

FINAL AGENDA

REGULAR COUNCIL MEETING
TUESDAY
JUNE 18, 2013

COUNCIL CHAMBERS
211 WEST ASPEN AVENUE
4:00 P.M. AND 6:00 P.M.

4:00 P.M. MEETING

Individual Items on the 4:00 p.m. meeting agenda may be postponed to the 6:00 p.m. meeting.

1. CALL TO ORDER

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. ROLL CALL

NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.

MAYOR NABOURS

VICE MAYOR EVANS

COUNCILMEMBER BAROTZ

COUNCILMEMBER BREWSTER

COUNCILMEMBER ORAVITS

COUNCILMEMBER OVERTON

COUNCILMEMBER WOODSON

3. PLEDGE OF ALLEGIANCE AND MISSION STATEMENT

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life of its citizens.

4. APPROVAL OF MINUTES FROM PREVIOUS MEETINGS

- A. Consideration and approval of minutes: Flagstaff City Council Regular Meeting of June 4, 2013, and Work Session of June 11, 2013.

RECOMMENDED ACTION:

Approve/amend the minutes of the Flagstaff City Council Regular Meeting of June 4, 2013, and Work Session of June 11, 2013.

5. PUBLIC PARTICIPATION

Public Participation enables the public to address the Council about an item that is not on the agenda (or is listed under Possible Future Agenda Items). Comments relating to items that are on the agenda will be taken at the time that the item is discussed. If you wish to address the Council at tonight's meeting, please complete a comment card and submit it to the recording clerk as soon as possible. Your name will be called when it is your turn to speak.

You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

6. PROCLAMATIONS AND RECOGNITIONS

None

7. APPOINTMENTS

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that the City Council may vote to go into executive session, which will not be open to the public, for the purpose of discussing or considering employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee, or employee of any public body....., pursuant to A.R.S. §38-431.03(A)(1).

None

8. LIQUOR LICENSE PUBLIC HEARINGS

None

9. CONSENT ITEMS

All matters under Consent Agenda are considered by the City Council to be routine and will be enacted by one motion approving the recommendations listed on the agenda. Unless otherwise indicated , expenditures approved by Council are budgeted items.

A. Consideration and Approval of Street Closure(s): Hopi Market Arts and Craft Festival.

RECOMMENDED ACTION:

Approve the street closure at Aspen Avenue between San Francisco Street and Leroux Street on 9/28/13 at 6 am through 9/29/13 at 6 pm.

B. Consideration and Approval of Consulting Contract: Allwyn Environmental, Inc., for Program Administrative Services for the FY2012 Brownfields Community-wide Assessment Grant.

RECOMMENDED ACTION:

Approve and authorize the City Manager to execute the agreement.

C. Consideration and Approval of Construction Contract: Switzer Canyon Transmission Main Project.

RECOMMENDED ACTION:

- 1) Award the construction contract to Seller's and Sons, Inc. of Glendale, Arizona in the total award amount of \$980,483, which includes \$25,000 in contract allowance. The contract period is 120 calendar days; and
- 2) Authorize Change Order Authority to the City Manager in the amount of \$95,550 (10% of the bid contract amount, less contract allowance) for unanticipated additional costs; and
- 3) Authorize the City Manager to execute the necessary documents.

- D. **Consideration and Approval of Payment:** Annual Computer Hardware and Software Maintenance and Support Services.

RECOMMENDED ACTION:

Authorize the payment in the amount of \$601,015.15, plus applicable sales tax, to:

- 1) ERP - Financial Applications - \$151,000.00
- 2) SHI Software - Microsoft Enterprise Agreement - \$135,000.00
- 3) Intergraph Public Safety, Inc. - Maintain the map and corresponding DB for system - \$196,428.08
- 4) SIRSI - Online Library Catalog 4/1-3/31 - \$70,007.07
- 5) Additional charge for migrating data from branches into catalog - \$48,580.00

- E. **Consideration of Appointment:** City Attorney.

RECOMMENDED ACTION:

Appoint Michelle D'Andrea as the City Attorney for the City of Flagstaff.

- F. **Consideration and Approval of Agreement:** Participating Agreement Supplemental Project Agreement between City of Flagstaff and USDA, Forest Service Coconino National Forest, for the Flagstaff Watershed Protection Project, Fuels Reduction Demonstration Project

RECOMMENDED ACTION:

Approve the Supplemental Project Agreement and authorize the City Manager to execute the necessary documents.

10. **ROUTINE ITEMS**

- A. **Consideration and Approval of Agreement Amendment:** Joint Project Agreement 11-085 between the State of Arizona and the City of Flagstaff acting for and on behalf of the Flagstaff Metropolitan Planning Organization, Amendment 2 for Fiscal Year 2014

RECOMMENDED ACTION:

Authorize signature of JPA 11-805 Amendment 2

RECESS

6:00 P.M. MEETING

RECONVENE

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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11. ROLL CALL

NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.

MAYOR NABOURS

VICE MAYOR EVANS

COUNCILMEMBER BAROTZ

COUNCILMEMBER BREWSTER

COUNCILMEMBER ORAVITS

COUNCILMEMBER OVERTON

COUNCILMEMBER WOODSON

12. CARRY OVER ITEMS FROM THE 4:00 P.M. AGENDA**13. PUBLIC HEARING ITEMS****A. Public Hearing For Proposed FY 2013 2014 Budget and Property Tax Levy.
RECOMMENDED ACTION**

- 1) Open the public hearing, receive citizen input, and close the public hearing
- 2) Recess Regular Meeting and convene a Special Meeting

SPECIAL MEETING

Consideration and Adoption of Resolution No. 2013-14: CONSIDERATION AND APPROVAL OF RESOLUTION NO. 2013-14 A RESOLUTION FOR THE ADOPTION OF THE BUDGET FOR FISCAL YEAR 2013-2014 AND PUBLIC HEARING FOR BUDGET AND LEVY.

RECOMMENDED ACTION:

- 1) Read Resolution No. 2013-14 by title only
- 2) City Clerk reads Resolution No. 2013-14 by title only (if approved above)
- 3) Adopt Resolution No. 2013-14
- 4) Adjourn Special Meeting and reconvene Regular Meeting

14. REGULAR AGENDA**A. Consideration and Adoption of Ordinance No. 2013-13:** AN ORDINANCE LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF FLAGSTAFF, ARIZONA, SUBJECT TO TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS, FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS AND PROVIDING FUNDS FOR GENERAL MUNICIPAL EXPENSES, ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2014.**RECOMMENDED ACTION:**

- Read Ordinance No. 2013-13 by title only for the first time on June 18, 2013.
Read Ordinance No. 2013-13 by title only for the second time on July 2, 2013.
Adopt Ordinance No. 2013-13 on July 2, 2013.

- B. Consideration and Approval of Final Plat:** A request from Pete Reznick for final plat approval of the University Terrace Unit 2, a subdivision consisting of twenty (20) single-family lots on 10.55 acres located at 4015 South Holland Road in the R1, Residential Zoning District.

RECOMMENDED ACTION:

The Planning and Zoning Commission recommends approving the final plat with the conditions outlined in the staff summary and its attachments, and authorizing the Mayor to sign both the plat and City/Subdivider Agreement when notified by staff that all conditions have been met and documents are ready for recording.

- C. Consideration of Insurance Renewal:** Property/Casualty for Fiscal Year 2014.

RECOMMENDED ACTION:

Approve or disapprove insurance renewal proposal from Willis of Arizona for the period July 1, 2013 to June 30, 2014 and authorize the City Manager to execute the necessary documents. Our contracted insurance broker, Willis of Arizona, has provided the following options:

-SIR 50,000 (current)
\$1,315,380 premium plus 5% buffer for policy changes= \$1,381,149
-SIR 75,000 (staff recommendation)
\$1,256,093 premium plus 5% buffer for policy changes = \$1,318,898
-SIR 100,000
\$1,222,832 premium plus 5% buffer for policy changes = \$1,283,974

- D. Consideration of Insurance Renewal:** Workers' Compensation for fiscal year 2014.

RECOMMENDED ACTION:

Accept workers compensation renewal proposal offered by SCF Western for the period July 1, 2013 to June 30, 2014, and authorize payment of premiums for this policy period and authorize the City Manager to execute the necessary documents to accept the proposal.

- E. Consideration and Adoption of Resolution No. 2013-16:** A Resolution to Cover Volunteers of the City of Flagstaff under the City's Workers' Compensation Insurance.

RECOMMENDED ACTION:

Should Council wish to move forward with adoption of this resolution:
1) Read Resolution No. 2013-16 by title only
2) City Clerk reads Resolution No. 2013-16 by title only (if approved above)
3) Adopt Resolution No. 2013-16

15. DISCUSSION ITEMS

None

16. POSSIBLE FUTURE AGENDA ITEMS

Verbal comments from the public on any item under this section must be given during Public Participation (#5) near the beginning of the meeting. Written comments may be submitted to the City Clerk. After discussion and upon agreement of three members of the Council, an item will be moved to a regularly-scheduled Council meeting.

- A. Request by Vice Mayor Evans for future discussion re transportation of uranium ore through Flagstaff.**

B. Request by Mayor Nabours for future discussion re repeal of property sales tax.**17. PUBLIC PARTICIPATION****18. INFORMATIONAL ITEMS AND REPORTS FROM COUNCIL AND STAFF, REQUESTS FOR FUTURE AGENDA ITEMS****19. ADJOURNMENT****CERTIFICATE OF POSTING OF NOTICE**

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

Dated this ____ day of _____, 2013.

Elizabeth A. Burke, MMC, City Clerk

CITY OF FLAGSTAFF
STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Elizabeth A. Burke, City Clerk
Date: 06/14/2013
Meeting Date: 06/18/2013



TITLE

Consideration and approval of minutes: Flagstaff City Council Regular Meeting of June 4, 2013, and Work Session of June 11, 2013.

RECOMMENDED ACTION:

Approve/amend the minutes of the Flagstaff City Council Regular Meeting of June 4, 2013, and Work Session of June 11, 2013.

INFORMATION

Attached are copies of the minutes of the Flagstaff City Council Regular Meeting of June 4, 2013, and Work Session of June 11, 2013. for amendment/approval.

Attachments: [CCRM.06042013.Minutes](#)
[CCWS.06112013.Minutes](#)

MINUTES

REGULAR COUNCIL MEETING
TUESDAY, JUNE 4, 2013
COUNCIL CHAMBERS
211 WEST ASPEN AVENUE
4:00 P.M. AND 6:00 P.M.

1. Call to Order.

Mayor Nabours called the meeting to order at 4:02 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. Roll Call

NOTE: *One or more Councilmembers may be in attendance telephonically or by other technological means.*

Councilmembers present:

Councilmembers absent:

Mayor Nabours
Vice Mayor Evans
Councilmember Barotz
Councilmember Brewster
Councilmember Oravits
Councilmember Overton
Councilmember Woodson

Mayor Nabours called for a Moment of Silence in memory of Paul Jones, a past employee of the City of Flagstaff, and Councilmember Barotz read some background information on Mr. Jones for the public.

3. **PLEDGE OF ALLEGIANCE AND MISSION STATEMENT**

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life of its citizens.

4. **APPROVAL OF MINUTES FROM PREVIOUS MEETINGS**

- A. **Consideration and approval of minutes:** Flagstaff City Council Special Work Session of May 20, 2013; Regular Meeting of May 21, 2013; Special Meeting of May 28, 2013 (Executive Session); and Work Session of May 28, 2013.

Councilmember Woodson referred to the Work Session of May 20, 2013, and stated that he believed Kent Hotsenspiller was not present as indicated.

Councilmember Oravits moved to approve the minutes of the Flagstaff City Council Special Work Session of May 20, 2013; Regular Meeting of May 21, 2013; Special Meeting of May 28, 2013 (Executive Session); and Work Session of May 28, 2013, as amended; seconded; passed unanimously.

5. **PUBLIC PARTICIPATION**

Public Participation enables the public to address the Council about an item that is not on the agenda (or is listed under Possible Future Agenda Items). Comments relating to items that are on the agenda will be taken at the time that the item is discussed. If you wish to address the Council at tonight's meeting, please complete a comment card and submit it to the recording clerk as soon as possible. Your name will be called when it is your turn to speak. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

The following individuals addressed the Council re a resolution adopted by the Council in the 1990's related to keeping Flagstaff a nuclear free zone and asking that the Council consider that resolution now that it has been stated that the uranium ore will be transported through Flagstaff.

- Alicyn Gitlin
- Dawn Dyer

6. **PROCLAMATIONS AND RECOGNITIONS**

None

7. **APPOINTMENTS**

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that the City Council may vote to go into executive session, which will not be open to the public, for the purpose of discussing or considering employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee, or employee of any public body...., pursuant to A.R.S. §38-431.03(A)(1).

None

8. **LIQUOR LICENSE PUBLIC HEARINGS**

Mayor Nabours moved to open the Public Hearing for all three liquor license applications; seconded; passed unanimously.

With no public input received, **Mayor Nabours moved to close the Public Hearing; seconded; passed unanimously.**

- A. **Consideration and Action on Liquor License Application:** Andrea Lewkowitz, "The McMillan", 2 W. Route 66, Series 06 (bar- all spirituous liquor), Person and Location Transfer.

Councilmember Woodson moved to forward the application to the State with a recommendation for approval; seconded; passed unanimously.

- B. **Consideration and Action on Liquor License Application:** Dorian Lenz, "Cheba Hut", 1411 S. Milton Rd., Series 12 (restaurant), New License.

Councilmember Woodson moved to forward the application to the State with a recommendation for approval; seconded; passed unanimously.

- C. **Consideration and Action on Liquor License Application:** Navayogasingam Thuraisingam, "Modern Grove", 1020 S. Milton Rd., Suite 102, Series 12 (restaurant), New License.

Councilmember Woodson moved to forward the application to the State with a recommendation for approval; seconded; passed unanimously.

9. **CONSENT ITEMS**

All matters under Consent Agenda are considered by the City Council to be routine and will be enacted by one motion approving the recommendations listed on the agenda. Unless otherwise indicated, expenditures approved by Council are budgeted items

Mayor Nabours stated that Councilmember Oravits had a conflict on Item 9-B and had a question on 9-H. **Councilmember Overton moved to approve the Consent Agenda Items 9-A, C, D, E, F and G; seconded; passed unanimously.**

- A. **Consideration and Approval of Contracts:** Custodial Services Contracts.

MOTION:

- 1) Acceptance of the proposals (listed below) for custodial services under RFP No. 2013-23.
 - Accurate Building Maintenance, LLC [seven (7) facilities]
 - Carnation Building Service, Inc. [eight (8) facilities]
 - Twilight Janitorial Service, Inc. [four (4) facilities]
- 2) Provide the Purchasing Director the authority to add or delete facilities as necessary during the term of the agreement.

