit during the time when the traffic problem is occurring. In order to get a better perception of the speeding complaints it is vital to have equipment that will give you the informational tool to be able to better do the job. With equipment like the Non-intrusive Traffic Counter/Classifier, information will be collected that will help to assist in solving traffic problems throughout the City. This equipment will be placed at specific high speed traffic areas and will record the date, time of day, speed and count the number of cars. The unit is portable and will look like equipment that belongs on the telephone/electrical pole, so drivers will not know that their speed is being tracked. This equipment will assist with the Selective Traffic Enforcement, by providing valuable information, so the Traffic Details can be planned around the best day and time the high speed traffic is occurring.

Method of Procedure:

Project Objectives, Methods of Procedure, Performance Measures: Project 1

Detail how your agency will solve the problem and meet the objectives you have set.

As specified below the funds for the Selective Traffic Enforcement program will be used for various saturation details and for educational events.

1. To maximize effectiveness of the Cottonwood Police Department funded enforcement overtime, the Cottonwood Police Department will determine enforcement activities by using one or a combination of the following:

- a) Citizen complaints;
- b) Traffic crash data;
- c) Holidays;
- d) Community events

2. The funds will allow the Department to have more manpower in busy residential areas during high traffic time, as well as concentrate on Red Light Running, errant drivers, school zones and school bus violations. Officers will also participate in monthly saturations details on holidays and special events.

3. If the Department gets funding to purchase a Non-intrusive Traffic Counter/Classifier, this will assist the Officers in selecting the day and time for their Saturation details, by compiling the specific information, which gives them the speed, the day and time of each vehicle that passes the device. After compiling all the data for a specific area the officers will know which day and times of day the traffic is the busiest and fastest. They will then select their detail dates for the high speed area to the days and times compiled from the data.

4. The Cottonwood Police Department will continue to carry out public awareness and educational programs at the many special events that the City hosts. The Cottonwood Police Department agrees that public education is the key to a long-term solution to the problem of errant drivers and red-light runners. This program will actively participate in public information and education campaign using both the electronic and printed media. The Cottonwood Police Department will design these, to heighten the awareness of the public to the hazards of Red-Light Running, excessive speed, aggressive driving and seat belt and child restraint violations.

5. If funding is approved, a media release will go out to the public regarding the grant award from the Governor's Office of Highway Safety. The release will provide details on the funding received and how it will be utilized to enhance traffic enforcement in the City of Cottonwood and Yavapai County. Press releases will also be issued throughout the year describing the different grant funded activities that the officers have participated in.

6. All overtime enforcement program stats will be kept track of by the Sergeant in charge of the GOHS grants. He will assign an officer on each Enforcement Detail to be in charge of submitting their stats for that detail to GOHS. The single event stats are evaluated at the end of the detail and these stats are then combined each month and the individual programs are then evaluated. Through these stats, the officer in charge makes sure all stats are correct, that every assigned officer is participating in the enforcement detail, if the detail was considered a success or not and if not how to improve the next event.

Performance Measures:

Establish measurable goals for your proposal. Example: "To decrease alcohol related fatalities 10% from

Project Objectives, Methods of Procedure, Performance Measures: Project 1

the 2012 base year average of 250 to 225 by September 30, 2014.” “To increase DUI arrests 10% above the 2008 base year average of 5,000 to 5,500 by September 30, 2014.”

Your agency should enumerate the objectives of the project in this section. Example: “To participate in 4 DUI Task Forces by September 30, 2014.” “To participate in 8 speed enforcement details by September 30, 2014.”

The Cottonwood Police Department will participate in a minimum of ten (10) STEP details by September 30, 2014. Through these details and the educational/public awareness events throughout the year, the Department hopes to educate the public to traffic safety.

STEP will be utilized by all officers wishing to conduct additional traffic enforcement overtime details or participate in specific holiday/event overtime details. On scheduled STEP details, the traffic enforcement capabilities are increased by at least 50% , almost doubling the number of officers out on patrol.

Through these STEP details, in 2014, the Department will be trying to maintain the 2012 statistic of zero (0) persons killed in collisions. Also, through these details, the Department will try to reduce the total number of injury accidents by 10%. This would take the total from of 89 in 2012 to 81 by December 31, 2013.

With added patrol during STEP details and with the added eCitation equipment, the Department issued 33% more citations than 2011, which is an increase of 925 citations. With all officers using the eCitation equipment, the citations will probably not increase by 33%, but the Department would like to see an increase of 25% which will be an increase of approximately 600 citations by December 31, 2014.

From National Red-Light Running studies, Arizona has the highest death rate and unfortunately it seems to be increasing yearly. With more and more drivers multi-tasking while driving this issue will continue. The City of Cottonwood, with only 13 traffic signals, still has the problem of Red-Light Running. The City is fortunate that it only averages one (1) to two (2) fatal accidents per year, but unfortunately the City averages about 25-30 injury accidents at these intersections. With more enforcement the Department would like to increase the Red-light Running citations by 10% and try and lower the accidents at these intersections by 5%. Having a goal of writing approximately 40 Red-Light Running violations by September 30, 2014.

School Zones and violations of school bus stops are not in the Department’s statistical reports and citations for these violations are minimal at best. Due to lack of manpower, the Department cannot patrol the school zones and bus stops at the necessary times on a regular basis. This is an important issue and the Department would like to be able to put more manpower out on the street at the beginning and the end of the school day to sit at school zones and enforce stopping while the school bus is loading and unloading at stops. The Department would like raise the citations of these violations by 50%.

Personnel Services

Description

Personnel Services:

Employee Related Expenses:

Description	Requested Amount	ERE %	ERE Amount	Overtime Amount
Special Traffic Enforcement Patrol Detail	\$10,000	25%	\$2,000	\$8,000
Overtime Salary				
		%	\$0	\$0
		%	\$0	\$0
		%	\$0	\$0
		%	\$0	\$0
		%	\$0	\$0
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		%	\$0	\$0
		%	\$0	\$0
Total:	\$10,000		\$2,000	\$8,000

Capital Outlay

Description

Description	Quantity	Price Per Unit	Tax	Shipping	Amount
TMS-SA Radar Vehicle Counter	1	\$4,295.00	\$387.00		\$4,682
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Total Estimated Cost

Budget Item	Amount	
Personnel Services	\$8,000	
Employee Related Expenses	\$2,000	25%
Professional and Outside Services	\$0	
Travel In-State	\$0	
Travel Out-of-State	\$0	
Materials and Supplies	\$0	
Capital Outlay	\$4,682	
Total Estimated Cost	\$14,682	

City of Cottonwood, Arizona City Council Agenda Communication



 Print

Meeting Date:	March 19, 2013
Subject:	Governor's Office of Highway Safety Submittal of FY 2014 Grant Proposal for DUI Task Force Overtime
Department:	Police
From:	Chief Jody Fanning

REQUESTED ACTION

Approval of a resolution authorizing the submittal of the GOHS grant proposal, requesting funds in the amount of \$28,275.00 for the DUI Task Force Detail overtime and to purchase five (5) PBTs and 500 mouthpieces.

SUGGESTED MOTION

If the Council desires to approve this item the suggested motion is:

"I move to approve Resolution number 2690, authorizing the submission of a grant proposal to the Governor's Office of Highway Safety for DUI task force overtime expenses and for the purchase of PBT's and mouthpieces."

BACKGROUND

The Governor's Office of Highway Safety (GOHS) has, throughout the years, provided the City of Cottonwood Police Department with funding of many thousands of dollars. This grant is focused on the overtime funding for the DUI Task Force patrol. The Task Force focuses on day-to-day DUI patrols as well as special holiday patrols, i.e. prom night, graduation, Labor Day, just to name a few. The PBT's are portable breath analyzers to show the blood alcohol level in a suspect's system. They will replace the old and non-useable PBT's and to have designated PBT's for the DUI Details. The mouthpieces are disposed of after each use, so replacement mouthpieces are always needed.

JUSTIFICATION/BENEFITS/ISSUES

The Governor's Office of Highway Safety requires a Resolution to be submitted at the time the grant proposal is submitted. GOHS also states that if the date of submitting the grant proposal is before a scheduled Council meeting, the GOHS will allow the Resolution to be submitted after it has been approved at the next scheduled Council meeting.

COST/FUNDING SOURCE

Governor’s Office of Highway Safety

ATTACHMENTS:

Name:	Description:	Type:
 res2690.doc	Resolution 2690	Resolution Letter
 DUI GRANT PROPOSAL 2014.pdf	GOHS FY 2014 DUI Task Force Grant Submittal	Cover Memo

RESOLUTION NUMBER 2690

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, AUTHORIZING THE SUBMISSION OF A GRANT PROPOSAL IN CONNECTION WITH THE GOVERNOR'S OFFICE OF HIGHWAY SAFETY (GOHS) FY 2014 FUNDING CYCLE.

WHEREAS, the Governor's Office of Highway Safety (GOHS) is seeking proposals from state and local agencies for projects relating to all aspects of highway safety; and

WHEREAS, the City of Cottonwood, through its Police Department, is interested in submitting a grant to continue the DUI Task Force Detail overtime and to purchase five PBTs and 500 mouthpieces.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Cottonwood, Arizona, as follows:

THAT the Cottonwood Police Department is hereby authorized to submit a grant proposal seeking funds from the Governor's Office of Highway Safety to assist with the DUI Task Force Detail overtime costs and the purchase of five Portable Breath Analyzers and 500 mouthpieces.

PASSED AND ADOPTED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, THIS 19TH DAY OF MARCH 2013.

Diane Joens, Mayor

APPROVED AS TO FORM:

ATTEST:

Steve Horton, Esq., City Attorney

Marianne Jiménez, City Clerk

Cover Page

Project Title DUI Enforcement Detail Overtime & PBTs

Total Grant Funding Requested \$28,275.00

Total ERE Percentage 25

Agency Name: Cottonwood Police Department
Contact Information: 199 S. 6th Street
Cottonwood, AZ 86326
Phone: 928-634-4246
Fax: 928-639-0611

Governmental Unit: City of Cottonwood
Address: 827 North Main Street

Project Director: Jody Fanning
Contact Information: Chief of Police
199 South 6th Street
Cottonwood, AZ 86326
Phone: (928) 634-4246
Fax: (928) 639-0611
E-mail: jfanning@cottonwoodaz.gov

Project Administrator: Christine Christensen
Contact Information: Police Administrative Technician
199 South 6th Street
Cottonwood, AZ 86326
Phone: (928) 634-4246
Fax: (928) 639-0611
E-mail: cchristensen@cottonwoodaz.gov

Fiscal/Financial Contact: Jesus Rodriguez
Contact Information: Administrative Services General Manager
816 North Main Street
Cottonwood, AZ 86326
Phone: (928) 634-0060 x202
Fax: (928) 634-3727
E-mail: rrodriguez@cottonwoodaz.gov

Please upload a cover letter addressed to the Director of the Governor's Office of Highway Safety on agency letterhead. This cover letter **must** be signed by a representative of your agency authorized to commit your agency to conduct the grant should it be approved for funding.

Any proposal received without a cover letter will not be considered for funding by GOHS.

Cover Page

http://egrants.azgohs.gov/_Upload/9223-GrantCoverLetterDUI.pdf

For GOHS Office use only

Total Proposal

Total Estimated Cost

Budget Item	Amount	
Personnel Services	\$20,000	
Employee Related Expenses	\$5,000	25%
Professional and Outside Services	\$0	
Travel In-State	\$0	
Travel Out-of-State	\$0	
Materials and Supplies	\$305	
Capital Outlay	\$2,970	
Total Estimated Cost	\$28,275	

Traffic Data Summary - Law Enforcement

Please include the following traffic data to support the identified problem in your proposal:

Description	2012	2011	2010
Total Fatal Collisions	0	2	0
Total Injury Collisions	89	82	85
Total Collisions Investigated	0	0	0
Alcohol-Related Fatalities	0	0	0
Alcohol-Related Injuries	3	9	2
Speed-Related Fatalities	0	1	0
Speed-Related Injuries	3	6	28
Pedestrian Fatalities	0	3	0
Pedestrian Injuries	7	3	10
Bicycle Fatalities	0	0	0
Bicycle Injuries	3	4	3
Total DUI Arrests	74	93	109
Total Misdemeanor DUI Arrests	54	67	85
Total Aggravated DUI Arrests	20	26	24
Total Extreme DUI .15 Arrests	70	34	26
Total DUI-Drug Arrests	20	23	29
Total Dre Evaluations	14	4	6
Sober Designated Drivers	6	3	12
Underage Alcohol Violations-Title 4	70	76	47
Underage DUI Arrests	13	15	20
Underage DUI-Drug Arrests	7	8	9
Total Agency Citations	2779	1854	1619
Speed Citations	534	511	446
Red Light Running Citations	35	24	64
Seat Belt Citations	85	68	14
Child Safety Seat Citations	11	11	6

Jurisdiction

Select the Type of Jurisdiction:

City

Select the Type of Agency:

Law Enforcement

Fire Department / District

Non-Profit / Other

Select the County Served:

Yavapai County

Proposal Summary

Proposal Summary:

Please include a summary of funding requested by program area (Alcohol, Aggressive Driving, Occupant Protection etc...).

As detailed below, the Cottonwood Police Department proposes to use the grant funds for overtime to support the on-going DUI Task Force that participate in saturation and checkpoint details, to purchase PBTs, mouthpieces and an Alcohol Gas Tank.

1. These DUI Enforcement details are crucial enforcement programs in Cottonwood and surrounding areas and without the support of GOHS funding for overtime, the Cottonwood Police Department would not be able to participate in as many DUI details as they have in the past. The DUI details allow the Department to add extra enforcement on specific dates and holidays to stop the drunk drivers, errant drivers and red light runners in Cottonwood and the rest of the Verde Valley.

2. The request to purchase five(5) PBT's is for the replacement of the old and non-repairable devices that the Department has at this time. These PBTs are used on traffic stops to help determine if the driver is DUI or not. The mouth pieces are disposable and discarded after each use, so the Department is requesting 500 replacement mouthpieces. The request to purchase an Alcohol Gas Tank to help calibrate the PBTs and make sure they are accurate when used on traffic stops.

Background/Problem:

Provide general characteristics of the agency, including information on population, demographics, and a description of streets and highways in the agency's jurisdiction including road mileage.

The City of Cottonwood encompasses approximately 714 square miles and is located in Yavapai County which encompasses approximately 8800 square miles. It is the largest city in the Verde Valley and is a growing community that serves as the hub of the Verde Valley. The City of Cottonwood has a population of more than 11,265 with the Verde Villages bringing in another 11,000 people. Along with the growth in population in the area, there is also a steady growth of tourism. Tourism during big event weekends, can increase the City's population by 10% to 20%. The City serves this entire population whether they live within or outside the City limits and the Police Department also assists the other agencies that consist of Clarkdale Police Department, Jerome Police Department and Yavapai County Sheriff's Office.

The Cottonwood Police Department consists of 32 sworn officers, 16 civilian personnel and 15 volunteers. To keep up with the continued growth of our area, the Department takes an innovative approach to police services and strives to remain proactive in our efforts.

The City of Cottonwood has thirteen (13) traffic signals with approximately five (5) miles of Highway 260 and approximately five (5) miles of 89A in our jurisdiction. 89A is a thoroughfare to Sedona, Clarkdale, Jerome, Prescott, and Flagstaff. Highway 260 is a thoroughfare to Camp Verde and Interstate 17 to Flagstaff, Prescott and Phoenix. These highways have a constant flow of traffic and is where a majority of our major accidents occur. Main Street in Cottonwood is approximately 3 miles long and runs through the older district of Cottonwood and is a connector road to Clarkdale and 89A to Jerome and Prescott.

Problem Statement:

What problem is your agency looking to solve with this grant? Provide appropriate data to support funding. The State of Arizona has a strong enforcement and media programs in place for reducing alcohol-related fatal crashes. Unfortunately, impaired drivers continue to be a serious problem in the City of Cottonwood and the surrounding areas. Although, in reviewing data from the Fatality Analysis Reporting System (FARS) it is showing a decrease in alcohol-related fatalities in Arizona. FARS data shows that the totals of both

Proposal Summary

single and multiple vehicle fatal accidents that are alcohol related, decreased to 337 in 2007, decreased to 262 in 2008, in 2009 they decreased to 219, in 2010 it decreased to 206 and finally in 2011 it increased to 215. Even with this increase, fatal accidents have decreased by approximately 36% since 2007. In order to keep these numbers decreasing, the Department needs to continue with 1 to 2 DUI Task Force Saturation details per month and Checkpoint Details at least once per quarter, along with the constant media attention to "Don't Drink and Drive".

The Cottonwood Police Department knows through experience, the only way to be aggressive in stopping impaired drivers is to hold several DUI details a month. This being said, limited resources and manpower, available to address the DUI related issues, keeps the Department from being able to hold these special details. In order to hold the DUI Details the Department needs more overtime funds to allow for the extra manpower. As stated earlier, grant funding is the only way the Department is able to participate in most special details.

If you have additional information, please upload:

Attempts to Solve Problem

Attempts to Solve Problem:

Identify past attempts to solve the problem identified in your proposal.

The City of Cottonwood along with the Tri City DUI Task Force has held many enforcement activities throughout the years. They have at least one (1) DUI Detail a month, but try to participate in two (2). The amount of DUI Details per month has to do with the amount of overtime funding the Department has in its budget from grant funding and the officers available to work. This grant proposal is requesting overtime funds for off-duty select traffic enforcement and holiday DUI Task Force operations which will be utilized by all officers wishing to conduct additional enforcement details focusing on traffic and DUI laws. Receiving these overtime funds will be the only way the Cottonwood Police Department will be able to participate in local and area and Tri City DUI Task Force activities and saturation points. Without funding, the Department would still try to hold DUI details, but the frequency would probably be cut to by 75% of what the officers are doing now with the overtime grant funds.

The request to purchase PBTs and mouthpieces is to replace non-useable equipment and to have enough to allow all Special Detail participating officers to have their own PBT. 25% of the Department's DUIs in 2012 indicate the officers use a PBT to show driver impairment. This is one more piece of evidence to prove that the driver is under the influence and over the legal limit. The PBT can also show that the driver was under the legal limit and is not cited.

 Project Objectives, Methods of Procedure, Performance Measures: Project 1

Title: Project 1

Objectives of the projects in your proposal should follow the SMART method. They should be:

S = Specific

M = Measurable

A = Action-Oriented

R = Realistic

T = Time-Framed

Project Objectives:

The project objectives should be stated in measurable terms directly related to the identified problem, concise and deal with a specific item, realistic, with a reasonable probability of achievement and related to a specific time frame.

The requested funds will support the Personnel Services (overtime) and Employee Related Expenses to conduct high visibility impaired driving enforcement programs. It is the Department's objective to hold a detail once or twice a month.

DUI task force operations will be utilized by all officers wishing to participate in DUI Task Force Details and will be focusing on traffic and DUI laws. The Tri City Task Force will only be using officers and/or deputies that, at a minimum, are certified in Standardized Field Sobriety Testing (SFSTs), which is required if using the overtime through this contract.

The Cottonwood Police Department will carry out enforcement and public awareness programs at different events, i.e. Verde Valley Fair, National Night Out and the Fall Festival, to name a few, by using the Mobile DUI Enforcement Vehicle as not only a sub-station, but as a tool to educate the public regarding, but not limited to, DUI's, Aggressive Drivers, Underage Drinking, Dump the Drugs, Seat Belts and Child Restraints. The Department will actively participate in a public information and education campaigns using both the electronic and printed media. The Cottonwood Police Department will design these to heighten the awareness of the public to the hazards of DUI's, as well as excessive speed, aggressive driving, seat belt and child restraint violations

Method of Procedure:

Detail how your agency will solve the problem and meet the objectives you have set.

The Department will try and solve the problem of impaired and errant driving through enforcement and educational programs. What the Department does is consistent with the national "Drunk Driving. Over the Limit. Under Arrest." (DDOLUA) model, which has three primary components: 1) enforcement; 2) public awareness; and 3) evaluation.

There will be two (2) activities:

1) A year-long sustained enforcement effort; and

2) Periodic enhanced-enforcement mobilizations, i.e. holiday DUI task forces conducted during Columbus Day, Halloween, Thanksgiving Day through the New Year's holidays, Super Bowl Sunday, Valentine's Day, President's Day, St. Patrick's Day, Spring Break, Easter, Verde Valley Fair Week, Cinco de Mayo, Prom Night, Memorial Day, Graduation Day, Independence Day and Labor Day. During some of the major

Project Objectives, Methods of Procedure, Performance Measures: Project 1

holidays, task force enforcement will be increased statewide. Public awareness activities, consisting of media efforts at both local and state levels, will focus on increasing the public's awareness of the ongoing enforcement activities.

Also, the Cottonwood Police Department will include the following activities as part of the enforcement and educational operations:

1. To maximize effectiveness of the Cottonwood Police Department funded enforcement overtime, the Cottonwood Police Department will determine enforcement activities by using one or a combination of the following:

- a) Traffic crash data;
- b) Holidays;
- c) Community events.

Conduct ongoing public information and education programs to promote traffic safety and driver awareness. It has been determined that the best method for reducing alcohol-related fatalities is through consistent, "zero tolerance" enforcement and a strong public information and education campaign.

2. The Cottonwood Police Department will carry out enforcement and public awareness programs by the use of the Mobile DUI Enforcement Vehicle. It will be stationed at different events, throughout the year, as mentioned above, as not only a sub-station, but as a tool to educate the public regarding DUI's, Aggressive Drivers, Underage Drinking, Dump the Drugs, Seat Belts and Child Restraints. The Cottonwood Police Department agrees that the key to a long-term solution to the problem of impaired and errant drivers and underage drinking is education. To assist in educating the public on these issues, the Department will actively participate in a public information and education campaign using both the electronic and printed media.

The Governor's Office of Highway Safety has public information and education materials. These materials are available, at no cost, to Law Enforcement Agencies, individuals or highway safety advocate groups. Personnel of the Cottonwood Police Department may distribute these materials at health fairs, schools, community events and enforcement activities, i.e. sobriety checkpoints.

The Department will also visit the local schools for different educational programs that will include groups such as MATForce, M.A.D.D and S.A.D.D. The Department is on the Teen Maze committee that is held once a year. This program helps youths understand the choices and consequences they encounter in their everyday lives. The Department also has sponsored Rachel's Challenge that is an anti-bullying program at Mingus Union High School. Through this program the students are taught how to deal with the everyday peer pressures that influences their decision making.

The planned events listed below are days that the Department plans to hold either an enforcement or educational/public awareness event. However, the Cottonwood Police Department and the Tri City Task Force may conduct additional activities that are not limited to these days.

October 2013
Halloween/Autumn Festival

Project Objectives, Methods of Procedure, Performance Measures: Project 1

November – December 2013

The Holiday DUI Task Force Enforcement Program will be kicked off Thanksgiving week and run through New Year's.

January – February 2014

Holiday DUI Task Force Enforcement Programs will be conducted during the Martin Luther King Holiday weekend, Super Bowl Sunday and President's Day Weekend.

March/April 2014

The DUI Task Force will conduct a saturation patrol on St. Patrick's Day. There will be a focus on jurisdictions having high school prom events. In addition, those jurisdictions that are celebrating Spring Break will also receive additional enforcement activities.

May – June 2014

Holiday DUI Task Force Enforcement Programs will be conducted on Cinco de Mayo and Memorial Day Weekend. There will be a focus on jurisdictions having high school graduation events.

July 2014

Holiday DUI Task Force Enforcement Programs will be conducted for the Independence Day celebrations.

August/September 2014

Holiday DUI Task Force Enforcement Programs will start mid-August and continue through Labor Day in support of the National Campaign of "Drunk Driving. Over the Limit. Under Arrest." Each participating agency will participate in or conduct a minimum of four enforcement programs (Sobriety checkpoints or saturation patrols or a combination of the two). GOHS will host a statewide press conference announcing this enforcement campaign. Date and location to be determined.

If funding is approved, a media release will go out to the public regarding the grant award from the Governor's Office of Highway Safety. The release will provide details on the funding received and how it will be utilized to enhance traffic safety and DUI/traffic enforcement in the City of Cottonwood and Yavapai County.

All overtime enforcement programs will keep track of their statistics throughout each detail and for some task force details, will submit their stats to GOHS. The single event stats are evaluated at the end of the detail and these stats are then combined each month and the individual programs are then evaluated. Through these stats, the officer in charge makes sure all stats are correct, that every assigned officer is participating in the enforcement detail, if the detail was considered a success or not and if not how to improve the next event.

Performance Measures:

Establish measurable goals for your proposal. Example: "To decrease alcohol related fatalities 10% from the 2012 base year average of 250 to 225 by September 30, 2014." "To increase DUI arrests 10% above the 2008 base year average of 5,000 to 5,500 by September 30, 2014."

Your agency should enumerate the objectives of the project in this section. Example: "To participate in 4 DUI Task Forces by September 30, 2014." "To participate in 8 speed enforcement details by September 30, 2014."

Project Objectives, Methods of Procedure, Performance Measures: Project 1

The Cottonwood Police Department will participate in a minimum of ten (10) DUI Task Force Saturation Details and will attempt to participate in two (2) Checkpoints by September 30, 2014. Through these details and the educational/public awareness events throughout the year, the Department hopes to lower DUI arrests by 5%. In 2008 the Department had 147 DUI arrests and in 2012 the Department had 87 DUI arrests. During this five year span the Department has lowered their DUI arrests by 41% which averages out to a little more than 9% a year. The more that law enforcement is out on the street enforcing their zero tolerance to impaired drivers and the Officers coupling this with education and public awareness events, the Department is hopeful the DUI arrests will continue to lower each year.

Personnel Services

Description

Personnel Services:

Employee Related Expenses:

Description	Requested Amount	ERE %	ERE Amount	Overtime Amount
DUI Detail Overtime Salary	\$25,000	25%	\$5,000	\$20,000
		%	\$0	\$0
		%	\$0	\$0
		%	\$0	\$0
		%	\$0	\$0
		%	\$0	\$0
		%	\$0	\$0
		%	\$0	\$0
		%	\$0	\$0
		%	\$0	\$0
Total:	\$25,000		\$5,000	\$20,000

Materials and Supplies

Description

Description	Quantity	Price Per Unit	Tax	Shipping	Amount
Alco Alcohol Gs Tank	1	\$165.00	\$14.00		\$179
Alco-Sensor FST mouthpieces #343	501	\$0.23	\$11.00		\$126
					\$0
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					\$0
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Capital Outlay

Description

Description	Quantity	Price Per Unit	Tax	Shipping	Amount
Alco-Sensor FST Preliminary Breath Tester	5	\$545.00	\$245.00		\$2,970
					\$0
					\$0
					\$0
					\$0
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Total Estimated Cost

Budget Item	Amount	
Personnel Services	\$20,000	
Employee Related Expenses	\$5,000	25%
Professional and Outside Services	\$0	
Travel In-State	\$0	
Travel Out-of-State	\$0	
Materials and Supplies	\$305	
Capital Outlay	\$2,970	
Total Estimated Cost	\$28,275	

**City of Cottonwood, Arizona
City Council Agenda Communication**



 Print

Meeting Date:	March 19, 2013
Subject:	Airport Beacon and Windsock Replacement
Department:	Development Services
From:	Morgan Scott, Development Services Manager

REQUESTED ACTION

Amendment of contract with Jackson Kinsi Constructors for installation of a beacon, windsock and pole at the Cottonwood Airport to reflect corrected contract amount.

