



## NOTICE OF REGULAR MEETING FOUNTAIN HILLS TOWN COUNCIL

Mayor Ginny Dickey

Vice Mayor Art Tolis

Councilmember Dennis Brown

Councilmember Sherry Leckrone

Councilmember Alan Magazine

Councilmember Mike Scharnow

Councilmember David Spelich

**TIME: 5:30 P.M. – REGULAR MEETING**

**WHEN: TUESDAY, APRIL 16, 2019**

**WHERE: FOUNTAIN HILLS COUNCIL CHAMBERS**

**16705 E. AVENUE OF THE FOUNTAINS, FOUNTAIN HILLS, AZ**

Councilmembers of the Town of Fountain Hills will attend either in person or by telephone conference call; a quorum of the Town's various Commission, Committee or Board members may be in attendance at the Workshop and/or Council meeting.

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 Town 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 Town 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 Town will assume that the rights afforded parents pursuant to A.R.S. §1-602.A.9 have been waived.

### REQUEST TO COMMENT

The public is welcome to participate in Council meetings.

**TO SPEAK TO AN AGENDA ITEM**, please complete a *Request to Comment* card, located in the back of the Council Chambers, and hand it to the Town Clerk prior to discussion of that item, if possible. Include the **agenda item** on which you wish to comment. Speakers will be allowed three contiguous minutes to address the Council. Verbal comments should be directed through the Presiding Officer and not to individual Councilmembers.

**TO COMMENT ON AN AGENDA ITEM IN WRITING ONLY**, please complete a *Request to Comment* card, indicating it is a written comment, and check the box on whether you are FOR or AGAINST an agenda item, and hand it to the Town Clerk prior to discussion, if possible.

## REGULAR MEETING

1. **CALL TO ORDER AND PLEDGE OF ALLEGIANCE** – Mayor Ginny Dickey
2. **INVOCATION** – Pastor Todd Forrest, Fountain Hills Christian Center
3. **ROLL CALL** – Mayor Ginny Dickey
4. **REPORTS BY MAYOR, COUNCILMEMBERS AND TOWN MANAGER**
  - A. PROCLAMATION recognizing Purple Heart Tuesday in Fountain Hills.
  - B. PROCLAMATION recognizing April 22, 2019, as Earth Day in Fountain Hills.
  - C. PROCLAMATION recognizing May 2, 2019, as Fountain Hills Day of Prayer.
  - D. Report by Town Manager
    - i. Update on lemonade stands.

5. **PRESENTATIONS**

- A. PRESENTATION by Captain Larry Kratzer, MCSO, with monthly update.

6. **CALL TO THE PUBLIC**

*Pursuant to A.R.S. 38-431.01(H), public comment is permitted (not required) on matters NOT listed on the agenda. Any such comment (i) must be within the jurisdiction of the Council and (ii) is subject to reasonable time, place, and manner restrictions. The Council will not discuss or take legal action on matters raised during "Call to the Public" unless the matters are properly noticed for discussion and legal action. At the conclusion of the Call to the Public, individual councilmembers may (i) respond to criticism, (ii) ask staff to review a matter, or (iii) ask that the matter be placed on a future Council agenda.*

7. **CONSENT AGENDA ITEMS**

*All items listed on the Consent Agenda are considered to be routine, non-controversial matters and will be enacted by one motion and one roll call vote of the Council. All motions and subsequent approvals of consent items will include all recommended staff stipulations unless otherwise stated. There will be no separate discussion of these items unless a councilmember or member of the public so requests. If a councilmember or member of the public wishes to discuss an item on the Consent Agenda, he/she may request so prior to the motion to accept the Consent Agenda or with notification to the Town Manager or Mayor prior to the date of the meeting for which the item was scheduled. The items will be removed from the Consent Agenda and considered in its normal sequence on the agenda.*

- A. APPROVAL OF the minutes of the Special Meeting of March 26, 2019; and the Regular Meeting of April 2, 2019.
  - B. CONSIDERATION OF approval of a grant application with Salt River Pima-Maricopa Indian Community for tourism-related efforts.
  - C. CONSIDERATION OF approval of a grant application with Fort McDowell Yavapai Nation for tourism-related efforts.
  - D. CONSIDERATION OF approval of a grant application with the Arizona Office of Tourism for tourism-related efforts.

- E. CONSIDERATION OF approving a Special Event Liquor License Application submitted by the Fountain Hills VFW Post 7507 (George Bernert), for the chamber of Commerce Gala event to be held in the Grand Ballroom of the Fountain Hills Community Center, 13001 N. La Montana Drive, Fountain Hills, Arizona from 4:30 p.m. to 11:00 p.m. on Friday, April 26, 2019.

**8. REGULAR AGENDA**

- A. PUBLIC HEARING AND CONSIDERATION OF request by an applicant for Off-Track Pari-Mutuel Wagering as a permitted use at Parkview TapHouse Bar and Grill.
- B. CONSIDERATION OF a new trail proposal on the south leg of the Fountain Hills Preserve.
- C. CONSIDERATION OF approving the Third Amendment to Cooperative Purchase Agreement C2017-045 between M.R. Tanner Development and Construction, Inc. and the Town of Fountain Hills for asphalt replacement and miscellaneous work in an amount not to exceed \$3,500,000.
- D. CONSIDERATION OF approving the Fourth Amendment to Cooperative Purchasing Agreement C2017-079 with Utility Construction, Inc. in the amount of \$100,000.00 for additional lighting upgrades, maintenance and new construction town-wide, as necessary.
- E. DISCUSSION WITH POSSIBLE DIRECTION relating to any item included in the League of Arizona Cities and Towns' weekly Legislative Bulletin(s) or relating to any action proposed or pending before the State Legislature.

**9. COUNCIL DISCUSSION/DIRECTION to the TOWN MANAGER**

Item(s) listed below are related only to the propriety of (i) placing such item (s) on a future agenda for action or (ii) directing staff to conduct further research and report back to the Council:

**10. ADJOURNMENT.**

AGENDA POSTED:

\_\_\_\_\_

Date

\_\_\_\_\_

Elizabeth A. Burke, Town Clerk

*The Town of Fountain Hills endeavors to make all public meetings accessible to persons with disabilities. Please call 480-816-5100 (voice) or 1-800-367-8939 (TDD) 48 hours prior to the meeting to request a reasonable accommodation to participate in the meeting or to obtain agenda information in large print format. Supporting documentation and staff reports furnished the Council with this agenda are available for review in the Clerk's Office.*

## TOWN OF FOUNTAIN HILLS PROCLAMATION

**WHEREAS**, in 2017, Arizona Governor Doug Ducey proclaimed Arizona a Purple Heart State and the Mayor of the Town of Fountain Hills proclaimed Fountain Hills as a Purple Heart Town, as well as Mayors of several cities and towns across Arizona making similar proclamations; and

**WHEREAS**, we wish to honor and show recognition for the service and sacrifice of American servicemen and servicewomen who are Purple Heart recipients by designating this Tuesday and all future Tuesdays in Fountain Hills as *Purple Heart Tuesday*; and

**WHEREAS**, the Purple Heart was the first American service award or decoration made available to the common soldier and is specifically awarded to members of the United States Armed Forces who have been wounded or have paid the ultimate sacrifice in combat with a declared enemy of the United States of America; and

**WHEREAS**, the residents of the Town of Fountain Hills have great admiration and the utmost gratitude for all the men and women who have selflessly served their country and community in the Armed Forces; and

**WHEREAS**, the Town of Fountain Hills has always supported its large, highly decorated, military veteran population with four active Veterans organizations, included in them members who are Purple Heart recipients; and

**WHEREAS**, the Town of Fountain Hills appreciates the sacrifices our Purple Heart recipients made in defending our freedoms and believes it is important to acknowledge them for their courage and show them the honor and support they have earned;

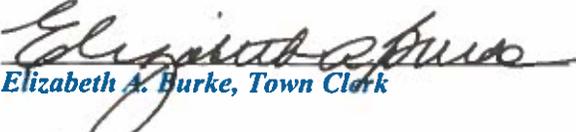
**NOW, THEREFORE**, I, Ginny Dickey, Mayor of the Town of Fountain Hills, Arizona, do hereby proclaim each Tuesday in the Town of Fountain Hills as  **PURPLE HEART TUESDAY** and encourage our citizens to honor all Purple Heart recipients by wearing the Purple Heart Tuesday supporter wristband to show gratitude and recognition. The wristbands are sponsored by the local Chapter 2560 of the  Military Order of The Purple Heart.

**IN WITNESS WHEREOF**, I have hereunto set my hand and caused to be affixed the official seal of the Town of Fountain Hills, Maricopa County, Arizona this 16<sup>th</sup> day of April, 2019.



  
Ginny Dickey, Mayor

Attest:

  
Elizabeth A. Burke, Town Clerk

## *TOWN OF FOUNTAIN HILLS PROCLAMATION*

**Whereas**, Earth Day was founded in 1970 and included environmental teachings that educated Americans about environmental and species conservation issues, and connected those issues to their health and well-being; and

**Whereas**, on April 22, 1970, 20 million Americans activated a bipartisan spirit that motivated the passing of the Clean Air, Clean Water and Endangered Species Acts and other groundbreaking environmental laws; and

**Whereas**, all species play a unique role in the cycle of life, and contribute to the ecosystem services on which all life depends, hence protecting our species is crucial to the survival of this planet and its inhabitants; and

**Whereas**, by 2050, between 60-70% of all people will live in cities and towns, and species provide important services to these dwellers such as generating oxygen; controlling pests; pollinating plants and crops; providing recreation opportunities and well-being; and

**Whereas**, it is understood that sustainability will only be achieved by meeting the needs of the present without compromising the needs of the future; and

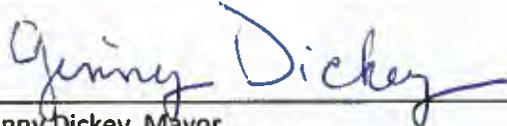
**Whereas**, it is important to cooperate locally to defend the environmental progress that has been gained; and

**Whereas**, Earth Day is an annual reminder of the need for stewardship commitments and sustainability efforts;

**NOW, THEREFORE**, I, Ginny Dickey, Mayor of the Town of Fountain Hills, Arizona do hereby proclaim April 22, 2019, as **EARTH DAY**  and encourage all our citizens, businesses, and institutions to use this day to celebrate the Earth and promote the protection of our species.

**IN WITNESS WHEREOF**, I have hereunto set my hand and caused to be affixed the Great Seal of the Town of Fountain Hills, Arizona, this 16<sup>th</sup> day of April, 2019.



  
Ginny Dickey, Mayor

Attest:

  
Elizabeth A. Burke, Town Clerk

## *TOWN OF FOUNTAIN HILLS PROCLAMATION*

**Whereas**, the Town of Fountain Hills will join together in with the entire country on May 2, 2019, to celebrate the 68<sup>th</sup> anniversary of the National Day of Prayer; and

**Whereas**, Congress, by Public Law 100-307, has called on our citizens to reaffirm the role of prayer in our society and to honor the religious diversity that our freedom permits by recognizing a National Day of Prayer; and

**Whereas**, we are ever mindful of the heroic men and women of our Armed Forces, especially those serving abroad and in harm's way; and

**Whereas**, we pray for God's blessings for our governments at town, state, and national levels to shower us with strength and wisdom in order to meet the challenges before us and to work together to bring hope for our community and to enhance the well-being of all citizens and families of Fountain Hills; and

**Whereas**, and we pray for strength and Divine direction in our educational systems, community businesses, media, and our places of worship; and

**Whereas**, uniting in prayer gives all people of faith, regardless of their denominations or religions, an opportunity to join fellow citizens in celebrating the power and love of God and our perpetual responsibility to Him and to others.

**NOW, THEREFORE**, I, Ginny Dickey, Mayor of the Town of Fountain Hills, Arizona do hereby proclaim May 2, 2019, as ***FOUNTAIN HILLS DAY OF PRAYER***.

**IN WITNESS WHEREOF**, I have hereunto set my hand and caused to be affixed the Great Seal of the Town of Fountain Hills, Arizona, this 16<sup>th</sup> day of April, 2019.



*Ginny Dickey*  
Ginny Dickey, Mayor

Attest:

*Elizabeth A. Burke*  
Elizabeth A. Burke, Town Clerk



# TOWN OF FOUNTAIN HILLS

## TOWN COUNCIL AGENDA ACTION FORM

**Meeting Date:** 4/16/2019

**Meeting Type:** Regular

**Agenda Type:** Consent

**Submitting Department:** Administration

**Staff Contact Information:** Elizabeth A. Burke, Town Clerk, 480-816-5115; eburke@fh.az.gov

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**REQUEST TO COUNCIL** (Agenda Language): CONSIDERATION OF approving the Town Council Meeting Minutes from the Special Meeting of March 26, 2019, and the Regular Meeting of April 2, 2019.

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**Applicant:** NA

**Applicant Contact Information:** NA

**Owner:** N/A

**Owner Contact Information:** NA

**Property Location:** NA

**Related Ordinance, Policy or Guiding Principle:** A.R.S. §38-431.01

**Staff Summary** (background): The intent of approving previous meeting minutes is to ensure an accurate account of the discussion and action that took place at that meeting for archival purposes. Approved minutes are placed on the Town's website and maintained as permanent records in compliance with state law.

**Risk Analysis** (options or alternatives with implications): NA

**Fiscal Impact** (initial and ongoing costs; budget status): NA

**Budget Reference** (page number): NA

**Funding Source:** NA

**If Multiple Funds utilized, list here:**

**Budgeted; if No, attach Budget Adjustment Form:** NA

**Recommendation(s) by Board(s) or Commission(s):** NA

**Staff Recommendation(s):** Approve

**List Attachment(s):** Minutes of the Special Meeting of March 26, 2019, and the Regular Meeting of April 2, 2019.

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**SUGGESTED MOTION** (for Council use): MOVE to approve the consent agenda as listed.

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**Prepared by:**

**Approved:**

  
Elizabeth A. Burke, Town Clerk 4/3/2019

  
Grady E. Miller, Town Manager 4/3/2019

**TOWN OF FOUNTAIN HILLS  
MINUTES OF THE SPECIAL MEETING OF THE  
FOUNTAIN HILLS TOWN COUNCIL  
MARCH 26, 2019**

**1. CALL TO ORDER – Mayor Ginny Dickey**

Mayor Dickey called the Special Meeting of March 26, 2019, to order at 5:32 p.m.

**2. ROLL CALL – Mayor Ginny Dickey**

COUNCILMEMBERS PRESENT: Mayor Ginny Dickey; Vice Mayor Art Tolis; Councilmembers Mike Scharnow, Dennis Brown, Alan Magazine, Sherry Leckrone and David Spelich.

COUNCILMEMBERS ABSENT: None.

STAFF PRESENT: Town Manager Grady Miller, Town Attorney Aaron D. Arnson, and Town Clerk Elizabeth A. Burke.

Mayor Dickey reported that the Council would not have a Call to the Public or allow for public comments unless the Council should have questions for those in the audience.

**3. Discussion and direction to staff regarding the proposed FY19-20 capital improvement program and proposed FY19-20 facilities replacement program.**

Public Works Director Justin Weldy began a PowerPoint presentation, first by reviewing those projects that were indicated on the list as “cancelled.”

**F4031 - Town Hall Improvements** This was to renovate the area behind the Council Chambers into an Economic Development Office and possibly for tourism and other activities that would be readily accessible.

**G1100 – Economic Development - Prop 202** He believed the Town did not receive that grant.

**G3204 – Highway Safety Improvement Program – HSIP** The Town initiated the first phase of this; the remainder of that included replacement of stop signs town-wide. However, there were delays and they were not able to get the additional financing. The Town, not knowing whether this fund would be available, purchased the signs, but the funding went away.

**P3023 - Pocket Park West** This has been on the CIP list for quite some time. Was shown in part Sunridge Drive and Desert Canyon. He said that this was a small pocket park to share that area with a fire station; the Town Manager has given different direction.

Mr. Miller explained that this was tied to Fire Station #3. In his opinion, if it ever happens it will be due to the state trust land being developed. It did not make a lot of sense to him at this point in time.

**P3026 - Fountain Park Access Improvements** He believed it was the year before last that an engineering group came to Council and proposed a large lookout over Fountain Lake, tying into the amenities with ADA accessible sidewalks. This was cancelled as a result of the enormous cost of \$800,000.

**P3028 - Four Peaks Park Phase II and III** He said that the director of Community Services is working forward with Mr. Miller and there is a new plan for that park, some with grant funding and some as part of a new project.

**P3030 - Plaza Fountainside Courtyard Area Improvements** This is the area directly behind Fountainside retail and splash pad. He said that there was some intent to do pavers, etc., but it has also been scratched for costs and other related issues.

Vice Mayor Tolis said that there is still interest with nonprofits that want to contribute money toward this project. They have their own plans, but until the Town moves forward with a CIP budget, it is something they cannot discuss further.

Councilmember Scharnow asked if those projects listed as cancelled get moved to another list, or totally go away. Mr. Weldy said that it varies. Some of the projects have been accomplished using other funding and some completely go away.

Discussion was held on the Fountain Park Access Improvements. It was noted that the project that was brought back was much higher in cost than anticipated, but that was because it came back as a Rolls Royce instead of the requested Chevrolet.

**S6004 - Guardrail Modifications** He said that this was a HISA grant started in 2011, but it was discovered that those locations did not meet the guidelines. They reallocated some of that money into other projects in town; some went to traffic signal upgrades.

**S6054 – Highway Safety Improvement Program** He said that this was another HISA grant. They used the majority of money making improvements to traffic signals.

Councilmember Magazine said that they have been addressing items that have been cancelled, but he recalled during the discussion of the property tax that there was a very long list of items that included mostly infrastructure. He asked where that list was and if it has been abandoned. Mr. Miller said that he did remember that; it was how they came up with the \$7 million amount. He said that they would find that list and distribute it.

Councilmember Magazine said that they should have a listing of all of the items they are not doing and never will because they do not have enough money.

Mr. Weldy then reviewed the list of requested capital items for FY19-20.

**D6047 – Miscellaneous Drainage** He said that they have used this funding for small, in-house projects that require a minimum amount of work. The photo is a result of last year's storm. It broke the pipe off and washed it down the stream. Mr. Miller said that this was a recurring \$50,000 a year.

**D6055 – Civic Center Drainage** Mr. Weldy said that this has been deferred and changed over time. There is a considerable amount of drainage pipe required to tie into drainage on La Montana and El Lago. They came up with a less costly project to put in a french drain at the end of the drain to reduce an additional cost that will be necessary.

**D6056 – Eagle Mountain Parkway Drainage Improvements** He said that this is to address water ponding in the intersection of Summerhill and Eagle Mountain. They discovered by their research that a storm pipe that was put in was supposed to outlet into a dry well at the driving range. They found that after the road was constructed, but before golf course, that drainage structure was badly damaged. Now they physically pump the water out and down; this is a one-time amount. There is an associated cost with maintenance of this pipe, but that goes back into the maintenance plan.

Councilmember Magazine asked if they do some sort of ranking to determine which projects will be funded first with these monies. Mr. Weldy said that they put together a relatively large list of items that they believe have some level of importance, and they bring that to the Town Manager for his review. Mayor Dickey noted that if they had enough in the environmental fee, this would be an eligible expense for its use.

**D6057 – Golden Eagle Impoundment Area Improvements** Last year they had severe flooding and damage. This project, based on their estimates, will be in two phases. They are estimating the costs of the first phase as they do not yet have the report back from the engineer, nor do they have a cost estimate. They will likely come back with a full report and cost estimates and ask for direction on what is done this year and what is done next year.

Mr. Miller asked if this was the ponding in front of the dam. Mr. Weldy said that the first phase will identify improvements to the drainage structures under Golden Eagle Boulevard and the entire seven square miles of drainage area that drains into this. They will be asking for a report on how they can make improvements to the three primary drainage channels and what changes they can make to allow more water to flow freely. He said that there have been some suggestions from staff, such as drop basins.

Councilmember Leckrone asked if this was an effort to prevent what happened last year. Mr. Weldy said that the phasing of this is an attempt to minimize how often this happens and when it does happen, to minimize the damage. He said that this is an impoundment area behind a lake. It is still a lake behind a dam and they are unable to control nature or a 100 or 500 year storm.

Councilmember Scharnow asked if this was for the actual improvements or the study itself. Mr. Weldy said that this is to implement the recommendations in the study. They will be coming back to Council prior to implementing anything related to this project.

Councilmember Magazine said that he has raised an issue before, and that is whether they have looked at past projects on whether they came in under or over the projected costs. Mr. Weldy said that they have that information and can provide it to Council.

Mayor Dickey asked if there is any type of relief available through grants or MAG, for which the Town could apply. Mr. Weldy said that the Flood Control District does not provide relief

in an impoundment/control lake. Anything they would do would be to get the water through the Dam. In the past they have received grants to raise the level of the dam.

**F4029 – Civic Center Improvements** Mr. Weldy said that this was to make improvements to the outer circle of the Civic Center. He said that past councils had discussed possibly having pavers in this area as well. Discussion was held on the cost of pavers versus concrete. Mr. Weldy said that the main expense is removal of the concrete and the tree roots. Council agreed to pursue pavers for this area.

**F4033 – Street Yard Sign Shop Building** Mr. Weldy said that currently all of the sign materials are stored in five shipping containers and have been for the past 20 years, but they are starting to deteriorate. He said that they do have a masonry building on site; it is the fleet vehicle building and is relatively large. One bay has a lift that lifts the whole vehicle; the second lift allows them to lift the vehicle like two forklifts; and the final bay is where they work on vehicles that do not have to be lifted. They looked at moving it into the fleet building, but it is just not feasible.

Mr. Weldy said that this is a new project. The intent is to sell the previous equipment required when they purchased the street sweeper and also sell the shipping containers at auction. That money would go back into this 30' x 40' building.

He said that with the way the shipping containers are configured, they go and remove the equipment and assembly work or manufacturing it then taken outside. They currently have the printing machine in the office. If they are going to make a temporary sign they bring it in to the office area and work on it at the breakroom table. This would make it much more efficient, especially when it is blowing outside or raining.

Councilmember Magazine asked if they have looked at outsourcing the whole operation. Mr. Weldy said that they do; all of their signs are manufactured off-site. They only make temporary or emergency signs on-site. He said that whenever they are able to get a HISA grant, they will stockpile signs. Mr. Miller said that some of the problem is the lag time needed with outsourcing.

Mr. Weldy said that this is referred to as the Sign Shop, but they would also keep the traffic counters in there. Right now it is in the storage facility.

Mr. Miller said that in talking with Mr. Weldy, there is no insulation with the PODS and the heat takes a toll on what is stored inside. What he is requesting is a single roll up door and one door, with a single restroom facility. Other than that it will be shelves.

Mayor Dickey asked if they make the temporary signs for events. Mr. Weldy said that they do not have the equipment, nor are they asking for the funding to print and manufacture those.

Mr. Weldy said that this would be more temporary signs or temporary "no parking" signs. They do not do temporary regulatory signs because they have to meet the minimum requirements established by the Federal Highway Administration.

**F4034 – Solar Power Generating System** Mr. Weldy said that this would be constructed on parking lot structures in town to offset the cost of electricity. He said that it came up a

few years ago. Mr. Miller said that this would be to study the idea, to let them know what they would need and what it would cost.

Councilmember Magazine asked if there was any way to look at what other communities have done to get some idea on savings. Mr. Weldy said that they do not have that information, but they could reach out to others.

Mr. Miller said that when they originally looked at this idea, it was to put the electricity back on the grid, but then SRP's board made changes. Now there are all sorts of storage devices available. The idea is that it would be a turnkey operation where it is leased and at the end of the lease the Town would own it. It would pay for the Town's electricity needs, storing it during the daytime.

Councilmember Magazine asked if it was worth \$50,000 to study this before talking to other communities. Mr. Miller said that the costs have come down in the last few years. Looking at what another community did ten years ago may provide some information, but it may be comparing apples to oranges. Mr. Weldy noted that this design concept number was a placeholder; they do not know what the cost would be.

Councilmember Scharnow said that if they do this and the study says it is feasible, it would then need to be designed and constructed. Mr. Miller said that there are three to six different companies under state contract that do this type of work.

Mayor Dickey said that they did work in 2012 and 2013 to study this issue. The \$50,000 looks hard to swallow, but if it worked out she thought it would be a saver. She was in favor of doing what they can to save energy. She said that she wondered if any of the research they did in the past could be shared with the consultant to help bring the cost down.

**S6003 – Unpaved Alley Paving** Mr. Weldy said that this has been unfunded for several years and staff would like to see this completed. It is part of Resolution 2017-45 to implement projects to reduce emissions. Mr. Miller added that this had been budgeted, but then they swept it for use at the park after the flooding.

**S6015 – Fountain Hills Boulevard Widening** – Mr. Weldy said that they are currently underway with the design concept report. When that is completed they will have an ideal of what they might need and an estimated cost to complete the project.

Councilmember Magazine asked if something like this could be included if they went to the public for bonding approval for roads. Mr. Weldy said that it could be.

Mayor Dickey asked how this fit in with the \$300,000 received from the closeout funds. Mr. Weldy said that this is in the same area. That was for the shoulder project which is programmed in the current fiscal year. Mr. Miller said that his understanding is that the way it has been designed, it will help reduce the cost of the widening project.

Mr. Weldy said that he and the Town Engineer have been working on the new section of the shoulder so that structurally it would meet the requirements of a road, so they would not have to cut and remove these new sections as part of the widening.

**S6051 – Avenue of the Fountains/La Montana Intersection Improvements** Mr. Weldy said that this proposed project would be in place of the prior project approved by the former Council. He said that this is a different proposal from what was originally included in the packet. He said that this is a smaller roundabout than was discussed earlier.

Vice Mayor Tolis said that when they previously were looking at these areas, they also suggested a roundabout on Saguario, and he suggested that they look into that as well.

After some discussion, Councilmember Brown **MOVED** to eliminate the current plan and direct staff to put this amount in the budget and go back to the consultants to get an estimated cost for design and construction of the smaller roundabout as presented; **SECONDED** by Councilmember Magazine.

Discussion was held on the fact that this is the most complained about intersection in Town and the whole area needs to be studied.

**MOTION** passed unanimously.

Mr. Miller said that they had the subcommittee meet and this was a high priority that came out of that discussion. He certainly thought they should look at Saguario as well.

**S6058 – Shea Boulevard Widening** Mr. Weldy said that this is for the design concept report that would explain where the widening should occur and the costs to accomplish those tasks.

**S6061 – Sidewalk Infill Program** He said that this is the second year that this program has been back in the CIP. He said that it had been cancelled although they were able to accomplish some of the work. He said that based on feedback they have received from the Council, they have increased this by \$100,000 to allow them to accomplish more of the projects they have. He said that they shared this with the transportation committee and believed that they got the consensus to move forward with as much as possible.

Mr. Miller added that the committee wanted to "supersize" this and doubled it from \$100,000 to \$200,000 to target more and get more accomplished. He said that this was an opportunity for Council to give that direction tonight.

Councilmember Magazine asked how they determine where they want the infill placed. Mr. Weldy said that there are several factors considered, but the majority of most likely places would be where they know there is a lot of pedestrian traffic. The primary criteria is the number or amount of pedestrian traffic to get from one commercial district to the next. Mr. Miller said that it was mostly arterials, but there are some major collectors.

Mayor Dickey said that part of their discussion about pedestrian safety and walkability is that part of what MAG (Maricopa Association of Governments) looks at in giving grants are things to improve air quality, and anything that encourages people to get out of their vehicles and walk is looked at favorably.

**S6062 – AOTF and Verde River Intersection Improvements** Mr. Weldy said that currently they have plans showing this becoming a four-way stop, with pedestrian passage from the east portion to the west portion. At the conclusion of the subcommittee's

discussion, they were recommending the closure of Verde River which would provide the linear park with no gaps from La Montana to Saguaro, and traffic movements being right-turn only. He said that they thought it would be a safety improvement for that intersection.

Councilmember Scharnow said that this ranks up there, as well, as a very wide and confusing intersection, and he was not sure that a four-way stop would necessarily help that. He said that the Chamber may be concerned during fairs, but that could be worked out, and he sees this as a good improvement.

Vice Mayor Tolis said that he thought it would be prudent to talk to the building owners on Avenue of the Fountains. He said that they have tremendous retail space down there that is vacant and he would like feedback from them on their thoughts as it would impact their businesses.

Mr. Miller said that he was hearing that they need to have a public participation process in place and access the business owners, but it should not change the Council approving the project in the budget.

**T5005 – Palisades Blvd. and Eagle Ridge/Palomino Drive Traffic Signal** Mr. Weldy said that this is the cost to prepare a set of plans. When Adero Canyon and Copperwynd develop further, a traffic signal will be warranted. The \$50,000 is to have an engineer complete a set of drawings so they are ready to move forward.

Mr. Miller reminded that Council that there is a current Development Agreement with Copperwynd; the trigger is pulled when they get to Phase III. If it does not happen in 2021 it will be pushed out. It was noted that MCO gave the Town money toward this signal when it is required.

After further discussion, the Council agreed to remove this item from the CIP at this time.

**P3033 - Video Surveillance Cameras** Mr. Weldy said that this would provide for cameras at the Town parks; this is a continuation of that project. Mr. Miller said that they have had some issues at the parks with vandalism and theft and this is to get better control in helping with security.

Councilmember Spelich suggested that moving forward with any type of surveillance systems, they should upgrade to provide the capability of the Sheriff's Office being able to livestream. Mr. Miller said that they would look into that. He said that currently this is on a video server and would help identify once a crime occurred. Councilmember Leckrone said that she would assume that the system has limits. It is a great idea, but she has seen that most of these types of crimes are mostly off-scene.

**P3035 – Four Peaks Park Upgrades** Mr. Weldy said that this was previously approved and they are currently underway in this fiscal year. This would continue those improvements, adding playground equipment and some parking and access areas for the park. This would be Phase II of that project.

Community Services Director Rachael Goodwin said that they are currently in Phase I. This is to continue those efforts and includes connectivity of additional sidewalk, addressing ADA standards and being able to connect to other parts. They are also hoping

to complete additional playground pieces and will look to rehab other spaces in the park. She said that they would leverage this funding as far as they can in hopes of being able to address ballfield lighting.

A break was taken from 7:05 p.m. to 7:13 p.m.

Mr. Weldy briefly reviewed the proposed vehicle replacements. Mr. Miller added that the Vehicle Replacement Program has been established so that they can figure out the life cycle and contribute money from the department each year into the fund so that once it reaches the end of its life, there is funding available for its replacement.

FY20/21 FUTURE CAPITAL PROJECTS  
FY21/22 FUTURE CAPITAL PROJECTS  
FY22/23 FUTURE CAPITAL PROJECTS

### **S6059 and S6060 – Wayfinding Signs and Monument Signs**

Mr. Miller said that these were put in outer years based on past discussions. It would be helpful for the Council to give direction to staff to remove them or do something with them.

Councilmember Magazine suggested removing F4013 (Fire Station #3 Construction) and F4014 (Fire Station #3 Equipment). He said that when they put things in there like that it raises questions. Mr. Miller explained that they need to do that as they have to have a basis for the Town's development fees. It is, however, unfunded at this time. He said that they have a development fee study going on right now and it will be brought back to Council.

Mr. Rudolphy said that the current development fees come from the last study in 2014. It requires that money collected prior to those new fees, as well as the new fees, have to be spent within a 10 calendar year period. They need to spend the money or they have to return the money. He said that they are now coming up against that deadline.

Mr. Miller said that anything they have collected can be spent on studies or master plans. They could take it out, but they would have to make sure that the consultants are aware of what they are anticipating it to cost.

Councilmember Scharnow asked, if the state land did not happen, whether they would need another station. Mr. Miller said that his understanding is that they would not need another station.

Mayor Dickey asked about the public safety development fees. Mr. Miller said that the previous opinion was that development fees could go to another existing development fee fund if they were not able to spend it in time. He said that they could spend it on a new master plan.

With regard to S6059 (Wayfinding Signs) and S6060 (Monument Signs), Councilmember Brown suggested that they leave those alone as well since it is years out. Mayor Dickey said that she understood the discussion that went with those signs and maybe they could argue the amount already spent, but she thought they would be looking to replace them

at some point, so there is no harm in keeping them in. Councilmember Magazine said that he voted against the wayfinding signs, but would urge them to keep those in.

#### FACILITIES REPLACEMENT PROGRAM

Mr. Miller said that they had a facilities replacement program study take place in 2014 and in 2015 they presented to Council a need for putting away money for major capital facilities that they have. These are the items that are due to be replaced this next fiscal year.

In referring back to the discussion on development fees, Vice Mayor Tolis asked if they could recoup the funds that they just had to put into Golden Eagle Park from that fund. Mr. Miller said that it is difficult. There are a lot of tests under state law. He said that they previously talked with the consultant, who is one of the preeminent firms on development fees, about needing to add an amenity at an existing park. He said that the consultants said that it could be done, but it could not pay for 100% of the amenity. They would have to figure out what portion was related to growth.

Councilmember Scharnow said that he had a meeting yesterday with the Sister Cities Board and he walked around the outside of Town Hall, the Library, Museum, etc. He said that they need an exterior painting and he would like to see that moved up. Mayor Dickey agreed.

Councilmember Magazine said that he did not agree. He thinks that one of the problems they have is that people drive around and say, "what funding problem?" the grass is green. By doing these kinds of things they are sending the wrong message. They could spend \$200,000 to paint the museum and people will say, "where did you get that money?" Mayor Dickey said that she did hear what he was saying, but they need to protect their assets.

Vice Mayor Tolis thanked Mr. Weldy for his presentation. He said that when they are talking about taking care of their facilities and capital expenditures versus streets and street maintenance it is a significant difference. They are talking the difference of a \$60 million shortfall in ten years versus a \$200,000 paint job. It is completely comparing apples to bananas.

He said that it is a need to educate the public with a public relations staff member that will help to educate on an ongoing basis. Councilmember Spelich said that he did not believe they needed a PIO to set the tone for the Town's direction. They, as councilmembers, should meet with their constituents and express to them what their ideas are. To Councilmember Magazine's point of letting a building become dilapidated, he did not like that idea. The bottom line is that whatever tone they set for the financial challenges, it is on the backs of every councilmember, the mayor, directors, the manager, to let people know. They should be the ones to deliver the message and not let citizens continue rumors.

Mayor Dickey reported that there was no legal mandate to take public comment, but at the end, if there were people that wanted to say something about these items, they could have three minutes.

4. Discussion and direction to staff regarding the proposed revenue options and user fees.

Mr. Rudolphy said that time was of the essence in discussing the revenue options. If they could pin some down tonight, or in the immediate future, it would be helpful. He said that the PROPOSED FEES are those that have to be posted on the Town's website and through social media for 60 days prior to their adoption with the final budget on June 4.

Mr. Miller said that during the year he meets with councilmembers who they will share an idea or suggestion, and one that was offered up was with the park rentals and a possible surcharge for rentals, to go into an enhancement fund to make improvements to the parks.

Councilmember Scharnow asked how this ties in with the recent discussion to hire a consultant to study all of the Town's fees. It seemed like they could be changing fees that would need to be changed again. Mr. Miller said that it was all about timing. When that consultant comes back they may need to make additional changes, but they are up against a timeline to be able to include any such changes in the upcoming budget.

Mr. Rudolphy said that fees, in general, account for less than 10% of the overall budget. Those being proposed would be less than 1% of a change.

Councilmember Leckrone said that she had the same concern, that they just voted to have a study done. Mr. Miller said that he was hearing what they were saying and they could hold off on this at this time.

#### SUMMARY OF FINANCIAL CHALLENGES

RM 3%

MCSO 14%

Mr. Rudolphy reviewed the Summary of Financial Challenges, noting that Rural Metro has sent a 3% increase for next year's services and MCSO has sent a 14% increase. His projections for the operating fund over the next five years is a \$4.4 million shortfall. He said that one of the big drawbacks is state shared revenues. His projections for FY19/20 is \$1 million less than received in 2007/2008. The Town's population is not increasing as much as other communities and their proportionate share, currently at .4% of the state's population, will decrease.

Mr. Rudolphy then reviewed some Possible Options to Address Financial Challenges.

#### PRIMARY PROPERTY TAX

#### SALES TAX

Councilmember Magazine asked if public safety was considered a service and if the constitutional amendment would impact that. Mr. Arnson said that is the question being litigated right now and at this point in time they do not have an answer.

#### ENVIRONMENTAL FEE

Vice Mayor Tolis said that in looking at the Stormwater Environmental Fee costs, it appears that they have a number of expenses. He asked if those were separate than this. It looked like they have similar expenses, but they are coming out of different budgets.

Mr. Rudolphy said that they have tried to determine the CIP as those things that are periodic more than normal and do not occur on a regular basis. These listed are an ongoing basis.

Vice Mayor Tolis asked if they can expect \$170,000 in damage every year for stormwater damage and repair. Mr. Miller said that is for removing sediment and addressing trees that have been knocked down, not improvements to a drainage system. Mr. Miller said that most of the costs are going up; the one cost going down a little is the billing company.

Discussion was held on the fact that the environment fee does not even pay for half the cost of the annual expenses; it was meant to be a little relief for the Town. He said that all of the state requirements continue to be unfunded and they continue to put the burden on the back of the towns.

#### VEHICLE LICENSE TAX

Mr. Miller said that a number of cities receive their VLT and it goes into the General Fund; currently the Town's go into the streets fund. He said that the way the resolution was written gave the Town Council discretion through the budget process to make changes to that policy, if they chose to do so. Staff was recommending that they consider splitting those funds 30% for general fund and 70% for streets.

Councilmember Scharnow asked if they did not do that, if they would have to cut \$331,000 out of the budget. He said that they have been talking about streets forever; it was one of the major reasons for the property tax. To divert \$331,000 seems like they are changing priorities again. Perhaps they could come up with some other revenues. He said that he was not sure he is a big fan of doing this.

#### SOLID WASTE ADMIN FEE

Discussion was held on a proposed solid waste fee. Mayor Dickey said that it was hard to get to where they are, and she would rather not do this one. Councilmember Scharnow added that they just approved a new contract with Republic that included a new rate.

Mr. Rudolphy said that staff is not vested in any of these proposals, but they are trying to give the Council as many ideas as possible for additional revenue.

#### PUBLIC SAFETY FEE

Mayor Dickey said that it would be great to have Fire in-house; the costs would be more under the Town's control than they are now.

#### INFRASTRUCTURE/MAINTENANCE FEE

Mr. Miller said that if they wanted to go ahead with a sales tax increase, they could collect it in the first year and have it held to use in a future year. They do not want to count on something when they do not know what the amount is going to be.

#### OTHER POSSIBLE REVENUE OPTIONS

### Franchise Fees for Epcor and Southwest Gas

Councilmember Magazine asked what they would be doing with these. Mr. Rudolphy said that the Town would be granting them a license to operate in the Town of Fountain Hills. Mr. Miller said that the streets and rights-of-way are used at no cost to them. This would be like an annual business cost for them to use our assets. He said that most cities and towns all have franchise fees. It would be something that would be referred to the voters, similar to a cable license fee. He said that they could not impose it on SRP since they are a governmental entity.

### OTHER POSSIBLE MEASURES

### SUMMARY OF REVENUE OPTIONS

### RECOMMENDED REVENUE ADJUSTMENTS FOR FY19-20

Councilmember Brown said that in looking at everything presented, he would say the following:

- Sales Tax Increase – Yes
- Environmental Fee Increase – Yes
- VLT Distribution Change – Yes
- Solid Waste Fee – No
- Infrastructure/Maintenance Fee – Yes (with a sunset as presented)
- Franchise Fee – Yes
- Other Possibles – No
- Public Safety – Yes

He said that he thinks that every one of those need a lengthy look.

Councilmember Magazine said that he agreed with most. He did not like the idea of increasing sales tax, but they need to do it. It hurts those that can least afford it. He also thinks they need to look at a public safety fee, although he has a problem with the same amount for everyone, but doing away with the environmental fee (with a sunset).

Vice Mayor Tolis said that he was questioning why none of the options are discussing a street bond that will expire on Saguaro next year of \$8 million. They could be looking to increasing that bond in the future, but spreading out the payments over a longer period of time.

Mr. Miller said that they did talk briefly about that. The Public Works Director is working with IMS to assess and evaluate what a \$8 million bond could get them, but they did not talk about that to ten years.

Vice Mayor Tolis asked, if a bond package was passed, how much the Town is currently spending that it would offset. Mr. Rudolphy said that the only money they could have would be the remaining 70% that they could keep in the general fund, or roughly \$700,000.

Councilmember Scharnow said that he would consider raising the sales tax to .4%; there are nine other cities that have higher rates than Fountain Hills and the sales tax collections are easy. The last time the Council raised sales tax was in 2003.

He said that with the Infrastructure Fee, he was concerned with the amount up front. When it is not mandatory like a property tax or a bond, it gets passed on. He said that the Environmental Fee is doable. He said that Public Safety is where a lot of the costs are going up and a new fee would consider that.

Vice Mayor Tolis said right now they have a hard time bringing businesses to town. They need to be looking at ways to tax landlords for vacancies. He has asked for Legal to review that for two years. He said that they have to come up with more solutions than what has been presented.

With regard to collecting sales tax, Vice Mayor Tolis said that there is a disadvantage when they have many that are secondary residents or investment properties. He asked if there were any legalities to a fee for secondary residents that are not registered in Arizona. The idea is that when they are not here they are not contributing to the community. That was the justification for a primary property tax, so that everyone pays.

Vice Mayor Tolis said that they need to be more creative and look at other options. He asked about selling the property on Shea, and zoning on properties, to help businesses be more successful. He said that it is Groundhog Day in Fountain Hills. They need to look at vacancies on leases of residential property, public/private partnerships, etc..

Councilmember Magazine said that selling the Shea property is a one-time affair. That is not going to help them. He said that one thing they have not done is say how much money they need. To him, he said, some of these are penny-antes. They could not increase the number of businesses in this Town. They need \$40 million to raise \$1 million.

Councilmember Magazine said that he questioned the reduction of the infrastructure fee. He would go with a public safety fee since over 50% of their total budget is public safety and people understand that.

Councilmember Spelich said that the Infrastructure/Maintenance Fee was an idea that about by he and Gerry Friedel. The reduction in the fee year after year was to bring residents more willing to accept it. He said that some of the e-mails he has received have been positive and some have not been. One of the e-mails he got said to start thinking like a businessman. He started thinking, and suggests that they start collecting what is already owed to the Town. As it relates to the Environmental Fee, there is a balance of \$126,000 that has not been collected in 2016; 1,045 people did not pay. They could send the nonpayers a 30 day notice and put it in the newspaper and on the Town website. If they did not pay, their names could be publicized in the paper and online. Public shaming works.

He said that there is an outstanding balance of court fees in the amount of \$654,943.56 for the past five years. He does not blame the courts; they do not have the manpower. He proposes that they hire, under the auspice of the Town Marshal, a court collection officer. They could work less than 30 hours a week, with an average going rate of \$25/hour for AZPost certified officers, perhaps someone retired. If they have retired in less than five

years they would still have the power to arrest. He said that the judge would issue arrest warrants and the total actual cash the Town would receive is \$285,904.55 including the additional costs of a database and Lexis Nexus.

He said that some of the events in Town bring in a huge amount of people. Everyone, across the board, should be paying the fees for using facilities.

Vice Mayor Tolis said that the fees they pay for all of the studies to increase revenues and help businesses succeed in town, the entire concept of a lagoon study was an idea to bring revenues here. Selling the property on Shea is not a one-time thing. By doing so they are creating an environment to provide that property for multifamily units. In addition to putting in more people in the Shea area, Target might attract more people. It is a snowball effect. If they make the right decision and create the environment for success, it will work. He is against an additional tax on the residents.

Mr. Arnson said that with respect to several of the issues related to legal, this is the first time he is hearing of these. Vice Mayor Tolis said that he previously requested an opinion on vacant commercial properties, second homes in Fountain Hills, etc.

Mayor Dickey said that she thought they had established that the property on Shea had restrictions. Mr. Miller said that some of these issues would be best discussed in an executive session.

Councilmember Magazine asked if they could, under state law, tell a second homeowner that they have to pay any type of a fee. Mr. Arnson said that his initial reaction would be "no." He said that he hates providing off the cuff responses for a few reasons. He would not want to violate the attorney/client privilege in discussing these issues. He said that he would be happy to follow up on the issues that he is just now hearing about, but he would prefer that they give legal advice and direction in executive session.

Councilmember Magazine said that he would also like to discuss whether it is legal to charge store owners for vacant buildings.

Mayor Dickey said that they are talking about immediate needs. Not to take away from the discussions they have been having, but they need to address the current and future shortfalls and what they want to do to mitigate them.

Councilmember Magazine **MOVED** to increase the sales tax by .4%; **SECONDED** by Councilmember Scharnow.

Vice Mayor Tolis said that they eliminated some of the CIP projects discussed at the beginning of the meeting. He then **MOVED** (as a replacement motion) to discuss those further to determine if there are additional cuts they need to make; motion died for lack of a second.

Councilmember Scharnow said that Vice Mayor Tolis's ideas are more long-term. Tonight they need to look at the immediate things. He said that 54% of their streets are fair to marginal. They are spending \$2.5 million toward the streets, but the study said they need to spend \$3.6 million to keep them where they are. They recommend spending \$6 million a year. He agrees with a bond issue and would support that idea.

Councilmember Leckrone said that she agreed that they need more revenue, but it is a multifaceted solution. She thought tonight they were there to discuss. No one from the public can speak until the end. She was concerned they were not going to hear from the public about a sales tax increase. Mr. Miller said that tonight they are trying to get clear direction from the Council. The motion would be to implement a sales tax increase as part of the budget process.

She said that she was in favor of some of the things and she agrees that they need to get everything on the table to consider. She agreed with hiring someone to chase those not paying their fees, but did not want to scare the residents. She said that they have a lot more to discuss.

Councilmember Magazine said that the only reason he made his motion was that he presumed that the Council was going to want to raise the sales tax. At this time he **WITHDREW** his motion; Councilmember Scharnow **WITHDREW** his second.

Mayor Dickey said that raising the sales tax by .3% would take them to 2.9%, which equates to 9<sup>th</sup> in the Valley area (from 11<sup>th</sup>), but if they increase it by .4%, taking it to 3%, it would tie them for 3<sup>rd</sup> highest.

Mr. Miller said that they are up against some timeframes, but this was probably one of the best discussions they have had. Councilmember Magazine said that they need an executive session to address the Vice Mayor's ideas.

Mayor Dickey added that this discussion does not mean they are not looking at expenditures; they have. There have been staff changes, and they have some opportunities to look at doing things differently in the future.

After further discussion, Councilmember Magazine suggested to Vice Mayor Tolis that he put into writing what questions he would like answered by staff.

Mayor Dickey then opened it up for public comment and the following individuals came forward:

Bob Shelstrom, Fountain Hills, said that he agreed with much of what they are doing, but had concerns with the contract with the Fire Department.

Richard Rutkowski, Fountain Hills, said that he had a lot of questions coming in and some were answered. He voiced concern with a comment on page 40 of packet which said that the Town was not worried about expenditures, but it is always an expenditure problem. He said that many of the capital improvement projects are wishes, not necessities. He said that part of the Powerpoint said that the Primary Property Tax was "unfortunately" defeated. His understanding was that such reports are supposed to be objective.

Andrew Watten, Fountain Hills part-timer, said that he can assure them that the decline in streets and infrastructure are of concern to them. He said that he is all for some increase in sales tax. He said that he is not keen on fees for second-home residents, but would encourage them to go back after the property tax again. He would gladly have supported

it, but he cannot vote here and the full-timers voted it down. He felt that the amount they went after was too much, but he believes that is the long-term solution for Fountain Hills.

5. ADJOURNMENT

Councilmember Brown **MOVED** to adjourn; **SECONDED** by Councilmember Magazine; passed unanimously.

The Special Meeting of the Fountain Hills Town Council held March 26, 2019, adjourned at 9:20 p.m.

**TOWN OF FOUNTAIN HILLS**

\_\_\_\_\_  
Ginny Dickey, Mayor

ATTEST AND PREPARED BY:

\_\_\_\_\_  
Elizabeth A. Burke, Town Clerk

**CERTIFICATION**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting held by the Town Council of Fountain Hills in the Town Hall Council Chambers on the 26th day of March, 2019. I further certify that the meeting was duly called and that a quorum was present.

DATED this 16th day of April, 2019.

\_\_\_\_\_  
Elizabeth A. Burke, Town Clerk

**NOTE:** For further details on the discussion of a particular agenda item, please visit <http://www.fh.az.gov/agendacenter> to view a video of the entire Council Meeting.

**TOWN OF FOUNTAIN HILLS  
MINUTES OF THE REGULAR MEETING OF THE  
FOUNTAIN HILLS TOWN COUNCIL  
APRIL 2, 2019  
REGULAR MEETING**

**1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE** – Mayor Ginny Dickey

Mayor Dickey called the meeting of April 2, 2019, to order at 5:31 p.m.

**2. INVOCATION** – Pastor David Felten, Fountains United Methodist Church.

Due to Pastor Felten's absence, the Mayor asked for a Moment of Silence.

**3. ROLL CALL** – Mayor Ginny Dickey

COUNCILMEMBERS PRESENT: Mayor Ginny Dickey; Vice Mayor Art Tolis; Councilmembers Mike Scharnow, Alan Magazine, Sherry Leckrone and David Spelich.

COUNCILMEMBERS ABSENT: Councilmember Dennis Brown.

STAFF PRESENT: Town Manager Grady Miller, Town Attorney Aaron D. Arnson, and Town Clerk Elizabeth A. Burke.

**4. REPORTS BY MAYOR, COUNCILMEMBERS AND TOWN MANAGER**

Councilmember Scharnow reported that he had attended a Valley Metro meeting where they talked about paratransit services and what the different cities have in the way of rules and budgets. He said that Valley Metro would like to regionalize that service, but that is down the road and may take some legislation. He said that Fountain Hills does not participate in that program, but they do have a ride choice available.

He said that on March 27, 2019, he attended a conference on aging and transportation where the speakers spoke on enhancing mobility for seniors and empowering underserved communities. He said that there was a lot of discussion on how transportation services really help seniors not become socially isolated, which keeps them healthier.

Mayor Dickey said that she would like to reiterate that the Council had different members serving on various organizations, such as Vice Mayor Tolis is on the East Valley Partnership and this Thursday would be their first meeting. Councilmember Magazine served on the GPEC Board. She said that recently the League sent out a list of members of the policy committees and although Councilmembers had previously offered to serve, their names had not been included. She said that staff would be correcting that with the League.

She reported that the Leadership Academy had a gathering; the charter school had an art class come through, the NPOA held its annual membership meeting and the community garden had a gathering. Additionally, she, along with Councilmembers Leckrone and Scharnow, have been attending some ribbon cuttings.

Mayor Dickey said that she attended the East Valley Mayors' Prayer Breakfast in Gilbert and the MAG Regional Council Meeting where they talked about a renewal (Prop 500) for Prop 400. She said that Audra made a presentation on the upcoming Census 2020 and the regional push being made to ensure everyone is counted. She said that the Dark Skies Festival held last weekend was very well attended, and yesterday they said farewell to Nancy Walter, after 15 years of working with the Town, and she said that she was looking forward to working with Angela.

**5. CALL TO THE PUBLIC**

*Pursuant to A.R.S. 38-431.01(H), public comment is permitted (not required) on matters NOT listed on the agenda. Any such comment (i) must be within the jurisdiction of the Council and (ii) is subject to reasonable time, place, and manner restrictions. The Council will not discuss or take legal action on matters raised during "Call to the Public" unless the matters are properly noticed for discussion and legal action. At the conclusion of the Call to the Public, individual councilmembers may (i) respond to criticism, (ii) ask staff to review a matter, or (iii) ask that the matter be placed on a future Council agenda.*

None.