- B. **Consideration and Approval to enter into a property management agreement for the Lease of City-Owned Property:** Located at 311 W. Cherry Avenue.

Councilmember Oravits declared a conflict of interest and left the dais.

Councilmember Barotz asked how Core Realty had been selected. Ms. Trompeter explained that staff did a Request for Quotes with approximately 20 responses received. Staff then entered the responses into a matrix and prioritized them to determine the top selections. She said that they have gone through four different realty companies to find one because of the limitations required by the City Charter on advertising.

Ms. Trompeter said that Core Realty was a local broker. Mayor Nabours noted that their office was located on Woodland Blvd. Ms. Trompeter responded to a question that 10% of the rental rate was a typical fee for these services.

Councilmember Brewster moved to authorize staff to enter into an Agreement with Core Realty for property management and leasing services of a City-owned property located at 311 W. Cherry, Flagstaff, Arizona; seconded; passed 6-0 with Councilmember Oravits abstaining.

Councilmember Oravits returned to the dais.

- C. **Consideration and Approval of a Contract:** Pre-Hospital Care Emergency Service Agreement with Flagstaff Medical Center.

MOTION: Consider an Agreement with Flagstaff Medical Center in the amount of \$6,500 for Medical Direction of Flagstaff Fire Department Paramedics and Advance Life Support drug box rental.

- D. **Consideration and Approval of Construction Manager at Risk Contract:** Westplex Taxi Lanes Reconstruction Project at Pulliam Airport.

MOTION:

- 1) Approve the Construction Manager at Risk Contract with J. Banicki Construction, Inc. in an amount not to exceed \$4,556,796.16 for Guaranteed Maximum Price (GMP) # 1, contingent upon receipt of the grants from the Federal Aviation Administration and ADOT Multi-Modal and subsequently a grant offer which will be on a future agenda.
- 2) Authorize Change Order Authority of 5% in the amount of \$ 227,839.81 to cover potential costs associated with unanticipated or additional items of work.
- 3) Authorize the City Manager to execute the necessary documents contingent upon receipt of the above-mentioned grants.

- E. **Consideration and Approval of Construction Contract:** La Plaza Vieja 2010 Bond Project.

MOTION:

- 1) Award the construction contract to LP's Excavating, Inc. of Williams, Arizona in the total award amount of \$1,741,893.15, which includes \$80,000.00 in contract allowance. The contract period is 150 calendar days; and
- 2) Authorize Change Order Authority to the City Manager in the amount of \$166,000.00 (10% of the bid contract amount, less contract allowance) for unanticipated additional costs; and
- 3) Authorize the City Manager to execute the necessary documents.

- F. **Consideration and Approval of Consulting Contract:** Red Gap Ranch Water Resources Environmental Assessment.

MOTION: Approve a Contract with Southwest Ground-water Consultants, Inc. to provide professional consulting services for a not-to-exceed amount of \$276,210.

- G. **Consideration of Construction Manager at Risk Contract:** Street Maintenance Program 2013: Cedar Avenue 2010 Bond Improvements.

MOTION:

1) Award Guaranteed Maximum Price Contract #4 (GMP #4) to the Construction Manager at Risk (CMAR) Contract with C and E Paving and Grading, LLC in an amount of \$941,672.30. The contract period is 60 calendar days; and
2) Authorize the City Manager to execute the necessary documents.

- H. **Consideration and Approval of Grant Agreements:** Arizona Department of Homeland Security Subgrantee Agreements for the FFY 2010 and FFY 2011 Homeland Security Grant Program.

Grants Manager Stacey Brechler-Knaggs came forward along with Police Lieutenant Higgins and Fire Chief Iacona to review the various grants.

Councilmember Oravits said that the City recently did a bond for new police radios to equip the organization across the board. He asked what the amount of that bond was and why these additional funds were required. Management Services Director Barbara Goodrich responded that she believed the bond was approximately \$4.7 million.

Lt. Higgins said that the bond did provide new radios, but they will always have a need for additional radios, especially for the big events such as the Dew Downtown where they provide spare radios for those helping with the events.

Lt. Higgins said that these are dual band radios and are able to work with the City's system and another radio system, such as the County.

Chief Treadway added that they did the best they could in anticipating their needs with the prior bond and they came in under the budget by \$300,000. These were something they did not anticipate at the time and are needs they have recognized since they closed that bond out. He said that it will help facilitate public safety efforts.

Ms. Brechler-Knaggs stated that it was a fully funded 100% grant, with no City match. She said that the City applied for the 2013 Homeland Security grants and they actually called the City of Flagstaff asking if they would be willing to accept the money in a short time frame, because they believe that the City of Flagstaff is highly accountable and spend their money for good uses.

Councilmember Overton moved to approve the FFY2011 and FFY2010 Reallocation Subgrantee Agreements with the Arizona Department of

Homeland Security for grant funds for the Fire Department Special Operations Team Personal Protective Gear (in the amount of \$5,824) and for the Police Department Portable Radios (in the amount of \$10,978.81) and Gas Masks and Replacement Filters (in the amount of \$5,464.54); seconded; passed 6-1 with Councilmember Oravits casting the dissenting vote.

10. **ROUTINE ITEMS**

- A. **Consideration of Marketing, RFP and Potential Sale of City-owned Property:** Fire Station No. 7 (west of Milton, south of Butler) APN's 103-06-019, 103-06-017A, 103-06-018A, 103-06-003B consisting of a total of 1.52 acres.

Ms. Trompeter said that staff was coming forward asking for permission to move forward with marketing and putting out a potential Request for Proposals or Invitation to Bid to sell this property (Fire Station No. 7).

Councilmembers noted that wording within the staff summary was not consistent and discussion was held on the intent of whether or not the funds received from sale of the property would be set aside for a future courthouse, or not. It was noted that in the previous discussions held by Council the consensus was that the funds not be restricted, but rather the intent be known that it should be used for a courthouse.

Mr. Burke said that the funds would be held within the real estate proceeds fund. He said that if they put the funds in this account it would still need to come back before Council for use of the funds for anything. He said that they have typically been a budget operation and, therefore, a Council decision.

Ms. Trompeter said that staff would obtain an easement over the entire parcel of property, to address such issues as the Rio de Flag, with an area to be permitted for signage.

She said that in her discussions with the area's homeowners, they would like to keep the property for open space and include a conservation easement. She said that they had also brought up that they would like to have a community room available, and it had been mentioned that when College America is built they have agreed to provide such a room. She said that they could include extra points in the RFP for that type of use. She could not recall the current zoning of the property.

Mr. Burke said that the prior step in this process was that staff had brought forward four different properties for Council to consider moving forward with selling. Of those four properties, staff was directed to move forward with the two fire stations; however, Fire Station No. 2 had some limiting issues on how it could be used so they have opted to lease that property for the time being and generate some revenue.

After further discussion on whether to include restrictions on the revenues generated from potential sale of the property, **Mayor Nabours moved to**

authorize the City Manager and designated staff to market, issue a RFP and to accept proposals for purchase of Fire Station No. 7, located within the City limits; seconded; passed 6-1 with Vice Mayor Evans casting the dissenting vote.

- B. **Consideration of a Resolution No. 2013-06:** Abandoning a portion of a public ingress and egress easement located at Pulliam Airport Airpark, a part of Track 5B near Shamrell Blvd.

Councilmember Overton moved to read Resolution No. 2013-06 by title only; seconded; passed unanimously.

*RESOLUTION OF THE COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA,
ABANDONING A PUBLIC INGRESS/EGRESS EASEMENT IN THE PULLIAM
AIRPORT AIRPARK*

Councilmember Brewster moved to adopt Resolution No. 2013-06; seconded; passed unanimously.

Mr. Burke said that a number of real estate items were coming before Council because this evening was Jill Trompeter's last meeting with the City of Flagstaff. He thanked her for her work with the City and wished her success in her future endeavors.

- C. **Consideration and Adoption of Resolution No. 2013-15:** A resolution of the City Council of the City of Flagstaff repealing Resolution No. 2013-02 adopted March 5, 2013, designating the "2013 City of Flagstaff Parks and Recreation Organizational Master Plan" as a Public Record and adopting the 2013 City of Flagstaff Parks and Recreation Organizational Master Plan.

Mayor Nabours stated that when he was presented the prior Resolution (2013-02) for signature he became aware of the section of the resolution that referenced a priority list previously presented by the Parks and Recreation Commission. He had asked that this item be brought back to Council for consideration of repealing that prior resolution and adopting the Parks and Recreation Organizational Master Plan without that section of the resolution. He said that he had concerns with adopting that list when the list itself was not included within the Master Plan.

Mayor Nabours said that the packet included a copy of the minutes from the Council meeting when this section was added to the resolution; however, that was prior to the time that he and Councilmember Oravits came on the Council.

Councilmember Brewster said that she understood the concern, but this section of the resolution was discussed and came from the Commission, and she believed it should remain to show that they had some vision of where they would head with adequate funding.

Mayor Nabours moved to read Resolution No. 2013-15 by title only; seconded; passed 6-1 with Councilmember Brewster casting the dissenting vote.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF DESIGNATING THE "2013 CITY OF FLAGSTAFF PARKS AND RECREATION ORGANIZATIONAL MASTER PLAN" AS A PUBLIC RECORD, REPEALING RESOLUTION NO. 2013-02 ADOPTED MARCH 5, 2013, AND ADOPTING A NEW 2013 CITY OF FLAGSTAFF PARKS AND RECREATION ORGANIZATIONAL MASTER PLAN

Mayor Nabours moved to adopt Resolution No. 2013-15; seconded; passed 6-1 with Councilmember Brewster casting the dissenting vote.

RECESS

The Regular Meeting of the Flagstaff City Council held June 4, 2013, recessed at 4:47 p.m.

6:00 P.M. MEETING

RECONVENE

Mayor Nabours reconvened the meeting of June 4, 2013, at 6:03 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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11. ROLL CALL

Councilmembers present:

Councilmembers absent:

Mayor Nabours
Vice Mayor Evans
Councilmember Barotz
Councilmember Brewster
Councilmember Oravits
Councilmember Overton
Councilmember Woodson

None

Others present: City Manager Kevin Burke and Interim City Attorney Michelle D'Andrea.

12. CARRY OVER ITEMS FROM THE 4:00 P.M. AGENDA

None

13. **PUBLIC HEARING ITEMS**

None

14. **REGULAR AGENDA**

A. **Consideration and Possible Adoption of Resolution No. 2013-12:** Arizona State Parks FY 2013 Growing Smarter Grant Application.

Sustainability Specialist McKenzie Jones reviewed the project, noting that they would not know the exact details of the grants until September. She said that last fall they started the process of reclassifying the land suitable for conservation, and now they were submitting it at the end of June.

Councilmember Barotz said that she supported moving forward on the grant and asked if they had any background information on the \$750,000 they may get from Coconino County. Ms. Jones replied that their challenge was that they do not know the final price. They are waiting for the appraisal, going through due diligence, and once that is received they will have a better idea. They sent a letter to the County Manager a few weeks ago requesting that they consider participating up to the \$750,000, because this project was part of the original Coconino County Parks and Open Space plan from about a decade ago. She said that once they have the numbers for the appraisal they will have a further conversation with the County.

Mayor Nabours added that he met with Mike Townsend and Liz Archuleta and this was one of the things they were talking about at their meeting on June 18, but they are also waiting for the appraisal.

Councilmember Brewster moved to read Resolution No. 2013-12 by title only; seconded; passed unanimously.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF APPROVING THE SUBMISSION OF A GRANT APPLICATION TO ARIZONA STATE PARKS FOR THE GROWING SMARTER STATE TRUST LAND ACQUISITION PROGRAM TO ACQUIRE LAND AT OBSERVATORY MESA

Councilmember Brewster moved to adopt Resolution No. 2013-12; seconded; passed unanimously.

B. **Consideration and Approval/Denial of Real Estate Purchase and Sale Agreement:** Approve the Real Estate Purchase and Sale Agreement between the City of Flagstaff and Evergreen Devco, Inc. for the sale of approximately 33.5 acres of property consisting of three (3) parcels located at the southeast and southwest corners of the intersection of Fourth Street and Route 66, and the northwest corner of Fourth Street and Huntington Drive adjacent to the Fourth Street overpass.

Councilmember Overton moved to approve [the Real Estate Purchase and Sale Agreement between the City of Flagstaff and Evergreen Devco, Inc.;

and, authorize the City Manager to execute all necessary documents to fulfill the intent of this Purchase and Sale Agreement]; seconded; passed unanimously.

- C. **Consideration and Adoption of Resolution No. 2013-13:** A resolution of the Council of the City of Flagstaff, Arizona adopting the tentative estimates of the amounts required for the public expense for the City of Flagstaff for Fiscal Year 2013-2014; adopting a Tentative Budget; setting for the receipts and expenditures; the amount proposed to be raised by direct property taxation; giving notice of the time for hearing taxpayers, for adopting of Budget and for fixing the tax levies.

Councilmember Overton moved to read Resolution No. 2013-13 by title only; seconded.

Councilmember Oravits said that he hoped they did the budget retreats every year as they were able to work out a lot of things. He found it to be a valuable tool, especially for those new to the Council. He said that they were able to increase funding for streets, preserving many of the services while decreasing the budget a little and maintaining a flat tax levy.

Councilmember Woodson thanked the City Manager and Budget Team for putting up with the direction changes over the last 15 months, and said they all handled it well.

Councilmember Overton said that they did a good job on reallocation of funding for streets and also were able to address personnel compensation some. He said that they had previously seen cuts in compensation with some restored, and it was important for personnel to know that they valued their work and he was happy they were able to start chiseling away.

Mr. Burke thanked the Council for their work on the budget, as well as the staff for their work, noting that it is always a challenge. He added that he would be scheduling a budget debriefing in a Work Session later in the month or July to walk through the process. He said that there was still one outstanding thing and that was the Library District. The budget will not change, but how they accomplish the expenditures could change depending on how the County Board of Supervisors address the issue.

Mr. Tadder clarified that the resolution was setting the maximum allowable expenditures and allowed them to proceed to adoption of the final budget later in the month.

Motion passed unanimously.

A RESOLUTION OF THE COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA ADOPTING THE TENTATIVE ESTIMATES OF THE AMOUNTS REQUIRED FOR THE PUBLIC EXPENSE FOR THE CITY OF FLAGSTAFF FOR THE FISCAL YEAR 2013-2014; ADOPTING A TENTATIVE BUDGET; SETTING FORTH THE RECEIPTS AND EXPENDITURES; THE AMOUNT PROPOSED

TO BE RAISED BY DIRECT PROPERTY TAXATION; GIVING NOTICE OF THE TIME FOR HEARING TAXPAYERS, FOR ADOPTING OF BUDGET AND FOR FIXING THE TAX LEVIES

Mayor Nabours moved to adopt Resolution No. 2013-13; seconded; passed unanimously.