SUGGESTED MOTION

If the Council desires to approve this item the suggested motion is:

"I move to amend the contract with Jackson/Kinsi Constructors to reflect a corrected base contract amount of \$19,602.53, and a total contract amount of \$24,397.24."

BACKGROUND

At the City Council meeting on January 15, 2013, the Council approved a contract with Jackson Kinsi Constructors for the replacement of the beacon and windsock at the Cottonwood Airport. Unfortunately, the contract amount approved by the Council was incorrect. The amount approved was \$14,402.53, however the actual contract amount should have been \$19,602.53. The error occurred because the contract allows a trade-in of the beacon and staff assumed the bid amount did not include the trade-in value when it actually did. The actual bid amount is still lower than the 2nd lowest bid.

The final corrected contract price, including the change order previously approved by Council, will be \$24,397.24.

Original Grant Amount, **State** Share: \$18,859.00

Original Grant Amount, **City** Share (10% Match): \$2,096.00

Project Budget Amount: \$20,995.00

This correction will increase the project costs to \$3,402.24 over budget. City staff has been able to save money in other airport funds to cover the extra costs of the new

windsock pole.

JUSTIFICATION/BENEFITS/ISSUES

The Contractor has provided the lowest bid and is prepared to meet all contract requirements. The corrected bid amount including the proposed change order is still less than the second lowest bid in the bid process.

COST/FUNDING SOURCE

ADOT Grant funded
General Fund/Airport

ATTACHMENTS:

Name:	Description:	Type:
 Change Order # 1, 2-4-13.doc	change order	Cover Memo
 Solicitation Tabulation Form.pdf	Bid Results	Cover Memo
 Jackson Kinsi Constructors.pdf	Jackson Kinsi Constructors Bid	Cover Memo
		
 ADOT, Agreement, Airport Beacon, 1-25-11.pdf	ADOT Grant Agreement	Cover Memo
 Jackson Kinsi Constructors.pdf	Jackson Kinsi Constructors Bid	Cover Memo
		
 ADOT, Agreement, Airport Beacon, 1-25-11.pdf	ADOT Grant Agreement	Cover Memo
 Change Order # 1, 2-4-13.doc	Change Order	Cover Memo
 Solicitation Tabulation Form.pdf	Bid Results	Cover Memo



**CITY OF COTTONWOOD
CHANGE ORDER**

PROJECT: Airport Beacon and Winsock Replacement

City of Cottonwood Project No. 2013-PW-10

CONTRACT DATE 1/8/13

CHANGE ORDER NO. 1

TO: Jackson Kinsi Constructors
818 S Main Street
Cottonwood, AZ 86326

Modify the Contract per the following Change Proposal Requests, which are attached to this Change Order:

Original CONTRACT PRICE	\$ 19,602.53
Current Contract Price adjusted by previous Change Orders	\$ 19,602.53
The Contract Price due to this Change Order will be (<u>Increased</u>) (Decreased) by:	\$ 4,794.71
The new Contract Price , including this Change Order will be:	\$ 24,397.24

The **Contract Time** to Final Completion will be (**increased**) (decreased) by 90 calendar days.

The date for Final Completion of all Work will be August 21, 2013.

Accepted for Contractor by: _____ Date _____

Approved for Owner by: _____ Date _____

**REVISED EXHIBIT B
BID SECTION**

(Including all information required to be submitted with Bid)

1. Bidder Information:

Firm Name: JACKSON KINSI CONSTRUCTORS

Contact Name: Bill Jackson

Principal Address: 818 S. MAIN

COTTONWOOD AZ 86326

Phone: 928-649-3051 Fax: 928-649-3059

E-Mail: JKCORP@CABLEONE.NET

Local Address: SANIZ

Type of Organization: CORP.

Tax ID #: 13 041360 R License #: ROC 170688

2. Exceptions to IFB (§4.5.4 Exceptions to IFB): NONE

3. Disclosure of Debarment Information (§4.5.5 Disclosure): N-A

4. Project Bid: _____ dollars (\$ 19,602.93)

5. Trade-In Bid: _____ dollars (\$ 5,200.00)

6. References (must be provided)

Provide names, addresses and telephone numbers of government agencies/businesses to which you have provided similar goods or services.

A. Entity: CITY OF COTTONWOOD

Address: _____

Contact: RICHARD FAUST

Phone: 928-639-3200

Goods or services supplied and when provided: MULTIPLE PROJECTS @ RIVER FRONT PARK

B. Entity: CITY OF COTTONWOOD

Address: _____

Contact: RICK CONTRERAS



Phone: 928-634-2741

Goods or services supplied and when provided: ELECTRICAL REPAIRS @ OLD FIRE STATION ON MINOR

C. Entity: BEAVER CREEK RESERVE

Address: RIMROCK AZ

Contact: REG OWENS

Phone: 928-821-0880

Goods or services supplied and when provided: INSTALL AND SET UP OF PACKAGED SEWER TREATMENT PLANT

7. Receipt of Addenda:
Bidder acknowledges receipt of the following Solicitation Addendum(s):

Addendum No.	Date
<u>1</u>	<u>12-17-12</u>
<u>2</u>	<u>12-21-12</u>

8. Other Information Requested: N-A

9. Intent to be Bound by Bid: WE Jackson
(Signature of Individual Authorized to Sign Bid)

W E JACKSON JR.
(Printed Name of Individual Authorized to Sign Bid)



EXHIBIT C
CERTIFICATE OF INSURABILITY

I hereby certify that as a Bidder to City of Cottonwood (City) for Solicitation No. 2013 - PM-10, I am fully aware of insurance requirements contained in the Contract and by the submission of this bid. I hereby assure City that I am able to produce the insurance coverage required should I be selected to be awarded the Contract.

Should I be awarded the Contract by City and then become unable to produce the insurance coverage specified within ten (10) working days, I am fully aware and understand that this shall constitute a material breach of this Contract and shall be subject to penalties up to and including termination of the Contract at the sole discretion of the City. I also understand and am fully aware that I may not be considered for further projects by City.

WE [Signature]
Signature of Bidder

JACKSON KINSI CONSTRUCTORS
Company

12-28-12
Date

EXHIBIT D
CONTRACTOR IMMIGRATION WARRANTY
(To Be Completed by Contractor Prior to Execution of Contract)

A.R.S. § 41-4401 (Government procurement, E-verify requirement, definitions) requires as a condition of your Contract, verification of compliance by the Contractor and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

By completing and signing this form the Contractor shall attest that it and all subcontractors performing work under the cited contract meet all conditions contained herein.

Contract Number:		
Name (as listed in the contract):		
Street Name and Number:		
City:	State:	Zip Code:

I hereby attest that:

1. The Contractor complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this Contract;
2. The Contractor shall verify, through the U.S. Department of Homeland Security's E-Verify program, the employment eligibility of each employee who provides services or labor in Arizona for wages or other remuneration, and that it shall require its subcontractors and sub-subcontractors to provide the same warranties to Contractor.
3. All subcontractors performing work under this Contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees.
4. The Contractor acknowledges that a breach of this warranty by the Contractor or by any subcontractor or sub-subcontractor under this Contract shall be deemed a material breach of this Contract, and is grounds for penalties, including termination of this Contract, by Owner.
5. Owner retains the legal right to inspect the papers of Contractor, and any subcontractor and sub-subcontractor employee who performs work under this Contract, and to conduct random verification of the employment records of Contractor and each subcontractor and sub-subcontractor who works on this Contract, to ensure that Contractor and each subcontractor and sub-subcontractor is complying with the warranties set forth above.

Signature of Contractor (Employer) or Authorized Designee:

W E Jackson Jr

Printed Name: W B Jackson Jr.

Title: PRESIDENT

Date (month/day/year): 12-28-12

ARIZONA STATUTORY BID BOND FOR CONSTRUCTION
PURSUANT TO TITLES 28, 34, AND 41, ARIZONA REVISED STATUTES
(Penalty of this bond must not be less than 10% of the bid amount)

KNOW ALL MEN BY THESE PRESENTS THAT: JACKSON KINSI CORP DBA: JACKSON KINSI CONSTRUCTORS (hereinafter "Principal") as Principal, and WESTERN NATIONAL MUTUAL INSURANCE COMPANY (hereinafter "Surety"), a corporation organized and existing under the laws of the State of MINNESOTA, with its principal offices in the City of EDINA, holding a certificate of authority to transact surety business in Arizona issued by the Director of the Department of Insurance pursuant to Title 20, Chapter 2, Article 1, as Surety, are held and firmly bound unto the Town of Huachuca City (hereinafter "Obligee") in the sum of Ten Percent (10%) of the amount of the bid of the Principal, submitted by Principal to the Obligee for the work described below, for the payment of which sum, the Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for: NEW LANDFILL SCALE HOUSE BID NO. HC 0712

NOW, THEREFORE, if the Obligee shall accept the proposal of the Principal and the Principal shall enter into a contract with the Obligee in accordance with the terms of the proposal and give the bonds and certificates of insurance as specified in the standard specifications of Contract documents with good and sufficient surety for the faithful performance of the contract and for the prompt payment of labor and materials furnished in the prosecution of the contract, or in the event of the failure of the Principal to enter into the contract and give the bonds and certificates of insurance, if the Principal pays to the Obligee the difference not to exceed the penalty of the bond between the amount specified in the proposal and such larger amount for which Obligee may in good faith contract with another party to perform the work covered by the proposal then this obligation is void. Otherwise, it remains in full force and effect provided, however, that this bond is executed pursuant to the provisions of Section 34-201, Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions of that section to the extent as if it were copied at length herein.

Witness our hands this 4 day OCTOBER, 2012.

JACKSON KINSI CORP DBA:
JACKSON KINSI CONSTRUCTORS

By W.E. Jackson, Jr.
W.E. JACKSON, JR., PRESIDENT

Title:

WESTERN NATIONAL MUTUAL INSURANCE COMPANY

By Kelly S. Cathcart
(Attorney-in-Fact)
KELLY S. CATHCART, ATTORNEY IN FACT



Kelly S. Cathcart
KELLY S. CATHCART, Arizona Resident Agent Countersignature

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That Western National Mutual Insurance Company, a Minnesota mutual insurance company, does make, constitute and appoint: Kelly S. Cathcart ----- Kelly S. Cathcart PLLC

Its true and lawful Attorney(s)-in-Fact, with full power and authority for and on behalf of the Company as surety, to execute and deliver and affix the seal of the Company thereto (if a seal is required) bond, undertakings recognizances or other written obligations in the nature thereof, (other than bail bonds, bank depository bonds, mortgage deficiency bonds, mortgage guaranty bonds, guarantees of installment paper and note guaranty bonds, self-insurance workers compensation bonds guaranteeing payment of benefits, asbestos abatement contract bonds, waste management bonds, hazardous waste remediation bonds or black lung bonds), as follows:

All written instruments in an amount not to exceed an aggregate of One Hundred Thousand and no/100----- (\$100,000 00) for any single obligation, regardless of the number of instruments issued for the obligation.

and to bind Western National Mutual Insurance Company thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are ratified and confirmed. This appointment is made under and by authority of the board of directors at a meeting held on September 28, 2010. This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of Western National Mutual Insurance Company on September 28, 2010:

RESOLVED that the president, any vice president, or assistant vice president in conjunction with the secretary or any assistant secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the company to execute and deliver and affix the seal of the Company to bonds, undertakings, recognizances, and suretyship obligations of all kinds, and said officers may remove any such attorney-in-fact or agent and revoke any Power of Attorney previously granted to such person.

- RESOLVED FURTHER that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company
- (i) when signed by the present, any vice president or assistant vice president, and attested and sealed (if a seal be required) by any secretary or assistant secretary; or
 - (ii) when signed by the president, any vice president or assistant vice president, secretary or assistant secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or
 - (iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the Power of Attorney issued by the Company to such person or persons.

RESOLVED FURTHER that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company; and such signature and seal when so used shall have the same force and effect as though manually affixed. IN WITNESS WHEREOF, Western National Mutual Insurance Company has caused these presents to be signed by its proper officer and its corporate seal to be affixed this 2 day of October, 2012.

Joseph Pingatore, Secretary



Daniel E. Stein, Vice-President

STATE OF MINNESOTA, COUNTY OF HENNEPIN

On this 2 day of October, 2012, personally came before me, **Daniel E. Stein** and **Joseph Pingatore** to me known to be the individuals and officers of the Western National Mutual Insurance Company who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally dispose and say: that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.



Jennifer A. Young, Notary Public
My commission expires January 31, 2016

CERTIFICATE

I, the undersigned, assistant secretary of the Western National Mutual Insurance Company, a Minnesota corporation, CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.

Signed and sealed at the City of Edina, MN this 4 day of October, 2012



Jennifer A. Young, Assistant Secretary

Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

Print or type
 See Specific Instructions on page 2.

Name (as shown on your income tax return) Jackson Kinsi Corp.	
Business name/disregarded entity name, if different from above DBA: Jackson Kinsi Constructors	
Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input checked="" type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see instructions) ▶ _____	
Address (number, street, and apt. or suite no.) 818 S. Main Street	Requester's name and address (optional)
City, state, and ZIP code Cottonwood, Az 86326	
List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number										
Employer identification number										
8	6		-	0	9	8	3	5	1	4

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶ <i>April Jackson</i>	Date ▶ <i>4/1/2012</i>
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

**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 Cottonwood, 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: ***Remove and replace rotating beacon and wind cone including related electrical work*** (the "Project"), for the improvement of the Cottonwood Airport (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 7, 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 E2S95

City of Cottonwood
Cottonwood Airport

- 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 ten percent (10%) as determined by the State.
- 2) The maximum reimbursement available from the State to the Sponsor for this Agreement shall be **eighteen thousand eight hundred and fifty-nine dollars (\$18,859)**.
- 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 May 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 Two thousand ninety-six \$¹⁰⁰/100 —Dollars (\$ 2,096.00), 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 Morgan Scott _____, Development Services Operations Manager
Name Title
to receive payments representing the State's share of project costs.

Signature of Sponsor's Representative

Development Services Operations Manager
Title of Representative

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

Sponsor Vendor Id #: **866007877 12**
Sponsor Vendor Address: **City of Cottonwood**
1490 W. Mingus Avenue
Cottonwood, Arizona 86326

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

Grant Number E2S95

City of Cottonwood
Cottonwood Airport

STATE:

State of Arizona
Department of Transportation
Multimodal Planning Division

SPONSOR:

City of Cottonwood
Cottonwood Airport

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.
-

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

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:

Remove and replace rotating beacon and wind cone including related electrical work

Project Cost Category	Total Estimated Project Cost	Estimated Local Share	Estimated Federal Share	Estimated State Share*
Design/Engineering Services	\$	\$	\$	\$
Construction	\$ 20,995	\$ 2,096	\$	\$ 18,859
Construction Engineering	\$	\$	\$	\$
Sponsor Administration**	\$	\$	\$	\$
Sponsor Force Account Work***	\$	\$	\$	\$
Contingencies	\$	\$	\$	\$
Total Project Costs	\$ 20,995	\$ 2,096	\$	\$ 18,859

*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: \$18,859

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	\$	\$ 18,859	\$	\$	\$	\$
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
Consultant Selection Phase					
Submit Scope for State Review/Approval*		NA		NA	
Submit Contract for State Review/Approval		NA		NA	
Award Consultant Contract		NA		NA	
Design & Engineering Phase					
Sponsor Issue Notice to Proceed/Start Design		NA		NA	
Conduct 30% Design Review/Approval		NA		NA	
Conduct Final Design Review/Bid Set Submitted (100%) for Review/Approval		NA		NA	
Bidding Phase					
Bid Set Submitted (100%) for Review/Approval		2/27/12		3/19/12	
Issue Invitation for Bids		3/23/12		4/27/12	
Submit Bid Tab for State Review/Approval		5/2/12		5/23/12	
Award Construction Contract/Submit to the State		5/30/12		6/20/12	
Construction Phase					
Pre-Construction Meeting		6/27/12		6/27/12	
Issue NTP – Begin Construction		7/2/12		7/30/12	
Final Inspection		7/31/12		7/31/12	
Submit As-Builts & Final Documentation		8/8/12		8/29/12	
Submit Final Reimbursement Request and Sponsor Closeout Letter		9/5/12		9/26/12	

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

**REVISED EXHIBIT B
BID SECTION**

(Including all information required to be submitted with Bid)

1. Bidder Information:

Firm Name: JACKSON KINSI CONSTRUCTORS

Contact Name: Bill Jackson

Principal Address: 818 S. MAIN

COTTONWOOD AZ 86326

Phone: 928-649-3051 Fax: 928-649-3059

E-Mail: JKCORP@CABLEONE.NET

Local Address: SANIZ

Type of Organization: CORP.

Tax ID #: 13 041360 R License #: ROC 170688

2. Exceptions to IFB (§4.5.4 Exceptions to IFB): NONE

3. Disclosure of Debarment Information (§4.5.5 Disclosure): N-A

4. Project Bid: _____ dollars (\$ 19,602.93)

5. Trade-In Bid: _____ dollars (\$ 5,200.00)

6. References (must be provided)

Provide names, addresses and telephone numbers of government agencies/businesses to which you have provided similar goods or services.

A. Entity: CITY OF COTTONWOOD

Address: _____

Contact: RICHARD FAUST

Phone: 928-639-3200

Goods or services supplied and when provided: MULTIPLE PROJECTS @ RIVER FRONT PARK

B. Entity: CITY OF COTTONWOOD

Address: _____

Contact: RICK CONTRERAS



Phone: 928-634-2741

Goods or services supplied and when provided: ELECTRICAL REPAIRS @ OLD FIRE STATION ON MINOR

C. Entity: BEAVER CREEK RESERVE

Address: RIMROCK AZ

Contact: REG OWENS

Phone: 928-821-0880

Goods or services supplied and when provided: INSTALL AND SET UP OF PACKAGED SEWER TREATMENT PLANT

7. Receipt of Addenda:
Bidder acknowledges receipt of the following Solicitation Addendum(s):

<u>Addendum No.</u>	<u>Date</u>
<u>1</u>	<u>12-17-12</u>
<u>2</u>	<u>12-21-12</u>

8. Other Information Requested: N-A

9. Intent to be Bound by Bid: WE Jackson

(Signature of Individual Authorized to Sign Bid)

W E JACKSON JR.

(Printed Name of Individual Authorized to Sign Bid)



EXHIBIT C
CERTIFICATE OF INSURABILITY

I hereby certify that as a Bidder to City of Cottonwood (City) for Solicitation No. 2013 - PM-10, I am fully aware of insurance requirements contained in the Contract and by the submission of this bid. I hereby assure City that I am able to produce the insurance coverage required should I be selected to be awarded the Contract.

Should I be awarded the Contract by City and then become unable to produce the insurance coverage specified within ten (10) working days, I am fully aware and understand that this shall constitute a material breach of this Contract and shall be subject to penalties up to and including termination of the Contract at the sole discretion of the City. I also understand and am fully aware that I may not be considered for further projects by City.

WE [Signature]
Signature of Bidder

JACKSON KINSI CONSTRUCTORS
Company

12-28-12
Date

EXHIBIT D
CONTRACTOR IMMIGRATION WARRANTY
(To Be Completed by Contractor Prior to Execution of Contract)

A.R.S. § 41-4401 (Government procurement, E-verify requirement, definitions) requires as a condition of your Contract, verification of compliance by the Contractor and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

By completing and signing this form the Contractor shall attest that it and all subcontractors performing work under the cited contract meet all conditions contained herein.

Contract Number:		
Name (as listed in the contract):		
Street Name and Number:		
City:	State:	Zip Code:

I hereby attest that:

1. The Contractor complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this Contract;
2. The Contractor shall verify, through the U.S. Department of Homeland Security's E-Verify program, the employment eligibility of each employee who provides services or labor in Arizona for wages or other remuneration, and that it shall require its subcontractors and sub-subcontractors to provide the same warranties to Contractor.
3. All subcontractors performing work under this Contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees.
4. The Contractor acknowledges that a breach of this warranty by the Contractor or by any subcontractor or sub-subcontractor under this Contract shall be deemed a material breach of this Contract, and is grounds for penalties, including termination of this Contract, by Owner.
5. Owner retains the legal right to inspect the papers of Contractor, and any subcontractor and sub-subcontractor employee who performs work under this Contract, and to conduct random verification of the employment records of Contractor and each subcontractor and sub-subcontractor who works on this Contract, to ensure that Contractor and each subcontractor and sub-subcontractor is complying with the warranties set forth above.

Signature of Contractor (Employer) or Authorized Designee:



Printed Name: W B Jackson Jr.

Title: PRESIDENT

Date (month/day/year): 12-28-12

ARIZONA STATUTORY BID BOND FOR CONSTRUCTION
PURSUANT TO TITLES 28, 34, AND 41, ARIZONA REVISED STATUTES
(Penalty of this bond must not be less than 10% of the bid amount)

KNOW ALL MEN BY THESE PRESENTS THAT: JACKSON KINSI CORP DBA: JACKSON KINSI CONSTRUCTORS (hereinafter "Principal") as Principal, and WESTERN NATIONAL MUTUAL INSURANCE COMPANY (hereinafter "Surety"), a corporation organized and existing under the laws of the State of MINNESOTA, with its principal offices in the City of EDINA, holding a certificate of authority to transact surety business in Arizona issued by the Director of the Department of Insurance pursuant to Title 20, Chapter 2, Article 1, as Surety, are held and firmly bound unto the Town of Huachuca City (hereinafter "Obligee") in the sum of Ten Percent (10%) of the amount of the bid of the Principal, submitted by Principal to the Obligee for the work described below, for the payment of which sum, the Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for: NEW LANDFILL SCALE HOUSE BID NO. HC 0712

NOW, THEREFORE, if the Obligee shall accept the proposal of the Principal and the Principal shall enter into a contract with the Obligee in accordance with the terms of the proposal and give the bonds and certificates of insurance as specified in the standard specifications of Contract documents with good and sufficient surety for the faithful performance of the contract and for the prompt payment of labor and materials furnished in the prosecution of the contract, or in the event of the failure of the Principal to enter into the contract and give the bonds and certificates of insurance, if the Principal pays to the Obligee the difference not to exceed the penalty of the bond between the amount specified in the proposal and such larger amount for which Obligee may in good faith contract with another party to perform the work covered by the proposal then this obligation is void. Otherwise, it remains in full force and effect provided, however, that this bond is executed pursuant to the provisions of Section 34-201, Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions of that section to the extent as if it were copied at length herein.

Witness our hands this 4 day OCTOBER, 2012.

JACKSON KINSI CORP DBA:
JACKSON KINSI CONSTRUCTORS

By [Signature]
W.E. JACKSON, JR., PRESIDENT

Title:

WESTERN NATIONAL MUTUAL INSURANCE COMPANY

By [Signature]
(Attorney-in-Fact)
KELLY S. CATHCART, ATTORNEY IN FACT



[Signature]
KELLY S. CATHCART, Arizona Resident Agent Countersignature

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That Western National Mutual Insurance Company, a Minnesota mutual insurance company, does make, constitute and appoint: Kelly S. Cathcart ----- Kelly S. Cathcart PLLC

Its true and lawful Attorney(s)-in-Fact, with full power and authority for and on behalf of the Company as surety, to execute and deliver and affix the seal of the Company thereto (if a seal is required) bond, undertakings recognizances or other written obligations in the nature thereof, (other than bail bonds, bank depository bonds, mortgage deficiency bonds, mortgage guaranty bonds, guarantees of installment paper and note guaranty bonds, self-insurance workers compensation bonds guaranteeing payment of benefits, asbestos abatement contract bonds, waste management bonds, hazardous waste remediation bonds or black lung bonds), as follows:

All written instruments in an amount not to exceed an aggregate of One Hundred Thousand and no/100----- (\$100,000.00) for any single obligation, regardless of the number of instruments issued for the obligation.

and to bind Western National Mutual Insurance Company thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are ratified and confirmed. This appointment is made under and by authority of the board of directors at a meeting held on September 28, 2010. This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of Western National Mutual Insurance Company on September 28, 2010:

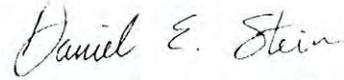
RESOLVED that the president, any vice president, or assistant vice president in conjunction with the secretary or any assistant secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the company to execute and deliver and affix the seal of the Company to bonds, undertakings, recognizances, and suretyship obligations of all kinds, and said officers may remove any such attorney-in-fact or agent and revoke any Power of Attorney previously granted to such person.

- RESOLVED FURTHER that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company
- (i) when signed by the present, any vice president or assistant vice president, and attested and sealed (if a seal be required) by any secretary or assistant secretary; or
 - (ii) when signed by the president, any vice president or assistant vice president, secretary or assistant secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or
 - (iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the Power of Attorney issued by the Company to such person or persons.

RESOLVED FURTHER that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company; and such signature and seal when so used shall have the same force and effect as though manually affixed. IN WITNESS WHEREOF, Western National Mutual Insurance Company has caused these presents to be signed by its proper officer and its corporate seal to be affixed this 2 day of October, 2012.



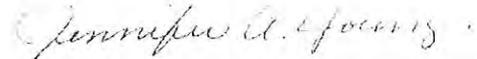
Joseph Pingatore, Secretary



Daniel E. Stein, Vice-President

STATE OF MINNESOTA, COUNTY OF HENNEPIN

On this 2 day of October, 2012, personally came before me, **Daniel E. Stein** and **Joseph Pingatore** to me known to be the individuals and officers of the Western National Mutual Insurance Company who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally dispose and say: that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.



Jennifer A. Young, Notary Public
My commission expires January 31, 2016

CERTIFICATE

I, the undersigned, assistant secretary of the Western National Mutual Insurance Company, a Minnesota corporation, CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.

Signed and sealed at the City of Edina, MN this 4 day of October, 2012



Jennifer A. Young, Assistant Secretary

Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

Print or type
 See Specific Instructions on page 2.

Name (as shown on your income tax return) Jackson Kinsi Corp.	
Business name/disregarded entity name, if different from above DBA: Jackson Kinsi Constructors	
Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input checked="" type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see instructions) ▶ _____	
Address (number, street, and apt. or suite no.) 818 S. Main Street	Requester's name and address (optional)
City, state, and ZIP code Cottonwood, Az 86326	
List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number										
Employer identification number										
8	6		-	0	9	8	3	5	1	4

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶ <i>April Jackson</i>	Date ▶ <i>4/1/2012</i>
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

**EXHIBIT F
NON-COLLUSION AFFIDAVIT**

STATE OF: ARIZ)
) ss
CITY OF: YAVAPAI)

JACKSON KINGSI CONSTRUCTORS W/E JACKSON JR.
(Name of Company, Representative)

being first duly sworn, deposes and says:

That she/he is PRESIDENT of JACKSON KINGSI CONSTRUCTORS
(Title) (Name of Company)
and

That pursuant to Section 112 (C) of Title 23 USC or other applicable laws, he/she certifies as follows:

That neither he/she nor anyone associated with the said

CITY OF COTTONWOOD
(Name of Company)

has, directly or indirectly entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding for the bid for the:

Removal and Replacement of Rotating Beacon and Windsock

This bid is genuine and not made in the interest of or on behalf of any undisclosed firm or corporations and is not submitted to conform to any agreement or rules of any group, association, organization or corporation. Bidder has not submitted a false bid or solicited whether directly or indirectly with any other Bidder to submit a false bid which would give one particular bid any advantage over others or the owner.