**6. CONSENT AGENDA ITEMS**

*All items listed on the Consent Agenda are considered to be routine, non-controversial matters and will be enacted by one motion and one roll call vote of the Council. All motions and subsequent approvals of consent items will include all recommended staff stipulations unless otherwise stated. There will be no separate discussion of these items unless a councilmember or member of the public so requests. If a councilmember or member of the public wishes to discuss an item on the Consent Agenda, he/she may request so prior to the motion to accept the Consent Agenda or with notification to the Town Manager or Mayor prior to the date of the meeting for which the item was scheduled. The items will be removed from the Consent Agenda and considered in its normal sequence on the agenda.*

- A. APPROVAL OF the minutes of the Special Meeting of March 19, 2019; and the Regular Meeting of March 19, 2019.
- B. CONSIDERATION OF Resolution 2019-21 authorizing renewal of the Town's membership in Arizona Metropolitan Trust for Employee Health Care.
- C. CONSIDERATION OF Resolution 2019-13, abandonment of the 10' Public Utility and Drainage Easement at the rear, and abandonment of a portion of the 20' Public Utility Easement and Drainage Easement at the northerly side of Plat 428, Block 2, Lot 59 (15013 N. Tanglewood Court), as recorded in Book 155, Page 19, records of Maricopa County, Arizona. (EA 2019-04)
- D. CONSIDERATION OF Resolution 2019-16, abandonment of the 10' Public Utility and Drainage Easement at the rear of Plat 601-A, Block 1, Lot 16 (15842 E. Sunflower Drive), as recorded in Book 161, Page 44, records of Maricopa County, Arizona, with stipulation. (EA 2019-05)
- E. CONSIDERATION OF Resolution 2019-19, abandonment of the 10' Public Utility and Drainage Easement at the rear of Plat 603-A (Amended), Block 6, Lot 7 (15704 E. Sycamore Drive), as recorded in Book 196, Page 28, records of Maricopa County, Arizona; with stipulation. (EA 2019-07)
- F. CONSIDERATION OF Resolution 2019-20, abandonment of the 10' Public Utility and Drainage Easement at the rear of Plat 431, Block 5, Lot 16 (17336 E. El Pueblo

Blvd.), as recorded in Book 151, Page 43, records of Maricopa County, Arizona.  
(EA 2019-09)

Councilmember Magazine **MOVED** to approve the Consent Agenda Items 6-A through 6-F; **SECONDED** by Councilmember Leckrone; passed unanimously (6-0).

## 7. REGULAR AGENDA

- A. CONSIDERATION OF approval of Contract C2019-068 with ZOLL Medical in the amount of \$94,499.06 for three replacement defibrillators, associated equipment and preventive maintenance.

Town Manager Grady Miller said that the Town has in its Facilities Replacement Fund the need to replace the defibrillators, noting that these were the ones used by the Fire Department.

Fire Chief David Ott said that these are the defibrillators that are heavy duty and are used much more frequently than those in the Town facilities. He said that the Town bought the prior units (Phillips) in 2007, but much like a cell phone, those are at the end of their lives and Phillips is no longer in the pre-hospital defibrillators anymore; they are strictly in the hospital equipment. He said that they have planned for this and have the money in the Facilities Replacement Fund.

Chief Ott said that they were able to get pricing through the Tucson procurement contract and received great pricing, which includes \$13,500 trade-in for the three existing Phillips units. He said that the new units are blue tooth and Wifi capable, which for them means that in the event of a cardiac, they can hook the patient up, and transmit that information directly to the hospital which lets the doctors in the emergency room have an earlier detection of the issue.

He said that they did get an alternate bid. There are only two companies that produce these now, and the other bid was substantially higher at \$145,000.

Councilmember Magazine said that presumably they are saving someone's life and asked if he had any idea of how often that happens. Chief Ott said that almost every call they will use the equipment with anything resembling any type of cardiac event.

Councilmember Magazine said that he used to be in the medical technology field and in the beginning there were a lot of technology problems. Chief Ott said that they have improved on those and this particular equipment not only analyzes the patient, but allows them to shock in different degrees.

Councilmember Magazine **MOVED** to approve contract C2019-068 with ZOLL Medical in the amount of \$94,499.06 for three replacement defibrillators, associated equipment and preventive maintenance; **SECONDED** by Councilmember Leckrone; passed unanimously (6-0).

- B. CONSIDERATION OF the removal of a stipulation relating to the abandonment of a utility and drainage easement previously approved by the Town Council on February 19, 2019.

Mr. Miller said that this item came before the Council back in February for abandonment of an easement, but it included in the motion that the resident grant a public utility easement in the front yard as part of the condition. Before Council is consideration of dropping the stipulation. In the past requests have been done like this; however, staff has reexamined the policy and he has put out a directive that they will not be doing any future front yard easement requirements.

He said that Ms. Stasi is in the audience if they should have any questions. He said that after understanding the situation, he was recommending that the Council approve removal of the stipulation.

Councilmember Scharnow **MOVED** to remove the stipulation relating to the abandonment of a utility and drainage easement previously approved by the Town Council on February 19, 2019; **SECONDED** by Councilmember Magazine; passed unanimously (6-0).

- C. CONSIDERATION OF approving the purchase of a 2019 Caterpillar 420F2 Backhoe in the amount of \$130,595.17 to replace the current Backhoe that is twenty years old, utilizing the vehicle replacement fund

Public Works Director Justin Weldy said that this is a 1999 Caterpillar backhoe that has been used by all of the departments for various uses, but especially with the storm debris clean up, and it is tired. He said that it needs repairs that are above the threshold. He said that the trade-in value is worth about \$7,000 right now and the repairs are estimated at around \$33,000. He said that they were before Council tonight to ask for approval to purchase a new backhoe which is shown to be done in July of 2019, but they are in need of one now.

Councilmember Leckrone said that she has had a few residents say, "the Town is telling us that they are short of money and they need more revenue and yet they have nice new vehicles driving around." She asked Mr. Rudolphy to explain for the audience what the Vehicle Replacement Fund is and how it works.

Finance Director Craig Rudolphy explained that the Town has a Vehicle Replacement Fund that is adopted as part of the budget process each year. The fund currently has a balance at around \$1 million. Every vehicle purchased is amortized over its estimated life. If they buy a \$100,000 vehicle with a ten-year life, they charge the department \$10,000 a year for ten years to recoup the cost. Based on his calculations the \$1 million will keep the fund as a self-sustaining fund without any further contribution from the General Fund, other than normal amortization.

Mr. Miller said that prior to Mr. Rudolphy coming in, they had the fund but they had not built in any inflation factor and it was running at a deficit.

Councilmember Spelich asked what they could expect to get for the tractor at auction versus as a trade-in. Secondly, he has if it was worth it for the Town to look at purchasing an extended warranty.

Mr. Weldy explained that their written offer for trade-in value was \$7,000, but they believe they would most likely receive more money sending it to auction. With regard to the warranty, he said that the current piece of equipment did not have any issues for the first 15 years. At year 15, it required approximately \$12,000 to replace and service the torque converter.

He said that the new backhoe comes with a 12 month warranty and above that, they have some various options. Based on their current history and what is known about the one not needing any repairs for 15 years, staff believes that any monies spent for an extended warranty would not be a benefit.

Councilmember Magazine asked Mr. Rudolphy how much they were depleting the fund annually. Mr. Rudolphy said that it varies. This current year they have purchased one vehicle. Next year they are to replace nine, but some of those are smaller pieces of equipment, such as gators. He said that he did not believe that \$1 million is excessive for that fund.

Vice Mayor Tolis asked how many hours were on the vehicle they were replacing. Mr. Weldy said that it had over 6,000 hours. Vice Mayor Tolis said that he did a little research and found that they could buy a used Caterpillar for \$37,000. He asked if that was ever given any consideration.

Mr. Weldy said that the short answer is that they could assume that without laying eyes on it, but the current Vehicle Replacement Policy does not allow for the purchase of used equipment due to the challenge of not knowing its history. Caterpillar is considerably different than a pre-owned Volvo where the dealer will provide a package with it. Not knowing a vehicle's history, he would not want to take that risk on behalf of the Town and policy.

Vice Mayor Tolis asked if they had ever considered leasing a piece of equipment as needed. Mr. Weldy said that the Town currently has agreements in place for rental from three of the valley rental equipment locations. The challenge is that it can be three to five days before they can deliver that equipment. In the past, one had to be brought up from Tucson. He said that for the first 15 years they used the old piece daily, but that is when the street department was 13 strong. Now it is used a few times a month, primarily for storm clean up and removing large trees.

Mr. Miller said that these are all good points, but he wanted to explain that a few years ago the Town Council asked staff to look at leasing vehicles versus purchasing them. At that time they looked at it and the Council decided that with paying a loan's interest factor built in, leasing did not pay off that well since they tend to hold on longer than useful life.

Councilmember Scharnow said that they could certainly talk about the policy if they want, but from what he has heard it sounds like a good fiscal policy.

Councilmember Scharnow **MOVED** to purchase the backhoe and authorize the budget transfer; **SECONDED** by Councilmember Spelich; passed unanimously (6-0).

D. DISCUSSION WITH POSSIBLE DIRECTION to staff regarding a Christmas Tree for First Responders

Mr. Miller said that he and the Community Services Director met with residents Lina Bellenir and Bob Scarpetti regarding a tree on the Avenue of the Fountains, near Verde River, to honor first responders. He said that the concept would be that the tree would be up during the holiday season and have decorations to symbolize first responders. He said that they came up with cost estimates based on what they spend for the Town tree of approximately \$8,000.

Mr. Miller said that because of the timing of this staff encouraged them to come forward and also indicated that if it was something the Council agreed with that they would need to fundraise for it and that would need to be concluded by June because of the company they have does all of their holiday decorations.

Ms. Bellenir said that their duties bring them into harm's way all the time and she and Bob feel that as a community they are always cooking a meal and taking it to the station, or sending gift baskets, etc. She said that she and Bob would like to take an extra step to honor them by adding to the current Christmas display. Additionally, she said, this would bring Fountain Hills to the forefront and they would have the first municipal tree in Arizona for public safety. She said that the costs are reasonable and thinks they can reach that goal, but they need the Council's approval.

Mr. Miller said that the only thing that he and Ms. Goodwin discussed with allowing this, is that there may be other groups out there wanting to put up a tree for another cause, and this would be setting a precedence.

Vice Mayor Tolis said that they have a lot of room for trees downtown and he would be 100% in favor of it.

Councilmember Leckrone said that they are absolute heroes and in many cases angels. She suggested that they consider having some day of appreciation.

Mr. Miller said that in talking about "other causes," they may want to come up with a policy for the future. An example could be something that was completely inappropriate could be denied at the Town Manager level, but if the person wanted to override, they could take it before Council.

Councilmember Magazine said that he would favor approving it this year, but until they have a policy brought before them to be discussed, he wants to avoid the slippery slope of what could happen.

Councilmember Scharnow asked if they know what it will look like. Ms. Goodwin said that she has had some contact with the vendor and they said that this was a first with this type of request. She said that the intent would be to have a same-size as featured on Saguaro, a 20 foot tall tree with a for foot topper, on a platform. She said that they envision blue lights and blue ornaments.

Councilmember Magazine voiced concern with having any type of presentations or speeches, that would end up making it political. Mr. Scarpetti said that if they did anything, it would be a sign placed in front of the tree.

Councilmember Spelich said that he was a retired Chicago police officer and just this year, Arizona has had four officers killed in the line of duty. He said that if this is approved tonight he would be the first to write a check for \$200. Ms. Bellenir said that she would match that.

Mayor Dickey asked what expenses would be expected of the Town. Mr. Miller said that most would be in-kind. He said that they would be asking staff to build a platform, similar to what they have for the other tree, as they would want to ensure that it is built properly. The other in-kind portion would be the Town's coordination of this with the vendor. He said that if and when they reached agreement on this, they would have the group write a check directly to the vendor.

Mayor Dickey said that she knew they had one or two other displays that are from other groups which are independent from the Town, such as the poinsettia tree, so it is not unprecedented.

Brief discussion was held on what exactly the sign would say and Mr. Miller said that if it was the Council's pleasure they may want to have wording in their motion that the sign come back to Council for its approval.

Councilmember Scharnow asked if they had given any thought to running the money through a 501C3 to provide the opportunity for a tax deduction. Ms. Bellenir said that they were going to reach out to Phyllis Kern and ask her to guide them along in that process.

Councilmember Spelich **MOVED** to approve the Christmas tree for first responders and have the plaque be approved by Council prior to its placement; **SECONDED** by Vice Mayor Tolis; passed unanimously (6-0).

- E. DISCUSSION WITH POSSIBLE DIRECTION relating to any item included in the League of Arizona Cities and Towns' weekly Legislative Bulletin(s) or relating to any action proposed or pending before the State Legislature.

Mayor Dickey said that the bills they were in favor of, 1) hands free and 2) rental tax, are moving forward. There is a new one, as a striker, that seems to want to undermine the smoke free community. It looks like it is a bill to raise the age for tobacco to 21, but it includes statewide preemption language which could impact the Town's smoke free zones.

## 8. COUNCIL DISCUSSION/DIRECTION to the TOWN MANAGER

Item(s) listed below are related only to the propriety of (i) placing such item (s) on a future agenda for action or (ii) directing staff to conduct further research and report back to the Council:

Vice Mayor Tolis said that he had several items that he would like to have the Manager look at: 1) any policy related to lemonade stands for children. He recognized Betsy who has taken a job with the Chamber and said that he hoped she continued to attend the meetings. 2) He would like to continue the discussion on the Saguaro access roads and would like that placed on a future agenda. 3) He said that he would like to work with Betsy

at the Chamber and Michael in the Economic Development Department and invite the business owners to a Council Meeting or work session to look at options to improve that area of Saguaro. 3) He would like Mr. Miller to reach out to the downtown merchants association and receive some updates as to the downtown and proposed leased businesses coming in, an update on Park Place regarding its occupancy, etc. He would like to see the Town being proactive in reaching out to them.

Mr. Miller asked for clarification as to whether there was an actual Downtown Merchants Association. He said that he and the Community Services Director recently met with some individuals on parking issues downtown and got those worked out. He said that he would reach out to them.

Councilmember Magazine said that he would also like to find out more about occupancy of Park Place and if the additional buildings are being built if it has been sold.

Councilmember Spelich reported on a citizen who had an altercation with a fire hydrant with his vehicle. He said that there was an instant response, under four minutes, from the public safety people, but Epcor took quite a while to respond. He understands that Epcor will not give a key to the Fire Department in such a situation. Mr. Miller said that he will follow up with staff and Epcor to see what they can do in the future.

**9. ADJOURNMENT.**

Vice Mayor Tolis **MOVED** to adjourn; **SECONDED** by Councilmember Magazine; passed unanimously (6-0). The Regular Meeting of the Fountain Hills Town Council held April 2, 2019, adjourned at 6:31 p.m.

**TOWN OF FOUNTAIN HILLS**

\_\_\_\_\_  
Ginny Dickey, Mayor

ATTEST AND PREPARED BY:

\_\_\_\_\_  
Elizabeth A. Burke, Town Clerk

**CERTIFICATION**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Session held by the Town Council of Fountain Hills in the Town Hall Council Chambers on the 2nd day of April, 2019. I further certify that the meeting was duly called and that a quorum was present.

DATED this 16th day of April, 2019.

\_\_\_\_\_  
Elizabeth A. Burke, Town Clerk

**NOTE:** For further details on the discussion of a particular agenda item, please visit <http://www.fh.az.gov/agendacenter> to view a video of the entire Council Meeting.



# TOWN OF FOUNTAIN HILLS

## TOWN COUNCIL AGENDA ACTION FORM

**Meeting Date:** 4/16/2019

**Meeting Type:** Regular Session

**Agenda Type:** Consent

**Submitting Department:** Community Services

**Staff Contact Information:** Grace Rodman-Guetter [gguetter@fh.az.gov](mailto:gguetter@fh.az.gov) 480-816-5165

**REQUEST TO COUNCIL** (Agenda Language): CONSIDERATION OF approving a Grant Application Request to apply for the Proposition 202 Salt River Pima Maricopa Indian Community Grant Award (\$45,000.00).

**Applicant:** N/A

**Applicant Contact Information:** Grace Rodman-Guetter on behalf of the Town of Fountain Hills

**Owner:** N/A

**Owner Contact Information:** N/A

**Property Location:** N/A

**Related Ordinance, Policy or Guiding Principle:** Town of Fountain Hills Adopted Grant Policy

**Staff Summary** (background): The Tourism Division has successfully applied for and in past years has been granted funding from the Proposition 202 grant funds. The Tourism Division is seeking approval to continue applying for funding through this grant opportunity. Staff is requesting permission to apply for this grant in order to supplement our marketing strategy for FY 19/20 calling for larger and longer advertising campaigns to be run and marketed. If awarded, the monies would be used for the purchase of advertisements in the Play Ball Spring Training campaigns during the spring training season as well as specific digital retargeting advertising campaigns aimed at potential new visitors.

**Risk Analysis** (options or alternatives with implications): Denial of the opportunity to apply for this grant would severely limit the Tourism Division's ability to purchase or pursue marketing initiatives or opportunities that would otherwise showcase the Town of Fountain Hills as a Destination Marketing Organization and destination. It would also jeopardize the status of continuing successful marketing strategies used in the past that could no longer be funded.

**Fiscal Impact** (initial and ongoing costs; budget status): Increase in budget revenue

**Budget Reference** (page number): 300

**Funding Source:** Grant Fund

**If Multiple Funds utilized, list here:**

**Budgeted; if No, attach Budget Adjustment Form:** Yes

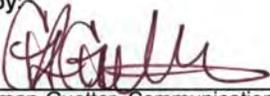
**Recommendation(s) by Board(s) or Commission(s):**

**Staff Recommendation(s):** Approve

**List Attachment(s):** Grant Administration Policy Application

**SUGGESTED MOTION** (for Council use): Move to approve approving a Grant Application Request to apply for the Proposition 202 Salt River Pima Maricopa Indian Community Grant Award (\$45,000.00).

Prepared by:



Grace Rodman-Guetter, Communications & Marketing Coordinator  
3/21/2019

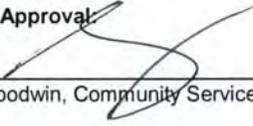
Approved:



Grady E. Miller, Town Manager

3/21/2019

Director's Approval:



Rachael Goodwin, Community Services Director 3/21/2019



**TOWN OF FOUNTAIN HILLS**  
16705 E. Avenue of the Fountains  
Fountain Hills, AZ 85268  
Phone: 480-816-5100  
Fax: 480-837-3145

## PROPOSITION 202 FUNDING APPLICATION

Please provide the following information and return signed originals to the office of the Town Clerk as well as all supporting documentation for the fund proposal attached.

*Under Arizona Revised Statute §5-6701.02, Proposition 202 funds may be solicited by cities, towns, and counties from Arizona Indian Tribes for government services that benefit the general public, including (i) public safety, (ii) mitigation of the impacts of gaming, and (iii) promotion of commerce and economic development.*

**NOTE:** The Town will only accept and process applications for town-based, non-profit organizations ("Qualified Entities"). The decision to process the applicant's proposal shall be made by the Town Manager, or his designee, and is subject to the following criteria.

### SUBMISSION REQUIREMENTS:

Please refer to the attached copy of Fountain Hills' Policy and Procedures for Proposition 202 Funding, Article 1 – General Policies, for complete details.

1. If, in any given quarter, the Town submits a proposal for Proposition 202 funds, the Town will not process proposals from "Qualified Entities" for that particular quarter if the applicant is requesting funds from the same tribe as the Town. "Qualified Entities" may request that the Town hold their proposals for processing in a future quarter in which the Town is not an applicant.
2. Where multiple "Qualified Entities" have submitted proposals for Proposition 202 funds for the same quarter and from the same tribe, the proposals shall be processed in accordance with the following schedule of preferred fund uses:
  - a. Public safety;
  - b. Mitigation of impact of gaming (i.e. education, social services and health care);
  - c. Promotion of commerce and economic development (i.e. transportation and tourism).
3. All costs incurred by the Town in connection with (i) the administration of a proposal submission and (ii) distribution of Proposition 202 funds shall be subtracted from the total amount of Proposition 202 funds awarded if any, to the Town on behalf of the "Qualified Entity." Such costs may include, but are not limited to (i) staff time spent processing the application and any resulting final report, (ii) auditing fees, and (iii) legal fees incurred in the preparation of a resolution, intergovernmental agreement, and any other legal document associated with transferring the Proposition 202 funds to the "Qualified Entity."
4. Distribution of Proposition Funds will not be used to supplant funding, if any, budgeted by the Town for distribution to that entity in the applicable fiscal year.
5. Any "Qualified Entity" receiving Proposition 202 funds shall submit to the Town, no less than 30 days prior to the end of the fiscal year in which the funds were disbursed, a final and complete report detailing how the funds were spent.
6. The Town Council may modify the Town's Proposition 202 Funding Policy at any time.
7. **Deadline to apply:** All applications shall be submitted to the office of the Town Clerk no less than 60 days prior to the deadline for such proposals as determined by the respective tribes for that particular quarter.
8. **Important Note:** Incomplete proposals will not be accepted.



**PROPOSITION 202 FUNDING APPLICATION (CONTINUED)**

<p><b>SECTION #5</b></p> <p><i>Provide the dollar amount being requested</i></p>	<p>Provide all supporting documentation demonstrating this funding request's relationship to the proposed use.</p> <p>\$ _____</p>
--	--

<p><b>SECTION #6</b></p> <p><i>Describe in detail the manner in which the current proposal for Proposition 202 funds will be used and identify the category of the funding request.</i></p> <p><i>Include a statement of how the proposed use of the funds meets one or more of the preferred fund uses.</i></p> <p><i>(Use an additional sheet if necessary)</i></p>	<p>PREFERRED FUND USES:</p> <p><input type="checkbox"/> Public Safety</p> <p><input type="checkbox"/> Mitigation of impact of gaming</p> <p><input checked="" type="checkbox"/> Promotion of commerce and economic development</p> <p>The Town of Fountain Hills is submitting this request to the Salt River Pima - Maricopa Indian Community for financial support through the Prop 202 funds. We are requesting the sum of \$45,000</p>
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<p><b>SECTION #7</b></p> <p><i>Attach all supporting documentation which demonstrates that the amount requested is directly related to the use proposed.</i></p>	
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Please be advised that if the tribe requests information not specifically required, the proposals must also include that information.

APPLICANT'S SIGNATURE:  DATE: 4/10/19

<b>FOR USE BY STAFF:</b>	
Date proposal received: _____	ASSIGNED PROPOSAL #202-19- _____
Amount requested by the organization:	\$ _____
Less the Town of Fountain Hills' Administrative Fee	
5% of the amount: \$ _____	
Plus legal fees: % _____	\$ _____
Amount to be dispersed to the organization:	\$ _____
<input type="checkbox"/> Approved for Council submission	Date _____
Town Manager (or Designee) Signature _____	
<input type="checkbox"/> Denied for Council submission	Date _____
Town Manager (or Designee) Signature _____	
Instructions: To be placed on the _____ Town Council meeting agenda for Council consideration	

**APPENDIX A: Grant Priority Template**

Department: Community Services

Grant Request Project List for FY 18-19

<b>Project Name</b>	<b>Council Goal/CIP Relation</b>	<b>Brief Description</b>	<b>Target Dates</b>	<b>Priority</b>	<b>Funding Amounts</b>	<b>Grant Opportunities</b>	<b>Alternative Plan if not funded by grants</b>	<b>Potential Project Manager</b>
Salt River Pima Maricopa Indian Community Prop 202 Funding	Tourism Stakeholder Partnerships	Prop 202 funding will be used to add additional marketing exposure for tourism.	FY 19-20	High	\$45,000.00	Salt River Pima Maricopa Indian Community Prop 202 Funding	Limited marketing exposure	Grace Rodman-Guetter

*This form can be found on the Intranet under Document Library.*

## APPENDIX B: OMB Circular and Publications Descriptions

**Catalog of Federal Domestic Assistance:** This site provides a full listing of all federal programs available to state and local governments (including the District of Columbia); federally-recognized Indian tribal governments; territories (and possessions) of the United States; domestic public, quasi- public, and private profit and non-profit organizations and institutions; specialized groups; and individuals. Visit: <https://www.cfda.gov/>

**Code of Federal Regulations (CFR):** This site provides the codification of the general and permanent rules published in the Federal Register by the departments and agencies of the federal government. Visit: <http://www.gpoaccess.gov/cfr/index.html>

**Federal OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments (relocated to 2 CFR, Part 225):** This circular establishes principles and standards for determining costs for federal awards carried out through grants, cost reimbursement contracts, and other agreements with state and local governments and federally-recognized Indian Tribal governments. Visit:

[http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105\\_a87.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105_a87.pdf)

**Federal OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments Common Rule:** This circular establishes consistency and uniformity among federal agencies and federal grantees and sub-grantees (sub-recipients) in the management of grants and cooperative agreements with state, local, and federally recognized Indian Tribal governments. Visit:

<http://www.whitehouse.gov/sites/default/files/omb/assets/omb/circulars/a102/a102.pdf>

**Federal OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (relocated to 2 CFR, Part 215):** This circular sets forth standards for obtaining consistency and uniformity among grantees and sub-grantees (sub-recipients) in the management of grants and cooperative agreements with institutions of higher education, hospitals and other non-profit organizations. Visit:

<http://www.whitehouse.gov/sites/default/files/omb/assets/omb/circulars/a110/2cfr215-0.pdf>

**Federal OMB A-122, Cost Principles for Non-Profit Organization (relocated to 2 CFR, Part 215):** This circular establishes principles and standards for determine cost of federal grants, contract and other agreements with non-profit organization. The principles are designed to provide that the federal government bears its fair share of costs except where restricted or prohibited by law. Visit

[http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105\\_a122.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105_a122.pdf)

**Federal OMB A-133, Audits of State, Local Governments, and Non-Profit Organizations:**

This circular is issued pursuant to the Single Audit Act of 1984, P.L. 98502, and the Single Audit Act Amendment of 1996 P.L. 104-156. It sets forth standards for obtaining consistency and uniformity among federal agencies for the audit of states, local governments and non-profit organizations expending federal awards. Visit:

[http://www.whitehouse.gov/sites/default/files/omb/assets/a133/a133\\_revised\\_2007.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/a133/a133_revised_2007.pdf)

**Federal OMB A-133 Compliance Supplement:** The compliance supplement is based on the requirements of the Single Audit Act Amendments of 1996 and 1997 revisions to OMB Circular A-133, which provided for the issuance of a compliance supplement to assist auditors in performing the required audits. While supplement is intended to provide a tool to both federal grantor agencies and auditors in setting forth the important provisions of federal assistance programs, it also provides guidance to recipients of federal assisted programs. It includes program objectives, procedures, and compliance requirements. Visit:

[http://www.whitehouse.gov/omb/circulars/a133\\_compliance\\_supplement\\_2012](http://www.whitehouse.gov/omb/circulars/a133_compliance_supplement_2012)

**Grants Management Common Rule:** On March 12, 1987, the President directed the federal grant making agencies to issue a grants management common rule to adopt government wide terms and conditions for grants to states and local governments. In 1988, OMB revised Circular A-102 to include guidance to federal agencies on matters not covered by the grants management common rule. The attachments to Circular A-102 were replaced by the grants management common rule. OMB maintains a chart which includes the locations of federal agency codifications of the grants management common rule. It is important for a grantee to review the regulations of their federal awarding agency. Visit:

[http://www.whitehouse.gov/omb/grants\\_chart/](http://www.whitehouse.gov/omb/grants_chart/)

**Single Audit Act of 1984 and Amendments of 1996:** The Act requires governmental entities that spend over \$300,000 a year in federal awards to prepare a Schedule of Expenditures of Federal Awards (SEFA), which is audited annually. (OMB Circular A-133 revised this threshold to \$750,000 beginning in 2015.) This is the responsibility of the Town Finance Division. OMB Circular A-133 incorporates the requirements of the Single Audit Act. Copies of the Town's most recent Single Audit Reporting Package are available upon request from the Finance Division.

The Single Audit Act was enacted to ensure the accurate accounting of federal grant funds are in compliance with program standards. Material non-compliance findings cited in the Town's Single Audit Reporting Package, including failure to accurately report federal expenditures on the Schedule of Expenditures of Federal Awards, could result in loss of grant funding. Grantors are required to monitor their sub-recipient's single audit findings to help ensure that findings are corrected. The Finance Division and the department administering the grant ensures that grant activity is accurately reported on both the grantor financial reports filed with the grantor agencies

and the Schedule of Expenditures of Federal Awards prepared by the Finance Division for the Town's Single Audit Reporting Package.

## APPENDIX C: Grant Project Profile Worksheet

GRANT PROJECT PROFILE WORKSHEET	
1. <b><i>In one sentence</i></b> , describe your project idea. What will you do? Where? With whom? When? And why?	Prop 202 funding will be used to add additional marketing exposure for tourism.
2. What <b><i>broad categories</i></b> of Town needs or opportunities does your project address? (Think in terms of general labels or frames.)	Tourism Promotion
3. Describe the <b><i>specific need or issue</i></b> in the Town that your project will address.	In our Town, the current situation is this: we do not have funds to increase tourism awareness
4. What <b><i>specific changes or outcomes</i></b> do you intend to achieve in the Town as a result of your project?	We intend to achieve the following specific outcomes: increase visitation, spending and overnight stays
5. What are the <b><i>major steps</i></b> you will need to take to make these changes happen?	Research, design and implement new marketing strategies
6. What <b><i>resources</i></b> will you need to accomplish these steps? (people, equipment, materials, training, supplies, services, other Town departments, etc.)	IT support, Chamber of Commerce partnership
7. Approximate total cost:	\$45,000.00 _____ Match \$ _____ 0.00 _____
8. Who else has a vested interest in working with you as <b><i>partners</i></b> on this problem or opportunity?	Chamber of Commerce, golf courses, restaurants, McDowell Mountain Regional Park, outdoor recreation retailers and event planners and promoters
9. What information, tools, data, etc., will you use to decide whether your project succeeded?	Measurable ROI – web statistics, social media impact, onsite surveys and collateral distribution
10. Who will be the grant project manager?	Grace Rodman-Guetter
Submitted By: Grace Rodman-Guetter	Date: 3/20/19
Telephone: 480-816-5165	

*This form can be found on the Intranet under Document Library.*

## APPENDIX D: Grant Check List

Project Name: 2019 AOT Grant App. Due Date:     

Department: Community Services Contact Name: Grace Rodman-Guetter Ext. # 5165

### I. Procedures for Developing and Submitting Grant Applications

- Confirm purpose of the grant project meets Town Council Strategic Plan Goals and Operational Priorities/department goals.
- Read and understand entire grant application to ensure that your department has the appropriate resources to comply with the grantor's requirements.
- Develop grant concept including estimated budget and expected funding sources approved by Department Director.
- Grant entered into the grant management system. This system includes project description, total cost, grant amount requested, source of funding, match, ongoing cost implications including additional staff, if any, special conditions and application due date.
- Consult with other affected departments (e.g. engineering if it is a construction project) who will support or have the capacity to implement your project.
- Town Attorney to review if Resolution is required prior to grant submittals.
- Obtain Town Manager's signature prior to grant application submittal.
- Prepare draft Council communication requesting authorization to apply and accept grant if necessary.
- Complete final review and editing (a pair of fresh eyes are best), making sure to check the application against the grantor's instructions or the RFP.
- Send copy of the signed application to the Grant Project Manager for archiving and distribution.

### II. Procedures for Accepting Grant Awards and Post-Award Procedures

***Congratulations!*** Now you need to:

- Whoever receives an award notice/notification should send a copy of the award notice/notification to Grant Project Manager for archiving and distribution to Finance. Grant Project Manager will forward a copy of the award agreement to the Finance Division with a completed contract/grant information sheet for tracking purposes.
- Set up a meeting with the Grant Project Manager and the Finance Division to reconcile the accounts associated with the grant. During this meeting, you will review the grant requirements and you will be responsible for meeting all of the grant requirements and the current Town and/or State approved record retention schedules.



# TOWN OF FOUNTAIN HILLS

## TOWN COUNCIL AGENDA ACTION FORM

**Meeting Date:** 4/16/2019

**Meeting Type:** Regular Session

**Agenda Type:** Consent

**Submitting Department:** Community Services

**Staff Contact Information:** Grace Rodman-Guetter [gguetter@fh.az.gov](mailto:gguetter@fh.az.gov) 480-816-5165

**REQUEST TO COUNCIL** (Agenda Language): CONSIDERATION OF approving a Grant Application Request to apply for the Proposition 202 Fort McDowell Yavapai Nation Grant Award (\$10,000.00).

**Applicant:** N/A

**Applicant Contact Information:** Grace Rodman-Guetter on behalf of the Town of Fountain Hills

**Owner:** N/A

**Owner Contact Information:** N/A

**Property Location:** N/A

**Related Ordinance, Policy or Guiding Principle:** Town of Fountain Hills Adopted Grant Policy

**Staff Summary** (background): The Tourism Division has successfully applied for and in past years has been granted funding from the Proposition 202 grant funds. The Tourism Division is seeking approval to continue applying for funding through this grant opportunity. Staff is requesting permission to apply for this grant in order to supplement our marketing strategy for FY 19/20 calling for larger and longer advertising campaigns to be run and marketed. If awarded, the monies would be used for the advertising and promotion of the golf courses in Fountain Hills and the Fort McDowell regional areas, as they are a prominent tourism draw for both ourselves and the Yavapai Nation.

**Risk Analysis** (options or alternatives with implications): Denial of the opportunity to apply for these grants would severely limit the Tourism Division's ability to purchase or pursue marketing initiatives or opportunities that would otherwise showcase the Town of Fountain Hills as a destination. It would also jeopardize the status of continuing successful marketing strategies used in the past that could no longer be funded.

**Fiscal Impact** (initial and ongoing costs; budget status): Increase in budget revenue

**Budget Reference** (page number): 300

**Funding Source:** Grant Fund

**If Multiple Funds utilized, list here:**

**Budgeted; if No, attach Budget Adjustment Form:** Yes

**Recommendation(s) by Board(s) or Commission(s):**

**Staff Recommendation(s):** Approve

**List Attachment(s):** Grant Administration Policy Application

**SUGGESTED MOTION** (for Council use): Move to approve approving a Grant Application Request to apply for the Proposition 202 Fort McDowell Yavapai Nation Grant Award (\$10,000.00).

Prepared by:



Grace Rodman-Guetter, Communications & Marketing Coordinator  
3/7/2019

Approved:



Grady E. Miller, Town Manager 3/7/2019

Director's Approval:



Rachael Goodwin, Community Services Director 3/7/2019



**TOWN OF FOUNTAIN HILLS**  
16705 E. Avenue of the Fountains  
Fountain Hills, AZ 85268  
Phone: 480-816-5100  
Fax: 480-837-3145

## PROPOSITION 202 FUNDING APPLICATION

Please provide the following information and return signed originals to the office of the Town Clerk as well as all supporting documentation for the fund proposal attached.

*Under Arizona Revised Statute §5-6701.02, Proposition 202 funds may be solicited by cities, towns, and counties from Arizona Indian Tribes for government services that benefit the general public, including (i) public safety, (ii) mitigation of the impacts of gaming, and (iii) promotion of commerce and economic development.*

**NOTE:** The Town will only accept and process applications for town-based, non-profit organizations ("Qualified Entities"). The decision to process the applicant's proposal shall be made by the Town Manager, or his designee, and is subject to the following criteria.

### SUBMISSION REQUIREMENTS:

Please refer to the attached copy of Fountain Hills' Policy and Procedures for Proposition 202 Funding, Article 1 – General Policies, for complete details.

1. If, in any given quarter, the Town submits a proposal for Proposition 202 funds, the Town will not process proposals from "Qualified Entities" for that particular quarter if the applicant is requesting funds from the same tribe as the Town. "Qualified Entities" may request that the Town hold their proposals for processing in a future quarter in which the Town is not an applicant.
2. Where multiple "Qualified Entities" have submitted proposals for Proposition 202 funds for the same quarter and from the same tribe, the proposals shall be processed in accordance with the following schedule of preferred fund uses:
  - a. Public safety;
  - b. Mitigation of impact of gaming (i.e. education, social services and health care);
  - c. Promotion of commerce and economic development (i.e. transportation and tourism).
3. All costs incurred by the Town in connection with (i) the administration of a proposal submission and (ii) distribution of Proposition 202 funds shall be subtracted from the total amount of Proposition 202 funds awarded if any, to the Town on behalf of the "Qualified Entity." Such costs may include, but are not limited to (i) staff time spent processing the application and any resulting final report, (ii) auditing fees, and (iii) legal fees incurred in the preparation of a resolution, intergovernmental agreement, and any other legal document associated with transferring the Proposition 202 funds to the "Qualified Entity."
4. Distribution of Proposition Funds will not be used to supplant funding, if any, budgeted by the Town for distribution to that entity in the applicable fiscal year.
5. Any "Qualified Entity" receiving Proposition 202 funds shall submit to the Town, no less than 30 days prior to the end of the fiscal year in which the funds were disbursed, a final and complete report detailing how the funds were spent.
6. The Town Council may modify the Town's Proposition 202 Funding Policy at any time.
7. **Deadline to apply:** All applications shall be submitted to the office of the Town Clerk no less than 60 days prior to the deadline for such proposals as determined by the respective tribes for that particular quarter.
8. **Important Note:** Incomplete proposals will not be accepted.



**PROPOSITION 202 FUNDING APPLICATION (CONTINUED)**

**SECTION #5**

*Provide the dollar amount being requested*

Provide all supporting documentation demonstrating this funding request's relationship to the proposed use.

\$ \_\_\_\_\_

**SECTION #6**

*Describe in detail the manner in which the current proposal for Proposition 202 funds will be used and identify the category of the funding request.*

*Include a statement of how the proposed use of the funds meets one or more of the preferred fund uses.*

(Use an additional sheet if necessary)

PREFERRED FUND USES:

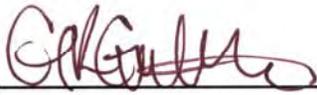
- Public Safety
- Mitigation of impact of gaming
- Promotion of commerce and economic development

The Town of Fountain Hills Tourism Division is asking for grant funding in the amount of \$10,000.00. The Town would use the monies awarded to create this new advertising project

**SECTION #7**

*Attach all supporting documentation which demonstrates that the amount requested is directly related to the use proposed.*

Please be advised that if the tribe requests information not specifically required, the proposals must also include that information.

APPLICANT'S SIGNATURE:  DATE: 1/10/19

**FOR USE BY STAFF:**

Date proposal received: \_\_\_\_\_

ASSIGNED PROPOSAL #202-19- \_\_\_\_\_

Amount requested by the organization: \$ \_\_\_\_\_

Less the Town of Fountain Hills' Administrative Fee

5% of the amount: \$ \_\_\_\_\_

Plus legal fees: % \_\_\_\_\_ \$ \_\_\_\_\_

Amount to be dispersed to the organization: \$ \_\_\_\_\_

Approved for Council submission Date \_\_\_\_\_

Town Manager (or Designee) Signature

Denied for Council submission Date \_\_\_\_\_

Town Manager (or Designee) Signature

Instructions: To be placed on the \_\_\_\_\_ Town Council meeting agenda for Council consideration

**APPENDIX A: Grant Priority Template**

Department: Community Services

Grant Request Project List for FY 19 - 20

<b>Project Name</b>	<b>Council Goal/CIP Relation</b>	<b>Brief Description</b>	<b>Target Dates</b>	<b>Priority</b>	<b>Funding Amounts</b>	<b>Grant Opportunities</b>	<b>Alternative Plan if not funded by grants</b>	<b>Potential Project Manager</b>
Arizona Office of Tourism Prop 302 Funding	Tourism Stakeholder Partnerships	Prop302 (AOT) funding will be used to add additional marketing exposure for tourism.	FY 19 – 20	High	\$40,000.00	Arizona Office of Tourism Grant	Limited marketing exposure	Grace Rodman-Guetter

*This form can be found on the Intranet under Document Library.*

## APPENDIX B: OMB Circular and Publications Descriptions

**Catalog of Federal Domestic Assistance:** This site provides a full listing of all federal programs available to state and local governments (including the District of Columbia); federally-recognized Indian tribal governments; territories (and possessions) of the United States; domestic public, quasi- public, and private profit and non-profit organizations and institutions; specialized groups; and individuals. Visit: <https://www.cfda.gov/>

**Code of Federal Regulations (CFR):** This site provides the codification of the general and permanent rules published in the Federal Register by the departments and agencies of the federal government. Visit: <http://www.gpoaccess.gov/cfr/index.html>

**Federal OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments (relocated to 2 CFR, Part 225):** This circular establishes principles and standards for determining costs for federal awards carried out through grants, cost reimbursement contracts, and other agreements with state and local governments and federally-recognized Indian Tribal governments. Visit:  
[http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105\\_a87.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105_a87.pdf)

**Federal OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments Common Rule:** This circular establishes consistency and uniformity among federal agencies and federal grantees and sub-grantees (sub-recipients) in the management of grants and cooperative agreements with state, local, and federally recognized Indian Tribal governments. Visit:  
<http://www.whitehouse.gov/sites/default/files/omb/assets/omb/circulars/a102/a102.pdf>

**Federal OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (relocated to 2 CFR, Part 215):** This circular sets forth standards for obtaining consistency and uniformity among grantees and sub-grantees (sub-recipients) in the management of grants and cooperative agreements with institutions of higher education, hospitals and other non-profit organizations. Visit:  
<http://www.whitehouse.gov/sites/default/files/omb/assets/omb/circulars/a110/2cfr215-0.pdf>

**Federal OMB A-122, Cost Principles for Non-Profit Organization (relocated to 2 CFR, Part 215):** This circular establishes principles and standards for determine cost of federal grants, contract and other agreements with non-profit organization. The principles are designed to provide that the federal government bears its fair share of costs except where restricted or prohibited by law. Visit  
[http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105\\_a122.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105_a122.pdf)

**Federal OMB A-133, Audits of State, Local Governments, and Non-Profit Organizations:**

This circular is issued pursuant to the Single Audit Act of 1984, P.L. 98502, and the Single Audit Act Amendment of 1996 P.L. 104-156. It sets forth standards for obtaining consistency and uniformity among federal agencies for the audit of states, local governments and non-profit organizations expending federal awards. Visit:

[http://www.whitehouse.gov/sites/default/files/omb/assets/a133/a133\\_revised\\_2007.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/a133/a133_revised_2007.pdf)

**Federal OMB A-133 Compliance Supplement:** The compliance supplement is based on the requirements of the Single Audit Act Amendments of 1996 and 1997 revisions to OMB Circular A-133, which provided for the issuance of a compliance supplement to assist auditors in performing the required audits. While supplement is intended to provide a tool to both federal grantor agencies and auditors in setting forth the important provisions of federal assistance programs, it also provides guidance to recipients of federal assisted programs. It includes program objectives, procedures, and compliance requirements. Visit:

[http://www.whitehouse.gov/omb/circulars/a133\\_compliance\\_supplement\\_2012](http://www.whitehouse.gov/omb/circulars/a133_compliance_supplement_2012)

**Grants Management Common Rule:** On March 12, 1987, the President directed the federal grant making agencies to issue a grants management common rule to adopt government wide terms and conditions for grants to states and local governments. In 1988, OMB revised Circular A-102 to include guidance to federal agencies on matters not covered by the grants management common rule. The attachments to Circular A-102 were replaced by the grants management common rule. OMB maintains a chart which includes the locations of federal agency codifications of the grants management common rule. It is important for a grantee to review the regulations of their federal awarding agency. Visit:

[http://www.whitehouse.gov/omb/grants\\_chart/](http://www.whitehouse.gov/omb/grants_chart/)

**Single Audit Act of 1984 and Amendments of 1996:** The Act requires governmental entities that spend over \$300,000 a year in federal awards to prepare a Schedule of Expenditures of Federal Awards (SEFA), which is audited annually. (OMB Circular A-133 revised this threshold to \$750,000 beginning in 2015.) This is the responsibility of the Town Finance Division. OMB Circular A-133 incorporates the requirements of the Single Audit Act. Copies of the Town's most recent Single Audit Reporting Package are available upon request from the Finance Division.

The Single Audit Act was enacted to ensure the accurate accounting of federal grant funds are in compliance with program standards. Material non-compliance findings cited in the Town's Single Audit Reporting Package, including failure to accurately report federal expenditures on the Schedule of Expenditures of Federal Awards, could result in loss of grant funding. Grantors are required to monitor their sub-recipient's single audit findings to help ensure that findings are corrected. The Finance Division and the department administering the grant ensures that grant activity is accurately reported on both the grantor financial reports filed with the grantor agencies

and the Schedule of Expenditures of Federal Awards prepared by the Finance Division for the Town's Single Audit Reporting Package.

## APPENDIX C: Grant Project Profile Worksheet

GRANT PROJECT PROFILE WORKSHEET	
1. <i>In one sentence</i> , describe your project idea. What will you do? Where? With whom? When? And why?	Prop 302 (AOT) funding will be used to add additional marketing exposure for tourism.
2. What <i>broad categories</i> of Town needs or opportunities does your project address? (Think in terms of general labels or frames.)	Tourism Promotion
3. Describe the <i>specific need or issue</i> in the Town that your project will address.	In our Town, the current situation is this: we do not have funds to increase tourism awareness
4. What <i>specific changes or outcomes</i> do you intend to achieve in the Town as a result of your project?	We intend to achieve the following specific outcomes: increase visitation, spending and overnight stays
5. What are the <i>major steps</i> you will need to take to make these changes happen?	Research, design and implement new marketing strategies
6. What <i>resources</i> will you need to accomplish these steps? (people, equipment, materials, training, supplies, services, other Town departments, etc.)	IT support, Chamber of Commerce partnership
7. Approximate total cost:	\$40,000.00 _____ Match \$ _____ 0.00 _____
8. Who else has a vested interest in working with you as <i>partners</i> on this problem or opportunity?	Chamber of Commerce, golf courses, restaurants, McDowell Mountain Regional Park, outdoor recreation retailers and event planners and promoters
9. What information, tools, data, etc., will you use to decide whether your project succeeded?	Measurable ROI – web statistics, social media impact, onsite surveys and collateral distribution
10. Who will be the grant project manager?	Grace Rodman-Guetter
Submitted By: Grace Rodman-Guetter	Date: 3/7/19
Telephone: 480-816-5165	

*This form can be found on the Intranet under Document Library.*

## APPENDIX D: Grant Check List

Project Name: 2019 AOT Grant App. Due Date: \_\_\_\_\_

Department: Community Services Contact Name: Grace Rodman-Guetter Ext. # 5165

### I. Procedures for Developing and Submitting Grant Applications

- Confirm purpose of the grant project meets Town Council Strategic Plan Goals and Operational Priorities/department goals.
- Read and understand entire grant application to ensure that your department has the appropriate resources to comply with the grantor's requirements.
- Develop grant concept including estimated budget and expected funding sources approved by Department Director.
- Grant entered into the grant management system. This system includes project description, total cost, grant amount requested, source of funding, match, ongoing cost implications including additional staff, if any, special conditions and application due date.
- Consult with other affected departments (e.g. engineering if it is a construction project) who will support or have the capacity to implement your project.
- Town Attorney to review if Resolution is required prior to grant submittals.
- Obtain Town Manager's signature prior to grant application submittal.
- Prepare draft Council communication requesting authorization to apply and accept grant if necessary.
- Complete final review and editing (a pair of fresh eyes are best), making sure to check the application against the grantor's instructions or the RFP.
- Send copy of the signed application to the Grant Project Manager for archiving and distribution.

### II. Procedures for Accepting Grant Awards and Post-Award Procedures

***Congratulations!*** Now you need to:

- Whoever receives an award notice/notification should send a copy of the award notice/notification to Grant Project Manager for archiving and distribution to Finance. Grant Project Manager will forward a copy of the award agreement to the Finance Division with a completed contract/grant information sheet for tracking purposes.
- Set up a meeting with the Grant Project Manager and the Finance Division to reconcile the accounts associated with the grant. During this meeting, you will review the grant requirements and you will be responsible for meeting all of the grant requirements and the current Town and/or State approved record retention schedules.



# TOWN OF FOUNTAIN HILLS

## TOWN COUNCIL AGENDA ACTION FORM

**Meeting Date:** 4/16/2019

**Meeting Type:** Regular Session

**Agenda Type:** Consent

**Submitting Department:** Community Services

**Staff Contact Information:** Grace Rodman-Guetter [gguetter@fh.az.gov](mailto:gguetter@fh.az.gov) 480-816-5165

**REQUEST TO COUNCIL** (Agenda Language): CONSIDERATION OF approving a Grant Application Request to apply for the Proposition 302 Arizona Office of Tourism (AOT) Grant monies (\$40,000.00).

**Applicant:** N/A

**Applicant Contact Information:** Grace Rodman-Guetter on behalf of the Town of Fountain Hills

**Owner:** N/A

**Owner Contact Information:** N/A

**Property Location:** N/A

**Related Ordinance, Policy or Guiding Principle:** Town of Fountain Hills Adopted Grant Policy

**Staff Summary** (background): The Tourism Division has successfully applied for and in past years has been granted funding from the Proposition 302 grant funds. The Tourism Division is seeking approval to continue applying for funding through these grant opportunities. Staff is requesting permission to apply for these grants in order to supplement our marketing strategy for FY 19/20 calling for larger and longer advertising campaigns to be run and marketed. If awarded, the monies would be used for the purchase of advertisements in the Waste Management Open, during the spring training season and digital retargeting advertising campaigns.

**Risk Analysis** (options or alternatives with implications): Denial of the opportunity to apply for these grants would severely limit the Tourism Division's ability to purchase or pursue marketing initiatives or opportunities that would otherwise showcase the Town of Fountain Hills as a destination. It would also jeopardize the status of continuing successful marketing strategies used in the past that could no longer be funded.

**Fiscal Impact** (initial and ongoing costs; budget status): Increase in budget revenue

**Budget Reference** (page number): 300

**Funding Source:** Grant Fund

**If Multiple Funds utilized, list here:**

**Budgeted; if No, attach Budget Adjustment Form:** Yes

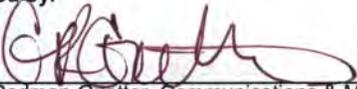
**Recommendation(s) by Board(s) or Commission(s):**

**Staff Recommendation(s):** Approve

**List Attachment(s):** Grant Administration Policy Application

**SUGGESTED MOTION** (for Council use): Move to approve Grant Application Request to apply for the Proposition 302 Arizona Office of Tourism (AOT) Grant monies (\$40,000.00).