- D. **Consideration and Adoption of Ordinance No. 2013-12:** An ordinance of the City Council of the City of Flagstaff, Arizona, adopting the "2012 International Family of Codes, and the 2013 Amendments to City Code, Title 4, Building Regulations, and the ICC A117.1 Accessible and Usable Buildings and Facilities Standard, 2009 Edition" by reference and fixing the effective date thereof; repealing all sections of said code in conflict with this ordinance; preserving rights and duties that have already matured and proceedings that have already begun thereunder and providing penalties for the violation thereof.

Building Official Mike Scheu said that tonight they were looking for first read of the Ordinance, and he then gave a brief PowerPoint presentation which addressed the Energy Code Comparison.

He said that there was an additional amendment presented by the Multi-housing group and staff agreed with that recommendation.

Mr. Scheu explained the difference between "prescriptive" and "mandatory." He said that "prescriptive" requirements could be addressed through a simulated performance on the building whole, and "mandatory" meant they were required. If a simulated performance allowed something else to accomplish the same thing, then they could go that way.

It was noted that the initial discussion was to go forward with adoption of the entire suite of 2012 codes for insurance purposes, but they have since learned that if they were to remove the 2012 Energy Code, the insurance rates would not be affected.

Staff explained that the insurance companies are primarily concerned with building codes that address such things as structure, electrical, plumbing, mechanical. With regard to the Energy Code, he would speculate that some year back everyone was getting on the "save energy" bandwagon and they got together with green builders, NABA, etc. to provide an efficiency model code.

Mr. Scheu reviewed the various options outlined in the staff summary, one of which was to adopt all of the 2012 codes, but amend the Energy Code back to a prior year. After some discussion it was the consensus of the Council that they did not want to address it in that manner.

The following individuals addressed the Council, encouraging them to adopt the entire suite of 2012 Codes, including the 2012 Energy Code:

- Brad Garner
- Vance Peterson

- David Carpenter
- Eric Marcus
- Marilyn Weissman

Discussion was held on the ability for contractors to build to the newer Energy Code to attract certain buyers, without it being a requirement.

Mike Sistak, representing the Chamber of Commerce, referenced the letter written by the Chamber Director, Julie Patrick, which addressed concerns they had, and said that they would be coming back to the meeting for the second read of the ordinance with a more substantial view from the Chamber.

Discussion was held on the various cities around the state and what they have adopted in the way of Codes. Some have adopted the 2012, with amendments; some without amendments, etc. they all vary. It was also noted that these only relate to residential as the commercial codes get into much more engineering issues.

Councilmember Barotz asked if staff had any information on the SAVE Act and how it could impact this. Mr. Scheu said that they contacted the City's lobbyist who said that Act was introduced in 2011, but it never got out of committee. It has not been introduced in the current session.

Councilmember Oravits addressed the effect that increased costs up front for a home could have for those qualifying for home mortgages. Vice Mayor Evans added that there are some banks that give preference to those buying green homes since they know they will be saving on utilities in the long run.

Mayor Nabours said that he believed the way to address the energy efficient homes is to let the market drive them. He noted that the government does not mandate what temperature someone has to have their house at and they do not mandate what car they drive for energy savings reasons.

He said that the City of Flagstaff changed its sales tax code to impose a sales tax on land which made the cost of housing about \$900 more expensive. If they want to save money for the good of energy, they should repeal the sales tax on land and reduce permit fees so people will have up-front money for energy savings. He said that he was inclined to stay where they are on the Energy Code and adopt all of the other codes at 2012 with amendments.

Councilmember Barotz said that if they stay where they are at, given the current schedule they are on of reviewing codes every six years, it means that in 2019 when they look at the next adoption they will still be at the 2006 Energy Code.

Councilmember Overton said that he was not interested in going the full-blown 2012 adoption, but he did have concerns with staying at 2006, and he would entertain going with the 2009 Energy Code. He said that he would like to get the spreadsheet in electronic format before the second read of the ordinance.

Councilmember Brewster said that she knows nothing about building and depends on staff. She said that she liked the presentation and would consider adopting the 2012 Codes with the 2009 Energy Code. Discussion was held on the timing of second read and adoption.

Vice Mayor Evans said that it looked like the majority was moving toward the 2009 Energy Code, but she was actually more interested in adopting the 2012 Code. She said that there were other factors that cause housing to be more. She said that when they talk about affordable housing, they are not only talking about what the City is doing, but also what the private sector is doing that hurts or helps sometimes. She said that they currently provide assistance with housing and perhaps they should require those homes to be built to a higher standard as well.

Councilmember Woodson said that he was more inclined with going with the 2012 Codes across the board, with the amendments as noted. To him it levels the playing field.

Councilmember Barotz said that she would strongly support the 2012 Suite of Codes as there are a lot of people in the community that want to move forward.

Mayor Nabours moved to hold first reading of Ordinance No. 2013-12, adopting the 2012 Suite of Codes, along with the 2013 Amendments presented, except that the 2009 Edition of the Energy Code be included; seconded; failed 3-4 with Vice Mayor Evans and Councilmembers Barotz, Oravits and Woodson casting the dissenting votes.

Councilmember Woodson moved to adopt the 2012 Suite of Codes, with the 2013 Amendments; seconded; passed 4-3 with Mayor Nabours and Councilmembers Oravits and Overton casting the dissenting votes.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, ADOPTING THE "2012 INTERNATIONAL FAMILY OF CODES, AND THE 2013 AMENDMENTS TO CITY CODE, TITLE 4, BUILDING REGULATIONS, AND THE ICC A117.1 ACCESSIBLE AND USABLE BUILDINGS AND FACILITIES STANDARD, 2009 EDITION", BY REFERENCE AND FIXING THE EFFECTIVE DATE THEREOF; REPEALING ALL SECTIONS OF SAID CODE IN CONFLICT WITH THIS ORDINANCE; PRESERVING RIGHTS AND DUTIES THAT HAVE ALREADY MATURED AND PROCEEDINGS THAT HAVE ALREADY BEGUN THEREUNDER AND PROVIDING PENALTIES FOR THE VIOLATION THEREOF

- E. **Consideration and Approval of Consulting Agreement:** With True Life Companies (TLC) D.B.A. Pine Canyon regarding change to zoning condition and disposition of fees.

PULLED FROM AGENDA

- F. **Consideration of Changing August City Council Meeting Date:** Tuesday, August 27, 2013, to Monday, August 26, 2013.

Mayor Nabours moved to authorize staff to move the August 27, 2013, Council Meeting to August 26, 2013; seconded; passed unanimously.

15. **DISCUSSION ITEMS**

None

16. **POSSIBLE FUTURE AGENDA ITEMS**

Verbal comments from the public on any item under this section must be given during Public Participation (#5) near the beginning of the meeting. Written comments may be submitted to the City Clerk. After discussion and upon agreement of three members of the Council, an item will be moved to a regularly-scheduled Council meeting.

Mayor Nabours requested that a possible future agenda item be considered for repeal of the sales tax on land.

Vice Mayor Evans requested that a possible future agenda item be considered for the transportation of uranium ore through Flagstaff.

17. **PUBLIC PARTICIPATION**

Gaylor Staveley addressed the Council, inviting everyone to hear a speaker tomorrow night at the Cline Auditorium re Agenda 21.

Utilities Director Brad Hill updated the Council on issues impacting the wastewater treatment plant.

18. **INFORMATIONAL ITEMS AND REPORTS FROM COUNCIL AND STAFF, REQUESTS FOR FUTURE AGENDA ITEMS**

Vice Mayor Evans said that she continues to hear from residents in the southside area near Franklin and O'Leary, and she would like to receive a copy of the traffic impact analysis done for the Grove, if one was done, and also for the new development going in front of Grove. She believed that something needs to be done so people can get out.

Mr. Burke said that staff will go back and see what information they have. There is more housing being added on campus but he will try to find anything for developments off campus. Vice Mayor Evans said that if they have a partnership with NAU, perhaps they could do an impact study.

Councilmember Barotz reported that the Flagstaff Cultural Partners were kicking off their summer nights on the square.

Councilmember Brewster reported that she would be attending the retirement party for Kerry Blume on Friday.

The Regular Meeting of the Flagstaff City Council held June 4, 2013, adjourned at 7:53 p.m.

MAYOR

ATTEST:

CITY CLERK

CERTIFICATION

STATE OF ARIZONA)
ss.)
County of Coconino)

I, ELIZABETH A. BURKE, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the meeting of the Council of the City of Flagstaff held June 4, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 18th day of June, 2013.

CITY CLERK

MINUTES

WORK SESSION
TUESDAY, JUNE 11, 2013
COUNCIL CHAMBERS
211 WEST ASPEN AVENUE
6:00 P.M.

1. Call to Order.

Mayor Nabours called the Work Session of June 11, 2013, to order at 6:06 p.m.

2. Pledge of Allegiance.

The City Council and audience recited the Pledge of Allegiance.

3. Roll Call

Councilmembers present:

MAYOR NABOURS
VICE MAYOR EVANS
COUNCILMEMBER BAROTZ
COUNCILMEMBER BREWSTER
COUNCILMEMBER ORAVITS
COUNCILMEMBER OVERTON
COUNCILMEMBER WOODSON

Councilmembers absent:

Others present: City Manager Kevin Burke; Interim City Attorney Michelle D'Andrea

4. Public Participation (Non-Agenda Items Only):

*Public Participation enables the public to address the council about items that **are not** on the prepared agenda. Public Participation appears on the agenda twice, at the beginning and at the end of the work session. You may speak at one or the other, but not both. Anyone wishing to comment at the meeting is asked to fill out a speaker card and submit it to the recording clerk. When the item comes up on the agenda, your name will be called. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone to have an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.*

Erik Wolverton, Executive Director for Habitat for Humanity introduced himself to the City Council. He offered information on the Brush with Kindness program that provides assistance with home improvements to low income families. Habitat for Humanity is kicking off this program with the painting of the underpass on Milton this coming Saturday.

5. Preliminary Review of Draft Agenda for the June 18, 2013 City Council Meeting. *

** Public comment on draft agenda items may be taken under "Review of Draft Agenda Items" later in the meeting, at the discretion of the Mayor. Citizens wishing to speak on agenda items not specifically called out by the City Council for discussion under the second Review section may submit a speaker card for their items of interest to the recording clerk.*

Councilmember Barotz clarified item 16-A as asked that the title be changed to the discussion of the transportation of uranium through Flagstaff.

6. Legislative Session Update.

Jerne Watson introduced contract lobbyist Richard Travis from Nexxus Consulting. Mr. Travis gave a brief presentation on the latest legislative session.

The number one issue for the State is the budget; negotiations are continuing with passage expected soon. The good news is that this is the first year in the last five that there has not been an attack on state shared revenues.

Two issues dominated this session, Transaction Privilege Tax (TPT) reform and Medicaid expansion. The three areas negotiated in the TPT include single audit, single pair and construction piece. There was success in reduced impact on construction piece from \$200 million to \$20 million but it is still too much, it is hoped that it is withdrawn or winnowed down further.

HB2443 was requested and sponsored with our representatives; it made it through the process and was signed by Governor. This bill removes the requirement of an architect or engineer reviewing plans.

Council asked if the bill for the energy code requirements or limitations that a city can enact is hung up. Mr. Travis explained that it is currently hung up in the House and it is very contentious; they can concur or send it to a conference committee to add amendments. It could go as is and the sponsors can risk getting the necessary votes or they can send it to committee to soften the blow. The question is whether or not they have enough time to do this.

Council also asked about the bill that Coconino Community College had interest in regarding them being allowed to go to the voters asking for a property tax increase. Mr. Travis indicated that it had cleared the Senate 20-8 and it is now in the House. He feels that it is likely it has the required votes but they are looking for more to show the Governor the broad bipartisan support for a community to handle their own issues.

7. Updates on Sustainability Program.

Sustainability Manager Nicole Woodman offered a PowerPoint update on the Sustainability Program which addressed:

- Sustainability Program – Mission
- Sustainability Program – Programming Examples
 - 2012 was first year city could account for internal consumption
- Sustainability Program – 2012 Highlights
 - Fleet utilization audit project
 - Smart Driver training program
 - Expanded recycling outreach efforts
 - Phone Book recycling
 - Energy Retrofits
 - My Energy Pro – online energy tracking
 - Allows for the monitoring of individual energy sites
 - 24 free sustainable business analysis
- Sustainability Program – Moving Forward
- Municipal Sustainability Plan – 2013-2014

Mayor Nabours indicated that the Sustainability Section is funded by the \$4 a month fee that is on every water bill. Ms. Woodman clarified that the Sustainability Section is one of many funded by the fee.

Councilmember Oravits inquired about the recent travel of the division; he asked about the trip to New York for the Garrison Institute. Ms. Woodman explained that The Garrison Institute is a non-profit organization; they provided travel assistance to multiple Sustainability Managers to come and have a dialogue about strategies and resiliencies. This dialogue occurred shortly after Hurricane Sandy and a lot of the discussion focused around how organizations can work together to lessen the impacts of disaster.

Councilmember Oravits also asked about the Urban Sustainability Networks. Ms. Woodman offered that this is an initiative that started in Oregon and the project is similar to doing a micro regional plan for a district or neighborhood. The forums focused on systems thinking and building connectivity between systems.

Councilmember Oravits asked if the conferences offered any type of video conferencing or other methods to reduce the travelling required; 63 days of travel seems like a lot for the Sustainability Section. Ms. Woodman clarified that the 63 days of travel included the Environmental Management Section as well. The Garrison Institute offset the travel with carbon purchases. The goal is to look at alternatives as well as establish a more efficient video conferencing system for the City.

Vice Mayor Evans pointed out that Nicole should be commended for not only promoting sustainable ideas but for also practicing them; Nicole passed a vacant conference room and turned off the lights.

8. Discussion of 2014 Election Issues.

City Clerk Elizabeth Burke introduced Interim City Attorney Michelle D'Andrea as a co-presenter, and also introduced Patty Hansen, County Recorder, and Donna Casner, Chief Deputy Recorder.

Ms. Burke presented a PowerPoint Presentation on Election Issues and offered a brief history of how the issues have come to be.

Ms. D'Andrea continued the presentation with information on the current litigation of Tucson v. Arizona in the Pima Superior Court.

Ms. Burke then offered some options for Flagstaff, noting that the recommended option is to combine the City's primary election with the County ballot.

Vice Mayor Evans Feels the unaffiliated voters are being left out of the equation by having to call and request a ballot and it is unfair.

Patty Hansen, County Recorder, indicated that the problem is that the County is conducting a partisan primary by law and the City has to insert a non-partisan primary. Ms. Hansen offered that only 11% of non-partisans actually participate in primary election, and it is a concern.