By: W/E Jackson
(Signature of Individual/Representative)

STATE OF: ARIZ)
) ss.
COUNTY OF: YAVAPAI)

On this the 28 day of Dec, 2012, before me, the undersigned NOTARY PUBLIC, personally appeared W.E. JACKSON, who acknowledged to me that they executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

Diana S. Serafini
NOTARY PUBLIC

My Commission Expires: 1-1-2015

SEAL



JKC
42

**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 Cottonwood, 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: ***Remove and replace rotating beacon and wind cone including related electrical work*** (the "Project"), for the improvement of the Cottonwood Airport (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 7, 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 E2S95

City of Cottonwood
Cottonwood Airport

- 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 ten percent (10%) as determined by the State.
- 2) The maximum reimbursement available from the State to the Sponsor for this Agreement shall be **eighteen thousand eight hundred and fifty-nine dollars (\$18,859)**.
- 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 May 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 Two thousand & ninety-six \$⁰⁰/100 —Dollars (\$ 2,096.00), 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 Morgan Scott _____, Development Services Operations Manager
Name Title
to receive payments representing the State's share of project costs.

Signature of Sponsor's Representative

Development Services Operations Manager
Title of Representative

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

Sponsor Vendor Id #: **866007877 12**
Sponsor Vendor Address: **City of Cottonwood**
1490 W. Mingus Avenue
Cottonwood, Arizona 86326

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

Grant Number E2S95

City of Cottonwood
Cottonwood Airport

STATE:

State of Arizona
Department of Transportation
Multimodal Planning Division

SPONSOR:

City of Cottonwood
Cottonwood Airport

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.
-

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

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:

Remove and replace rotating beacon and wind cone including related electrical work

Project Cost Category	Total Estimated Project Cost	Estimated Local Share	Estimated Federal Share	Estimated State Share*
Design/Engineering Services	\$	\$	\$	\$
Construction	\$ 20,995	\$ 2,096	\$	\$ 18,859
Construction Engineering	\$	\$	\$	\$
Sponsor Administration**	\$	\$	\$	\$
Sponsor Force Account Work***	\$	\$	\$	\$
Contingencies	\$	\$	\$	\$
Total Project Costs	\$ 20,995	\$ 2,096	\$	\$ 18,859

*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: \$18,859

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	\$	\$ 18,859	\$	\$	\$	\$
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
Consultant Selection Phase					
Submit Scope for State Review/Approval*		NA		NA	
Submit Contract for State Review/Approval		NA		NA	
Award Consultant Contract		NA		NA	
Design & Engineering Phase					
Sponsor Issue Notice to Proceed/Start Design		NA		NA	
Conduct 30% Design Review/Approval		NA		NA	
Conduct Final Design Review/Bid Set Submitted (100%) for Review/Approval		NA		NA	
Bidding Phase					
Bid Set Submitted (100%) for Review/Approval		2/27/12		3/19/12	
Issue Invitation for Bids		3/23/12		4/27/12	
Submit Bid Tab for State Review/Approval		5/2/12		5/23/12	
Award Construction Contract/Submit to the State		5/30/12		6/20/12	
Construction Phase					
Pre-Construction Meeting		6/27/12		6/27/12	
Issue NTP – Begin Construction		7/2/12		7/30/12	
Final Inspection		7/31/12		7/31/12	
Submit As-Builts & Final Documentation		8/8/12		8/29/12	
Submit Final Reimbursement Request and Sponsor Closeout Letter		9/5/12		9/26/12	

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



CITY OF COTTONWOOD
CHANGE ORDER

PROJECT: Airport Beacon and Winsock Replacement

City of Cottonwood Project No. 2013-PW-10

CONTRACT DATE 1/8/13

CHANGE ORDER NO. 1

TO: Jackson Kinsi Constructors
818 S Main Street
Cottonwood, AZ 86326

Modify the Contract per the following Change Proposal Requests, which are attached to this Change Order:

Original CONTRACT PRICE	\$ 19,602.53
Current Contract Price adjusted by previous Change Orders	\$ 19,602.53
The Contract Price due to this Change Order will be (<u>Increased</u>) (Decreased) by:	\$ 4,794.71
The new Contract Price , including this Change Order will be:	\$ 24,397.24

The **Contract Time** to Final Completion will be (**increased**) (decreased) by 90 calendar days.

The date for Final Completion of all Work will be August 21, 2013.

Accepted for Contractor by: _____ Date _____

Approved for Owner by: _____ Date _____

**City of Cottonwood, Arizona
City Council Agenda Communication**



 Print

Meeting Date: March 19, 2013
Subject: City Wide Weed Eradication Contract
Department: Development Services
From: Morgan Scott, Development Services Manager

REQUESTED ACTION

Consider award of weed eradication bid.

SUGGESTED MOTION

If the Council desires to approve this item the suggested motion is:

I move to award the weed eradication contract to Arizona Weed King Inc.

BACKGROUND

In order to save costs and cut back on staff time the City of Cottonwood budgeted in the fiscal year 2012-13 to contract out weed eradication services. City staff developed a weed eradication contract and advertised a Request for bids in November of 2012. Unfortunately the lowest bidder mis-interpreted the documents and did not bid the contract in the same manner as the rest of the bidders. City Council rejected all original bids at the January 8, 2012 Council meeting and staff re-advertised a contract which allowed contractors to bid in the manner they felt would be most effective.

The original contract called for two pre-emergent applications a year and two post-emergent applications per year. The low bidder proposed combining the two chemicals into one application (therefore reducing the number of applications per year from 4 to 2) and guaranteeing that there will be no weeds or they will provide an additional post-emergent application at no cost. The new version of the contract allows bidders to combine the applications.

City staff re-advertised the new version of the contract and bids were accepted on March 9, 2013 and the results are below:

Company Name	Annual Contract Amount
AZ weed King	\$33,982.60 /yr
Eggen	\$45,798.08 /yr
Carescape	\$48,041.76 /yr

Morning Dew	\$49,482.30/yr
University	No Bid

City staff has checked the references of the lowest bidder and recommends Council award the contract to Arizona Weed King Inc .

JUSTIFICATION/BENEFITS/ISSUES

The contractor has supplied a competitive price which saves the City money by combining City wide weed eradication services.

The contractor has been written in a way that will allow each City department to pay for the service rendered to that department separately.

COST/FUNDING SOURCE

General Fund
HURF
Water
Wastewater
Airport

ATTACHMENTS:

Name:	Description:	Type:
 Arizona Weed King Inc. 3-8-13.pdf	AZ Weed King Bid	Cover Memo
 Bid Tabulation Form.pdf	Bid Results	Cover Memo

ARIZONA WEED KING, INC.

428 E Thunderbird Rd., #532
Phoenix AZ 85022
602-996-9653
License 5323

March 8, 2013

City of Cottonwood
Administrative Services Department
Purchasing Division
816 North Main Street
Cottonwood AZ 86326

Re: 2013-PW-14

Thank you for including Arizona Weed King, Inc. in the bid process for your weed control for the municipality of Cottonwood, Arizona. Arizona Weed King, Inc.. is a fully licensed and insured weed control company that has been serving Arizona since January of 1996.

Arizona Weed King, Inc.. is staffed by management and applicators with years of experience. In the past we have treated thousands of properties including airports in Chandler, Falcon Field in Mesa, Casa Grande, Deer Valley, St. Johns, Sedona, Safford and Wickenburg. We have treated schools in the Cave Creek Unified School District, Tolleson School District and individual schools such as Peoria High School, Horizon Elementary, and Wilson Elementary, among many others. We have also treated many sensitive areas such as Ancala Medical Center, Arcadia Medical Center, John C. Lincoln Hospital, Peoria Fire Stations, Chandler Airport Water Reclamation Center, Town of Cave Creek Water Treatment Plant and Avondale Municipal.

Our equipment is able to handle jobs of any size, from small amounts of square footage to large acreage lots and HOAs. Visit our web site at www.azweedking.com to see a representation of the many properties we have treated over the years.

Attached is our bid for your consideration. Please call us at 602-996-9653 or me personally at 602-361-3108 for any questions or clarifications you may need.

We thank you very much for this opportunity and look forward to a great working relationship.



Carol Jackson
President
Arizona Weed King, Inc..
Ofc: 602-996-9653
Cell: 602-361-3108
Carol@azweedking.com

BIDDER'S CHECK LIST

1. The bid has been signed in the Bid Section (Exhibit B). Bids not signed in this section will **not** be considered.
2. The bid prices offered have been reviewed.
3. The price extensions and totals have been checked.
4. Any required drawings or descriptive literature have been included.
5. All items listed on the Bid Section have been responded to as applicable/required (see Information and Instructions to Bidders, Section 4.5).
6. Any addendums have been included/noted on Bid Section.
7. Certificate of Insurability (Exhibit C) has been signed and included with bid.
8. Contractor Immigration Warranty (Exhibit D) has been signed and included with bid.
9. Disclosure of Responsibility Statement (Exhibit E) has been signed and included with bid.
10. Non-Collusion Affidavit (Exhibit F) has been signed and included with bid.
11. Form W-9 (available on www.irs.gov) has been completed and included with bid.
12. Bid package/envelope has been identified with bid number and title.
13. The mailing envelope/package has been addressed to:

Location:

City of Cottonwood Administrative Services Department
Purchasing Division
816 N. Main Street
Cottonwood, AZ 86326

14. The bid is mailed in time to be received and stamped in by an Administrative Services representative no later than specified time on designated date (otherwise the bid cannot be considered).

Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above Arizona Weed King, Inc.	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input checked="" type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see instructions) ▶ _____	
	Address (number, street, and apt. or suite no.) 428 E Thunderbird Road, #532	Requester's name and address (optional)
	City, state, and ZIP code Phoenix AZ 85022	
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number								

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number								
8	6	-	0	8	1	6	2	9

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶		Date ▶ 3-6-2013
------------------	----------------------------	--	------------------------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

ARIZONA WEED KING, INC.

428 E. Thunderbird Rd., #532
Phoenix AZ 85022
602-996-9653
License 5323

Attached are copies of our license with the State of Arizona, Department of Agriculture.

We are in good standing with the Office of Pest Management.

Business License No. - 5323

Qualifying Party License is held by Carol Jackson - 30495

JANICE K BREWER
Governor

Arizona Department of Agriculture Office Of Pest Management

DONALD BUTLER
Director

BUSINESS LICENSE

1688 West Adams Street Phoenix, AZ 85007
(602)255-3664 Phone; (602) 255-1281 fax
<http://www.azda.gov>

Non-Transferable

ARIZONA WEED KING

Business License number: 5323

Has been licensed since 02/09/1996, and is authorized to provide pest management services in Arizona for the year 2012, as long as the business has a current and "valid" Active or Temporary Qualifying Party Licensee and the required financial responsibility, according to the Office Of Pest Management's laws and rules.

This license must be renewed by December 1st of each year, and expires on December 31st of each year. For any inquiries regarding this license please visit the Office Of Pest Management's website at www.sb.state.az.us or contact the Office Of Pest Management.

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Printed: 12/21/2011
Printed By: DBACHMANN

Non-Transferable

Arizona Department of Agriculture Office Of Pest Management

Printed: 12/21/2011
Printed By: DBACHMANN

License No: 30495

1688 West Adams Street, Phoenix, AZ 85007
(602)255-3664
<http://www.azda.gov>



Qualifying Party License

QP License Categories	Expires	Status
B3 - Right Of Way\Weeds	12/31/2012	Active
B5 - Turf & Ornamentals	12/31/2012	Active

ISSUED TO:

1000009041
CAROL R. JACKSON
10010 N. 35TH STREET
PHOENIX AZ 85028

This license MUST be renewed by December 1 of each year, and shall expire on December 31 of each year.

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R.C. LANDSCAPE SERVICES

P. O. BOX 31066
PHOENIX, ARIZONA 85046

December 5, 2012

To: City of Cottonwood
Administrative Services Dept.
Purchasing Division
816 North main
Cottonwood Az. 85326

This letter is in reference to Arizona Weed King and Carol Jackson whom I have known and done business for over 10 years. They have, in both Commercial (mostly schools) and residential taken care of me and would recommend there services to anyone.

Robert A Cirincione — OWNER

Robert Cirincione-----RC Landscape Services

OFFICE (480) 595-6476; FAX (480) 595-0887; MOBILE (602) 531-7358

Carol Jackson

From: wcourno446@cox.net
Sent: Wednesday, December 05, 2012 7:17 PM
To: carol@azweedking.com
Subject: Letter of Reference

To whom it may concern,

Desert Vista Lawn Care has been in business for the past thirty two years conducting landscape maintenance for commercial customers in the Phoenix area. We have used Carol at AZ Weed King since 1999. We have stayed with them due to their high level of customer service and fair pricing. They respond quickly to any callbacks or any other of our other needs. We will use them again this season and in the future. We maintain large granite areas on our jobs and they remain weed free all year long. We service class A office and industrial buildings in the Scottsdale area and have to keep them in this condition.

Thank you, Bill Cournoyer
Desert Vista Lawn Care

--

Desert Vista Lawn Care
Bill Cournoyer
Office 480-563-1305
Cell 602-620-1993
Email wcourno446@cox.net

**REVISED EXHIBIT B
BID SECTION**

(Including all information required to be submitted with Bid)

1. Bidder Information:

Firm Name: ARIZONA WEED KING, INC.

Contact Name: CAROL JACKSON

Principal Address: 428 E. THUNDERBIRD RD. #532
PHOENIX, AZ 85022

Phone: 602-996-9653 Fax: 602-569-5834

E-Mail: carol@azweedking.com

Local Address: 11423 N. CAVE CREEK RD.
PHOENIX, AZ 85020

Type of Organization: S Corporation

Tax ID #: 86-0816291 License #: 5323

2. Exceptions to IFB (§4.5.4 Exceptions to IFB): None

3. Disclosure of Debarment Information (§4.5.5 Disclosure): Not Applicable

4. Prices:

No.	Maintenance Department Facility Locations	Approx Acres	Approx Square Feet	Unit Price (per acre)	Total Price PER application
1	Cottonwood Cemetery, 599 North Main Street – Sections A, B, C & D. This includes the AZTECA side of the Cemetery facility.	5.85	255,238	\$ 215	\$ 1608.75
2	Riverfront Park ball fields, 1285 East Riverfront Drive – Warning Tracks inside fence line to the roadway outside each of the four field fences (4 fields). This area shall include areas around Park Batting Cage (10 feet around perimeter) and throughout the Veterans of Foreign Wars Monument and 10 foot perimeter around monument area.	2.09	91,115	\$ 215	\$ 514.75
3	Riverfront Park Skate Park, 1285 East Riverfront Drive – 10 ft. around concrete foundation.	0.27	11,910	\$ 215	\$ 74.25
4	Riverfront Park Roller Hockey Court, 1285 East Riverfront Drive – 10 ft. around concrete foundation.	0.27	11,910	\$ 215	\$ 74.25
5	Equestrian Center, Verde Valley Fairgrounds	1.82	79,493	\$ 215	\$ 500.50
6	Old Recreation Center facility – 791 North Main Street – Around perimeter of building within all	0.01	651	\$ 215	\$ 19.25

	grassed areas.				
7	Old Town Special Event Park, 187 East Pima Street – around fence line of field (1 foot perimeter around field).	0.07	2,872	\$ 215	\$ 215 \$ 19.25
8	Civic Center Facility and Phoenix Suns Basketball Court, 805 North Main Street – Weed control around building parking lot grassed areas and grassed areas of the park in front of the building. This includes the crushed granite areas in front of the Phoenix Suns basketball Courts to the west of the fenced area and throughout the small grass area of the park in front of the two facilities.	0.02	845	\$ 215	\$ 19.25 \$ 15.50
9	Lions Park, 730 North Willard - Weed control approximately 1 foot perimeter of park area.	0.06	2,489	\$ 215	\$ 16.50
10	Old Fire Station, 345 East Mingus Ave – Ambulance Company next to Garrison Park. Spray along south block wall and next to the east wall of the building.	0.01	560	\$ 215	\$ 2.75
11	Kid's Park Soccer Field, 350 South 12 th Street - Fence Line area around entire park. (1 foot perimeter area)	0.33	14,356	\$ 215	\$ 90.75
12	Cottonwood Public Safety Building – Police & Fire Dept., 191 South 6 th Street. All landscaped areas around the parking lot of the building. Containment of weed growth throughout landscape areas around entire building site.	0.79	34,326	\$ 215	\$ 217.25
13	Riverfront Little League Ball Park Complex and Dog park perimeter and berm, 851 North 10 th Street – Along fence lines of four (4) fields, all decomposed granite areas and landscaped areas between field one and the parking lot.	1.43	62,120	\$ 215	\$ 393.25
14	Riverfront Little League Parking lot next to 10 th Street roadway. 851 North 10 th St. All areas of decomposed granite (landscaped frontage zones next to 10 th street) around the front of the parking lot.	0.39	16,923	\$ 215	\$ 101.25
15	Riverfront Football/Soccer Field, 1285 East Riverfront Drive. All areas along fence line surrounding the field (five feet on both sides of the fenced areas, along with the section of property between the field and Riverfront Drive (roadway) to the north of the field.	0.65	28,459	\$ 215	\$ 170.75
16	Solid Waste Transfer Station, 1500 W Mingus Ave.	0.79	34,325	\$ 215	\$ 217.25
17	Perimeter of sand areas at Riverfront Park	0.13	5,635	\$ 215	\$ 35.75
18	Perimeter of sand areas at Garrison Park	0.04	1,617	\$ 215	\$ 11.00
Maintenance Department Facility Locations Total		14.90	649,496	\$ 215	\$ 4130.50

15.02

No.	Water Department Facility Locations	Approx Acres	Approx Square Feet	Unit Price (per acre)	Total Price PER application
19	Wellsite 1-1, 5967 River Run Drive	0.27	11,845	\$ 215	\$ 74.25
20	Wellsite 1-2, 2344 Copper Drive	0.021	9,129	\$ 215	\$ 5.76
21	Wellsite 2-1, 4264 Vista Drive	0.09	3,752	\$ 215	\$ 24.75
22	Wellsite 2-2, 3959 Cactus Circle	0.27	12,120	\$ 215	\$ 74.25

23	Wellsite 3-1, 2612 Pleasant Valley Drive	0.16	6,918	\$ 215	\$ 44.00
24	Wellsite 3-2, 3375 Medicine Point Drive	0.11	4,911	\$ 215	\$ 30.25
25	Wellsite 4-1, 4664 Verde View Drive	0.09	3,811	\$ 215	\$ 21.15
26	Wellsite 4-2, 4091 Wild Stallion Drive	0.11	5,026	\$ 215	\$ 30.25
27	Wellsite 5-1, 1952 Cayuse Trail	0.14	6,259	\$ 215	\$ 30.50
28	Wellsite 6-1, 1559 Sierra Drive	0.10	4,441	\$ 215	\$ 27.50
29	Wellsite 6-2, 1999 Old Hwy 279	0.10	4,309	\$ 215	\$ 28.50
30	Wellsite 7-1, 1988 S Contention Lane	0.07	3,052	\$ 215	\$ 19.25
31	Wellsite 7-2, 764 Cherry Hills Drive	0.27	11,274	\$ 215	\$ 74.25
32	Wellsite 8-1, 1381 Saddle Back Drive	0.13	5,794	\$ 215	\$ 35.75
33	Wellsite 8-2, 1144 Pioneer Drive	0.30	13,333	\$ 215	\$ 82.50
34	Wellsite 1, 413 W Yuma Street	0.56	24,500	\$ 215	\$ 151.00
35	Wellsite 2, 920 N Cactus Street	0.08	3,426	\$ 215	\$ 22.00
36	Wellsite 3, 195 N 12 th Street	0.03	1,449	\$ 215	\$ 8.25
37	Wellsite 4, Cherry and 6 th Street (East)	0.21	9,276	\$ 215	\$ 57.15
38	Wellsite 5, 191 E Hwy 89A	0.40	17,594	\$ 215	\$ 110.00
39	Utility Dept rear yard, outer perimeter, 111 N Main Street	0.037	1,616	\$ 215	\$ 10.21
40	Wellsite 7, Cherry and 6 th , (West)	0.39	16,946	\$ 215	\$ 107.25
41	Wellsite 8-9, 220 W Mesquite Drive	0.99	43,077	\$ 215	\$ 212.25
42	Verde Santa Fe, 800 Santa Fe Trail	1.94	84,518	\$ 215	\$ 533.50
43	Quail Canyon	0.13	5,623	\$ 215	\$ 35.75
44	Spring Creek, 2120 N Falling Water Trail	0.28	12,089	\$ 215	\$ 71.00
45	Mesquite Hills Wellsite	0.67	29,281	\$ 215	\$ 184.25
Water Department Facility Locations Total		8.18	356,513	\$ 215	\$ 2185.70

7.948

No.	Wastewater Department Facility Locations	Approx Acres	Approx Square Feet	Unit Price (per acre)	Total Price PER application
46	Lift Station 1	0.03	1,386	\$ 215	\$ 9.25
47	Lift Station 2	0.04	2,006	\$ 215	\$ 11.00
48	Lift Station 3	0.03	1,533	\$ 215	\$ 9.25
49	Lift Station 4	0.02	909	\$ 215	\$ 5.50
50	Lift Station 5	0.03	1,570	\$ 215	\$ 8.25
51	Wastewater Treatment Plant	4.72	205,728	\$ 215	\$ 1298.00
Wastewater Department Facility Locations Total		4.89	213,132	\$ 215	\$ 1339.25

No.	Street Department Facility Locations	Curb Linear Feet	Approx Square Feet	Unit Price (per LF)	Total Price PER application
52	89A, Pine Shadows to Mingus Avenue	11,302	56,510	\$ 0.032	\$ 361.66
53	89A, SR 260 to bridge	7,570	37,850	\$ 0.032	\$ 242.24
54	6th St., Mingus to Fir Street	15,988	79,940	\$ 0.032	\$ 511.62
55	10th St., Main to Bridge	9,656	48,280	\$ 0.032	\$ 308.99
56	12th., Mingus to Fir Street	15,936	79,680	\$ 0.032	\$ 509.95
57	16th., Main to Franquero	3,868	19,340	\$ 0.032	\$ 123.78
58	Willard St., Main to Fir Street	21,222	106,110	\$ 0.032	\$ 679.10
59	Main St., 89A to North City limits	30,562	152,810	\$ 0.032	\$ 971.98
60	Camino Real, 89A to South City Limits	7,334	36,670	\$ 0.032	\$ 234.69
61	Silverado and Rodeo, Rio Mesa to SR 260	2,564	12,820	\$ 0.032	\$ 82.05
62	Rio Mesa, SR 260 to west City Limits	738	3,690	\$ 0.032	\$ 23.62
63	Fir Street, SR 260 to Chuckwalla	21,522	107,610	\$ 0.032	\$ 688.76
64	Elm St., 4th to 6th, south side	502	2,510	\$ 0.032	\$ 16.06

65	Viejo, Cove Parkway to SR 89A	2,066	10,330	\$ 0.032	\$ 66.61
66	Cottonwood St., SR 89A to east City Limits	3,186	15,930	\$ 0.032	\$ 101.95
67	Cove Parkway, SR 89A to Cottonwood	6,064	30,320	\$ 0.032	\$ 194.05
68	Aspen, 6th to east City Limits	10,452	52,260	\$ 0.032	\$ 331.46
69	Mingus Ave., west City limits to east	29,062	145,310	\$ 0.032	\$ 929.98
70	Mingus Ave./Cornville Rd, west City limits to east	11,418	57,090	\$ 0.032	\$ 365.33
71	Rocking Chair Rd., SR 89A to west City Limits	6,620	33,100	\$ 0.032	\$ 211.84
72	Black Hills Dr., SR89A to Old Jerome Hwy	4,460	22,300	\$ 0.032	\$ 142.72
73	Thousand Trails, SR260 to east City Limits	6,136	30,680	\$ 0.032	\$ 196.35
74	Coury Drive, Genesis Drive to west City Limits	2,526	12,630	\$ 0.032	\$ 80.83
75	Bill Grey Rd., SR89A to north City Limits	2,028	10,140	\$ 0.032	\$ 64.90
76	Alley, 4th to 5th, Fir to Elm	2,080	10,400	\$ 0.032	\$ 66.56
77	Alley, 5th to 6th, Fir to Elm	2,574	12,870	\$ 0.032	\$ 82.31
78	Alley, 3rd to 4th, Main to Pima	1,028	5,140	\$ 0.032	\$ 32.90
Street Department Facility Locations Total		238,464	1,192,320	\$ 0.032	\$ 7630.85

No.	Airport Facility Locations	Approx Acres	Approx Square Feet	Unit Price (per acre)	Total Price PER application
79	4.3 miles, five foot (5') wide	2.61	114,080	\$ 275	\$ 717.75
Airport Facility Locations Total		2.61	114,080	\$ 275	\$ 717.75

No.	Community Services Department Facility Locations	Approx Acres	Approx Square Feet	Unit Price (per acre)	Total Price PER application
80	Recreation Center, 160 S 6 th Street	0.83	35,940	\$ 275	\$ 228.25
81	Transit Building, 340 Happy Jack Way	1.62	70,572	\$ 275	\$ 445.50
82	Pool, 160 S 6 th Street.	0.31	13,696	\$ 275	\$ 85.25
83	Library, 100 S 6 th Street.	0.78	34,037	\$ 275	\$ 214.50
84	Tennis Courts, 160 S 6 th Street.	0.05	2,022	\$ 275	\$ 13.75
Community Services Department Facility Locations Total		3.59	156,267	\$ 275	\$ 981.25

Summary of Departments

Department	Department Total Price PER Application	% of Total Price
Maintenance	\$ 4130.50	24.3 %
Water	\$ 2185.70	12.9 %
Wastewater	\$ 1339.25	7.9 %
Streets	\$ 7630.85	44.9 %
Airport	\$ 717.75	4.2 %
Community Services	\$ 981.25	5.8 %
TOTAL	\$ 16991.30	100.0 %

Annual Cost of Bid

1. Identify whether the pre-emergent and post-emergent will be applied in separate applications or combined into the same application: _____ Separate Applications Combined Applications

2. Total Price PER Application:

\$ 16991.30

Multiply by the number of applications per year:
(4 for separate applications, 2 for combined applications)

x 2 APPLICATIONS (COMBINED)

Annual Cost of Bid:

\$ 33982.60

5. Receipt of Addenda:

Bidder acknowledges receipt of the following Solicitation Addendum(s):

<u>Addendum No.</u>	<u>Date</u>
<u>1</u>	<u>3/1/13</u>
<u>2</u>	<u>3/5/13</u>

6.

Intent to be Bound by Bid:

Carol R. Jackson

(Signature of Individual Authorized to Sign Bid)

Carol Jackson

(Printed Name of Individual Authorized to Sign Bid)

EXHIBIT C
CERTIFICATE OF INSURABILITY

I hereby certify that as a Bidder to City of Cottonwood (City) for Solicitation No. 2013 - PW-14, I am fully aware of insurance requirements contained in the Agreement and by the submission of this bid. I hereby assure City that I am able to produce the insurance coverage required should I be selected to be awarded the Agreement.