Prepared by:



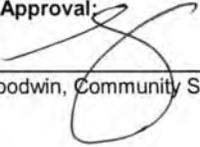
Grace Rodman-Guetter, Communications & Marketing Coordinator  
3/20/2019

Approved:



Grady E. Miller, Town Manager  
3/20/2019

Director's Approval:



Rachael Goodwin, Community Services Director  
3/20/2019

**APPENDIX A: Grant Priority Template**

Department: Community Services

Grant Request Project List for FY 18-19

<b>Project Name</b>	<b>Council Goal/CIP Relation</b>	<b>Brief Description</b>	<b>Target Dates</b>	<b>Priority</b>	<b>Funding Amounts</b>	<b>Grant Opportunities</b>	<b>Alternative Plan if not funded by grants</b>	<b>Potential Project Manager</b>
Fort McDowell Yavapai Nation Prop 202 Funding	Tourism Stakeholder Partnerships	Prop 202 funding will be used to add additional marketing exposure for tourism.	FY 19-20	High	\$10,000.00	Fort McDowell Yavapai Nation Prop 202 Funding	Limited marketing exposure	Grace Rodman-Guetter

*This form can be found on the Intranet under Document Library.*

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**Code of Federal Regulations (CFR):** This site provides the codification of the general and permanent rules published in the Federal Register by the departments and agencies of the federal government. Visit: <http://www.gpoaccess.gov/cfr/index.html>

**Federal OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments (relocated to 2 CFR, Part 225):** This circular establishes principles and standards for determining costs for federal awards carried out through grants, cost reimbursement contracts, and other agreements with state and local governments and federally-recognized Indian Tribal governments. Visit:

[http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105\\_a87.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105_a87.pdf)

**Federal OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments Common Rule:** This circular establishes consistency and uniformity among federal agencies and federal grantees and sub-grantees (sub-recipients) in the management of grants and cooperative agreements with state, local, and federally recognized Indian Tribal governments. Visit:

<http://www.whitehouse.gov/sites/default/files/omb/assets/omb/circulars/a102/a102.pdf>

**Federal OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (relocated to 2 CFR, Part 215):** This circular sets forth standards for obtaining consistency and uniformity among grantees and sub-grantees (sub-recipients) in the management of grants and cooperative agreements with institutions of higher education, hospitals and other non-profit organizations. Visit:

<http://www.whitehouse.gov/sites/default/files/omb/assets/omb/circulars/a110/2cfr215-0.pdf>

**Federal OMB A-122, Cost Principles for Non-Profit Organization (relocated to 2 CFR, Part 215):** This circular establishes principles and standards for determine cost of federal grants, contract and other agreements with non-profit organization. The principles are designed to provide that the federal government bears its fair share of costs except where restricted or prohibited by law. Visit

[http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105\\_a122.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105_a122.pdf)

**Federal OMB A-133, Audits of State, Local Governments, and Non-Profit Organizations:**

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[http://www.whitehouse.gov/sites/default/files/omb/assets/a133/a133\\_revised\\_2007.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/a133/a133_revised_2007.pdf)

**Federal OMB A-133 Compliance Supplement:** The compliance supplement is based on the requirements of the Single Audit Act Amendments of 1996 and 1997 revisions to OMB Circular A-133, which provided for the issuance of a compliance supplement to assist auditors in performing the required audits. While supplement is intended to provide a tool to both federal grantor agencies and auditors in setting forth the important provisions of federal assistance programs, it also provides guidance to recipients of federal assisted programs. It includes program objectives, procedures, and compliance requirements. Visit:

[http://www.whitehouse.gov/omb/circulars/a133\\_compliance\\_supplement\\_2012](http://www.whitehouse.gov/omb/circulars/a133_compliance_supplement_2012)

**Grants Management Common Rule:** On March 12, 1987, the President directed the federal grant making agencies to issue a grants management common rule to adopt government wide terms and conditions for grants to states and local governments. In 1988, OMB revised Circular A-102 to include guidance to federal agencies on matters not covered by the grants management common rule. The attachments to Circular A-102 were replaced by the grants management common rule. OMB maintains a chart which includes the locations of federal agency codifications of the grants management common rule. It is important for a grantee to review the regulations of their federal awarding agency. Visit:

[http://www.whitehouse.gov/omb/grants\\_chart/](http://www.whitehouse.gov/omb/grants_chart/)

**Single Audit Act of 1984 and Amendments of 1996:** The Act requires governmental entities that spend over \$300,000 a year in federal awards to prepare a Schedule of Expenditures of Federal Awards (SEFA), which is audited annually. (OMB Circular A-133 revised this threshold to \$750,000 beginning in 2015.) This is the responsibility of the Town Finance Division. OMB Circular A-133 incorporates the requirements of the Single Audit Act. Copies of the Town's most recent Single Audit Reporting Package are available upon request from the Finance Division.

The Single Audit Act was enacted to ensure the accurate accounting of federal grant funds are in compliance with program standards. Material non-compliance findings cited in the Town's Single Audit Reporting Package, including failure to accurately report federal expenditures on the Schedule of Expenditures of Federal Awards, could result in loss of grant funding. Grantors are required to monitor their sub-recipient's single audit findings to help ensure that findings are corrected. The Finance Division and the department administering the grant ensures that grant activity is accurately reported on both the grantor financial reports filed with the grantor agencies

and the Schedule of Expenditures of Federal Awards prepared by the Finance Division for the Town's Single Audit Reporting Package.

## APPENDIX C: Grant Project Profile Worksheet

GRANT PROJECT PROFILE WORKSHEET	
1. <b><i>In one sentence</i></b> , describe your project idea. What will you do? Where? With whom? When? And why?	Prop 202 funding will be used to add additional marketing exposure for tourism.
2. What <b><i>broad categories</i></b> of Town needs or opportunities does your project address? (Think in terms of general labels or frames.)	Tourism Promotion
3. Describe the <b><i>specific need or issue</i></b> in the Town that your project will address.	In our Town, the current situation is this: we do not have funds to increase tourism awareness
4. What <b><i>specific changes or outcomes</i></b> do you intend to achieve in the Town as a result of your project?	We intend to achieve the following specific outcomes: increase visitation, spending and overnight stays
5. What are the <b><i>major steps</i></b> you will need to take to make these changes happen?	Research, design and implement new marketing strategies
6. What <b><i>resources</i></b> will you need to accomplish these steps? (people, equipment, materials, training, supplies, services, other Town departments, etc.)	IT support, Chamber of Commerce partnership
7. Approximate total cost:	\$10,000.00 _____ Match \$ _____ 0.00 _____
8. Who else has a vested interest in working with you as <b><i>partners</i></b> on this problem or opportunity?	Chamber of Commerce, golf courses, restaurants, McDowell Mountain Regional Park, outdoor recreation retailers and event planners and promoters
9. What information, tools, data, etc., will you use to decide whether your project succeeded?	Measurable ROI – web statistics, social media impact, onsite surveys and collateral distribution
10. Who will be the grant project manager?	Grace Rodman-Guetter
Submitted By: Grace Rodman-Guetter	Date: 3/7/19
Telephone: 480-816-5165	

*This form can be found on the Intranet under Document Library.*

## APPENDIX D: Grant Check List

Project Name: 2019 Prop 202 Funding App. Due Date: TBD

Department: Community Services Contact Name: Grace Rodman-Guetter Ext. # 5165

### I. Procedures for Developing and Submitting Grant Applications

- Confirm purpose of the grant project meets Town Council Strategic Plan Goals and Operational Priorities/department goals.
- Read and understand entire grant application to ensure that your department has the appropriate resources to comply with the grantor's requirements.
- Develop grant concept including estimated budget and expected funding sources approved by Department Director.
- Grant entered into the grant management system. This system includes project description, total cost, grant amount requested, source of funding, match, ongoing cost implications including additional staff, if any, special conditions and application due date.
- Consult with other affected departments (e.g. engineering if it is a construction project) who will support or have the capacity to implement your project.
- Town Attorney to review if Resolution is required prior to grant submittals.
- Obtain Town Manager's signature prior to grant application submittal.
- Prepare draft Council communication requesting authorization to apply and accept grant if necessary.
- Complete final review and editing (a pair of fresh eyes are best), making sure to check the application against the grantor's instructions or the RFP.
- Send copy of the signed application to the Grant Project Manager for archiving and distribution.

### II. Procedures for Accepting Grant Awards and Post-Award Procedures

***Congratulations!*** Now you need to:

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- Set up a meeting with the Grant Project Manager and the Finance Division to reconcile the accounts associated with the grant. During this meeting, you will review the grant requirements and you will be responsible for meeting all of the grant requirements and the current Town and/or State approved record retention schedules.



# TOWN OF FOUNTAIN HILLS

## TOWN COUNCIL AGENDA ACTION FORM

**Meeting Date:** 4/16/2019

**Meeting Type:** Regular Session

**Agenda Type:** Consent

**Submitting Department:** Community Services

**Staff Contact Information:** Mike Fenzel, Community Center Manager, (480) 816-5116, mfenzel@fh.az.gov

**REQUEST TO COUNCIL** (Agenda Language): CONSIDERATION OF approving a SPECIAL EVENT LIQUOR LICENSE APPLICATION submitted by the Fountain Hills VFW Post 7507 (George Bernert), for the Chamber of Commerce Gala event to be held in the Grand Ballroom of the Fountain Hills Community Center, 13001 N. La Montana Drive, Fountain Hills, AZ from 4:30 PM to 11:00 PM on Friday, April 26, 2019.

**Applicant:** George Bernert

**Applicant Contact Information:** (480) 356-9019

**Owner:** NA

**Owner Contact Information:** NA

**Property Location:** Fountain Hills Community Center, 13001 N. La Montana Drive, Fountain Hills, AZ

**Related Ordinance, Policy or Guiding Principle:** A.R.S.§4-203.02; 4-261 and R19-1-228, R19-1-235, and R19-1-309, Community Center Operating Policy (Section 15-G).

**Staff Summary** (background): The purpose of this item is to obtain Council's recommendation regarding the special event liquor license application submitted by George Bernert for submission to the Arizona Department of Liquor.

**Risk Analysis** (options or alternatives with implications): NA

**Fiscal Impact** (initial and ongoing costs; budget status): NA

**Budget Reference** (page number): N/A

**Funding Source:** NA

**If Multiple Funds utilized, list here:** NA

**Budgeted; if No, attach Budget Adjustment Form:** NA

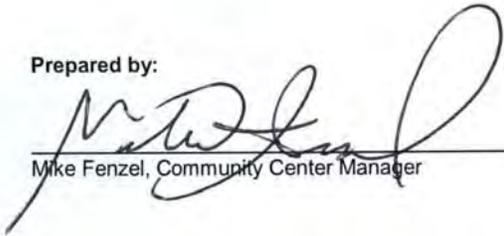
**Recommendation(s) by Board(s) or Commission(s):** NA

**Staff Recommendation(s):** Approve Application

**List Attachment(s):** Application

**SUGGESTED MOTION** (for Council use): Approve Special Event Liquor License Application

Prepared by:



Mike Fenzel, Community Center Manager

3/28/2019

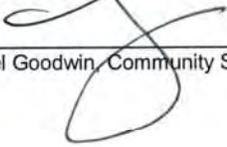
Approved:



Grady E. Miller, Town Manager

4/3/2019

Director's Approval:



Rachael Goodwin, Community Services Director

4/1/2019



Arizona Department of Liquor Licenses and Control
800 W Washington 5th Floor
Phoenix, AZ 85007-2934
www.azliquor.gov
(602) 542-5141

FOR DLIC USE ONLY
Received Date:
Job #:
CSR:
License #:

APPLICATION FOR SPECIAL EVENT LICENSE
Fees: \$25.00 per day for 1-10 days (consecutive) Cash Checks or Money Orders Only
A service fee of \$25.00 will be charged for all dishonored checks (A.R.S § 44-6852)

IMPORTANT INFORMATION: This document must be fully completed or it will be returned.
The Department of Liquor Licenses and Control must receive this application ten (10) business days prior to the event.

SECTION 1 Applicant must be a member of a qualifying nonprofit organization, political party, or Government entity and authorized by an Officer, Director, or Chairperson of the Organization.

1. Applicant: BERNERT GEORGE W
2. Applicant's mailing address: E LAUREL LN SCOTTSDALE AZ 85259
3. Applicant's home/cell phone: (480) 356-9019 Applicant's business phone: (480) 836-5520
4. Applicant's email address: BILLBERNERTI@GMAIL.COM

SECTION 2 Name of Organization, Candidate or Political Party/Gov.: Fountain Hills VFW Post 7509 Veterans of FOREIGN WARS

SECTION 3 Non-Profit/IRS Tax Exempt Number: 501(c)(19); 74-2514547

SECTION 4 Event Location: Fountain Hills Community Center

Event Address: 13001 N. MONTANA DR. Fountain Hills AZ 85268

SECTION 5 Dates and Hours of Event, Days must be consecutive but may not exceed 10 consecutive days. See A.R.S. § 4-244(15) and (17) for legal hours of service.

PLEASE FILL OUT A SEPARATE APPLICATION FOR EACH "NON-CONSECUTIVE" DAY

Table with 4 columns: Date, Day of Week, Event Start Time AM/PM, License End Time AM/PM. Row 1: 3/26/2019, Friday, 4:30 PM, 11:00 PM.

**SECTION 6** What type of security and control measures will you take to prevent violations of liquor laws at this event?  
(List type and number of police/security personnel and type of fencing or control barriers, if applicable.)

Number of Police 1 Number of Security Personnel  Fencing  Barriers

Explanation: Event is in an enclosed location w/ security in building

**SECTION 7** Will this event be held on a currently licensed premise and within the already approved premises?  Yes  No  
(If yes, Local Governing Body Signature not required)

Name of Business

License Number

Phone (Include Area Code)

**SECTION 8** How is this special event going to conduct all dispensing, serving, and selling of spirituous liquors? Please read R-19-318 for explanation and check one of the following boxes.

- Place license in non-use
- Dispense and serve all spirituous liquors under retailer's license
- Dispense and serve all spirituous liquors under special event
- Split premise between special event and retail location

(IF USING RETAIL LICENSE, PLEASE SUBMIT A LETTER OF AGREEMENT FROM THE AGENT/OWNER OF THE LICENSED PREMISES TO SUSPEND OR RUN CONCURRENT WITH THE PERMANENT LICENSE DURING THE EVENT. IF THE SPECIAL EVENT IS ONLY USING A PORTION OF THE PREMISES, AGENT/OWNER WILL NEED TO SUSPEND THAT PORTION OF THE PREMISES.)

**SECTION 9** What is the purpose of this event?

- On-site consumption
- Off-site (auction/wine/distilled spirits pull)
- Both

**SECTION 10**

1. Has the applicant been convicted of a felony, or had a liquor license revoked within the last five (5) years?  
 Yes  No (# yes, attach explanation.)

2. How many special event days have been issued to this organization during the calendar year? 3  
(The number cannot exceed 10 days per year.)

3. Is the Organization using the services of a Licensed Contractor?

Yes  No If yes, please provide the following: Name of Licensed Contractor: \_\_\_\_\_

4. Is the organization using the services of a series 6, 7, 11, or 12 licensee to manage the sale or service of alcohol?

Yes  No If yes, please provide the following: Name of Licensee: \_\_\_\_\_ License #: \_\_\_\_\_

5. List all people and organizations who will receive the proceeds. Account for 100% of the proceeds. The organization applying must receive 25% of the gross revenues of the special event liquor sales. Attach an additional page if necessary.

Name VFW POST 4507 Percentage: 50%

Address 9634 N. Monterey Dr. Fountain Hill AZ 85265

Name Fountain Hills Chamber of Commerce Percentage: 50

Address 16837 E. Balisados Blvd Fountain Hill AZ 85265

Street City State Zip

Please read A.R.S. § 4-203.02 Special event license; rules and R19-1-205 Requirements for a Special Event License.

Note: ALL ALCOHOLIC BEVERAGE SALES MUST BE FOR CONSUMPTION AT THE EVENT SITE ONLY.

**NO ALCOHOLIC BEVERAGES SHALL LEAVE A SPECIAL EVENT UNLESS THEY ARE IN AUCTION WINE OR DISTILLED SPIRITS PULL SEALED CONTAINERS OR THE SPECIAL EVENT LICENSE IS STACKED WITH WINE /CRAFT DISTILLERY FESTIVAL LICENSE.**

**SECTION 11** License premises diagram. The licensed premises for your special event is the area in which you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license. Please attach a diagram of your special event licensed premises. Please show dimensions, serving areas, fencing, barricades, or other control measures and security position.

**ATTACH DIAGRAM**

If the special event will be held at a location without a permanent liquor license or if the event will be on any portion of a location that is not covered by the existing liquor license, this application must be approved by the local government before submission to the Department of Liquor Licenses and Control. Please contact the local governing board for additional application requirements and submission deadlines. Additional licensing fees may also be required before approval may be granted. For more information, please contact your local jurisdiction.

I, (Print Full Name) GEORGE W BERNERT hereby swear under penalty of perjury and in compliance with A.R.S. § 4-210(A)(2) and (3) that I have read and understand the foregoing and verify that the information and statements that I have made herein are true and correct to the best of my knowledge.

Applicant Signature: George W Bernert

**LOCAL GOVERNING BOARD**

Date Received: \_\_\_\_\_

I, \_\_\_\_\_ recommend  APPROVAL  DISAPPROVAL  
 (Government Official) (Title)

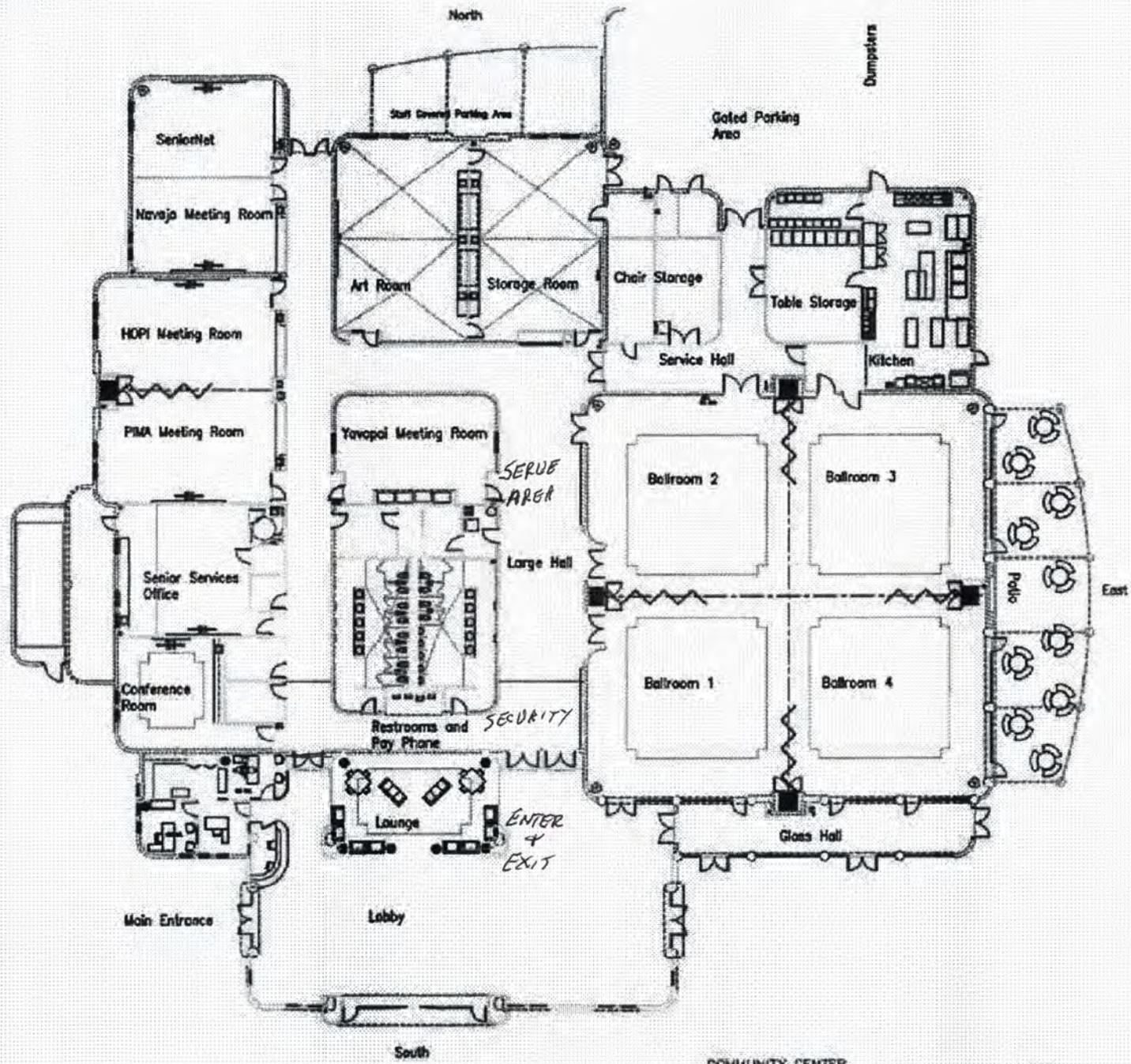
On behalf of \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_ Phone \_\_\_\_\_  
 (City, Town, County)

**DLIC USE ONLY**

APPROVAL  DISAPPROVAL BY: \_\_\_\_\_ DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

**A.R.S. § 41-1030. Invalidity of rules not made according to this chapter; prohibited agency action; prohibited acts by state employees; enforcement notice**

- B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.
- D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.
- E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.
- F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.



COMMUNITY CENTER  
FLOOR PLAN

Center  
Courtyard Area





# TOWN OF FOUNTAIN HILLS

## TOWN COUNCIL AGENDA ACTION FORM

**Meeting Date:** 4/16/2019

**Meeting Type:** Regular Session

**Agenda Type:** Regular

**Submitting Department:** Administration

**Staff Contact Information:** Grady E. Miller, Town Manager

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**REQUEST TO COUNCIL** (Agenda Language): CONSIDERATION OF a request by an applicant for Off-Track Pari-Mutuel Wagering as a permitted use at Parkview TapHouse Bar and Grill.

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**Applicant:** Joe Jackson/Dave Auther, Arizona Downs

**Applicant Contact Information:** 6239 N. 7th Street, Suite 200, Phoenix, AZ 85014

**Owner:** Same

**Owner Contact Information:** 602-952-2633

**Property Location:** Parkview TapHouse Bar and Grill, 16828 E. Parkview, Fountain Hills, AZ 85268

**Related Ordinance, Policy or Guiding Principle:** N/A

**Staff Summary** (background): Arizona Downs has worked with the new ownership of Parkview TapHouse Bar and Grill for the possibility of having off-track betting in the facility. Mr. Joe Jackson, a representative of Arizona Downs, has requested consideration of Off-Track Pari-Mutuel Wagering as a permitted use at the Parkview TapHouse Bar and Grill.

The Town of Fountain Hills currently does not have a process outlined in the Town Code relating to permitting Off-Track Pari-Mutuel Wagering at bars and restaurants. Under state law, the Town Council has the authority to review such applications and formulate recommendations to the Arizona State Racing Commission for its final approval. The process outlined under state law is very similar the one followed by the Town Council in reviewing and recommending liquor licenses to the Arizona Department of Liquor Licenses and Control. Out of respect to the Salt River Pima-Maricopa Indian Community and Fort McDowell Yavapai Nation which both have various forms of gambling at their casinos, the Town of Fountain Hills reached out to entities to inform them about the pending request before the Town Council.

If the Town Council approves the permitted use, then it would authorize Off-Track Pari-Mutuel Wagering to operate at Parkview Bar and Grill on a Temporary Teletrack Wagering Permit (currently in effect with the Arizona Racing Commission) until the Arizona Racing Commission issues a three-year permit term beginning on July 1, 2019 through June 30, 2021, for a Commercial Racing Permit.

**Risk Analysis** (options or alternatives with implications): N/A

**Fiscal Impact** (initial and ongoing costs; budget status): N/A

**Budget Reference** (page number): N/A

**Funding Source:** NA

**If Multiple Funds utilized, list here:** N/A

**Budgeted; if No, attach Budget Adjustment Form:** NA

**Recommendation(s) by Board(s) or Commission(s):** N/A

**Staff Recommendation(s):** That Council formulate a recommendation authorizing or denying the request for Off-Track Pari-Mutuel Wagering at the Parkview TapHouse Bar & Grill.

**List Attachment(s):** Letter from Arizona Downs, Temporary Teletrack Wagering Permit, and Arizona Revised Statute \_\_\_\_\_ governing the issuance of Off-Track Pari-Mutuel Wagering.

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**SUGGESTED MOTION** (for Council use): Move to approve (or deny) a request for Off-Track Pari-Mutuel Wagering as a permitted use at the Parkview TapHouse Bar & Grill.

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**Prepared by:**

\_\_\_\_\_  
NA Date

**Director's Approval:**

\_\_\_\_\_  
NA Date

**Approved:**

  
\_\_\_\_\_  
Grady E. Miller, Town Manager 3/25/2019



March 1, 2019

Mr. Grady Miller

Town Manager

Town of Fountain Hills

16705 E. Avenue of the Fountains

Fountain Hills, AZ 85268

**RE: Application For Off-Track Pari-Mutuel Wagering**

**Applicant: Dave Auther/Joe Jackson, Agent**

***Parkview TapHouse Bar & Grill, 16828 E. Parkview Ave.***

**Fountain Hills, AZ 85268**

Dear Mr. Miller:

As a follow-up to my recent conversations with Ms. Elizabeth Burke, please allow this letter to serve as a request from Arizona Downs, for approval to offer off-track, pari-mutuel wagering on horse racing as a permitted use at Parkview TapHouse Bar & Grill located at the above-referenced address. Please note that obtaining the Town of Fountain Hills approval will be further subject to final approval by the Arizona State Racing Commission.

Arizona Downs currently operates under a permit, tied to a three-year term for the Fiscal Years 2019, 2020, and 2021 (our Fiscal Year being July 1 – June 30). Therefore, we request that the permit for Parkview TapHouse Bar & Grill be co-terminous with our permit (i.e. Valid through June 30, 2021). For reference, I have attached a copy of our 'Temporary Teletrack Wagering Permit'.

Please give me a call with any questions, comments or further directions. I look forward to working with you, through the Town's approval process.

Best regards.

Joe Jackson

602-952-2633 (cell: 602-403-8605)

**RACETRACK:**

10501 E STATE ROUTE 89A  
PRESCOTT VALLEY, AZ 86315  
928-227-1996 | INFO@ARIZONADOWNS.COM

**CORPORATE:**

6239 N. 7TH STREET, SUITE 200  
PHOENIX, AZ 85014  
ARIZONADOWNS.COM

TEMPORARY TELETRACK WAGERING PERMIT

STATE OF ARIZONA TO:

ARIZONA DOWNS, L.L.C. ("permittee")  
FY2019, FY2020, FY2021  
ANN MCGOVERN, GENERAL MANAGER

By virtue of the authority vested in the Arizona Racing Commission (Commission) pursuant to the provisions of Arizona Revised Statutes Title 5, Chapter 1, the Commission has issued a Temporary Teletrack Wagering Permit to conduct teletrack wagering concurrently with the Arizona Downs Racing Program. The Permittee shall conduct the teletrack wagering operation pursuant to Arizona Administrative Code, Title 19, Chapter 2, Articles 1 through 5, as they now exist or hereafter may be adopted or amended (the "Commission Rules"), and only according to the provisions of the Commission-approved Plan of Operations. Any change to the Plan of Operation will be allowed only when approved in writing by the Director of the Racing Division of the Arizona Department of Gaming. The permit shall remain in effect until the Arizona Racing Commission has made a final determination of your application for a Commercial Racing Permit for the FY2019, FY2020, and FY2021 racing seasons as set forth in the three-year commercial racing permit application submitted by Arizona Downs, L.L.C.

Teletracking is to be conducted under the following terms and conditions:

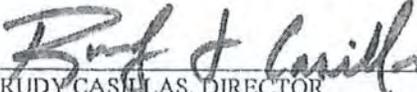
1. In all aspects, teletracking shall be conducted in accordance with the laws of the State of Arizona and the Commission Rules and any directive or policy issued by the Commission or the Director of the Division of Racing.
2. A separate application and plan of operation must be submitted for each facility in accordance with the Laws of the State of Arizona and the Commission Rules.
3. Number of races to be conducted daily shall be those races on the daily program of Yavapai Downs that have been approved by the Commission and those out-of-state simulcasts that have been approved by the Department.
4. The Permittee or additional facility operator shall maintain order and prevent bookmaking and other forms of illegal gambling from occurring on the premises. A Permittee shall not knowingly permit a person excluded from the track, either by the Permittee's own action or by order of the Department or Commission, to patronize the pari-mutuel system of wagering through an additional wagering facility. The Department shall give the Permittee a reasonable period of time, after direct notice, to remedy an alleged violation, if such violation is unintentional.
5. The mutuel department shall be under the supervision of the State Mutuel Supervisor, Auditor, Investigator, or other official designated by the Director.
6. It shall be the responsibility of the Permittee to provide the Department with copies of the insurance carried on the additional wagering facilities.
7. The insurance, deposit and performance bond associated with the temporary commercial racing permit issued to Arizona Downs, L.L.C. for racing at Arizona Downs are part of this permit.
8. The Permittee must provide a system capable of ensuring that money wagered on a particular race is included in the pari-mutuel pool of the racetrack conducting the race.

9. The Permittee must provide a system capable of ensuring those pari-mutuel machines at each additional facility lock upon the ringing of the off-bell or upon the closing of wagering for any reason.

Approved: May 10, 2018,

WITNESS THE ARIZONA RACING COMMISSION at Phoenix, Arizona, this 26 day of June, 2018.

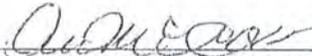
BY ORDER OF THE COMMISSION  
ARIZONA DEPT. OF GAMING/RACING DIVISION

  
\_\_\_\_\_  
RUDY CASILLAS, DIRECTOR

ACCEPTANCE

The foregoing permit is accepted as written and we further agree to abide by the terms and conditions contained herein.

ARIZONA DOWNS, L.L.C.

  
\_\_\_\_\_  
ANN MCGOVERN, GENERAL MANAGER

## CHAPTER 2. ARIZONA RACING COMMISSION

2. Report to the Department any changes in ownership or management groups,
  3. Provide the Department with a copy of all new contracts or amendments to existing ones, and
  4. Request the approval of the Director for any change in technology used to transmit sales transaction data.
- D. Renewal. A teletrack wagering permittee shall apply to the Commission for renewal of its teletrack wagering permit at the time the permittee makes application for a permit to operate a racing meet. The teletrack wagering permittee shall include in the renewal application the information required in subsections (B)(1) through (4).

**Historical Note**

New Section R19-2-414 renumbered from R19-2-404 and amended by exempt rulemaking at 20 A.A.R. 2874, effective October 10, 2014 (Supp. 14-4).

*Section R19-2-415 was made under an exemption from the provisions of the Arizona Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(16). Exemption from the rulemaking process means that the agency did not submit these rules to the Secretary of State's Office for publication in the Register as proposed rules, the agency was not required to accept public comment, and the rules were not approved by either the Governor's Regulatory Review Council or the Attorney General.*

**R19-2-415. Approval of Additional Wagering Facilities; Plan of Operation; Renewal or Approval of Additional Wagering Facilities**

- A. A teletrack wagering permittee shall request approval from and submit a plan of operation to the Commission for each additional teletrack wagering facility. The Commission shall issue a permit for an additional wagering facility for no more than three years.
- B. The teletrack wagering permittee shall include the following in the plan of operation regarding the additional teletrack wagering facility:
1. A feasibility study that estimates both gross revenue from the teletrack facility and estimated costs to operate the facility. The feasibility study shall include:
    - a. Types of wagering to be offered and the hours during which pari-mutuel windows will be in operation,
    - b. Level of anticipated wagering activity,
    - c. Source and amount of revenues needed for financing the teletrack wagering operation,
    - d. Proof of financial stability and assets sufficient to cover projected costs, and
    - e. Estimate of the total amount of anticipated revenues to be paid to the state resulting from teletrack wagering operations;
  2. The following information regarding any group, concession, or contract related to the teletrack wagering operation whether within or outside of Arizona unless the information is already on record with the Department:
    - a. Listing and background of the management groups responsible for operation of the facility;
    - b. Name of all individuals who own at least 10 percent of the facility; and
    - c. Other information that, in the Director's judgment, is or may be material, such as information pertaining to financial background and persons associated with the parties to the contract;
  3. Measures to be employed by the teletrack wagering permittee to protect the facility, employees, public, and wagering dollars;
  4. Location of the teletrack wagering facility;

5. Proof that approval for use of the facility to handle pari-mutuel wagering has been given by the governing body of the city or town or by the board of supervisors, if the facility is located in an unincorporated area; and
  6. Building plans and specifications that demonstrate sufficient area for patrons to handicap the races and reasonable access by individuals with a disability.
- C. Approval and amendments. The requirements in R19-2-414(C) apply.
- D. Renewal. When a teletrack wagering permittee makes application to renew the teletrack wagering permit, the permittee shall provide the Department a list of its existing additional teletrack wagering facilities. When the Director approves renewal of the teletrack wagering permit, the Director may approve:
  1. Renewal of the existing additional teletrack wagering facilities, and
  2. The permittee's application to begin operation at a teletrack wagering facility previously approved by the Commission and currently used by another permittee.
- E. After the Commission approves an additional teletrack wagering facility, the permittee shall not open the additional facility for business for five working days or until all licensing requirements are satisfied. If the necessary licensing requirements are completed in less than five working days, the Director may waive the remaining days.

**Historical Note**

Section made by exempt rulemaking at 20 A.A.R. 2874, effective October 10, 2014 (Supp. 14-4).

*Section R19-2-416 was made under an exemption from the provisions of the Arizona Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(16). Exemption from the rulemaking process means that the agency did not submit these rules to the Secretary of State's Office for publication in the Register as proposed rules, the agency was not required to accept public comment, and the rules were not approved by either the Governor's Regulatory Review Council or the Attorney General.*

**R19-2-416. Suspension of Teletrack Permit**

- A. The Director or the Director's designee may suspend a teletrack wagering permit or a permit to operate an additional teletrack wagering facility if the permittee fails to conduct operations in accordance with the provisions of the approved plan of operation, A.R.S. Title 5, Chapter 1, this Chapter, or directives from the Director.
- B. If the Director finds that the public health, safety, or welfare imperatively requires emergency action, the Director shall order summary suspension of a teletrack wagering permit or any permit authorizing operation of an additional teletrack wagering facility, pending a hearing.

**Historical Note**

New Section R19-2-416 renumbered from R19-2-408 and amended by exempt rulemaking at 20 A.A.R. 2874, effective October 10, 2014 (Supp. 14-4).

*Section R19-2-417 was made under an exemption from the provisions of the Arizona Administrative Procedure Act pursuant to A.R.S. § 41-1005(A)(16). Exemption from the rulemaking process means that the agency did not submit these rules to the Secretary of State's Office for publication in the Register as proposed rules, the agency was not required to accept public comment, and the rules were not approved by either the Governor's Regulatory Review Council or the Attorney General.*

**R19-2-417. Licensing of Employees at Teletrack Facilities**

- A. A teletrack wagering permittee shall ensure that no teletrack wagering occurs at a teletrack facility until all individuals

# Off-Track Betting Locations in Arizona

Revised 11/15/18

## APACHE JUNCTION

### Apache Greyhound Park (H/D)

2551 W. Apache Trail

AJ, Arizona, 85220

(480) 982-2371

### Mirage Sports Grill (H)

1075 S. Idaho Road #108

AJ, Arizona, 85210

(480) 671-3846

## BUCKEYE

### Waddells' Longhorn (H)

1629 N. 195<sup>th</sup> Ave

Buckeye, AZ 85396

(623) 853-0395

## CASA GRANDE

### McMasher's Sports Bar (H/D)

1355 E. Florence #139

Casa Grande, AZ 85222

(520) 426-1472

## CAVE CREEK

### Harold's Corral (H)

6985 E Cave Creek Rd.

Cave Creek, AZ 85331

(480) 488-1906

### Gallagher's Cave Creek (H)

34406 N. Black Mountain Pkwy

Phoenix, AZ 85331

(480) 595-8800

## CHANDLER

### Nate's Third Base (H)

1949 W. Ray Road #11

Chandler, AZ 85224

(480) 782-6283

### The Ivy (H)

1890 W. Germann Road

Chandler, AZ 85286

(480) 699-6189

### The Reef (H)

2041 N. Arizona Ave

Chandler, AZ 85225

(480) 963-5520

## FLAGSTAFF

### Porky's Pub (H)

2285 E Butler Ave

Flagstaff, AZ 86004

(928) 774-1011

### The Museum Club (H)

#### *\*Arizona Downs*

3404 E. Rte 66

Flagstaff, AZ 86004

(928) 526-9434

## GLENDALE

### Max's Sports Bar (H/D)

6727 N. 47<sup>th</sup> Avenue

Glendale, AZ 85301

(623) 937-1671

### The Nest Sports Grill (H)

5134 N. 95<sup>th</sup> Ave

Glendale, AZ 85305

(623) 594-0900

### Padre Murphy's (H/D)

4338 W. Bell Road

Glendale, AZ 85308

(602) 547-9406

### Turf Paradise

1501 W. Bell Road

Phoenix, AZ 85023

(602) 942-1106

## GLOBE

### Farley's Pub

230 N. Broad St.

Globe, AZ 85023

(928) 719-6933

## GOODYEAR

### Roman's Oasis (H)

16825 W. Yuma Road

Goodyear, AZ 85338

(623) 932-0922

## KINGMAN

### Cerbat Hills Sports Bar (H)

3631 Stockton Hills Road

Kingman, AZ 86401

(928) 692-1835

## LAKE HAVASU CITY

### Gallager's Dining & Pub (H)

#### *\*Arizona Downs*

3524 McCulloch Blvd.

Lake Havasu, AZ 86406

(928) 855-8686

### Quality Inn & Suite (H)

271 S. Lake Havasu Blvd.

Lake Havasu, AZ 86403

(928) 855-1111

## MESA

### JJ Madisons Grill (H)

430 N. Power Road

Mesa, AZ 85205

(480) 924-8778

### RT O'Sullivan's Sports Grill (H)

6646 E Superstition Springs

Mesa, AZ 85206

(480) 396-9933

### O'Kelley's Sports Bar (H)

2120 W. Guadalupe Rd. #16

Mesa, AZ 85202

(602) 756-6069

## PEORIA

### DAYS INN (H)

8955 NW Grand Ave

Peoria, AZ 85345

(623) 412-0774

(H) Horse only

(H/D) Both Dog and Horse Racing

\*Arizona Downs Run OTB

# Off-Track Betting Locations in Arizona

Revised 11/15/18

**Legends Sports Club (H)**  
8378 W. Thunderbird Road  
Peoria, AZ 85381  
**(623) 487-1271**

**Peoria Pines Golf Course (H)**  
8411 N. 107<sup>th</sup> Avenue  
Peoria, AZ 85345  
**(623) 972-1364 x100**

## PHOENIX

**American Legion Post #1 (H/D)**  
364 N. 7<sup>th</sup> Ave  
Phoenix, AZ 85007  
**(602) 252-4303**

**Armadillo Grill (H)**  
1940 E. Camelback Road  
Phoenix, AZ 85016  
**(602) 287-0700**

**Azool Grill (H)**  
3134 W. Carefree Hwy  
Phoenix, AZ 85086  
**(623) 582-5177**

**Big Daddy Sports Lounge (H/D)**  
10618 N. Cave Creek Road  
Phoenix, AZ 85020  
**(602) 861-1034**

**Bleachers Sports Grill (H)**  
15410 N. South Mtn. Pkwy.  
Phoenix, AZ 85044  
**(480) 759-4034**

**Bull Shooters (H)**  
*\*Arizona Downs*  
3337 W. Peoria  
Phoenix, AZ 85029  
**(602) 441-2447**

**Casey Jones Grill (H)**  
2848 E. Bell Road  
Phoenix, AZ 85032  
**(602) 493-9930**

**Castaways Sports Bar (H)**  
5110 E. McDowell Road  
Phoenix, AZ 85008  
**(602) 535-5695**

**Connolly's Sports Grille (H)**  
*\*Arizona Downs*  
2605 W Carefree Hwy.  
Phoenix, AZ 85085  
**(623) 879-5997**

**Gallaghers/Baseline (H/D)**  
3220 E. Baseline Road  
Phoenix, AZ 85042  
**(602) 437-0981**

**Gallaghers/Central (H)**  
7575 N. 16<sup>th</sup> St.  
Phoenix, AZ 85024  
**(602) 997-0084**

**Gallaghers/Union Hills**  
751 E. Union Hills Dr.  
Phoenix, AZ 85024  
**(602) 867-3222**

**Roman's County Line (H)**  
10540 W. Indian School Road  
Phoenix, AZ 85039  
**(623) 877-8191**

**Turf Paradise Race Track (H)**  
1501 W. Bell Road  
Phoenix, AZ 85023  
**(602) 942-1101**

## PINETOP/SHOWLOW

**The Lodge (H)**  
857 S. White Mtn Blvd.  
Pinetop, AZ 85395  
**(928) 358-4602**

## PRESCOTT/PRESCOTT VALLEY

**Antelope Lanes (H)**  
6301 E. 2<sup>nd</sup> St.  
Prescott Valley, AZ 86314  
**(928) 772-7331**

**Arizona Downs Race Track (H)**  
10501 E St. Rte. 89A  
Prescott Valley, AZ 86315  
**(928) 227-1996**

**Matt's Longhorn Saloon (H)**  
112 S. Montezuma  
Prescott, AZ 85301  
**(928) 772-7331**

## SAFFORD

**Safford Bowl (H)**  
410 E. 4<sup>th</sup> Street  
Safford, AZ 85546  
**(928) 778-0011**

## SIERRA VISTA

**PC's Lounge (H/D)**  
4700 E. Hwy 90  
Sierra Vista, AZ 85635  
**(520) 515-3333**

## SCOTTSDALE

**Arena Sports Grill (H)**  
6245 E. Bell Road  
Scottsdale, AZ 85254  
**(480) 948-0008**

**Bevy (H)**  
4420 N. Saddle Bag Trail  
Scottsdale, AZ 85251  
**(480) 525-9330**

**KO O'Donnell's Sports Grill (H)**  
14850 N. Northsight Blvd.  
Scottsdale, AZ 85260  
**(480) 922-7200**

(H) Horse only

(H/D) Both Dog and Horse Racing

\*Arizona Downs Run OTB

# Off-Track Betting Locations in Arizona Revised 11/15/18

## SCOTTSDALE

**Tavern Grille (H)**  
8880 E. Via Linda, Suite 106  
Scottsdale, AZ 95258  
**(480) 614-5254**

**The Hanger (H/D)**  
13810 N. Scottsdale Road #30  
Scottsdale, AZ 85254  
**(480) 951-8897**

## SUN CITY

**Union Hills Country Club (H)**  
9860 W. Lindgren Ave  
Sun City, AZ 85373  
**(623) 974-5888**

## SURPRISE

**Brookside II Sports Bar (H/D)**  
15170 W. Bell Road  
Surprise, AZ 85374  
**(623) 556-1000**

**Runners Sports Bar (H/D)**  
12751 W. Bell Road  
Surprise, AZ 85374  
**(623) 815-1021**

## TEMPE

**Arlie's Bar & Grill (H)**  
2155 E. University Dr. #116  
Tempe, AZ 85281  
**(480) 305-0852**

**Boston's Bar & Grill (H/D)**  
1730 E. Elliott Road  
Tempe, AZ 85284  
**(480) 831-0822**

## TUCSON

**Famous Sam's Central (H/D)**  
3933 E. Pima St.  
Tucson, AZ 85712  
**(520) 323-1880**

**Famous Sam's East (H/D)**  
7129 E. Golf Links Road  
Tucson, AZ 85730  
**(520) 296-1245**

**Golden Pin Lanes (H/D)**  
1010 W. Miracle Mile  
Tucson, AZ 85705  
**(520) 888-4272**

**Jeff's Pub & Sports Bar (H/D)**  
112 S. Camino Seco  
Tucson, AZ 85741  
**(520) 886-1001**

**Old Father Inn (H/D)**  
4080 W. Ina Road  
Tucson, AZ 85741  
**(520) 744-1200**

**Tucson Greyhound Park (H/D)**  
2601 S. 3<sup>rd</sup> Ave  
Tucson, AZ 85713  
**(520) 884-7576**



# TOWN OF FOUNTAIN HILLS

## TOWN COUNCIL AGENDA ACTION FORM

**Meeting Date:** 4/16/2019

**Meeting Type:** Regular Session

**Agenda Type:** Regular

**Submitting Department:** Community Services

**Staff Contact Information:** Rachael Goodwin, Community Services Director, 480-816-5135

**REQUEST TO COUNCIL** (Agenda Language): CONSIDERATION OF a new trail proposal on the south leg of the Fountain Hills Preserve.

**Applicant:** Bill Craig, McDowell Mountain Preservation Commission, Fountain Hills Trailblazers

**Applicant Contact Information:**

**Owner:** Town of Fountain Hills

**Owner Contact Information:**

**Property Location:** Fountain Hills Preserve

**Related Ordinance, Policy or Guiding Principle:** NA

**Staff Summary** (background): In December 2018, the Town of Fountain Hills acquired 82 acres of additional open space, previously owned by Toll Brothers. This parcel, known as parcel 9, added additional land to the southern end of the Fountain Hills McDowell Mountain Preserve. As such, the members of the McDowell Mountain Preservation Commission and the Fountain Hills Trailblazers have proposed a new trail to allow access to this new portion. The new trail would be developed, installed, and maintained by the volunteer Trailblazer group. This group is the steward and builder of most of the trails within Fountain Hills. The proposed trail will connect to the existing Overlook Trail, accessed from the Adero Canyon Trailhead.

**Risk Analysis** (options or alternatives with implications): The proposed improvements are put forth by the MMPC and Trailblazers in order to grow and further develop the Fountain Hills trail system. There is little risk if the project is not completed.

**Fiscal Impact** (initial and ongoing costs; budget status): All work to be performed by volunteer Trailblazers

**Budget Reference** (page number):

**Funding Source:** NA

**If Multiple Funds utilized, list here:**

**Budgeted; if No, attach Budget Adjustment Form:** NA

**Recommendation(s) by Board(s) or Commission(s):** The McDowell Mountain Preservation Commission voted in favor of recommending the new trail addition.

**Staff Recommendation(s):** Staff recommends the addition of the new trail.

**List Attachment(s):** Proposed trail map

**SUGGESTED MOTION** (for Council use): Move to approve new trailhead in the south leg of the Fountain Hills Preserve as proposed.

Prepared by:



Rachael Goodwin, Community Services Director 4/2/2019

Director's Approval:

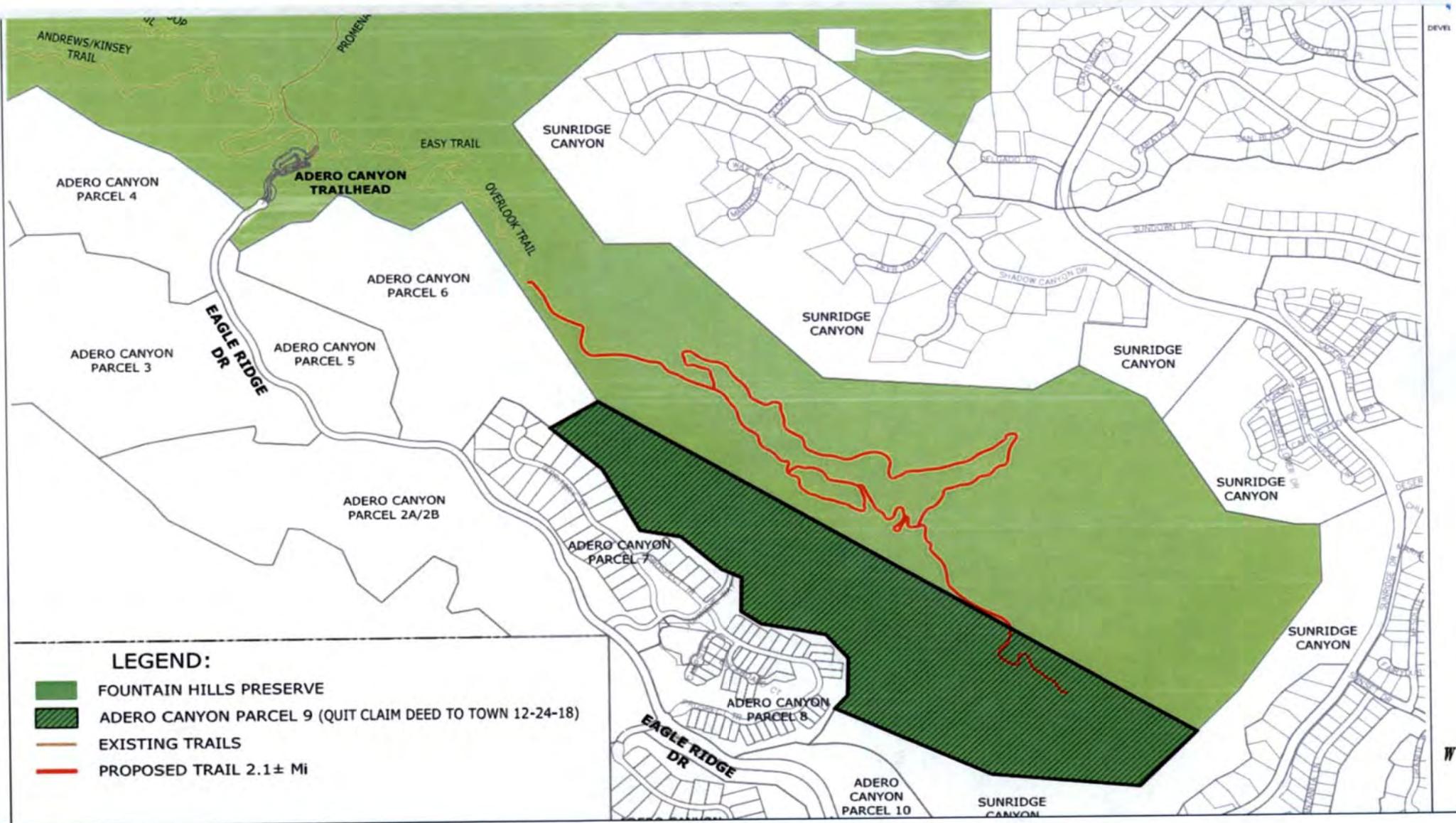


Rachael Goodwin, Community Services Director 4/2/2019

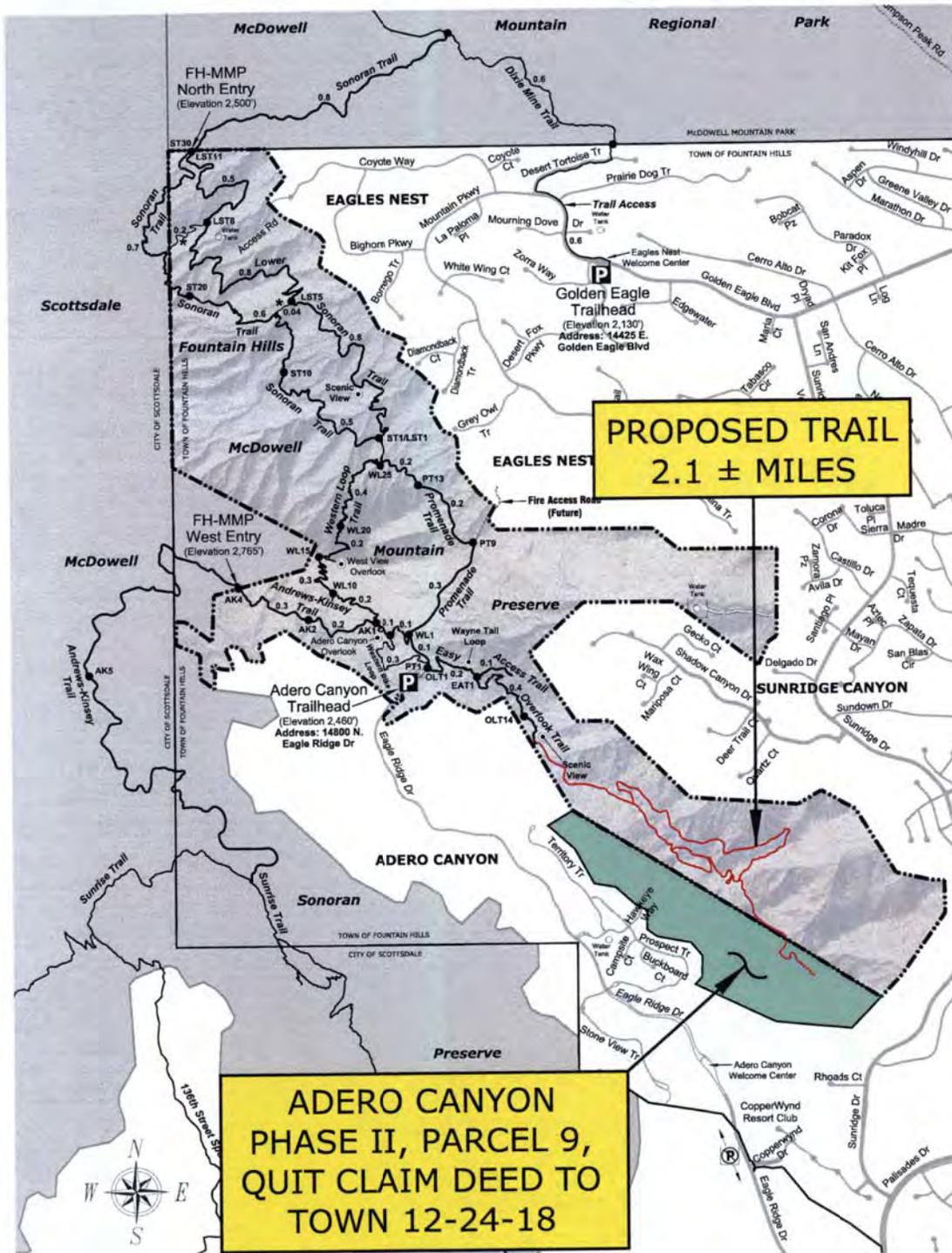
Approved:



Grady E. Miller, Town Manager 4/2/2019









# TOWN OF FOUNTAIN HILLS

## TOWN COUNCIL AGENDA ACTION FORM

**Meeting Date:** 4/16/2019

**Meeting Type:** Regular Session

**Agenda Type:** Regular

**Submitting Department:** Public Works

**Staff Contact Information:** Justin T. Weldy, [jweldy@fh.az.gov](mailto:jweldy@fh.az.gov), 480-816-5133

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**REQUEST TO COUNCIL** (Agenda Language): CONSIDERATION OF approving the Third Amendment to Cooperative Purchase Agreement C2017-045 between M. R. Tanner Development and Construction, Inc. and the Town of Fountain Hills for asphalt replacement and miscellaneous work in an amount not to exceed \$3,500,000.