Council asked if this will be a polling place election. Ms. Hansen said yes, there would be a special non-partisan ballot available at the polling places but the issue is with the permanent early voting list

The goal of legislature was to improve voter turnout but it may very well have the opposite effect in the primary election.

Mr. Burke asked that if the City is too far into the year to do a spring election and the court indicates that the statutory change to the election was invalid, what right the City had to hold an election in the fall. Ms. D'Andrea responded that the City truly would not have a right to hold the election in the fall. If the election was contested, the City would defend its actions of relying on the law at the time.

Council needs to look carefully the time available to make a decision in calling the election. There will be a period of time to ask the City Clerk to start doing work as if there is a spring election but there will come a time where you may need to cancel the election if there is no ruling at that time.

Ms. Burke stated that if the City went with a spring election they would need to call by September 17, 2013. This would leave 3.5 months to circulate petitions and turn things in.

Council asked what happens to the petitions for a spring election if a fall election is ultimately required. Ms. Burke indicated that the packets would not be any good and candidates would have to go through the process again.

It was asked if there is a permanent early voting registry and it lists non-partisans, why not mail a form to the registered independents. Ms. Hansen responded that there is a

legal barrier to this, those voters have until the election date to determine if they want to participate.

Council asked if the US Department of Justice would need to weigh in on this decision by the State. Ms. Burke offered that the process has been precleared by the Justice Department on a statewide basis since the measure was passed last year, but the City will still need to obtain preclearance.

Mr. Burke asked if there was a way for the wording on the petitions to be done to allow them to be valid for both the spring and fall elections. Ms. Hansen said that there may be some flexibility there but more research would need to be done to determine if it is an option.

Council agreed that the 3.5 month petition circulation time frame is more than enough time and would be okay with shortening that time frame.

9. Presentation on the City of Flagstaff's Procurement Code Manual.

Rick Compau, Purchasing Director, provided a PowerPoint Presentation on the Procurement Code Manual.

Council requested clarification on the requirement of being accessible to City staff and citizens. Mr. Compau agreed that additional language should be added to further define what this means. It would also be specific to the project and the expectations would be outlined in the bid documents.

Mr. Compau explained that the 10 points associated with this section would be assigned as deemed appropriate for the project. This means that the weights of the sub-sections may be different for each project. There is always an element of subjectivity with a process like this. To mitigate and decrease the amount of subjectivity, staff is able to break down the points in terms of importance given the project. The point value would be established and stated in the bid documents so that responders are aware from the beginning.

Michael Sistak with the Flagstaff Chamber of Commerce addressed Council and provided them with a letter from the Flagstaff Chamber of Commerce that offers specific criteria they would like to see included. Of the six options outlined in the letter, three are not included in the process:

1. Does your company have a local business license, give preference to those already here?
2. Location and length of time in city
3. Org chart, it is important that they be able to show who is benefiting from a city contract.

Mr. Compau suggested that these three items would not be appropriate to the section because it is not applicable to experience. Having a location in the City may not make them the most qualified.

Mr. Burke offered that the concern is an assumption of experience versus a statement of experience. They may be one in the same but not a guarantee. Providing experience in the Regional Plan area or FMPO boundaries qualifies the experience.

Council may request a future executive session to discuss what is legal and what is not with regard to local preference.

Council agreed with options 1, 2, and 4 provided in the PowerPoint but may add some things.

Mr. Compau continued his presentation moving to the Bid Protests section.

Councilmember Overton indicated that eliminating the option for a hearing is concerning in terms of liability. If someone comes in after the award has been made there is not option for discussion, it will be important to make it very clear when a protest can occur.

Mayor Nabours offered that from the protester side, they do not want the option of an internal hearing. The protester is required to exhaust all options before they can go to court and most times the internal hearing does nothing to prevent a court hearing anyway. The shorter the process the better it is for both sides.

Council agreed that the protest timeframes should be specified in all bid documents.

Council agreed on Option 1 provided in the PowerPoint for bid process.

A break was held from 8:00 p.m. through 8:11 p.m.

10. Dew Downtown Ski & Snowboard Festival Options.

City Manager Kevin Burke provided a PowerPoint Presentation on possible alternative options for the Dew Downtown event which addressed:

- Dew Downtown
- 2013 Street Closure contingent looking at alternate location and transferring operation to private operation
- Setting up a 3 year request for street closures
- Alternate Locations
- Overview of Dew Downtown (alternate sites)
- Original Location
- Leroux Street
- E Butler near Foxglenn Park
- E Forest Ave near USGS
- Huntington Drive near Wal-Mart
- Alternate Locations
- Transfer to Private Operations
- The future of Dew Downtown

Gordon Watkins, resident, addressed Council about the impacts of street closures and the number of events downtown.

Lynn Baker, resident, addressed Council about her concerns about not having proper notification of the discussion tonight. Ms. Baker also spoke about the impacts of streets closures and the events downtown.

Council inquired about how much additional business was theoretically brought to downtown and how they balance that with the indirect costs that the City incurs to put on the event and whether it is financially worth it.

Mr. Burke reported that there was a 2.5% increase or approximately \$1 million in gross sales. In terms of sales tax, it is about 2% of that. It is a significant number but not changing the economic outlook as a municipality. Bringing \$1 million to downtown may be worth it. In terms of costs the City hard costs were \$65,000 offset by sponsors. Soft costs were valued at \$41,000; this includes the equipment and people. Any overtime related to the project was considered a hard cost.

The novelty of the event is that they are skiing on a street in between buildings in downtown; this is the attraction. Having the businesses nearby adds a value of having that volume of people downtown. Business owners have indicated that this is the second largest day of the year next to Fourth of July.

Council asked about the notification of the meeting tonight. The item was placed on the downtown newsletter making downtown aware of the meeting. Mr. Burke indicated that there was a conscious decision not to notify specifically because the discussion considered multiple sites. When the time comes to discuss the street closure the notification will be more vast and specific.

There was further discussion about other locations and why they were not considered, a lot of locations were not viable due to access issues.

Vice Mayor Evans felt that allowing other businesses in other locations to have a million dollar impact would be great.

Council expressed concern about the proposal for a standing three year request. It is believed that if this action is considered, it be available for other groups as well.

Council offered direction to staff asking for a solicitation be created to gauge interest in a private entity taking over the event and other possible locations.

Mr. Burke responded that staff would move forward with this action but is not convinced that the process would be able to be completed in time for the event in February. He suggested running the process concurrently with the upcoming event or possibly skipping this February to accommodate the solicitation.

Councilmember Barotz requested the number of events that impact the north downtown residential neighborhood in a calendar year

It was suggested that if a majority of the City Council want to maintain the Dew Downtown event on north San Francisco they should look at how the burden might be lightened, such as capping the number of events.

Mr. Burke offered that Council ultimately has the final decision on what events/street closures to approve or deny.

11. Position on proposed 2014 resolutions for consideration by the League of Arizona Cities and Towns.

Deputy City Manager Jerene Watson provided an overview of the resolutions being considered and asked for Council to identify the resolutions they want to sign on to.

1. **Graffiti** – Council agreed to sign on in support.
2. **Halt the sweeping of HURF funds** – Council agreed to sign on in support.
3. **Restrictions on public records requests** – Council not in support of signing on.
4. **State to partner with cities and towns for maintenance of state parks** – Council not in support of signing on.
5. **Alternative delivery methods with regards to construction projects** – Council agreed to sign on in support.
6. **Restoration of Heritage Fund** – Council agreed to sign on in support.
7. **Restriction of large trucks to the right two lanes in an urban area** – Council not in support of signing on.
8. **Amend statutes to provide Workers Compensation to employees of another agency when working with a municipality** – Council not in support of signing on.
9. **Establish a mechanism enabling local government to establish renewable energy and conservation financing districts** – Council agreed to sign on in support.

Mayor Nabours asked about the possibility of a resolution asking for a review of the pension situation and what options may be enacted or available. The League should get experts to develop options to take to the legislature.

12. Review of Draft Agenda Items for the June 4, 2013 City Council Meeting.*

** Public comment on draft agenda items will be taken at this time, at the discretion of the Mayor.*

None.

13. Public Participation

None.

14. Informational Items To/From Mayor, Council, and City Manager.

Councilmember Woodson stated that he forwarded an email to Mr. Burke from David Tenney of the Navajo County Board of Supervisors providing a memo on the lack of progress on the 4FRI project. Staff is asked to prepare a CCR on the status of 4FRI and the options available to start moving this along.

Councilmember Oravits reported that he got to drive the paint striper with the Streets

Department; it was fun and staff did a great job.

Vice Mayor Evans had opportunity to be a keynote speaker at the GED graduation; Councilmember Brewster was there as well as Representative Crandall. It was a great event.

Councilmember Brewster reported that MJ McMahon is retiring and a reception is being held tomorrow evening for her at the High Country Conference Center.

Councilmember Barotz reported that she attended the first Friday art walk. It was amazing; there were so many people downtown. There was a good vibe and she was glad to see everyone there.

Mr. Burke reported that next Thursday is the first review of the Water Policy. Mr. Burke handed out a list of the policies for the 8 sections and asked Council to look through them and decide which ones are of the greatest desire and want to talk about first by Friday. This will help gear the discussion to start with those items first.

15. Adjournment

The Work Session of the Flagstaff City Council held June 11, 2013, adjourned at 9:40 p.m.

MAYOR

ATTEST:

CITY CLERK

CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Glorice Pavey, Recreation Supervisor
Date: 06/12/2013
Meeting Date: 06/18/2013



TITLE:

Consideration and Approval of Street Closure(s): Hopi Market Arts and Craft Festival.

RECOMMENDED ACTION:

Approve the street closure at Aspen Avenue between San Francisco Street and Leroux Street on 9/28/13 at 6 am through 9/29/13 at 6 pm.

Policy Decision or Reason for Action:

Subsidiary Decisions Points: By allowing the Hopi Market Arts and Craft Show as an exception to the special event permit regulations regarding the full closure of Aspen Avenue between San Francisco Street and Leroux Street, the City is providing a safe location for a community event.

Financial Impact:

Street closures have the potential to change traffic patterns for local businesses.

Connection to Council Goal:

Diversity of arts, culture and educational opportunities.

Has There Been Previous Council Decision on This:

Other special events have received this exception in the past.

Options and Alternatives:

Deny the request to close the proposed downtown streets.

- Pro: Closure of streets in the north downtown area has the potential to negatively impact business in this area. By not allowing the closure, these north downtown businesses and residents could count on the ordinary flow of traffic and parking.
- Con: This is a well-attended community event that brings visitors into the downtown area. The street closure will allow the show to expand and grow.

Background/History:

The Hopi Market is sponsored by the Hopi Tribe's Economic Development Corporation to provide an opportunity for Native American artisans to sell their arts and crafts. Additionally, this gives the Hopi Tribe an opportunity to share their life and culture through educating the public with art, dance and traditional foods. The market is in its fourth year and has annually drawn over 1000 residents and visitors into the downtown area.

Key Considerations:

The current special event permit regulations do not allow for the full closure of one-way downtown streets. Deviations from the special event permit packet have been approved by City Council on a case-by-case basis.

Expanded Financial Considerations:

Street closures have the potential to change traffic patterns for local businesses.

Community Benefits and Considerations:

The Hopi Market draws approximately 1000 residents and visitors to the historic downtown area and may generate tourism and business for Flagstaff hotels and restaurants. The Hopi Market provides an educational opportunity for residents and visitors through the sale and display of art, crafts and food.

Community Involvement:

The public participation goal of collaborate has been chosen: The Hopi Tribe hopes to bring together the businesses and residents for a successful arts and craft festival. The June Downtown Newsletter informed residents and local downtown businesses of the date and time that this agenda item will be presented to City Council. Additionally, the Hopi Economic has conducted outreach with surrounding businesses and plans on discussing the closure with the Downtown Business Alliance.

The Police Department has no concerns with this permit and recommends approval.

Attachments: Traffic Control Plan

FOREMAN - USA
 PHONE: 928-522-8675
 DATE: 28 SEP 10 TO 29 SEP 13
 TIME: 6AM TO 6PM

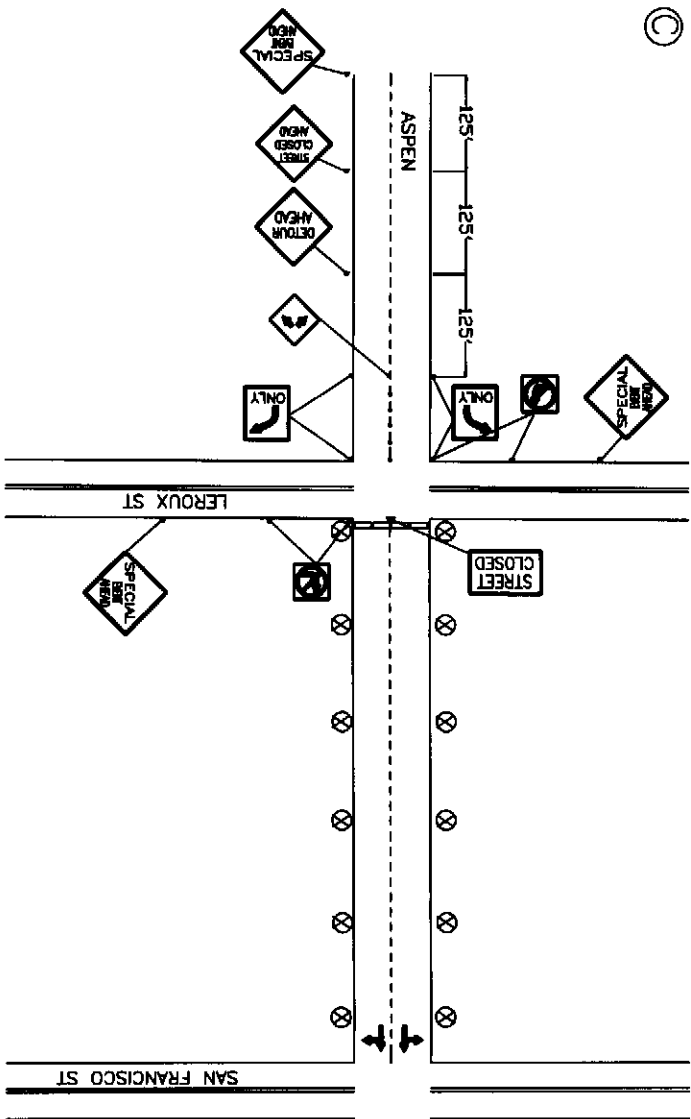
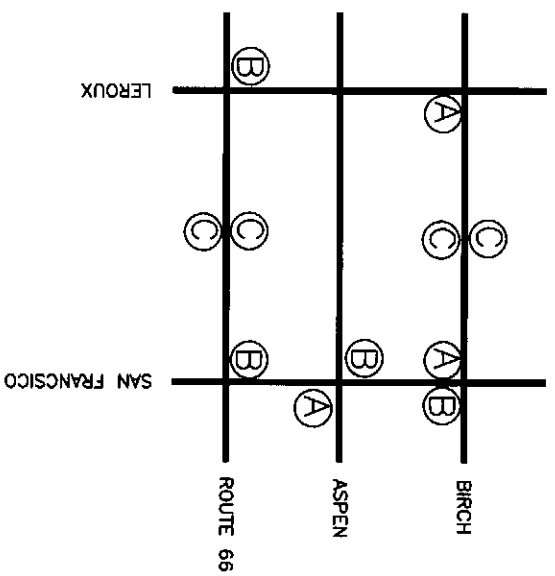
TEMP
NO
PARKING