Should I be awarded the Agreement by City and then become unable to produce the insurance coverage specified within ten (10) working days, I am fully aware and understand that this shall constitute a material breach of this Agreement and shall be subject to penalties up to and including termination of the Agreement at the sole discretion of the City. I also understand and am fully aware that I may not be considered for further projects by City.

Carol Jackson
Signature of Bidder

Arizona West King
Company

3-7-2013
Date

EXHIBIT D
CONTRACTOR IMMIGRATION WARRANTY
(To Be Completed by Contractor Prior to Execution of Contract)

A.R.S. § 41-4401 (Government procurement, E-verify requirement, definitions) requires as a condition of your Contract, verification of compliance by the Contractor and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

By completing and signing this form the Contractor shall attest that it and all subcontractors performing work under the cited contract meet all conditions contained herein.

Contract Number:	2013-PW-14	
Name (as listed in the contract):	Arizona Weed King Inc	
Street Name and Number:	428 E. Thunderbird Rd #523	
City: Phoenix	State: AZ	Zip Code: 85022

I hereby attest that:

1. The Contractor complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this Contract;
2. The Contractor shall verify, through the U.S. Department of Homeland Security's E-Verify program, the employment eligibility of each employee who provides services or labor in Arizona for wages or other remuneration, and that it shall require its subcontractors and sub-subcontractors to provide the same warranties to Contractor.
3. All subcontractors performing work under this Contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees.
4. The Contractor acknowledges that a breach of this warranty by the Contractor or by any subcontractor or sub-subcontractor under this Contract shall be deemed a material breach of this Contract, and is grounds for penalties, including termination of this Contract, by Owner.
5. Owner retains the legal right to inspect the papers of Contractor, and any subcontractor and sub-subcontractor employee who performs work under this Contract, and to conduct random verification of the employment records of Contractor and each subcontractor and sub-subcontractor who works on this Contract, to ensure that Contractor and each subcontractor and sub-subcontractor is complying with the warranties set forth above.

Signature of Contractor (Employer) or Authorized Designee:

Carol Jackson

Printed Name: Carol Jackson

Title: President

Date (month/day/year): 3-7-2013

EXHIBIT E
DISCLOSURE OF RESPONSIBILITY STATEMENT

- A. List any convictions of any person, subsidiary, or affiliate of the company, arising out of obtaining, or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract.
None

- B. List any convictions of any person, subsidiary, or affiliate of this company for offenses such as embezzlement, theft, fraudulent schemes, etc. or any other offenses indicating a lack of business integrity or business honesty, which affects the responsibility of the contractor.
None

- C. List any convictions or civil judgments under state or federal antitrust statutes.
None

- D. List any violations of contract provisions such as failing to perform (without good cause), or unsatisfactory performance, in accordance with the specifications of a contract.
None

- E. List any prior suspensions or debarments by any governmental agency.
None

- F. List any contracts not completed on time.
None

- G. List any penalties imposed for time delays and/or quality of materials and workmanship.
None

- H. List any documented violations of federal or state labor laws, regulations, or standards, occupational safety and health rules.
None

I, Carol Jackson, as President
Name of individual Title & Authority

of Arizona Weed King Inc. declare under oath that the above statements, including
Company Name

any supplemental responses attached hereto, are true.

By: Carol Jackson
(Signature of Individual/Representative)

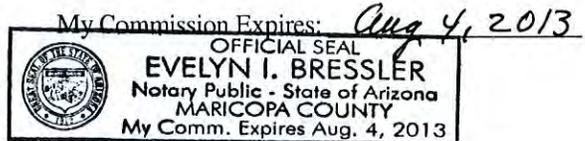
STATE OF:)
) ss.
COUNTY OF:)

On this the 8th day of March, 2013, before me, the undersigned NOTARY PUBLIC, personally appeared Carol Jackson, who acknowledged to me that they executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

SEAL

Evelyn I. Bressler
NOTARY PUBLIC



City of Cottonwood, Arizona City Council Agenda Communication



 Print

Meeting Date:	March 19, 2013
Subject:	Agreement for Existing Building and New Patio Encroachments
Department:	Development Services
From:	George Gehlert, Community Development

REQUESTED ACTION

Approval of agreement for existing commercial building and proposed new patio encroachments

SUGGESTED MOTION

If the Council desires to approve this item the suggested motion is:

"I move to approve the proposed Encroachment Agreement for existing commercial building and new patio encroachments associated with the Pizzeria Bocce proposal."

BACKGROUND

Staff has been working with the Jurisin's for several months in the renovation of a historic building located at 1060 North Main Street (formerly the Avatar building). Initial work involved primarily the structural re-stabilization of the building, which encroaches into an existing public right-of-way. In August, Staff reviewed plans for finishing the structure as a shell. At that point, there was still no proposed use of the structure. The owners have recently forwarded a proposal for a pizzeria restaurant with outdoor seating areas. The patios would further overlap public rights-of-way along the west, north and east sides of the building, which is built to or over the property line on all sides. A portion of the alley located along the west side of the building would also be used for a Bocce Ball court and placement of trash dumpsters.

There is no emergency access issue that would result from use of these right-of-ways for these purposes. Utilities which exist within these corridors would be unobstructed.

Staff is proposing a 10-year revocable encroachment agreement between the City and the property owners. The agreement would require the owners to maintain these areas and to provide the insurance coverage necessary to relieve the City from any liability which might arise from their use of the City rights-of-way.

JUSTIFICATION/BENEFITS/ISSUES

Advancement of Old Town objectives associated with economic revitalization.

COST/FUNDING SOURCE

N/A - There is no cost for the agreement. The property owner will assume maintenance of the building and outdoor areas located within the City right-of-way.

ATTACHMENTS:

Name:	Description:	Type:
 Jurisin Encroachment Agreement - sbh_revs - 03-14-13.docx	ENCROACHMENT AGREEMENT - FINAL	Cover Memo

**CITY OF COTTONWOOD, ARIZONA
RIGHT-OF-WAY ENCROACHMENT AGREEMENT**

RECITALS

THIS RIGHT-OF-WAY ENCROACHMENT AGREEMENT (“Agreement”) is entered into effective the ___ day of _____, 2013 (the “Effective Date”), between the City of Cottonwood, an Arizona municipal corporation (“City”), and _____ [NAME] (“Licensee”) [his/its] heirs and assigns.

- A. Licensee owns certain real property within that part of the City known as “Old Town,” on which [he/it] plans to operate a restaurant and bar known as Bocce’s, which is located at 1060 N. Main.
- B. The City holds in trust for the public certain real property located on three sides of the restaurant/bar which Licensee is preparing to open (the “Right-of-Way Property”). A legal description of the Right-of-Way Property is attached as Exhibit A to this Agreement.
- C. Licensee’s building encroaches upon the Right-of-Way property.
- D. Licensee also seeks to provide additional outdoor seating for the restaurant/bar as well as a Bocce ball court west of the building, and has asked the City to use a portion of the Right-of-Way Property for this purpose.
- E. In consideration of the anticipated benefits to the City in the form of increased sales tax revenues, and other good and valuable consideration as recited herein, the City agrees to allow Licensee to encroach upon and use the Right-of-Way Property on the terms and conditions set forth herein.

I. ENCROACHMENT AREA:

The property that is the subject of this Agreement is located east, north and west of the building located at 1060 N. Main Street that is currently under construction/renovation, as depicted in Exhibit B attached hereto and incorporated herein by this reference (the “Encroachment Area”).

II. LICENSED USE:

Licensee is hereby authorized to use the Encroachment Area for restricted access outdoor seating for the restaurant/bar, and by [his/its] acceptance of this Agreement and use thereof, agrees to comply with and be bound by all applicable federal, state and

local laws, ordinances and regulations pertaining to [his/its] use thereof, and to each and all of the terms and conditions of this Agreement. The City also specifically acknowledges and consents to the continuing encroachment upon the Right-of-Way property represented by the location of the building.

III. USE PERIOD:

Subject to compliance by Licensee with all applicable federal, state and local laws, ordinances and regulations pertaining to [his/its] use of the Encroachment Area, and all of the terms and conditions set forth herein including, without limitation, the requirements set forth in Section IV below, Licensee may use the Encroachment Area for an initial period of 10 years from the Effective Date of this Agreement as recited above, which may be extended by the City in its sole and sound discretion, unless this Agreement is sooner terminated as provided for herein.

IV. SPECIFIC REQUIREMENTS:

- 4.1. Community Development Department Consultations. Licensee shall consult with the City's Community Development Department to develop and implement specific plans for any future modifications to the existing improvements in the Encroachment Area and the installation or construction of any additional hardscape and landscape improvements necessary to accommodate the Licensed Use.
- 4.2. Signage. Licensee shall comply with all applicable City ordinances, codes, regulations and rules regarding the posting of signage on or about the Encroachment Area.

V. GENERAL CONDITIONS:

- 5.1. Prior Approval of Modifications to Encroachment Area. Any future modifications or additions to the Encroachment Area must be approved by the City's Community Development Department.
- 5.2. City Retains Full Rights. This Encroachment Agreement is limited to the Licensed Use within the Encroachment Area. The City of Cottonwood retains full ownership of and rights to the City Property, including the Encroachment Area.
- 5.3. Insurance. Licensee shall maintain, and shall require that any contractor performing work or services on Licensee's behalf within the Encroachment Area maintain, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the use of the Encroachment Area by Licensee, its contractors, and by the respective agents, representatives, employees or contractors of either Licensee or its contractors under the terms

and conditions required by Licensee and the City but in no event less than the insurance requirements set forth herein. The insurance requirements herein are minimum requirements under this Encroachment Agreement and in no way limit the indemnity covenants required herein. The City of Cottonwood in no way warrants that the minimum limits contained herein are sufficient to protect the Licensee or Licensee's contractor(s) from liabilities that might arise out of this Agreement or the Licensee's use of the Encroachment Area for the Licensee, its agents, representatives, employees or contractors, and Licensee and Licensee's contractor(s) are free to purchase such additional insurance as may be determined necessary.

(a) Minimum Coverage Requirements. Licensee and Licensee's contractor(s) shall each provide coverage at least as broad and within limits of liability not less than those stated below:

- (i) Commercial General Liability - Occurrence Form
(Form CG001, ed. 10/93 or any replacements thereof)
- (ii) General Aggregate/Per Policy Year \$2,000,000
- (iii) Products-Completed Operations Aggregate \$2,000,000
- (iv) Personal/Bodily and Advertising Injury \$1,000,000
- (v) Each occurrence \$1,000,000
- (vi) Fire damage (any one fire)..... \$100,000
- (vii) Liquor Liability – Per Claim.....\$1,000,000
- (viii) Liquor Liability – Annual Aggregate.....\$2,000,000

(b) Policy Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions: (i) commercial general liability insurance shall include broad form contractual liability coverage; (ii) the insurance coverage shall be primary insurance with respect to the City, its officers, officials, agents and employees, who shall be named as additional insureds under the applicable policy(ies); (iii) the insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability; (iv) coverage provided shall not be limited to the liability assumed under the indemnification provisions of this Agreement; (v) the policy shall contain a waiver of subrogation against the City, Licensee and their respective officers, officials, agents, and employees for losses arising from the operations, occupancy and use of the Encroachment Area and/or other actions of Licensee or Licensee's contractor(s).

(c) Prior Notice and Certificate of Insurance Required. Each insurance policy required by the insurance provisions of this Agreement shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice has been sent to the City of Cottonwood Risk Management Department as set forth herein. Such notice shall be sent by certified mail, return receipt requested. Insurance is to be placed with insurers duly licensed or approved

unlicensed companies in the State of Arizona and with a “Best’s” rating of not less than A-:VII. The City of Cottonwood in no way warrants that the above required minimum insured rating is sufficient to protect the Licensee or Licensee’s contractor(s) from potential insurer insolvency. Licensee’s contractor(s) shall furnish the City of Cottonwood with certificates of insurance (ACORD form or equivalent approved by the City) and with original endorsements affecting coverage as required by this Agreement. The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. Any policy endorsements that restrict or limit coverage shall be clearly noted on the certificate of insurance. All certificates and endorsements shall be received and approved by the City prior to issuance of this License. Each insurance policy required by this Agreement must be in effect at or prior to Licensee’s use of the Encroachment Area and remain in effect for the duration of this Agreement. Failure of Licensee or Licensee’s contractor(s) to maintain the insurance policies required by this Agreement or to provide evidence of renewal shall be grounds for immediate termination of this Agreement. All certificates of insurance required by this Agreement shall be sent directly to the City of Cottonwood at the address set forth herein. The City of Cottonwood reserves the right to require complete certified copies of valid insurance policies required by this Agreement at any time.

- (d) Any modification or variation from the insurance requirements in this Agreement shall be approved by the Risk Management Department of the City of Cottonwood, whose decision shall be final.

5.4. Indemnification.

- (a) Licensee agrees to and shall cause Licensee’s contractor(s) to indemnify, defend, save and hold harmless the City of Cottonwood, its directors, officers, officials, agents, employees and volunteers (hereinafter referred to as “Indemnatee”) from and against any and all claims, demands, actions, liabilities, damages, losses, or expenses, including court costs, attorneys’ fees, and costs of claim processing, investigation and litigation (hereinafter collectively referred to as “Claims”), for personal injury (including death) or property damage caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Licensee, Licensee’s contractor(s) or any of their respective directors, officers, agents, employees, volunteers or subcontractors of Licensee’s contractor(s). This indemnity includes any Claim or amount arising or recovered under the Workers’ Compensation Law or arising out of the failure of Licensee or Licensee’s contractor(s) to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree and any Claims arising out of this Agreement or the exercise of the rights granted hereunder. It is the specific intention of the parties that the

Licensee and the City shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the City, be indemnified by Licensee's contractor(s) from and against any and all Claims. Licensee shall be responsible for Claims caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Licensee's officers, agents or employees. It is agreed that Licensee or Licensee's contractor(s), as applicable, will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable.

- 5.5 No Transfer of Privileges. The privileges granted to Licensee under this Agreement shall not be assigned, leased, sold or transferred either in whole or in part without the prior written consent of the City, which shall not be unreasonably withheld.
- 5.6 Notice of Change of Address. The Licensee shall notify the City at the address set forth herein within 30 days of any change in Licensee's mailing address, proposed lease, assignment, sale or transfer of the Site.
- 5.7 No Interest in Real Property. This Agreement shall not be deemed to be a franchise, an easement, a covenant running with the land, an interest in real property or a lease. This Agreement only allows the Licensed Use within the Encroachment Area for a finite period of time.
- 5.8 Rights to Encroachment Area Revocable at Will. This Agreement is subject to revocation at any time in the discretion of the City Council or by the City Manager or Community Development Director with ratification by the Council. Such discretion shall be controlled solely by consideration of the best interests of the City of Cottonwood, which may include but are not limited to violation or breach of any federal, state or City of Cottonwood law, ordinance, code, rule, regulation, court decree or any term or condition of this Agreement. Without limiting the generality of the foregoing, the failure of the Licensee to pay any annual fee or maintain any required insurance shall be grounds for immediate revocation of this Agreement.
- 5.9 Restoration of Encroachment Area. Upon revocation of this Agreement all signage, fencing or structures installed pursuant to this Agreement (collectively, the "Encroachments") shall be removed to the satisfaction of the Community Development Director at no cost to City of Cottonwood within 10 calendar days. In the event that the Encroachments are not removed from the Licensed Area after written notice by the City, the City reserves the right to remove them and Licensee shall be responsible for and shall pay all costs related to the removal. If Licensee fails to pay the costs for the City's removal of the Encroachments within ninety (90) calendar days of written request for payment, Licensee hereby agrees that the City of Cottonwood may recover from Licensee all of the City's costs of

removal of the Encroachments, including attorneys' fees and collection costs, as afforded by Arizona law.

- 5.10 No Recourse. The Licensee shall have no recourse whatsoever against the City of Cottonwood or its officials, boards, agents or employees for any loss, costs, expenses or damage arising out of any of the conditions or provisions of this Agreement or because of any defects in the City's title to the Encroachment Area, or should the Licensee in accordance with the terms hereof be lawfully deprived of the use of the Encroachment Area.
- 5.11 Rights Subject to Ordinances, As Amended. This Agreement and the rights conveyed to Licensee hereunder are subject to general ordinance provisions now in effect and as may be amended from time to time. Except as specifically provided herein, nothing in this Agreement shall be deemed to waive the requirement of the various codes and ordinances of the City of Cottonwood regarding Licensee's use of the Encroachment Area or any other property, or prerequisites for construction of improvements. This Agreement is subject to and the Licensee shall comply with any future ordinances that may be adopted by the City Council pertaining to the location and relocation of the Licensed Uses.
- 5.12 Cancellation for Conflict of Interest or Convenience of the City. The parties acknowledge that this License is subject to cancellation pursuant to the provisions of Arizona Revised Statutes Section 38-511. **The City also reserves the right to cancel this Agreement at any time for any reason, in the public interest and at the convenience of the City.**
- 5.13 Maintenance and Disturbance of Encroachment Area.
- (a) The Licensee shall maintain the Encroachment Area in a manner satisfactory to the Community Development Director. Failure to provide satisfactory maintenance can result in revocation of this Agreement pursuant to Section 5.8 of the General Conditions.
 - (b) Whenever the Licensee disturbs a public right-of-way, alley, public highway, street easement, or public utility easement for any reason as a result of construction or due to failure of any of its facilities or subsequent right-of-way restoration work, the Licensee shall restore the same to the satisfaction of the City of Cottonwood Community Development Director and shall obtain all appropriate construction licenses, permits and approvals.
 - (c) The City of Cottonwood may in its own discretion remedy Licensee's failure to maintain the Encroachment Area or otherwise comply with the provisions of this License. The cost thereof, including the cost of inspection and supervision, shall be paid by the Licensee. If Licensee fails to pay the City's costs within ninety (90) calendar days of written request

for payment, Licensee hereby agrees that the City may seek to recover all of the City's costs, including attorneys' fees and all costs of collection, as afforded by Arizona law. All activities in, on and around the Encroachment Area, the Right-of-Way Property and other public rights-of-way by the Licensee, its agents and contractors shall be undertaken in a safe manner, and in accordance with all Directives of the City's Community Development Director.

- (d) Maintenance contracts for the Encroachment Area, if any, with another party shall be filed with the Community Development Department. Licensee or its maintenance contractor shall obtain insurance and Workers' Compensation insurance as provided herein and perform work in a satisfactory manner and according to plans approved by the City of Cottonwood Community Development Department.
- (e) The City of Cottonwood shall not assume any maintenance responsibility for maintenance of the Encroachment Area.
- (f) The City of Cottonwood shall retain the right of access to the Encroachment Area at all reasonable times for inspection, for maintenance or for repairs.

5.14 Emergency Work by Licensee. Emergency work by Licensee in and around the Encroachment Area and the City Property shall be properly barricaded in a manner approved by the Community Development Director. Barricading shall be followed immediately by contacting all affected utility companies and the Community Development Department. Licensee shall also obtain a construction License from the City of Cottonwood Development Services Department before Licensee, its contractors or agents restore the Encroachment Area or the Right-of-Way Property to original conditions as approved by the City of Cottonwood. Licensee shall follow emergency procedures set forth by Community Development Department.

5.15 User Conflicts. Nothing in the License shall be construed to prevent the City of Cottonwood or its Licensees from constructing facilities, grading, paving, and/or altering any facilities, street, alley, or constructing any other public work or private facility licensed by the City of Cottonwood elsewhere on the Right-of-Way Property or in other adjoining public rights-of-way.

5.16 Entire Agreement; Amendment; Waivers. This Agreement constitutes the entire agreement between the City of Cottonwood and Licensee with respect to the transactions contemplated herein and supersedes all prior negotiations, communications, discussions and correspondence, whether written or oral, concerning this subject matter. No supplement, modification, or amendment of any term of this Agreement shall be deemed binding or effective unless executed in writing by all the parties. No waiver of any of the provisions of this Agreement

shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

- 5.17 Rights of Parties. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies on any persons other than the parties to this Agreement and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge any obligation or liability of any person who is not a party to this Agreement, nor shall any provision hereof give any persons not a party to this Agreement any right of subrogation or action over or against any party to this Agreement.
- 5.18 Construction. This Agreement is the result of negotiations between the parties, none of whom has acted under any duress or compulsion, whether legal, economic or otherwise. Accordingly, the terms and provisions of this Agreement shall be construed in accordance with their usual and customary meanings. The parties hereby waive the application of any rule of law that otherwise would be applicable in connection with the construction of this Agreement that ambiguous or conflicting terms or provisions should be construed against the party who (or whose attorney) prepared the executed Agreement or any earlier draft of the same. Unless the context of the Agreement otherwise clearly requires, references to the plural include the singular and the singular the plural. The words “hereof”, “herein”, “hereunder” and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. All references to “Sections” herein shall refer to the sections and paragraphs of this Agreement unless specifically stated otherwise. The section and other headings contained in this Agreement are inserted for convenience of reference only, and they neither form a part of this Agreement nor are they to be used in the construction or interpretation of this Agreement. All references to “days” herein shall mean calendar days unless specifically noted otherwise.
- 5.19 Severability. If any covenant, condition, term or provision of this Agreement is held to be illegal, or if the application thereof to any person or in any circumstances shall to any extent be judicially determined to be invalid or unenforceable, the remainder of this Agreement or the application of such covenant, condition, term or provision to persons or in circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each covenant, term and condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
- 5.20 Governing Law. This Agreement, and the rights and obligations of the parties hereunder, shall be governed by, and construed and interpreted in accordance with, the internal substantive laws of the State of Arizona and the City of Cottonwood.

- 5.21 Cooperation and Further Documentation. Licensee agrees to provide the City of Cottonwood such other duly executed documents as shall be reasonably requested by the City of Cottonwood to implement the intent of this Agreement.
- 5.22 Survival of Representations and Warranties. All representations and warranties made in this Agreement by Licensee shall survive the execution and delivery of this Agreement.
- 5.23 Exhibits. All exhibits attached to this Agreement are by this reference incorporated into and made a part of this Agreement.
- 5.24 Notices. All notices, requests, demands, other communications, certificates of insurance or payments under this Agreement shall be in writing and shall be deemed to have been duly given and received (i) on the date of service if personally delivered on the party to whom notice is to be given (ii) on the third day after the date of the postmark of deposit if mailed to the party to whom notice is to be given, by first-class United States Mail, registered or certified, postage prepaid and properly addressed as follows; or (iii) on the second day after deposit with a nationally recognized private express courier service providing proof of receipt and delivery and guaranteed “same day” or “next day” delivery and properly address as follows:
- If to City of Cottonwood:
- If to Licensee:
- 5.25 Conflict Among Provisions. In the event of any inconsistency or conflict among the Cottonwood City Charter and City Code, City of Cottonwood Ordinances or Resolutions, General Conditions of this Agreement or Special Conditions of this Agreement, the terms and conditions as set forth in the following priority shall prevail and control: (1) City of Cottonwood Charter and Code; (2) City of Cottonwood Ordinances or Resolutions; (3) the General Conditions of this Agreement; and (4) the Special Conditions of this Agreement.

SIGNATURES

DATED this ____ day of _____, 2011.

CITY OF COTTONWOOD,
a municipal corporation

ATTEST:

City Clerk

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

City Attorney

EXHIBIT "A"

Legal Description/Map of Right-of-Way Property

EXHIBIT "B"

Legal Description/Map of Encroachment Area

City of Cottonwood, Arizona City Council Agenda Communication



 Print

Meeting Date:	March 19, 2013
Subject:	Review and Consideration of a Subscriber Rate for Regional Public Safety Dispatch Services
Department:	City Manager
From:	Doug Bartosh, Office of the City Manager

REQUESTED ACTION

The Council is requested to review and consider approval of a subscriber fee for regional public safety dispatch services that would be provided by the City of Cottonwood once the new public safety communications center is completed.

SUGGESTED MOTION

If the Council desires to approve this item the suggested motion is: **I move to approve the recommended public safety dispatch subscriber model for the new public safety communications center.**

BACKGROUND

Public safety agencies in the Verde Valley have been discussing and researching the creation of a regional public safety communications center for the past 10 years. The vision was to create a communications center that would dispatch police, fire, and ambulance services from a single point in a coordinated fashion. The process seemed to always get delayed for a variety of reasons. The City of Cottonwood was in desperate need of a new public safety communications center so we needed to come to conclusion on the concept of a regional center. The Council authorized the hiring of a consultant, iXP, to conduct a feasibility study to determine whether a regional communications center was even feasible. iXP concluded that it was feasible and supplemented the feasibility study with a business case study to show that a regional center also represented a good business decision in that it would improve services and save taxpayer funding, particularly over an extended period.

When the studies were concluded, all the interested parties met to discuss the formation of a governance structure to manage the development and operation of a regional communications center. The structure called for "principals" and "subscribers." The principals would represent those agencies that invested funding in the construction and equipping of the communications center. Subscribers would be those agencies that could not invest capital but, required dispatch services.

The only agency in a position to invest capital in the construction of the center was the City of Cottonwood. Consequently, the City will manage the center with input from a "users" group. The City will own the building and the subscriber model is based on repayment of the operational and technology costs of the center by the subscribers.

iXP was enlisted to create a subscriber model. The model was difficult to develop as the costs could change depending upon the number of agencies that participated. The subscriber model is based on a cost per call for service dispatched. In essence, iXP took the number of calls for service for each agency based on their history of calls and divided by the total cost to operate and equip the center.

Staff is prepared to offer the subscription rate to area public safety agencies; however, Council consideration and approval is required. As you can see from the attached subscriber letter, the rate is listed at \$54.00 per call for service with the caveat that this rate could be changed after the first year depending on which agencies choose to participate. After the first year, staff intends to set the rate for the next 10 years with a three percent annual escalator in costs projecting a one percent increase in calls for service from each agency.

JUSTIFICATION/BENEFITS/ISSUES

A regional public safety communications center has been discussed for many years and due to the delay, the City of Cottonwood is in desperate need of an upgraded communications center. The City of Cottonwood has invested in studies to ensure a regional communications center is feasible and provides a sound business case for pursuing such a center. The conclusion of both of these studies was that a regional communications center is feasible and will provide better services with less funding over an extended period of operation.

The City currently provides public safety communications services to the Clarkdale Police Dept and the Jerome Marshal's Office. In the new communications center, the Cottonwood Fire Department would also resume being dispatched by the City to ensure a sustainable dispatch service at a reasonable cost and to better coordinate public safety services within the City of Cottonwood.

The issue that should be considered revolves around not knowing what agencies will actually subscribe for services from the center. This could change the subscriber rate either up or down depending on the number of agencies participating and the total calls for service. Staff anticipates having commitments from all agencies who commit to participate in the center even before the center becomes operational. However, we could have additional subscribers after the center opens. The option the City can take to ensure a minimal amount of change in the subscriber rate would be to restrict the number of participants or to require user group approval of new subscriber, particularly if their participation impacts the rates.

COST/FUNDING SOURCE

The funding for the City of Cottonwood new public safety communications center has been budgeted for several years in the General Fund Capital Improvement account. Currently, the City receives funding from the Towns of Clarkdale and Jerome for providing those jurisdictions with dispatch services. Staff does anticipate additional subscribers and the communications center and staffing will be sized to meet operational needs.