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**Applicant:** NA

**Applicant Contact Information:** NA

**Owner:** NA

**Owner Contact Information:** NA

**Property Location:** NA

**Related Ordinance, Policy or Guiding Principle:** NA

**Staff Summary** (background): At the Town Council meeting on March 19, 2019, staff brought forth a contract to the Town Council for M.R. Tanner as part of a cooperative purchase agreement in the amount of \$8.5 million. The cooperative purchasing agreement is through the City of Chandler which the Town of Fountain Hills has been able to take advantage of considerable savings over the past three years. The plan was for the contract to cover the balance of street maintenance and mill and overlay needs through June 2019 and all of FY 19-20. Due to Council concerns about the total cost of the contract, the Town Manager requested to remove the contract from the March 19, 2019 Town Council agenda.

A meeting with the Town Manager, Finance Director, and Public Works Director revealed that the actual carryover of funding in the Streets Fund was overstated by \$2 million. The actual amount should have been \$3 million due to work not being able to be undertaken last fiscal year based on SRP upgrading power lines in the streets which prevented M.R. Tanner from mobilizing and performing work in the areas designated to be repaired. The error occurred when the Public Works Director asked the Finance Director about the surplus in the Streets Fund last year and at the beginning of FY 18-19. The Public Works Director incorrectly added the two figures together even though they were the same, fixed surplus figure. This inadvertently increased the estimated surplus funds available from \$2 million to over \$5 million to expend over the next two fiscal years.

Despite this error occurring, had the \$8.5 million contract been awarded on March 19, 2019, there are built-in checks and balances in the General Ledger system that would have prevented the expenditure of funds over the actual balance. This would have alerted staff to the issue if it hadn't

been caught earlier.

In reviewing the Streets Fund balance history over the past six fiscal years, it was determined that the Streets Fund has carried a fund balance ranging between \$595,000 to \$3,000,000 per fiscal year. The attached report entitled Pavement Maintenance (6276) demonstrates that this has been a normal occurrence with the Streets Fund carrying significant fund balances

The plan going forward is to expend \$3.5 million from the Streets Fund this fiscal year as part of the award of the cooperative purchasing agreement with M.R. Tanner. Then in September of 2019 staff will bring another contract with M.R. Tanner for Council consideration in the amount of \$3.5 million.

**Risk Analysis** (options or alternatives with implications): NA

**Fiscal Impact** (initial and ongoing costs; budget status): \$3,500,000

**Budget Reference** (page number): 281

**Funding Source:** Highway User Revenue Fund

**If Multiple Funds utilized, list here:** NA

**Budgeted; if No, attach Budget Adjustment Form:** NA

**Recommendation(s) by Board(s) or Commission(s):** NA

**Staff Recommendation(s):** Approval of the Third Amendment to Cooperative Purchasing Agreement C2017-045.1 with M.R. Tanner, Inc.

**List Attachment(s):** Third amendment to Contract C2017-045, City of Chandler Bid Results  
Streets Fund Balance Report, dated April 2, 2019  
Pavement Maintenance (6276) Report

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**SUGGESTED MOTION** (for Council use): Move to approve the Third Amendment to Cooperative Purchase Agreement C2017-045.3 between M.R. Tanner Development and Construction, Inc. and the Town of Fountain Hills for asphalt replacement and miscellaneous work in an amount not to exceed \$3,500,000.00

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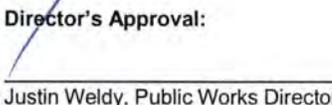
Prepared by:

  
Justin Weldy, Public Works Director 4/2/2019

Approved:

  
Grady E. Miller, Town Manager 4/2/2019

Director's Approval:

  
Justin Weldy, Public Works Director 4/2/2019

**THIRD AMENDMENT  
TO  
COOPERATIVE PURCHASING AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
M.R. TANNER DEVELOPMENT AND CONSTRUCTION, INC.**

THIS THIRD AMENDMENT TO COOPERATIVE PURCHASING AGREEMENT (this "Third Amendment") is entered into as of April 16, 2019, between the Town of Fountain Hills, an Arizona municipal corporation (the "Town") and M.R. Tanner Development and Construction, Inc., an Arizona corporation (the "Contractor").

RECITALS

A. After a competitive procurement process, the City of Chandler, Arizona entered into Contract No. ST5-745-3478, dated February 13, 2015, as amended by Amendment No. 1, dated January 22, 2016, by Amendment No. 2, dated January 19, 2017, by Amendment No. 3, dated January 26, 2018, and by Amendment No. 4, dated December 14, 2018 (collectively, the "City Contract"), with the Contractor for the Contractor to provide street replacement and asphalt mill and overlay. The City Contract is attached hereto as Exhibit A and is incorporated herein by reference, to the extent not inconsistent with this Agreement.

B. The Town and the Contractor entered into a Cooperative Purchasing Agreement dated September 15, 2016 (the "Initial Agreement"), and based upon the City Contract, for the Contractor to provide the Town with street replacement and asphalt mill and overlay (the "Materials and Services").

C. The Initial Agreement was amended by that First Amendment, dated November 21, 2017, and that Second Amendment, dated March 6, 2018, to purchase additional Materials and Services and to extend the term of the Agreement. The Initial Agreement and First and Second Amendments are collectively referred to herein as the "Agreement." All capitalized terms not otherwise defined in this Third Amendment have the same meanings as contained in the Agreement.

D. The Town has determined that it is necessary for the Contractor to perform additional street replacement and asphalt mill and overlay services (the "Additional Materials and Services") and that it is necessary to extend the term of the Agreement and provide additional compensation for the provision of the Additional Materials and Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. Term of Agreement. The Term of the Agreement is hereby extended and shall remain in full force and effect until April 16, 2020, unless terminated as otherwise provided pursuant to the terms of the Agreement.

2. Scope of Work. Contractor shall provide the Additional Materials and Services (i) under the terms and conditions of the City Contract and (iii) pursuant to instructions from the Town and as may be agreed upon by the Parties.

3. Compensation. The Town shall increase the compensation to Contractor by not more than \$3,500,000.00 for the Additional Materials and Services at the rates set forth in the City Contract and more particularly in the Proposal, resulting in an increase of the aggregate not-to-exceed compensation from \$4,296,753.59 to \$7,796,753.59.

4. Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below or (C) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to the Town:           Town of Fountain Hills  
                                  16705 East Avenue of the Fountains  
                                  Fountain Hills, Arizona 85268  
                                  Attn: Grady E. Miller, Town Manager

With copy to:           Pierce Coleman PLLC  
                                  4711 East Falcon Drive, Suite 111  
                                  Mesa, Arizona 85215  
                                  Attn: Aaron D. Arnson, Town Attorney

If to Contractor:       M.R. Tanner Development and Construction, Inc.  
                                  1327 West San Pedro Street  
                                  Gilbert, Arizona 85233  
                                  Attn: Kevin Day

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (A) when delivered to the party, (B) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (C) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all

required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

5. Effect of Amendment. In all other respects, the Agreement is affirmed and ratified and, except as expressly modified herein, all terms and conditions of the Agreement shall remain in full force and effect.

6. Non-Default. By executing this Third Amendment, the Contractor affirmatively asserts that (i) the Town is not currently in default, nor has it been in default at any time prior to this Third Amendment, under any of the terms or conditions of the Agreement and (ii) any and all claims, known and unknown, relating to the Agreement and existing on or before the date of this Third Amendment are forever waived.

7. Israel. Contractor certifies that it is not currently engaged in, and agrees for the duration of this Agreement that it will not engage in a "boycott," as that term is defined in Ariz. Rev. Stat. § 35-393, of Israel.

8. Conflict of Interest. This Third Amendment and the Agreement may be cancelled by the Town pursuant to Ariz. Rev. Stat. § 38-511.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first set forth above.

“Town”

TOWN OF FOUNTAIN HILLS,  
an Arizona municipal corporation

GR  
4/3/19

\_\_\_\_\_  
Grady E. Miller, Town Manager

ATTEST:

\_\_\_\_\_  
Elizabeth A. Burke, Town Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Aaron D. Arnson, Town Attorney

(ACKNOWLEDGMENT)

STATE OF ARIZONA     )  
  ) ss.  
COUNTY OF MARICOPA )

On \_\_\_\_\_, 2019, before me personally appeared Grady E. Miller, the Town Manager of the TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above document, on behalf of the Town of Fountain Hills.

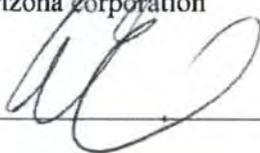
\_\_\_\_\_  
Notary Public

(Affix notary seal here)

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

**"Contractor"**

M.R. TANNER DEVELOPMENT AND CONSTRUCTION, INC.  
a(n) Arizona corporation

By: 

Name: ALAN E. EVANS

Title: PRESIDENT

(ACKNOWLEDGMENT)

STATE OF ARIZONA     )  
  ) ss.  
COUNTY OF MARICOPA )

On March 27, 2019, before me personally appeared ALAN EVANS, the PRESIDENT of M.R. TANNER DEVELOPMENT AND CONSTRUCTION, INC., a(n) Arizona corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he/she claims to be, and acknowledged that he/she signed the above document on behalf of the corporation.



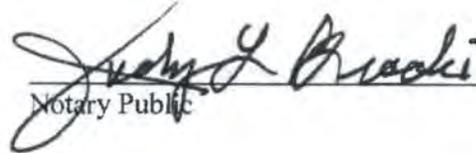
  
Notary Public

EXHIBIT A  
TO  
COOPERATIVE PURCHASE AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
M.R. TANNER DEVELOPMENT AND CONSTRUCTION, INC.

[City Contract]

See following pages.

**CITY OF CHANDLER SERVICES AGREEMENT  
ASPHALT PATCH MAINTENANCE & REPAIR  
AGREEMENT NO.: ST5-745-3434**

18-2301

THIS AGREEMENT is made and entered into this 24 day of October, 2014, by and between the City of Chandler, a Municipal Corporation of the State of Arizona, hereinafter referred to as "CITY", and MR TANNER DEVELOPMENT & CONSTRUCTION, INC., hereinafter referred to as "CONTRACTOR".

WHEREAS, CONTRACTOR represents that CONTRACTOR has the expertise and is qualified to perform the services described in the Agreement.

NOW THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties hereto agree as follows:

**1. CONTRACT ADMINISTRATOR:**

- 1.1. **Contract Administrator.** CONTRACTOR shall act under the authority and approval of the Sr. Streets Maintenance Coordinator/designee (Contract Administrator), to provide the services required by this Agreement.
- 1.2. **Key Staff.** This Contract has been awarded to CONTRACTOR based partially on the key personnel proposed to perform the services required herein. CONTRACTOR shall not change nor substitute any of these key staff for work on this Contract without prior written approval by CITY.
- 1.3. **Subcontractors.** During the performance of the Agreement, CONTRACTOR may engage such additional SUBCONTRACTORS as may be required for the timely completion of this Agreement. In the event of subcontracting, the sole responsibility for fulfillment of all terms and conditions of this Agreement rests with CONTRACTOR.
- 1.4. **Subcontracts.** CONTRACTOR shall not enter into any Subcontract under this Contract for the performance of this Contract without the advance written approval of CITY. The subcontract shall incorporate by reference the terms and conditions of this Contract.

**2. SCOPE OF WORK:** CONTRACTOR shall provide Asphalt Patch Maintenance & Repair services all as more specifically set forth in the Scope of Work, labeled Exhibit B, Price List, labeled Exhibit C, Contractor's Equipment List, labeled Exhibit D, Subcontractor List, labeled Exhibit E, Performance and Payment Bonds, labeled Exhibit F1 and F2, Construction Sign Detail, labeled Exhibit G attached hereto and made a part hereof by reference and as set forth in the Specifications and details included therein.

- 2.1. **Non-Discrimination.** The CONTRACTOR shall comply with State Executive Order No. 99-4 and all other applicable City, State and Federal laws, rules and regulations, including the Americans with Disabilities Act.
- 2.2. **Licenses.** CONTRACTOR shall maintain in current status all Federal, State and local licenses and permits required for the operation of the business conducted by the CONTRACTOR as applicable to this contract.
- 2.3. **Advertising, Publishing and Promotion of Contract.** The CONTRACTOR shall not use, advertise or promote information for benefit concerning this Contract without the prior written approval of the CITY.
- 2.4. **Compliance With Applicable Laws.** CONTRACTOR shall comply with all applicable Federal, state and local laws, and with all applicable licenses and permit requirements.

cc 10-23 14

- 2.4.1 Pursuant to the provisions of A.R.S. § 41-4401, the Contractor hereby warrants to the City that the Contractor and each of its subcontractors ("Subcontractors") will comply with all Federal Immigration laws and regulations that relate to the immigration status of their employees and the requirement to use E-Verify set forth in A.R.S. §23-214(A) (hereinafter "Contractor Immigration Warranty").
- 2.4.2 A breach of the Contractor Immigration Warranty (Exhibit A) shall constitute a material breach of this Contract that is subject to penalties up to and including termination of the contract.
- 2.4.3 The City retains the legal right to inspect the papers of any Contractor or Subcontractor employee who works on this Contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty. The Contractor agrees to assist the City in the conduct of any such inspections.
- 2.4.4 The City may, at its sole discretion, conduct random verifications of the employment records of the Contractor and any Subcontractors to ensure compliance with Contractors Immigration Warranty. The Contractor agrees to assist the City in performing any such random verifications.
- 2.4.5 The provisions of this Article must be included in any contract the Contractor enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.
- 2.4.6 In accordance with A.R.S. §35-393.06, the Contractor hereby certifies that the Offeror does not have scrutinized business operations in Iran.
- 2.4.7 In accordance with A.R.S. §35-391.06, the Contractor hereby certifies that the Offeror does not have scrutinized business operations in Sudan.
- 2.5. **Warranty.** Each Bid must provide a one (1) year warranty/guarantee against defects in materials, workmanship and/or performance for all items.
3. **ACCEPTANCE AND DOCUMENTATION:** Each task shall be reviewed and approved by the Contract Administrator to determine acceptable completion.
- 3.1. **Records.** The CONTRACTOR shall retain and shall contractually require each SUBCONTRACTOR to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract.
- 3.2. **Audit.** At any time during the term of this Contract and five (5) years thereafter, the CONTRACTOR'S or any SUBCONTRACTOR'S books and records shall be subject to audit by the City to the extent that the books and records relate to the performance of the Contract or Subcontract. Upon request, the CONTRACTOR shall produce a legible copy of any or all such records.
- 3.3. **New/Current Products.** All materials, parts and other components incorporated in the work or services performed pursuant to this Contract shall be new, or the latest model and of the most suitable grade for the purpose intended. All work shall be performed in a skilled and workmanlike manner.
- 3.4. **Property of CITY.** Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of CITY. CONTRACTOR is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. CONTRACTOR shall not use or release these materials without the prior written consent of CITY.

4. **PRICE:** CITY shall pay to CONTRACTOR an amount not to exceed **TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000)** for the completion of all the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Exhibit C, attached hereto and made a part hereof by reference.
- 4.1. **Taxes.** CONTRACTOR shall be solely responsible for any and all tax obligations, which may result out of the CONTRACTOR'S performance of this Agreement. The CITY shall have no obligation to pay any amounts for taxes, of any type, incurred by the CONTRACTOR.
- 4.2. **Payment.** A separate invoice shall be issued for each shipment of material or service performed, and no payment will be issued prior to receipt of material and/or completion of specified services and receipt of a correct invoice.
- 4.3. **Estimated Quantities.** The quantities shown on Exhibit C (the Price List) are estimates only, based upon available information. Payment shall be based on actual quantities and there is no guarantee that any certain quantity shall be required by CITY. City reserves the right to increase or decrease the quantities actually required.
- 4.4. **IRS W9 Form.** In order to receive payment CONTRACTOR shall have a current I.R.S. W9 Form on file with CITY, unless not required by law.
- 4.5. **Price Adjustment (Annual—CPI).** All prices offered herein shall be firm against any increase for one (1) year from the effective date of the Contract. Prior to commencement of subsequent renewal terms, CITY will entertain a request for price adjustments in accordance with the current Consumer Price Index. CONTRACTOR must request all price adjustments in writing at least sixty (60) days prior to the renewal date.
- 4.6. **Acceptance by City.** CITY reserves the right to accept or reject the request for a price increase. If CITY approves the price increase, the price shall remain firm for the renewal term for which it was requested. If a price increase is agreed upon a written Contract Amendment must be approved and executed by the Parties.
- 4.7. **Price Reduction.** CONTRACTOR shall offer CITY a price reduction for its services concurrent with a published price reduction made to other customers.
5. **TERM:** The term of the Contract is **one (1) year**, commencing on **December 1<sup>st</sup>, 2014** and terminating on **November 30, 2015** unless sooner terminated in accordance with the provisions herein. CITY reserves the right, at its sole discretion, to extend the Contract for up to **four (4)** additional terms of one year each. CITY reserves the right, at its sole discretion, to extend the Contract for up to **60** days.
6. **USE OF THIS CONTRACT:** The Contract is for the sole convenience of the City of Chandler. CITY reserves the rights to obtain like services from another source to secure significant cost savings or when timely completion cannot be met by CONTRACTOR.

- 6.1. Cooperative Use of Contract.** In addition to the City of Chandler and with approval of the CONTRACTOR, this Contract may be extended for use by other municipalities, school districts and government agencies of the State. A current listing of eligible entities may be found at [www.maricopa.gov/materials](http://www.maricopa.gov/materials) and then click on 'Contracts', 'S.A.V.E.' listing and 'ICPA'. Any such usage by other entities must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective political entity.

If required to provide services on a school district property at least five (5) times during a month, CONTRACTOR shall submit a full set of fingerprints to the school district in accordance with A.R.S. 15-512 of each person or employee who may provide such service. The District shall conduct a fingerprint check in accordance with A.R.S. 41-1750 and Public Law 92-544 of all CONTRACTORS, sub-CONTRACTORS or vendors and their employees for which fingerprints are submitted to the District. Additionally, the CONTRACTOR shall comply with the governing body fingerprinting policies of each individual school district/public entity. CONTRACTOR, sub-contractors, vendors and their employees shall not provide services on school district properties until authorized by the District.

Orders placed by other agencies and payment thereof will be the sole responsibility of that agency. The CITY shall not be responsible for any disputes arising out of transactions made by other agencies who utilize this Agreement.

- 6.2. Emergency Purchases:** CITY reserves the rights to purchase from other sources those items, which are required on an emergency basis and cannot be supplied immediately by the CONTRACTOR.

**7. CITY'S CONTRACTUAL REMEDIES:**

- 7.1. Right to Assurance.** If the City in good faith has reason to believe that the CONTRACTOR does not intend to, or is unable to perform or continue performing under this Contract, the Contract Administrator may demand in writing that the CONTRACTOR give a written assurance of intent to perform. Failure by the CONTRACTOR to provide written assurance within the number of Days specified in the demand may, at the City's option, be the basis for terminating the Contract in addition to any other rights and remedies provided by law or this Contract.
- 7.2. Stop Work Order.** The City may, at any time, by written order to the CONTRACTOR, require the CONTRACTOR to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the City after the order is delivered to the CONTRACTOR. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the CONTRACTOR shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.
- 7.3.** If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the CONTRACTOR shall resume work. The Contract Administrator shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.
- 7.4. Non-exclusive Remedies.** The rights and the remedies of the City under this Contract are not exclusive.
- 7.5. Nonconforming Tender.** Services and materials supplied under this Contract shall fully comply with Contract requirements and specifications. Services or materials that do not fully comply constitute a breach of contract.
- 7.6. Right of Offset.** The City shall be entitled to offset against any sums due CONTRACTOR, any expenses or costs incurred by the City, or damages assessed by the City concerning the CONTRACTOR'S non-conforming performance or failure to perform the Contract, including expenses to complete the work and other costs and damages incurred by CITY.

**8. TERMINATION:**

- 8.1. Termination for Convenience:** CITY reserves the right to terminate this Agreement or any part thereof for its sole convenience with thirty (30) days written notice. In the event of such termination, CONTRACTOR shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and subCONTRACTORS to cease such work. As compensation in full for services performed to the date of such termination, the CONTRACTOR shall receive a fee for the percentage of services actually performed. This fee shall be in the amount to be mutually agreed upon by the CONTRACTOR and CITY, based on the agreed Scope of Work. If there is no mutual agreement, the Management Services Director shall determine the percentage of work performed under each task detailed in the Scope of Work and the CONTRACTOR'S compensation shall be based upon such determination and CONTRACTOR'S fee schedule included herein.
- 8.2. Termination for Cause:** City may terminate this Agreement for Cause upon the occurrence of any one or more of the following events:
- 1) If CONTRACTOR fails to perform pursuant to the terms of this Agreement
  - 2) If CONTRACTOR is adjudged a bankrupt or insolvent;
  - 3) If CONTRACTOR makes a general assignment for the benefit of creditors;
  - 4) If a trustee or receiver is appointed for CONTRACTOR or for any of CONTRACTOR'S property;
  - 5) If CONTRACTOR files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws;
  - 6) If CONTRACTOR disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction;
  - 7) Where Agreement has been so terminated by CITY, the termination shall not affect any rights of CITY against CONTRACTOR then existing or which may thereafter accrue.
- 8.3. Cancellation for Conflict of Interest.** Pursuant to A.R.S. § 38-511, CITY may cancel this Contract after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the City is or becomes at any time while this Contract or an extension of this Contract is in effect, an employee of or a consultant to any other party to this Contract. The cancellation shall be effective when the CONTRACTOR receives written notice of the cancellation unless the notice specifies a later time.
- 8.4. Gratuities.** CITY may, by written notice, terminate this Contract, in whole or in part, if CITY determines that employment or a Gratuity was offered or made by CONTRACTOR or a representative of CONTRACTOR to any officer or employee of CITY for the purpose of influencing the outcome of the procurement or securing this Contract, an amendment to this Contract, or favorable treatment concerning this Contract, including the making of any determination or decision about contract performance. The CITY, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by CONTRACTOR.
- 8.5. Suspension or Debarment.** CITY may, by written notice to the CONTRACTOR, immediately terminate this Contract if CITY determines that CONTRACTOR has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a SUBCONTRACTOR of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the CONTRACTOR is not currently suspended or debarred. If CONTRACTOR becomes suspended or debarred, CONTRACTOR shall immediately notify CITY.
- 8.6. Continuation of Performance Through Termination.** The CONTRACTOR shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

- 8.7. No Waiver.** Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.
- 8.8. Availability of Funds for the next Fiscal Year.** Funds may not presently be available under this agreement beyond the current fiscal year. No legal liability on the part of the CITY for services may arise under this agreement beyond the current fiscal year until funds are made available for performance of this agreement. The CITY may reduce services or terminate this agreement without further recourse, obligation, or penalty in the event that insufficient funds are appropriated. The City Manager shall have the sole and unfettered discretion in determining the availability of funds.
- 9. FORCE MAJEURE:** Neither party shall be responsible for delays or failures in performance resulting from acts beyond their control. Such acts shall include, but not be limited to, acts of God, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, power failures, or earthquakes.
- 10. DISPUTE RESOLUTION:**
- 10.1. Arizona Law.** This Agreement shall be governed and interpreted according to the laws of the State of Arizona.
- 10.2. Jurisdiction and Venue.** The parties agree that this Agreement is made in and shall be performed in Maricopa County. Any lawsuits between the Parties arising out of this Agreement shall be brought and concluded in the courts of Maricopa County in the State of Arizona, which shall have exclusive jurisdiction over such lawsuits.
- 10.3. Fees and Costs.** Except as otherwise agreed by the parties, the prevailing party in any adjudicated dispute relating to this Agreement is entitled to an award of reasonable attorney's fees, expert witness fees and costs including, as applicable, arbitrator fees; provided, however, that no award of attorney's fees shall exceed ten percent (10%) of the damages awarded the prevailing party unless the non-prevailing party has been determined to have acted in bad faith or in a frivolous manner during the adjudication.
- 10.4. INDEMNIFICATION:** To the fullest extent permitted by law, CONTRACTOR, its successors, assigns and guarantors, shall defend, indemnify and hold harmless City and any of its elected or appointed officials, officers, directors, commissioners, board members, agents or employees from and against any and all allegations, demands, claims, proceedings, suits, actions, damages, including, without limitation, property damage, environmental damages, personal injury and wrongful death claims, losses, expenses (including claim adjusting and handling expenses), penalties and fines (including, but not limited to, attorney fees, court costs, and the cost of appellate proceedings), judgments or obligations, which may be imposed upon or incurred by or asserted against the City by reason of this Agreement or the services performed or permissions granted under it, or 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 CONTRACTOR, or any of its subcontractors, or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, relating to the discharge of any duties or the exercise of any rights or privileges arising from or incidental to this Agreement, including but not limited to, any injury or damages claimed by any of CONTRACTOR's and subcontractor's employees.

The amount and type of insurance coverage requirements set forth in the Agreement will in no way be construed as limiting the scope of indemnity in this paragraph.

## 11. INSURANCE:

### 1. General.

- A. At the same time as execution of this Agreement, the CONTRACTOR shall furnish the City of Chandler a certificate of insurance on a standard insurance industry ACORD form. The ACORD form must be issued by an insurance company authorized to transact business in the State of Arizona possessing a current A.M. Best, Inc. rating of A-7, or better and legally authorized to do business in the State of Arizona with policies and forms satisfactory to CITY. Provided, however, the A.M. Best rating requirement shall not be deemed to apply to required Workers' Compensation coverage.
- B. The CONTRACTOR and any of its subcontractors, subconsultants or sublicensees shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Agreement are satisfied, the insurances set forth below.
- C. The insurance requirements set forth below are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement.
- D. The City in no way warrants that the minimum insurance limits contained in this Agreement are sufficient to protect CONTRACTOR from liabilities that might arise out of the performance of the Agreement services under this Agreement by CONTRACTOR, its agents, representatives, employees, subcontractors, sublicensees or subconsultants and the CONTRACTOR is free to purchase any additional insurance as may be determined necessary.
- E. Failure to demand evidence of full compliance with the insurance requirements in this Agreement or failure to identify any insurance deficiency will not relieve the CONTRACTOR from, nor will it be considered a waiver of its obligation to maintain the required insurance at all times during the performance of this Agreement.
- F. Use of SubContractors: If any work is subcontracted in any way, the CONTRACTOR shall execute a written agreement with Subcontractor containing the same Indemnification Clause and Insurance Requirements as the City requires of the CONTRACTOR in this Agreement. The CONTRACTOR is responsible for executing the Agreement with the Subcontractor and obtaining Certificates of Insurance and verifying the insurance requirements.

### 2. Minimum Scope And Limits Of Insurance. The CONTRACTOR shall provide coverage with limits of liability not less than those stated below.

- A. *Commercial General Liability-Occurrence Form.* CONTRACTOR must maintain "occurrence" form Commercial General Liability insurance with a limit of not less than \$2,000,000 for each occurrence, \$4,000,000 aggregate. Said insurance must also include coverage for products and completed operations, independent contractors, personal injury and advertising injury. If any Excess insurance is utilized to fulfill the requirements of this paragraph, the Excess insurance must be "follow form" equal or broader in coverage scope than underlying insurance.
- B. *Automobile Liability-Any Auto or Owned, Hired and Non-Owned Vehicles Vehicle Liability.* CONTRACTOR must maintain Business/Automobile Liability insurance with a limit of \$1,000,000 each accident on CONTRACTOR owned, hired, and non-owned vehicles assigned to or used in the performance of the CONTRACTOR's work or services under this Agreement. If any Excess or Umbrella insurance is utilized to fulfill the requirements of this paragraph, the Excess or Umbrella insurance must be "follow form" equal or broader in coverage scope than underlying insurance.

- C. *Workers Compensation and Employers Liability Insurance*: CONTRACTOR must maintain Workers Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of CONTRACTOR employees engaged in the performance of work or services under this Agreement and must also maintain Employers' Liability insurance of not less than \$1,000,000 for each accident and \$1,000,000 disease for each employee.
- D. *Builders' Risk Insurance (Course of Construction)*. The CONTRACTOR bears all responsibility for loss to all Work being performed and to buildings under construction. Unless waived in writing by the City of Chandler, the CONTRACTOR will purchase and maintain in force Builders' Risk-Installation insurance on the entire Work until completed and accepted by the City. This insurance will be Special Causes of Loss policy form, (minimally including perils of fire, flood, lightning, explosion, windstorm and hail, smoke, aircraft and vehicles, riot and civil commotion, theft, vandalism, malicious mischief, and collapse), completed value, replacement cost policy form equal to the GMP and all subsequent modifications. The CONTRACTOR's Builders' Risk-Installation insurance must be primary and not contributory.
1. Builders' Risk-Installation insurance must name the City of Chandler, the CONTRACTOR and all tiers of Sub Contractors as Additional Insured's and must contain a provision that this insurance will not be canceled or materially altered without at least 30 days advance notice to the City. The City must also be named as a Loss Payee under Builders' Risk-Installation coverage.
  2. Builders' Risk-Installation insurance must cover the entire Work including reasonable compensation for architects and engineers' services and expenses and other "soft costs" made necessary by an insured loss. Builders' Risk-Installation insurance must provide coverage from the time any covered property comes under the CONTRACTOR's control and or responsibility, and continue without interruption during course of construction, renovation and or installation, including any time during which any project property or equipment is in transit, off site, or while on site for future use or installation. Insured property must include, but not be limited to, scaffolding, false work, and temporary buildings at the site. This insurance must also cover the cost of removing debris, including demolition as may be legally required by operation of any law, ordinance, regulation or code.
  3. The CONTRACTOR must also purchase and maintain Boiler and Machinery insurance with the same requirements as Builders' Risk-Installation insurance cited above if the Work to be performed involves any exposures or insurable property normally covered under a Boiler and Machinery insurance policy or made necessary as required by law or testing requirements in the performance of this Agreement. The CONTRACTOR will be responsible for any and all deductibles under these policies and the CONTRACTOR waives all rights of recovery and subrogation against the City under the CONTRACTOR-provided Builders' Risk-Installation insurance described above.
  4. Builders' Risk Insurance must be maintained until whichever of the following first occurs: (i) final payment has been made; or, (ii) until no person or entity, other than the City, has an insurable interest in the property required to be covered.
    - a. The Builders' Risk insurance must be endorsed so that the insurance will not be canceled or lapse because of any partial use or occupancy by the City.
    - b. This insurance must include as named insureds, the City, the CONTRACTOR, SubContractors, Subconsultants and others with an insurable interest in the Work who will be named as additional insureds unless they are able to provide some level of coverage with the City and CONTRACTOR named as additional insureds. Certificates must contain a provision that the insurance will not be canceled or materially altered without at least 30 days advance notice to the City. The City must also be named as a Loss Payee under the Builders' Risk-Installation coverage.
    - c. This insurance must be written using the Special Causes of Loss policy form, replacement cost basis.
    - d. All rights of subrogation are, by this Agreement, waived against the City of Chandler, its officers, officials, agents and employees.
    - e. The CONTRACTOR is responsible for payment of all deductibles under the Builders' Risk policy.

3. Additional Policy Provisions Required.

- A. *Self-Insured Retentions Or Deductibles.* Any self-insured retentions and deductibles must be declared and approved by the City. If not approved, the City may require that the insurer reduce or eliminate any deductible or self-insured retentions with respect to the City, its officers, officials, agents, employees, and volunteers.
- B. *City as Additional Insured.* The policies are to contain, or be endorsed to contain, the following provisions:
1. The Commercial General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions: The City, its officers, officials, agents, and employees are additional insureds with respect to liability arising out of activities performed by, or on behalf of, the CONTRACTOR including the City's general supervision of the CONTRACTOR; Products and Completed operations of the CONTRACTOR; and automobiles owned, leased, hired, or borrowed by the CONTRACTOR.
  2. The CONTRACTOR's insurance must contain broad form contractual liability coverage and must not exclude liability arising out of explosion, collapse, or underground property damage hazards ("XCU") coverage.
  3. The City, its officers, officials, agents, and employees must be additional insureds to the full limits of liability purchased by the CONTRACTOR even if those limits of liability are in excess of those required by this Agreement.
  4. The CONTRACTOR's insurance coverage must be primary insurance with respect to the City, its officers, officials, agents, and employees. Any insurance or self-insurance maintained by the City, its officers, officials, agents, and employees shall be in excess of the coverage provided by the CONTRACTOR and must not contribute to it.
  5. The CONTRACTOR's insurance must 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.
  6. Coverage provided by the CONTRACTOR must not be limited to the liability assumed under the indemnification provisions of this Agreement.
  7. The policies must contain a severability of interest clause and waiver of subrogation against the City, its officers, officials, agents, and employees, for losses arising from Work performed by the CONTRACTOR for the City.
  8. The CONTRACTOR, its successors and or assigns, are required to maintain Commercial General Liability insurance as specified in this Agreement for a minimum period of 3 years following completion and acceptance of the Work. The CONTRACTOR must submit a Certificate of Insurance evidencing Commercial General Liability insurance during this 3 year period containing all the Agreement insurance requirements, including naming the City of Chandler, its agents, representatives, officers, directors, officials and employees as Additional Insured as required.
  9. If a Certificate of Insurance is submitted as verification of coverage, the City will reasonably rely upon the Certificate of Insurance as evidence of coverage but this acceptance and reliance will not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the required policies expire during the life of this Agreement, the CONTRACTOR must forward renewal or replacement Certificates to the City within 10 days after the renewal date containing all the necessary insurance provisions.

12. **NOTICES:** All notices or demands required to be given pursuant to the terms of this Agreement shall be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of the CITY

Contract Administrator: Sr. Street Maint. Coord  
 Contact: Al Fausto  
 Mailing Address: \_\_\_\_\_  
 Physical Address: 975 E. Armstrong Way  
 \_\_\_\_\_  
 City, State, Zip: Chandler, AZ 85225  
 Phone: 480-782-3505  
 E-Mail: Alberto.fausto@chandleraz.gov

In the case of the CONTRACTOR

Firm Name: MR Tanner Development & Construction, Inc.  
 Contact: Alan Evans  
 Address: 1327 W. San Pedro St.  
 City, State, Zip: Gilbert, AZ 85233  
 Phone: 480-633-8500  
 FAX: 480-633-8111  
aevans@mrtanner.com

Notices shall be deemed received on date delivered, if delivered by hand, and on the delivery date indicated on receipt if delivered by certified or registered mail.

13. **CONFLICT OF INTEREST:**

- 13.1. **No Kickback.** CONTRACTOR warrants that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no member of the City Council or any employee of the CITY has any interest, financially or otherwise, in the firm unless this interest has been declared pursuant to the provisions of A.R.S. Section 38-501. Any such interests were disclosed in CONTRACTOR'S proposal to the CITY.
- 13.2. **Kickback Termination.** CITY may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of the CITY is, at any time while the Agreement or any extension of the Agreement is in effect, an employee of any other party to the Agreement in any capacity or a CONTRACTOR to any other party to the Agreement with respect to the subject matter of the Agreement. The cancellation shall be effective when written notice from CITY is received by all other parties, unless the notice specifies a later time (A.R.S. §38-511).
- 13.3. **No Conflict:** CONTRACTOR stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this project.

14. **GENERAL TERMS:**

- 14.1 **Ownership.** All deliverables and/or other products of the Contract (including but not limited to all software documentation, reports, records, summaries and other matter and materials prepared or developed by CONTRACTOR in performance of the Contract) shall be the sole, absolute and exclusive property of CITY, free from any claim or retention of right on the part of CONTRACTOR, its agents, sub-contractors, officers or employees.

#### **14.2 Performance and Payment Bonds.**

Within fifteen (15) days from the time a Contract is awarded, CONTRACTOR shall furnish fully executed Performance and Payment Bond (Labor and Materials) in such form and context as determined by CITY from a surety approved by CITY. Said bonds shall be in a sum no less than one hundred (100%) of the Contract price.

CITY has the option to forfeit said bonds if the Contract is terminated by the default of CONTRACTOR or if CITY determines that CONTRACTOR is unable or unwilling to complete the work as specified in the Contract Documents.

If the Contract schedule is not adhered to, and CITY determines that the work is unlikely to be completed within a reasonable time after the original target date, then CITY may terminate the Contract and collect the Performance Bond.

The Performance Bond will be reviewed annually and any increases in the contract amount will require bond to be increased and reissued.

- 14.3 Entire Agreement.** This Agreement, including all Exhibits attached hereto, constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the services specified herein. This Agreement may not be modified or amended except by a written document, signed by authorized representatives of each party.
- 14.4 Arizona Law.** This Agreement shall be governed and interpreted according to the laws of the State of Arizona.
- 14.5 Assignment:** Services covered by this Agreement shall not be assigned in whole or in part without the prior written consent of the CITY.
- 14.6 Amendments.** The Contract may be modified only through a written Contract Amendment executed by authorized persons for both parties. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the City in writing or made unilaterally by the CONTRACTOR are violations of the Contract. Any such changes, including unauthorized written Contract Amendments shall be void and without effect, and the CONTRACTOR shall not be entitled to any claim under this Contract based on such changes.
- 14.7 Independent CONTRACTOR.** The CONTRACTOR under this Contract is an independent CONTRACTOR. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- 14.8 No Parole Evidence.** This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.

14.9 Authority: Each party hereby warrants and represents that it has full power and authority to enter into and perform this Agreement, and that the person signing on behalf of each has been properly authorized and empowered to enter this Agreement. Each party further acknowledges that it has read this Agreement, understands it, and agrees to be bound by it.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names to this 24 day of October, 2014.

FOR THE CITY OF CHANDLER  
Jay Silberman  
Mayor

FOR THE CONTRACTOR  
By: [Signature]  
Signature

ATTEST:  
Meredith Reddick  
City Clerk

SEAL

ATTEST: If Corporation  
[Signature]  
Secretary

Approved as to form:  
Cynthia Haglin for  
City Attorney



EXHIBIT A

**Contractor Immigration Warranty**

To Be Completed by Contractor Prior to Execution of Contract

A.R.S. § 41-4401 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.

<b>Contract Number: ST5-745-3434</b>		
<b>Name (as listed in the contract): MR Tanner Development &amp; Construction, Inc.</b>		
<b>Street Name and Number: 1327 W. San Pedro St.</b>		
<b>City: Gilbert</b>	<b>State: AZ</b>	<b>Zip Code: 85233</b>

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. 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.

Signature of Contractor (Employer) or Authorized Designee:

  
\_\_\_\_\_

Printed Name: Kevin P Day

Title: Corporate Secretary/Treasurer

Date (month/day/year): 09/25/14

**EXHIBIT B  
SCOPE OF WORK**

**GENERAL INFORMATION**

Contractor shall provide Asphalt Patch Maintenance & Repair services as specified herein.

**GENERAL VENDOR QUALIFICATIONS**

The Contractor shall be in compliance with all applicable Federal, State, Local, ANSI and OSHA laws, rules and regulations and all other applicable regulations for the term of this contract.

The Contractor, without additional expense to the City, shall be responsible for obtaining and maintaining any necessary licenses and permits required in connection with the completion of the required services herein.

The Bidder must hold a valid license issued by the State of Arizona Registrar of Contractors prior to submission of a proposal/bid and must maintain same throughout the duration of the contract term and any subsequent contract extensions. Failure to maintain said license may be grounds for default of the contract and subsequent termination.

The Contractor may not subcontract any segment or services covered herein, without prior approval of the Contract Administrator. All subcontractors used under the scope of this contract shall meet all requirements, terms and conditions set forth herein. All subcontracted services shall be warranted by and be the responsibility of the Contractor.

All products supplied by the Contractor shall meet all applicable Federal, State, Local, ANSI, and OSHA laws, rules, and regulations pertaining to the products covered under the scope of this contract.

**1. GENERAL REQUIREMENTS.**

CONTRACTOR shall remove and replace asphalt materials, as well as dispose of old asphalt and all debris at CONTRACTOR'S expense. CONTRACTOR shall be responsible for traffic control as required by the CITY Barricade Manual and the Manual on Uniform Traffic Control Devices (MUTCD). CONTRACTOR shall be responsible for traffic control on all incidental work required to complete the task. CONTRACTOR shall include all labor, material, equipment needed to perform the work to the highest industry standards. The CITY reserves the right to adjust the amount of work required and number of locations involved for patching. The CITY also reserves the right to add other streets for patching to this Agreement.

2. CONTRACTOR shall provide asphalt patchwork, or where required, concrete repair and maintenance to CITY. Patches will vary in sizes ranging from 6'x6' to as large as, but not limited to, 20'x200' at various locations throughout the CITY and shall be replaced "in kind" or as directed by Contract Administrator/designee. All patches larger than 7'Wx40'L shall require the use of a paving machine to insure the smoothest surface possible. The patchwork shall be of the highest industry standard and must meet the grades or edges of the existing asphalt surface. CONTRACTOR will not be required to perform the work unless the CITY has a total of approximately 50 square yards to be repaired. Ideally, CONTRACTOR should make every attempt to complete, on the same day, any and all asphalt removal and replacement. Sub-grade preparation after asphalt removal shall be in accordance with M.A.G. standards for this task.

3. CONTRACTOR shall supply asphalt material for this contract. The CITY shall approve the asphalt supplier prior to CONTRACTOR commencing work. The asphalt mix design shall meet the East Valley Asphalt Committee (EVAC) mix design criteria. On arterial streets, rubberized asphalt mix shall be used or as directed by Contract Administrator/designee.

4. Placement and compaction of patch material shall be accomplished in two (2) equal lifts to ensure proper density. The finished surface of the patch shall be flush with the adjoining pavement on all edges. Any newly installed patch that is not acceptable to the Contract Administrator/designee shall be removed and replaced to meet acceptable standards. Any additional cost incurred for re-work will be the responsibility of the Contractor. Compaction shall be accomplished using a self-propelled double drum vibratory asphalt roller, with a minimum operating weight of three (3) tons. Use of any other compaction equipment will not be allowed unless approved by the Contract Administrator/designee.
5. Asphalt milling depths will be determined by Contract Administrator/designee per Exhibit C. Areas milled must have vertical edges on all sides of the patch.
6. Asphalt patching done on arterial roads shall be a minimum of 5" thick or equal to the existing thickness of asphalt whichever is greater. On collector streets, the patches must be a minimum of 3" or equal to the existing thickness of the asphalt surface, whichever is greater.
7. The CITY shall mark all locations for patching or milling. Prior to commencing work, the Contract Administrator/designee and CONTRACTOR shall measure the areas and agree upon the square yards required.
8. If working at signals, CONTRACTOR shall notify the CITY Traffic Division and Contract Administrator/designee 48-hours prior to commencing work to ensure that the loops can be re-installed by CONTRACTOR.
9. At all signalized intersections where patching is required, an off-duty uniformed police officer shall be utilized. Traffic control plans shall be submitted to the Contract Administrator/designee for approval prior to commencing work.
10. CONTRACTOR shall seal all pavement cut joints with Crafcro Polyflex Type III crack sealant (or approved equal) two (2) days after patchwork completion or as directed by Contract Administrator/designee.
11. Pavement repairs shall be water tested at the discretion of Contract Administrator or Designee before final acceptance. Any area not draining properly shall be corrected at CONTRACTOR'S expense.
12. Survey Monuments shall be adjusted according to MAG Standard Detail 120-1 and 120-2 as applicable. Survey monuments will be re-established by reference by a Registered Land Surveyor (RLS). The RLS shall reset the survey monuments.
13. Work site cleaning shall be required daily to remove any debris caused by asphalt removal/replacement operation. This task shall be done to the satisfaction of the Contract Administrator/designee. All clean up shall be included within removal/replacement pricing listed on attached Exhibit C and shall be at no additional cost to the CITY.
14. CONTRACTOR shall be responsible for identifying and locating (Blue Stake) all existing utilities affected by the work. CONTRACTOR shall be responsible for the repair of all damaged utilities resulting from this work and will coordinate with utility companies and affected residents and businesses for required outages.
15. CONTRACTOR shall use the most current version of CITY/agency and/or Maricopa Association of Governments (M.A.G.) standard details and specifications for inspection and quality assurance for all work being done under this Agreement. CONTRACTOR shall be responsible for ensuring that workmanship, materials, equipment, and site preparation meet or exceed the required specifications. The Contract Administrator/designee will inspect all phases of work and any unsatisfactory work or preparation shall be redone at no additional cost to the CITY.

16. CONTRACTOR shall be responsible for ordering and coordination of barricading and traffic control requirements. Set up shall be per the CITY/agency Traffic Barricade manual and MUTCD. Barricading restrictions on arterial streets cannot be in place earlier than 8:30 a.m. or after 4:00 p.m. Scheduling of asphalt placement shall be coordinated to ensure that material has cooled enough to avoid tracking or damage. Any areas that cannot be completed and open to traffic by 4:00 PM must be steel plated, plates countersunk, in accordance with attached standard MAG Detail 211, before open to traffic and shall be at no additional cost to CITY. Traffic control shall be paid at the unit price listed, for each individual street segment, and for the length of time needed to complete all the work in accordance with the Agreement.

17. CONTRACTOR shall submit to Contract Administrator/designee a written proposed schedule of work for approval prior to commencing any work under this Agreement.

18. CONTRACTOR shall submit invoices for payment to Contract Administrator/designee for approval upon completion of work. All work by CONTRACTOR will be inspected and approved by Contract Administrator/designee prior to processing of any payments.

19. The CITY reserves the right to conduct in-place density testing on newly placed asphalt patches. CONTRACTOR shall be required to re-compact any patch that does not meet a minimum of 95% maximum density compaction for Marshall mix and 93% maximum density compaction for RICE mix design being used. If required compaction is no longer attainable due to material cooling below a workable temperature, CONTRACTOR shall remove and replace the material. The CITY shall be responsible only for the cost of the initial testing. CONTRACTOR shall be responsible for any cost associated with re-testing areas requiring re-work. CONTRACTOR shall not be allowed to re-heat asphalt patches with an open flame heater. Any asphalt patch reheated with open flames shall be removed and replaced by the CONTRACTOR at no additional cost to CITY.

20. Work quantities and locations listed under this Agreement are subject to change and may be done solely at the discretion of the CITY. The CITY will provide CONTRACTOR with a list of the locations and approximate square yards of each location when required.

21. The CITY reserves the right to stop work under this Agreement at any time if, in their opinion:

- a) weather conditions become adverse for doing patchwork;
- b) quality of work is deemed unacceptable;
- c) conflicts in CONTRACTOR equipment or personnel cause delays in getting work completed;
- d) work schedules/locations conflict with other CITY activities;
- e) material is deemed unacceptable by Contract Administrator/designee.

22. **Debris Shield.** All manholes shall be protected from debris falling into them. If any material enters the manhole from this work, it shall be the responsibility of the CONTRACTOR to clean out the manhole to the satisfaction of the utility company. CONTRACTOR shall be required to use (Manhole Debris Shields) in the process of working in manholes. Debris Shields shall be fabricated of plastic or wood and made of two half circles hinged in the middle to form one unit. The hinge shall allow the unit to fold in half to fit thru an open manhole. The unit is then unfolded and placed on the bottom of the manhole about the invert preventing debris from falling into the invert and sewer line. The actual diameter of the unit shall depend on the width of the manhole shaft.

23. **Dust Control.** CONTRACTOR shall keep suitable equipment on hand at the job site for maintaining dust control and shall employ appropriate equipment for that purpose in accordance with the requirements of the "Maricopa County Health Department Air Pollution Control Regulations" CONTRACTOR shall be responsible for obtaining an Air Quality Permit from Maricopa County prior to starting the require work, especially if earth-moving operations are involved. CONTRACTOR shall pay all permit fees.

**DEFINITIONS:**

1. **Asphalt removal and replacement: per inch of depth / per sq. yd. total.**  
All price items to include disposal of surplus materials by CONTRACTOR.  
All price items to include new materials placed, graded and compacted to standard MAG specifications.
2. **Sub-base and sub-grade removal and replacement: per cu. yd.**  
Any surplus materials to be disposed of by CONTRACTOR.  
All materials to be placed, compacted and graded to finish grade as per standard MAG specifications.  
All price items to include replacement of approved materials.
3. **New asphalt (A/C) only: per 1" of depth / per sq. yd.**  
New material to be placed and compacted to standard MAG specifications.
4. **New aggregate base course (ABC): per ton**  
New material to be placed, graded and compacted to standard MAG specifications.
5. **Earth work and sub-grade preparation only: per cu. yd.**  
All surplus material to be disposed of by CONTRACTOR.  
Sub-grade to be placed, compacted and graded to finished grade.

**EXHIBIT C  
PRICING**

Line #	Description	U.O.M.	Qty*	Unit Price**	Extended Price
<b>1</b>	<b>Saw cut: per linear foot / per inch</b>				
	Up to 2" deep	LF	600	\$1.00	\$600.00
	Between 2" and 3" deep	LF	300	\$1.20	\$360.00
	Between 3" and 4" deep	LF	300	\$1.40	\$420.00
	Greater than 4" deep	LF	200	\$1.60	\$320.00
<b>2</b>	<b>EVAC Asphalt Removal &amp; Replacement</b>				
	Up to 4" deep, 1 – 10 sq. yd	SY	300	\$30.00	\$9,000.00
	Up to 4" deep, 11 – 100 sq. yd	SY	500	\$28.00	\$14,000.00
	Up to 4" deep, 101 sq. yd or more	SY	1,000	\$26.00	\$26,000.00
	Between 4" and 8" deep, 1 – 10 sq yd	SY	300	\$34.00	\$10,200.00
	Between 4" and 8" deep, 11 – 100 sq yd	SY	300	\$32.00	\$9,600.00
	Between 4" and 8" deep, 101 sq yd or more	SY	300	\$30.00	\$9,000.00
<b>3</b>	<b>Rubberized Asphalt Removal &amp; Replacement</b>				
	Up to 4" deep, 1 – 10 sq. yd	SY	200	\$14.00	\$2,800.00
	Up to 4" deep, 11 – 100 sq. yd	SY	500	\$14.00	\$7,000.00
	Up to 4" deep, 101 sq. yd or more	SY	200	\$14.00	\$2,800.00
	Greater than 4" thick	SY	100	\$15.00	\$1,500.00
<b>4</b>	2" Asphalt Cap	SY	2,000	\$10.00	\$20,000.00
<b>5</b>	Asphalt milling up to 2" deep, per sq yd	SY	1,000	\$6.00	\$6,000.00
<b>6</b>	Asphalt milling greater than 2" deep, per sq yd	SY	250	\$11.00	\$2,750.00
<b>7</b>	Sub-base and sub-grade removal and replacement, per cu yd	CY	200	\$11.00	\$2,200.00
<b>8</b>	Police Officer for traffic control. Contractor will be paid the actual cost of hiring off-duty uniformed police officer and squad car	N/A	N/A	\$10,000.00	\$10,000.00
<b>9</b>	Traffic control (per 24-hour day)	DAY	50	\$250.00	\$12,500.00
<b>10</b>	New A/C only, 1" deep per sq yd	SY	150	\$14.00	\$2,100.00
<b>11</b>	New ABC only, place and compacted	TON	50	\$30.00	\$1,500.00
<b>12</b>	Sub-grade work only, per cu yd	CY	200	\$6.00	\$1,200.00
<b>13</b>	Remove concrete curb & gutter (per lineal foot)	LF	100	\$10.00	\$1,000.00
<b>14</b>	Place concrete curb & gutter (per lineal foot)	LF	100	\$21.00	\$2,100.00

15	Removal of concrete flatwork up to 4" thick (per sq ft)	SF	500	\$4.00	\$2,000.00
16	Removal of concrete flatwork between 4" and 8" thick (per sq ft)	SF	200	\$9.00	\$1,800.00
17	Place finished concrete flatwork up to 4" thick (per sq ft)	SF	500	\$5.00	\$2,500.00
18	Place finished concrete flatwork between 4" and 8" thick (per sq ft)	SF	200	\$10.00	\$2,000.00
19	Standard COC signal loop, 6' x 50'	EA	1	\$3,150.00	\$3,150.00
20	Pre-Lower manhole frame and cover	EA	75	\$220.00	\$16,500.00
21	Adjust existing manhole frame and cover – per MAG Standard Detail 420-1, 420-2, or 422	EA	75	\$360.00	\$27,000.00
22	Pre-lower valves, survey monuments & sewer clean-outs	EA	50	\$220.00	\$11,000.00
23	Adjust existing frame cover for valves, survey monuments & sewer clean-outs – per MAG Standard Detail 270	EA	50	\$340.00	\$17,000.00
24	General Survey	HOUR	48	\$200.00	\$9,600.00
25	Crack seal (per linear foot)	LF	2,500	\$1.00	\$2,500.00
TOTAL ITEMS 1-25					\$250,000.00

*ELK  
11-04-14*

*includes sales tax  
(6570 x 7.8%)*

**\*\*Pricing shall include placing of barricades by CONTRACTOR.**

**\*Quantities are listed as estimates ONLY and are not guaranteed.**

**CONTRACTOR shall use the most current City of Chandler and/or M.A.G. standard details and specifications.**

EXHIBIT D

Contractor's Equipment List

John Deere Grading Tractor

Kenworth Water Truck

Ingersoll Rand Rollers

Blaw Knok 3200 Paver

Dynapac Paver

CAT 140H Motor Grader

613 Scraper

Wirtgen Milling Machines

CAT 950 Loader

CAT Rollers

**EXHIBIT E  
SUBCONTRACTOR'S LIST**

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Each bidder **MUST** complete information regarding each Sub-Contractor which may be used in conjunction with this contract. The bidder must submit the name, address, license number (if applicable) of each subcontractor including the extent of such subcontracting and include with bid submittal documents. (Bidder may supply additional pages as needed to identify all subs).