NOTE: TEMPORARY NO
PARKING WILL BE PLACED
24HRS IN ADVANCE

DETOUR
←

DETOUR
→

DETOUR
↑



LEGEND

SIGN AND LIGHT TYPE (IF APPLICABLE)
 SIZE: 36" x 36" X 48" x 48"
 LIGHT: TYPE A TYPE B
 CHANNELIZING DEVICE
 SPACING TAPER 40' TANGENT 50' CENTERLINE N/A
 HIGH LEVEL ☐ TYPE I/TYPE II ☐ TYPE III

TRAFFIC CONTROL PLAN # 1			
CONTRACTOR	HOPI TRIBE	DATE	22 MAY 13
LOCATION	ASPEN AVE & LEROUX	START DATE	28 SEPT 13
TIME USAGE	24HRS	DRAWN BY	GREG. MONTEZ
AGENCY	CITY OF FLAGSTAFF		

RoadSafe
 TRAFFIC SYSTEMS
 OFFICE: 602-243-1218
 FAX: 602-243-3470

NORTH

 NOT TO SCALE
 SPEED LIMIT
 25
 EXISTING
 SPEED LIMIT

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Karl Eberhard, Comm Design & Redevelopment Mgr

Date: 06/12/2013

Meeting Date: 06/18/2013



TITLE:

Consideration and Approval of Consulting Contract: Allwyn Environmental, Inc., for Program Administrative Services for the FY2012 Brownfields Community-wide Assessment Grant.

RECOMMENDED ACTION:

Approve and authorize the City Manager to execute the agreement.

Policy Decision or Reason for Action:

Approval of this agreement allows the City to engage a project administrator and thus to administer the grant funded program per the requirements of the EPA (Environmental Protection Agency). This work includes coordination of the coalition partners, customers, and required EPA reporting (via City staff). In addition to administration, the contractor will also be performing certain aspects of work of the grant including public outreach, technical professional coordination and report review services, and required presentations at various EPA functions (including travel). The City currently has no Brownfields staff and requires these contracted services in order to perform as expected.

Subsidiary Decision Points: None.

Financial Impact:

As the grant was constructed, the cost of these services is included in the grant and therefore there is no financial impact to City funds, partners funds, or customers. The contract amounts are "estimated, not-to-exceed" and are over the three-year term of the grant. They are as follows:

Task 1- Project Oversight	\$14,800
Task 2 - Public Outreach	\$39,860
Task 3 - Technical Services	\$54,780
Task 4 - Database Management	\$41,140
Total	\$150,580

The City will charge the grant for approximately \$28,200 for services provided in-house. These include project coordination and management, required EPA reporting, and required presentations at various EPA functions (including travel).

This leaves \$521,221 for the assessment and planning work of the grant.

Connection to Council Goal:

Recycling Brownfields is one tool to retain, expand, and diversify the economic base of Flagstaff. Abandoned and contaminated properties are not only unproductive, but they detract from property values immediately adjacent and city-wide. They also foster sprawl (the most expensive scenario for the delivery of services and infrastructure). This kind of property owner assistance (environmental assessments and redevelopment planning) is a tool to help businesses stay in Flagstaff and to attract new businesses to Flagstaff.

Has There Been Previous Council Decision on This:

The City Council has previously accepted the grant agreement (November 6, 2012 - Arizona Route 66 Coalition Communities U.S. Environmental Protection Agency 2012 Brownfields Community-wide Assessment Grant).

Options and Alternatives:

1. Approve and authorize the City Manager to execute the agreement.
2. Do not approve and authorize the City Manager to execute the agreement and direct staff to perform these tasks in-house.
3. Do not approve and authorize the City Manager to execute the agreement and direct staff to seek additional service proposals.
4. Do not approve and authorize the City Manager to execute the agreement.

Background/History:Brownfield Definition

The EPA originally defined a Brownfield as real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. It was later expanded to include "abandoned or under-utilized" properties and mine scarred properties, as well as clarifications to include more contaminants such as petroleum and controlled substances.

Route 66 Brownfields

Established in 1928, historic Route 66, known as the "Mother Road," became the country's main east-west artery connecting communities from Chicago to Los Angeles with over 2,400 miles of continuously paved roadway. A rich history is tied into Route 66 beyond the road itself. It served as an agent of social transformation and represents a remnant of America's past. Cities and towns along Route 66 reaped the benefits of the highway with motels, diners, and gasoline and service stations springing up along the way as the country increasingly became a mobile society. Northern Arizona communities flourished and grew from this western movement, first driven by those seeking the prospects of a new beginning during the Great Depression, later by traffic headed west to support the defense industry in the 1940s, and then by the new American phenomenon of the 1950s, the family vacation.

By 1966, the interstate highway system replaced Route 66, bypassing over 200 miles of Route 66 roadway in Northern Arizona. This change coincided with other powerful forces that consolidated highway services, including the advent of traffic interchanges and the creation of national chains of gasoline stations, motels, and restaurants. The abandonment of Route 66 resulted in economic, environmental, and cultural resource implications that continue to plague Northern Arizona communities to this day. National chains that sprang up at the interchanges supplanted the locally-owned businesses along the highway. Route 66 businesses became less viable, even closed, and many properties remain underutilized or abandoned.

The environmental legacy includes over 1,100 known underground storage tanks in our area, about 40%

of which have leaked. While a number of these have been properly removed and closed, concerns and suspicions of the potentially-contaminated sites remain. Combined with other sources, such as railroad facilities, timber production sites, and other commercial and industrial operations, we estimate that over 1540 Brownfield sites may exist in the project area. The contaminants likely to be encountered at the sites are a host of petroleum hydrocarbons, as well as volatile organic compounds, heavy metals, and asbestos.

Using Flagstaff as an example, 27 motels along Route 66 are eligible for, or are listed on, the National Register of Historic Places. The other highway supporting facilities, such as the diners and service stations, have not been evaluated, but are likely also eligible. The National Park Service, during the course of their recent study of all of Route 66, identified Route 66 in Flagstaff as the most intact segment in the country. Setting aside the intrinsic benefits of preserving our heritage, these properties have the potential to be exploited for heritage tourism. Heritage tourists stay longer, do more, and spend more than other tourists - approximately 50% more. Albuquerque has successfully converted blighted Route 66 motels into viable businesses catering to heritage tourists.

There is great economic potential for these areas, including redevelopment, infill, tourism, heritage tourism, and more; however, the specter of unknown environmental hazards has hindered redevelopment.

Communitywide Assessment Grants

EPA assessment grants provide funding to the community to inventory, characterize, assess, and conduct planning related to Brownfields sites. Eligible applicants include only governments and certain quasi-governmental agencies. An eligible entity may apply for up to \$200,000 to assess sites contaminated by hazardous substances, pollutants, or contaminants (including hazardous substances co-mingled with petroleum) and up to \$200,000 to address sites contaminated by petroleum. A coalition of three or more eligible applicants can submit one grant proposal under the name of one of the coalition members for up to \$1,000,000. The performance period for these grants is three years. Assessment grants do not provide resources to conduct cleanup or building demolition activities.

Prior Experience

The City of Flagstaff individually received this same Communitywide Assessment Grant in 2006. The subject area of that grant was much smaller, focused on south Downtown and a portion of Route 66. However, with those funds, the City performed significant community outreach and involvement, inventories area properties, prepared a redevelopment plan for City owned properties on Phoenix Avenue, and prepared a GIS based Brownfield Sensitivity (planning) Map. Importantly, 20 Phase I and four (4) Phase II Environmental Site Assessments (ESAs) were prepared for various public and private properties. Approximately \$120,000 was directly disseminated into the Flagstaff community in the form of contract awards and Environmental Site Assessments reports. Grant compliance was exemplary and included the preparation of a Quality Assurance Project Plan (AQPP) and a Health and Safety Plan (HASP), quarterly reports, MBE/WBE reports, and ACRES database reporting, as well as presentations given at three national conferences and three Western Brownfield Workshops.

Community Involvement:

Preparing the Grant

In preparing the grant, all of the communities along Route 66 in Arizona in all cities and all counties, were invited to participate. Due to time constraints and other considerations, not all were able to do so. Multiple meetings of the interested communities were hosted by the City of Flagstaff to work out particulars, a draft IGA, and to prepare and review the grant application. Each participating community conducted two public meetings in their community to seek review and input on the application. These meetings were noticed on websites, advertised in local newspapers, and were further publicized with handbills and

flyers. Numerous agencies and associations were also consulted in the preparation of the application. We received 14 letters of support from these organizations including the Economic Collaborative of Northern Arizona and (ECoNA), the Sustainable Economic Development Initiative (SEDI), the Historic Route 66 Association of Arizona, the Rotary Clubs of Winslow Flagstaff, the Holbrook Painted Desert Kiwanis Club, and the Standin' on the Corner Foundation, Inc. Additionally, the Arizona Department of Environmental Quality was a vital partner in the development of this application.

During the Grant Term

The work of this grant is divided into four tasks and Task 2 is titled "Community Involvement." The Coalition members will continue to keep the public, business, and regulatory community involved throughout the life of this grant (through mailings, website postings, City Council reports, newsletters, as well as public and one-on-one meetings) regarding the activities planned by the Coalition, schedule information, and utilize means by which individuals and interested organizations can stay informed and involved. Each of the application-supporting agencies and organizations have also committed to assisting with community involvement.

Attachments: Service Agreement-Brownfields Rt 66 Community-Wide Assessments Program
Administration Services

**PROFESSIONAL SERVICE AGREEMENT
FOR
BROWNFIELDS ROUTE 66 COMMUNITY-WIDE ASSESSMENTS
PROGRAM ADMINISTRATION SERVICES**

**CITY OF FLAGSTAFF
and**

ALLWYN ENVIRONMENTAL, LLC

This Agreement for the Brownfields Route 66 Community-Wide Assessments Program Administration Services ("Agreement") is made by and between the City of Flagstaff ("City"), an Arizona municipal corporation with offices at 211 W. Aspen Avenue, Flagstaff, Coconino County, Arizona, and Allwyn Environmental, LLC, an Arizona limited liability company, with offices at 5723 W. Larkspur Drive, Glendale, Arizona ("Provider"), effective as of the date written below.

RECITALS

A. The City desires to enter into this Agreement in order to obtain services of a environmental professional for the Brownfields Route 66 Community-Wide Assessments Program Administration Services, as outlined in the Scope of Work/Specifications section of the RSOQ document; and

B. Provider has available and offers to provide the personnel necessary to provide said services within the required time in accordance with the Scope of Services included in this Agreement;

For the reasons recited above, and in consideration of the mutual covenants contained in this Agreement, the City and Provider agree as follows:

1. SERVICES TO BE PERFORMED BY PROVIDER

Provider agrees to perform the following services:

1.1 Provider agrees to provide the services as set forth in detail in Exhibit "A" attached and incorporated in this Agreement.

1.2 Provider warrants that all materials, services or construction delivered under the Agreement shall conform to the specifications of the Agreement. The City's receipt or inspection of the materials, services, or construction specified shall not alter or affect the obligations of Provider or the rights of the City under the foregoing warranty.

1.3 All services, information, computer program elements, reports and other deliverables which may be created under the Agreement are the sole property of the City and shall not be used or released by Provider or any other person except with prior written permission of the City.

2. COMPENSATION OF PROVIDER

Provider agrees to provide all of the services set forth in Exhibit "A" for prices not to exceed the amounts set forth in the fee/price schedule, attached as Exhibit "B".

3. RIGHTS AND OBLIGATIONS OF PROVIDER

3.1 Independent Contractor. The parties agree that Provider performs specialized services and that Provider enters into this Agreement with the City as an independent contractor. Nothing in this Agreement shall be construed to constitute Provider or any of Provider's agents or employees as an agent, employee or representative of the City. As an independent contractor, Provider is solely responsible for all labor and expenses in connection with this Agreement and for any and all damages arising out of Provider's

performance under this Agreement.

3.2 Provider's Control of Work. All services to be provided by Provider shall be performed as determined by the City in accordance with the Scope of Services set forth in Exhibit "A." Provider shall furnish the qualified personnel, materials, equipment and other items necessary to carry out the terms of this Agreement. Provider shall be responsible for, and in full control of, the work of all such personnel.

3.3 Reports to the City. Although Provider is responsible for control and supervision of work performed under this Agreement, the services provided shall be acceptable to the City and shall be subject to a general right of inspection and supervision to ensure satisfactory completion. This right of inspection and supervision shall include, but not be limited to, all reports to be provided by Provider to the City and the right of the City, as set forth in the Scope of Services, and the right of the City to audit Provider's records.

3.4 Compliance with All Laws. Provider shall comply with all applicable laws, ordinances, rules, regulations and executive orders of the federal, state and local government, which may affect the performance of this Agreement. Any provision required by law, ordinances, rules, regulations, or executive orders to be inserted in this Agreement shall be deemed inserted, whether or not such provisions appear in this Agreement.

4. NOTICE PROVISIONS

Notice. Any notice concerning this Agreement shall be in writing and sent by certified or registered mail as follows:

To the City's Authorized Representative:

Patrick Brown, C.P.M.
Senior Procurement Specialist
City of Flagstaff
211 W. Aspen
Flagstaff, Arizona 86001

To Provider:

Tod Whitwer, P.E.
Principal
Allwyn Environmental, LLC
5723 W. Larkspur Drive
Glendale, Arizona 85304

5. INDEMNIFICATION

To the fullest extent permitted by law, Provider shall indemnify, defend, save and hold harmless the City of Flagstaff and its officers, officials, agents, and employees ("Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) ("Claims") including claims for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Provider or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such Provider to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Provider from and against any and all claims. It is agreed that Provider shall be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. Provider shall waive all rights of subrogation against the City, its officers, officials, agents and employees for losses arising from the work performed by Provider for the City.