ATTACHMENTS:

Name:

Description:

Type:

📄 [Council Communication - Subscriber Model.pdf](#)

Subscriber Rate Study

Cover Memo

📄

[Regional Communications Center Subscriber Letter.docx](#)

Draft Subscriber Letter

Cover Memo

Summary of Projected Rates Based on Various Participation Scenarios				
Model Assumptions	2015 Full Rate	2015 Fire/EMS Split-Rate	2019 Full Rate	2019 Fire/EMS Split-Rate
Current Customers and Cottonwood Fire In-House				
OPEX Only	\$ 45.74		\$ 50.68	
OPEX + Tech CAPEX	\$ 54.29		\$ 50.78	
OPEX + Full CAPEX	\$ 60.43		\$ 56.68	
Current Customers, Cottonwood Fire In-House, and potential neighboring Fire agencies and VVA				
OPEX Only	\$ 43.62	\$ 21.81	\$ 48.33	\$ 24.17
OPEX + Tech CAPEX	\$ 51.77	\$ 25.89	\$ 48.33	\$ 24.17
OPEX + Full CAPEX	\$ 57.65	\$ 28.83	\$ 53.96	\$ 26.98
Current Customers and Cottonwood Fire In-House plus CVMO and YANPD				
OPEX Only	\$ 38.68	\$ 19.34	\$ 42.65	\$ 21.33
OPEX + Tech CAPEX	\$ 45.00	\$ 22.50	\$ 42.65	\$ 21.33
OPEX + Full CAPEX	\$ 49.11	\$ 24.56	\$ 46.61	\$ 23.31
Current Customers, Cottonwood Fire In-house, potential neighboring Fire agencies and VVA, and CVMO & YANPD				
OPEX Only	\$ 39.42	\$ 19.71	\$ 42.43	\$ 21.22
OPEX + Tech CAPEX	\$ 45.51	\$ 22.76	\$ 46.43	\$ 21.72
OPEX + Full CAPEX	\$ 49.49	\$ 24.75	\$ 47.26	\$ 23.63
Current Customers and All Fire				
OPEX Only	\$ 67.94	\$ 33.97	\$ 74.31	\$ 37.16
OPEX + Tech CAPEX	\$ 80.85	\$ 40.43	\$ 74.31	\$ 37.16
OPEX + Full CAPEX	\$ 85.55	\$ 42.78	\$ 78.82	\$ 39.41
Current Customers, All Fire, and CVMO & YANPD				
OPEX Only	\$ 50.08	\$ 25.04	\$ 54.78	\$ 27.39
OPEX + Tech CAPEX	\$ 59.53	\$ 29.77	\$ 54.79	\$ 27.40
OPEX + Full CAPEX	\$ 62.96	\$ 31.48	\$ 58.08	\$ 29.04

CFS Rate Model with OPEX and Tech CAPEX - Modeling for Potential Additional Customers

Agency	Current CFS and Cost Models		Estimated 2015 CFS and Cost Allocation Model				Estimated 2019 CFS and Cost Allocation Model			
	Updated CFS Values	Revised Business Case Costs Per Agency in Current Models	Estimated CFS Levels (+1% per year from 2012 data)	% of Combined Total CFS Volume	CFS Allocation of Projected OPEX for Cottonwood PSAP	Effective Cost Per CFS in New Model	Estimated CFS Levels (+1% per year from 2015 estimate)	% of Combined Total CFS Volume	CFS Allocation of Projected OPEX for Cottonwood PSAP	Effective Cost Per CFS in New Model
Annual Projected OPEX and Full CAPEX CVMO and YANPD CAD Usage Charges										
Net OPEX and CAPEX to Recover Through Cost Allocation Model										
Required Full CFS Rate to Achieve Cost Recovery										
Required Spill-Rate for EMS Incidents to Achieve Cost Recovery										
Clarkdale Police	3,213	\$ 148,195	3,310	11.3%	\$ 171,377	\$ 51.77	3,445	11.3%	\$ 166,486	\$ 48.33
Cottonwood Police	17,434	\$ 575,566	17,942	61.2%	\$ 928,840	\$ 51.77	18,670	61.2%	\$ 902,329	\$ 48.33
Jerome Police	1,259	\$ 30,570	1,297	4.4%	\$ 67,153	\$ 51.77	1,350	4.4%	\$ 65,237	\$ 48.33
Black Canyon Fire										
Camp Verde Fire										
Clarkdale Fire - Primary	214	\$ 13,471	220	0.8%	\$ 11,414	\$ 51.77	229	0.8%	\$ 11,089	\$ 48.33
Clarkdale Fire w/VVA	317	\$ 9,979	327	1.1%	\$ 8,454	\$ 25.89	340	1.1%	\$ 8,213	\$ 24.17
Cottonwood Fire - Primary	536	\$ 33,741	552	1.9%	\$ 28,590	\$ 51.77	575	1.9%	\$ 27,774	\$ 48.33
Cottonwood Fire w/VVA	2,153	\$ 67,776	2,218	7.6%	\$ 57,419	\$ 25.89	2,308	7.6%	\$ 55,780	\$ 24.17
Jerome Fire - Primary	27	\$ 1,700	28	0.1%	\$ 1,440	\$ 51.77	29	0.1%	\$ 1,399	\$ 48.33
Jerome Fire w/VVA	84	\$ 2,644	87	0.3%	\$ 2,240	\$ 25.89	90	0.3%	\$ 2,176	\$ 24.17
Mayer Fire										
Montezuma Rimrock Fire										
Pinewood Fire										
Verde Valley Fire										
Verde Valley Amb. - Primary	674	\$ 42,428	694	2.4%	\$ 35,950	\$ 51.77	723	2.4%	\$ 34,924	\$ 48.33
Verde Valley Amb. w/Jerome	84	\$ 2,644	87	0.3%	\$ 2,240	\$ 25.89	90	0.3%	\$ 2,176	\$ 24.17
Verde Valley Amb. w/Clarkdale	317	\$ 9,978	327	1.1%	\$ 8,454	\$ 25.89	340	1.1%	\$ 8,213	\$ 24.17
Verde Valley Amb. w/Cottonwood	2,153	\$ 67,776	2,218	7.6%	\$ 57,419	\$ 25.89	2,308	7.6%	\$ 55,780	\$ 24.17
Combined Total CFS Volume and Net-Average CFS Rate	28,445	\$ 1,006,468	29,307	100%	\$ 1,380,992	\$ 47.12	30,497	100%	\$ 1,341,576	\$ 43.99
Total Costs for Law Enforcement Agencies		\$ 754,331			\$ 1,167,370	85%			\$ 1,134,052	85%
Total Costs for Fire/EMS Agencies		\$ 252,137			\$ 213,621	15%			\$ 207,524	15%
		\$ 1,006,468			\$ 1,380,992				\$ 1,341,576	

Usage Note: Insert Estimated 2012/2013 CFS volume in Yellow cell to derive the resulting CFS rates in 2015 and 2019!

CFS values updated based on 01/29/2013 email from Doug Bartosh that provided info on the splits between Fire and EMS calls with VVA

Black Canyon Fire	962
Camp Verde Fire	2,047
Clarkdale Fire - Primary	214
Clarkdale Fire w/VVA	317
Cottonwood Fire - Primary	536
Cottonwood Fire w/VVA	2,153
Jerome Fire - Primary	27
Jerome Fire w/VVA	84
Mayer Fire	1,350
Montezuma Rimrock Fire	841
Pinewood Fire	543
Verde Valley Fire	1,653
Verde Valley Amb. - Primary	674
Verde Valley Amb. w/Jerome	84
Verde Valley Amb. w/Clarkdale	317
Verde Valley Amb. - w/Cottonwood	2,153

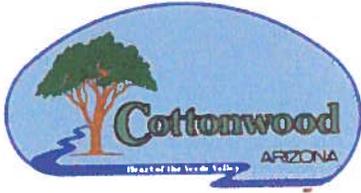
CFS Rate Model with OPEX and Tech CAPEX - All Fire, CVMO & YANPD In

Current CFS and Cost Models		Estimated 2015 CFS and Cost Allocation Model		Estimated 2019 CFS and Cost Allocation Model							
Agency	Updated CFS Values	Revised Business Case Costs Per Agency in Current Models	Effective Cost Per CFS in Current Models	Estimated CFS Levels (+1% per year from 2012 data)	% of Combined Total CFS Volume	CFS Allocation of Projected OPEX for Cottonwood PSAP	Effective Cost Per CFS in New Model	Estimated CFS Levels (+1% per year from 2015 estimate)	% of Combined Total CFS Volume	CFS Allocation of Projected OPEX for Cottonwood PSAP	Effective Cost Per CFS in New Model
Annual Projected OPEX and Full CAPEX											
CVMO and YANPD CAD Usage Charges											
Net OPEX and CAPEX to Recover Through Cost Allocation Model											
Required Full CFS Rate to Achieve Cost Recovery											
Required Split Rate for EMS Incidents to Achieve Cost Recovery											
Clardale Police	3,213	\$ 148,195	\$ 46.12	3,310	6.7%	\$ 197,066	\$ 59.53	3,445	6.7%	\$ 188,739	\$ 54.79
Cottonwood Police	1,744	\$ 575,566	\$ 33.05	17,942	36.2%	\$ 1,068,067	\$ 59.53	18,670	36.2%	\$ 1,022,938	\$ 54.79
Camp Verde Marshall's Office	9,712	\$ 962,405	\$ 37.32	10,006	20.2%	\$ 595,674	\$ 59.53	10,413	20.2%	\$ 570,505	\$ 54.79
Yavapai Apache Nation PD	2,502	\$ 77,188	\$ 30.85	2,578	5.2%	\$ 153,457	\$ 59.53	2,682	5.2%	\$ 146,973	\$ 54.79
Jerome Police	1,259	\$ 30,570	\$ 24.28	1,297	2.6%	\$ 77,219	\$ 59.53	1,350	2.6%	\$ 73,957	\$ 54.79
Black Canyon Fire	962	\$ 60,558	\$ 62.95	991	2.0%	\$ 59,003	\$ 59.53	1,031	2.0%	\$ 56,510	\$ 54.79
Camp Verde Fire	2,047	\$ 128,859	\$ 62.95	2,109	4.3%	\$ 125,550	\$ 59.53	2,195	4.3%	\$ 120,245	\$ 54.79
Clardale Fire - Primary	214	\$ 13,471	\$ 62.95	220	0.4%	\$ 13,125	\$ 59.53	229	0.4%	\$ 12,571	\$ 54.79
Clardale Fire w/VVA	317	\$ 9,979	\$ 31.48	327	0.7%	\$ 9,721	\$ 29.77	340	0.7%	\$ 9,311	\$ 27.40
Cottonwood Fire - Primary	536	\$ 33,741	\$ 62.95	552	1.1%	\$ 32,875	\$ 59.53	575	1.1%	\$ 31,486	\$ 54.79
Cottonwood Fire w/VVA	2,153	\$ 67,776	\$ 31.48	2,218	4.5%	\$ 66,026	\$ 29.77	2,308	4.5%	\$ 63,236	\$ 27.40
Jerome Fire - Primary	27	\$ 1,700	\$ 62.95	28	0.1%	\$ 1,656	\$ 59.53	29	0.1%	\$ 1,586	\$ 54.79
Jerome Fire w/VVA	84	\$ 2,644	\$ 31.48	87	0.2%	\$ 2,576	\$ 29.77	90	0.2%	\$ 2,467	\$ 27.40
Mayer Fire	1,350	\$ 84,983	\$ 62.95	1,391	2.8%	\$ 82,801	\$ 59.53	1,447	2.8%	\$ 79,302	\$ 54.79
Montezuma Rimrock Fire	841	\$ 52,941	\$ 62.95	866	1.8%	\$ 51,582	\$ 59.53	902	1.8%	\$ 49,402	\$ 54.79
Pinewood Fire	543	\$ 34,182	\$ 62.95	559	1.1%	\$ 33,304	\$ 59.53	582	1.1%	\$ 31,897	\$ 54.79
Verde Valley Fire	1,653	\$ 104,056	\$ 62.95	1,703	3.4%	\$ 101,385	\$ 59.53	1,772	3.4%	\$ 97,101	\$ 54.79
Verde Valley Amb. - Primary	674	\$ 42,428	\$ 62.95	694	1.4%	\$ 41,339	\$ 59.53	723	1.4%	\$ 39,592	\$ 54.79
Verde Valley Amb. w/Jerome	84	\$ 2,644	\$ 31.48	87	0.2%	\$ 2,576	\$ 29.77	90	0.2%	\$ 2,467	\$ 27.40
Verde Valley Amb. w/Clardale	317	\$ 9,979	\$ 31.48	327	0.7%	\$ 9,721	\$ 29.77	340	0.7%	\$ 9,311	\$ 27.40
Verde Valley Amb. w/Cottonwood	2,153	\$ 67,776	\$ 31.48	2,218	4.5%	\$ 66,026	\$ 29.77	2,308	4.5%	\$ 63,236	\$ 27.40
Combined Total CFS Volume and Net-Average CFS Rate	48,055	\$ 1,911,642	\$ 39.78	49,511	100%	\$ 2,790,750	\$ 56.37	51,521	100%	\$ 2,672,833	\$ 51.88
Total Costs for Law Enforcement Agencies		\$ 1,193,924	62%			\$ 2,091,483	75%			\$ 2,093,112	75%
Total Costs for Fire/EMS Agencies		\$ 717,718	38%			\$ 699,267	25%			\$ 659,721	25%
		\$ 1,911,642				\$ 2,790,750				\$ 2,672,833	

Usage Note: Insert Estimated 2012/2013 CFS volume in Yellow cell to derive the resulting CFS rates in 2015 and 2019

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Black Canyon Fire	962
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Verde Valley Amb. w/Clardale	317
Verde Valley Amb. - w/Cottonwood	2,153



The City of Cottonwood

New Dispatch Center -

Revised Cost Estimates and Subscriber

Model Alternatives

This document includes data that shall not be disclosed outside the City of Cottonwood, Town of Camp Verde, City of Sedona and the Sedona Fire District and shall not be duplicated, used or disclosed—in whole or in part—for any purpose other than to evaluate this report. This restriction does not limit the entities' right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction is contained in all pages.

December 24, 2012



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Introduction

In mid-2012, on behalf of themselves and the City of Sedona and the Sedona Fire District the City of Cottonwood engaged iXP Corporation conduct a Business Case study to determine the service level and economic benefits of consolidating the 9-1-1 and emergency communications functions of these separate organizations. The result of that study was a determination that a positive business case existed for establishing a consolidated regional dispatch organization operating out of a newly constructed, purpose-built public safety communications facility.

Subsequent to the conclusion of the Business Case report, iXP was retained to examine the potential impacts if the Camp Verde Marshal's Office and the Yavapai-Apache Nation Police Department were to also join the consolidation effort. This analysis concluded that the strength of the business case further improved with the addition of these communities and resulted in a depth of staffing and functional capability at the consolidated communications center that would benefit all of the communities served.

However, even with a positive business case and improved service level capabilities supporting the concept, these Verde Valley jurisdictions have not been able to achieve the collective political will to move forward with a consolidation initiative. Therefore, the City of Cottonwood has decided to proceed on their own in establishing a new, purpose-built emergency communications facility to the long-term needs of their own citizens and the communities of Clarkdale and Jerome that are currently dispatched by Cottonwood.

This facility is needed both to meet the future needs of the City of Cottonwood and to meet immediate overcrowding conditions in the current dispatch space located within the Cottonwood Police Department. Further, the City of Cottonwood intends to develop this new facility with an eye to the future by creating expansion capability within the facility plan to allow it to ultimately become a regional communications center if other communities decide to join in the future.

To support this effort, the City of Cottonwood has engaged iXP to provide consulting and project support services during the project planning and design phases of the new facility. As a part of this effort iXP was asked to revise the capital and operational cost estimates from the Business Case process to align with the new vision for a City of Cottonwood operated emergency communications center. Further, once these revised estimates were established, the City of Cottonwood asked that alternative subscriber rate models be developed to allow the City of Cottonwood to offer services to other public safety jurisdictions in the Verde Valley that may be interested in joining the center once it is operational.



Revisions to Underlying Assumptions and Cost Estimates

Governance

The City of Cottonwood currently operates their communications center as a function of the Cottonwood Police Department and while the separate law enforcement jurisdictions being served (Clarkdale Police and Jerome Police) are routinely consulted and engaged in adjustments to operational practices, the overall policy and procedure framework for the organization is controlled by the Cottonwood Police Department.

With the creation of the new emergency communications facility, the City of Cottonwood intends to bring the dispatching of the Cottonwood Fire Department in-house rather than continue in a contracted service relationship with the Sedona Fire District. This will create the need for an expanded, multi-disciplinary mode of operational guidance for the communications center to make sure that the combined needs of both the law enforcement and fire service communities are met. This can be accomplished by establishing something like the Operations Board envisioned for the fully consolidated regional dispatch model detailed in the Business Case Report.

Beginning with a combination of representatives from the Cottonwood Police Department, the Clarkdale Police Department, the Jerome Police Department and the Cottonwood Fire Department, an Operations Board structure could be established that provided a standing venue for establishing and adjusting operational practices to meet the needs of the agencies being served. This process would also establish the Cottonwood Communications Center as an organization that embraces direct operational policy engagement from the agencies being served which can be a positive attribute as future subscribers are recruited to join the operation.

Operations Staffing

Establishing the Cottonwood Communications Center in a new stand-alone facility will require modifying the current staffing model, both to accommodate the added workload of bringing Cottonwood Fire dispatching in-house and to support operations in a stand-alone facility that is not physically embedded within the Police Department. Further, by making investments in staffing depth at the opening of the new facility the City of Cottonwood would be demonstrating their commitment to providing high-quality emergency dispatch services available to potential subscriber agencies that may consider joining once the new facility is operational.



The current staffing level for the Communications Center is 10.5 FTEs broken down as follows:

- 1 Supervisor
- 0.5 System Coordinator (other 0.5 covered in Police Department budget)
- 9 Communications Specialists

When the operation moves into the stand-alone facility and brings dispatching for Cottonwood Fire in-house, iXP recommends the addition of 5.5 FTEs to the staffing model for a total of 16 FTEs. This staffing level would allow a minimum staffing level of two personnel on duty 24 hours a day and allow staffing to flex to as high as four personnel on duty during the busiest days of the week and the busiest hours of those days.

iXP also recommends the creation of a new position description of Communications Lead to serve as a bridging role between the Communications Specialist level and the Supervisor level. This new level would not only provide an internal career advancement opportunity within the organization but it would also create an opportunity to balance the schedules of the Supervisor and the Communications Lead so that one of them was present in the Communications Center during most all of the significantly busy periods of any day of the week.

This will create opportunities to provide better day-to-day oversight and quality assurance on the operations of the Communications Center and all of the personnel employed. It will also create an increased number of hours where the Supervisor may not be needed in the Comm Room working a position which will increase this position's ability to provide overall supervision and control of the organization as a whole.

The revised staffing level would therefore be:

- 1 Supervisor
- 0.5 Systems Coordinator
- 1 Communications Lead
- 13.5 Communications Specialists

While this staffing level is needed to assure adequate depth of staffing during the busiest hours of the busiest days of the week for the combination of the currently served agencies with the addition of Cottonwood Fire, it is also a staffing level that could handle some additional fire service workload without needing to be further expanded. iXP has estimated that approximately 1,000 to 1,200 additional Fire/EMS events could be handled without needing to add further to the staffing model. This could allow some combination of additional Fire /EMS agencies to be serviced (such as Clarkdale Fire, Jerome Fire and Verde Valley Ambulance) with no marginal increase in the operational cost model for the Communications Center. This potential is discussed further in the Subscriber Model Alternatives portion of this report.



Staffing cost estimates for the revised economic models have been developed based on the newly authorized compensation levels for communications center personnel and reflect a 3% annual escalation factor comparable to the assumptions used for the consolidated business case models. Other factors in the model include using current City of Cottonwood benefit load rates, setting the compensation level for the new Communications Lead classification at 10% above the Communications Specialist classification, and factoring in the additional staffing after the new facility is constructed.

The first three years of the revised model are shown in the tables below and the complete 20-year model is provided in Appendix A.

Salary and Benefit Estimates	Count	Base Assumption (based on new salary study data)	% Spread from next lower classification	Average Benefit Load	Annual Escalation			
					Base Total Cost of Compensation	2013	2014	2015
Communications Supervisor	1	\$ 51,057		51%	\$ 77,317	\$ 77,317	\$ 79,636	\$ 82,025
Communications Systems Coordinator	0.5	\$ 49,376		51%	\$ 74,771	\$ 37,386	\$ 38,507	\$ 39,662
Communications Lead (additional staffing when Fire comes in)	1	\$ 39,732	10%	51%	\$ 60,167	\$ -	\$ -	\$ 63,832
Communications Specialists (current staffing)	9	\$ 36,120		51%	\$ 54,698	\$ 492,279	\$ 507,048	\$ 522,259
Communications Specialists (additional staffing when Fire comes in)	4.5	\$ 36,120		51%	\$ 54,698	\$ -	\$ -	\$ 253,524
Overtime (Based on 2012 Budget)						\$ 30,000	\$ 30,900	\$ 31,827
Totals	16					\$ 636,981	\$ 656,091	\$ 993,129

New Cottonwood Salary Ranges	Starting	Midpoint	Top	Current Salary
Communications Supervisor	\$ 41,160	\$ 47,658	\$ 60,655	\$ 51,057
Communications Systems Coordinator	\$ 35,556	\$ 41,169	\$ 52,396	\$ 49,376
Communications Specialist	\$ 32,250	\$ 37,342	\$ 47,525	\$ 36,120

Average of 9 currently filled positions

Benefit Load Calculation	
Salary Costs from 2013 Budget	
System Coordinator	\$ 24,070
Communications Supervisor	\$ 50,105
Communications Specialist	\$ 321,105
Total Salary Costs	\$ 395,280
Benefit Cost from 2013 Budget	
Holiday Pay	\$ 12,000
Merit Contingency	\$ 9,160
Retirement	\$ 49,960
Insurance & Taxes	\$ 132,180
Total Benefit Costs	\$ 203,300
Calculated Average Benefit Load	51%



Technology

The Business Case Report examined the likely technology investments that would be needed to fully equip a new purpose-built emergency communications facility serving the combined needs of the participating jurisdictions. The total estimated costs ranged from a low of \$2,616,750 to a high of \$3,718,750 and a round \$3.5 Million was the value used in the business case economic analysis.

For a Cottonwood-run facility, the technology cost assumptions can be significantly revised to reflect a combination of factors such as the ability to re-use the existing CAD and RMS systems, a reduced need for interfaces to external RMS systems, a smaller number of dispatch console positions to fully equip, and similar adjustments. As a result, the revised estimate for technology capital investments would be approximately \$1 million as shown in the table below:

Estimated Technology CAPEX			
	Original Low	Original High	Cottonwood Only
9-1-1 Telephone System	\$ 100,000	\$ 100,000	\$ 50,000
Computer Aided Dispatch/Mobile	\$ 700,000	\$ 1,100,000	\$ 60,000
Integrated RMS Application	\$ 500,000	\$ 700,000	\$ 10,000
Radio Console System	\$ 304,000	\$ 304,000	\$ 250,000
Radio Back-up Equipment	\$ 137,000	\$ 137,000	\$ 75,000
Headsets	\$ 3,000	\$ 3,000	\$ 1,500
Console Furniture	\$ 69,600	\$ 69,600	\$ 68,000
Master Time Synchronization	\$ 9,500	\$ 9,500	\$ 9,500
Logging/Recording System	\$ 210,000	\$ 210,000	\$ 60,000
Large Screen Displays	\$ 1,500	\$ 1,500	\$ 1,500
Network, Admin Telephony & Computer Equipment	\$ 84,150	\$ 84,150	\$ 60,000
Microwave and Radio Network Modifications	\$ 250,000	\$ 750,000	\$ 200,000
System Integration	\$ 250,000	\$ 250,000	\$ 150,000
Estimated Total Costs for Technology Systems	\$ 2,618,750	\$ 3,718,750	\$ 995,500

The Business Case Report had assumed that a 10-year financing mechanism would be used to pay for the total technology and system integration costs. With a 4% annual debt service cost this resulted in an annual technology debt service cost estimate of \$431,518 over the 10-year run. After consulting with the City of Cottonwood it was decided that for this economic analysis of a Cottonwood-run facility a shorter financing term of 5 years would be used with an annual debt service cost of 3%. This results in a projected annual technology debt service cost of \$217,372 over a 5-year period of time.



Facilities

The Business Case study for the consolidated organizational model examined three alternative facility locations, including a purpose-built facility on City of Cottonwood property adjacent to the current Public Safety Facility. In that analysis a facility of approximately 7,000 square feet was used to meet the long-term needs of the participating jurisdictions and to provide a facility that could support stand-alone operation as a free-standing agency governed in a joint-powers model.

Now, with Cottonwood anticipating a facility sized to meet their own needs along with reasonable expansion potential to support additional subscriber agencies in the future, a revised space plan can be considered. The following table represents iXP's current estimates of the spaces that would be needed for a Cottonwood-run emergency communications center:

DRAFT Cottonwood Communications Center Space Plan				
Space Description	Space Type	Sq Ft	#	Total Sq Ft
Publicly Accessible Spaces (outside the secure area)				
Lobby	Hard Walled	100	1	100
Meeting/Training Room	Hard Walled	400	1	400
"Public" Restroom (Unisex)	Hard Walled	100	1	100
Sub-Total General Office Spaces				600
Gross-up factor for circulation &			40%	240
Sub-Total General Office Spaces				840
Communications Center Operational Spaces (within secure area)				
Front Desk/Receptionist/Administrative	Workstation	100	1	100
Common copy, mail, admin files and		150	1	150
Communications Center Manager	Private Office	120	1	120
Spare Office	Private Office	120	1	120
Communications Systems Coordinator	Private Office	150	1	150
Technical Systems Work Area	Hard Walled	150	1	150
Storage Room	Hard Walled	200	1	200
Janitor/Maintenance Closet	Hard Walled	80	1	80
Communications Supervisor/Lead Office	Hard Walled	200	1	200
Supervisor/Lead Dispatch Position	Console Furniture	150	1	150
Dispatch Positions	Console Furniture	150	7	1,050
Warrants Files		30	1	30
Quiet/Counseling Room	Hard Walled	100	1	100
Break Room	Open/alcove	250	1	250
Employee Lockers	Hard Walled or	100	1	100
"Com Room" Restrooms	Hard Walled	120	2	240
Sub-Total for Operational Staff				2,120
Gross-up factor for circulation &			40%	848
Sub-Total for Operational Staff				2,968
Technology Room and Facility Infrastructure (within secure area)				
Technology Equipment Room	Hard Walled	400	1	400
Electrical, UPS and Battery Room	Hard Walled	250	1	250
Sub-Total for Tech and Infrastructure				650
Gross-up factor for circulation &			40%	260
Sub-Total for Tech and Infrastructure				910
Combined Total of Communications Center Spaces				4,718



The Business Case processes identified an estimated cost of construction of approximately \$433 per square foot for the 7,000 square foot facility. Since the facility infrastructure needs for a smaller 4,700 square foot facility will be similar as for the larger facility (backup power systems, HVAC systems, etc.) it is recommended that this revised Cost Estimate and Subscriber Model analysis be based on a slightly higher cost per square foot of \$450. This would bring the estimated cost for the Cottonwood facility to approximately \$2,123,100, which is approximately \$1 million less than the facility estimates in the Business Case Report.