NAME: Specialty Companies LICENSE ROC 203812

ADDRESS: 22223 N. 16<sup>TH</sup> St. Phoenix, AZ 85024

CONTACT PERSON / TELEPHONE: Gary Waugh

EMAIL ADDRESS: gwaughscofa@aol.com 623-582-2385

EXTENT OF WORK: Utility Adjustments

NAME: Bryco Milling LICENSE 206914

ADDRESS: 1959 S. Power Rd #103-375 Mesa, AZ 85206

CONTACT PERSON / TELEPHONE: Derek Kennedy 480-987-9133

EMAIL ADDRESS: brycomilling@yahoo.com

EXTENT OF WORK: Asphalt Milling

NAME: Metro Traffic Control LICENSE 196764

ADDRESS: 7777 N. 70<sup>th</sup> Ave. Glendale, AZ 85303-1334

CONTACT PERSON / TELEPHONE: Brantley Gallimore 623-313-5204

EMAIL ADDRESS: brantley@metrotrafficcontrol.net

EXTENT OF WORK: Barricades/Traffic Control

**EXHIBIT F1  
PERFORMANCE BOND**

STATUTORY PERFORMANCE BOND PURSUANT TO  
TITLE 34, CHAPTER 2, ARTICLE 2,  
OF THE ARIZONA REVISED STATUTES  
(Penalty of this bond must be 100% of the Bond amount)

KNOW ALL MEN BY THESE PRESENTS: That, \_\_\_\_\_ (hereinafter called the Principal), as Principal, and \_\_\_\_\_ a corporation organized and existing under the law of the State of \_\_\_\_\_ with its principal office in the City of \_\_\_\_\_, (hereinafter called the Surety), as Surety, are held and firmly bound unto the City of Chandler, County of Maricopa, State of Arizona, in the amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written Contract with the City of Chandler, Dated the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, for **Asphalt Patchwork – Maintenance, Repair & Svs, Bid No. ST5-745-3434**, which Contract is hereby referred to and made a part hereof as fully and to the same extent as if copies at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said Principal shall faithfully perform and fulfill all the undertakings, covenants terms, conditions, and agreements of said contract during the original term of said Contract and any extensions thereof, with or without notice to the Surety, and during the life of any warranty required under the contract, and shall also perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of conditions of said Contract that may hereafter be made, notice of which modifications to the Surety being hereby waived; then the above obligations shall be void, otherwise to remain in full force and effect.

PROVIDED, HOWEVER that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2 of the Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions of said Title, Chapter and Article, to the extent as if it were copied at length herein.

The prevailing party in a suit on this bond shall be entitled to such reasonable attorney's fees as may be fixed by a judge of the Court.

Witness our hands this \_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
PRINCIPAL                      SEAL

\_\_\_\_\_  
AGENT OF RECORD

BY \_\_\_\_\_

\_\_\_\_\_  
SURETY                      SEAL

\_\_\_\_\_  
AGENT ADDRESS

**EXHIBIT F2  
PAYMENT BOND**

ARIZONA STATUTORY PAYMENT BOND  
PURSUANT TO TITLES 28, 34, AND 41, OF THE ARIZONA REVISED STATUTES  
(Penalty of this Bond must be 100% of the Contract amount)

**KNOW ALL MEN BY THESE PRESENTS:**

THAT: \_\_\_\_\_(hereinafter "Principal"), as Principal, and \_\_\_\_\_  
\_\_\_\_\_ (hereinafter "Surety"), a corporation organized and existing under the laws of the State of \_\_\_\_\_  
\_\_\_\_\_ with its principal office in the City of \_\_\_\_\_, 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 City of Chandler, (hereinafter "Obligee") County of  
Maricopa, State of Arizona, in the amount of \_\_\_\_\_  
Dollars (\$ \_\_\_\_\_), for the payment whereof, the said Principal and Surety bind themselves, and  
their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written Contract with the City of Chandler, dated the \_\_\_\_\_  
\_\_\_\_\_ day of \_\_\_\_\_, 2010, for **Asphalt Patchwork – Maintenance,  
Repair & Svs, Bld No. ST5-745-3434**, which Contract is hereby referred to and made a part hereof as fully and  
to the same extent as if copies at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal promptly  
pays all moneys due to all persons supplying labor or materials to the Principal or the Principal's  
subcontractors in the prosecution of the work provided for in said contract, this obligation is void. Otherwise it  
remains in full force and effect.

PROVIDED, HOWEVER that this bond is executed pursuant to the provisions of Title 34, Chapter 2,  
Article 2 Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the  
provisions, conditions and limitations of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, to the same  
extent as if it were copied at length in this agreement.

The prevailing party in a suit on this bond shall recover as part of the judgment reasonable attorney  
fees that may be fixed by a judge of the court.

Witness our hands this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
PRINCIPAL SEAL

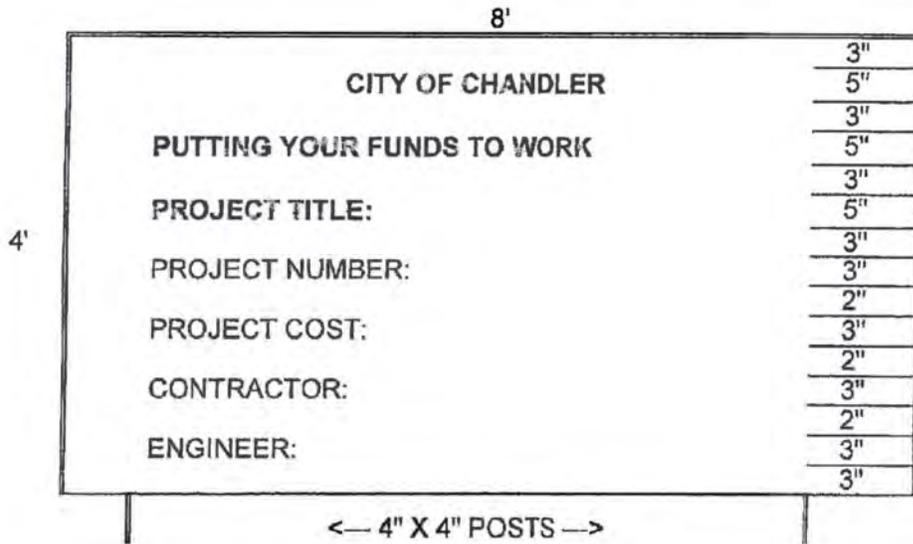
\_\_\_\_\_  
AGENT OF RECORD

BY \_\_\_\_\_

\_\_\_\_\_  
AGENT ADDRESS

\_\_\_\_\_  
SURETY SEAL

**EXHIBIT G  
CONSTRUCTION SIGN DETAIL**



**NOTES:**

SIGN(S) SHALL BE FURNISHED AND ERECTED PRIOR TO COMMENCEMENT OF CONSTRUCTION. POSTS SHALL BE ANCHORED A MINIMUM OF TWO FEET INTO THE GROUND. BOTTOM OF SIGN SHALL BE A MINIMUM OF FOUR FEET ABOVE THE GROUND.

TYPICAL PROJECT IDENTIFICATION SIGN FOR GENERAL PROJECTS SHALL BE NON-REFLECTORIZED **ORANGE** BACKGROUND, AND NON-REFLECTORIZED **BLACK** LETTERS AND NUMERALS.

ONE SIGN SHALL BE ERECTED FOR BUILDINGS AND OTHER LIMITED AREA SINGLE SITES. FOR MULTIPLE SITES, ONE SIGN SHALL BE ERECTED AT EACH SITE.

FOR LINEAR PROJECTS ONE HALF MILE OR LONGER, PLACE ONE SIGN AT EACH END OF THE PROJECT.

### **Construction signs required for work:**

Whenever any work is being done in CITY streets, easements or right of way for which approval by CITY of a traffic control plan is required, the person or persons performing such work shall maintain at the site of such work at all times during which any such work is being done, signage meeting the requirements set forth below and providing information to the public as follows:

1. If the work will take one (1) week or longer to perform, such signage shall:
  - a) Be installed so that the bottom of the sign is at least seven (7) feet above grade, or as otherwise approved by CITY Transportation Engineer;
  - b) Be at least 3'x5' in size or large enough to contain all the information required below, whichever is larger.
  - c) Be placed in such positions that they can be read by traffic from each direction.
  - d) Be colored "construction orange" with black letters.
  - e) Have block letters at least 6" in height.
  - f) Contain the following information: the name of the CONTRACTOR for whom the work is being performed; the name of the CONTRACTOR actually performing the work; a general description of the work to be done; the time frame within which the work will be performed, i.e. the date work will commence and the date all work will be completed; a 24-hour contact phone number where persons may speak with a representative of the CONTRACTOR for whom the work is being performed or may leave a request to speak with such a representative and for which all calls will be turned by such a representative of the CONTRACTOR within 24-hours.
  
2. If the work will take less than one (1) week to perform, such signage shall:
  - a. Be installed on temporary supports at an approved location;
  - b. Be placed in such positions that they can be read by traffic from each direction;
  - c. Be colored "construction orange" with black letters;
  - d. Have block letters at least 6" in height;
  - e. Contain the following information: the name of CONTRACTOR for whom the work is being performed;
  - f. a 24-hour contact phone number where persons may speak with a representative of the CONTRACTOR for whom the work is being performed or may leave a request to speak with such a representative and for which all calls will be returned by such a representative of the CONTRACTOR within 24-hours.

**DEVELOPER  
CONTRACTOR  
ASPHALT PATCHWORK  
9-1-14 TO 9-30-14  
(480) 782-XXXX**

**CONTRACTOR**  
**(480) 782-XXXX**

**AMENDMENT NUMBER ONE,  
TO AGREEMENT BETWEEN THE CITY OF CHANDLER  
AND  
MR TANNER DEVELOPMENT & CONSTRUCTION, INC.  
STREET REPLACEMENT & ASPHALT MILL & INLAY  
AGREEMENT NO. ST5-745-3478**

18-2319

This Amendment No. 1 to that certain Agreement between the City of Chandler (CITY) and MR TANNER DEVELOPMENT & CONSTRUCTION, INC. (Contractor) for Street Replacement & Asphalt Mill & Inlay dated, February 13, 2015 and is entered into this 22 day of January, 2016.

WHEREAS, the parties entered into contract for one year with provisions to extend for four (4) terms of one year each. This is the first renewal option.

NOW THEREFORE, the parties agree as follows:

1. Section 5 of the Agreement, as amended, extends the term of the agreement for a one-year period from January 23, 2016 through January 22, 2017 in an amount not to exceed \$7,106,480. *includes sales tax*
2. All other terms and conditions of the above referenced Contract shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

EKK  
02816

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this 22 day of January, 2016.

CITY OF CHANDLER:

By: [Signature]  
Mayor

APPROVED AS TO FORM:

[Signature]  
City Attorney *SKM*

ATTEST:

[Signature]  
City Clerk

CONTRACTOR:

By: [Signature]  
Title: President

ATTEST: (If corporation)

[Signature]  
Secretary

WITNESS: (If individual or Partnership)

\_\_\_\_\_



CC 1-14-16

**AMENDMENT NUMBER TWO,  
TO AGREEMENT BETWEEN THE CITY OF CHANDLER  
AND  
MR TANNER DEVELOPMENT & CONSTRUCTION, INC.  
STREET REPLACEMENT & ASPHALT MILL & INLAY  
AGREEMENT NO. ST5-745-3478**

18-2319

This Amendment No. 2 to that certain Agreement between the City of Chandler (CITY) and **MR TANNER DEVELOPMENT & CONSTRUCTION, INC.** (Contractor) for Street Replacement & Asphalt Mill & Inlay dated, February 13, 2015 and is entered into this 19 day of January 2019.

WHEREAS, the parties entered into an Agreement for one year with provisions to extend for four (4) additional terms of one year each. This is the second renewal option.

NOW THEREFORE, the parties agree as follows:

1. Section 4 of the Agreement, as amended, Price, is hereby amended to provide that CITY shall pay to CONTRACTOR in an amount not to exceed **SEVEN MILLION, THREE HUNDRED TWO THOUSAND, THREE HUNDRED THIRTY DOLLARS** (\$7,302,330).
2. Section 5 of the Agreement, as amended, extends the term of the agreement for a one-year period from January 23, 2017 through January 22, 2018.
3. All other terms, conditions and pricing of the above referenced Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this 19 day of January, 2019.

CITY OF CHANDLER:

By: [Signature]  
Mayor



By: [Signature]  
Title: Alan Evans, President

APPROVED AS TO FORM:

[Signature]  
City Attorney

ATTEST: (If corporation)

[Signature]  
Secretary Kevin P Day

ATTEST:

[Signature]  
City Clerk

WITNESS: (If individual or Partnership)

\_\_\_\_\_

[SEAL]

cc 12-8-16

18-2319

**AMENDMENT NUMBER THREE,  
TO AGREEMENT BETWEEN THE CITY OF CHANDLER  
AND  
MR TANNER DEVELOPMENT & CONSTRUCTION, INC.  
STREET REPLACEMENT & ASPHALT MILL & INLAY  
AGREEMENT NO. ST5-746-3478**

This Amendment No. 3 to that certain Agreement between the City of Chandler (CITY) and MR TANNER DEVELOPMENT & CONSTRUCTION, INC. (Contractor) for Street Replacement & Asphalt Mill & Inlay dated, February 13, 2015 and is entered into this 26<sup>th</sup> day of January, 2018.

WHEREAS, the parties entered into an Agreement for one year with provisions to extend for four (4) additional terms of one year each. This is the third renewal option.

NOW THEREFORE, the parties agree as follows:

1. Section 4 of the Agreement, as amended, Price, is hereby amended to provide that CITY shall pay to CONTRACTOR an amount not to exceed Six Million Six Hundred Forty One Thousand Dollars (\$6,641,000) for the completion of all services described herein, payable as set forth in Exhibit C incorporated herein by reference.
2. Section 5 of the Agreement, as amended, Term is amended to extend the term of the agreement for a one-year period from January 23, 2018, through January 22, 2019.
3. All other terms, conditions and pricing of the above referenced Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this 26<sup>th</sup> day of January, 2018.

CITY OF CHANDLER:  
By: Jay Tibbenaey  
Mayor

CONTRACTOR:  
By: [Signature]  
Title: Alan Evans, President

APPROVED AS TO FORM:  
[Signature]  
City Attorney

ATTEST: (If corporation)  
[Signature]  
Secretary Kevin Day

ATTEST:  
[Signature]  
City Clerk

WITNESS: (If individual or Partnership)  
\_\_\_\_\_



[SEAL]

CC 1-25-18

**AMENDMENT NUMBER FOUR,  
TO AGREEMENT BETWEEN THE CITY OF CHANDLER  
AND  
MR TANNER DEVELOPMENT & CONSTRUCTION, INC.  
STREET REPLACEMENT & ASPHALT MILL & INLAY  
AGREEMENT NO. ST5-745-3478**

18-2319

This Amendment No. 4 to that certain Agreement between the City of Chandler (CITY) and MR TANNER DEVELOPMENT & CONSTRUCTION, INC. (Contractor) for Street Replacement & Asphalt Mill & Inlay dated, February 13, 2015 and is entered into this 14<sup>th</sup> day of December, 2018.

WHEREAS, the parties entered into an Agreement for one year with provisions to extend for four (4) additional terms of one year each. This is the final renewal option.  
NOW THEREFORE, the parties agree as follows:

1. Section 4 of the Agreement, as amended, Price, is hereby amended to provide that CITY shall pay to CONTRACTOR an amount not to exceed Six Million Seven Hundred Fifty Thousand Dollars \$6,750,000 for the completion of all services described herein, payable as set forth in Exhibit C incorporated herein by reference.
2. Section 5 of the Agreement, as amended, extends the term of the Agreement for a one-year period from January 23, 2019, through January 22, 2020.
3. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this 14<sup>th</sup> day of December, 2018.

CITY OF CHANDLER:

By: Jay Sibbrey  
Mayor

APPROVED AS TO FORM:  
[Signature]  
City Attorney

ATTEST:  
Dana R. [Signature]  
City Clerk

CONTRACTOR:

By: [Signature]  
Title: PRESIDENT

ATTEST: (If corporation)  
[Signature]  
Secretary

WITNESS: (If individual or Partnership)

[SEAL]



cc 12-13-18

**EXHIBIT C  
PRICING**

Description	Unit Price
1. Mill Asphalt 1.5" - 2.0"	\$ 1.10
2. Crack Fill	\$ 0.15
3. Pave 2" (12.5mm EVAC A/C Mix)	\$ 7.24
4. Adjust Manholes	\$ 350.00
5. Adjust Valve Boxes	\$ 300.00
6. Survey Monuments	\$ 150.00
7. Traffic Control & Barricading	\$ 110,980.00
8. Project Signs	\$ 500.00
9. Contractor Information Signs	\$ 500.00
10. AC Base Repair	\$ 4.00
11. Speed Humps per COC Traffic Spec	\$ 3,000.00
12. City of Chandler Uniformed Police Officer	\$ 60,000.00
13. 4" Yellow Paint	\$ 0.20
14. 4" White Paint	\$ 0.20
15. 6" White Paint	\$ 0.20
16. 8" White paint (turn lane) temp	\$ 0.50
17. 8" White Thermo (Holding Bars)	\$ 0.75
18. 12" White Thermo (Crosswalks) temp	\$ 0.50
19. 12" White Thermo (Stop Bars)	\$ 1.00
20. 18" White Thermo (Railroad Stop Bars)	\$ 0.50
21. 18" White Thermo (stop bars)	\$ 2.00
22. 24" White Thermo (RR Stop bars)	\$ 5.00
23. Railroad Symbols (Per MUTCD)	\$ 500.00
24. School Crosswalks: 24"X10' Yellow High Visibility Crosswalk Squares	\$ 500.00
25. School Roll Out Yellow Dots (24" Wide)	\$ 100.00
26. Turn Arrows Paint Temp	\$ 40.00

27. Turn Arrows, Thermo	\$ 150.00
28. Bike Lane Symbols	\$ 80.00
29. White Raised Pavement Markers	\$ 5.00
30. Yellow Raised Pavement Markers	\$ 5.00
31. Blue Fire Hydrant Reflectors	\$ 5.00
32. Temporary Chip Seal Pavement Markers/Tabs Yellow	\$ 2.00
33. Temporary Chip Seal Pavement Markers/Tabs White	\$ 2.00



PAVEMENT MAINTENANCE (6276)

<u>FISCAL YEAR</u>	<u>BUDGET</u>	<u>ACTUALS</u>	<u>UNSPENT</u>	<u>YEAR END FUND BALANCE</u>
2012-13	1,027,000	1,048,366	(21,366)	646,340
2013-14	1,994,000	1,949,822	44,178	595,781
2014-15	1,000,000	139,237	860,763	1,550,960
2015-16	1,500,000	1,441,370	58,630	1,368,173
2016-17	2,074,776	1,841,942	232,834	1,995,090
2017-18	2,113,735	1,530,595	583,140	3,044,006
TOTALS	9,709,511	7,951,333	1,758,178	

\*YTD TOTALS



# TOWN OF FOUNTAIN HILLS

16705 E. Avenue of the Fountains - Fountain Hills, AZ 85268



04/02/2019 09:01  
CRudolph

TOWN OF FOUNTAIN HILLS  
BALANCE SHEET FOR 2019 10

P 1  
g1balsh

FUND: 200 STREETS FUND			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
<b>ASSETS</b>				
200	1003	MONEY MARKET	.00	156,134.26
200	1004	AP CHECKING	-33,340.42	-74,427.50
200	1005	PAYROLL CHECKING	.00	-4.81
200	1050	INVESTMENT-LGIP	.00	4,736,562.63
200	1210	ACCOUNTS RECEIVABLE	.00	5,559.69
TOTAL ASSETS			-33,340.42	4,823,824.27
<b>LIABILITIES</b>				
200	2010	ACCOUNTS PAYABLE	33,340.42	152.50
200	2310	HEALTH INSURANCE PAYABLE	.00	-1,242.68
200	2320	DENTAL INS PAYABLE	.00	-142.24
200	2330	VISION PAYABLE	.00	-14.14
200	2350	LIFE INS PAYABLE	.00	-54.98
200	2710	UNAVAILABLE REVENUE	.00	-5,559.69
TOTAL LIABILITIES			33,340.42	-6,861.23
<b>FUND BALANCE</b>				
200	3850	FUND BAL-RESTRICTED	.00	-3,044,005.66
200	3900	REVENUE CONTROL	.00	-2,630,320.67
200	3910	EXPENDITURE CONTROL	.00	857,363.29
200	3920	APPROPRIATION CONTROL	.00	-5,166,495.71
200	3930	ESTIMATED REVENUES CONT	.00	3,743,457.96
200	3940	BUDGETARY FB UNRES	.00	1,423,037.75
200	3950	BUDGETARY RES FOR ENC	.00	-209,873.61
200	3960	ENCUMBRANCE CONTROL	.00	209,873.61
TOTAL FUND BALANCE			.00	-4,816,963.04
TOTAL LIABILITIES + FUND BALANCE			33,340.42	-4,823,824.27

\*\* END OF REPORT - Generated by CRAIG RUDOLPHY \*\*



### CONTRACT/GRANT INFORMATION SHEET - AMENDMENT

Date: 3/28/2019			
Staff's Name: Justin Weldy		Department: Public Works	
Vendor's Name: M.R. Tanner Dev. & Construction		Vendor Number:	1467
Address: 1327 West San Pedro. Gilbert AZ 85233			
Phone: 480-633-8500			
Received W9: <input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> ALREADY IN SYSTEM			
Business License #: 96		Exp. Date: 11/30/2019	

ACCOUNTING SUMMARY	Org	Object	Project/#	\$
Accounting Code:	STPAVE	6276		3,500,000
Accounting Code:				
Accounting Code:				
TBD(used for variety of different things/departments/funds):	Choose an item.			

#### CONTRACT SUMMARY

Contract Number Assigned:	C2017-045.3		
Contract Total:	\$3,500,00		
Brief Description of Service:	Asphalt Mill & Overlay		
If Renewable:	#3	Total # of Renewals Max:	1
FY Cumulative Vendor Totals:	Does this Contract put it over \$30,000	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Contract Beginning Date:	4/16/2019		
Contract Expiration Date:	4/16/2020		
Budgeted Expenditure:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Budget Page #:	284		
Approved by Council:	<input checked="" type="checkbox"/> Yes; Date: 4/16/2019	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Insurance Certificate provided:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Warranty Period:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	If Yes, expires <a href="#">Click here to enter a date.</a>
Estimated Start Date:	4/16/2019		
Estimated Completion Date:	4/16/2020		

#### GRANT SUMMARY

Paid for by Grant:	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Name of Grantee:		
Grant Number Assigned:	Resolution Number:	
Date Council Approved:		

## REQUEST FOR LEGAL SERVICES

<b>Name/Phone Number/E-mail of Requestor:</b> Justin T. Weldy 602-721-2346 jweldy@fh.az.gov	<b>Date of Request:</b> 3/21/2019 <b>Date Director Approved Request:</b> 3/21/2019
<b>Procurement Approval by:</b> Craig Rudolphy 3/21/2019  Yes <input checked="" type="checkbox"/> No: <input type="checkbox"/> - Contact Finance Director	<b>Due Date (From Town Attorney's office):</b> 4/4/2019  <ul style="list-style-type: none"> <li>Deadline for return of request from Legal is 10 business days after Procurement Approval.</li> <li>Deadline for completed packet items submitted to the Town Clerk - 12 PM the Tuesday prior to the date of the Council meeting.</li> </ul>
<b>Council Meeting Date:</b> 4/16/2018 Item <u>does not</u> require Council approval <input type="checkbox"/>	
<b>Request for Legal staff:</b> Prepare an amendment to extend the term of the agreement for one additional term	
<b>Proposed Agenda Language (if applicable):</b> Consent Agenda Item <input type="checkbox"/> Regular Agenda Item <input type="checkbox"/>  <b>CONSIDERATION of approving the third Amendment to Cooperative Purchase Agreement C2017-045 between M. R. Tanner Development and Construction, Inc. and the Town of Fountain Hills for asphalt replacement and miscellaneous work in an amount not to exceed \$3,500,00.00.</b>	
<b>Vendor/Consultant/Agreement/Agency Information:</b> Contact Name: <u>Kevin Day</u> Entity Name: <u>MR Tanner Development and Construction, Inc</u> Entity Address: <u>1327 W. San Pedro St., Gilbert, AZ 85233</u> Entity Phone, Fax and E-mail address: <u>480-633-8500, kday@mrtanner.com</u> Town of Fountain Hills Business License Number: <u>96</u> Arizona Corporation Commission File Number: <u>07675050</u>	
<b>Documents Requested:</b> <input type="checkbox"/> Ordinance # _____ (Draft attached Y / N) Publication Dates for Zoning Actions: _____ <input type="checkbox"/> Resolution # _____ (Draft attached Y / N) <input type="checkbox"/> Easement _____ (Specify Type) <input type="checkbox"/> Deed _____ (Specify Type) <input type="checkbox"/> IGA / Amendment (Corresponding Resolution Required) <input type="checkbox"/> PSA / Amendment	<input type="checkbox"/> PA (Purchase) / Amendment <input type="checkbox"/> IFB (Invitation for Bid) <input type="checkbox"/> RFQ (Request for Qualifications) <input type="checkbox"/> RFP (Request for Proposals) <input type="checkbox"/> CSA (Construction) / Amendment <input type="checkbox"/> QSP _____ <input checked="" type="checkbox"/> Cooperative Purchasing Agreement Approval Amendment <input type="checkbox"/> Other <u>t</u>

**Required Contract/Agreement Information:**

Method of Vendor Selection:Cooperative Purchase Agreement

Term of Contract/Agreement:One additional term

Contract Amount (this contract):3,500,000 Cumulative Contract Amount:7,796,753.59

Brief description of services/goods being sought: Asphalt replacement and miscellaneous work .

Contract # assigned: C2017-045

Funding Source: HURF Project No. S6008

Budget Transfer Required: No; if yes, attach appropriate documentation

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**Staff Check List:**

A "request for legal services form" will be returned if submitted without the necessary information and attachments.

\*Scope of Work or Specifications Attached

\*QSP Document Attached

\*Fee Proposal or Price Sheet Attached

\*Underlying Cooperative Purchasing Agreement Attached

\*Proposal or Statement of Qualifications from Vendor Attached

\*Bid/RFQ/RFP Schedule Attached

Finance **requires** a "contract cover sheet" prior to processing the approved/signed contract/agreement for payment(s).

# TOWN OF FOUNTAIN HILLS

## 2018-2019

### Pavement Management Program



Justin T. Weldy – Public Works Director

April 16<sup>th</sup>, 2019

# Where does the money come from?

**Vehicle License Tax- (70% of total – 30% reallocated to the General Fund)**

**Sales Tax- (0.2% - previously dedicated to bonds for the mountain preserve)**

**CIP Fund Transfer- (\$200,000 annually)**

**Highway User Revenue Fund (HURF)**

# Where does the money come from?

## Fund Balance

The unspent fund balance is derived primarily from prior year unfinished projects and from cost saving measures implemented throughout the current fiscal year. Examples of these cost savings include; negotiating contracts and completing projects in-house.

# Fiscal Year 18-19

## Proposed Budget \$3,500,000

### FY 18-19 Funding Sources for Streets Fund

- Vehicle License Tax
- Sales Tax
- CIP Fund Transfer
- Highway User Revenue Fund (HURF)
- Unexpended Fund Balance - \$1,000,000  
*(Primarily derived from unfinished projects in prior years and cost savings implemented by staff)*

**Total- \$3,500,000**

# **Pavement Maintenance Through Cooperative Purchase Agreements**

A “Cooperative Purchasing Agreement” is often used by government agencies to reduce costs of procurement since they are required to follow laws requiring competitive bidding. Municipalities can sign an inter-local agreement or contract that allows them to legally use a contract that was procured by another governmental entity to receive lower pricing from selected suppliers.

# Benefits

- Reduces the administrative burden
- Provides participating agencies opportunities for greater efficiency and economy in acquiring goods
- Product cost savings through leveraged pricing
- No cost to participating agencies



# Current Cooperative Purchasing Agreement (City of Chandler Pricing)

City of Chandler pricing comparison  
vs The Town of Fountain Hills

City of Chandler Agreement #ST5-745-3478			
Item	Description	Chandler Unit Price	Fountain Hills Unit Price
1.00	MILL ASPHALT 1.5" - 2.0"	1.10	1.15
2.00	CRACK FILL	0.15	-
3.00	2" A.C.	7.25	6.50
4.00	ADJUST MANHOLE	350.00	350.00
5.00	ADJ. WATER VALVE/C.O.	300.00	300.00
6.00	SURVEY MON.	150.00	150.00
7.00	TRAFFIC CONTROL PER JOB	49,575.00	49,575.00
8.00	PROJECT SIGNS	500.00	500.00
9.00	CONTRACTOR INFO. SIGNS	500.00	500.00
10.00	A/C BASE REPAIR	4.00	4.00
11.00	SPEED HUMPS PER COC TRAFFIC SPEC	3,000.00	-
12.00	UNIFORMED, OFF-DUTY POLICE OFFICER	-	-
13.00	4" YELLOW PAINT	0.20	
14.00	4" WHITE PAINT	0.20	0.20
15.00	6" WHITE PAINT	0.20	0.20
16.00	8" WHITE PAINT (TURN LANE)	0.50	0.50
17.00	8" WHITE THERMO (TURN LANE)	0.75	0.75
18.00	12" WHITE PAINT (CROSSWALKS)	0.50	0.50
19.00	12" WHITE THERMO (CROSSWALKS)	1.00	1.00
20.00	18" WHITE PAINT (STOP BARS)	0.50	0.50
21.00	18" WHITE THERMO (STOP BARS)	2.00	2.00
22.00	24" WHITE THERMO (RAILROAD STOP BARS)	5.00	5.00
23.00	RAILROAD SYMBOLS	500.00	500.00
24.00	SCHOOL CROSSWALKS	500.00	500.00
25.00	SCHOOL ROLL OUT DOTS	100.00	100.00
26.00	TURN ARROWS PAINT	40.00	40.00
27.00	TURN ARROWS THERMO	150.00	150.00
28.00	BIKE LANE SYMBOLS	80.00	80.00
29.00	WHITE RPMS	5.00	5.00
30.00	YELLOW RPMS	5.00	5.00
31.00	BLUE RPMS	5.00	5.00
32.00	TEMPORARY CHIP SEAL YELLOW	2.00	2.00
33.00	TEMPORARY CHIP SEAL WHITE	2.00	2.00

## **What Other Cooperative Purchasing Agreements Are Utilized by Fountain Hills?**

- State / ADOT
- City of Mesa
- City of Phoenix
- City of Scottsdale
- City of Chandler
- City of Goodyear

# Pavement Management Program

1. **Review Pavement Management Analysis data collected and build an Annual Pavement Maintenance project Based on Priorities**
2. **Order of Priorities: (A)-Arterials, (B)-Collectors, and (C)-Locals**
3. **Fundamentals of Pavement Preservation**  
An effective pavement preservation program will address pavements while they are still in good condition and before the onset of serious damage. By **applying a cost-effective treatment at the right time**, the pavement is restored almost to its original condition.

Preventive maintenance is typically applied to pavements in good condition having **significant remaining service life**. As a major component of pavement preservation, preventive maintenance is a strategy of extending the service life by applying cost-effective treatments to the surface of structurally sound pavements.

# **Maintain PCI well above 60. (Understanding the PCI)**

***Very Poor & Poor (0 – 40) Marginal (40 – 50)***

***Fair (50 – 60)***

***Good (60 - 70)***

***Very Good (70 - 85)***

***Excellent (85 - 100)***

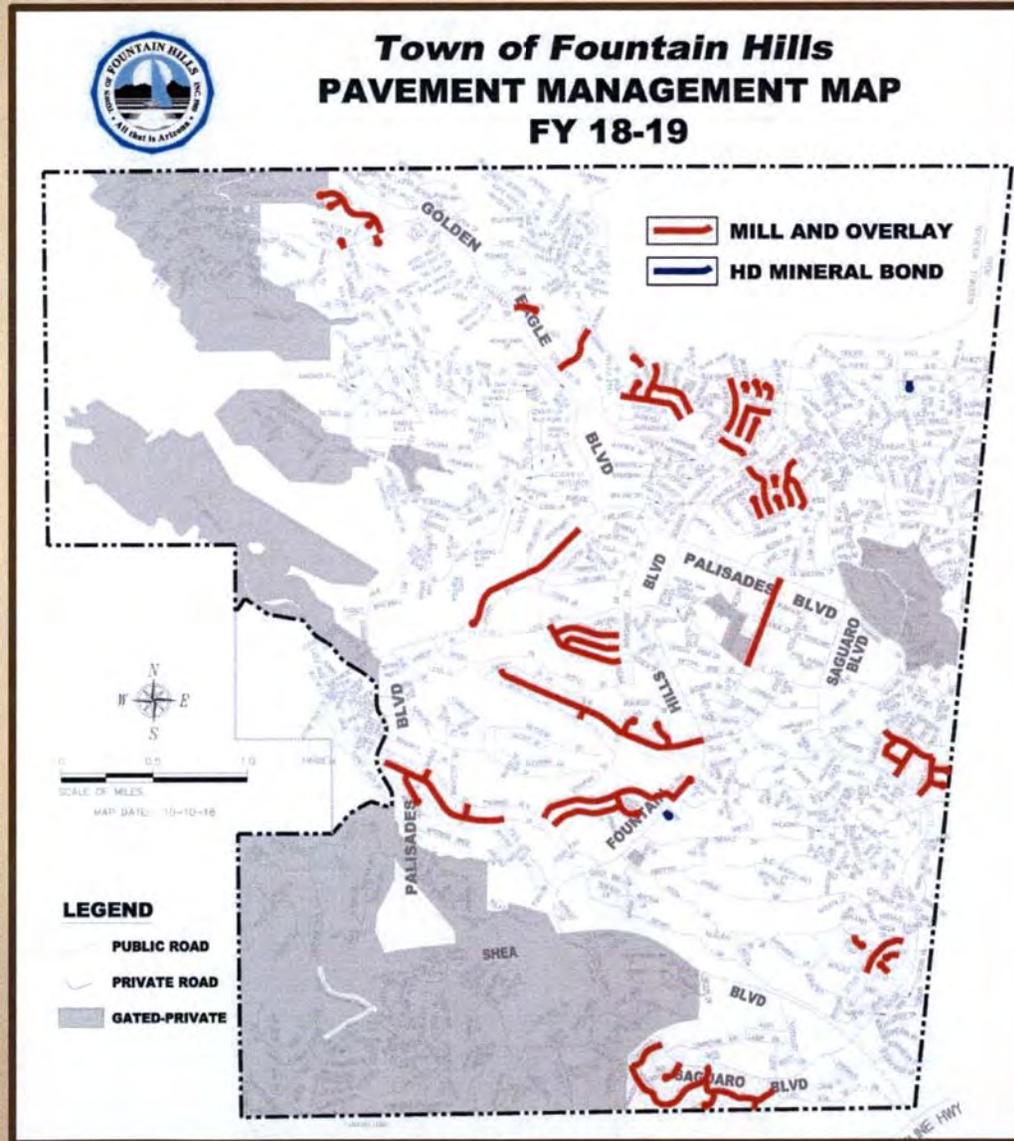
Average Network PCI for Fountain Hills = 60

Arterials are by far in best condition at PCI = 75

Collectors = 65

Locals = 55

# Fiscal Year 18-19 Investment Budget \$3,500,000 – not yet started



# Fiscal Year 18-19 Investment

## Budget \$3,500,000

### MILL AND OVERLAY

BOBCAT PZ  
PARADOX DR  
KIT FOX  
DRYAD PL  
LOG LN

SKYLARK CIR  
DOGWOOD LN  
MAPLE DR  
BALSAM DR  
CARMEL DR  
BROCKWAY LN  
BRISITOL BAY  
STRATFORD CIR

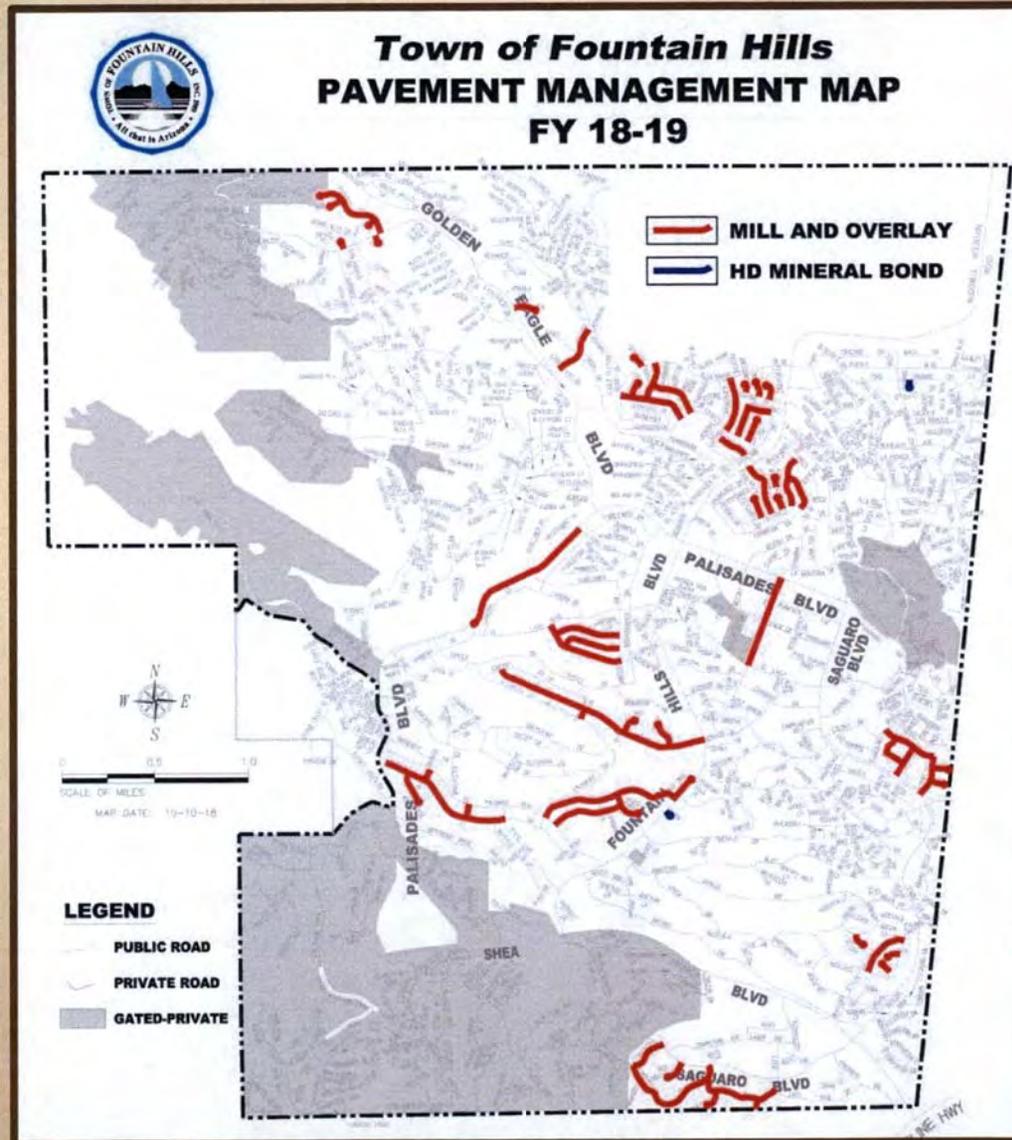
GREENHURST –  
(FAYETTE TO GLENBROOK)

HEATHER DR  
BRIARWOOD DR  
WINSTON LN  
SHEFFIELD CT  
EDGEWORTH DR  
HAWTHORN CT  
SUSSEX PL  
GALATEA DR

ASHBROOK DR –  
(BAYFIELD TO GALATEA)

PALISADES BLVD - SERVICE RD  
(EL LAGO TO LOST HILLS)

JERICO DR  
BRODIEA DR  
ECHO HILLS DR  
CHOLLA DR  
TWIN DEER RUN  
BARREL CACTUS WAY



### MILL AND OVERLAY

ORGANPIPE CIR

LA MONTANA DR –  
(EL LAGO TO PALISADES)

MUSTANG DR –  
(PALISADES TO PINTO DR)

BUCKING BRONCO WAY  
SPOTTED HORSE WAY  
WILD HORSE WAY  
OCOTILLO DR  
OLD TRAIL CT  
BURRO DR  
PINCUSHION WAY  
TIOGA DR  
FALCON DR  
TOWER DR  
DESERT VISTA  
SAXON DR  
SIOUX DR  
SARAZEN CIR  
DEMARET DR  
CYPRUS POINT CT  
FAIRWAY CT

TOMSTONE AVE –  
(POWDERHORN TO SAGUARO)

POWDERHORN DR  
RED MOUNTAIN TR  
DESPERADO CT

LEO DR –  
(LAST TRAIL TO SAGUARO)