6. INSURANCE

Provider and subcontractors shall procure and maintain insurance against claims for injury to persons or damage to property, which may arise from or in connection with this Agreement by the Provider, Provider's agents, representatives, employees or contractors until all of their obligations under this Agreement have been discharged, including any warranty periods. The insurance requirements are

minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The City does not represent or warrant that the minimum limits set forth in this Agreement are sufficient to protect the Provider from liabilities that might arise out of this Agreement, and Provider is free to purchase such additional insurance as Provider may determine is necessary.

6.1. Minimum Scope and Limits of Insurance. Provider shall provide coverage at least as broad and with limits not less than those stated below.

6.1.1. Commercial General Liability - Occurrence Form
(Form CG 0001, ed. 10/93 or any replacement thereof)

General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Fire Damage (any one fire)	\$500,000
Medical Expense (any one person)	Optional

6.1.2. Automobile Liability - Any Automobile or Owned, Hired and Non-owned Vehicles
(Form CA 0001, ed. 12/93 or any replacement thereof)

Combined Single Limit Per Accident for Bodily Injury and Property Damage	\$1,000,000
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6.1.3. Workers' Compensation and Employer's Liability

Workers' Compensation	Statutory
Employer's Liability: Each Accident	\$500,000
Disease - Each Employee	\$500,000
Disease - Policy Limit	\$500,000

6.1.4. Professional Liability \$1,000,000

6.2 Self-insured Retention/Deductibles. Any self-insured retentions and deductibles must be declared to and approved by the City. If not approved, the City may require that the insurer reduce or eliminate such self-insured retentions with respect to the City, its officers, agents, employees, and volunteers.

6.3. Other Insurance Requirements. The policies shall contain, or be endorsed to contain, the following provisions:

6.3.1 Commercial General Liability and Automobile Liability Coverages. The City of Flagstaff, its officers, officials, agents and employees shall be named as additional insureds with respect to liability arising out of the use and/or occupancy of the Premises subject to this Agreement and activities performed by or on behalf of the Provider, including products and completed operations of the Provider; and automobiles owned, leased, hired or borrowed by the Provider.

6.3.2 The Provider's insurance shall contain broad form contractual liability coverage.

6.3.3 The City of Flagstaff, its officers, officials, agents and employees volunteers shall be named as additional insureds to the full limits of liability purchased by the Provider even if those limits of liability are in excess of those required by this Agreement.

6.3.4. The Provider's insurance coverage shall be primary insurance with respect to the City, its officers, officials, agents, employees and volunteers. Any insurance or self-insurance maintained

by the City, its officers, officials, agents and employees, shall be in excess of the coverage of the Provider's insurance and shall not contribute to it.

6.3.5 The Provider's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

6.3.6 Coverage provided by the Provider shall not be limited to the liability assumed under the indemnification provisions of this Agreement.

6.3.7 The policies shall contain a waiver of subrogation against the City, its officers, officials, agents and employees for losses arising from work performed by Provider for the City.

6.6 Notice of Cancellation. Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days' prior written notice has been given to the City. When cancellation is for non-payment of premium, then at least ten (10) days' prior notice shall be given to the City. Notices required by this section shall be sent directly to Patrick Brown, Senior Procurement Specialist, City of Flagstaff, 211 W. Aspen Avenue, Flagstaff, Arizona 86001.

6.7 Acceptability of Insurers. Provider shall place insurance hereunder with insurers duly licensed or approved unlicensed companies in the State of Arizona and with a "Best's" rating of not less than A-: VII. The City does not represent or warrant that the above required minimum insurer rating is sufficient to provide the Provider from potential insurer insolvency.

6.8 Verification of Coverage. The Provider shall furnish the City with certificates of insurance (ACORD form) as required by this Agreement. The certificates for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. Any policy endorsements that restrict or limit coverage shall be clearly noted on the certificate of insurance.

6.8.1 The City must receive and approve all certificates of insurance before the Provider commences work. Each insurance policy required by this Agreement shall be in effect at, or before, commencement of work under this Agreement and shall remain in effect until all Provider's and its subcontractors' obligations under this Agreement have been met. The Provider's failure to maintain the insurance policies as required by this Agreement or to provide timely evidence of renewal will be considered a material breach of this Agreement.

6.8.2 All certificates of insurance shall be sent directly to Patrick Brown, Senior Procurement Specialist, 211 West Aspen Avenue, Flagstaff, Arizona 86001. The City project/contract number and project description shall be noted on the certificates of insurance. The City reserves the right to require, and receive within ten (10) days, complete, certified copies of all insurance policies and endorsements required by this Agreement at any time. The City shall not be obligated, however, to review any insurance policies or to advise Provider of any deficiencies in such policies and endorsements. The City's receipt of Provider's policies or endorsements shall not relieve Provider from, or be deemed a waiver of, the City's right to insist on strict fulfillment of Provider's obligations under this Agreement.

6.9 Subcontractors. Provider's certificate(s) shall include all subcontractors as additional insureds under its policies, or Provider shall furnish to the City Separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

6.10 Approval. Any modification or variation from the insurance requirements in this Agreement must have the prior approval of the City's Attorney's Office, whose decision shall be final. Such action will not require a formal Agreement amendment but may be made by administrative action.

7. DEFAULT AND TERMINATION

7.1 Events of Default Defined. The following shall be Events of Default under this Agreement:

7.1.1 Any material misrepresentation made by Provider to the City;

7.1.2 Any failure by Provider to perform its obligations under this Agreement including, but not limited to, the following:

7.1.2.1 Failure to commence work at the time(s) specified in this Agreement due to a reason or circumstance within Provider's reasonable control;

7.1.2.2 Failure to perform the work with sufficient personnel and equipment or with sufficient equipment to ensure completion of the work within the specified time due to a reason or circumstance within Provider's reasonable control;

7.1.2.3 Failure to perform the work in a manner reasonably satisfactory to the City;

7.1.2.4 Failure to promptly correct or re-perform within a reasonable time work that was rejected by the City as unsatisfactory or erroneous;

7.1.2.5 Discontinuance of the work for reasons not beyond Provider's reasonable control;

7.1.2.6 Unsatisfactory performance as judged by the Contract Administrator;

7.1.2.7 Failure to provide the City, upon request, with adequate assurance of future performance;

7.1.2.8 Failure to comply with a material term of this Agreement, including, but not limited to, the provision of insurance; and

7.1.2.9 Any other acts specifically stated in this Agreement as constituting a default or a breach of this Agreement.

7.2 Remedies.

7.2.1 Upon the occurrence of any Event of Default, the City may declare Provider in default under this Agreement. The City shall provide written notification of the Event of Default. If such Event of Default is not cured within seven (7) days of receipt of the notification, the City may invoke any or all of the following remedies:

7.2.1.1 The right to cancel this Agreement as to any or all of the services yet to be performed;

7.2.1.2 The right of specific performance, an injunction or any other appropriate equitable remedy;

7.2.1.3 The right to monetary damages;

7.2.1.4 The right to withhold all or any part of Provider's compensation under this Agreement;

7.2.1.5 The right to deem Provider non-responsive in future contracts to be awarded by the City; and

7.2.1.6 The right to seek recoupment of public funds spent for impermissible purposes.

7.2.2 The City may elect not to declare an Event of Default or default under this Agreement or to terminate this Agreement upon the occurrence of an Event of Default. The parties acknowledge that this provision is solely for the benefit of the City, and that if the City allows Provider to continue to provide the Services despite the occurrence of one or more Events of Default, Provider shall in no way be relieved of any of its responsibilities or obligations under this Agreement, nor shall the City be deemed to waive or relinquish any of its rights under this Agreement.

7.2.3 In the Event of Default by the Provider, the City shall not be liable to Provider for any amount, and Provider may be liable to the City for any and all damages sustained by reason of the default which gave rise to the termination.

7.3 Right to Offset. Any costs, including but not limited to attorney's fees, costs of remediation, and costs of delay, incurred by the City due to default of Proposer, or due to the City's exercise any of the remedies available to it under this Agreement, may be offset by use of any payment due for services completed before the default or the exercise of any remedies. If the offset amount is insufficient to cover excess costs, Provider shall be liable for and shall remit promptly to the City the balance upon written demand from the City.

7.4 Termination for Convenience. The City reserves the right to terminate, with or without cause, this Agreement upon ninety (90) days written notice. The City shall be responsible only for those standard items or services which have been delivered and accepted. If any items being purchased are truly unique and therefore not saleable or useable for any other application, the City shall reimburse Proposer for actual labor, material, and burden costs, plus a profit not to exceed 8%. Title to all materials, work in progress, and completed but undelivered goods, shall pass to the City after costs are claimed and allowed. Proposer shall submit detailed cost claims in an acceptable manner and shall permit the City to examine such books and records as may be necessary in order to verify the reasonableness of any claims.

8. GENERAL PROVISIONS

8.1 Headings. The article and section headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provision of this Agreement.

8.2 Jurisdiction and Venue. This Agreement shall be administered and interpreted under the laws of the State of Arizona. Provider hereby submits itself to the original jurisdiction of those courts located within Coconino County, Arizona.

8.3 Attorney's Fees. Subject to Section 8.11, if suit or action is initiated in connection with any controversy arising out of this Agreement, the prevailing party shall be entitled to recover, in addition to costs, such sum as the court, including an appellate court, may adjudge reasonable as attorney fees.

8.4 Severability. If any term or provision of this Agreement shall be found by a court of competent jurisdiction to be illegal or unenforceable, then notwithstanding such illegality or unenforceability, the remainder of this Agreement shall remain in full force and effect and such term or provision shall be deemed to be deleted.

8.5 Successors and Assigns. No right or interest in the Agreement shall be assigned by Provider without prior written permission of the City, and no delegation of any duty of Provider shall be made without prior written permission of the City. The City shall not unreasonably withhold approval and shall notify Provider of the City's position within fifteen (15) days of receipt of written notice by Provider. This Agreement shall extend to and be binding upon the Provider, its successors and assigns, including any individual, company, partnership, or other entity with or into which the Provider shall merge, consolidate, or be liquidated, or any person, corporation, partnership, or other entity to which the Provider shall sell its assets.

8.6 Subcontracts. No subcontract shall be entered into by Provider with any other party to furnish any service specified in this Agreement without the advance written approval of the City. All subcontracts shall comply with Federal, State and local laws and regulations that are applicable to the services covered by the subcontract and shall include all the terms and conditions set forth in the Agreement which shall apply with equal force to the subcontract, as if the subcontractor were the Provider. Provider is responsible for contract performance whether or not subcontractors are used. The City shall not unreasonably withhold approval and shall notify Provider of the City's position within fifteen (15) days of receipt of written notice by Provider. Provider shall be responsible for executing the agreement with subcontractor and obtaining Certificates of Insurance verifying the insurance requirements.

8.7 Conflict of Interest. Provider covenants that Provider presently has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Provider further covenants that in the performance of this Agreement, Provider shall not engage any employee or apprentice having any such interest. The parties agree that this Agreement may be cancelled for conflict of interest in accordance with Arizona Revised Statutes § 38-511.

8.8 Authority to Contract. Each party represents and warrants that it has full power and authority to enter into this Agreement and perform its obligations hereunder, and that it has taken all actions necessary to authorize entering into this Agreement.

8.9 Integration. This Agreement represents the entire understanding of City and Provider as to those matters contained in this Agreement, and no prior oral or written understanding shall be of any force or effect with respect to those matters, except for documents comprising the RSOQ Package that have been incorporated into this Agreement. This Agreement may not be modified or altered except in writing signed by duly authorized representatives of the parties.

8.10 Non Appropriation. If the City Council does not appropriate funds to continue this Agreement and pay for charges under this Agreement, the City may terminate this Agreement at the end of the current fiscal period, or at the time that funds are no longer available to meet the City's payment obligations. The City agrees to give written notice of termination to the Provider at least thirty (30) days prior to any termination for a lack of funds and will pay to the Provider all approved charges incurred prior to Provider's receipt of such notice, subject to the availability of funds appropriated and budgeted by the City to fund payments under this Agreement.

8.11 Mediation. If a dispute arises out of or relates to this Agreement, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to resolve the dispute by mediation before resorting to litigation or some other dispute resolution procedure. Mediation shall take place in Flagstaff, Arizona, shall be self-administered, and shall be conducted under the CPR Mediation Procedures established by the CPR Institute for Dispute Resolution, 366 Madison Avenue, New York, NY 10017, (212) 949-6490, www.cpradr.org with the exception of the mediator selection provisions, unless other procedures are agreed upon by the parties. Unless the parties agree otherwise, the mediator(s) shall be selected from panels of mediators trained under the Alternative Dispute Resolution Program of the Coconino County Superior Court. Each party agrees to bear its own costs in mediation. The parties shall not be obligated to mediate if an indispensable party is unwilling to join the mediation. This mediation provision shall not constitute a waiver of the parties' right to initiate legal action if a dispute is not resolved through good faith negotiation or mediation, or if a party seeks provisional relief under the Arizona Rules of Civil Procedure.

8.12 Non-Discrimination. Provider shall not discriminate against any employee, or applicant for employment in violation of Federal Executive Order 11246, State Executive Order 75-5 as modified by State Executive Order 99-4 or A.R.S. 41-1461 et. seq. The Provider shall be required to comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and applicable federal regulations under the Act.

8.13 Compliance with Federal Immigration Laws and Regulations. Provider hereby warrants to the City that the Provider 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 its employees and A.R.S. §23-214(A) (hereinafter "Provider Immigration Warranty").

8.13.1 A breach of the Provider Immigration Warranty shall constitute a material breach of this Agreement and shall subject the Provider to penalties up to and including termination of this Agreement at the sole discretion of the City.

8.13.2 The City retains the legal right to inspect the papers of any Provider or Subcontractor employee who works on this Agreement to ensure that the Provider or Subcontractor is complying with the Provider Immigration Warranty. Provider agrees to assist the City in regard to any such inspections.

8.13.3 The City may, at its sole discretion, conduct random verification of the employment records of the Provider and any of Subcontractors to ensure compliance with Provider's Immigration Warranty. Provider agrees to assist the City in regard to any random verifications performed.

8.13.4 The provisions of this Article must be included in any contract the Provider enters into with any and all of its Subcontractors who provide services under this Agreement 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.

8.14 Anti-Trust Violations. The City maintains that, in actual practice, overcharges resulting from antitrust violations are borne by the Provider. Therefore, to the extent permitted by law, Provider hereby assigns to the City any and all claims for such overcharges as to the goods or services used to fulfill this Agreement.

8.15 Advertising. Proposer shall not advertise or publish information concerning the Agreement, without the prior written consent of the City.

8.16 Inspection. All material, services or construction are subject to final inspection and acceptance by the City. The City may, at reasonable times and at its expense, inspect the plant or place of business of Provider or its subcontractor(s) which is related to the performance of this Agreement. This right of inspection and supervision shall include, but not be limited to the right of the City to audit Provider's records.