The Business Case Report had assumed that a 20-year financing mechanism would be used to pay for the facility construction costs. With a 4% annual debt service cost this resulted in an annual facility debt service cost estimate of \$220,745 over the 20-year run. After consulting with the City of Cottonwood it was decided that for this economic analysis of a Cottonwood-run facility the same 20-year term and 4% annual debt service cost would be used. This results in a projected annual facility debt service cost of \$156,221 over a 20-year period of time.

Operational Cost Assumptions

The Business Case Report for the fully consolidated dispatch operation identified an annual non-labor operating cost of just over \$400,000 in the first full year of operation for costs such as technology system maintenance costs, facility maintenance costs, utilities, and supplies. The OPEX estimates also included periodic technology refreshments costs to keep systems current and supportable. These estimates have been revised for a Cottonwood-run facility and are now projected to be approximately \$188,000 for the first full year of operations. The first five years of estimates for the new Cottonwood facility are shown in the table below. The full 20-year projection is provided in Appendix A.



Non-Labor Operational Cost Estimates	2015	2016	2017	2018	2019
Technical Systems Maintenance Costs					
9-1-1 Telephone System	\$ -	\$ 20,000	\$ 70,000	\$ 20,000	\$ 20,000
CAD, Mobile/AVL & RMS	\$ -	\$ -	\$ -	\$ -	\$ -
Radio Console System	\$ 10,400	\$ 10,712	\$ 11,033	\$ 11,364	\$ 21,705
Headsets and Interfaces	\$ -	\$ 500	\$ 510	\$ 520	\$ 531
Master Time Synchronization	\$ -	\$ -	\$ -	\$ 500	\$ 515
Logging & Recording System	\$ 3,000	\$ 3,090	\$ 3,183	\$ 3,278	\$ 3,377
Large Screen Displays	\$ -	\$ -	\$ 500	\$ 500	\$ 500
Network Backbone & Admin Telephony	\$ -	\$ -	\$ -	\$ 25,000	\$ -
Servers, PCs and related equipment	\$ -	\$ -	\$ -	\$ 25,000	\$ -
Equipment Maintenance & Repairs	\$ 111,395	\$ 114,736	\$ 118,178	\$ 121,724	\$ 125,375
Subtotal for Technical Systems Maintenance Costs	\$ 124,795	\$ 149,038	\$ 203,404	\$ 207,887	\$ 172,003
Other Maintenance and Operations Costs					
UPS System Maintenance	\$ 3,000	\$ 3,090	\$ 3,183	\$ 3,278	\$ 3,377
Tech Room Fire Suppression Maint	\$ 500	\$ 515	\$ 530	\$ 546	\$ 563
Generator Maintenance	\$ 1,200	\$ 1,236	\$ 1,273	\$ 1,311	\$ 1,351
HVAC Maintenance	\$ 1,200	\$ 1,236	\$ 1,273	\$ 1,311	\$ 1,351
Non-911 Telecom Services (Telephone in current budget)	\$ 16,253	\$ 16,741	\$ 17,243	\$ 17,760	\$ 18,293
ISP Services	\$ -	\$ -	\$ -	\$ -	\$ -
Utility Costs	\$ 9,013	\$ 9,283	\$ 9,561	\$ 9,848	\$ 10,144
Console Furniture & Chairs Maint	\$ -	\$ -	\$ 750	\$ 773	\$ 796
Training & Travel	\$ 5,305	\$ 5,464	\$ 5,628	\$ 5,796	\$ 5,970
Subscriptions & Memberships	\$ 530	\$ 546	\$ 563	\$ 580	\$ 597
Office Supplies	\$ 1,591	\$ 1,639	\$ 1,688	\$ 1,739	\$ 1,791
Misc. Hardware and Software	\$ -	\$ 500	\$ 515	\$ 530	\$ 546
Janitorial Service	\$ -	\$ -	\$ -	\$ -	\$ -
Small tools & equipment	\$ 1,000	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126
General Facility Maint & Repair	\$ 1,000	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126
Photocopiers/FAX equipment	\$ 1,200	\$ 1,236	\$ 1,273	\$ 1,311	\$ 1,351
HR & Benefit Services from Principal	\$ -	\$ -	\$ -	\$ -	\$ -
Accounting Services from Principal	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Services from Principal	\$ -	\$ -	\$ -	\$ -	\$ -
Uniforms	\$ 530	\$ 546	\$ 563	\$ 580	\$ 597
Misc. Contracted Services	\$ -	\$ -	\$ -	\$ -	\$ -
Repeater Expense	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800
Liability Insurance	\$ 16,152	\$ 16,637	\$ 17,136	\$ 17,650	\$ 18,179
Subtotal for Other Maintenance and Operations Costs	\$ 63,274	\$ 65,529	\$ 68,101	\$ 70,000	\$ 71,956
Total Projected Non-Labor O&M Costs	\$ 188,069	\$ 214,567	\$ 271,505	\$ 277,886	\$ 243,958



Total Cost Estimates and Subscriber Model Alternatives

With the revised cost estimates for labor expenses, operations expenses and capital expenditures now in hand, it is possible to model the overall cost profiles that Cottonwood will face in establishing and operating their new emergency communications facility.

Operational Expense Projections

In the tables below, the projected costs for continuing in the current operational model are shown for 2013 and 2014, the years where the new facility will be in the design and construction phase. These years also reflect continuing costs to Sedona Fire District for Cottonwood Fire dispatching costs.

Then in 2015 and beyond the estimated costs reflect opening the new Cottonwood Communications Center and bringing Cottonwood Fire dispatching in-house. The full 20 year projection can be found in Appendix A.

Projected Operational Costs for 2015 and Beyond with new Facility and Fire Dispatch In-House	2013	2014	2015	2016
Salary and Benefit Costs	\$ 629,080	\$ 656,091	\$ 993,129	\$ 1,022,923
Other Maintenance and Operations Costs	\$ 153,715	\$ 154,102	\$ 188,069	\$ 214,567
Fire Dispatching Fees (based on 2013 model)	\$ 101,511	\$ 106,587	\$ -	\$ -
Estimated Revenue for Dispatching and CAD/RMS fees if current charges continued with annual Escalation	\$ (167,705)	\$ (173,575)	\$ (179,650)	\$ (185,938)
Total Annual Net OPEX Costs in New Facility and Fire Dispatch In-House	\$ 716,601	\$ 743,205	\$ 1,001,548	\$ 1,051,553

Projected Operational Costs for 2015 and Beyond with new Facility and Fire Dispatch In-House	2017	2018	2019	2020	2021
Salary and Benefit Costs	\$ 1,053,611	\$ 1,085,219	\$ 1,117,776	\$ 1,151,309	\$ 1,185,848
Other Maintenance and Operations Costs	\$ 271,505	\$ 277,886	\$ 243,958	\$ 240,513	\$ 246,964
Fire Dispatching Fees (based on 2013 model)	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated Revenue for Dispatching and CAD/RMS fees if current charges continued with annual Escalation	\$ (192,445)	\$ (199,181)	\$ (206,152)	\$ (213,368)	\$ (220,835)
Total Annual Net OPEX Costs in New Facility and Fire Dispatch In-House	\$ 1,132,670	\$ 1,163,924	\$ 1,155,582	\$ 1,178,454	\$ 1,211,977



Combined Operational Expense (OPEX) and Capital Expense (CAPEX) Projections

The total projected OPEX and CAPEX costs are shown in the following tables. In consultation with the City of Cottonwood it was determined that the earliest that debt service costs would kick in would be 2014. Facility debt service costs run for 20 years and technology debt service costs run for 5 years. The year 2015 is highlighted since it would be the first year of operation of the new facility with Cottonwood Fire dispatching in-house.

Total Annual Costs Including OPEX and CAPEX	2013	2014	2015	2016
Projected Annual Cottonwood OPEX (net of projected revenue based on current revenue levels)	\$ 716,601	\$ 743,205	\$ 1,001,548	\$ 1,051,553
Facility CAPEX Debt Service	0	\$ 156,221	\$ 156,221	\$ 156,221
Technology CAPEX Debt Service	0	\$ 217,372	\$ 217,372	\$ 217,372
Total Annual CAPEX Debt Service Costs	\$ -	\$ 373,593	\$ 373,593	\$ 373,593
Total Annual Net Cost for Communications Center including OPEX and CAPEX	\$ 716,601	\$ 1,116,798	\$ 1,375,142	\$ 1,425,146

Total Annual Costs Including OPEX and CAPEX	2017	2018	2019	2020	2021
Projected Annual Cottonwood OPEX (net of projected revenue based on current revenue levels)	\$ 1,132,670	\$ 1,163,924	\$ 1,155,582	\$ 1,178,454	\$ 1,211,977
Facility CAPEX Debt Service	\$ 156,221	\$ 156,221	\$ 156,221	\$ 156,221	\$ 156,221
Technology CAPEX Debt Service	\$ 217,372	\$ 217,372			
Total Annual CAPEX Debt Service Costs	\$ 373,593	\$ 373,593	\$ 156,221	\$ 156,221	\$ 156,221
Total Annual Net Cost for Communications Center including OPEX and CAPEX	\$ 1,506,264	\$ 1,537,518	\$ 1,311,803	\$ 1,334,676	\$ 1,368,198

Total Annual Costs Including OPEX and CAPEX	2022	2023	2024	2025	2026
Projected Annual Cottonwood OPEX (net of projected revenue based on current revenue levels)	\$ 1,376,467	\$ 1,334,354	\$ 1,330,937	\$ 1,358,876	\$ 1,397,610
Facility CAPEX Debt Service	\$ 156,221	\$ 156,221	\$ 156,221	\$ 156,221	\$ 156,221
Technology CAPEX Debt Service					
Total Annual CAPEX Debt Service Costs	\$ 156,221	\$ 156,221	\$ 156,221	\$ 156,221	\$ 156,221
Total Annual Net Cost for Communications Center including OPEX and CAPEX	\$ 1,532,689	\$ 1,490,575	\$ 1,487,158	\$ 1,515,097	\$ 1,553,831



Total Annual Costs Including OPEX and CAPEX	2027	2028	2029	2030	2031	2032
Projected Annual Cottonwood OPEX (net of projected revenue based on current revenue levels)	\$ 1,487,462	\$ 1,528,463	\$ 1,530,647	\$ 1,564,347	\$ 1,609,007	\$ 1,654,954
Facility CAPEX Debt Service	\$ 156,221	\$ 156,221	\$ 156,221	\$ 156,221	\$ 156,221	\$ 156,221
Technology CAPEX Debt Service						
Total Annual CAPEX Debt Service Costs	\$ 156,221	\$ 156,221	\$ 156,221	\$ 156,221	\$ 156,221	\$ 156,221
Total Annual Net Cost for Communications Center including OPEX and CAPEX	\$ 1,643,683	\$ 1,684,685	\$ 1,686,868	\$ 1,720,568	\$ 1,765,228	\$ 1,811,175

Subscriber Rate Model Alternatives

During the Business Case process for the regionally consolidated communications center, a variety of alternative cost allocation models were examined by the planning group. These ranged from models that looked at allocating costs strictly on a calls-for-service basis to models that allocated various percentages of costs to all agencies on a flat basis and then spread the remaining costs on a calls-for-service basis. Models were also considered that combined the long-term debt service costs for new facility and technology investments along with the annual operational costs so that a full enterprise cost and rate model could be considered. During this process the planning group reached an understanding that each model had a balance of desirable and undesirable characteristics, and that in the end, selecting a model would come down to a series of political and economic compromises among the participating parties to reach a model of mutual acceptability.

Similar circumstances will now be faced by the City of Cottonwood as it considers how to structure the rate model it charges external customer agencies for which Cottonwood provides 9-1-1 and emergency dispatch services. The information in the following tables is intended to provide Cottonwood with an understanding of four potential scenarios that will help frame further debate and discussion towards reaching an acceptable model moving forward. The four scenarios are as follows:

1. Cottonwood retains the current customers of Clarkdale and Jerome Police (and the continued fees collected from CVMO and YANPD for use of the CAD and RMS systems) and bases the dispatching rate model on annual operational expenses only. This model most closely reflects the current methodology for establishing rates for external customer agencies.
2. Cottonwood retains the current customers of Clarkdale and Jerome Police (and the continued fees collected from CVMO and YANPD for use of the CAD and RMS systems) and bases the dispatching rate model on a combination of annual operational expenses and annual debt service costs.



3. Cottonwood retains the current customers of Clarkdale and Jerome Police (and the continued fees collected from CVMO and YANPD for use of the CAD and RMS systems) and pursues additional dispatch customers that can be handled within the new staffing model, and bases the dispatching rate model on annual operational expenses only.
4. Cottonwood retains the current customers of Clarkdale and Jerome Police (and the continued fees collected from CVMO and YANPD for use of the CAD and RMS systems) and pursues additional dispatch customers that can be handled within the new staffing model, and bases the dispatching rate model on a combination of annual operational expenses and annual debt service costs.

For each model, three data points are provided for reference.

- First, the estimated current costs from data provided during the Business Case process is provided as a reference point in considering the future cost estimates.
- Second, the Year 2015 is modeled since it would be the first year of operation of the new Cottonwood Communications Center. Calls-for-Service volumes and cost elements have been projected for the future years consistent with techniques used in the Business Case process and in this report.
- Third, the Year 2019 is modeled since it would be the first year of operation after the debt service for the technology systems was retired. From 2019 through 2032 debt service costs for the facility would continue at their constant rate of approximately \$156,000 annually.



Model 1 – Current Customers Only/OPEX Only

In this model, the average cost per call-for-service across the four agencies being dispatched would be \$45.74 per event. This rate is estimated to rise to \$50.68 per event in 2019 which is about a 2.5% per year rate of growth.

CFS Rate Model with OPEX only - Current Customers Only

Current CFS and Cost Models				Estimated 2015 CFS and Cost Allocation Model				Estimated 2019 CFS and Cost Allocation Model			
Agency	Revised Business Case CFS Values	Revised Business Case Costs Per Agency in Current Models	Effective Cost Per CFS in Current Models	Estimated CFS Levels (+1% per year from 2012 data)	% of Combined Total CFS Volume	CFS Allocation of Projected OPEX for Cottonwood PSAP	Effective Cost Per CFS in New Model	Estimated CFS Levels (+1% per year from 2015 estimate)	% of Combined Total CFS Volume	CFS Allocation of Projected OPEX for Cottonwood PSAP	Effective Cost Per CFS in New Model
Annual Projected OPEX						\$ 1,181,198				\$ 1,361,734	
CVMO and YANPD CAD Usage Charges						\$ (17,618)				\$ (20,217)	
Net OPEX to Recover Through Cost Allocation Model						\$ 1,163,581				\$ 1,341,518	
Clarkdale Police	3,213	\$ 148,195	\$ 46.12	3,310	13.0%	\$ 151,421	\$ 45.74	3,445	13.0%	\$ 174,577	\$ 50.68
Cottonwood Police	17,414	\$ 575,566	\$ 33.05	17,942	70.5%	\$ 820,680	\$ 45.74	18,670	70.5%	\$ 946,180	\$ 50.68
Jerome Police	1,259	\$ 30,570	\$ 24.28	1,297	5.1%	\$ 59,334	\$ 45.74	1,350	5.1%	\$ 68,407	\$ 50.68
Cottonwood Fire	2,804	\$ 101,511	\$ 36.20	2,889	11.4%	\$ 132,146	\$ 45.74	3,006	11.4%	\$ 152,354	\$ 50.68
Combined Total CFS Volume				25,438	100%	\$ 1,163,581	\$ 45.74	26,471	100%	\$ 1,341,518	\$ 50.68
Total Costs for Law Enforcement Agencies		\$ 754,331	88%			\$ 1,031,435	89%			\$ 1,189,164	89%
Total Costs for Fire/EMS Agencies		\$ 101,511	12%			\$ 132,146	11%			\$ 152,354	11%
		\$ 855,842				\$ 1,163,581				\$ 1,341,518	

Model 2 – Current Customers Only/OPEX and CAPEX

In this model, the average cost per call-for-service across the four agencies being dispatched would be \$60.43 per event. This rate would drop to \$56.68 per event in 2019 as the debt service costs for the technology systems are retired. Other underlying costs would continue their approximately 2.5% per year rate of growth.

CFS Rate Model with OPEX and CAPEX - Current Customers Only

Current CFS and Cost Models				Estimated 2015 CFS and Cost Allocation Model				Estimated 2019 CFS and Cost Allocation Model (after debt service for technology is retired)			
Agency	Revised Business Case CFS Values	Revised Business Case Costs Per Agency in Current Models	Effective Cost Per CFS in Current Models	Estimated CFS Levels (+1% per year from 2012 data)	% of Combined Total CFS Volume	CFS Allocation of Projected OPEX and CAPEX for Cottonwood PSAP	Effective Cost Per CFS in New Model	Estimated CFS Levels (+1% per year from 2015 estimate)	% of Combined Total CFS Volume	CFS Allocation of Projected OPEX and CAPEX for Cottonwood PSAP	Effective Cost Per CFS in New Model
Total Annual OPEX and CAPEX						\$ 1,554,791				\$ 1,517,965	
CVMO and YANPD CAD Usage Charges						\$ (17,618)				\$ (17,618)	
Net OPEX to Recover Through Cost Allocation Model						\$ 1,537,174				\$ 1,500,338	
Clarkdale Police	3,213	\$ 148,195	\$ 46.12	3,310	13.0%	\$ 200,038	\$ 60.43	3,445	13.0%	\$ 195,244	\$ 56.68
Cottonwood Police	17,414	\$ 575,566	\$ 33.05	17,942	70.5%	\$ 1,084,178	\$ 60.43	18,670	70.5%	\$ 1,058,197	\$ 56.68
Jerome Police	1,259	\$ 30,570	\$ 24.28	1,297	5.1%	\$ 78,384	\$ 60.43	1,350	5.1%	\$ 76,506	\$ 56.68
Cottonwood Fire	2,804	\$ 101,511	\$ 36.20	2,889	11.4%	\$ 174,574	\$ 60.43	3,006	11.4%	\$ 170,391	\$ 56.68
Combined Total CFS Volume				25,438	100%	\$ 1,537,174	\$ 60.43	26,471	100%	\$ 1,500,338	\$ 56.68
Total Costs for Law Enforcement Agencies		\$ 754,331	88%			\$ 1,362,600	89%			\$ 1,329,947	89%
Total Costs for Fire/EMS Agencies		\$ 101,511	12%			\$ 174,574	11%			\$ 170,391	11%
		\$ 855,842				\$ 1,537,174				\$ 1,500,338	



Model 3 – Potential Additional Customers/OPEX Only

For the models that speculate on potential additional customers, iXP first estimated the amount of additional workload that could be taken on by the new Cottonwood Communications Center without needing to further expand the staffing model beyond what is recommended for the opening of the new center and bringing Cottonwood Fire dispatch in-house. It was estimated that a combination of Fire and EMS dispatching of up to about 1,000 calls-for-service per year could be comfortably accommodated within the revised staffing model. By expanding the number of calls-for-service being dispatched without having to increase the costs of operations, the resulting cost per call-for-service can be reduced.

Purely for purposes of this model, iXP selected three agencies that seem to have a strong operational nexus to the current City of Cottonwood operations or to agencies already dispatched by Cottonwood. Combined, the additional calls-for-service volumes of Clarkdale Fire, Jerome Fire and the Verde Valley Ambulance Company would bring about 1,200 additional calls-for-service into the Cottonwood Communications Center and this additional workload could be absorbed within the recommended staffing modeled in this report for the new Cottonwood Communications Center.

Calls-for-service statistics from the Business Case process are shown below the main table so that other potential combinations of agencies could be considered. Any combination of the agencies in the dark yellow cells that results in a total of approximately 1,200 calls-for-service would produce the same outcome as described above.

For the OPEX-only model, the cost per call-for-service in 2015 would be \$43.59. This is \$2.15 lower than the OPEX-only model for only the existing mix of customers. This rate would rise to \$48.30 per calls-for-service in 2019, which would be \$2.35 lower than for the model with existing customers only.



CFS Rate Model with OPEX only - Modeling for Potential Additional Customers

Agency	Current CFS and Cost Models			Estimated 2015 CFS and Cost Allocation Model				Estimated 2019 CFS and Cost Allocation Model			
	Revised Business Case CFS Values	Revised Business Case Costs Per Agency in Current Models	Effective Cost Per CFS in Current Models	Estimated CFS Levels (+1% per year from 2012 data)	% of Combined Total CFS Volume	CFS Allocation of Projected OPEX for Cottonwood PSAP	Effective Cost Per CFS in New Model	Estimated CFS Levels (+1% per year from 2015 estimate)	% of Combined Total CFS Volume	CFS Allocation of Projected OPEX for Cottonwood PSAP	Effective Cost Per CFS in New Model
Annual Projected OPEX						\$ 1,181,198				\$ 1,361,734	
CVMO and YANPD CAD Usage Charges						\$ (17,618)				\$ (20,217)	
Net OPEX to Recover Through Cost Allocation Model						\$ 1,163,581				\$ 1,341,518	
Clarkdale Police	3,213	\$ 148,195	\$ 46.12	3,310	12.4%	\$ 144,308	\$ 43.59	3,445	12.4%	\$ 166,376	\$ 48.30
Cottonwood Police	17,414	\$ 575,566	\$ 33.05	17,942	67.2%	\$ 782,128	\$ 43.59	18,670	67.2%	\$ 901,733	\$ 48.30
Jerome Police	1,259	\$ 30,570	\$ 24.28	1,297	4.9%	\$ 56,546	\$ 43.59	1,350	4.9%	\$ 65,194	\$ 48.30
Black Canyon Fire				-	0.0%	\$ -	#DIV/0!	-	0.0%	\$ -	#DIV/0!
Camp Verde Fire				-	0.0%	\$ -	#DIV/0!	-	0.0%	\$ -	#DIV/0!
Clarkdale Fire	479			494	1.8%	\$ 21,514	\$ 43.59	514	1.8%	\$ 24,804	\$ 48.30
Cottonwood Fire	2,804	\$ 101,511	\$ 36.20	2,889	10.8%	\$ 125,938	\$ 43.59	3,006	10.8%	\$ 145,197	\$ 48.30
Jerome Fire	123			127	0.5%	\$ 5,524	\$ 43.59	132	0.5%	\$ 6,369	\$ 48.30
Mayer Fire				-	0.0%	\$ -	#DIV/0!	-	0.0%	\$ -	#DIV/0!
Montezuma Rimrock Fire				-	0.0%	\$ -	#DIV/0!	-	0.0%	\$ -	#DIV/0!
Pinewood Fire				-	0.0%	\$ -	#DIV/0!	-	0.0%	\$ -	#DIV/0!
Verde Valley Fire				-	0.0%	\$ -	#DIV/0!	-	0.0%	\$ -	#DIV/0!
Verde Valley Ambulance	615	\$ 80,000	\$ 130.08	634	2.4%	\$ 27,622	\$ 43.59	659	2.4%	\$ 31,846	\$ 48.30
Combined Total CFS Volume	25,907	\$ 935,842	\$ 36.12	26,692	100%	\$ 1,163,581	\$ 43.59	27,776	100%	\$ 1,341,518	\$ 48.30
Total Costs for Law Enforcement Agencies	\$ 754,331	81%				\$ 982,982	84%			\$ 1,133,302	84%
Total Costs for Fire/EMS Agencies	\$ 181,511	19%				\$ 180,598	16%			\$ 208,216	16%
		\$ 935,842				\$ 1,163,581				\$ 1,341,518	

Usage Note: Insert Estimated 2012/2013 CFS volume in Yellow cell to derive the resulting CFS rates in 2015 and 2019

CFS values from revised Business Case rate modeling process

Black Canyon Fire	962
Camp Verde Fire	2,047
Clarkdale Fire	479
Jerome Fire	123
Mayer Fire	1,350
Montezuma Rimrock Fire	841
Pinewood Fire	543
Verde Valley Fire	1,653
Verde Valley Ambulance	615



Model 4 - Potential Additional Customers/OPEX and CAPEX

In this full cost model, the estimated cost per call-for-service in 2015 would be \$57.59. This is \$2.84 lower than in the model for existing customers only. For 2019 the rate would drop to \$54.02 which would be \$2.66 lower than the model with existing customers only.

CFS Rate Model with OPEX and CAPEX - Modeling for Potential Additional Customers

Agency	Current CFS and Cost Models			Estimated 2015 CFS and Cost Allocation Model				Estimated 2019 CFS and Cost Allocation Model (after debt service for technology is retired)			
	Revised Business Case CFS Values	Revised Business Case Costs Per Agency in Current Models	Effective Cost Per CFS in Current Models	Estimated CFS Levels (+1% per year from 2012 data)	% of Combined Total CFS Volume	CFS Allocation of Projected OPEX and CAPEX for Cottonwood PSAP	Effective Cost Per CFS in New Model	Estimated CFS Levels (+1% per year from 2015 estimate)	% of Combined Total CFS Volume	CFS Allocation of Projected OPEX and CAPEX for Cottonwood PSAP	Effective Cost Per CFS in New Model
Total Annual OPEX and CAPEX						\$ 1,554,791				\$ 1,517,955	
CVMO and YANPD CAD Usage Charges						\$ (17,618)				\$ (17,618)	
Net OPEX to Recover Through Cost Allocation Model						\$ 1,537,174				\$ 1,500,338	
Clarkdale Police	3,213	\$ 148,195	\$ 46.12	3,310	12.4%	\$ 190,641	\$ 57.59	3,445	12.4%	\$ 186,073	\$ 54.02
Cottonwood Police	17,414	\$ 575,566	\$ 33.05	17,942	67.2%	\$ 1,033,248	\$ 57.59	18,670	67.2%	\$ 1,008,487	\$ 54.02
Jerome Police	1,259	\$ 30,570	\$ 24.28	1,297	4.9%	\$ 74,702	\$ 57.59	1,350	4.9%	\$ 72,912	\$ 54.02
Black Canyon Fire				-	0.0%	\$ -	#DIV/0!	-	0.0%	\$ -	#DIV/0!
Camp Verde Fire				-	0.0%	\$ -	#DIV/0!	-	0.0%	\$ -	#DIV/0!
Clarkdale Fire	479			494	1.8%	\$ 28,421	\$ 57.59	514	1.8%	\$ 27,740	\$ 54.02
Cottonwood Fire	2,804	\$ 101,511	\$ 36.20	2,889	10.8%	\$ 166,373	\$ 57.59	3,006	10.8%	\$ 162,387	\$ 54.02
Jerome Fire	123			127	0.5%	\$ 7,298	\$ 57.59	132	0.5%	\$ 7,123	\$ 54.02
Mayer Fire				-	0.0%	\$ -	#DIV/0!	-	0.0%	\$ -	#DIV/0!
Montezuma Rimrock Fire				-	0.0%	\$ -	#DIV/0!	-	0.0%	\$ -	#DIV/0!
Pinewood Fire				-	0.0%	\$ -	#DIV/0!	-	0.0%	\$ -	#DIV/0!
Verde Valley Fire				-	0.0%	\$ -	#DIV/0!	-	0.0%	\$ -	#DIV/0!
Verde Valley Ambulance	615	\$ 80,000	\$ 130.08	634	2.4%	\$ 36,491	\$ 57.59	659	2.4%	\$ 35,616	\$ 54.02
Combined Total CFS Volume	25,907	\$ 935,842	\$ 36.12	26,692	100%	\$ 1,537,174	\$ 57.59	27,776	100%	\$ 1,500,338	\$ 54.02
Total Costs for Law Enforcement Agencies		\$ 754,331	81%			\$ 1,298,591	84%			\$ 1,267,472	84%
Total Costs for Fire/EMS Agencies		\$ 181,511	19%			\$ 238,583	16%			\$ 232,866	16%
		\$ 935,842				\$ 1,537,174				\$ 1,500,338	

Usage Note: Insert Estimated 2012/2013 CFS volume in Yellow cell to derive the resulting CFS rates in 2015 and 2019

CFS values from revised Business Case rate modeling process

Black Canyon Fire	962
Camp Verde Fire	2,047
Clarkdale Fire	479
Jerome Fire	123
Mayer Fire	1,350
Montezuma Rimrock Fire	841
Pinewood Fire	543
Verde Valley Fire	1,653
Verde Valley Ambulance	615



Rate Models Summarized

The resulting rates from each of the above models have been aggregated in the table below to provide an easier comparison of rate policy choices to resulting projected rates.