AXIS DR

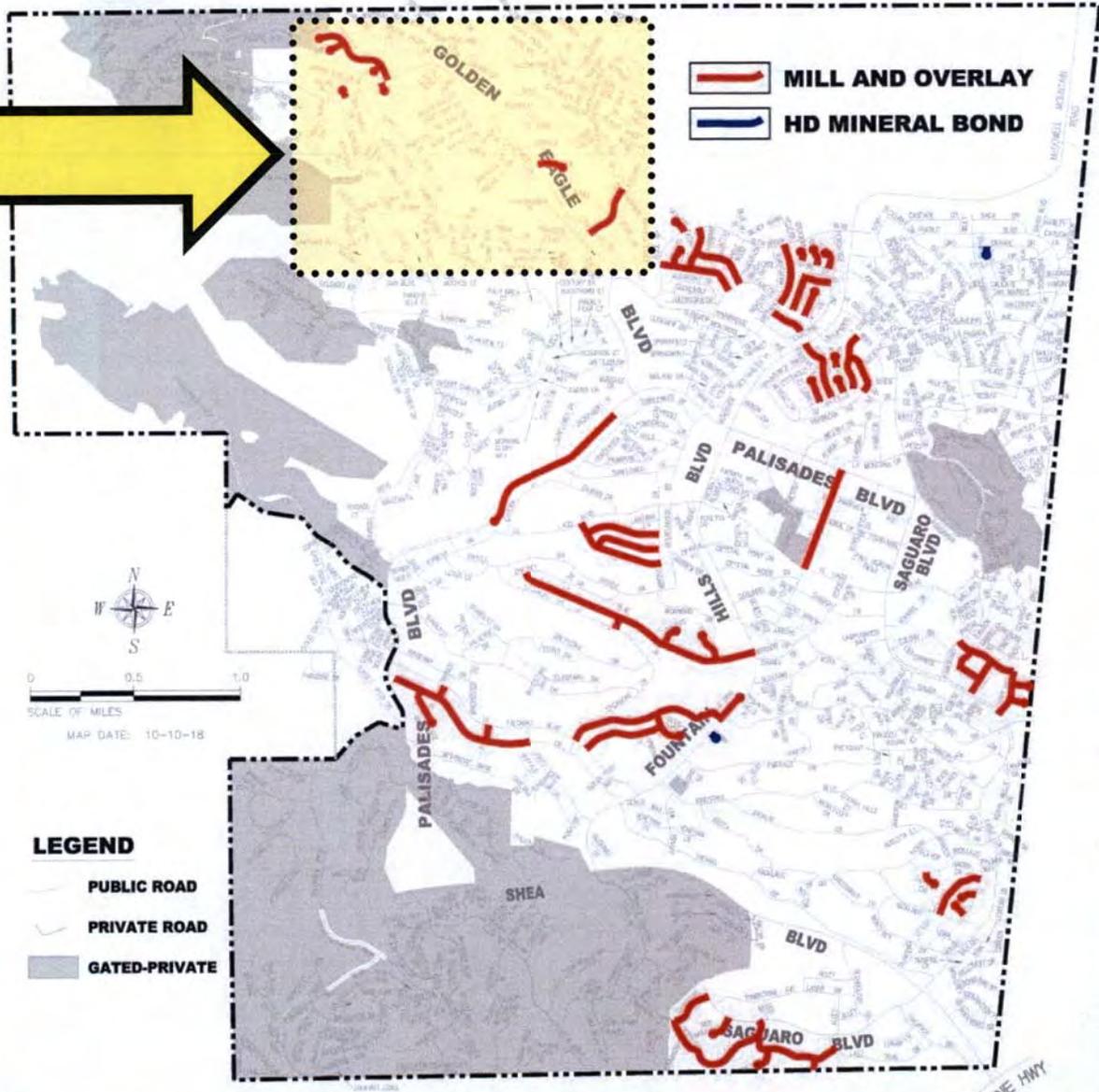
### HD MINERAL BOND

PAMPAS PL  
SAWIK CIR



# Town of Fountain Hills PAVEMENT MANAGEMENT MAP FY 18-19

MAP  
AREA  
1

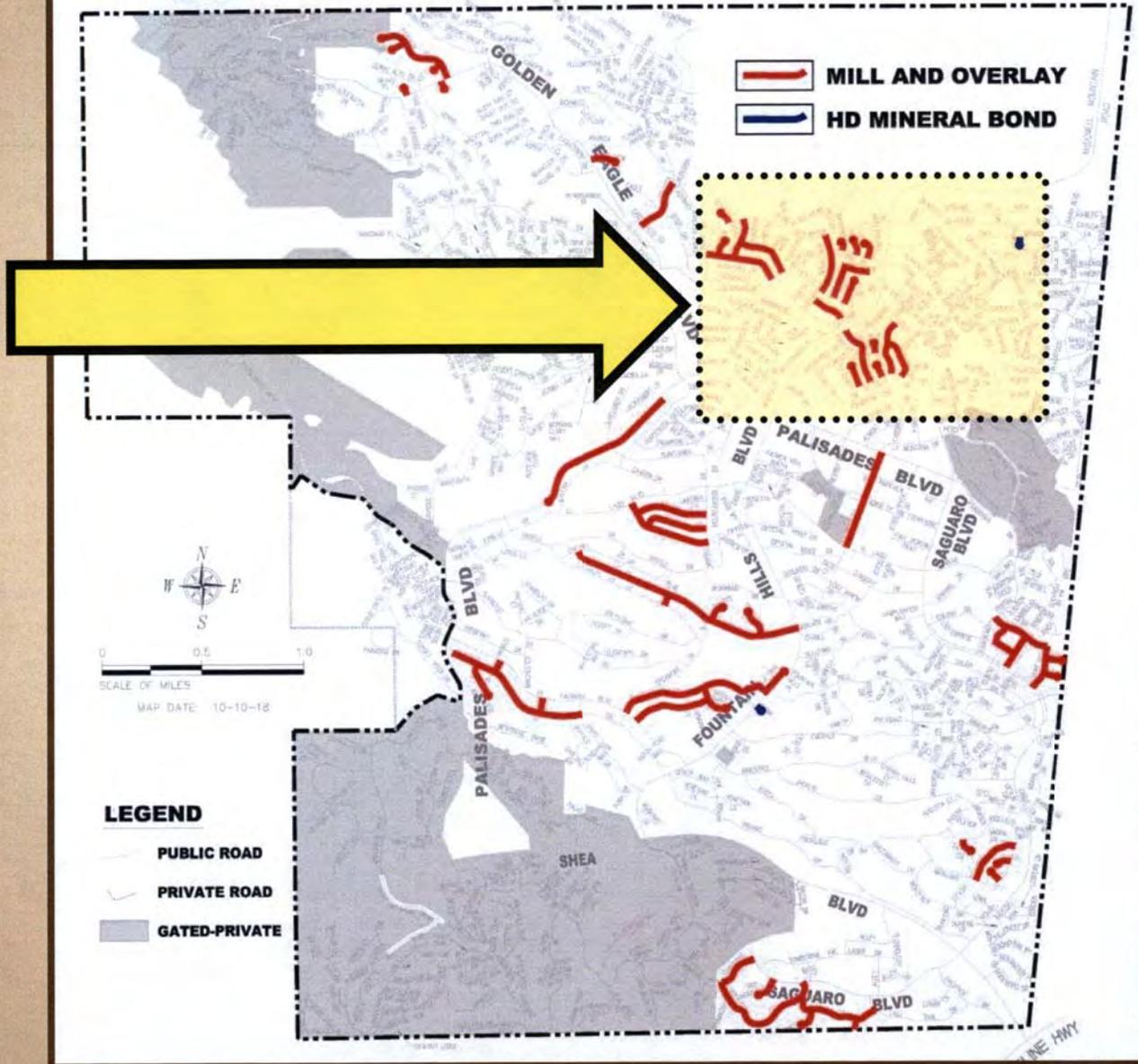






# Town of Fountain Hills PAVEMENT MANAGEMENT MAP FY 18-19

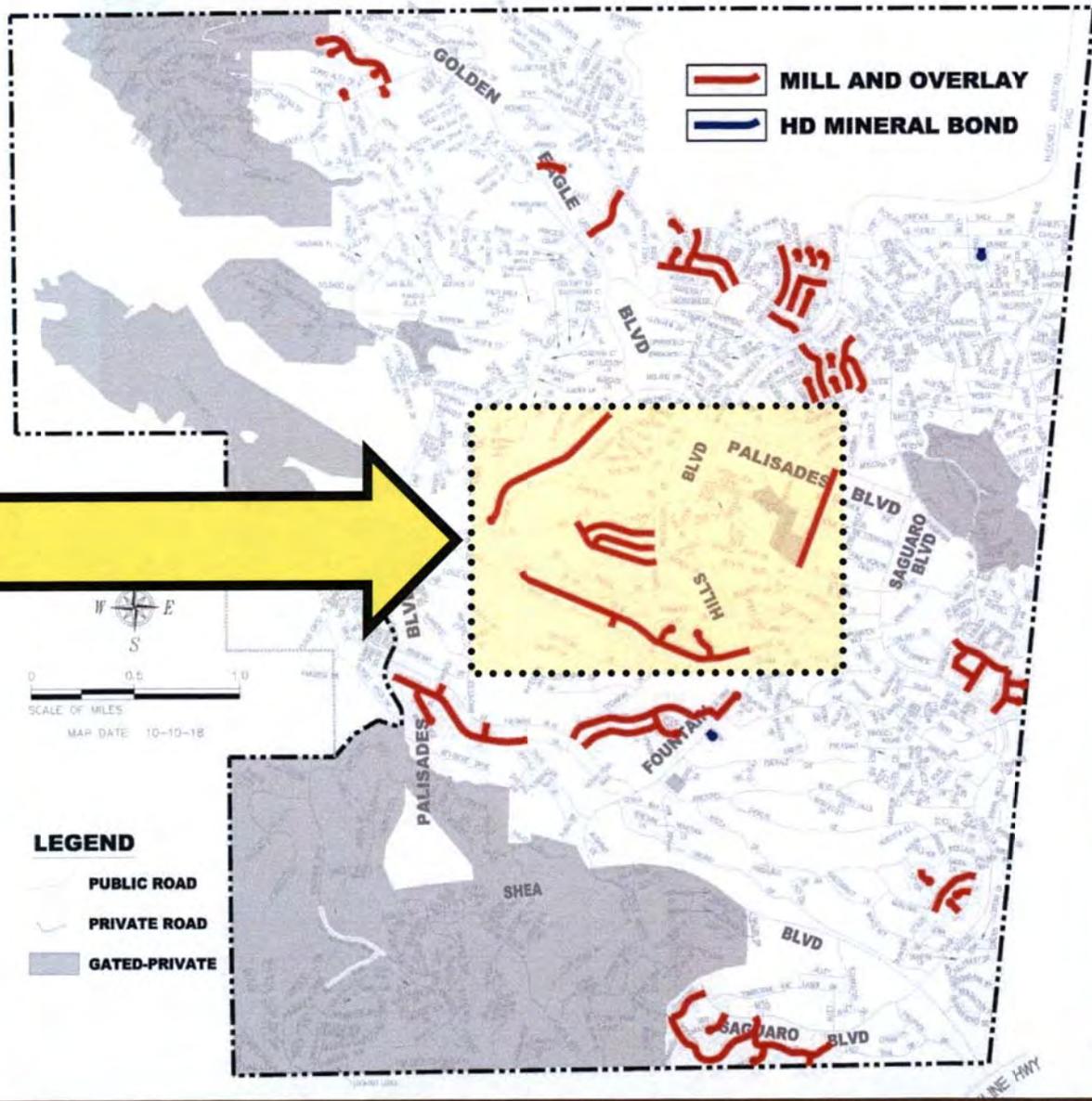
MAP  
AREA  
2



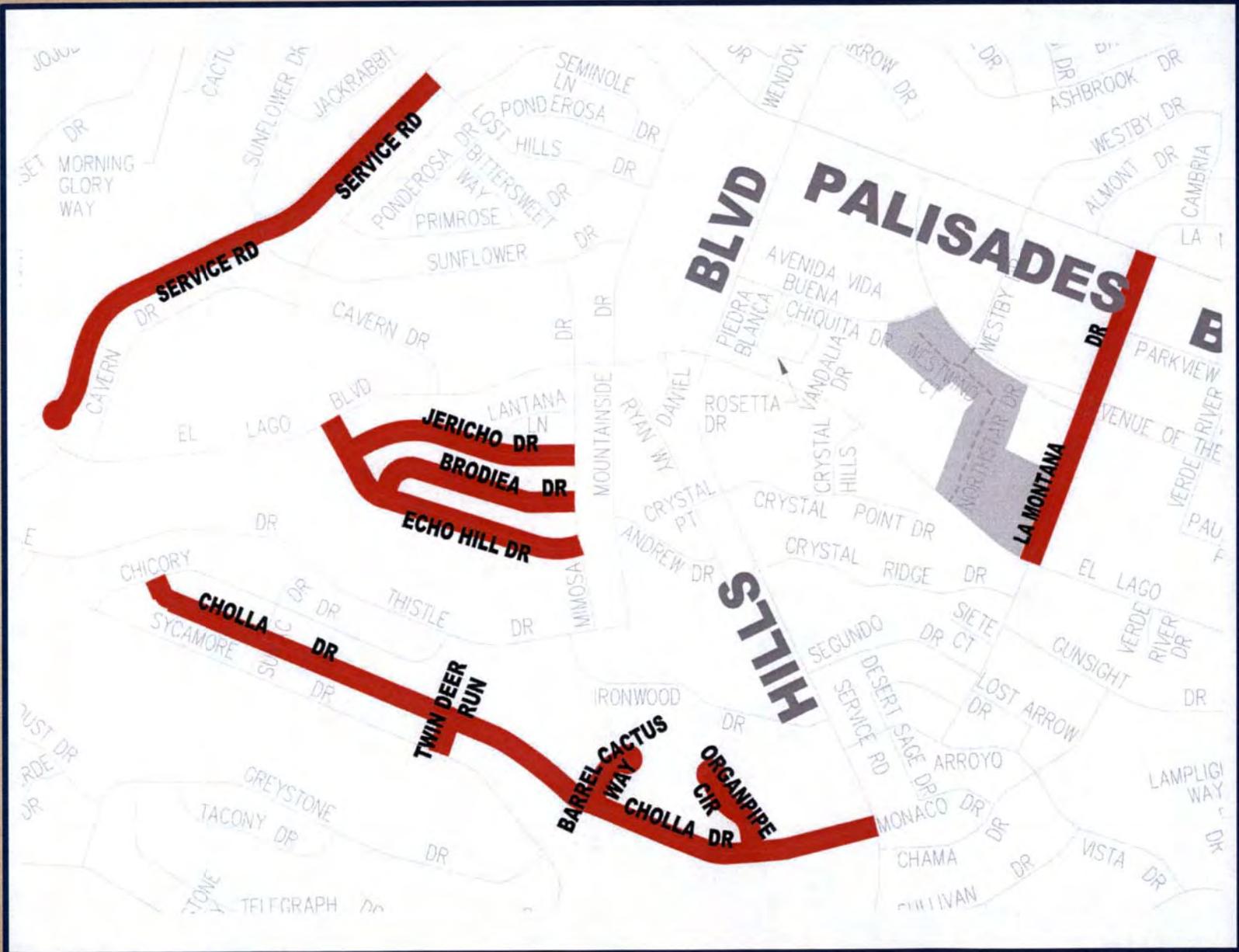




# Town of Fountain Hills PAVEMENT MANAGEMENT MAP FY 18-19

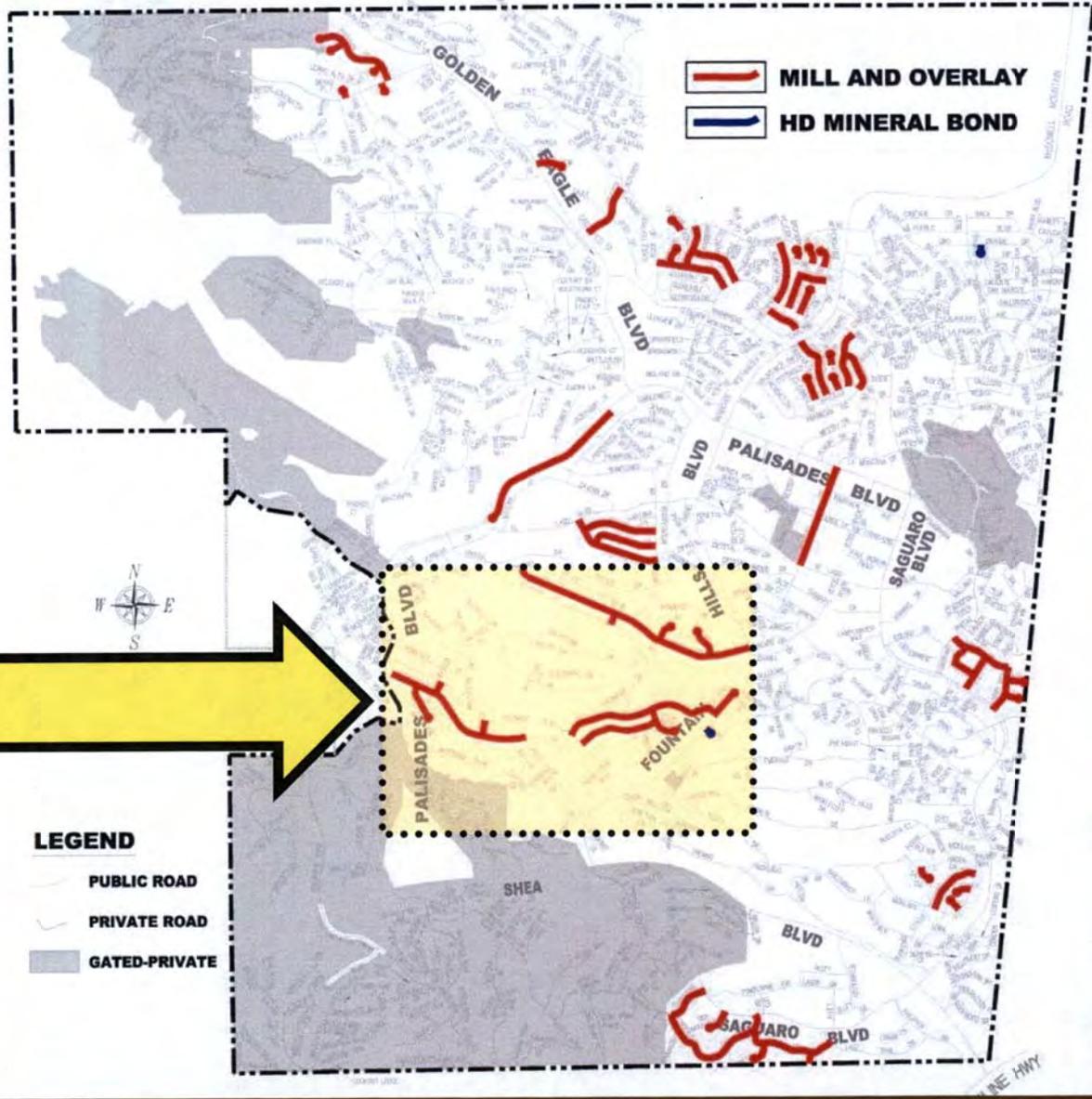


# Map Area 3





# Town of Fountain Hills PAVEMENT MANAGEMENT MAP FY 18-19



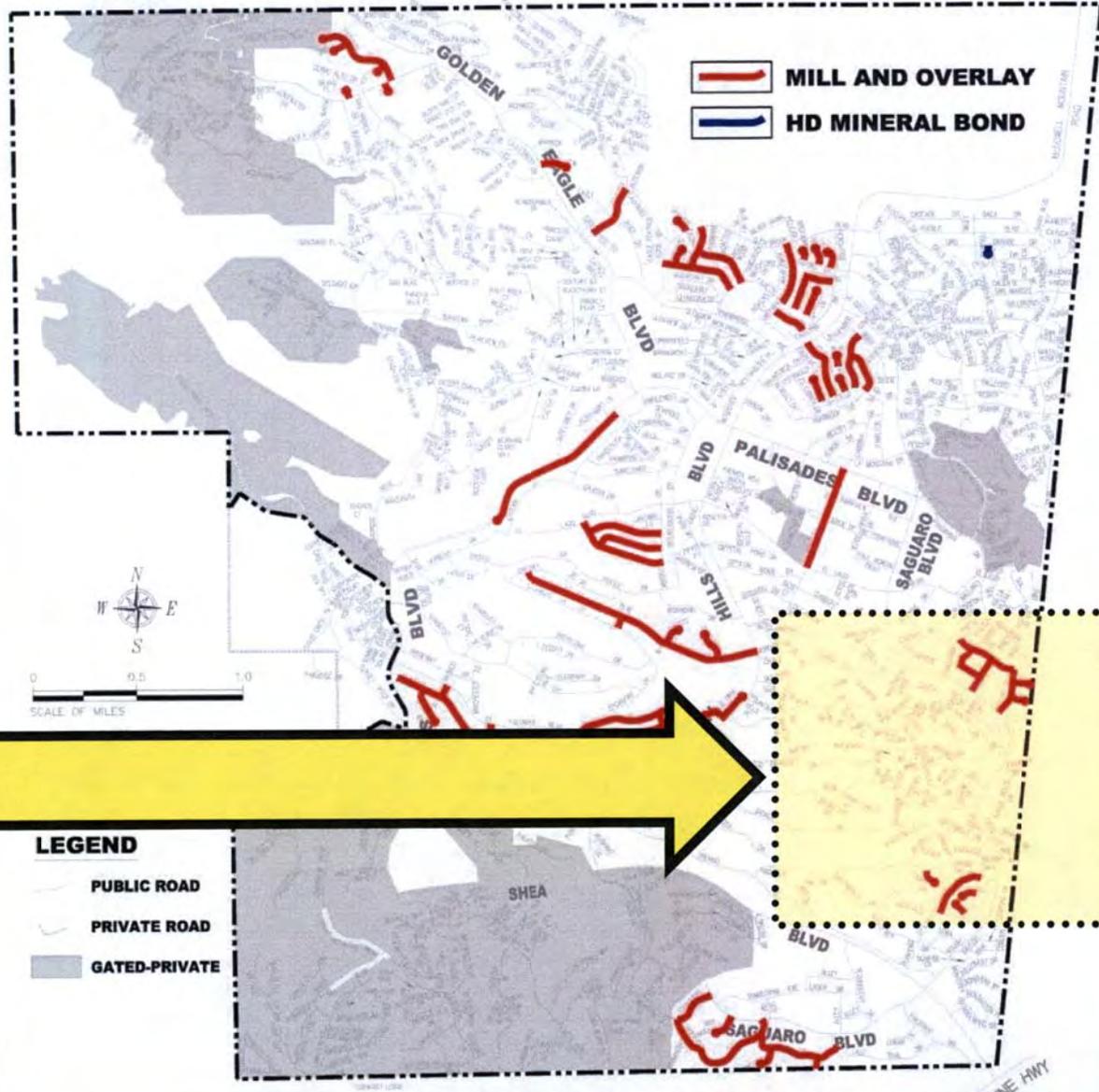
MAP  
AREA

4





# Town of Fountain Hills PAVEMENT MANAGEMENT MAP FY 18-19



- MILL AND OVERLAY
- HD MINERAL BOND



- LEGEND**
- PUBLIC ROAD
  - PRIVATE ROAD
  - GATED-PRIVATE

MAP  
AREA

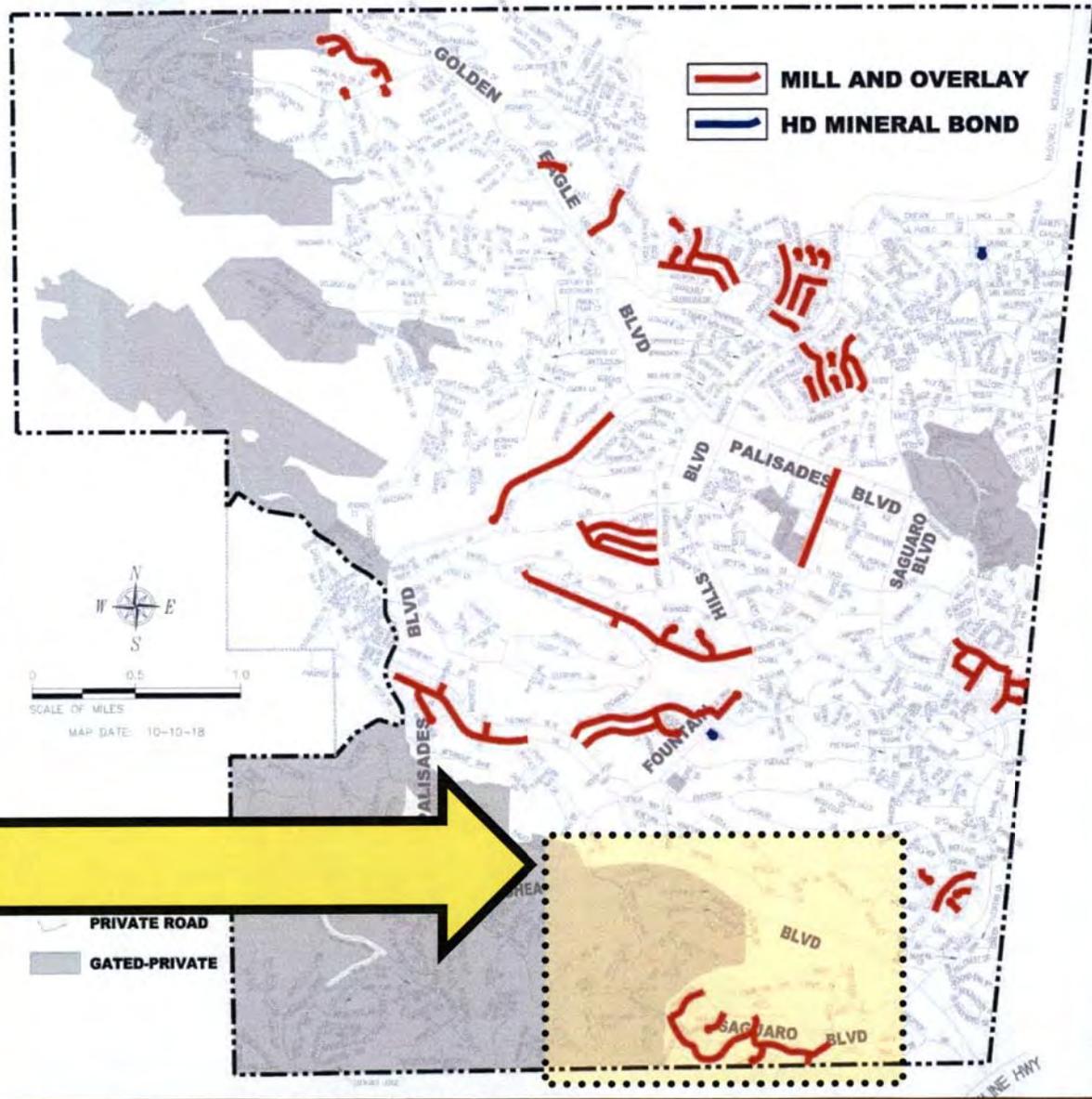
5

# Map Area 5





# Town of Fountain Hills PAVEMENT MANAGEMENT MAP FY 18-19



MAP  
AREA

6





**Questions?**



# TOWN OF FOUNTAIN HILLS

## TOWN COUNCIL AGENDA ACTION FORM

**Meeting Date:** 4/16/2019  
**Agenda Type:** Regular

**Meeting Type:** Regular Session  
**Submitting Department:** Public Works

**Staff Contact Information:** Justin T. Weldy, 480-816-5133 jweldy@fh.az.gov

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**REQUEST TO COUNCIL** (Agenda Language): CONSIDERATION OF Approving the Fourth Amendment to Cooperative Purchasing Agreement C2017-079 with Utility Construction Inc, in the amount of \$100,000.00, for additional lighting upgrades, maintenance and new construction Town wide, as necessary.

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**Applicant:** NA

**Applicant Contact Information:** NA

**Owner:** NA

**Owner Contact Information:** NA

**Property Location:** NA

**Related Ordinance, Policy or Guiding Principle:** Town of Fountain Hills Finance Policy.

**Staff Summary** (background): The Town's lighting maintenance program oversees over 366 installed lights at Town owned facilities, parks and right-of-ways. That maintenance program, has replaced outdated and damaged lights, as needed. That contract has replaced, repaired and installed new lighting with modern features, resulting in reduced maintenance cost and increased electrical efficiency.

Council approved the original Cooperative Purchasing Agreement (CPA) with Utility Construction Company for \$140,000.00 on April 20, 2017 initiating the start of Capital Improvement Project F4032- (Town-wide lighting upgrades).

The First Amendment to the CPA was approved by Council on May 15, 2017; increasing the amount by \$12,268.88. This additional funding replaced sport field lighting at Golden Eagle Park and Four Peaks Park.

The Second Amendment to the CPA was approved by Council on September 19, 2017, increasing the contract amount by \$10,240.00, due to unforeseen issues discovered during construction at Fountain Park, Desert Vista Park and Four Peaks Park.

On November 21, 2017 staff returned to Council to request approval for the use of the Capital Improvement Project Contingency Funds for the dollars approved by Council on September 19, 2017. During this time, the monies budgeted had been depleted and the project was not completed.

The Third Amendment to the CPA was approved by Council on April 3, 2018, it extended the term of the CPA an additional Ten (10) months, without any increase in the amount.

This Fourth Amendment to the CPA will increase the CPA by \$100,000.00. This includes traffic signal upgrades on Shea at Palisades and at Fountain Hills Blvd, not to exceed \$40,000. The remaining contract balance (\$60,000) will be available for other department's use, if needed.

**Risk Analysis** (options or alternatives with implications): Not having a specialty contractor will result in delays and increased cost due to one-time individual contracts. This will also significantly delay the repair and maintenance of existing lights.

**Fiscal Impact** (initial and ongoing costs; budget status): \$100,000.00

**Budget Reference** (page number): 281

**Funding Source:** Multiple Funds

**If Multiple Funds utilized, list here:**

Fund 200, Streets Fund, Fund 100, General Fund.

**Budgeted; if No, attach Budget Adjustment Form:** Yes

**Recommendation(s) by Board(s) or Commission(s):** NA

**Staff Recommendation(s):** Staff recommends approval of the Fourth Amendment to cooperative purchasing agreement C2017-079

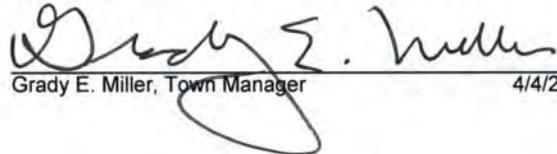
**List Attachment(s):** Fourth Amendment to Cooperative Purchasing Agreement C2017-079, Underlying agreement and amendments.

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**SUGGESTED MOTION** (for Council use): . Move to approve the Fourth Amendment to Cooperative Purchasing Agreement C2017-079 with Utility Construction Inc., in the amount of \$100,000.00, for additional lighting upgrades, repairs and new construction Town-wide

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Approved:



Grady E. Miller, Town Manager

4/4/2019

Prepared by:

Justin Weldy, Public Works Director 2/27/2019

Director's Approval:



Justin Weldy, Public Works Director 2/27/2019

**FOURTH AMENDMENT  
TO  
COOPERATIVE PURCHASING AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
UTILITY CONSTRUCTION COMPANY, INC.**

THIS FOURTH AMENDMENT TO COOPERATIVE PURCHASING AGREEMENT (this "Fourth Amendment") is entered into as of March 19, 2019, between the Town of Fountain Hills, an Arizona municipal corporation (the "Town") and Utility Construction Company, Inc., an Arizona corporation (the "Contractor").

RECITALS

A. After a competitive procurement process, the City of Peoria, Arizona entered into Contract No. ACON04216, dated February 12, 2016, as amended by Amendment No. 1, dated December 5, 2016, by Amendment No. 2, dated November 21, 2017, and by Amendment No. 3, dated November 28, 2018 (collectively, the "Peoria Contract"), with the Contractor for the Contractor to provide lighting maintenance and inspection services.

B. The Town and the Contractor entered into a Cooperative Purchasing Agreement dated April 20, 2017 (the "Initial Agreement"), and based upon the Peoria Contract, for the Contractor to provide lighting maintenance and inspection services (the "Materials and Services").

C. The Initial Agreement was amended by that First Amendment, dated May 15, 2017, by that Second Amendment, dated September 19, 2017, and by that Third Amendment, dated April 3, 2018. The Initial Agreement and First through Third Amendments are collectively referred to herein as the "Agreement." All capitalized terms not otherwise defined in this Fourth Amendment have the same meanings as contained in the Agreement.

D. The Town has determined that additional Materials and Services by the Contractor are necessary (the "Additional Materials and Services").

E. The Town and the Contractor desire to enter this Fourth Amendment to provide for the increase in compensation to the Contractor for the Additional Services and Materials and to extend the term of the Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other

good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. Term of Agreement. The Term of the Agreement is hereby extended and shall remain in full force and effect until February 11, 2020, unless terminated as otherwise provided pursuant to the terms of the Agreement.

2. Scope of Work. Contractor shall provide the Additional Materials and Services (i) under the terms and conditions of the City Contract, (ii) as set forth in the Proposal, attached hereto as Exhibit A and incorporated herein by reference, and (iii) pursuant to instructions from the Town.

3. Compensation. The Town shall increase the compensation to Contractor by not more than \$100,000.00 for the Additional Materials and Services at the rates set forth in the Peoria Contract and the Proposal, resulting in an increase of the aggregate not-to-exceed compensation from \$162,508.88 to \$262,508.88.

4. Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below or (C) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to the Town:           Town of Fountain Hills  
                                  16705 East Avenue of the Fountains  
                                  Fountain Hills, Arizona 85268  
                                  Attn: Grady E. Miller, Town Manager

With copy to:           Pierce Coleman PLLC  
                                  4711 East Falcon Drive, Suite 111  
                                  Mesa, Arizona 85215  
                                  Attn: Aaron D. Arnson, Town Attorney

If to Contractor:       Utility Construction Company, Inc.  
                                  P.O. Box 1774  
                                  Gilbert, Arizona 85299  
                                  Attn: Bob Martin

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (A) when delivered to the party, (B) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (C) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and

refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

5. Effect of Amendment. In all other respects, the Agreement is affirmed and ratified and, except as expressly modified herein, all terms and conditions of the Agreement shall remain in full force and effect.

6. Non-Default. By executing this Fourth Amendment, the Contractor affirmatively asserts that (i) the Town is not currently in default, nor has it been in default at any time prior to this Fourth Amendment, under any of the terms or conditions of the Agreement and (ii) any and all claims, known and unknown, relating to the Agreement and existing on or before the date of this Fourth Amendment are forever waived.

7. Israel. Contractor certifies that it is not currently engaged in, and agrees for the duration of this Agreement that it will not engage in a "boycott," as that term is defined in Ariz. Rev. Stat. § 35-393, of Israel.

8. Conflict of Interest. This Fourth Amendment and the Agreement may be cancelled by the Town pursuant to Ariz. Rev. Stat. § 38-511.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first set forth above.

“Town”

TOWN OF FOUNTAIN HILLS,  
an Arizona municipal corporation

CR  
2/25/19

  
Grady E. Miller, Town Manager

ATTEST:

\_\_\_\_\_  
Elizabeth A. Burke, Town Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Aaron D. Arnson, Town Attorney

(ACKNOWLEDGMENT)

STATE OF ARIZONA     )  
  ) ss.  
COUNTY OF MARICOPA    )

On \_\_\_\_\_, 2019, before me personally appeared Grady E. Miller, the Town Manager of the TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above document, on behalf of the Town of Fountain Hills.

\_\_\_\_\_  
Notary Public

(Affix notary seal here)

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

“Contractor”

UTILITY CONSTRUCTION COMPANY, INC.  
a(n) Arizona corporation

By: Bob Martin

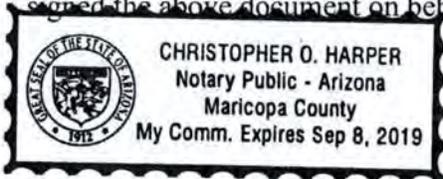
Name: BOB MARTIN

Title: VICE PRESIDENT

(ACKNOWLEDGMENT)

STATE OF ARIZONA     )  
  ) ss.  
COUNTY OF MARICOPA )

On FEBRUARY 19, 2019, before me personally appeared BOB MARTIN, the VICE PRESIDENT of UTILITY CONSTRUCTION COMPANY, INC., a(n) Arizona corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he/she claims to be, and acknowledged that he/she signed the above document on behalf of the corporation.



Christopher O. Harper  
Notary Public

(Affix notary seal here)

EXHIBIT A  
TO  
COOPERATIVE PURCHASE AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
UTILITY CONSTRUCTION COMPANY, INC.

[Contractor's Proposal]

See following pages.

13 February 2017

REV 1 – 20 February 2017 – Revised for decreased light levels at Four Peaks Park.

REV 2 – 3 March 2017 – Revised to include complete pole replacement and updated labor quantities at Golden Eagle Park. Revised for decreased light levels at Desert Vista Park.

Town of Fountain Hills  
Community Services Department  
16705 E. Avenue of the Fountains  
Fountain Hills, AZ 85268

Attn: Mr. Kevin Snipes  
Supervisor of Parks  
[ksnipes@fh.az.gov](mailto:ksnipes@fh.az.gov)  
(480) 816-5178

Project ('Project'):  
Town of Fountain Hills  
Outdoor Lighting LED Upgrade  
City of Peoria Contract No. ACON04216A

Subject:  
Sports Field Lighting  
Budgetary Pricing

Mr. Snipes,

Utility Construction Company, Inc. ('UCC') is submitting this letter to The Town of Fountain Hills ('Town') to provide budgetary pricing for upgrading existing sports field lighting from Metal Halide to LED. This proposal uses the pricing set forth by the cooperative purchase of UCC's Lighting Maintenance and Inspection Services with the City of Peoria, Contract No. ACON04216A.

### **1.0 Scope of Work**

Budgetary pricing is to replace existing 1500W Metal Halide sports field lighting with new pole top LED luminaire assemblies at the following parks:

- a. Golden Eagle Park
- b. Four Peaks Park
- c. Desert Vista Park

For more details on proposed LED replacements, please see the 3 attached proposals from MUSCO lighting.

**Revision 1 – Updated Four Peaks MUSCO LED Materials package for lower light levels of 30/20, as opposed to original light level of 50/30. Included manufacturer life cycle cost analysis.**

**Revision 2 – Included entire pole assembly replacement for Golden Eagle Park to qualify for 25 year warranty. Updated Desert Vista Park for reduced light levels.**



**2.0 Budgetary Pricing**

The following provides budgetary pricing for the estimated scope of work above:

Item	Description	Qty	Unit	Price	Extended
<b>1.0 Golden Eagle Park</b>					
1.1	MUSCO Materials Package	1	LS	\$ 921,000.00	\$ 921,000.00
1.2	Estimated Sales Tax @ 8.3%	1	LS	\$ 76,443.00	\$ 76,443.00
1.3	UCC Markup on Materials @ 15% (line item 2. from Peoria Contract)	1	LS	\$ 149,616.45	\$ 149,616.45
1.4	Estimated Labor – 20 poles	20	EA	\$ 6,500.00	\$ 130,000.00
<b>2.0 Four Peaks Park</b>					
2.1	MUSCO Materials Package	1	LS	\$ 225,000.00	\$ 225,000.00
2.2	Estimated Sales Tax @ 8.3%	1	LS	\$ 18,675.00	\$ 18,675.00
2.3	UCC Markup on Materials @ 15% (line item 2. from Peoria Contract)	1	LS	\$ 36,551.25	\$ 36,551.25
2.4	Estimated Labor – 17 Poles	17	EA	\$ 5,500.00	\$ 93,500.00
<b>3.0 Desert Vista Park</b>					
3.1	MUSCO Materials Package	1	LS	\$ 124,000.00	\$ 124,000.00
3.2	Estimated Sales Tax @ 8.3%	1	LS	\$ 10,292.00	\$ 10,292.00
3.3	UCC Markup on Materials @ 15% (line item 2. from Peoria Contract)	1	LS	\$ 20,143.80	\$ 20,143.80
3.4	Estimated Labor – 9 Poles	9	EA	\$ 5,500.00	\$ 49,500.00

**Total**

**\$ 1,854,721.50**

**3.0 Notes:**

- a. Budgetary pricing only, and not an offer to contract
- b. Does not include permits / permit fees / bond fees
- c. Does not include special inspections
- d. Manufacture Life Cycle Cost Analysis does not include items specifically excluded in manufacture budgetary estimate, including installation labor and sales tax.
- e. Existing lighting at Desert Vista Park is MUSCO Green Generation HID.

Sincerely,



Jess Daniels CEM, Project Manager / Estimator  
[jessd@utilityconstructionco.com](mailto:jessd@utilityconstructionco.com)



## Budget Estimate

Golden Eagle Park – Fountain Hills, AZ  
March 1, 2017

### Budget Estimate – Materials Only

Musco's Light-Structure System™ as described below, and delivered to the job site:

**Softball 1, 2, 3 and Baseball 4.....\$921,000**

*Sales tax, bonding, labor, and unloading of the equipment are not included.*

### Light-Structure System with Total Light Control – TLC for LED™ technology

#### **System – Control from foundation to poletop in 5 Easy Pieces™**

Factory built, wired, aimed and tested lighting system includes:

- (20) Pre-cast concrete bases
- (20) Galvanized steel poles
- Remote electrical component enclosures
- Pole length wire harnesses
- (186) Factory-aimed and assembled luminaries (TLC LED 1150)

#### **On Field Performance – Control to benefit players, fans and TV cameras**

- Guaranteed light levels
- Control-Link® System for remote on/off control and performance monitoring with 24/7 customer support

#### **Environmental Light Control – Control for neighbors and the environment**

- Reduction of spill light and glare by 50% or more

#### **Always Ready to Play – Control assuring the results you expect**

- Reduction of energy and maintenance costs by 50% to 85% over typical 1500w HID equipment
- Product assurance and warranty program that includes materials and onsite labor, eliminating 100% of your maintenance costs for 25 years

### Notes

Estimate is based on:

- Shipment of entire project together to one location
- Voltage and Phase per plans
- Structural code and wind speed = 2012 IBC, 115 MPH
- Owner is responsible for getting electrical power to the site, coordination with the utility, and any power company fees
- Standard soil conditions – rock, bottomless, wet or unsuitable soil may require additional engineering, special installation methods and additional cost
- Confirmation of pole locations prior to production

Thank you for considering Musco for your sports lighting needs. Please contact me with any questions.

John Abney  
Musco Sports Lighting, LLC  
Phone: 623-910-9316  
E-mail: [john.abney@musco.com](mailto:john.abney@musco.com)



**FIRST AMENDMENT  
TO  
COOPERATIVE PURCHASING AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
UTILITY CONSTRUCTION COMPANY, INC.**

THIS FIRST AMENDMENT TO COOPERATIVE PURCHASING AGREEMENT (this "First Amendment") is entered into as of May 15, 2017, between the Town of Fountain Hills, an Arizona municipal corporation (the "Town"), and Utility Construction Company, Inc., an Arizona corporation (the "Contractor").

RECITALS

A. After a competitive procurement process, the City of Peoria, Arizona ("Peoria") entered into Contract No. ACON04216, dated February 12, 2016, and amended by Contract Amendment No. One, dated December 5, 2016, with the Contractor for the Contractor to provide lighting maintenance and inspection services (collectively, the "Peoria Contract").

B. The Town and the Contractor entered into a Cooperative Purchasing Agreement dated April 20, 2017 (the "Agreement"), based upon the Peoria Contract, for the Contractor to provide the Town with lighting maintenance and inspection services (the "Materials and Services"). All capitalized terms not otherwise defined in this First Amendment have the same meanings as contained in the Agreement.

C. The Town has determined that additional Materials and Services by the Contractor are necessary (the "Additional Materials and Services").

D. The Town and the Contractor desire to enter into this First Amendment to (i) modify the scope of work to include the Additional Materials and Services and (ii) provide for the increase in compensation to the Contractor for the Additional Materials and Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. Scope of Work. Contractor shall provide the Additional Materials and Services as set forth in the Proposal, attached hereto as Exhibit 1 and incorporated herein by reference.

2. Compensation. The Town shall increase the compensation to Contractor by \$12,268.88 for the Additional Materials and Services at the rates set forth in the Peoria Contract and the Proposal, resulting in an increase of the aggregate not-to-exceed compensation from

\$140,000.00 to \$152,268.88, of which \$2,000.00 is an owner's contingency which shall be utilized at the Town's sole discretion.

3. Effect of Amendment. In all other respects, the Agreement is affirmed and ratified and, except as expressly modified herein, all terms and conditions of the Agreement shall remain in full force and effect.

4. Non-Default. By executing this First Amendment, the Contractor affirmatively asserts that (i) the Town is not currently in default, nor has been in default at any time prior to this First Amendment, under any of the terms or conditions of the Agreement and (ii) any and all claims, known and unknown, relating to the Agreement and existing on or before the date of this First Amendment are forever waived.

5. Conflict of Interest. This First Amendment and the Agreement may be canceled by the Town pursuant to ARIZ. REV. STAT. § 38-511.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date and year first set forth above.

"Town"

TOWN OF FOUNTAIN HILLS,  
an Arizona municipal corporation

(BB)

Grady E. Miller  
Grady E. Miller, Town Manager

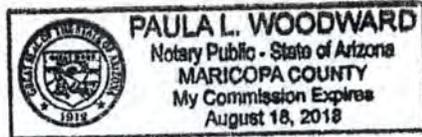
ATTEST:

Bevelyn J. Bender  
Bevelyn J. Bender, Town Clerk

(ACKNOWLEDGMENT)

STATE OF ARIZONA     )  
  ) ss.  
COUNTY OF MARICOPA    )

On May 17, 2017, before me personally appeared Grady E. Miller, the Town Manager of the TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above document, on behalf of the Town of Fountain Hills.

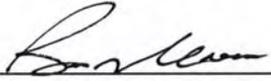


Paula L. Woodward  
Notary Public

(Affix notary seal here)

**“Contractor”**

UTILITY CONSTRUCTION COMPANY, INC.,  
an Arizona corporation

By: 

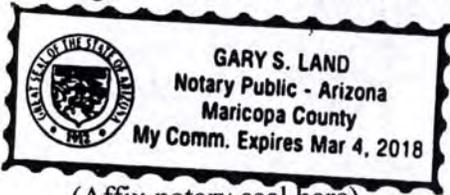
Name: Bob Martin

Title: Vice President

(ACKNOWLEDGMENT)

STATE OF ARIZONA        )  
  ) ss.  
COUNTY OF MARICOPA    )

On May 16th, 2017, before me personally appeared Bob Martin, the Vice President of UTILITY CONSTRUCTION COMPANY, INC., an Arizona corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he/she claims to be, and acknowledged that he/she signed the above document on behalf of the corporation.



(Affix notary seal here)

  
Notary Public

EXHIBIT I  
TO  
FIRST AMENDMENT  
TO  
COOPERATIVE PURCHASING AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
UTILITY CONSTRUCTION COMPANY, INC.

[Proposal]

See following pages.



Arizona DOT DBE Contractor #20052947  
City of Phoenix SBC / SBE Contractor  
California DBE Contractor #37975  
Nevada DBE Contractor #NV01244UCPN  
New Mexico DBE Contractor  
Texas DBE UCP Contractor

13 March 2017

Town of Fountain Hills  
Community Services Department  
16705 E. Avenue of the Fountains  
Fountain Hills, AZ 85268

Attn: Mr. Kevin Snipes  
Supervisor of Parks  
[ksnipes@fh.az.gov](mailto:ksnipes@fh.az.gov)  
(480) 816-5178

Project ('Project'): Town of Fountain Hills  
Outdoor Lighting LED Upgrade  
City of Peoria Contract No. ACON04216A

Subject: Sports Field Lighting  
Re-lamping Services

Mr. Snipes,

Utility Construction Company, Inc. ('UCC') is submitting this letter to The Town of Fountain Hills ('Town') to provide estimate for re-lamping services.

### 1.0 Scope of Work

Provide all Labor, Equipment, and other items of value to replace existing 1500 Watt Metal Halide lamps at the following parks:

- a. Golden Eagle Park – Approximately 6 lamps
- b. Four Peaks Park – Approximately 30 lamps

Number and location for outages were provided via email on 3-10-17. If more or less outages are encountered while on site, these items will be repaired and billed for the actual work completed per the unit rates provided in the City of Peoria master contract No. ACON04216A.

### 2.0 Pricing

The following provides pricing for the estimated scope of work above:



Mesa, AZ • Phoenix, AZ • Tucson, AZ • San Antonio, TX • El Paso, TX • Columbus, NM  
P. O. Box 1774 • Gilbert AZ 85299 • Phone (480) 654-3100 • Fax (480) 654-8374  
Arizona ROC #124023 (A-Gen) • Arizona ROC #200356 (A-17 Electrical) • Arizona ROC #122544 (C-11 Electrical)  
California CLSB #906009 (A-Gen) • Nevada SCB #0073368 (A-Gen) • New Mexico RLD-CLD #367690 (GS08)





Arizona DOT DBE Contractor #20052947  
 City of Phoenix SBC / SBE Contractor  
 California DBE Contractor #37975  
 Nevada DBE Contractor #NV01244UCPN  
 New Mexico DBE Contractor  
 Texas DBE UCP Contractor

Item	Description	Qty	Unit	Price	Extended
<b>Golden Eagle Park</b>					
A.1.	Initial On-Site Inspection	1	EA	\$ 250.00	\$ 250.00
D.1.	Hourly Rate – Lighting over 60 feet	10	HR	\$ 200.00	\$ 2,000.00
F.k.	1500 Watt Metal Halide Lamp	6	EA	\$ 44.39	\$ 266.34
G.1.	HID Lamp Disposal	6	EA	\$ 0.98	\$ 5.88
	TPT paid on Materials Only at Point of Purchase				\$ 22.59
<b>Subtotal – Golden Eagle Park</b>					<b>\$ 2,544.81</b>
<b>Four Peaks Park</b>					
A.1.	Initial On-Site Inspection	1	EA	\$ 250.00	\$ 250.00
D.1.	Hourly Rate – Lighting Over 60 Feet	30	HR	\$ 200.00	\$ 6,000.00
F.k.	1500 Watt Metal Halide Lamp	30	EA	\$ 44.39	\$ 1,331.70
G.1.	HID Lamp Disposal	30	EA	\$ 0.98	\$ 29.40
	TPT paid on Materials Only at Point of Purchase				\$ 112.97
<b>Subtotal – Four Peaks Park</b>					<b>\$ 7,724.07</b>
<b>Total – Both Parks</b>					<b>\$ 10,268.88</b>

**3.0 Notes:**

- a. Assumes lamps only at all locations. If ballasts need to be replaced, it will increase both labor and materials costs
- b. Labor and Materials costs are estimates only based on information provided. Final costs will be billed for actual work performed, per the contract requirements
- c. Does not include permits / permit fees
- d. Does not include special inspections

Sincerely,

Jess Daniels  
 Project Manager / Estimator  
[jessd@utilityconstructionco.com](mailto:jessd@utilityconstructionco.com)



Mesa, AZ • Phoenix, AZ • Tucson, AZ • San Antonio, TX • El Paso, TX • Columbus, NM  
 P. O. Box 1774 • Gilbert AZ 85299 • Phone (480) 654-3100 • Fax (480) 654-8374  
 Arizona ROC #124023 (A-Gen) • Arizona ROC #200356 (A-17 Electrical) • Arizona ROC #122544 (C-11 Electrical)  
 California CLSB #906009 (A-Gen) • Nevada SCB #0073368 (A-Gen) • New Mexico RLD-CLD #367690 (GS08)





**SECOND AMENDMENT  
TO  
COOPERATIVE PURCHASING AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
UTILITY CONSTRUCTION COMPANY, INC.**

THIS SECOND AMENDMENT TO COOPERATIVE PURCHASING AGREEMENT (this "Second Amendment") is entered into as of September 19, 2017, between the Town of Fountain Hills, an Arizona municipal corporation (the "Town"), and Utility Construction Company, Inc., an Arizona corporation (the "Contractor").

RECITALS

A. After a competitive procurement process, the City of Peoria, Arizona ("Peoria") entered into Contract No. ACON04216, dated February 12, 2016, and amended by Contract Amendment No. One, dated December 5, 2016, with the Contractor for the Contractor to provide lighting maintenance and inspection services (collectively, the "Peoria Contract").

B. The Town and the Contractor entered into a Cooperative Purchasing Agreement dated April 20, 2017 (the "Initial Agreement"), based upon the Peoria Contract, for the Contractor to provide the Town with lighting maintenance and inspection services (the "Materials and Services").

C. The Initial Agreement was amended once on May 15, 2017, to purchase additional Materials and Services and increase Contractor's compensation. The Initial Agreement and the First Amendment are collectively referred to herein as the "Agreement." All capitalized terms not otherwise defined in this Second Amendment have the same meanings as contained in the Agreement.

D. The Town has determined that additional Materials and Services by the Contractor are necessary (the "Additional Materials and Services").

E. The Town and the Contractor desire to enter into this Second Amendment to provide for the increase in compensation to the Contractor for the Additional Materials and Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. Compensation. The Town shall increase the compensation to Contractor by not more than \$10,240.00, of which \$1,000.00 is an owner's contingency which shall be utilized at

the Town's sole discretion, for the Materials and Services at the rates set forth in the Peoria Contract and the Proposals dated August 3, 2017, which are attached hereto as Exhibit A and incorporated herein by reference, resulting in an increase of the aggregate not-to-exceed compensation from \$152,268.88 to \$162,508.88.

2. Effect of Amendment. In all other respects, the Agreement is affirmed and ratified and, except as expressly modified herein, all terms and conditions of the Agreement shall remain in full force and effect.

3. Non-Default. By executing this Second Amendment, the Contractor affirmatively asserts that (i) the Town is not currently in default, nor has been in default at any time prior to this Second Amendment, under any of the terms or conditions of the Agreement and (ii) any and all claims, known and unknown, relating to the Agreement and existing on or before the date of this Second Amendment are forever waived.

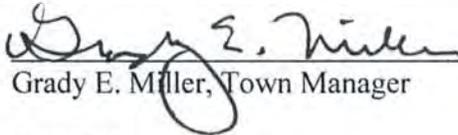
4. Conflict of Interest. This Second Amendment and the Agreement may be canceled by the Town pursuant to ARIZ. REV. STAT. § 38-511.

[SIGNATURES ON FOLLOWING PAGES]

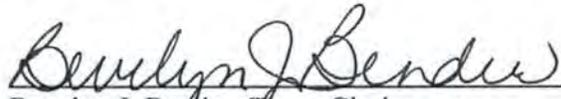
IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date and year first set forth above.

“Town”

TOWN OF FOUNTAIN HILLS,  
an Arizona municipal corporation

  
Grady E. Miller, Town Manager

ATTEST:

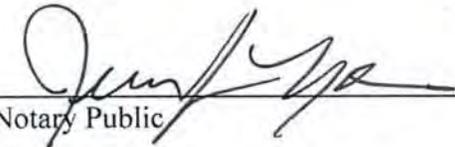
  
Bevelyn J. Bender, Town Clerk

(ACKNOWLEDGMENT)

STATE OF ARIZONA        )  
  ) ss.  
COUNTY OF MARICOPA    )

On September 19, 2017, before me personally appeared Grady E. Miller, the Town Manager of the TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above document, on behalf of the Town of Fountain Hills.

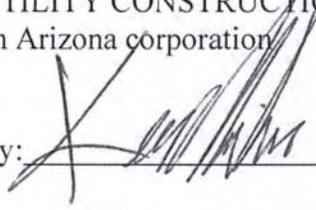


  
Notary Public

(Affix notary seal here)

**“Contractor”**

UTILITY CONSTRUCTION COMPANY, INC.,  
an Arizona corporation

By: 

Name: Ken Nickum

Title: General Manager

(ACKNOWLEDGMENT)

STATE OF ARIZONA     )  
  ) ss.  
COUNTY OF MARICOPA )

On September 5th, 2017, before me personally appeared Ken Nickum, the General Manager of UTILITY CONSTRUCTION COMPANY, INC., an Arizona corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he/she claims to be, and acknowledged that he/she signed the above document on behalf of the corporation.



(Affix notary seal here)

  
Notary Public

EXHIBIT 1  
TO  
SECOND AMENDMENT  
TO  
COOPERATIVE PURCHASING AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
UTILITY CONSTRUCTION COMPANY, INC.

[Proposals]

See following pages.



Arizona DOT DBE Contractor #20052947  
 City of Phoenix SBC / SBE Contractor  
 California DBE Contractor #37975  
 Nevada DBE Contractor #NV01244UCPN  
 New Mexico DBE Contractor  
 Texas DBE UCP Contractor

August 3, 2017

Town of Fountain Hills  
 Community Services Department  
 16705 E. Avenue of the Fountains  
 Fountain Hills, AZ 85268

Attn: Mr. Kevin Snipes  
 Supervisor of Parks  
[ksnipes@fh.az.gov](mailto:ksnipes@fh.az.gov)  
 (480) 816-5178

Project ('Project'): Town of Fountain Hills  
 Outdoor Lighting LED Upgrade  
 Contract No. C2017-079  
 City of Peoria Contract No. ACON04216A

Subject: **Change Order Proposal**  
**Electrical Repairs at Desert Vista Park**

Mr. Snipes,

Utility Construction Company, Inc. ('UCC') is submitting this letter to The Town of Fountain Hills ('Town') to provide cost estimates for work in addition to the original scope of the subject project.

**1.0 Background**

UCC's original proposal was for the installation of 120-277 volt LED retrofits at Desert Vista Park. Upon completion of work, it was discovered that the electrical distribution to some of the lights needed repair. These items were discuss with the Town at a meeting on 7/19/2017.

**2.0 Additional Scope of Work and Pricing**

Per the terms and conditions of the master contract agreement, work will be completed and billed on a Time and Materials basis. For budgetary purposes, the following provides an estimated cost.

Item	Description	Qty	Unit	Unit Price	Extended Price
<b>Troubleshoot No Power</b>					
E.1.	Hourly Rate, Lighting Under 60 Feet.	6	Hr.	\$ 75.00	\$ 450.00
<b>Replace / Install Fuse Holder</b>					
E.1.	Hourly Rate, Lighting Under 60 Feet.	2.5	Hr.	\$ 75.00	\$ 187.50



Mesa, AZ • Phoenix, AZ • Tucson, AZ • San Antonio, TX • El Paso, TX • Columbus, NM  
 P. O. Box 1774 • Gilbert AZ 85299 • Phone (480) 654-3100 • Fax (480) 654-8374  
 Arizona ROC #124023 (A-Gen) • Arizona ROC #200356 (A-17 Electrical) • Arizona ROC #122544 (C-11 Electrical)  
 California CLSB #906009 (A-Gen) • Nevada SCB #0073368 (A-Gen) • New Mexico RLD-CLD #367690 (GS08)



F.2.	Additional Materials – Fuse Holders	10	Ea.	\$ 22.85	\$ 228.50
F.2.	Additional Materials – # 12 Wire	50	Lf.	\$ 1.33	\$ 66.50
<b>Installation of 480V Rated Fixtures where 277V were proposed</b>					
F.2.	Additional Materials – 480V Drivers	57	Ea.	\$ 50.00	\$ 2,850.00

<b>Total</b>	<b>\$ 3,782.50</b>				
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**3.0 Notes:**

- a. Labor and Materials costs are estimates only based on information provided. Final costs will be billed for actual work performed, per the contract requirements
- b. Does not include permits / permit fees
- c. Does not include special inspections

Sincerely,



Jess Daniels  
 Project Manager / Estimator  
[jessd@utilityconstructionco.com](mailto:jessd@utilityconstructionco.com)



August 3, 2017 REVISED 8/31/2017

Town of Fountain Hills  
 Community Services Department  
 16705 E. Avenue of the Fountains  
 Fountain Hills, AZ 85268

Attn: Mr. Kevin Snipes  
 Supervisor of Parks  
[ksnipes@fh.az.gov](mailto:ksnipes@fh.az.gov)  
 (480) 816-5178

Project ('Project'): Town of Fountain Hills  
 Outdoor Lighting LED Upgrade  
 Contract No. C2017-079  
 City of Peoria Contract No. ACON04216A

Subject: **Change Order Proposal**  
**Additional Work at Fountain Park**

Mr. Snipes,

Utility Construction Company, Inc. ('UCC') is submitting this letter to The Town of Fountain Hills ('Town') to provide cost estimates for work in addition to the original scope of the subject project.