8.17 Force Majeure. Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Agreement if and to the extent that such party's performance of this Agreement is prevented by reason of force majeure.

8.17.1 The term "force majeure" means an occurrence that is unforeseeable and beyond the control of the party affected, which occurs without its fault or negligence, and which it is unable to prevent by exercising reasonable diligence. Without limiting the foregoing, force majeure includes acts of God, acts of the public enemy, war, riots, strikes, mobilization, labor disputes, civil disorders, fire, flood, lockouts, injunctions-intervention-acts, or unreasonable failures or refusal to act by government authority, and other similar occurrences. The force majeure shall be deemed to commence when the party declaring force majeure notifies the other party, in writing, 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 agreement.

8.17.2 Force majeure shall not include the following occurrences:

8.17.2.1 Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or by an oversold condition of the market.

8.17.2.2 Late performance by a Subcontractor unless the delay arises directly 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.

8.17.3 If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing as soon as is practical, of the commencement of such delay 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 section, 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 when it has done so. The time of completion shall be extended by Agreement 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 Agreement.

8.18 Business Operations in Sudan/Iran. In accordance with A.R.S. § 35-397, the Provider certifies that the Provider and its affiliates and subsidiaries do not have scrutinized business operations in Sudan or Iran. If the City determines that the Provider's certification is false, the City may impose all legal and equitable remedies available to it, including but not limited to termination of this Agreement.

9. DURATION

This Agreement shall become effective on and from the date it is executed by the Parties and shall continue for a period of **three (3) consecutive years**, unless sooner terminated as provided in this Agreement. The City reserves the right to unilaterally extend the period of the Agreement for ninety (90) days beyond the stated termination date. The Agreement may be renewed month to month in writing for a supplemental period of up to **one (1) additional one-year term**. The City Council authorizes the City of Flagstaff Purchasing Director to administratively renew this Agreement for the additional terms specified in this paragraph. Any additional renewals must be approved by the City Council.

(Please sign in blue ink. Submit original signatures – photocopies not accepted)

City of Flagstaff

Allwyn Environmental, LLC

Kevin Burke, City Manager

Name, Title

Attest:

City Clerk

Approved as to form:

City Attorney

Date of Execution: _____

EXHIBIT A
SCOPE OF WORK

Memorandum

Page 1

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ALLWYN ENVIRONMENTAL
An Allwyn Priorities, LLC Company

To: Karl Eberhard (City of Flagstaff)
From: Tod Whitwer
Date: April 10, 2013
Re: Proposed Scope of Work and Budget
FY2012 Brownfields Coalition Grant Program Administration Services

This memorandum outlines Allwyn Environmental's proposed scope of work and schedule to provide Administrative Support services to the City of Flagstaff in support of the City's Fiscal Year (FY) 2012 Brownfields Coalition Assessment grant from the Environmental Protection Agency (EPA).

PROPOSED SCOPE OF WORK

Project administration may include but is not limited to establishing project protocols and documents; preparing various plans (Community Involvement Plan, QAPP, SAP template); managing the project selection and procurement processes; planning and managing the distribution of funds; and preparing and reporting to the City of Flagstaff Program Manager and other staff, the EPA via City of Flagstaff, and the various Boards or Councils of the Coalition.

- Program coordination may include but is not limited to coordination with the City of Flagstaff Program Manager and other staff, coordinating the interactions and efforts of the Coalition partners, scheduling and conducting individual and/or group meetings, and coordinating grant activities with property owners as well as local, State, and Federal agencies via City of Flagstaff Staff.
- Community outreach shall be comprehensive and includes informing the public and Community-Based organizations (public and one-on-one meetings, mailings, website postings, newsletters, and other strategies) regarding the activities planned by the Coalition, a tentative schedule, and means by which individuals and interested organizations can stay informed and involved in the assessment process.
- Professional services associated with specific projects may include but are not limited to assisting and advising all of the Coalition partners in technical and procedural matters; contractor selection; technical review, evaluation, written comments, and approval (via the EPA Eligibility Determination process) for all grant proposals and documents; onsite representation; approval of the final work product; and final project documentation (AAI checklist and ACRES reporting).
- Required professional services include other activities as necessary to facilitate the functionality of the coalition and to assure grant compliance by all parties.

EXHIBIT B

FEE SCHEDULE

Memorandum

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ALLWYN ENVIRONMENTAL
An Allwyn Priorities, LLC Company

PROPOSED BUDGET AND FEE PAYMENT SCHEDULE

The Program Administration Services shall not exceed the following contract amounts:

Category	Task 1 Project Oversight	Task 2 Community Involvement	Task 3 Site Assessment	Task 4 Database Management	Grand Total
PETROLEUM PRODUCTS					
Travel	\$5,550				\$5,550
Supplies		\$7,410		\$2,500	\$9,910
Contractual		\$8,640	\$26,266	\$16,200	\$51,106
Total	\$5,550	\$16,050	\$26,266	\$18,700	\$66,566
HAZARDOUS SUBSTANCES					
Travel	\$9,250				\$9,250
Supplies		\$10,850		\$3,000	\$13,850
Contractual		\$12,960	\$28,514	\$19,440	\$60,914
Total	\$9,250	\$23,810	\$28,514	\$22,440	\$84,014
Grand Total	\$14,800	\$39,860	\$54,780	\$41,140	\$150,580

The Program Administration Services shall be billed as follows:

Travel: Actual Receipts

Supplies: Actual Receipts

Contractual Services:

In-house Staff: Per the following rate schedule:

- Senior Professional: \$120/hour
- Staff Professional: \$85/hour

Subcontractors: Cost + 8%

Please note that the total grant award is \$700,000. The budget remaining for the City of Flagstaff and the Coalition members is as follows:

- City of Flagstaff Project Oversight - \$28,200
- Site Assessment Contractual - \$521,221



GRANT PROVISIONS

Grant Project Title: 2012 Brownfield Assessment – Hazardous Substance and Petroleum

Project Title: Arizona Route 66 Coalition Communities Project

Funding Agency: U.S. Environmental Protection Agency

Grant Agreement No.: BF-00T97401

Catalog of Federal Domestic (CFDA) Number: 66.818

City Project No.: 18630H - Hazardous / 18630P - Petroleum



GRANT PROVISIONS

The Contractor and its Subcontractor shall comply with the following grant provisions;

Applicable Laws

Compliance with all applicable Federal, State, and Local laws and regulations.

Authority / Regulations

Compliance with the Statutory Authority CERCLA: Sec. 104(k)(2), and Related Authorities. The Regulatory Authority at 40 CFR Part 31, as applicable are also incorporated by reference and made a part of this Agreement.

Federal Cross-Cutting Requirements

The Contractor must comply with Federal cross-cutting requirements. These requirements include but are not limited to, MBE/WBE requirements found at 40 CFR Part 33; OSHA Worker Health & Safety Standard 29 CFR 1910.120; the Uniform Relocation Act; National Historic Preservation Act; Endangered Species Act; and Permits required by Section 404 of the Clean Water Act; Executive Order 11246, Equal Employment Opportunity, and implementing regulations at 41 CFR 60-4; Contract Work Hours and Safety Standards Act, as amended (40 USC § 327-333) the Anti Kickback Act (40 USC § 276c) and Section 504 of the Rehabilitation Act of 1973 as implemented by Executive Orders 11914 and 11250.

Restrictions on Lobbying.

The Contractor shall not use funds made available to it under this Agreement to pay for, influence, or seek to influence any officer or employee of any governmental entity.

Funder Acknowledgment

The Contractor agrees that, when practicable, any equipment purchased with grant funding shall be prominently marked as follows: **"Purchased with funds provided by the Environmental Protection Agency, 2012 Brownfield Assessment Grant."**

The Contractor agrees to cooperate with any assessments, state/national evaluation efforts, or information or data collection requests, including, but not limited to, the provision of any information required for the assessment or evaluation of any activities within this agreement.

Contracting with small and minority firms, women's business enterprise and labor surplus area firms.

Comply with MBE/WBE requirements found at 40 CFR Part 33;

(1) The Contractor will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.

(2) Affirmative steps shall include:

(i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;

(iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;

(v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce.

Federal agencies are permitted to require changes, remedies, changed conditions, access and records retention, suspension of work, and other clauses approved by the Office of Federal Procurement Policy.

Reporting

Contractor and its Subcontractors will comply with any requirements and regulations pertaining to reporting.

Patent Rights

Contractor and its Subcontractors will comply with requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract.

Ownership of Information, Printed and Published Material.

The Funding Agency and the City shall have full and complete rights to reproduce, duplicate, disclose, perform, and otherwise use all reports provided to the City

Copyright Rights

Contractor and its Subcontractors will comply requirements and regulations pertaining to copyrights and rights in data.

Clean Water and Air Act

Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of \$100,000).

Energy Policy and Conservation Act

Mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

Inspection

U.S. Environmental Protection Agency and the City of Flagstaff have the right to inspect and evaluate the work performed or being performed under this Agreement, and the premises where the work is being performed, at all reasonable times and in a manner that will not unduly delay the work. If U.S. Environmental Protection Agency or the City of Flagstaff performs inspection or evaluation on the premises of the Contractor or a Subcontractor, the Contractor shall furnish and shall require Subcontractors to furnish all reasonable facilities and assistance for the safe and convenient performance of these duties.

Awards to debarred and suspended parties

The City will not make any award or permit any award (subgrant or contract) at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, ``Debarment and Suspension."

Responsible Contractors

The City will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

Access and Retention of Records

Access by the City of Flagstaff and the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions. Retention of all required records for three years after grantees or subgrantees make final payments and all other pending matters are closed.

CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Trevor Henry, Project Manager
Date: 06/12/2013
Meeting Date: 06/18/2013



TITLE:

Consideration and Approval of Construction Contract: Switzer Canyon Transmission Main Project.

RECOMMENDED ACTION:

- 1) Award the construction contract to Seller's and Sons, Inc. of Glendale, Arizona in the total award amount of \$980,483, which includes \$25,000 in contract allowance. The contract period is 120 calendar days; and
- 2) Authorize Change Order Authority to the City Manager in the amount of \$95,550 (10% of the bid contract amount, less contract allowance) for unanticipated additional costs; and
- 3) Authorize the City Manager to execute the necessary documents.

Policy Decision or Reason for Action:

Awarding the contract will authorize the construction of the Switzer Canyon Transmission Main Project in accordance with the approved public improvements construction plans prepared by Turner Engineering, Inc.

Financial Impact:

The Switzer Canyon Transmission Main project is funded by the total budget appropriation of \$1,165,554 (includes FY 12 and FY 13 prior year expenditures) and FY 14 budget amount of \$1,020,483 (acct. 201-5120-770).

Connection to Council Goal:

Repair, replace, maintain infrastructure (streets & utilities)

Has There Been Previous Council Decision on This:

No.

Options and Alternatives:

- Approve the award as recommended.
- Reject the approval of the award and direct staff to re-advertise the project. This option would delay the construction start date and cause the work to be deferred until 2014.

Background/History:

The scope of the project includes a new 20" transmission water main with associated fittings, new fire hydrants and pavement replacement sections along the Switzer Canyon Road corridor. Water services will be relocated to the ROW with the proper adjustments. The Utilities Department has been planning an improvement of the existing transmission main in the Switzer Canyon corridor. Phase I is from Route 66 to Turquoise Drive at approximately \$1 million. Phase II is from Turquoise Drive to Forest Avenue and Phase III is from Forest Avenue to the north end of San Francisco St. The total project for the Switzer Canyon corridor (all phases) is expected to carry over the next three fiscal years, FY 14 to FY16.

Construction impacts may include traffic detours, temporary lane closures with traffic flagging and temporary access to parcels with signage. Coordination with property and business owners will be made for water service disconnects and reconnects.

Key Considerations:

The bid solicitations were published two times, April 21 and 28, 2013. Thirteen bids were received on May 8, 2013 at the office of the City Purchasing Agent. A summary of the bids received are:

Bidder	Total
<i>Engineer's Estimate</i>	\$ 859,688.00
Seller's and Sons	\$ 980,483.00
Alliance Street Works	\$ 1,099,500.00
LP's Excavating	\$ 1,118,943.00
Red Point	\$ 1,217,984.00
McDonald Brothers	\$ 1,249,914.00
Fann Contracting	\$ 1,308,299.00
RTR Paving and Resurfacing Inc.	\$ 1,411,917.00
RK Sanders Inc.	\$ 1,430,491.00
CLM Earthworks	\$ 1,433,570.10
Standard Construction Co.	\$ 1,444,391.00
Eagle Mountain Construction, Inc	\$ 1,628,996.00
Hunter Contracting	\$ 1,786,233.00
Gantry Construction	\$ 1,979,015.00

Expanded Financial Considerations:

Project expenditures will be funded by the current total budget appropriation of \$1,165,554 for the Utilities program (201-5120-770).

Community Benefits and Considerations:

The project will replace an existing 16" water main that is deteriorated and outside of the existing roadway. The existing 16" main will be abandoned in place. The project will improve the water system within this area and provide easier access for City operation and maintenance.

Community Involvement:

Utility easements and temporary construction easements are required from selected property owners. The City has contacted the property owners and staff is in process of acquiring the necessary easements to facilitate the water service relocations and new fire hydrants. Construction progress and up-dates will be provided to the property owners on the progress of the project.

Expanded Options and Alternatives:

- Approve the award as recommended.
- Reject approval of the award. This option would delay the construction start and cause the work to be deferred until 2014.

Attachments: Construction Contract
 Vicinity Map

CONSTRUCTION CONTRACT

**City of Flagstaff, Arizona
And
Sellers and Sons, Inc.**

This Construction Contract ("Contract") is made and entered into this ____ day of _____ 2013, by and between the City of Flagstaff, an Arizona municipal corporation with offices at 211 West Aspen Avenue, Flagstaff, Arizona ("Owner") and Sellers and Sons, Inc., an Arizona corporation ("Contractor") with offices in Avondale, Arizona . Contractor and the Owner may be referred to each individually as a "Party" and collectively as the "Parties."

RECITALS

- A. Owner desires to obtain construction services; and
- B. Contractor has available and offers to provide personnel and materials necessary to accomplish the work and complete the Project as described in the Scope of Work within the required time in accordance with the calendar days included in this Contract.

NOW, THEREFORE, the Owner and Contractor agree as follows:

1. Scope of Work. The Contractor shall furnish any and all labor, materials, equipment, transportation, utilities, services and facilities required to perform all work for the construction of **Switzer Canyon Transmission Main Project** (the "Project"). Contractor shall construct the Project for the Owner in a good, workmanlike and substantial manner and to the satisfaction of the Owner through its engineers and under the direction and supervision of the City Engineer, or his properly authorized agents including but not limited to project managers and project engineers. Contractor's work shall be strictly pursuant to and in conformity with the Contract.