Comparison of Cost per Call-for-Service in the Four Sample Subscriber Models		
	2015	2019
Current Customers Only/OPEX Only	\$ 45.74	\$ 50.68
Current Customers Only/Full OPEX and CAPEX	\$ 60.43	\$ 56.68
Potential Additional Customers/OPEX Only	\$ 43.59	\$ 48.30
Potential Additional Customers/Full OPEX and CAPEX	\$ 57.59	\$ 54.02

Closing

The City of Cottonwood faces a number of important decisions on how it wants to position itself as the provider of emergency communications services and the rate mechanisms they choose to utilize. The creation of the new Cottonwood Communications Center will position the City with a state-of-the art facility outfitted with contemporary technology that is capable of provide a wide mix of services to both the agencies currently being served and additional agencies that choose to join Cottonwood in a service-level relationship.

The alternative subscriber rate models contained in the report provide what might be considered the outer corners of the policy discussion arena.

- In one corner is the approach of bundling all the capital and operational costs of the new facility into the model and allocating them only against the agencies currently being served. This results in the highest cost per call-for-service.
- In another corner is a variation on the full coat scenario but with an expanded customer base, resulting in lower costs for all agencies served.
- In the third corner is the approach of only considering operational costs in the rate model and assuming that Cottonwood would have faced the capital investments whether they



had customer agencies or not due to their own need to build a new Center to meet their own growing service demands. This approach results in lower costs per call-for-service than the full cost model since the debt service costs are not factored into the model.

- And finally is a variation of this operational cost only model where additional customer agencies are found for the new Center. This results in the lowest possible cost per call-for-service of any of the models.

Whether Cottonwood ultimately decides to choose one of these specific models, or some variation in between, the selection will most likely be made in consideration of a combination of economic and regional policy goals and objectives that will feel “right” once further debate and consideration is given to the alternatives. This may require additional modeling of alternatives that iXP is willing to support or that can be easily extrapolated from the data in this report.



Appendix A

20-year Salary and Benefit Estimates

Salary and Benefit Estimates	Count	Base Assumption (based on new salary study data)	% Spread from next lower classification	Average Benefit Load	Annual Escalation		3%
					Base Total Cost of Compensation	2013	
Communications Supervisor	1	\$ 51,057		51%	\$ 77,317	\$ 77,317	\$ 79,636
Communications Systems Coordinator	0.5	\$ 49,376		51%	\$ 74,771	\$ 37,386	\$ 38,507
Communications Lead (additional staffing when Fire comes in)	1	\$ 39,732	10%	51%	\$ 60,167	\$ -	\$ -
Communications Specialists (current staffing)	9	\$ 36,120		51%	\$ 54,698	\$ 492,279	\$ 507,048
Communications Specialists (additional staffing when Fire comes in)	4.5	\$ 36,120		51%	\$ 54,698	\$ -	\$ -
Overtime (Based on 2012 Budget)						\$ 30,000	\$ 30,900
Totals	16					\$ 636,981	\$ 656,091

Salary and Benefit Estimates	3%	3%	3%	3%	3%	3%	3%	3%	3%
Position	2015	2016	2017	2018	2019	2020	2021	2022	2023
Communications Supervisor	\$ 82,025	\$ 84,486	\$ 87,020	\$ 89,631	\$ 92,320	\$ 95,090	\$ 97,942	\$ 100,881	\$ 103,907
Communications Systems Coordinator	\$ 39,662	\$ 40,852	\$ 42,078	\$ 43,340	\$ 44,640	\$ 45,979	\$ 47,359	\$ 48,780	\$ 50,243
Communications Lead (additional staffing when Fire comes in)	\$ 63,832	\$ 65,747	\$ 67,719	\$ 69,751	\$ 71,843	\$ 73,998	\$ 76,218	\$ 78,505	\$ 80,860
Communications Specialists (current staffing)	\$ 522,259	\$ 537,927	\$ 554,065	\$ 570,687	\$ 587,807	\$ 605,442	\$ 623,605	\$ 642,313	\$ 661,582
Communications Specialists (additional staffing when Fire comes in)	\$ 253,524	\$ 261,130	\$ 268,963	\$ 277,032	\$ 285,343	\$ 293,904	\$ 302,721	\$ 311,802	\$ 321,156
Overtime (Based on 2012 Budget)	\$ 31,827	\$ 32,782	\$ 33,765	\$ 34,778	\$ 35,822	\$ 36,896	\$ 38,003	\$ 39,143	\$ 40,317
Totals	\$ 993,129	\$ 1,022,923	\$ 1,053,611	\$ 1,085,219	\$ 1,117,776	\$ 1,151,309	\$ 1,185,848	\$ 1,221,424	\$ 1,258,066

Salary and Benefit Estimates	3%	3%	3%	3%	3%	3%	3%	3%	3%
Position	2024	2025	2026	2027	2028	2029	2030	2031	2032
Communications Supervisor	\$ 107,024	\$ 110,235	\$ 113,542	\$ 116,948	\$ 120,457	\$ 124,070	\$ 127,793	\$ 131,626	\$ 135,575
Communications Systems Coordinator	\$ 51,750	\$ 53,303	\$ 54,902	\$ 56,549	\$ 58,245	\$ 59,993	\$ 61,793	\$ 63,646	\$ 65,556
Communications Lead (additional staffing when Fire comes in)	\$ 83,286	\$ 85,784	\$ 88,358	\$ 91,009	\$ 93,739	\$ 96,551	\$ 99,448	\$ 102,431	\$ 105,504
Communications Specialists (current staffing)	\$ 681,430	\$ 701,873	\$ 722,929	\$ 744,617	\$ 766,955	\$ 789,964	\$ 813,663	\$ 838,073	\$ 863,215
Communications Specialists (additional staffing when Fire comes in)	\$ 330,791	\$ 340,715	\$ 350,936	\$ 361,464	\$ 372,308	\$ 383,478	\$ 394,982	\$ 406,831	\$ 419,036
Overtime (Based on 2012 Budget)	\$ 41,527	\$ 42,773	\$ 44,056	\$ 45,378	\$ 46,739	\$ 48,141	\$ 49,585	\$ 51,073	\$ 52,605
Totals	\$ 1,295,808	\$ 1,334,683	\$ 1,374,723	\$ 1,415,965	\$ 1,458,444	\$ 1,502,197	\$ 1,547,263	\$ 1,593,681	\$ 1,641,491



20 Year Non-Labor Operational Expense Estimates

Non-Labor Operational Cost Estimates	2015	2016	2017	2018	2019	2020	2021	2022	2023
Technical Systems Maintenance Costs									
9-1-1 Telephone System	\$ -	\$ 20,000	\$ 70,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 70,000	\$ 20,000
CAD, Mobile/AVL & RMS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,000	\$ 2,400
Radio Console System	\$ 10,400	\$ 10,712	\$ 11,033	\$ 11,364	\$ 21,705	\$ 12,356	\$ 12,727	\$ 13,109	\$ 13,502
Headsets and Interfaces	\$ -	\$ 500	\$ 510	\$ 520	\$ 531	\$ 541	\$ 552	\$ 563	\$ 574
Master Time Synchronization	\$ -	\$ -	\$ -	\$ 500	\$ 515	\$ 530	\$ 546	\$ 563	\$ 580
Logging & Recording System	\$ 3,000	\$ 3,090	\$ 3,183	\$ 3,278	\$ 3,377	\$ 3,478	\$ 3,582	\$ 3,690	\$ 3,800
Large Screen Displays	\$ -	\$ -	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Network Backbone & Admin Telephony	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000
Servers, PCs and related equipment	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000
Equipment Maintenance & Repairs	\$ 111,395	\$ 114,736	\$ 118,178	\$ 121,724	\$ 125,375	\$ 129,137	\$ 133,011	\$ 137,001	\$ 141,111
Subtotal for Technical Systems Maintenance Costs	\$ 124,795	\$ 149,038	\$ 203,404	\$ 207,887	\$ 172,003	\$ 166,543	\$ 170,919	\$ 305,426	\$ 232,468
Other Maintenance and Operations Costs									
UPS System Maintenance	\$ 3,000	\$ 3,090	\$ 3,183	\$ 3,278	\$ 3,377	\$ 3,478	\$ 3,582	\$ 3,690	\$ 3,800
Tech Room Fire Suppression Maint	\$ 500	\$ 515	\$ 530	\$ 546	\$ 563	\$ 580	\$ 597	\$ 615	\$ 633
Generator Maintenance	\$ 1,200	\$ 1,236	\$ 1,273	\$ 1,311	\$ 1,351	\$ 1,391	\$ 1,433	\$ 1,476	\$ 1,520
HVAC Maintenance	\$ 1,200	\$ 1,236	\$ 1,273	\$ 1,311	\$ 1,351	\$ 1,391	\$ 1,433	\$ 1,476	\$ 1,520
Non-911 Telecom Services (Telephone in current budget)	\$ 16,253	\$ 16,741	\$ 17,243	\$ 17,760	\$ 18,293	\$ 18,842	\$ 19,407	\$ 19,989	\$ 20,589
ISP Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utility Costs	\$ 9,013	\$ 9,283	\$ 9,561	\$ 9,848	\$ 10,144	\$ 10,448	\$ 10,761	\$ 11,084	\$ 11,417
Console Furniture & Chairs Maint	\$ -	\$ -	\$ 750	\$ 773	\$ 796	\$ 820	\$ 844	\$ 869	\$ 896
Training & Travel	\$ 5,305	\$ 5,464	\$ 5,628	\$ 5,796	\$ 5,970	\$ 6,149	\$ 6,334	\$ 6,524	\$ 6,720
Subscriptions & Memberships	\$ 530	\$ 546	\$ 563	\$ 580	\$ 597	\$ 615	\$ 633	\$ 652	\$ 672
Office Supplies	\$ 1,591	\$ 1,639	\$ 1,688	\$ 1,739	\$ 1,791	\$ 1,845	\$ 1,900	\$ 1,957	\$ 2,016
Misc. Hardware and Software	\$ -	\$ 500	\$ 515	\$ 530	\$ 546	\$ 563	\$ 580	\$ 597	\$ 615
Janitorial Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Small tools & equipment	\$ 1,000	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126	\$ 1,159	\$ 1,194	\$ 1,230	\$ 1,267
General Facility Maint & Repair	\$ 1,000	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126	\$ 1,159	\$ 1,194	\$ 1,230	\$ 1,267
Photocopiers/FAX equipment	\$ 1,200	\$ 1,236	\$ 1,273	\$ 1,311	\$ 1,351	\$ 1,391	\$ 1,433	\$ 1,476	\$ 1,520
HR & Benefit Services from Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounting Services from Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Services from Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Uniforms	\$ 530	\$ 546	\$ 563	\$ 580	\$ 597	\$ 615	\$ 633	\$ 652	\$ 672
Misc. Contracted Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repeater Expense	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800
Liability Insurance	\$ 16,152	\$ 16,637	\$ 17,136	\$ 17,650	\$ 18,179	\$ 18,725	\$ 19,287	\$ 19,865	\$ 20,461
Subtotal for Other Maintenance and Operations Costs	\$ 63,274	\$ 65,529	\$ 68,101	\$ 70,000	\$ 71,956	\$ 73,970	\$ 76,045	\$ 78,183	\$ 80,384
Total Projected Non-Labor O&M Costs	\$ 188,069	\$ 214,567	\$ 271,505	\$ 277,886	\$ 243,958	\$ 240,513	\$ 246,964	\$ 383,608	\$ 312,852



City of Cottonwood
 New Dispatch Center Revised Cost Estimates and
 Subscriber Model Alternatives Report

December 24, 2012

Non-Labor Operational Cost Estimates	2024	2025	2026	2027	2028	2029	2030	2031	2032
Technical Systems Maintenance Costs									
9-1-1 Telephone System	\$ 20,000	\$ 20,000	\$ 20,000	\$ 70,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
CAD, Mobile/AVL & RMS	\$ 2,472	\$ 2,546	\$ 2,623	\$ 2,701	\$ 2,782	\$ 2,866	\$ 2,952	\$ 3,040	\$ 3,131
Radio Console System	\$ 23,907	\$ 14,625	\$ 15,063	\$ 15,515	\$ 15,981	\$ 26,460	\$ 17,254	\$ 17,771	\$ 18,305
Headsets and Interfaces	\$ 586	\$ 598	\$ 609	\$ 622	\$ 634	\$ 647	\$ 660	\$ 673	\$ 686
Master Time Synchronization	\$ 597	\$ 615	\$ 633	\$ 652	\$ 672	\$ 692	\$ 713	\$ 734	\$ 756
Logging & Recording System	\$ 3,914	\$ 4,032	\$ 4,153	\$ 4,277	\$ 4,406	\$ 4,538	\$ 4,674	\$ 4,814	\$ 4,959
Large Screen Displays	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Network Backbone & Admin Telephony	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -
Servers, PCs and related equipment	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -
Equipment Maintenance & Repairs	\$ 145,345	\$ 149,705	\$ 154,196	\$ 158,822	\$ 163,587	\$ 168,494	\$ 173,549	\$ 178,755	\$ 184,118
Subtotal for Technical Systems Maintenance Costs	\$ 197,321	\$ 192,620	\$ 197,777	\$ 253,090	\$ 258,561	\$ 224,197	\$ 220,301	\$ 226,288	\$ 232,455
Other Maintenance and Operations Costs									
UPS System Maintenance	\$ 3,914	\$ 4,032	\$ 4,153	\$ 4,277	\$ 4,406	\$ 4,538	\$ 4,674	\$ 4,814	\$ 4,959
Tech Room Fire Suppression Maint	\$ 652	\$ 672	\$ 692	\$ 713	\$ 734	\$ 756	\$ 779	\$ 802	\$ 826
Generator Maintenance	\$ 1,566	\$ 1,613	\$ 1,661	\$ 1,711	\$ 1,762	\$ 1,815	\$ 1,870	\$ 1,926	\$ 1,983
HVAC Maintenance	\$ 1,566	\$ 1,613	\$ 1,661	\$ 1,711	\$ 1,762	\$ 1,815	\$ 1,870	\$ 1,926	\$ 1,983
Non-911 Telecom Services (Telephone in current budget)	\$ 21,206	\$ 21,843	\$ 22,498	\$ 23,173	\$ 23,868	\$ 24,584	\$ 25,322	\$ 26,081	\$ 26,864
ISP Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utility Costs	\$ 11,759	\$ 12,112	\$ 12,475	\$ 12,850	\$ 13,235	\$ 13,632	\$ 14,041	\$ 14,462	\$ 14,896
Console Furniture & Chairs Maint	\$ 922	\$ 950	\$ 979	\$ 1,008	\$ 1,038	\$ 1,069	\$ 1,101	\$ 1,134	\$ 1,168
Training & Travel	\$ 6,921	\$ 7,129	\$ 7,343	\$ 7,563	\$ 7,790	\$ 8,024	\$ 8,264	\$ 8,512	\$ 8,768
Subscriptions & Memberships	\$ 692	\$ 713	\$ 734	\$ 756	\$ 779	\$ 802	\$ 826	\$ 851	\$ 877
Office Supplies	\$ 2,076	\$ 2,139	\$ 2,203	\$ 2,269	\$ 2,337	\$ 2,407	\$ 2,479	\$ 2,554	\$ 2,630
Misc. Hardware and Software	\$ 633	\$ 652	\$ 672	\$ 692	\$ 713	\$ 734	\$ 756	\$ 779	\$ 802
Janitorial Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Small tools & equipment	\$ 1,305	\$ 1,344	\$ 1,384	\$ 1,426	\$ 1,469	\$ 1,513	\$ 1,558	\$ 1,605	\$ 1,653
General Facility Maint & Repair	\$ 1,305	\$ 1,344	\$ 1,384	\$ 1,426	\$ 1,469	\$ 1,513	\$ 1,558	\$ 1,605	\$ 1,653
Photocopiers/FAX equipment	\$ 1,566	\$ 1,613	\$ 1,661	\$ 1,711	\$ 1,762	\$ 1,815	\$ 1,870	\$ 1,926	\$ 1,983
HR & Benefit Services from Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounting Services from Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Services from Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Uniforms	\$ 692	\$ 713	\$ 734	\$ 756	\$ 779	\$ 802	\$ 826	\$ 851	\$ 877
Misc. Contracted Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repeater Expense	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800
Liability Insurance	\$ 21,075	\$ 21,707	\$ 22,358	\$ 23,029	\$ 23,720	\$ 24,432	\$ 25,165	\$ 25,920	\$ 26,697
Subtotal for Other Maintenance and Operations Costs	\$ 82,652	\$ 84,987	\$ 87,393	\$ 89,871	\$ 92,423	\$ 95,051	\$ 97,759	\$ 100,548	\$ 103,420
Total Projected Non-Labor O&M Costs	\$ 279,973	\$ 277,607	\$ 285,170	\$ 342,960	\$ 350,984	\$ 319,248	\$ 318,060	\$ 326,836	\$ 335,876





Draft

March, 2013

Addressee

Dear:

For the past 10 years, public safety agencies in the Verde Valley have discussed and planned to create a regional public safety communications center. The project has had many stops and starts throughout that period of time. Approximately two years ago, Cottonwood recognized that we could not delay our need for a new public safety communications center any longer so we funded a third party consultant in public safety communications centers to study the Verde Valley public safety communications network and determine if creating a regional center was feasible. The consultant concluded that combining all public safety service, both police and fire, into one operational center was feasible. Cottonwood, with funding assistance from the Sedona Fire District, retained the consultant to determine if there was a business case for establishing a regional public safety communications center and they concluded that there were sound reasons for combining dispatch services. In fact, they wrote in their report that the regional center would not only improve services, it would save taxpayer dollars, particularly in the long term.

Based on the consultant's studies, we conducted several meetings with area fire and police agencies with the intent of creating some form of Joint Powers Authority to govern and oversee management of the center. Cottonwood was the only agency in a position to fund the capital investment for the construction and equipping of the center so we proceeded as the only principal owner of the proposed regional communications center with the offer to still create a regional communications center through a subscription model. The subscription model is complete and we would like to share that with all the local agencies in an effort to follow through on our commitment in providing a regional communications center.

We anticipate that the Cottonwood center will dispatch both our police and fire services. In the past, we have dispatched for the Jerome and Clarkdale Police Departments and we hope this model meets their needs. The basic guidelines for service are listed below.

1. Each agency that subscribes will enter into an Intergovernmental Agreement or the equivalent with the City of Cottonwood.

2. The IGA will set out specific standards of performance for dispatch services.
3. The model is based on a “call for service” model meaning that for each call dispatched to a field unit, there is a charge assessed.
4. The model treats EMS calls where both fire and ambulance services are dispatched as one call. This makes it fair for each fire agency regardless of their ambulance provider.
5. Cottonwood will be responsible for receiving and dispatching the call from the center. We will not be responsible for the telecom infrastructure for the subscriber to receive the call whether it is voice or data unless there is a separate agreement for those services or shared infrastructure with Cottonwood currently.
6. Our goal is to provide a predictable forecast of annual expenses for dispatch services. After the first year of operation, we may need to recalculate the subscriber rate based on the number of agencies and calls for service dispatched. At this point, it is a moving target as to who will subscribe and we have done our best to calculate a reasonable cost.
7. There is an estimated three percent escalation of costs predicted for each year. Annual increases will be determined based on actual anticipated expenditures as opposed to becoming automatic.
8. There will be a users’ group established to recommend policy and operational improvements.
9. Replacement technology inside the center is included in the subscriber model.
10. After the first year, additional subscriptions that impact the level or cost of service will need to be considered by the User’s committee.
11. The subscriber fee does not include the capital costs of the building. Only technology capital and operational costs. The building will be owned and funded by the City of Cottonwood.
12. The cost per call for the first year is set at \$52.00.

A copy of the subscription model spread sheet is attached for your review. The anticipated startup of the communications center is identified in the model at the start of 2015. Calls for Service beginning in 2015 have been estimated based on 2012/13 calls for service numbers based on a one percent increase in calls for each year. You will also note from the model that we project that costs will decrease based on a five year payoff of new technology for the center.

Cottonwood has begun the process of building a public safety communications center by hiring an architect to begin design. As stated, we needed a new communications center regardless of regional participation. We need to get started as soon as possible so we are asking that you contact Cottonwood by **May 1st, 2013**, to advise us whether your agency is interested in subscribing for dispatch services. Based on building design and technology needs, we need to know who will participate to move the project forward.

If you would like the more detailed report of the feasibility, business case, or subscriber model, please contact me.

Thank you for your consideration.

Doug Bartosh

City Manager

City of Cottonwood, Arizona City Council Agenda Communication



 Print

Meeting Date:	March 19, 2013
Subject:	Emergency Communications Center – Design Proposal Approval
Department:	Development Services
From:	Scott Mangarpan - Development Services

REQUESTED ACTION

Consider approval of a design proposal from Arrington Watkins Architects, LLC for the Emergency Communications Center.

SUGGESTED MOTION

If the Council desires to approve this item the suggested motion is:

"I move to approve the proposal submitted by Arrington Watkins Architects, LLC for the design of the Emergency Communications Center for a not-to-exceed amount of \$197,125.00, with the Architect's fee not to exceed including sub-consultants and reimbursable expenses."

BACKGROUND

The City of Cottonwood has completed both a feasibility study and a business case for a consolidated Emergency Communications Center. The City is interested in building a center to support emergency communications for the City of Cottonwood's police, fire and EMS services with the potential to add subscribing agencies in the future. The new facility will support dispatching for approximately 20,000 police incidents and 3,200 Fire/EMS runs per year. It has been recommended that the City plan for 4 CAD dispatch positions (with potential growth to 8 positions) and the required support facilities. Initially the City will plan for approximately 4,800 sf of building with the potential to expand up to an additional 3,000 sf. The City has selected a City owned 2.7 acre parcel adjacent to the Cottonwood Public Safety Building for the location of the Emergency Communications Center.

A Request for Qualifications was issued for the design of the Emergency Communications Center and 15 Architectural/Engineering firms responded with Statements of Qualifications. A selection committee made up of City staff from Development Services, Purchasing, the Police department and the Fire department ranked the submittals based on qualifications. The top

three ranked firms were selected to be interviewed. The same committee interviewed the three firms and the top ranked firm, Arrington Watkins Architects, LLC was invited to submit a fee proposal for the design of the Emergency Communications Center. The proposed Design Team includes local sub-consultants for the civil engineering, structural engineering and landscape design.

The attached fee proposal was negotiated between City staff and Arrington Watkins Architects, LLC. The initial scope of work was reduced to reflect Staff's recommendations to reduce the cost to the City and still provide a quality facility. The proposed services shall include the following phases; Programming, Schematic Design, Design Development, Construction Documents and Sub Bidding/Negotiations. Construction Administration phase will be negotiated at a later date. The contract will be written as not-to-exceed the amounts listed, without prior approval from the City.

JUSTIFICATION/BENEFITS/ISSUES

This is a long needed project to construct a new Emergency Communications Center. Currently the 911 dispatchers are located in a ten year old space within the Public Safety Building that is inadequate for their current needs. This project will include improved facilities for the 911 dispatch operators, upgraded dispatch and communication systems as well as additional capabilities to allow for the dispatching of Cottonwood Fire/EMS services, dispatching that is currently handled by the Sedona Fire District. The facility will also include the capability to expand to meet future dispatching needs.

-

COST/FUNDING SOURCE

Capital funds

ATTACHMENTS:

Name:	Description:	Type:
 Cottonwood Fee revision 1.pdf	Design Fee Proposal	Backup Material
 Scope Clarification revision 1.pdf	Design Scope Clarifications	Backup Material

City of Cottonwood
Scope Clarifications (revised)
March 8, 2013

Changes based on February 28 Meeting

1. In this proposal, eliminated fees for Construction Administration phase and Warranty phase. This will be negotiated at a later date, at the discretion of the City.
2. Included proposal from structural engineer Brent Maupin from Sedona in lieu of PK Structural from Phoenix.
3. Included proposal from landscape architect Richard Hubbell from Sedona in lieu of Norris from Phoenix.
4. Eliminated the following services from SWI scope of work
 - Survey. City will contract with someone.
 - Geotechnical. City will contract with someone
 - Initial Utility Coordination. City will perform services in-house
 - Water and Sewer Connection Plans. City will perform services in-house
5. Deleted all cost estimating services except the programming phase estimate. All other estimating will be provided by the CMAR.
6. Deleted all services related to the FFE except for the consoles
7. Accounted for clarification that outside of project meetings, the only reviews / submittals will be:
 - Code Review at completion of schematics
 - Planning and Zoning (design review) after Code Review
 - Council presentation at approximately 90% project completion
 - Building permit review at 100% construction documents
8. All other fees remained as they were previously, but we agree that the contract will be written as an hourly not-to-exceed the amounts listed without prior approval from the City.

City of Cottonwood
Scope Clarifications
February 21, 2013

General:

- Per the Contract form we have broken down the fee into the following phases:
 - Programming
 - Schematic Design
 - Design Development
 - Construction Documents
 - Bidding / GMP
 - Construction Administration
 - Close Out Services

- LEED services are not included in this fee proposal

- Special inspections (e.g. structural, electrical) are not included in this fee proposal.

Programming. The program services and deliverables will consist of:

- Narrative
- Spreadsheets showing room sizes and gross square feet
- Individual room diagrams
- Program level cost estimate
- Project schedule

Schematic Design. The schematic phase deliverables will include:

- Site plan
- Floor plan
- Exterior massing
- Systems (MPE, structural, civil, and landscape) will be described in a brief narrative.
- Schematic level cost estimate
- Updated project schedule

Special Systems Design includes:

- **Passive Network Cabling:** This includes cabling system design from outlet location to the MDF/IDF Room, layout of MDF/IDM room and cable support system.

- **CATV Distribution:** Community antenna television distribution design including coax cabling to termination point in MDF/IDF rooms.

- **Intercommunication System:** Design for paging system, including the station to station communication system.

- **Security System:** Design for access control, intrusion detection, card reader, door monitoring, door control, motion sensor, and duress systems.