**1.0 Background**

UCC's original proposal was for the installation of LED retrofits at Fountain Park at the locations described in UCC's proposal and attachments. Upon completion of work, additional work was requested to be performed. These items were discuss with the Town at a meeting on 7/19/2017.

**2.0 Additional Scope of Work and Pricing**

Per the terms and conditions of the master contract agreement, work will be completed and billed on a Time and Materials basis. For budgetary purposes, the following provides an estimated cost.

Item	Description	Qty	Unit	Unit Price	Extended Price
<b><i>Add Shields to Monument Lights</i></b>					
F.2.	Additional Materials – Shields	9	Ea.	\$ 150.00	\$ 1,350.00
E.1.	Hourly Rate – Lighting under 60 ft.	4	Hr.	\$ 75.00	\$ 300.00
<b><i>Additional LED Retrofits at East Parking Lot</i></b>					



F.2.	Additional Materials – LED Retrofits	8	Ea.	\$ 150.00	\$ 1,200.00
E.1.	Hourly Rate – Lighting under 60 ft.	5	Hr.	\$ 75.00	\$ 375.00

<b>Total</b>					<b>\$ 3,225.00</b>
--------------	--	--	--	--	--------------------

**3.0 Notes:**

- a. Labor and Materials costs are estimates only based on information provided. Final costs will be billed for actual work performed, per the contract requirements
- b. Does not include permits / permit fees
- c. Does not include special inspections

Sincerely,



Jess Daniels  
 Project Manager / Estimator  
[jessd@utilityconstructionco.com](mailto:jessd@utilityconstructionco.com)



August 3, 2017

Town of Fountain Hills  
 Community Services Department  
 16705 E. Avenue of the Fountains  
 Fountain Hills, AZ 85268

Attn: Mr. Kevin Snipes  
 Supervisor of Parks  
[ksnipes@fh.az.gov](mailto:ksnipes@fh.az.gov)  
 (480) 816-5178

Project ('Project'): Town of Fountain Hills  
 Outdoor Lighting LED Upgrade  
 Contract No. C2017-079  
 City of Peoria Contract No. ACON04216A

Subject: **Change Order Proposal**  
**Electrical Repairs at Four Peaks Park**

Mr. Snipes,

Utility Construction Company, Inc. ('UCC') is submitting this letter to The Town of Fountain Hills ('Town') to provide cost estimates for work in addition to the original scope of the subject project.

**1.0 Background**

UCC's original proposal was for the installation of LED retrofits at Four Peaks Park. Upon completion of work, it was discovered that the electrical distribution to some of the lights needed repair. These items were discuss with the Town at a meeting on 7/19/2017.

**2.0 Additional Scope of Work and Pricing**

Per the terms and conditions of the master contract agreement, work will be completed and billed on a Time and Materials basis. For budgetary purposes, the following provides an estimated cost.

Item	Description	Qty	Unit	Unit Price	Extended Price
<b><i>Repair and Install Underground Conduit</i></b>					
N/A	Dig down and find existing conduit, open trench to existing pole, tie in conduit	70	Lf.	\$ 20.00	\$ 1,400.00
<b><i>Repull Wire, terminate to existing</i></b>					





Arizona DOT DBE Contractor #20052947  
 City of Phoenix SBC / SBE Contractor  
 California DBE Contractor #37975  
 Nevada DBE Contractor #NV01244UCPN  
 New Mexico DBE Contractor  
 Texas DBE UCP Contractor

E.1.	Hourly Rate, Lighting Under 60 Feet.	6	Hr.	\$ 75.00	\$ 450.00
F.2.	Additional Materials – 3 x # 10 Wire	250	Lf.	\$ 1.33	\$ 332.50
F.2.	Additional Materials – Misc. connectors, fittings, and hardware	1	Ls.	\$ 50.00	\$ 50.00

<b>Total</b>				<b>\$ 2,232.50</b>	
--------------	--	--	--	--------------------	--

**3.0 Notes:**

- a. Labor and Materials costs are estimates only based on information provided. Final costs will be billed for actual work performed, per the contract requirements
- b. Does not include permits / permit fees
- c. Does not include special inspections

Sincerely,

Jess Daniels  
 Project Manager / Estimator  
[jessd@utilityconstructionco.com](mailto:jessd@utilityconstructionco.com)



Mesa, AZ • Phoenix, AZ • Tucson, AZ • San Antonio, TX • El Paso, TX • Columbus, NM  
 P. O. Box 1774 • Gilbert AZ 85299 • Phone (480) 654-3100 • Fax (480) 654-8374  
 Arizona ROC #124023 (A-Gen) • Arizona ROC #200356 (A-17 Electrical) • Arizona ROC #122544 (C-11 Electrical)  
 California CLSB #906009 (A-Gen) • Nevada SCB #0073368 (A-Gen) • New Mexico RLD-CLD #367690 (GS08)





**THIRD AMENDMENT  
TO  
COOPERATIVE PURCHASING AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
UTILITY CONSTRUCTION COMPANY, INC.**

THIS THIRD AMENDMENT TO COOPERATIVE PURCHASING AGREEMENT (this "Third Amendment") is entered into as of April 3, 2018, between the Town of Fountain Hills, an Arizona municipal corporation (the "Town"), and Utility Construction Company, Inc., an Arizona corporation (the "Contractor").

**RECITALS**

A. After a competitive procurement process, the City of Peoria, Arizona ("Peoria") entered in Contract No. ACON04216, dated February 12, 2016, as amended by Contract Amendment No. One, dated December 5, 2016, and Contract Amendment No. Two, dated November 21, 2017 (collectively, the "Peoria Contract"), with the Contractor for the Contractor to provide lighting maintenance and inspection services.

B. The Town and the Contractor entered into a Cooperative Purchasing Agreement dated April 20, 2017 (the "Initial Agreement"), based upon the Peoria Contract, for the Contractor to provide the Town with lighting maintenance and inspection services (the "Services").

C. The Initial Agreement was amended by the First Amendment, dated May 15, 2017, and by the Second Amendment, dated September 19, 2017. The Initial Agreement, First Amendment, and Second Amendment are collectively referred to herein as the "Agreement." All capitalized terms not otherwise defined in this Third Amendment have the same meanings as contained in the Agreement.

D. The Town has determined that continued Services from the Contractor are necessary (the "Additional Services").

E. The Town and the Contractor desire to enter into this Third Amendment to adopt and incorporate Amendment No. Two (attached hereto as Exhibit "A") extending the term of the Peoria Contract upon which this Agreement is based, and to extend the term of the Agreement.

## AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. Term of the Agreement. Notwithstanding any provision to the contrary, the Agreement shall remain in full force and effect until February 11, 2019, unless terminated as otherwise provided pursuant to the terms and conditions of the Agreement.

2. Effect of Amendment. In all other respects, the Agreement is affirmed and ratified and, except as expressly modified herein, all terms and conditions of the Agreement shall remain in full force and effect.

3. Non-Default. By executing this Third Amendment, the Contractor affirmatively asserts that (i) the Town is not currently in default, nor has been in default at any time prior to this Third Amendment, under any of the terms or conditions of the Agreement and (ii) any and all claims, known and unknown, relating to the Agreement and existing on or before the date of this Third Amendment are forever waived.

4. Israel. Contractor certifies that it is not currently engaged in, and agrees for the duration of this Agreement that it will not engage in a "boycott," as that term is defined in ARIZ. REV. STAT. § 35-393, of Israel.

5. Conflict of Interest. This Third Amendment and the Agreement may be canceled by the Town pursuant to ARIZ. REV. STAT. § 38-511.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties hereto have executed and caused to be signed by their duly authorized representatives, this instrument on the date first written above.

“Town”

TOWN OF FOUNTAIN HILLS,  
an Arizona Municipal Corporation

*Grady E. Miller*  
Grady E. Miller, Town Manager

CR  
4/2/18

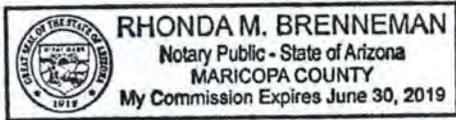
ATTEST:

*Nancy Walter*  
~~Bevlyn J. Bender~~, Town Clerk  
Acting

(ACKNOWLEDGEMENT)

STATE OF ARIZONA        )  
  ) ss.  
COUNTY OF MARICOPA    )

On April 3, 2018, before me personally appeared Grady E. Miller, the Town Manager of the TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above document, on behalf of the Town of Fountain Hills.



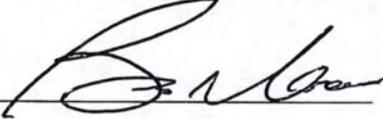
*Rhonda M. Brenneman*  
Notary Public

(Affix notary seal here)

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

“Contractor”

UTILITY CONSTRUCTION COMPANY, INC.

By: 

Name: BOB MARTIN

Its: VICE PRESIDENT

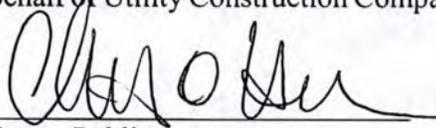
(ACKNOWLEDGEMENT)

STATE OF ARIZONA     )  
  ) ss.  
COUNTY OF MARICOPA )

On MARCH 30, 2018, before me personally appeared BOB MARTIN, the VICE PRESIDENT of Utility Construction Company, Inc., an Arizona corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above document, on behalf of Utility Construction Company, Inc.



(Affix notary seal here)

  
Notary Public

THIRD AMENDMENT  
TO  
COOPERATIVE PURCHASING AGREEMENT  
BETWEEN  
THE TOWN OF FOUNTAIN HILLS  
AND  
UTILITY CONSTRUCTION COMPANY, INC.

EXHIBIT A

[Amendment No. Two, dated November 21, 2017]

See following pages.



## City of Peoria

8401 West Monroe Street, Peoria, Arizona 85345

December 6, 2017

Utility Construction Company  
Bob Martin, Vice President  
P.O. Box 1774  
Gilbert, AZ 85299

Re: Q16-04 Lighting Maintenance and Inspection Services, Contract Extension

Dear Mr. Martin:

In accordance with Special Terms and Conditions, Page 8, Paragraph 7, Contract Extension; the above referenced contract may be extended for an additional twelve (12) month period.

The City of Peoria wishes to utilize this option, at this time. If your company is in agreement, please sign the attached amendment form. The form should be returned to the Materials Management Division by 12/20/2017. As per Contract Special Terms and Conditions a valid certificate of insurance, including endorsements, (naming the City as additional insured) must accompany the signed extension. If you should have any questions, I can be reached at (623) 773-7115.

Thank you for your continued support in providing quality service to the City of Peoria.

Sincerely,

A handwritten signature in cursive script that reads "Lisa Houg".

Lisa Houg, CPPB  
Contract Officer  
Materials Management Division

LH/dt  
Attachment (1)



# CONTRACT AMENDMENT

Solicitation No: Q16-04 Page 1 of 1  
 Description: Lighting Maintenance and Inspection Services  
 Amendment No: Two (2) Date: November 21, 2017

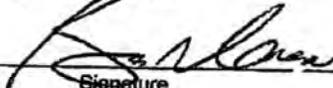
Materials Management  
 Procurement  
 9875 N. 85th Ave., 2nd Fl.  
 Peoria, AZ 85345  
 Telephone: (623) 773-7115  
 Fax: (623) 773-7118

Buyer: Lisa Houg / dt

In accordance with the Contract Special Terms and Conditions, Contract Extension, the above referenced contract shall expire on February 11, 2018 and is hereby extended. EXTENSION TWO (2)

The New Contract Term is: 2/12/18 to 2/11/19

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

	12/7/2017	Bob Martin, Vice President	Utility Construction Company
Signature	Date	Typed Name and Title	Company Name
P.O. Box 1820		QUEEN CREEK	85142
<del>P.O. Box 1774</del>		<del>Gilbert</del>	<del>85299</del>
Address		City	State Zip

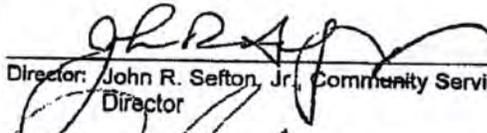
Attested by:

Rhonda Geriminsky, City Clerk

CC Number

ACON04216B  
 Contract Number

City Seal  
 Copyright 2003  
 City of Peoria, Arizona

  
 Director: John R. Sefton, Jr., Community Services  
 Director

Department Rep: Jake Eason, Neighborhood &  
 Community Parks Manager

Approved as to Form:

Steve Burg, City Attorney

The above referenced Contract Amendment is hereby Executed:

\_\_\_\_\_, \_\_\_\_\_, at Peoria, Arizona

Dan Zenko, Materials Manager



# CONTRACT AMENDMENT

Solicitation No: Q16-04

Page 1 of 1

Description: Lighting Maintenance and Inspection Services

Amendment No: Two (2)

Date: November 21, 2017

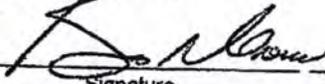
Materials Management  
Procurement  
9875 N. 85th Ave., 2nd Fl.  
Peoria, AZ 85345  
Telephone: (623) 773-7115  
Fax: (623) 773-7118

Buyer: Lisa Houg / dt

In accordance with the Contract Special Terms and Conditions, Contract Extension, the above referenced contract shall expire on February 11, 2018 and is hereby extended. EXTENSION TWO (2)

The New Contract Term is: 2/12/18 to 2/11/19

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

	12/7/2017	Bob Martin, Vice President	Utility Construction Company
Signature	Date	Typed Name and Title	Company Name

P.O. Box 1774	Gilbert	AZ	85299
Address	City	State	Zip

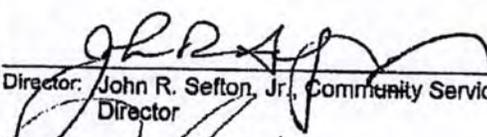
Attested by:

Rhonda Geriminsky, City Clerk

CC Number

ACON042168  
Contract Number

City Seal  
Copyright 2003  
City of Peoria, Arizona

  
Director: John R. Sefton, Jr., Community Services  
Director

Department Rep: Jake Eason, Neighborhood & Community Parks Manager

Approved as to Form:

Steve Burg, City Attorney

The above referenced Contract Amendment is hereby Executed:

\_\_\_\_\_ at Peoria, Arizona

Dan Zenko, Materials Manager



# CONTRACT AMENDMENT

Solicitation No: Q16-04 Page 1 of 1  
 Description: Lighting Maintenance and Inspection Services  
 Amendment No: Three (3) Date: 11/28/2018

**Materials Management Procurement**  
 9875 N. 85th Ave., 2nd Fl.  
 Peoria, AZ 85345  
 Telephone: (623) 773-7115  
 Fax: (623) 773-7118

**Buyer:** Lisa Houg / dt

In accordance with the Contract Special Terms and Conditions, Contract Extension, the above referenced contract shall expire on 02/11/2019 and is hereby extended. **EXTENSION THREE**

The New Contract Term is: **02/12/2019 to 02/11/2020**

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

Bob Martin      12/27/2018      Bob Martin, Vice President      Utility Construction Company  
 Signature                      Date                      Typed Name and Title                      Company Name

P.O. Box 1820                      Queen Creek                      AZ                      85142  
 Address                      City                      State                      Zip

Attested by:

Rhonda Geriminsky  
 Rhonda Geriminsky, City Clerk



City Seal  
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City of Peoria, Arizona

\_\_\_\_\_  
 CC Number  
  
 \_\_\_\_\_  
 ACON04216C  
 Contract Number

John R. Sefton Jr.  
 Director John R. Sefton Jr., Parks, Recreation and  
 Community Facilities Director  
  
Jake Eason  
 Department Rep: Jake Eason, Neighborhood &  
 Community Parks Manager

Approved as to Form:  
Vanessa P. Hickman  
 Vanessa P. Hickman, City Attorney

The above referenced Contract Amendment is hereby Executed:

Jan. 9, 2019, at Peoria, Arizona  
Dan Zenko  
 Dan Zenko, Materials Manager



# CONTRACT AMENDMENT

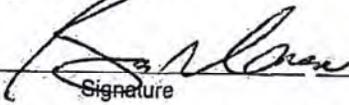
Solicitation No: Q16-04 Page 1 of 1  
 Description: Lighting Maintenance and Inspection Services  
 Amendment No: Two (2) Date: November 21, 2017

Materials Management  
 Procurement  
 9875 N. 85th Ave., 2nd Fl.  
 Peoria, AZ 85345  
 Telephone: (623) 773-7115  
 Fax: (623) 773-7118  
 Buyer: Lisa Houg / dt

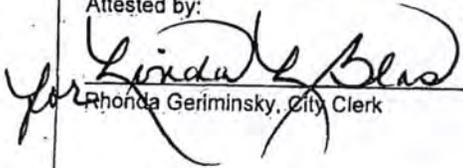
In accordance with the Contract Special Terms and Conditions, Contract Extension, the above referenced contract shall expire on February 11, 2018 and is hereby extended. EXTENSION TWO (2)

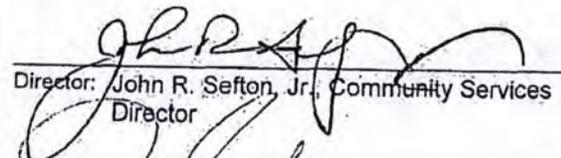
The New Contract Term is: 2/12/18 to 2/11/19

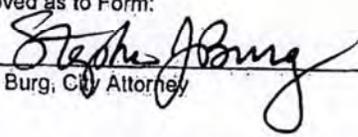
Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

	12/7/2017	Bob Martin, Vice President	Utility Construction Company
Signature	Date	Typed Name and Title	Company Name
P.O. Box 1820		QUEEN CREEK	85142
<del>P.O. Box 1774</del>		<del>Gilbert</del>	<del>85299</del>
Address		City	State Zip

Attested by:

  
 Rhonda Geriminsky, City Clerk

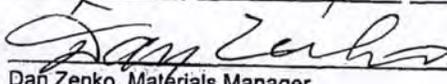
  
 Director: John R. Sefton, Jr., Community Services  
 Director  
 Department Rep: Jake Eason, Neighborhood & Community Parks Manager

Approved as to Form:  
  
 Steve Burg, City Attorney



City Seal  
 Copyright 2003  
 City of Peoria, Arizona.

CC Number  
 \_\_\_\_\_  
 ACON04216B  
 Contract Number

The above referenced Contract Amendment is hereby Executed:  
 Dec. 13 2017 at Peoria, Arizona  
  
 Dan Zenko, Materials Manager



# CONTRACT AMENDMENT

Solicitation No.: Q16-04

Page 1 of 1

Description: Lighting Maintenance and Inspection Services

Amendment No.: One (1)

Date: December 5, 2016

Materials Management  
Procurement  
9875 N. 85th Ave., 2nd Fl.  
Peoria, AZ 85345  
Telephone: (623) 773-7115  
Fax: (623) 773-7118

Buyer: Lisa Houg

In accordance with the Contract Special Terms and Conditions, Contract Extension, the above referenced contract shall expire on February 11, 2017 and is hereby extended.

The New Contract Term is: **February 12, 2017 – February 11, 2018.**

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

<u><i>Bob Martin</i></u>	<u>12/5/2016</u>	<u>Bob Martin, Vice President</u>	<u>Utility Construction Company</u>
Signature	Date	Typed Name and Title	Company Name

<u>P.O. Box 1774</u>	<u>Gilbert</u>	<u>AZ</u>	<u>85299</u>
Address	City	State	Zip

Attested by:

*Rhonda Geriminsky*  
Rhonda Geriminsky, City Clerk



City Seal  
Copyright 2003  
City of Peoria, Arizona

CC Number

ACON04216A  
Contract Number

*John R. Sefton, Jr.*  
Director, John R. Sefton, Jr., Community Services  
Director

*Jake Eason*  
Project Manager: Jake Eason, Neighborhood & Community Park Manager

Approved as to Form:  
*Cheryl Proff*  
City Attorney

The above referenced Contract Amendment is hereby Executed:

Dec 13, 2016 at Peoria, Arizona

*Dan Zenko*  
Dan Zenko, Materials Manager



# City of Peoria, Arizona

## Request for Quotation



Request for Quotation No: **Q16-04** RFQ Due Date: **December 21, 2015**  
 Materials and/or Services: **Lighting Maintenance and Inspection Services** RFQ Due Time: **5:00 P.M. AZ Time**  
 Mailing Address: **City of Peoria, Materials Management** Contact: **Lisa Houg**  
**9875 N. 85<sup>th</sup> Avenue, 2<sup>nd</sup> Floor** Phone: **(623) 773-7115**  
**Peoria, AZ 85345**

### This is NOT a Purchase Order

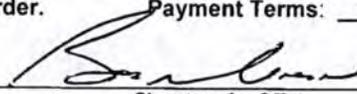
The terms and conditions in this solicitation should be reviewed and understood before preparing a quotation. The quotation shall be the best net price, FOB destination, to include all delivery charges, and applicable taxes. Delivery schedule and discount for early payment shall be indicated in the spaces provided below. Return the quotation by the above time and date to the above address. Please reference the Buyer's name and RFQ number on the outside of the return envelope.

Delivery Location: **9875 N. 85<sup>th</sup> Avenue, Peoria, AZ 85345** Buyer: **Lisa Houg**

### Vendor Quotation

Delivery shall be made N/A Calendar days after receipt of order. Payment Terms: 30 Days

Utility Construction Comapny, Inc.



Company Name

Signature for Offer

PO Box 1774

Bob Martin

Company Address

Printed Name

Gilbert AZ 85299  
 City State Zip

Vice President

Title

Phone (480) 654-3100 / Fax (480) 654-8374

bob@utilityconstructionco.com

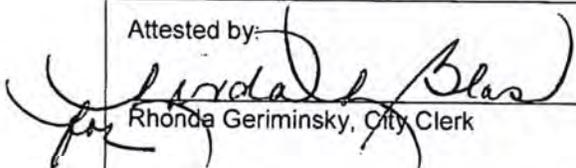
Telephone / Facsimile

Email Address

### ACCEPTANCE OF OFFER AND CONTRACT AWARD (For City of Peoria Use Only)

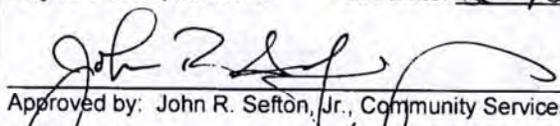
Your offer is hereby accepted. The Contractor is now bound to sell the materials and/or services listed by the attached award notice based upon the solicitation, including all terms conditions, specifications, amendments, etc., and the Contractor's offer as accepted by the City. The Contractor is hereby cautioned not to commence any billable work or provide any material, service or construction under this contract until Contractor receives an executed **Purchase Order**.

Attested by:

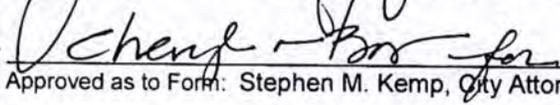


Rhonda Geriminsky, City Clerk

City of Peoria, Arizona. Eff. Date: 12-12-16

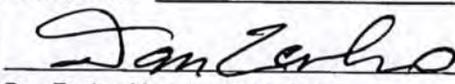


Approved by: John R. Sefton, Jr., Community Services Director



Approved as to Form: Stephen M. Kemp, City Attorney

Awarded on 12-11-16



Dan Zenko, Materials Manager



City Seal

Copyright 2003 City of Peoria, Arizona

CC  
A C O N 0 4 2 1 6

Contract Number

Official File



## REQUEST FOR QUOTATION

### INSTRUCTIONS FOR QUOTATION AND TERMS AND CONDITIONS

#### Materials Management Procurement

9875 N. 85<sup>th</sup> Ave., 2<sup>nd</sup> Fl.  
Peoria, Arizona 85345-6560  
Phone: (623) 773-7115  
Fax: (623) 773-7118

1. **Submission:** Quotations shall be signed and received by the due date and time, as designated on the Quotation.
2. **Opening:** A formal public opening will not be held for this quotation. However, all information may be publicly reviewed after award.
3. **Standard Provisions:** The City of Peoria's Instructions for Quotation and Terms and Conditions (Form COP203ITQ) and Standard Terms and Conditions (COP Form 202), where applicable, are a part of this document as if fully set forth herein. Copies of these documents are available from the City of Peoria, Materials Management Division.
4. **Taxes:** The City of Peoria is exempt from Federal Excise Tax, including Federal Transportation Tax. Sales Tax, if any, should be indicated as a separate item.
5. **Bid Rejection:** The City of Peoria reserves the right to reject any, or all, bids, combinations of items, or lot and to waive defects or informalities.
6. **Brand Names:** Any manufacturer's names, trade names, brand names, or catalog numbers used in the specifications are for the purpose of describing and establishing the general quality level, design and performance desired. Such references are not intended to limit or restrict bidding by other vendors, but are intended to approximate the quality design or performance which is desired. Any bid which proposes like quality, design or performance will be considered. Equivalent products will be considered, provided a complete description and product literature is provided. Unless a specific exception is made, assumption will be that the item is bid exactly as specified on the Request for Quotation.
7. **Erasures:** Erasures, interlineations or other modifications shall be initialed by the individual signing the Request for Quotation.
8. **Unit Price:** In case of error in the extension of prices, the unit shall govern. No Quotation shall be altered, amended or withdrawn after the specified date and time for receiving Quotations. Negligence by the Vendor in preparing the Quotation confers no right for the withdrawal of the Quotation after it has been opened.
9. **New:** All items shall be new, unless otherwise stated in the specifications.
10. **Payment:** The City of Peoria will make every effort to process for the purchase of goods or services within thirty (30) calendar days after receipt of goods or services and a correct notice of amount due, unless a good faith dispute exists as to any obligation to pay all or a portion of the account. Any bid that requires payment in less than thirty (30) days shall not be considered.
11. **Payment Discounts:** Payment discount periods will be computed from date of receipt of materials or services or correct invoice, whichever is later, to the date payment is mailed. Unless freight and other charges are itemized, any discount provided will be taken on full amount of invoice. Payment discounts of thirty (30) calendar days or more will be deducted from the bid price in determining the low bid. However, the City of Peoria shall be entitled to take advantage of any payment discount offered by the Vendor provided payment is made within the discount period.



## STANDARD TERMS AND CONDITIONS

### Materials Management Procurement

9875 N. 85<sup>th</sup> Ave., 2<sup>nd</sup> Fl.  
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THE FOLLOWING TERMS AND CONDITIONS ARE AN EXPLICIT PART OF THE SOLICITATION AND ANY RESULTANT CONTRACT.

1. **CERTIFICATION:** By signature in the Offer section of the Offer and Contract Award page (COP Form 203), the Vendor certifies:
  - a. The submission of the offer did not involve collusion or other anti-competitive practices.
  - b. The Vendor shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246.
  - c. The Vendor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip favor, or service to a public servant in connection with the submitted offer. Failure to sign the offer, or signing it with a false statement, shall void the submitted offer or any resulting contracts, and the vendor may be debarred.
2. **GRATUITIES:** The City may, by written notice to the Contractor, cancel this contract if it is found by the City that gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor, to any officer or employee of the City with a view toward securing an order, securing favorable treatment with respect to the awarding, amending, or the making of any determinations with respect to the performing of such order. In the event this contract is cancelled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Contractor the amount of the gratuity. Paying the expense of normal business meals which are generally made available to all eligible city government customers shall not be prohibited by this paragraph.
3. **APPLICABLE LAW:** In the performance of this agreement, contractors shall abide by and conform to any and all laws of the United States, State of Arizona and City of Peoria including but not limited to federal and state executive orders providing for equal employment and procurement opportunities, the Federal Occupational Safety and Health Act and any other federal or state laws applicable to this agreement.

Contractor specifically understands and acknowledges the applicability to it of the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986, and the Drug Free Workplace Act of 1989. In addition, if this agreement pertains to construction, Contractor must also comply with A.R.S. § 34-301, as amended (Employment of Aliens on Public Works Prohibited) and A.R.S. § 34-302, as amended (Residence Requirements for Employees).

Under the provisions of A.R.S. § 41-4401, Contractor hereby warrants to the City that Contractor and each of its subcontractors ("Subcontractors") will comply with, and are contractually obligated to comply with, all Federal immigration laws and regulations that relate to their employees and A.R.S. § 23-214(A) (hereinafter, "Contractor Immigration Warranty").

A breach of the Contractor Immigration Warranty shall constitute a material breach of this agreement and shall subject Contractor to penalties up to and including termination of this agreement at the sole discretion of the City. The City may, at its sole discretion, conduct random verification of the employment records of Contractor and any Subcontractors to ensure compliance with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any random verifications performed.

Neither Contractor nor any Subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if Contractor or the Subcontractor establishes that it has 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).

The provisions of this Paragraph must be included in any contract Contractor enters into with any Subcontractors who provide services under this agreement or any subcontract. "Services" is defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

Contractor warrants, for the term of this agreement and for six months thereafter, that it has fully complied with the requirements of the Immigration Reform and Control Act of 1986 and all related or similar legal authorities.



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This contract shall be governed by the City and Contractor shall have all remedies afforded each by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this contract or in statutes pertaining specifically to the City. This contract shall be governed by the laws of the State of Arizona and suit pertaining to this contract may be brought only in courts in the State of Arizona.

This contract is subject to the provisions of ARS §38-511; the City may cancel this contract without penalty or further obligations by the City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the City or any of its departments or agencies, is at any time while the contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

4. **LEGAL REMEDIES:** All claims and controversies shall be subject to resolution according to the terms of the City of Peoria Procurement Code.
5. **CONTRACT:** The contract between the City and the Contractor shall consist of (1) the Solicitation, including instructions, all terms and conditions, specifications, scopes of work, attachments, and any amendments thereto, and (2) the offer submitted by the Vendor in response to the solicitation. In the event of a conflict in language between the Solicitation and the Offer, the provisions and requirements in the Solicitation shall govern. However, the City reserves the right to clarify, in writing, any contractual terms with the concurrence of the Contractor, and such written contract shall govern in case of conflict with the applicable requirements stated in the Solicitation or the Vendor's offer. The Solicitation shall govern in all other matters not affected by the written contract.
6. **CONTRACT AMENDMENTS:** This contract may be modified only by a written Contract Amendment (COP Form 217) signed by persons duly authorized to enter into contracts on behalf of the City and the Contractor.
7. **CONTRACT APPLICABILITY:** The Offeror shall substantially conform to the terms, conditions, specifications and other requirements found within the text of this specific Solicitation. All previous agreements, contracts, or other documents, which have been executed between the Offeror and the City are not applicable to this Solicitation or any resultant contract.
8. **PROVISIONS REQUIRED BY LAW:** Each and every provision of law and any clause required by law to be in the contract will 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, the contract will forthwith be physically amended to make such insertion or correction.
9. **SEVERABILITY:** The provisions of this contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the contract which may remain in effect without the invalid provision or application.
10. **RELATIONSHIP TO PARTIES:** It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Contractor is advised that taxes or Social Security payments will not be withheld from any City payments issued hereunder and that the Contractor should make arrangements to directly pay such expenses, if any.
11. **INTERPRETATION-PAROL EVIDENCE:** This contract represents the entire agreement of the Parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this contract are hereby revoked and superseded by this contract. No representations, warranties, inducements or oral agreements have been made by any of the Parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this contract. This contract may not be changed, modified or rescinded except as provided for herein, absent a written agreement signed by both Parties. Any attempt at oral modification of this contract shall be void and of no effect.
12. **NO DELEGATION OR ASSIGNMENT:** Contractor shall not delegate any duty under this Contract, and no right or interest in this Contract shall be assigned by Contractor to any successor entity or third party, including but not limited to an affiliated successor or purchaser of Contractor or its assets, without prior written permission of the City. The City, at its option, may cancel this Contract in the event Contractor undertakes a delegation or assignment without first obtaining the



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City's written approval. Contractor agrees and acknowledges that it would not be unreasonable for the City to decline to approve a delegation or assignment that results in a material change to the services provided under this Contract or an increased cost to the City.

13. **SUBCONTRACTS:** No subcontract shall be entered into by the contractor with any other party to furnish any of the material, service or construction specified herein without the advance written approval of the City. The prime contractor shall itemize all sub-contractors which shall be utilized on the project. Any substitution of sub-contractors by the prime contractor shall be approved by the City and any cost savings will be reduced from the prime contractor's bid amount. All subcontracts shall comply with Federal and State laws and regulations which are applicable to the services covered by the subcontract and shall include all the terms and conditions set forth herein which shall apply with equal force to the subcontract and if the Subcontractor were the Contractor referred to herein. The Contractor is responsible for contract performance whether or not Subcontractors are used.
14. **RIGHTS AND REMEDIES:** No provision in this document or in the vendor's offer shall be construed, expressly or by implication, as waiver by the City of any existing or future right and/or remedy available by law in the event of any claim of default or breach of contract. The failure of the City to insist upon the strict performance of any term or condition of the contract or to exercise or delay the exercise of any right or remedy provided in the contract, or by law, or the City's acceptance of and payment for materials or services, shall not release the Contractor from any responsibilities or obligations imposed by this contract or by law, and shall not be deemed a waiver of any right of the City to insist upon the strict performance of the Contract.
15. **INDEMNIFICATION:** To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted from the acts, errors, mistakes, omissions, work or services of the Contractor, its employees, agents, or any tier of subcontractors in the performance of this Contract. Contractor's duty to defend, hold harmless and indemnify the City, its agents, representatives, officers, directors, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting therefrom, caused by any acts, errors, mistakes, omissions, work or services in the performance of this Contract including any employee of the Contractor or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services the Contractor may be legally liable.
- The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.
16. **OVERCHARGES BY ANTITRUST VIOLATIONS:** The City maintains that, in practice, overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, the Contractor hereby assigns to the City any and all claims for such overcharges as to the goods and services used to fulfill the Contract.
17. **FORCE MAJEURE:** Except for payment for sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force Majeure. The term "*force majeure*" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God: acts of the public enemy; war; acts of terror, hate crimes affecting public order; riots; strikes; mobilization; labor disputes; civil disorders; fire; floods; lockouts, injunctions-intervention-acts, or failures or refusals to act by government authority; events or obstacles resulting from a governmental authority's response to the foregoing; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence. The force majeure shall be deemed to commence when the party declaring force majeure notifies the other party of the existence of the force majeure and shall be deemed to continue as long as the results or effects of the force majeure prevent the party from resuming performance in accordance with this Contract.

Force majeure shall not include the following occurrences:

- a. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, an oversold condition of the market, inefficiencies, or similar occurrences.



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**Materials Management  
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- b. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this Force Majeure term and Condition.

Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure. If either party is delayed at any time in the progress of the work by force majeure, then the delayed party shall notify the other party in writing of such delay within forty-eight (48) hours commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be hand delivered or mailed *Certified-Return Receipt* and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing. The time of completion shall be extended by contract modification for a period of time equal to the time that the results or effects of such delay prevent the delayed party from performing in accordance with this contract.

18. **RIGHT TO ASSURANCE:** Whenever one party to this contract in good faith has reason to question the other party's intent to perform he may demand that the other party give a written assurance of this intent to perform. In the event that a demand is made and no written assurance is given within five (5) days, the demanding party may treat this failure as an anticipatory repudiation of the Contract.
19. **RIGHT TO AUDIT RECORDS:** The City may, at reasonable times and places, audit the books and records of any Contractor as related to any contract held with the City. This right to audit also empowers the City to inspect the papers of any Contractor or Subcontractor employee who works on this contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty made pursuant to Paragraph 3 above.
20. **RIGHT TO INSPECT PLANT:** The City may, at reasonable times, inspect the part of the plant or place of business of a Contractor or Subcontractor which is related to the performance of any contract as awarded or to be awarded.
21. **WARRANTIES:** Contractor warrants that all material, service or construction delivered under this contract shall conform to the specifications of this contract. Unless otherwise stated in Contractor's response, the City is responsible for selecting items, their use, and the results obtained from any other items used with the items furnished under this contract. Mere receipt of shipment of the material/service specified and any inspection incidental thereto by the City shall not alter or affect the obligations of the Contractor or the rights of the City under the foregoing warranties. Additional warranty requirements may be set forth in the solicitation.
22. **INSPECTION:** All material and/or services are subject to final inspection and acceptance by the City. Materials and/or services failing to conform to the specifications of this Contract will be held at Contractor's risk and may be returned to the Contractor. If so returned, all costs are the responsibility of the Contractor. The City may elect to do any or all:
- Waive the non-conformance.
  - Stop the work immediately.
  - Bring material into compliance.
- This shall be accomplished by a written determination for the City.
23. **TITLE AND RISK OF LOSS:** The title and risk of loss of material and/or service shall not pass to the City until the City actually receives the material or service at the point of delivery, unless otherwise provided within this Contract.
24. **NO REPLACEMENT OF DEFECTIVE TENDER:** Every tender of materials shall fully comply with all provisions of the Contract. If a tender is made which does not fully conform, this shall constitute a breach of the Contract as a whole.
25. **DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH:** Contractor shall deliver conforming materials in each installment of lot of this Contract and may not substitute nonconforming materials. Delivery of nonconforming materials or a default of any nature, at the option of the City, shall constitute a breach of the Contract as a whole.
26. **SHIPMENT UNDER RESERVATION PROHIBITED:** Contractor is not authorized to ship materials under reservation and no tender of a bill of lading will operate as a tender of the materials.



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27. **LIENS:** All materials, service or construction shall be free of all liens, and if the City requests, a formal release of all liens shall be delivered to the City.
28. **LICENSES:** Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor as applicable to this Contract.
29. **PATENTS AND COPYRIGHTS:** All services, information, computer program elements, reports and other deliverables, which may be patented or copyrighted and created under this contract are the property of the City and shall not be used or released by the Contractor or any other person except with the prior written permission of the City.
30. **PREPARATION OF SPECIFICATIONS BY PERSONS OTHER THAN CITY PERSONNEL:** All specifications shall seek to promote overall economy for the purposes intended and encourage competition and not be unduly restrictive in satisfying the City's needs. No person preparing specifications shall receive any direct or indirect benefit from the utilization of specifications, other than fees paid for the preparation of specifications.
31. **COST OF BID/PROPOSAL PREPARATION:** The City shall not reimburse the cost of developing presenting or providing any response to this solicitation. Offers submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner.
32. **PUBLIC RECORD:** All offers submitted in response to this solicitation shall become the property of the City and shall become a matter of public record available for review, subsequent to the award notification, in accordance with the City's Procurement Code. However, subsequent to the award of the contract, any information and documents obtained by the City during the course of an audit conducted in accordance with Paragraph 19 above for the purpose of determining compliance by Contractor or a Subcontractor with the Contractor Immigration Warranty mandated by Paragraph 3 above shall remain confidential and shall not be made available for public review or produced in response to a public records request, unless the City is ordered or otherwise directed to do so by a court of competent jurisdiction.
33. **ADVERTISING:** Contractor shall not advertise or publish information concerning this Contract, without prior written consent of the City.
34. **DELIVERY ORDERS:** The City shall issue a Purchase Order for the material and/or services covered by this contract. All such documents shall reference the contract number as indicated on the Offer and Contract Award (COP Form 203).
35. **FUNDING:** Any contract entered into by the City of Peoria is subject to funding availability. Fiscal years for the City of Peoria are July 1 to June 30. The City Council approves all budget requests. If a specific funding request is not approved, the contract shall be terminated.
36. **PAYMENT:** A separate invoice shall be issued for each shipment of material or service performed, and no payment will be issued prior to receipt of material and/or services and correct invoice.
37. **PROHIBITED LOBBYING ACTIVITIES:** The Offeror, his/her agent or representative shall not contact, orally or in any written form any City elected official or any City employee other than the Materials Management Division, the procuring department, City Manager, Deputy City Manager or City Attorney's office (for legal issues only) regarding the contents of this solicitation or the solicitation process commencing from receipt of a copy of this request for proposals and ending upon submission of a staff report for placement on a City Council agenda. The Materials Manager shall disqualify an Offeror's proposal for violation of this provision. This provision shall not prohibit an Offeror from petitioning an elected official after submission of a staff report for placement on a City Council agenda or engaging in any other protected first amendment activity after submission of a staff report for placement on a City Council agenda.
38. **PROHIBITED POLITICAL CONTRIBUTIONS:** Consultant during the term of this Agreement shall not make a contribution reportable under Title 16, Chapter 6, Article 1, Arizona Revised Statutes to a candidate or candidate committee for any city elective office during the term of this Agreement. The City reserves the right to terminate the Agreement without penalty for any violation of this provision.



## SPECIAL TERMS AND CONDITIONS

Solicitation Number: Q16-04

### Materials Management Procurement

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1. **Purpose:** Pursuant to provisions of the City Procurement Code, the City of Peoria, Materials Management Division intends to establish a contract for **Lighting Maintenance and Inspection Services**.
2. **Authority:** This Solicitation as well as any resultant contract is issued under the authority of the City Materials Manager. No alteration of any resultant contract may be made without the express written approval of the City Materials Manager in the form of an official contract amendment. Any attempt to alter any contract without such approval is a violation of the contract and the City Procurement Code. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the contractor.
3. **Offer Acceptance Period:** In order to allow for an adequate evaluation, the City requires an offer in response to this Solicitation to be valid and irrevocable for sixty (60) days after the opening time and date.
4. **Cooperative Purchasing:** While this contract is for the City of Peoria, other public agencies and political subdivisions may express interest in utilizing the contract. In addition to the City of Peoria, and with approval of the contractor, this contract may be extended for use by other eligible public agencies (i.e. municipalities, school districts, nonprofit educational institutions, public health institutions, community facilities districts, and government agencies of the State). Eligible public agencies may elect to utilize the contract through cooperative purchasing (or piggybacking) on the contract and do so at their discretion. No volume is implied or guaranteed, and the contractor must be in agreement with the cooperative transaction. The Strategic Alliance for Volume Expenditures (SAVE), a group of school districts and other public agencies, have signed an intergovernmental cooperative purchase agreement to obtain economies of scale. As a member of SAVE, the City of Peoria will act as the lead agency. Any such usage by other participating public agencies must be in accordance with the ordinance, charter and/or procurement rules and regulations of the respective public agency. Potential participating public agencies (i.e. municipalities, school districts, nonprofit educational institutions, public health institutions, community facilities districts, and government agencies of the State) recognize potential equipment, logistical and capacity limitations by the contractor may limit the contractor's ability to extend use of this contract. Any orders placed to the contractor will be placed by the specific public agency participating in this purchase, and payment for purchases made under this agreement will be the sole responsibility of each participating public agency. The City of Peoria shall not be responsible for any disputes arising out of transactions made by others.
5. **Contract Type:** Fixed Price
6. **Term of Contract:** The term of any resultant contract shall commence on the first day of the month following the date of award and shall continue for a period of one (1) year thereafter, unless terminated, cancelled or extended as otherwise provided herein.
7. **Contract Extension:** By mutual written contract amendment, any resultant contract may be extended for supplemental periods of up to a maximum of forty-eight (48) months.
8. **Affirmative Action:** It is the policy of the City of Peoria that suppliers of goods or services to the City adhere to a policy of equal employment opportunity and demonstrate an affirmative effort to recruit, hire, and promote regardless of race, color, religion, gender, national origin, age or disability. The City of Peoria encourages diverse suppliers to respond to solicitations for products or services.
9. **Proposal Format:** Proposals shall be submitted in one (1) original and three (3) copies on the forms and in the format as contained in the Request for Proposal. Proposals shall be on 8 1/2" & 11" paper with the text on one side only. All submittal information must contain data for only the local office(s) which will be performing the work.
10. **Evaluation:** In accordance with the City of Peoria Procurement Code, awards shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the City, based upon the evaluation criteria listed below. The evaluation factors are listed in their relative order of importance.
  - a. Experience and Qualifications
  - b. Method of Approach
  - c. Cost Considerations
  - d. Conformance to Request for Quotation



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The City reserves the right to consider historic information and facts, whether gained from the Vendor's proposal, questions and answer conferences, references, or other source and the views of the evaluator(s) with prior Contract or service delivery experience with any of the Vendors, while conducting the proposal evaluations.

11. **Proposal Opening:** Proposals shall be submitted at the time and place designated in the request for proposals. All information contained in the proposals shall be deemed as exempt from public disclosure based on the City's need to avoid disclosure of contents prejudicial to competing offerors during the process of negotiation. The proposals shall not be open for public inspection until after contract award. **PRICES SHALL NOT BE READ.** After contract award, the successful proposal and the evaluation documentation shall be open for public inspection.
12. **Non-Exclusive Contract:** Any contract resulting from this Solicitation shall be awarded with the understanding and agreement that it is for the sole convenience of the City of Peoria. The City reserves the right to obtain like goods or services from another source when necessary. Off-Contract Purchase Authorization may only be approved by the City Materials Manager. Approval shall be at the discretion of the City Materials Manager and shall be conclusive, however, approval shall be granted only after a proper review and when deemed to be appropriate. Off-contract procurement shall be consistent with the City Procurement Code.
13. **Taxes:** Prices offered shall not include applicable State and local taxes. The City will pay all applicable taxes. Taxes must be listed as a separate item on all invoices.
14. **Price Adjustment:** The City of Peoria Purchasing Office will review fully documented requests for price increases after any contract has been in effect for one (1) year. Any price increase adjustment will only be made at the time of contract extension and will be a factor in the extension review process. The City of Peoria Materials Management Division will determine whether the requested price increase or an alternate option, is in the best interest of the City. Any price adjustment will be effective upon the effective date of the contract extension.
15. **Price Reduction:** A price reduction adjustment may be offered at any time during the term of a contract and shall become effective upon notice.
16. **Discussions:** In accordance with the City of Peoria Procurement Code, after the initial receipt of proposals, discussions may be conducted with offerors who submit proposals determined to be reasonably susceptible of being selected for award.
17. **Insurance Requirements:** The Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. Rating of A-, or approved unlicensed in the State of Arizona with policies and forms satisfactory to the City.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted; failure to do so may, at the sole discretion of the City, constitute a material breach of this Contract.

The Contractor's insurance shall be primary insurance as respects the City, and any insurance or self-insurance maintained by the City shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the City.

The insurance policies, except Workers' Compensation, shall contain a waiver of transfer rights of recovery (subrogation) against the City, its agents, representatives, directors, officers, and employees for any claims arising out of the Contractor's acts, errors, mistakes, omissions, work or service.

The insurance policies may provide coverage which contain deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to the City under such policies. The Contractor shall be solely responsible for the deductible and/or self-insured retention and the City, at its option, may require the Contractor to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit.

The City reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and endorsements. The City shall not be obligated, however, to review same or to advise



## SPECIAL TERMS AND CONDITIONS

Solicitation Number: Q16-04

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Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of the City's right to insist on, strict fulfillment of Contractor's obligations under this Contract.

The insurance policies, except Workers' Compensation and Professional Liability, required by this Contract, shall name the City, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

#### 18. Required Insurance Coverage:

##### a. Commercial General Liability

Contractor shall maintain Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence with a \$2,000,000 Products/Completed Operations Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00011207 or any replacements thereof. The coverage shall not exclude X, C, U.

Such policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, nor any provision which would serve to limit third party action over claims.

The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form B, CG 20370704, and shall include coverage for Contractor's operations and products and completed operations.

Any Contractor subcontracting any part of the work, services or operations awarded to the Contractor shall purchase and maintain, at all times during prosecution of the work, services or operations under this Contract, an Owner's and Contractor's Protective Liability insurance policy for bodily injury and property damage, including death, which may arise in the prosecution of the Contractor's work, service or operations under this Contract. Coverage shall be on an occurrence basis with a limit not less than \$1,000,000 per occurrence, and the policy shall be issued by the same insurance company that issues the Contractor's Commercial General Liability insurance.

##### b. Automobile Liability

Contractor shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to the Contractor's any owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor's work. Coverage will be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc. Policy Form CA 00010306, or any replacements thereof). Such insurance shall include coverage for loading and off loading hazards. If hazardous substances, materials or wastes are to be transported, MCS 90 endorsement shall be included and \$5,000,000 per accident limits for bodily injury and property damage shall apply.

##### c. Workers' Compensation

The Contractor shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services; and, Employer's Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit.

In case any work is subcontracted, the Contractor will require the Subcontractor to provide Workers' Compensation and Employer's Liability to at least the same extent as required of the Contractor.

#### 19. Certificates of Insurance: Prior to commencing work or services under this Contract, Contractor shall furnish the City with Certificates of Insurance, and formal endorsements as required by the Contract, issued by Contractor's insurer(s), as evidence that policies providing the required coverages, conditions and limits required by this Contract are in full force and effect.

In the event any insurance policy(ies) required by this contract is(are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of the Contractor's work or services and as evidenced by annual



## SPECIAL TERMS AND CONDITIONS

Solicitation Number: Q16-04

### Materials Management Procurement

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Phone: (623) 773-7115  
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Certificates of Insurance.

If a policy does expire during the life of the Contract, a renewal certificate must be sent to the City fifteen (15) days prior to the expiration date.

All Certificates of Insurance shall be identified with bid serial number and title. A \$25.00 administrative fee will be assessed for all certificates received without the appropriate bid serial number and title.

20. **Cancellation and Expiration Notice:** Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to the City.

21. **Independent Contractor:**

a. General

- i. The Contractor acknowledges that all services provided under this Agreement are being provided by him as an independent contractor, not as an employee or agent of the City Manager or the City of Peoria.
- ii. Both parties agree that this Agreement is nonexclusive and that Contractor is not prohibited from entering into other contracts nor prohibited from practicing his profession elsewhere.

b. Liability

- i. The City of Peoria shall not be liable for any acts of Contractor outside the scope of authority granted under this Agreement or as the result of Contractor's acts, errors, misconduct, negligence, omissions and intentional acts.
- ii. To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted from the acts, errors, mistakes, omissions, work or services of the Contractor, its employees, agents, or any tier of subcontractors in the performance of this Contract. Contractor's duty to defend, hold harmless and indemnify the City, its agents, representatives, officers, directors, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting therefrom, caused by any acts, errors, mistakes, omissions, work or services in the performance of this Contract including any employee of the Contractor or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services the Contractor may be legally liable.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

c. Other Benefits

The Contractor is an independent contractor, therefore, the City Manager will not provide the Contractor with health insurance, life insurance, workmen's compensation, sick leave, vacation leave, or any other fringe benefits. Further, Contractor acknowledges that he is exempt from coverage of the Comprehensive Benefit and Retirement Act (COBRA). Any such fringe benefits shall be the sole responsibility of Contractor.

22. **Ordering Process:** Upon award of a contract by the City of Peoria, Materials Management Division may procure the specific material and/or service awarded by the issuance of a purchase order to the appropriate contractor. The award of a contract shall be in accordance with the City of Peoria Procurement Code and all transactions and procedures required by the Code for public bidding have been complied with. A purchase order for the awarded material and/or service that cites the correct contract number is the only document required for the department to order and the contractor to delivery the material and/or service.

Any attempt to represent any material and/or service not specifically awarded as being under contract with the City of Peoria is a violation of the contract and the City of Peoria Procurement Code. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the contractor.