- **Surveillance:** Video monitoring system design used for security surveillance.

- **Fire Sprinkler:** Performance based specification for bidding purposes. The actual design is assumed provided by the Fire Sprinkler Contractor.

- **Fire Alarm:** Performance based fire alarm system design for bidding purposes. The actual full fire alarm installation design (cable drawings, calculations, etc.) is assumed provided by the Fire Alarm Contractor. Our performance based design will include the following:
 - Device placement.
 - Riser diagrams.
 - Specifications.

- **The City of Cottonwood will provide the following:**
 - All IT equipment and connection to cabling, including
 - Servers
 - Network equipment such as routers, switches, etc.
 - Workstation computers
 - Workstation monitors
 - Keyboards, mouse, etc.
 - Software purchasing or licensing
 - Radio equipment
 - Radios and radio equipment
 - Cable from building to tower

Civil Engineering Services. It is our understanding from the pre-proposal meeting, that the City will be providing the site survey and the geotechnical design. We have included costs for these services as optional if the City should want us to provide those.

Interior Design Services: Selection of interior finishes (carpet, ceramic tile, laminates and other solid surfaces) are included in the scope of work. All services for design, specification, and acquisition of Furniture, Facilities and Equipment (FFE) will be provided by the City. We have provided an option service for having our team do the FFE.

**City of Cottonwood, Arizona
City Council Agenda Communication**



 Print

Meeting Date:	March 19, 2013
Subject:	Thunder Valley Rally - Special Service Agreement (4 - Coyotes Productions L.L.C.)
Department:	Community Services
From:	Richard Faust, Community Services General Manager and Hez Allen, Aquatics/Special Events Supervisor

REQUESTED ACTION

The Community Services Department is requesting Council's approval of a Special Service Agreement between the 4-Coyotes Productions, L.L.C. and the City of Cottonwood to garner sponsorship dollars, solidify national entrainment and promote Thunder Valley Rally. This agreement would create a partnership between the City of Cottonwood and 4-Coyotes Productions L.L.C.

SUGGESTED MOTION

If the Council desires to approve this item the suggested motion is:

"I move to approve the Special Services Agreement between the City and 4-Coyotes Productions L.L.C. for the 2013 Thunder Valley Rally."

BACKGROUND

In 2011, the City of Cottonwood was asked by Cliff Castle Casino Hotel to assume control of their Thunder Valley Rally program with the thought that it would aid in the continued success of Old Town, and infuse the Verde Valley with additional exposure with a Main Street motorcycle event. The City has since been required to take on all programming, branding, marketing, security, operations, and budgeting tasks, as the Casino has withdrawn most of its prior support. The Parks and Recreation Department facilitated T.V.R. in 2011 and 2012 with great success. Comparatively speaking, we saw a tremendous amount of growth between our first annual and our second annual program. The Verde Valley provides some of Arizona's prized scenic rides with grand views. This was heard firsthand from program participants along with statements referencing Old Town's unique and charming character. The Community Services Department understands that in order to grow this program to a regional level event, additional resources are going to be needed. This program's objective of creating additional foot traffic in Old Town has been accomplished, but lends itself to the challenge of creating revenue streams to support

and grow the event.

JUSTIFICATION/BENEFITS/ISSUES

To solve these issues the Community Services Department looked into many options. In so doing staff found a newly forming L.L.C. called the 4-Coyotes. This group's mission is to provide quality events utilizing their years of experience and program management. Staff has put together a company bio for review:

Rick Hatch - Rick is a respected leader in the motorcycle industry and a rider for more than 50 years. The former owner of Hacienda Harley-Davidson, Scottsdale, and creator of the legendary "Kick Start Party" that annually launches Arizona Bike Week in't rolling off the throttle anytime soon. Rick has always stood out as a leader and contributor in all areas of life and continues to add to his impressive legacy.

Ralph Wilson - From a career of Corporate Sales and Marketing and a love for motorcycling, Ralph began to hone his skills in event management as one of the original contributors to the formation of Arizona Bike Week. After 15 years of planning and producing events of all shapes and sizes, every aspect of the process has become his passion.

Ed Leckie - Founder of a successful business in the Themed Construction Industry, Ed is truly a Jack of all trades. As a partner in the original group that purchased Arizona Bike Week in 2005 he was hands-on in developing A.B.W. into an event that is now considered among the top 10 motorcycle events in America. As Promotions Director at Hacienda H-D and Chester's H-D, Ed continued to demonstrate his ability to elevate expectations and results. Ed is frequently called upon by major product brands as a promotions/events consultant in the US and Mexico. Ed recently handled the promotions for all of the Chester's Dealerships in four states. He is also the promoter and emcee for the famed Rocky Point Rally that brings bikers from California, Arizona, New Mexico, Texas and Nevada.

Jim Moore - With over 35 years in the motorcycle industry, Jim has been instrumental in the origination of the Thunder Beach Rally in Panam Beach, FL. This event has grown over the past 12 years to over 60,000 attendees. Logging over 1 million miles on Harleys Jim has attended hundreds of events including Sturgis Black Hills Rally over 30 times. He also holds a corporate position in a quarterly motorcycle magazine that is distributed throughout Arizona and California.

Although this is a fairly new company (in fact, the 2013 TVR would be the first event this company promoted and produced), their knowledge and experience in the motorcycle and events realm is unparalleled. With their extensive expertise we are able to close the gap on our issues of funding, motorcycle contacts, national entrainment contacts and marketing. The City of Cottonwood would remain the controlling authority of the program, and provide all the operations aspects of the program (generator, security, restrooms, facilities, street closures, printing). In addition, the City would provide \$15,000 in seed money to the 4-Coyotes to be used as deposits on national acts. The 4-Coyotes would obtain corporate sponsors to assist with the entertainment options available within the program format; produce a functional and artistic website; adapt our current logo; secure the trademark rights for "Thunder Valley Rally"; contract with a production company; produce a "Guide to Ride" brochure; initiate social media opportunities for promotion and marketing; and

ultimately gather event vendors. With the early on infusion different than previous years, coupled with the 4-Coyotes invaluable experience, knowledge, as well as corporate dollars, Thunder Valley Rally could grow very rapidly. We are forecasting this year's event could roughly double in attendance compared to last year's, and as we continue this partnership the program may further grow. This is a new concept for the City, and a new company to launch opportunities for future success.

COST/FUNDING SOURCE

This is a partnership opportunity between the 4-Coyotes Productions L.L.C. and the City of Cottonwood. Initially, the City will be required to pay the company \$15,000 in working capital to support the Producer's activities and obligations under the agreement, which shall be subject to reimbursement as provided. The ultimate goal for this program success would be for both parties to recover their costs and to raise additional funds. All program revenue streams will be divided between the City and the 4-Coyotes. In addition T.V.R. will allow the Old Town Association to raise funds through programs, auctions and concessions.

ATTACHMENTS:

Name:	Description:	Type:
 Copy of TVR 2013 Revenue Responsibility.xls	TVR Checklist	Cover Memo
 Contracts 2013 - TVR - Event Promotion - 4-Coyotes LLC - sbh - 03-14-13 - v5.doc	4-Coyotes Contract Agreement Document	Cover Memo

Revenue - Responsibility - Distribution

	4-Coyotes	Entertainment/Ads	City	OTA 501(c)(3)
Event Guide	100% - 100%			
Sponsors	20% - 100%	80%		
Rides	20% - 100%	80%		
Vendors	20% - 100%	80%		
Vip Seating	50% - 100%		50%	
Auction	20% - 100%			80%
Poker Run				
50/50				100% - 100%
Bike Show			100% - 100%	
Bar	50% - 100%			25-50%
Merchandise	50% - 50%		50% - 50%	
Attractions	100%			
Fence/Barricade (600')			100%	
Porta-a-Johns (20?)			100%	
Light Towers (6)			100%	
Trash Containers			100%	
Clean-up Crew			100%	
Security			100%	
Event Insurance	100%		100%	
Event Poster/Flyer/Ads	Make these	"Wanted Posters"	100%	
Factory Demo Fleets	100%			
Facebook/Twitter	50%		50%	

CITY OF COTTONWOOD
CONTRACT FOR SERVICES
EVENT PRODUCTION AND PROMOTION – THUNDER VALLEY RALLY

THIS CONTRACT FOR EVENT PRODUCTION AND PROMOTION SERVICES (hereinafter referred to as this “Agreement”) is made this ____ day of _____, 2013 by and between 4-Coyotes Productions, LLC, an Arizona Limited Liability Company (“Producer”) and the CITY OF COTTONWOOD, an Arizona municipal corporation (“the City”).

RECITALS

A. The City desires and intends to sponsor a community event known as the “Thunder Valley Rally” on [DATES], 2013 (“the Event”), to provide entertainment for its residents, to promote the City as a tourist destination, and to generate economic activity throughout the City.

B. Producer has submitted a proposal to produce and promote the Event on the City’s behalf.

C. The City is willing to provide Producer with the opportunity to generate revenues from the Event, and to advance the sum of Fifteen Thousand Dollars (\$15,000.00) in “working capital” to Producer, in exchange for Producer’s covenants, promises, and services to be provided by Producer to the City as more particularly described below.

NOW, THEREFORE, in consideration of the foregoing and good and valuable consideration received, the parties hereto agree as follows:

1. Event Requirements. Producer shall cause the Event to comply with all of the following requirements:

1.1 The Event shall be held primarily within the corporate limits of the City of Cottonwood.

1.2 The Event shall be open to the public.

1.3 The Event shall be held on [dates].

1.4 ~~The Event shall be~~ Producer shall use its best efforts to ensure that the Event is of the same scale, quality, and attendance, and provide the same economic and other benefits to the public and other public benefits, or better, as were provided by the Event last year.

2. Producer's Duties and Responsibilities. Producer shall perform the following duties, functions, and services:

2.1 Producer shall produce and promote the Event, in consultation with the City. Without limitation, Producer shall be primarily responsible for scheduling, contracting, promotion, advertising and other responsibilities typically associated with putting on special events of this type and size.

2.2 Producer shall develop a website and logo for the Event. The website shall provide a link to the City's website. The City shall own and control all rights to the website and logo both during the term of this Agreement and after its expiration or termination. The City will reimburse for all of Producer's costs and expenses incurred in developing the Event website and logo, up to a maximum of [\$cap\$], and provided that such expenses were approved by the City in advance. Any expenses that exceed [\$cap\$], or that were not pre-approved by the City, will be borne by Producer.

2.3 Producer shall identify, contract with and pay for one or more nationally recognized musical acts to serve as headliners for the Event, along with other local/regional talent to support and compliment the headliners. All acts shall be selected in consultation with the City, and are subject to City approval.

2.4 Producer shall arrange, contract, and pay for any and all scheduling, sound, lighting, staging, equipment, ~~power distribution~~, loading/unloading, transportation, hospitality and other services and equipment required under the contracts between the Producer and any and all acts to perform at the Event. Producer shall give due consideration to local contractors and vendors for these and all other services required in connection with the Event.

2.5 Producer shall provide artwork for incorporation in printed promotional materials to be produced by the City and distributed by Promoter.

2.6 Producer shall coordinate the attendance and participation of any and all vendors and exhibitors who seek to sell, display, promote or advertise goods or services of any kind at the Event, including food and beer/wine concessions. The participation of all vendors and

exhibitors at the Event shall be subject to City approval. Producer may enter into revenue-sharing agreements with artists, vendors and other third parties with respect to sale of tickets to musical performances and the display, promotion or sale of goods and services during the performances or at any other time during the Event, including the sale of food and alcohol. Alternatively, Producer may engage in any of these activities directly, in concert with others or through designated agents, provided that all such activities and arrangements shall comply with all applicable federal, state and local laws, regulations, ordinances, rules and requirements.

2.7 Producer shall ensure that all performers, service providers, contractors and other vendors who provide services under contract with Producer in connection with the Event obtain general liability insurance that names the City as an additional insured in connection with any claim against the City arising out of any performance, work or services performed in connection with the Event. Certificates of insurance shall be provided to the City's Risk Manager no less than 30 days prior to the provision of any services in connection with the event by any performer, service provider, contractor or other vendor.

2.8 Producer shall publicly acknowledge the City support represented by this Agreement. Without limitation, all Event publicity, advertising and other activities before, during and after the Event shall acknowledge City's support, shall clearly indicate that the Event will occur within City's geographic boundaries, shall clearly indicate that the event is sponsored by City, and shall utilize (where appropriate in City's discretion) a logo provided by City. No other use of City's name is allowed in any form of advertising or public relations without prior City approval.

2.9 Producer shall provide a full accounting of its revenues and expenditures for the Event, and shall pay the City the lesser of the following two amounts within 10 days after the conclusion of the Event: (1) \$15,000.00, plus [#] of its net profits; or (2) the full amount of its net profits.

3. City's Duties and Responsibilities.

3.1 Within [#] days after the approval and execution of this Agreement, the City shall provide Producer with \$15,000.00 in "working capital" to support Producer's activities and obligations under this Agreement, which shall be subject to reimbursement as provided in subparagraph 2.9 above. *The parties explicitly acknowledge and agree that this is the maximum amount of funds the City will provide to or on behalf of Producer under this*

Agreement, and that Producer shall use its own funds to pay for any and all activities and obligations under this Agreement that require expenditures in excess of this amount.

3.2 The City shall provide reasonable and appropriate security and public safety services for the Event.

3.3 The City shall produce all printed/written promotional advertising for the Event for distribution by Producer (utilizing artwork provided by Producer), including but not limited to flyers, brochures, handbills and posters. The types and amounts of materials produced shall be determined by the City, in consultation with Producer, and in light of budget constraints and other considerations.

3.4 The City will provide a reasonable amount of guidance and assistance in the securing of any necessary licenses, permits, and approvals, although this remains Producer's primary responsibility.

3.5 The City will provide or arrange for all necessary power, power generation and power distribution.

3.6 The City will provide or arrange for fencing, lighting, portable restrooms, trash containers, stage set-up/strike, trash removal, and signage for the Event.

3.7 The City will indemnify Producer from and against claims arising out of the sole negligence or intentionally wrongful conduct of its employees, and only such claims, and shall cause Producer to be named as an additional insured on the City's liability insurance policy for this purpose.

4. Compliance With Law. This Agreement does not waive and is not a substitute for Producer's obligation to comply with all state, local and federal laws, policies and regulations applicable to the Event.

5. Term/Renewal/Extension. The term of this Agreement shall commence upon its execution by duly authorized representatives of both parties, and shall expire on December 31, 2013. Following the Event (and any subsequent Event produced by Producer), duly authorized representatives of the parties will confer for the purpose of debriefing the Event and discussing whether this Agreement should be renewed for the next ensuing year and/or extended to other City events, and to negotiate the terms of any such renewals/extensions.

6. Indemnification. To the fullest extent permitted by law, Producer, its successors, assigns and guarantors, shall defend, indemnify and hold harmless City, its agents, representatives, officers, directors, officials and employees from and against all allegations, demands, proceedings, suits, actions, claims, damages, losses, expenses, including but not limited to, attorney fees, court costs, and the cost of appellate proceedings, and all claim adjusting and handling expense, related to, arising from or out of, or resulting from any negligent or intentional actions, acts, errors, mistakes or omissions caused in whole or part by Producer relating to the Event, and any work or services in the performance of this Agreement including, but not limited to, any subcontractors, suppliers or others connected with the Event or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable and any injury or damages claimed by any of Producer's or such other persons, customers or employees. Producer's indemnification obligations shall extend beyond and will not be affected by any termination of this Agreement.

7. Insurance. Producer shall purchase and maintain during the Event and during all setup and takedown of the Event insurance with coverages and limits as follows:

7.1 The following coverages are required:

7.1.1 "Occurrence" form Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate, and a \$2,000,000 General Aggregate limit. Umbrella coverage in an amount of at least \$4,000,000.00 may be substituted for the \$2,000,000.00 General Aggregate coverage. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying.

7.1.2 Commercial/Business Automobile Liability insurance with a limit of not less than \$1,000,000, each accident with respect to the Producer owned, hired, and non-owned vehicles.

7.1.3 To the extent applicable, Workers Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Producer's employees; and Employers' Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit. If any work is performed by third

parties, Producer will cause the third parties to provide Workers Compensation and Employers' Liability to at least the same extent as required of Producer.

7.1.4 If valet parking is offered, Garagekeepers Legal Liability with limits of not less than \$75,000 per vehicle.

7.1.5 ~~If alcohol is sold at the Event, liquor~~ Liquor liability insurance with a limit of not less than \$5,000,000 for each occurrence and \$5,000,000 aggregate.

7.2 For all insurance policies except Workers Compensation, City shall be named as additional insured.

7.3 City's Risk Management Division may increase or change required insurance coverage and limits from time to time depending on the size, scope and nature of the activities of the Event. No reduction in coverage or policy limits is effective without the written approval of City's Risk Manager or her designee.

7.4 Producer shall purchase and maintain all required insurance from insurance companies licensed to do business in the State of Arizona, or from qualified non-admitted insurers who are authorized to do business in the State of Arizona.

7.5 Producer shall provide City, prior to the Event, certificates of insurance as evidence that the required insurance coverages and limits are in full force and effect.

8. Miscellaneous. The following additional provisions shall apply:

8.1 Assignment. Producer's obligations and rights hereunder shall not be assigned or delegated, in whole or in part, without City's prior written consent.

8.2 Cancellation. This Agreement is subject to cancellation pursuant to the provisions of ARS Section 38-511.

8.3 Modifications. Any amendment or modification from the terms of the Agreement shall be in writing and shall be effective only upon approval of all parties.

8.4 Severability. If any term or provision of this Agreement shall be found to be illegal or unenforceable, the remainder of this Agreement shall remain in full force and effect, and such term or provision shall be deemed to be deleted.

8.5 Attorney's Fees. If any party brings any action for any relief, declaratory or otherwise, arising out of this Agreement, the prevailing party shall be entitled to receive from the non-prevailing party reasonable attorney's fees, costs, and expenses, determined by a court sitting without a jury, which shall be deemed to have accrued on the commencement of such action.

8.6 Authority. The person executing this Agreement on behalf of Producer warrants and represents to have full power and authority on behalf of Producer to enter into and perform this Agreement.

8.7 Notices. Notices hereunder shall be given in writing by hand delivery or by United States mail, return receipt requested, postage prepaid addressed to:

If to City: Richard Faust

If to Producer: 4-Coyotes Productions, LLC
9375 E. Shea Blvd. Ste. 100
Scottsdale, AZ 85260-6986

By notice from time to time, City or Producer may designate any other address for receiving mailed notice hereunder. Service of any notice by mail shall be deemed to be complete three (3) days (excluding Saturday, Sunday and legal holidays) after the notice is deposited in the United States mail.

8.8 Third Parties. There are no third party beneficiaries to this Agreement.

8.9 Independent Contractor. For all purposes under this Agreement, Producer is and shall be considered an independent contractor, and not an agent, employee, officer, or representative of the City.

8.10 Employment of Unauthorized Workers. Producer shall comply with A.R.S. §23-211, et seq. and all other applicable federal, state and local laws and regulations that relate to Producer's employees (collectively, the "Unauthorized Worker Laws"). Producer shall cause its contractors to comply with the Unauthorized Worker Laws as respects the contractors' employees. Without limitation, Producer warrants and represents pursuant to A.R.S. §41-

4401(A)(1) that Producer and its contractors comply with A.R.S. §23-214(A). Pursuant to A.R.S. §41-4401(A)(2), a breach of this paragraph shall be a material breach of this Agreement and an event of default, which shall entitle City to exercise any and all remedies described in this Agreement or otherwise available at law or equity, including without limitation termination of this Agreement. However, pursuant to A.R.S §41-44-1(C), Producer shall not be deemed to be in material breach of the warranty if Producer and its contractors establish that they have complied with the employment verification provisions prescribed by §274A and §274B of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. §23-214(A). City shall have the right to inspect the records and papers of Producer and its employees, and of Producer's contractors and their employees, to ensure that Producer and its contractors are in compliance with this paragraph.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names as of the date first stated above.

PRODUCER: _____

By: _____

Its: _____

CITY: CITY OF COTTONWOOD, a
municipal corporation

By: _____
Mayor

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY

By: _____
City Attorney

Risk Management Director

City of Cottonwood, Arizona City Council Agenda Communication



 Print

Meeting Date:	March 19, 2013
Subject:	Canvass of March 13, 2013, Primary Election-- Resolution Number 2691
Department:	City Clerk
From:	Marianne Jiménez, City Clerk

REQUESTED ACTION

Council Acceptance of the final results of the city's primary election held on March 12, 2013, that were submitted by the Yavapai County Elections Department, and approval of Resolution Number 2691 declaring and adopting the results of the primary election.

SUGGESTED MOTION

If the Council desires to approve this item the suggested motion is:

"I move to accept the final results of the the city's March 12, 2013, primary election as submitted by the Yavapai County Elections Department, and approve Resolution Number 2691 declaring and adopting the results of the election."

BACKGROUND

The city's regularly scheduled primary election was held on March 12, 2013, for the purpose of nominating/electing candidates to fill the three upcoming Council Member vacancies on the City Council. Per state law, and city Ordinance Number 13, any candidate receiving the majority of all votes cast is declared to be elected outright in the primary. The total ballots cast at the primary election were 1706. Therefore, candidate Randy Garrison and Karen Pfeifer, having received a majority of all votes cast, have been elected to office for two of the three Council Member seats.

Tim Elinski and Linda Norman are the two candidates whose names will be included on the ballot for the General Election scheduled for May 21, 2013, in a run-off for the one remaining Council Member seat.

Once the Council canvasses the election and accepts the final unofficial results of the primary election the results then become the official primary election results.

JUSTIFICATION/BENEFITS/ISSUES

State law requires the City Council canvass the results of the election not less than six nor more

than twenty days after the election.

COST/FUNDING SOURCE

ATTACHMENTS:

Name:	Description:	Type:
📄 res2691.doc	Resolution Number 2691	Cover Memo
📄 Election_Summary_Report.pdf	Election Summary Report	Backup Material

RESOLUTION NUMBER 2691

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, DECLARING AND ADOPTING THE RESULTS OF THE PRIMARY ELECTION HELD ON MARCH 12, 2013.

WHEREAS, the City of Cottonwood, Yavapai County, Arizona, did hold a primary election on the 12th day of March 2013; and

WHEREAS, the election returns have been presented to and have been canvassed by the City Council.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Cottonwood, Yavapai County, Arizona, as follows:

Section 1: That the total number of ballots cast at said primary election as shown by the Election Summary Report were 1706.

Section 2: That the votes cast for the candidates for Council Member were as follows:

<u>Name</u>	<u>Total Votes</u>
Elinski, Tim	822
Garrison, Randy	1067
Norman, Linda	807
Pfeifer, Karen	1006
Smith, Darold	723
Write-in Votes	14

Section 3: That it is hereby found, determined, and declared of record, that Randy Garrison and Karen Pfeifer did receive a majority of votes cast for the office of Council Member.

Section 4: This Resolution shall be in full force and effective immediately upon its adoption.

PASSED AND ADOPTED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, THIS 19TH DAY OF MARCH 2013.

RESOLUTION NUMBER 2691

Page 2

Diane Joens, Mayor

APPROVED AS TO FORM:

ATTEST:

Steven B. Horton, Esq.
City Attorney

Marianne Jiménez, City Clerk

Elections
Lynn A. Constabile
Elections Director
928 771-3250
928 771-3446 (Fax)

Yavapai County Recorder
Leslie M. Hoffman
County Recorder
1015 Fair Street-Room 228
Prescott, Arizona 86305
928-771-3244
928-771-3258 (Fax)

Voter Registration
Janine Hanna
Registrar of Voters
928-771-3248
928-771-3446 (Fax)



CERTIFICATION OF ELECTION RESULTS

For the

CITY OF COTTONWOOD PRIMARY ELECTION

MARCH 12, 2013

YAVAPAI COUNTY, ARIZONA

We, Leslie M. Hoffman, Yavapai County Recorder, and Lynn A. Constabile, Yavapai County Elections Director, hereby certify that the attached foregoing vote results contains a full, true, and correct copy of the vote tabulations for the March 12, 2013, City of Cottonwood Primary Election.

Dated this 13th day of March, 2013

Leslie M. Hoffman, County Recorder

Lynn A. Constabile, Elections Director

Election Summary Report

March 12 2013

Summary For City of Cottonwood, All Counters, All Races

UNOFFICIAL FINAL RESULTS

Date:03/14/13

Time:11:56:36

Page:1 of 1

Registered Voters 5389 - Cards Cast 1706 31.66%

Num. Report Precinct 5 - Num. Reporting 5 100.00%

Cottonwood Council		Total	
Number of Precincts		5	
Precincts Reporting		5	100.0 %
Vote For		3	
Times Counted	1706/5389		31.7 %
Total Votes		4439	
ELINSKI, TIM		822	18.52%
GARRISON, RANDY		1067	24.04%
NORMAN, LINDA		807	18.18%
PFEIFER, KAREN		1006	22.66%
SMITH, DAROLD		723	16.29%
Write-in Votes		14	0.32%

**City of Cottonwood, Arizona
City Council Agenda Communication**



 Print

Meeting Date:	March 19, 2013
Subject:	Continuation/Elimination of the Judicial Review and Appointments Advisory Board
Department:	Attorney
From:	Diane Joens, Mayor

REQUESTED ACTION

Discussion, consideration, and possible direction to staff regarding the continuation or elimination of the City's Judicial Review and Appointments Advisory Board, and the upcoming process for reviewing the Presiding Magistrate of the Cottonwood Municipal Court.

SUGGESTED MOTION

If the Council desires to approve this item the suggested motion is:

TBD

BACKGROUND

In December of 2008, the City Council established the Judicial Review and Appointments Advisory Board, to review candidates for judicial office (magistrates), to evaluate incumbent magistrates, and to make recommendations to the Council about retaining them in office.

This was a very well-intended concept, borne of the idea that it would be appropriate to provide a measure of separation between two separate "branches" of City government. In practice, however, while the members of the board have served very honorably and ably, it has been staff's experience that the Council winds up reviewing all of the same materials and information that the board reviews (with the help of the same staff members who assist the board), and comes to its own independent conclusions. So while the service of the board is very much appreciated, it has also proved to be redundant, as the Council does not and should not abdicate its ultimate responsibility to make a well-informed, final decision about retaining the City's Presiding Magistrate in office at the conclusion of each term.

And despite the broader stated purpose of the board, as a practical matter its sole function since its inception has been to evaluate the Presiding Magistrate only, and to recommend whether he should be retained in office.

Given this, it was decided that the Council should consider whether to continue to keep the

board in existence, and devote the considerable staff time that the board requires at the times it conducts its review of the Magistrate, or whether to perhaps disband the board and review the Magistrate directly, which it ultimately does anyway.

JUSTIFICATION/BENEFITS/ISSUES

Continuing to have the board review the City Magistrate and make a recommendation about retaining him or her in office provides some assurance that the Council's final decision is not influenced by what should be irrelevant considerations, to the extent that the Council winds up following the board's recommendation. On the other hand, disbanding the board would serve the purpose of eliminating what has turned out to be a redundant process that requires a significant investment of staff time.

COST/FUNDING SOURCE

N/A

ATTACHMENTS:

Name:	Description:	Type:
No Attachments Available		