## SPECIAL TERMS AND CONDITIONS

Solicitation Number: Q16-04

### Materials Management Procurement

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23. **Invoices:** The Contractor shall submit invoices to the City of Peoria Accounts Payable Department, 8401 W. Monroe St, Peoria AZ 85345. Invoices may also be submitted electronically to [accountspayable@peoriaaz.gov](mailto:accountspayable@peoriaaz.gov).
24. **Billing:** All billing notices to the City shall identify the specific item(s) being billed and the purchase order number. Items are to be identified by the name, model number, and/or serial number most applicable. Any purchase/delivery order issued by the requesting agency shall refer to the contract number resulting from this solicitation.
25. **Licenses:** Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor.
26. **City of Peoria Business License:** Peoria City Code requires that all persons conducting business in the City of Peoria must first obtain a license. This includes businesses within the Peoria city limits, or those outside the limits who conduct business or perform services within Peoria. For business license questions or to obtain a license, please contact the City of Peoria Sales Tax & License Division at (623) 773-7160 or via email at [salestax@peoriaAZ.gov](mailto:salestax@peoriaAZ.gov).
27. **Safety Standards:** All items supplied on this contract shall comply with the current applicable Occupational Safety and Health Standards of the State of Arizona Industrial Commission, the National Electric Code, and the National Fire Protection Association Standards.
28. **Usage Report:** It is an express condition of any award that the successful vendor(s) shall provide the City of Peoria, Materials Management Division with a quarterly report delineating the number of items by commodity number as show on the bid for each item. Format for the usage report will be issued to the successful bidder(s).
29. **Confidential Information:**
  - a. If a person believes that a bid, proposal, offer, specification, or protest contains information that should be withheld, a statement advising the Materials Supervisor of this fact shall accompany the submission and the information shall be identified.
  - b. The information identified by the person as confidential shall not be disclosed until the Materials Supervisor makes a written determination.
  - c. The Materials Supervisor shall review the statement and information and shall determine in writing whether the information shall be withheld.
  - d. If the Materials Supervisor determines to disclose the information, the Materials Supervisor shall inform the bidder in writing of such determination.
30. **Identity Theft Prevention:** The Contractor shall establish and maintain Identity Theft policies, procedures and controls for the purpose of assuring that "personal identifying information," as defined by A.R.S. § 13-2001(10), as amended, contained in its records or obtained from the City or from others in carrying out its responsibilities under the Contract, is protected at all times and shall not be used by or disclosed to unauthorized persons. Persons requesting such information should be referred to the City. Contractor also agrees that any "personal identifying information" shall not be disclosed other than to employees or officers of Contractor as needed for the performance of duties under the Contract. Contractor agrees to maintain reasonable policies and procedures designed to detect, prevent and mitigate the risk of identity theft. Contractor is required under this contract to review the City of Peoria's Identity Theft Program and to report to the Program Administrator any Red Flags as defined within that program. At a minimum, the contractor will have the following Identity Theft procedures in place:
  - a. Solicit and retain only the "personal identifying information" minimally necessary for business purposes related to performance of the Contract.
  - b. Ensure that any website used in the performance of the contract is secure. If a website that is not secure is to be used, the City shall be notified in advance before any information is posted. The City reserves to right to restrict the use of any non-secure websites under this contract.
  - c. Ensure complete and secure destruction of any and all paper documents and computer files at the end of the contracts retention requirements.



## SPECIAL TERMS AND CONDITIONS

Solicitation Number: **Q16-04**

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- d. Ensure that office computers are password protected and that computer screens lock after a set period of time.
  - e. Ensure that offices and workspaces containing customer information are secure.
  - f. Ensure that computer virus protection is up to date.
31. **Confidentiality of Records:** The contractor shall establish and maintain procedures and controls that are acceptable to the City for the purpose of assuring that information contained in its records or obtained from the City or from others in carrying out its functions under the contract shall not be used or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the contract. Persons requesting such information should be referred to the City. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of contractor as needed for the performance of duties under the contract.
32. **Contract Termination:** Any contract entered into as a result of this Solicitation is for the convenience of the City and as such, may be terminated without default by the City by providing a written thirty (30) day notice of termination.
33. **Protest Policy and Procedures:** The City of Peoria protest policy and procedures are available for review at the following public websites and as per ARS 34-603.C.2(f).
- a. The City of Peoria Protest Policy and Procedures are available online at <http://www.peoriaaz.gov/newsecondary.aspx?id=2071>.  
The policy is contained within the City of Peoria Procurement Code, Chapter 2- Administration, section 2-321. Procurement Code Protests; Informal and Formal.
  - b. The specific protest procedures are contained in the Materials Management "Procurement Administrative Guidelines" and can be accessed at <http://www.peoriaaz.gov/NewSecondary.aspx?id=54937> in the "Downloads" box on the right side of the web page.



# SCOPE OF WORK

Solicitation Number: Q16-04

## Materials Management Procurement

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### A. General:

The City of Peoria is seeking a qualified vendor to provide lighting maintenance and inspection services for lighting higher than 30 feet above ground and underwater lighting at pool locations. The services are needed on a quarterly and "as needed" basis at the following locations:

1. **Rio Vista Community Park** **8866 W. Thunderbird, Peoria, AZ**
  - Skate Park – 4 Poles/12 Lamps
  - Adult Softball Fields (4) – 22 Poles/187 Lamps
  - Youth Baseball/Softball Fields (3) – 11 Poles/49 Lamps
  - Soccer Fields (2) – 7 Poles/42 Lamps
  - All parking lot lights
  
2. **Pioneer Community Park** **8755 N. 83<sup>rd</sup> Avenue, Peoria, AZ**
  - All parking lot lights
  
3. **Varney Park** **11820 N. 81<sup>st</sup> Avenue, Peoria, AZ**
  - Baseball Fields (2) – 10 Poles/40 Lamps
  
4. **Ira Murphy Park** **7230 W. Cheryl Drive, Peoria, AZ**
  - Baseball Field (1) – 10 Poles
  
5. **Cheyenne Elementary School** **11806 N. 87<sup>th</sup> Avenue, Peoria, AZ**
  - Softball/Multi-purpose Field – 6 Poles/36 Lamps
  
6. **Coyote Hills Elementary School** **21180 N. 87<sup>th</sup> Avenue, Peoria, AZ**
  - Baseball Field (1) – 7 Poles/51 Lamps
  
7. **Sunrise Mountain High School** **21321 N. 86<sup>th</sup> Drive, Peoria, AZ**
  - (a) Baseball/Rentention Field (1) – 6 Poles/52 Lamps
  - (b) Pool – 14 Underwater Lights, 30 Overhead Lights
  - (c) Security lights - 34
  
8. **Peoria High School** **11200 N. 83<sup>rd</sup> Avenue, Peoria, AZ**
  - Pool – 15 Underwater Lights, 18 Overhead Lights
  
9. **Centennial High School** **14388 N. 79<sup>th</sup> Avenue, Peoria, AZ**
  - Pool – 7 Underwater Lights, 16 Overhead Lights
  
10. **Rio Vista Recreation Center** **8866 W. Thunderbird, Peoria, AZ**
  - Gymnasium – 30 Fixtures
  
11. **Sunrise Family Center** **21303 N. 86<sup>th</sup> Dr, Peoria, AZ**
  - 5 overhead parking lot and 10 security lights



## SCOPE OF WORK

Solicitation Number: **Q16-04**

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**1. Peoria Sports Complex (As needed services only – hourly rates apply)**

- Parking lot and practice field walkways – 121 fixtures, approximately 34' from ground, 400 watt metal halide, mogul base lamp, 480V ballast.

**2. Peoria Neighborhood Parks (As needed services only – hourly rates apply)**

- All parking lot lights – Approximately 30 neighborhood park locations (see link below).  
<https://www.peoriaaz.gov/NewSecondary.aspx?id=74915>.

**B. Inspection/Maintenance:**

1. Inspection and Maintenance shall be performed on all exterior & interior lighting at all locations listed above for lights higher than 30 feet above ground and underwater lights at pool locations.
2. Areas at each fixture will include lamps, ballasts, fuses, sockets and lenses and other related parts.
3. All replacement parts shall be new and in working condition. Replacement parts shall be equivalent to the original parts and compatible with existing equipment, unless otherwise approved by City Site Manager.
4. Contractor shall conduct an initial on-site inspection on a quarterly basis of all exterior lighting at all locations listed above. Contractor will make contact with each City Site Manager to obtain a list of predetermined repairs and additional duties to be perform. Results of each inspection will be given to each City Site Manager, in a acceptable format. The quarterly inspections can be started and completed within the following time frames:
  - a. January 15 – February 15
  - b. April 15 – May 15
  - c. July 15 – August 15
  - d. October 15 – November 15
5. After inspections, a itemized quote listing parts and potential labor hours will be provided to City Site Manager for approval. Maintenance and replacement of lights will be performed upon approval from City Site Manager.
6. City may utilize the Contractor on an "as needed" basis between inspections, including after-hours emergency calls to provide maintenance and lighting replacement at the locations listed above.
7. At a minimum, the Contractor shall have at least one (1) qualified lighting repair/maintenance personnel available on call at all times.
8. Contractor shall provide all necessary parts, tools, equipment, and labor to perform each task.
9. Contractor's employees shall display proper identification while working on City property.
10. Contractor shall at all times abide by local, state, and federal safety regulations, including the current applicable Occupational Safety and Health Standards of the State of Arizona Industrial Commission, the National Electric Code, and the National Fire Protection Association Standards.



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Solicitation Number: Q16-04

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#### C. Response Time:

1. Contractor shall provide the City with contact name(s) and phone number(s) for the on-call lighting repair/maintenance personnel, for after-hours and emergency service calls. Response time for a technician to be on-site to service the specified equipment, for after-hours and emergency service calls, shall be no later than two (2) hours, after notification of a requirement for service.
2. Response time for a technician to be on-site to service the specified equipment, for non-emergency calls, shall be no later than twenty-four (24) hours, (8:00 a.m.-5:00 p.m., Monday-Friday) after notification of a requirement for service.



## SCOPE OF WORK (revised)

Solicitation Number: Q16-04

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Procurement  
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  - Soccer Fields (2) – 7 Poles/42 Lamps
  - All parking lot lights
2. **Pioneer Community Park** **8755 N. 83<sup>rd</sup> Avenue, Peoria, AZ**
  - All parking lot lights
3. **Varney Park** **11820 N. 81<sup>st</sup> Avenue, Peoria, AZ**
  - Baseball Fields (2) – 10 Poles/40 Lamps
4. **Ira Murphy Park** **7230 W. Cheryl Drive, Peoria, AZ**
  - Baseball Field (1) – 10 Poles
5. **Cheyenne Elementary School** **11806 N. 87<sup>th</sup> Avenue, Peoria, AZ**
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6. **Coyote Hills Elementary School** **21180 N. 87<sup>th</sup> Avenue, Peoria, AZ**
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7. **Sunrise Mountain High School** **21321 N. 86<sup>th</sup> Drive, Peoria, AZ**
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  - (b) Pool – 14 Underwater Lights, 30 Overhead Lights
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  - Gymnasium – 30 Fixtures
11. **Sunrise Family Center** **21303 N. 86<sup>th</sup> Dr, Peoria, AZ**
  - 5 overhead parking lot and 10 security lights



## SCOPE OF WORK (revised)

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**12. Sunset Heights Elementary School  
(Camino A Lago Park)**

21249 N. 98<sup>th</sup> Avenue, Peoria, AZ

- 7 light poles 70'/40 lights

**13. West Wing Park**

27100 N. West Wing Parkway, Peoria, AZ

- 6 light poles/4 @ 60'/12 lights

**1. Peoria Sports Complex (As needed services only – hourly rates apply)**

- Parking lot and practice field walkways – 121 fixtures, approximately 34' from ground, 400 watt metal halide, mogul base lamp, 480V ballast.

**2. Peoria Neighborhood Parks (As needed services only – hourly rates apply)**

- All parking lot lights – Approximately 30 neighborhood park locations (see link below).  
<https://www.peoriaaz.gov/NewSecondary.aspx?id=74915>.

**B. Inspection/Maintenance:**

1. The Contractor shall conduct an initial on-site inspection of all exterior lighting at all locations listed above.
2. The Contractor shall conduct quarterly on-site inspection services of all exterior lighting at all locations. Contractor will make contact with each City Site Manager to obtain a list of predetermined repairs and additional duties to be performed. Results of each inspection will be given to each City Site Manager in a acceptable format. The quarterly inspections can be started and completed within the following time frames:
  - a. January 15 – February 15
  - b. April 15 – May 15
  - c. July 15 – August 15
  - d. October 15 – November 15
3. Inspection and Maintenance shall be performed on all exterior & interior lighting at all locations listed above for lights higher than 30 feet above ground and underwater lights at pool locations.
4. Areas at each fixture will include lamps, ballasts, fuses, sockets and lenses and other related parts.
5. All replacement parts shall be new and in working condition. Replacement parts shall be equivalent to the original parts and compatible with existing equipment, unless otherwise approved by City Site Manager.
6. After inspections, a itemized quote listing parts and potential labor hours will be provided to City Site Manager for approval. Maintenance and replacement of lights will be performed upon approval from City Site Manager.
7. The City may utilize the Contractor on an "as needed" basis between inspections, including after-hours emergency calls to provide maintenance and lighting replacement at the locations listed



## SCOPE OF WORK (revised)

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above.

8. At a minimum, the Contractor shall have at least one (1) qualified lighting repair/maintenance personnel available on call at all times.
9. Contractor shall provide all necessary parts, tools, equipment, and labor to perform each task.
10. Contractor's employees shall display proper identification while working on City property.
11. Contractor shall at all times abide by local, state, and federal safety regulations, including the current applicable Occupational Safety and Health Standards of the State of Arizona Industrial Commission, the National Electric Code, and the National Fire Protection Association Standards.

### C. Response Time:

1. Contractor shall provide the City with contact name(s) and phone number(s) for the on-call lighting repair/maintenance personnel, for after-hours and emergency service calls. Response time for a technician to be on-site to service the specified equipment, for after-hours and emergency service calls, shall be no later than two (2) hours, after notification of a requirement for service.
2. Response time for a technician to be on-site to service the specified equipment, for non-emergency calls, shall be no later than twenty-four (24) hours, (8:00 a.m.-5:00 p.m., Monday-Friday) after notification of a requirement for service.



## SUBMITTAL REQUIREMENTS

Solicitation Number: Q16-04

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Peoria, Arizona 85345-6560  
Phone: (623) 773-7115  
Fax: (623) 773-7118

### A. PROPOSAL FORMAT:

Proposals shall be submitted in one (1) original and three (3) copies on the forms and in the format as specified in the Request for Proposal.

### B. PROPOSAL CONTENT: The following items shall be addressed in the proposal submission.

#### 1. Qualifications and Experience

- Brief history of firm & staff qualifications and experience.
- Demonstrate your firm's experience in the industry.

#### 2. Method of Approach

- Provide an approach to satisfy the requirements as described in the Scope of Work.

#### 3. Cost Considerations

- Complete the Price Sheet.

#### 4. References from Similar Clients

- References - Provide a list of three (3) clients with projects similar in scope. Letters of recommendation, if any, may be included in this section.

#### 5. Conformance to RFQ

- Failure to provide all requested information may result in offeror's proposal being rejected as non-responsive.
- Complete and return all City forms.
- Exceptions – Any exceptions to any part of the RFQ must be clearly noted and identified.

### C. EVALUATION CRITERIA

In accordance with the City of Peoria Procurement Code, awards shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the City, based upon the evaluation criteria listed below. The evaluation factors are listed in their relative order of importance.

1. Qualifications and Experience
2. Method of Approach
3. Cost Considerations
4. Conformance to RFQ

The City reserves the right to consider historic information and facts, whether gained from the Offeror's proposal, questions and answer conferences, references, or other source and the views of the evaluator(s) with prior Contract or service delivery experience with any of the Offerors, while conducting the proposal evaluations.



## SUBMITTAL REQUIREMENTS

Solicitation Number: **Q16-04**

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Fax: (623) 773-7118

### D. PROPOSAL DUE DATE AND CONTACT INFORMATION:

**Proposals are due no later than 5:00 P.M. on December 21, 2015**

Proposals shall be submitted in one (1) original and three (3) copies and shall be delivered to:

City of Peoria  
Materials Management  
9875 N. 85<sup>th</sup> Avenue – 2<sup>nd</sup> Floor  
Peoria, Arizona 85345

Proposals must be submitted in a sealed envelope or package with the solicitation number and the Offeror's name and address clearly indicated on the envelope or package.

All questions regarding this RFP should be directed to Lisa Houg, Contract Officer at (623) 773-7191 or E-mail: [Lisa.Houg@PeoriaAZ.gov](mailto:Lisa.Houg@PeoriaAZ.gov)

**Contact with City staff, other than the designated contact person indicated in the RFP, regarding this solicitation is strictly prohibited during the proposal process.**



# PRICE SHEET

## Materials Management Procurement

Solicitation Number: **Q16-04**

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Phone: (623) 773-7115  
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Item	Description of material and/or services	Quantity	Unit	Unit Price	Extended Price
<b>A. QUARTERLY INSPECTION SERVICES</b>					
1.	Rio Vista Community Park*	4	Ea.	\$ 500.00	\$ 2,000.00
2.	Pioneer Community Park*	4	Ea.	\$ 300.00	\$ 1,200.00
3.	Varney Park	4	Ea.	\$ 300.00	\$ 1,200.00
4.	Ira Murphy Park	4	Ea.	\$ 300.00	\$ 1,200.00
5.	Cheyenne Elementary School Field	4	Ea.	\$ 300.00	\$ 1,200.00
6.	Coyote Hills Elementary School Field*	4	Ea.	\$ 300.00	\$ 1,200.00
7a.	Sunrise Mountain High School Field*	4	Ea.	\$ 300.00	\$ 1,200.00
7b.	Sunrise Mountain High School Pool	4	Ea.	\$ 300.00	\$ 1,200.00
7c.	Sunrise Mountain High School Security Lights	4	Ea.	\$ 300.00	\$ 1,200.00
8.	Peoria High School Pool	4	Ea.	\$ 300.00	\$ 1,200.00
9.	Centennial High School Pool	4	Ea.	\$ 300.00	\$ 1,200.00
10.	Rio Vista Recreation Center	4	Ea.	\$ 300.00	\$ 1,200.00
11.	Sunrise Family Center	4	Ea.	\$ 300.00	\$ 1,200.00
	<i>*Locations have lighting over 60 ft.</i>				
<b>B. HOURLY RATES for Lighting over 60 ft. (2 Techs and proper equipment required, i.e. Crane)</b>					
1.	Weekday Hourly Rate (normal business hours)	1	Hr.	\$ 320.00	\$ 320.00
2.	Weekday Hourly Rate (emergency-after business hours)	1	Hr.	\$ 475.00	\$ 475.00
3.	Weekend Hourly Rate (non-emergency)	1	Hr.	\$ 490.00	\$ 490.00
4.	Weekend Hourly Rate (emergency)	1	Hr.	\$ 530.00	\$ 530.00
<b>C. HOURLY RATES for Lighting under 60 ft. (1 Tech and proper equipment required, i.e. Bucket Truck)</b>					
1.	Weekday Hourly Rate (normal business hours)	1	Hr.	\$ 105.00	\$ 105.00
2.	Weekday Hourly Rate (emergency-after business hours)	1	Hr.	\$ 155.00	\$ 155.00
3.	Weekend Hourly Rate (non-emergency)	1	Hr.	\$ 165.00	\$ 165.00
4.	Weekend Hourly Rate (emergency)	1	Hr.	\$ 175.00	\$ 175.00



# PRICE SHEET

Solicitation Number: **Q16-04**

## Materials Management Procurement

9875 N. 85<sup>th</sup> Ave., 2<sup>nd</sup> Fl.  
Peoria, Arizona 85345-6560  
Phone: (623) 773-7115  
Fax: (623) 773-7118

**D. MATERIALS/PARTS** (most commonly used)

1. Lamps & Ballasts (Multi-Tap)

- a. 100 Watt MH
- b. 100 Watt HPS
- c. 175 Watt MH
- d. 175 Watt HPS
- e. 250 Watt MH
- f. 250 Watt HPS
- g. 400 Watt MH
- h. 400 Watt HPS
- i. 1000 Watt MH
- j. 1000 Watt HPS
- k. 1500 Watt MH
- l. 1500 Watt HPS

LAMP	BALLAST
\$ 31.83	\$ 81.38
\$ 12.33	\$ 93.71
\$ 17.26	\$ 62.88
\$ 12.33	\$ 88.78
\$ 16.03	\$ 96.17
\$ 12.33	\$ 106.04
\$ 17.26	\$ 76.45
\$ 12.33	\$ 129.47
\$ 30.83	\$ 141.80
\$ 46.85	\$ 199.75
\$ 44.39	\$ 184.95
\$ 59.39	\$ 243.75

2. Additional Materials/Parts (submit parts price list)

Cost plus 15 %

**E. HAZARDOUS WASTE DISPOSAL**

1. HID Lamps	1	Ea.	\$ 0.98	\$ 0.98
2. HID Ballast	1	Ea.	\$ 0.05	\$ 0.05
3. Fluorescent Lamps	1	Ea.	\$ 0.40	\$ 0.40
Other (please specify)				

**F. WARRANTY**

Lamps warranty period 2 years  
Ballasts warranty period 2 years



# PRICE SHEET (revised)

Solicitation Number: Q16-04

**Materials Management  
Procurement**  
9875 N. 85<sup>th</sup> Ave., 2<sup>nd</sup> Fl.  
Peoria, Arizona 85345-6560  
Phone: (623) 773-7115  
Fax: (623) 773-7118

Item	Description of material and/or services	Quantity	Unit	Unit Price	Extended Price
<b>A. INITIAL ON-SITE INSPECTION SERVICES</b>					
1.	Rio Vista Community Park*	1	Ea.	\$ 250.00	\$ 250.00
2.	Pioneer Community Park*	1	Ea.	\$ 150.00	\$ 150.00
3.	Varney Park	1	Ea.	\$ 46.00	\$ 46.00
4.	Ira Murphy Park	1	Ea.	\$ 46.00	\$ 46.00
5.	Cheyenne Elementary School Field	1	Ea.	\$ 46.00	\$ 46.00
6.	Coyote Hills Elementary School Field*	1	Ea.	\$ 50.00	\$ 50.00
7a.	Sunrise Mountain High School Field*	1	Ea.	\$ 50.00	\$ 50.00
7b.	Sunrise Mountain High School Pool	1	Ea.	\$ 46.00	\$ 46.00
7c.	Sunrise Mountain High School Security Lights	1	Ea.	\$ 46.00	\$ 46.00
8.	Peoria High School Pool	1	Ea.	\$ 46.00	\$ 46.00
9.	Centennial High School Pool	1	Ea.	\$ 46.00	\$ 46.00
10.	Rio Vista Recreation Center	1	Ea.	\$ 46.00	\$ 46.00
11.	Sunrise Family Center	1	Ea.	\$ 46.00	\$ 46.00
12.	Sunset Heights Elementary School*	1	Ea.	\$ 50.00	\$ 50.00
13.	West Wing Park*	1	Ea.	\$ 50.00	\$ 50.00
	<i>*Locations have lighting over 60 ft.</i>				
<b>B. QUARTERLY ON-SITE INSPECTION SERVICES</b>					
1.	Rio Vista Community Park*	3	Ea.	\$ 255.00	\$ 765.00
2.	Pioneer Community Park*	3	Ea.	\$ 120.00	\$ 360.00
3.	Varney Park	3	Ea.	\$ 50.00	\$ 150.00
4.	Ira Murphy Park	3	Ea.	\$ 25.00	\$ 75.00
5.	Cheyenne Elementary School Field	3	Ea.	\$ 25.00	\$ 75.00
6.	Coyote Hills Elementary School Field*	3	Ea.	\$ 50.00	\$ 150.00
7a.	Sunrise Mountain High School Field*	3	Ea.	\$ 25.00	\$ 75.00
7b.	Sunrise Mountain High School Pool	3	Ea.	\$ 25.00	\$ 75.00
7c.	Sunrise Mountain High School Security Lights	3	Ea.	\$ 25.00	\$ 75.00
8.	Peoria High School Pool	3	Ea.	\$ 25.00	\$ 75.00



# PRICE SHEET (revised)

Solicitation Number: Q16-04

**Materials Management  
Procurement**  
9875 N. 85<sup>th</sup> Ave., 2<sup>nd</sup> Fl.  
Peoria, Arizona 85345-6560  
Phone: (623) 773-7115  
Fax: (623) 773-7118

Item	Description of material and/or services	Quantity	Unit	Unit Price	Extended Price
9.	Centennial High School Pool	3	Ea.	\$ 25.00	\$ 75.00
10.	Rio Vista Recreation Center	3	Ea.	\$ 25.00	\$ 75.00
11.	Sunrise Family Center	3	Ea.	\$ 25.00	\$ 75.00
12.	Sunset Heights Elementary School*	3	Ea.	\$ 50.00	\$ 150.00
13.	West Wing Park*	3	Ea.	\$ 50.00	\$ 150.00
	<i>*Locations have lighting over 60 ft.</i>				
<b>C. HOURLY RATES (1 Tech and no equipment)</b>					
1.	Weekday Hourly Rate (normal business hours)	1	Hr.	\$ 65.00	
2.	Weekday Hourly Rate (emergency-after business hours)	1	Hr.	\$ 120.00	
3.	Weekend Hourly Rate (non-emergency)	1	Hr.	\$ 100.00	
4.	Weekend Hourly Rate (emergency)	1	Hr.	\$ 140.00	
<b>D. HOURLY RATES for Lighting over 60 ft. (2 Techs and proper equipment required, i.e. Crane)</b>					
1.	Weekday Hourly Rate (normal business hours)	1	Hr.	\$ 200.00	
2.	Weekday Hourly Rate (emergency-after business hours)	1	Hr.	\$ 280.00	
3.	Weekend Hourly Rate (non-emergency)	1	Hr.	\$ 260.00	
4.	Weekend Hourly Rate (emergency)	1	Hr.	\$ 300.00	
<b>E. HOURLY RATES for Lighting under 60 ft. (1 Tech and proper equipment required, i.e. Bucket Truck)</b>					
1.	Weekday Hourly Rate (normal business hours)	1	Hr.	\$ 75.00	
2.	Weekday Hourly Rate (emergency-after business hours)	1	Hr.	\$ 125.00	
3.	Weekend Hourly Rate (non-emergency)	1	Hr.	\$ 115.00	
4.	Weekend Hourly Rate (emergency)	1	Hr.	\$ 150.00	
<b>F. MATERIALS/PARTS (most commonly used)</b>					
1.	Lamps & Ballasts (Multi-Tap)			LAMP	BALLAST
a.	100 Watt MH			\$ 30.83	\$ 81.38
b.	100 Wat HPS			\$ 12.33	\$ 93.71



# PRICE SHEET (revised)

Solicitation Number: Q16-04

Materials Management  
Procurement  
9875 N. 85<sup>th</sup> Ave., 2<sup>nd</sup> Fl.  
Peoria, Arizona 85345-6560  
Phone: (623) 773-7115  
Fax: (623) 773-7118

Item	Description of material and/or services	Quantity	Unit	Unit Price	Extended Price
c.	175 Watt MH			\$ 17.26	\$ 62.88
d.	175 Watt HPS			\$ 12.33	\$ 88.78
e.	250 Watt MH			\$ 16.03	\$ 96.17
f.	250 Watt HPS			\$ 12.33	\$ 106.04
g.	400 Watt MH			\$ 17.26	\$ 76.45
h.	400 Watt HPS			\$ 12.33	\$ 129.47
i.	1000 Watt MH			\$ 30.83	\$ 141.80
j.	1000 Watt HPS			\$ 46.85	\$ 199.75
k.	1500 Watt MH			\$ 44.39	\$ 184.95
l.	1500 Watt HPS			\$ 59.39	\$ 243.75
2.	Additional Materials/Parts (submit parts price list) Cost plus <u>15</u> %				
<b>G. HAZARDOUS WASTE DISPOSAL</b>					
1.	HID Lamps	1	Ea.	\$ 0.98	
2.	HID Ballast	1	Ea.	\$ 0.05	
3.	Fluorescent Lamps	1	Ea.	\$ 0.40	
	Other (please specify)				
<b>H. WARRANTY</b>					
	Lamps warranty period <u>1 year</u>				
	Ballasts warranty period <u>1 year</u>				



# QUESTIONNAIRE

Solicitation Number: **Q16-04**

## Materials Management Procurement

9875 N. 85<sup>th</sup> Ave., 2<sup>nd</sup> Fl.  
Peoria, Arizona 85345-6560  
Phone: (623) 773-7115  
Fax: (623) 773-7118

Please list a minimum of three (3) owner references from projects of similar size and scope whom the Materials Management Division may contact:

1. Company: City of Phoenix, AZ

Contact: Jason Fernandez, Project Manager

Address: 200 W Washington St.  
Phoenix, AZ 85033

Phone: 602-256-4168

Email: jason.fernandez@phoenix.gov

Type of Work: Lighting Maintenance
2. Company: City of Chandler, AZ

Contact: Hector Peralta, Traffic Signals and Streetlight Supervisor

Address: 975 E Armstrong Way  
Chandler, AZ 85286

Phone: 480-782-3456

Email: hector.peralta@chandler.gov

Type of Work: Lighting Maintenance
3. Company: City of Avondale, AZ

Contact: Paul Lopez, Engineering Manager

Address: 11465 W. Civic Center Dr., Suite 120  
Avondale, AZ 85323

Phone: 623-333-4219

Email: plopez@avondale.org

Type of Work: Lighting Maintenance



# QUESTIONNAIRE

Solicitation Number: Q16-04

**Materials Management  
Procurement**  
9875 N. 85<sup>th</sup> Ave., 2<sup>nd</sup> Fl.  
Peoria, Arizona 85345-6560  
Phone: (623) 773-7115  
Fax: (623) 773-7118

Vendors are to indicate below any exceptions they have taken to the Terms, Conditions or Specifications:

- No Exceptions.
- Vendor takes the following Exceptions:

**City of Peoria Business License:** Peoria City Code requires that all persons conducting business in Peoria must first obtain a license. This includes businesses within the Peoria city limits, or those outside the limits who conduct business or perform services within Peoria. For business license questions or to obtain a license, please contact the **City of Peoria Sales Tax & License Division at (623) 773-7160** or via email at [salestax@peoriaAZ.gov](mailto:salestax@peoriaAZ.gov).

- City of Peoria business license attached, if applicable.
- Offeror will obtain a City of Peoria business license at the time of contract award.

Has your firm been certified by any jurisdiction in Arizona as a minority or woman owned business enterprise? Yes X, No \_\_\_\_\_.

If yes, please provide details and documentation of the certification.

ADOT DBE Contractor #1546  
City of Phoenix SBE / WBE Contractor

27 January 2016

Page 1 of 2

Lisa Houg, CPPB  
Contract Officer  
City of Peoria  
Finance Department – Materials Management  
9875 North 85<sup>th</sup> Avenue  
Peoria, Arizona 85345

Submitted by e-mail to: [Lisa.Houg@peoriaaz.gov](mailto:Lisa.Houg@peoriaaz.gov)

Re: City of Peoria RFQ #Q16-04  
Lighting Maintenance & Inspection Service

Subject: UCC Approach to Initial and Quarterly Inspections

Dear Ms. Houg,

Utility Construction Company, Inc. (UCC) is pleased to be a candidate for the City of Peoria Lighting Maintenance & Inspection Service contract, RFQ #Q16-04.

In response to your request, following is a brief overview of UCC's approach to completing the Initial and Quarterly Inspections for the contract:

**Initial Inspection**

Summary: UCC will conduct a thorough investigation of each site to identify and locate all assets to be inspected and serviced by UCC under the contract. We expect that a City of Peoria representative will accompany us on this effort. UCC will document the findings and will prepare standard procedures (e.g. a checklist) for providing service at each site to aid in the efficiency and extensiveness of our future inspections and service work. As part of the Initial Inspection UCC will also conduct a complete inspection of the sites in accordance with the 'Quarterly Inspection' summary detailed below. Major features of UCC's approach to the Initial Inspection include:

- Request as-built or record drawings for each site from the City of Peoria (if applicable).
- For each site, prepare an inventory list of all equipment that will be inspected and may be serviced, including luminaires, underground j-boxes, lighting controls, electrical feeds, disconnects, electrical gear and overcurrent protection devices.
- Document any existing numbering or identification labels of the assets. If needed, document a description of the location or physical characteristics of assets that are hard to find, locate or identify.
- Take general site pictures or pictures of assets for our use and records.



- Identify site specific safety issues that may impact our work, including electrical hazards, public safety hazards, lockout/tagout procedures and emergency procedures.
- Identify site access including any special issues or conflicts, acceptable working times, who to contact to schedule work, security concerns, areas off limits to equipment and any special procedures to safely and effectively maneuver equipment at each site.
- Compile findings into an Inspection Procedures Form and Job Hazard Analysis sheets to be used by UCC's technician during quarterly inspections and any service work.
- Verify proper torque of electrical connections between conductors and electrical service equipment (e.g. breakers, neutral/ground bars and lugs), and re-torque connections as needed in accordance with the listing and labeling of the equipment to eliminate any loose connections. Document results and submit reports to the City of Peoria.
- Perform an amp/current leakage test for each circuit. Document results and submit reports to the City of Peoria.
- All items listed in the Quarterly Inspection below will also be completed as part of the Initial Inspection.

#### Quarterly Inspection

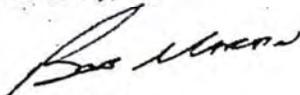
Summary: UCC will provide routine inspection services of each site and review the condition of all assets with the intent of maintaining or improving the safety and operation of the assets. UCC will prepare and submit reports on our findings. Major features of UCC's approach to the Quarterly Inspections include:

- Complete Visual Inspection of assets identified and listed during the Initial Inspection.
- Test lighting controls.
- Put lights into manual operation and observe for any outages or deficiencies.
- Report on the condition of all items.
- Report any outages or deficiencies observed and recommended repairs or upgrades.
- Review each site for any upgrades, changes, improvements or additions made or being made by other parties.
- Prepare an estimate for all recommended repairs or work based on cost structure of the contract.

The information above is presented as a summary and will not reduce any contract requirements.

Please do not hesitate to contact me if you have any questions or need any other information. Thank you again for your consideration of our offer.

Sincerely,



Bob Martin  
Vice President  
Utility Construction Company, Inc.  
[bob@utilityconstructionco.com](mailto:bob@utilityconstructionco.com)  
Cell: (602) 717-7697

cc: Mr. Jess Daniels

## Proposal

**Submitted by: Utility Construction Company, Inc.**

**Lighting Maintenance and Inspection Services  
City of Peoria, Arizona  
Request for Quote No. Q16-04**

December 21<sup>st</sup>, 2015

Submitted to:

Materials Management  
City of Peoria  
9875 N. 85<sup>th</sup> Ave, 2<sup>nd</sup> Floor  
Peoria, AZ 85345  
c/o Lisa Houg, Buyer

Submitted by:

Utility Construction Company, Inc.  
P. O. Box 1774  
Gilbert, Arizona 85299  
Phone: (480) 654-3100  
Contact: Jess Daniels, Project Manager





Arizona DOT DBE Contractor #1546  
City of Phoenix SBE / WBE Contractor  
California DBE Contractor #37975  
Nevada DBE Contractor #NV01244UCPN  
New Mexico DBE Contractor  
Texas DBE UCP Contractor

December 21<sup>st</sup>, 2015

City of Peoria, Materials Management  
9875 N. 85<sup>th</sup> Ave, 2<sup>nd</sup> Floor  
Peoria, AZ 85345  
c/o Lisa Houg

Project: Lighting Maintenance and Inspection Services  
Request for Quotation  
Q16-04

Subject: UCC Submittal for Written Proposal Response to RFQ

Ms. Houg,

Utility Construction Company, Inc. (UCC) is pleased to present the City of Peoria with our Proposal and Quotation for the Lighting Maintenance and Inspection Services Request for Quotation (RFQ).

UCC has provided 1 original and 3 copies of this proposal response.

Thank you for the opportunity and we look forward to working with the City of Peoria on this project. Feel free to contact me at any time at 480-654-3100.

Sincerely,

Jess Daniels  
Project Manager  
Utility Construction Company, Inc.  
jessd@utilityconstructionco.com



Mesa, AZ • Phoenix, AZ • Tucson, AZ • San Antonio, TX • El Paso, TX • Columbus, NM  
P. O. Box 1774 • Gilbert AZ 85299 • Phone (480) 654-3100 • Fax (480) 654-8374  
Arizona ROC #124023 (A-Gen) • Arizona ROC #200356 (A-17 Electrical) • Arizona ROC #122544 (C-11 Electrical)  
California CLSB #906009 (A-Gen) • Nevada SCB #0073368 (A-Gen) • New Mexico RLD-CLD #367690 (GS08)



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## 1. Qualifications and Experience

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Utility Construction Company, Inc. (UCC) is pleased to present this Proposal to the City of Peoria (CITY) for the Lighting Maintenance and Inspection Services Request for Quotation Number Q16-04.

As an experienced reputable General Contractor focusing on self-performance of work, UCC has a **strong background in lighting inspection and maintenance** throughout the southwest U.S. for public, private, federal, municipal and utility clients.

With this Proposal, UCC will show the CITY that **UCC is skilled in the successful construction and maintenance of High Mount Lighting Systems, and also very experienced and qualified in the management of long duration maintenance and service contracts.**

### Company History

**UCC has continued to provide lighting services since formation in 1992.** UCC owns all equipment required to perform a variety of lighting maintenance and construction services, including service trucks, boom trucks, bucket trucks, pole trailers, drill trucks, equipment trailers, locating equipment, water trucks, utility pot-holing trucks & trailers, dump trucks, backhoes and trenchers.

UCC is a Corporation organized in the State of Arizona. Company President Suzette Nickum retains all shares in the firm, and also holds the position of Secretary and Treasurer. Bob Martin serves as Vice President.

UCC holds Contractor Licenses throughout the southwest U.S. UCC's State of Arizona Registrar of Contractor's licenses applicable to this project are:

- A- Commercial General Engineering, ROC124023
- A-17 Commercial Electric and Transmission Lines, ROC200356
- C-11 Commercial Electrical, ROC122544

UCC's principal office is located in Mesa, AZ, in the southeast valley at: 19442 E. Warner Road, Mesa, Arizona 85212. This Mesa, AZ office will serve as UCC's 'home office location'.

Day to day operations and management for this project will be handled at UCC's Phoenix location near the downtown area at 618 N. 24<sup>th</sup> Street, Phoenix, AZ 85008.

Both (all) locations will be utilized for staging of materials and equipment, as well as the dispatching of personnel for this project.

### Staff Qualifications and Experience

The UCC team dedicated to this project has successfully managed and performed on several lighting maintenance contracts. Example projects with similar scope of work are provided below:

- Seaton Catholic High School Sports Field Lighting
- Woodland Parks Sports Field Lighting
- ADOT Palo Verde High Mast Lighting
- San Luis High Mast Lighting
- CTMR Boarder Inspections and Maintenance
- San Carlos HVAC and Emergency Generator Inspections and Repairs
- City of Phoenix Streetlight Maintenance Program

- City of Chandler Streetlight Pole Replacements
- City of Avondale Streetlight Pole Replacements

To further demonstrate UCC's staff's experience with the requirements for this RFQ, 3 example projects are described with more detail below:

### **Project Example #1 – City of Phoenix Streetlight Maintenance Program**

**City of Phoenix, AZ**

**City of Phoenix Contract No. 137516**

**City of Phoenix Project No. 4108JOC118**

**Relevance:** Maintenance Service Contract, Lighting Inspections; Emergency On-Call requirement, Routine and Non-Routine maintenance; High Mount Lighting; City as client; High profile contract; Multi-task project; Strict requirements for quality, schedule, reporting, planning, and safety

**Project Description:** UCC was contracted to perform routine and non-routine maintenance on all City of Phoenix owned streetlight poles and fixtures. Some of these services are described in more detail below:

*Routine Maintenance* – Services included replacements of Lamps, Photocells, Pole Wiring, Fuse/Fuse Holder, and Ballasts, Realignment of mast arms and poles, and Regular Night Checks of Arterial Streets.

*24 hour emergency On Call* – Respond to calls for streetlights damaged by vehicle, storms, or other issues that posed an immediate threat to public safety. Response included removing damaged equipment/debris, rendering the area safe electrically, reporting on the damaged asset's information, reporting on the cause and responsible party for the damage, and clean up the area.

*Non-Routine Work* – Any work that was necessary for operation of the system but was not included in Routine Work was done on a case by case basis. Pole installations that were the result of Knockdowns fell under this category, as well as new installation and LED Conversions.

**UCC Role:** General Contractor

**Dates:** January 1<sup>st</sup>, 2014 to Current

**Owner:** City of Phoenix, AZ

**References:** Mr. Jason Fernandez, Project Manager, 602-256-4168  
Ms. Briana Velez, Civil Engineer III, 602-262-4970

### **Project Example #2 – City of Chandler Streetlight Pole Replacements**

**City of Chandler, AZ**

**City of Chandler Contract No. TD4-968-3404**

**Relevance:** Maintenance Service Contract; High Mount Lighting; City as client; High profile contract; Multi-task project; Strict requirements for quality, schedule, reporting, planning, and safety

**Project Description:** UCC was contracted to perform Streetlight repairs for all city owned pole mounted lights. Work included emergency repairs to hazardous conditions, lighting system upgrades, knockdown and rusted pole replacements, and repairs on poles with mounting up to 45'.

**UCC Role:** General Contractor

**Dates:** September 29<sup>th</sup>, 2014 to Current

**Owner:** City of Chandler, AZ

**References:** Mr. Hector Peralta, Traffic Signal and Streetlight Supervisor, 480-782-3456

### **Project Example #3 – City of Avondale Streetlight Pole Replacements**

**City of Avondale, AZ**

**City of Avondale Contract No. 14169C**

**Relevance:** Maintenance Service Contract; High Mount Lighting; City as client; High profile contract; Multi-task project; Strict requirements for quality, schedule, reporting, planning, and safety; Coorpotive purchase agreement

<b>Project Description:</b> UCC was contracted to perform Streetlight repairs for all city owned pole mounted lights. Work included emergency repairs to hazardous conditions, lighting system upgrades, knockdown and rusted pole replacements, and repairs on poles with mounting up to 45'.	
<b>UCC Role:</b>	General Contractor
<b>Dates:</b>	October 1 <sup>st</sup> , 2015 to Current
<b>Owner:</b>	City of Avondale, AZ
<b>References:</b>	Mr. Paul Lopez, Engineering Manager, 623-333-4219

## 2. Method and Approach

A breakdown of UCC's method to satisfy the requirements of this project are provided below:

### Inspections

Upon contract award, UCC will begin with a thorough initial quarterly inspection of each of the project locations. Any existing facility records, drawings, or as-builds available by the CITY will be utilized and reconciled against actual field conditions. If existing records are lacking in data or not available at all, UCC will perform an existing equipment survey and create records to be used in this project. A Job Hazard Analysis will be developed for each site that will identify specific hazards and safety procedures to be followed.

For the duration of the contract, UCC will perform a thorough quarterly inspection of each site's lighting system. This inspection will be scheduled 2 weeks ahead of time to coordinate around each facilities operation. This will ensure that normal operations will not be interrupted by our work. Some of the items that will be inspected are:

- Lighting Control Center will be checked for operation. Any time clocks will be checked for proper time settings, and photo controls will be physically checked for proper start/stop. Protection devices will be inspected for proper operation and condition.
- All lights will be turned on and allowed to burn for 1 hour. All outages will be recorded and reported.
- Voltage and Current checks will be performed at ground level for each outage observed to narrow down possible location of fault.
- A detailed report of equipment condition and outages will be generated and provided to the facility manager. This report will include pictures, location, asset number, and an estimate for repairs.

### Maintenance

Upon issuance of work orders for repairs, UCC will coordinate and scheduled with each City Site Manager in advance to ensure that regular operations will not be disturbed. Before beginning any work, all field staff will be required to reviewed the site specific Job Hazard Analysis to ensure that proper safety procedures will be followed. Equipment staging areas and site access will be planned in advance to not disturb landscaping, playing field surfaces, and other facilities. All employees go through UCC's background checks and will be badged at all times.

All repairs will be completed along with a report that details items including:

- Location and nature of faulty equipment
- Measures taken to repair
- Itemized list of all materials installed
- All materials will be labeled with installation date
- Pictures supporting determination of fault and new equipment installed

## Response Time

For emergency after hours repairs, the City of Peoria will be provided with the phone number to our 24-hour emergency response team. All emergency call outs will be responded to within 2 hours of receiving notification of hazard. Upon arrival at the scene, our technician will identify any hazards make initial repairs to ensure public safety. An email report will be generated detailing the time and location of response, the person generating call out and the technician responding, nature of the hazards and repairs/corrections made on site, and any other items that may need to be addressed during normal business hours.

All non-emergency repair requests will be responded to the next business day from receiving notice to proceed. Our technician trucks will arrive fully stocked with common parts to ensure that repairs can be completed the same day as reasonable.

## REQUEST FOR LEGAL SERVICES

<b>Name/Phone Number/E-mail of Requestor:</b> Angela Espiritu/480 816-5148/aespiritu@fh.az.gov	<b>Date of Request:</b> 2/6/2019 <b>Date Director Approved Request:</b> 2/6/2019
<b>Procurement Approval by: Craig Rudolphy</b> 2/11/2019 Yes <input checked="" type="checkbox"/> No: <input type="checkbox"/> - Contact Finance Director	<b>Due Date (From Town Attorney's office):</b> 2/25/2019 <ul style="list-style-type: none"> <li>Deadline for return of request from Legal is 10 business days after Procurement Approval.</li> <li>Deadline for completed packet items submitted to the Town Clerk - 12 PM the Wednesday 2 weeks prior to the date of the Council meeting.</li> </ul>
<b>Council Meeting Date:</b> 3/19/2019 Item <u>does not</u> require Council approval <input type="checkbox"/>	
<b>Request for Legal staff:</b> Prepare a 4 <sup>th</sup> amendment to cooperative purchase agreement #C2017-079 using the attached City of Peoria documents to extend the term of the agreement to February 11, 2020 and to increase the agreement from \$162,508.88 to \$262,508.88. The \$100,000 increase will be utilized for lighting inspection, upgrades, repairs and maintenance town wide.	
<b>Proposed Agenda Language (if applicable):</b> Consent Agenda Item <input type="checkbox"/> Regular Agenda Item <input checked="" type="checkbox"/> <b>CONSIDERATION of</b> approving the 4 <sup>th</sup> amendment to cooperative purchase agreement C2017-079 with Utility Construction Company Inc. to extend agreement and increase the amount of the agreement for an additional \$100,000 that will be utilized for lighting inspection, upgrades, repairs and maintenance Town wide not to exceed cumulative agreement total of \$262,508.88.	
<b>Vendor/Consultant/Agreement/Agency Information:</b> Contact Name: <u>Bob Martin</u> Entity Name: <u>Utility Construction Company Inc</u> Entity Address: <u>P.O. Box 1774 Gilbert, AZ 85299</u> Entity Phone, Fax and E-mail address: <u>480-654-3100 / 480-654-8374 / bob@utilityconstructionco.com</u> Town of Fountain Hills Business License Number: <u>6672</u> Arizona Corporation Commission File Number: <u>07528237</u>	
<b>Documents Requested:</b> <input type="checkbox"/> Ordinance # ____ (Draft attached Y// N) Publication Dates for Zoning Actions: ____ <input type="checkbox"/> Resolution # ____ (Draft attached Y// N) <input type="checkbox"/> Easement ____ (Specify Type) <input type="checkbox"/> Deed ____ (Specify Type) <input type="checkbox"/> IGA / Amendment (Corresponding Resolution Required) <input checked="" type="checkbox"/> PSA / Amendment	<input type="checkbox"/> PA (Purchase) / Amendment <input type="checkbox"/> IFB (Invitation for Bid) <input type="checkbox"/> RFQ (Request for Qualifications) <input type="checkbox"/> RFP (Request for Proposals) <input type="checkbox"/> CSA (Construction) / Amendment <input type="checkbox"/> QSP ____ <input checked="" type="checkbox"/> Cooperative Purchasing Agreement Approval <u>amendment</u> <input type="checkbox"/> Other ____

**Required Contract/Agreement Information:**

Method of Vendor Selection: Cooperative Purchase Agreement

Term of Contract/Agreement: February 11, 2020

Contract Amount (this contract): \$262,508.88 Cumulative Contract Amount: \$262,508.88

Brief description of services/goods being sought: Lighting inspection, upgrades, repairs and maintenance town wide.

Contract # assigned: C2017-079

Funding Source: Various Project No.         

Budget Transfer Required: N/A; if yes, attach appropriate documentation

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**Staff Check List:**

A "request for legal services form" will be returned if submitted without the necessary information and attachments.

\*Scope of Work or Specifications Attached

\*QSP Document Attached

\*Fee Proposal or Price Sheet Attached

\*Underlying Cooperative Purchasing Agreement Attached

\*Proposal or Statement of Qualifications from Vendor Attached

\*Bid/RFQ/RFP Schedule Attached

Finance **requires** a "contract cover sheet" prior to processing the approved/signed contract/agreement for payment(s).



### CONTRACT/GRANT INFORMATION SHEET - AMENDMENT

Date: 2/6/2019			
Staff's Name: Name: Justin T. Weldy		Department: Department: Public Works	
Vendor's Name: Utility Construction Company Inc		Vendor Number:	1081
Address: PO Box 1820 Queen Creek, AZ 85142			
Phone: 480-654-3100			
Received W9: <input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> ALREADY IN SYSTEM			
Business License #:6627		Exp. Date: 5/16/2019	

ACCOUNTING SUMMARY	Org	Object	Project/#	\$
Accounting Code:				
Accounting Code:				
Accounting Code:				
TBD(used for variety of different things/departments/funds):	Various	6290		

#### CONTRACT SUMMARY

Contract Number Assigned:	<b>C2017-079.4</b>		
Current Contract Total:	\$100,000	Total Contract Amount with Renewals: \$262,508.88	
Brief Description of Service:	Lighting up grades		
If Renewable:	4 <sup>nd</sup> Amendment	Total # of Renewals Max:	0
FY Cumulative Vendor Totals:	Does this Contract put it over \$50,000	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Contract Beginning Date:	4/16/2018		
Contract Expiration Date:	2/11/2020		
Budgeted Expenditure:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Budget Page #:	Various		
Approved by Council:	<input checked="" type="checkbox"/> Yes; Date: 4/16/2019	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Insurance Certificate provided:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Warranty Period:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	If Yes, expires <a href="#">Click here to enter a date.</a>
Estimated Start Date:	4/16/2019		
Estimated Completion Date:	2/11/2020		

#### GRANT SUMMARY

Paid for by Grant:	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Name of Grantee:		
Grant Number Assigned:		Resolution Number:
Date Council Approved:		



# TOWN OF FOUNTAIN HILLS

## TOWN COUNCIL AGENDA ACTION FORM

**Meeting Date:** 4/16/2019

**Meeting Type:** Regular

**Agenda Type:** Regular

**Submitting Department:** Administration

**Staff Contact Information:** Elizabeth A. Burke, Town Clerk, 480-816-5115; eburke@fh.az.gov

**REQUEST TO COUNCIL** (Agenda Language): DISCUSSION with possible direction relating to any item included in the League of Arizona Cities and Towns' weekly Legislative Bulletin(s) or relating to any action proposed or pending before the State Legislature.

**Applicant:** NA

**Applicant Contact Information:** NA

**Owner:** N/A

**Owner Contact Information:** NA

**Property Location:** NA

**Related Ordinance, Policy or Guiding Principle:** A.R.S. §38-431.01

**Staff Summary** (background): This agenda item will appear on the Regular Meeting agendas through the end of this year's Legislative session. It is intended to provide an opportunity for Council to discuss any proposed or pending legislation before the State Legislature, and possibly take action in response thereto.

**Risk Analysis** (options or alternatives with implications): NA

**Fiscal Impact** (initial and ongoing costs; budget status): NA

**Budget Reference** (page number): NA

**Funding Source:** NA

**If Multiple Funds utilized, list here:**

**Budgeted; if No, attach Budget Adjustment Form:** NA

**Recommendation(s) by Board(s) or Commission(s):** NA

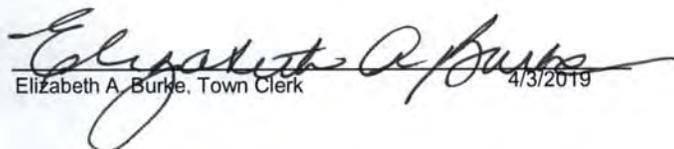
**Staff Recommendation(s):** Approve

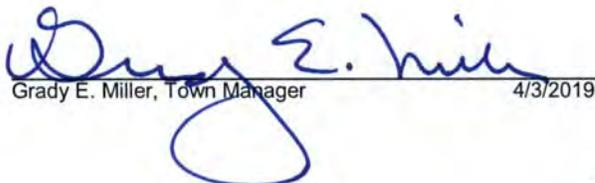
**List Attachment(s):**

**SUGGESTED MOTION** (for Council use): Council may give direction to the Town Manager to express a position to the Legislature or other body with respect to any item on the League update.

Prepared by:

Approved:

  
Elizabeth A. Burke, Town Clerk 4/3/2019

  
Grady E. Miller, Town Manager 4/3/2019