- 1.1 A Pre-Construction Conference will be held with the successful Contractor after the Notice of Award is issued. The date and time of the Conference will be agreed upon between the Contractor and the Engineer. The meeting will be held at City Hall, 211 West Aspen Avenue, Flagstaff, AZ 86001. The purpose of the meeting is to outline specific construction items and procedures that the City of Flagstaff (the "Owner") feels require special attention on the part of the Contractor. The Contractor may also present any variations in procedures to improve the workability of the Project, reduce the cost, or reduce inconvenience to the public. The Contractor shall submit a written proposal at this conference outlining intended plans for pavement replacement, maintaining continuous access to residences and businesses along the construction site, and traffic control.

2. Contract; Ownership of Work. Contractor shall furnish and deliver all of the materials and perform all of the work in accordance with this Contract; Construction Plans; Special Provisions; the City of Flagstaff Engineering Design and Construction Standards and Specifications; the latest version of the Maricopa Association of Governments ("MAG") Specifications for Public Works Construction and City revisions to the MAG Specifications for

Public Works Construction (“Exhibit A”); and any Arizona Department of Transportation (A.D.O.T.) Standards that may be referenced on the Plans or in the specifications, incorporated in this Contract by reference, plans and associated documents. All provisions of the Invitation for Construction Bids, Performance Bond, Payment Bond, Certificates of Insurance, Addenda, Change Orders and Field Orders, if any, are hereby incorporated into this Contract. All materials, work, specifications and plans shall be the property of the Owner.

The following exhibits are incorporated by reference and are expressly made a part of this Contract:

2.1.1 Revisions of MAG Standard Specifications for Public Works Construction Exhibit A
 (“Flagstaff Addendum to MAG”)

2.1.2 Special Provisions Exhibit B

3. Payments. In consideration of the faithful performance of the work described in this Contract, the Owner shall pay an amount not to exceed **\$980,483.00** to the Contractor for work and materials provided in accordance with the bid schedule, which amount includes all federal, state, and local taxes, as applicable. This amount shall be payable through monthly progress payments, subject to the following conditions:

- 3.1 Contractor shall promptly submit to the Owner all proper invoices necessary for the determination of the prices of labor and materials;
- 3.2 Progress payments shall be made in the amount of ninety percent (90%) of the value of labor and materials incorporated in the work, based on the sum of the Contract prices of labor and material, and of materials stored at the worksite, on the basis of substantiating paid invoices, as estimated by the Owner, less the aggregate of all previous payments, until the work performed under this Contract is fifty percent (50%) complete. When and after such work is fifty (50%) complete, the ten percent (10%) of value previously retained may be reduced to five percent (5%) of value completed if Contractor is making satisfactory progress as determined by the Owner, and providing that there is no specific cause or claim requiring a greater amount to be retained. If at any time the Owner determines that satisfactory progress is not being made, the ten percent (10%) retention shall be reinstated for all subsequent progress payments made under this Contract;
- 3.3 The City Engineer shall have the right to finally determine the amount due to Contractor;
- 3.4 Monthly progress payments shall be made by the Owner, on or before fourteen (14) calendar days after the receipt by the Owner of an approved estimate of the work completed;
- 3.5 Contractor agrees that title to materials incorporated in the work, and stored at the site, shall vest with the Owner upon receipt of the corresponding progress payment;

3.6 The remainder of the Contract price, after deducting all such monthly payments and any retention, shall be paid within sixty (60) days after final acceptance of completed work by the Owner. The release of retention or alternate surety shall be made following the Owner's receipt and acceptance of: Contractor's Affidavit Regarding Settlement of Claims, Affidavit of Payment, Consent of Surety for Final Payment, and Unconditional Full and Final lien waivers from all subcontractors and suppliers who have filed an Arizona Preliminary 20 Day Lien Notice in accordance with A.R.S. §§ 33-992.01 and 33-992.02.

4. Time of Completion. Contractor agrees to complete all work as described in this Contract within **120 calendar days** from the date of the Owner's Notice to Proceed free of all liens, claims and demands of any kind for materials, equipment, supplies, services, labor, taxes and damages to property or persons, in the manner and under the conditions specified within the time or times specified in this Contract.

5. Performance of Work. All work covered by this Contract shall be done in accordance with the latest and best accepted practices of the trades involved. The Contractor shall use only skilled craftsmen experienced in their respective trades to prepare the materials and to perform the work.

6. Acceptance of Work; Non Waiver. No failure of the Owner during the progress of the work to discover or reject materials or work not in accordance with this Contract shall be deemed an acceptance of, or a waiver of, defects in work or materials. No payment shall be construed to be an acceptance of work or materials which are not strictly in accordance with the Contract.

7. Delay of Work. Any delay in the performance of this Contract due to strikes, lockouts, fires, or other unavoidable casualties beyond the control of the Contractor and not caused by any wrongful act or negligence of the Contractor shall entitle the Contractor to an extension of time equal to the delay so caused. The Contractor shall notify the Owner in writing specifying such cause within twenty-four (24) hours after its occurrence. In the event such delay is caused by strikes, lockouts, or inability to obtain workmen for any other cause, the Owner shall have the right but shall not be obligated to complete the work on the same basis as is provided for in Section 13 below (Contract Violations).

8. Failure to Complete Project in Timely Manner. If Contractor fails or refuses to execute this Contract within the time specified in Section 4 above, or such additional time as may be allowed, the proceeds of Contractor's performance guaranty shall become subject to deposit into the Treasury of the municipality as monies available to compensate the Owner for damages as provided by A.R.S. § 34-201 for the delay in the performance of work under this Contract, and the necessity of accepting a higher or less desirable bid from such failure or refusal to perform this Contract as required. If Contractor has submitted a certified check or cashier's check as a performance guaranty, the check shall be returned after the completion of this Contract.

9. Labor Demonstration. It is understood that the work covered by this Contract is for the Owner's business purposes and that any unfavorable publicity or demonstrations in connection with the work will have a negative effect upon the Owner. If Contractor's actions in performance of the

Contract result in any public demonstration on behalf of the laborers or organized labor in the vicinity of the Owner's premises, whether such demonstration is in the form of picketing, posting of placards or signs, violence, threats of violence or in any other form, which in the Owner's judgment, might convey to the public the impression that the Owner or the Contractor or any subcontractor is unfair to laborers or to organized labor, the Owner shall have the right to terminate this Contract immediately, unless the Contractor shall have caused such demonstration to be discontinued within two (2) days after request of the Owner to do so. In the event any such demonstration is attended by violence, the Owner may fix lesser time within which a discontinuance shall be accomplished. In the event of Contract termination, the Contractor agrees to remove from the Premises within twenty-four (24) hours of termination, all machinery, tools, and equipment belonging to it or to its subcontractors. All obligations or liabilities of the Owner to the Contractor shall be discharged by such termination, except the obligation to pay to the Contractor a portion of the Contract price representing the value based upon the Contract prices of labor and materials incorporated in the work as established by the Owner, less the aggregate of all previous payments, but subject to all of the conditions pertaining to payments generally.

10. Material Storage. During the progress of the work, the Contractor shall arrange for office facilities and for the orderly storage of materials and equipment. Contractor shall erect any temporary structures required for the work at his or her own expense. The Contractor shall at all times keep the premises reasonably free from debris and in a condition which will not increase fire hazards. Upon completion of the work, the Contractor shall remove all temporary buildings and facilities and all equipment, surplus materials and supplies belonging to the Contractor. Contractor shall leave the Premises in good order, clean, and ready to use by the Owner. The establishment of any temporary construction yard, material storage area or staging area to be located within City of Flagstaff limits and outside the public right-of-way or Project limits generally requires a Temporary Use Permit. (See Exhibit A, Section 107.2.1.)

11. Assignment. Contractor shall not assign this Contract, in whole or in part, without the prior written consent of the Owner.

12. Notices. All notices or demands required to be given, pursuant to the terms of this Contract, shall be given to the other Party in writing, delivered in person, sent by facsimile transmission, deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested or deposited with any commercial air courier or express service 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.

If to Owner:

Patrick Brown, C.P.M.
Senior Procurement Specialist
211 West Aspen Avenue
Flagstaff, AZ 86001

If to Contractor:

John Sellers
Sellers and Sons, Inc.
P.O. Box 1177
Avondale, Arizona 85323

13. Contract Violations. In the event of any of the provisions of this Contract are violated by the Contractor or by any of Contractor's subcontractors, the Owner may serve written notice upon the Contractor and the Surety of its intention to terminate such Contract (the "Notice to Terminate"). The Contract shall terminate within five (5) days of the date Contractor receives the Notice to Terminate, unless the violation ceases and Contractor makes arrangements for correction satisfactory to the Owner. In the event of any such termination, the Owner shall immediately serve notice of the termination upon the Surety by registered mail, return receipt requested. The Surety shall have the right to take over and perform the Contract. If the Surety does not commence performance within ten (10) days from the date of receipt of the Owner's notice of termination, the Owner may complete the work at the expense of the Contractor, and the Contractor and his or her Surety shall be liable to the Owner for any excess cost incurred by the Owner to complete the work. If the Owner completes the work, the Owner may take possession of and utilize such materials, appliances and plants as may be on the worksite site and necessary for completion of the work.

14. Contractor's Liability and Indemnification. To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the Owner, 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 Owner, its agents, representatives, officers, directors, officials and employees shall arise in connection with the 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 there from, 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 in the Contract (Section 103.6 of Exhibit A) will in no way be construed as limiting the scope of the indemnity in this paragraph.

15. Non Appropriation. In the event that no funds or insufficient funds are appropriated and budgeted in any fiscal period of the Owner to meet the Owner's obligations under this Contract, the Owner will notify Contractor in writing of such occurrence, and this Contract will terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Contract are exhausted. No payments shall be made or due to the other party under this Contract beyond these amounts appropriated and budgeted by the Owner to fund the Owner's obligations under this Contract.

16. Amendment of Contract. This Agreement may not be modified or altered except in writing and signed by duly authorized representatives of the parties.

17. Subcontracts. Contractor shall not enter into any subcontract, or issue any purchase order for the completed work, or any substantial part of the work, unless in each instance, prior written approval shall have been given by the Owner. Contractor shall be fully responsible to the Owner

for acts and omissions of Contractor's subcontractors and all persons either directly or indirectly employed by them.

18. Cancellation for Conflict of Interest. This Contract is subject to the cancellation provisions of A.R.S. § 38-511.

19. Compliance with All Laws. Contractor shall comply with all applicable laws, statutes, ordinances, regulations and governmental requirements in the performance of this Contract.

20. Employment of Aliens. Contractor shall comply with A.R.S. § 34-301, which provides that a person who is not a citizen or ward of the United States shall not be employed upon or in connection with any state, county or municipal public works project.

21. Compliance with Federal Immigration Laws and Regulations. Contractor warrants that it complies with all Federal Immigration laws and regulations that relate to its employees and complies with A.R.S. 23-214.A. Contractor acknowledges that pursuant to A.R.S. 41-4401 a breach of this warranty is a material breach of this contract subject to penalties up to and including termination of this contract, and that the City retains the legal right to inspect the papers of any employee who works on the contract to ensure compliance with this warranty.

22. Business Operations in Sudan/Iran. In accordance with A.R.S. § 35-397, the Contractor certifies that the Contractor and its affiliates and subsidiaries do not have scrutinized business operations in Sudan or Iran. If the City determines that the Provider's certification is false, the City may impose all legal and equitable remedies available to it, including but not limited to termination of this Agreement.

23. Contractor's Warranty. Pursuant to MAG specifications 108.8, The Contractor shall guarantee the work against defective workmanship or materials for a period of one year from the date of its final acceptance under the contract, ordinary wear and tear and unusual abuse or neglect excepted.

24. Jurisdiction and Venue. This Agreement shall be administered and interpreted under the laws of the State of Arizona. The Contractor hereby submits itself to the original jurisdiction of those courts located within Coconino County, Arizona.

25. Attorney's Fees. If suit or action is initiated in connection with any controversy arising out of this Agreement, the prevailing party shall be entitled to recover in addition to costs such sum as the court may adjudge reasonable as attorney fees, or in event of appeal as allowed by the appellate court.

26. Time is of the Essence. Contractor acknowledges that the completion of the Contract by the dates specified final completion is critical to the Owner, time being of the essence of this Contract.

27. Headings. The article and section headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provision of this Contract.

28. Severability. If any part of this Contract is determined by a court to be in conflict with any statute or constitution or to be unlawful for any reason, the parties intend that the remaining provisions of this Contract shall remain in full force and effect unless the stricken provision leaves the remaining Contract unenforceable.

IN WITNESS WHEREOF, the Owner and Contractor, by their duly authorized representatives, have executed this Contract as of the date written above.

(Please sign in blue ink. Submit original signatures – photocopies not accepted)

Owner, City of Flagstaff

Sellers and Sons, Inc.

Kevin Burke, City Manager

Signature

Attest:

Printed Name

City Clerk

Approved as to form:

City Attorney

**CITY OF FLAGSTAFF, ARIZONA
PAYMENT BOND**

PROJECT NAME: Switzer Canyon Transmission Main Project

PROJECT NUMBER: 512000

BID NUMBER: 2013-41

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

KNOW ALL MEN BY THESE PRESENTS:

That, _____
(Hereinafter called the Principal), as Principal, and, _____
_____, a corporation
organized and existing under the laws of the State of _____, with its
principal office in the City of _____ ("Surety"), as Surety, are held and
firmly bound unto the City of Flagstaff, Arizona ("Obligee"), 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 Obligee,
dated this _____ day of _____, 20____, to the City of Flagstaff which
Contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at
length herein.

Now, therefore, the condition of this obligation is such, that if the principal promptly pays
all monies 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 the 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 said Title and Chapter, to the same
extent as if it were copied at length in this Contract.

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

Witness our hands this _____ day of _____ 20____.

Principal (Seal)

Surety (Seal)

By: _____

By: _____

Agency of Record

Agency Address

**CITY OF FLAGSTAFF, ARIZONA
PERFORMANCE BOND**

PROJECT NAME: Switzer Canyon Transmission Main Project

PROJECT NUMBER: 512000

BID NUMBER: 2013-41

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 Contract Amount)

KNOW ALL MEN BY THESE PRESENTS:

That, _____
(hereinafter called the Principal), as Principal, and, _____
_____, a corporation organized and existing under the laws of the State of _____
_____, with its principal office in the City of _____
("Surety"), as Surety, are held and firmly bound unto the City of Flagstaff, Arizona ("Obligee"), 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 Obligee,
dated this ____ day of _____ 20__ in the City of Flagstaff which
Contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at
length herein.

Now, therefore, the condition of this obligation is such, that if the principal faithfully
performs and fulfills all of the undertakings, covenants, terms, conditions and agreements of
contract during the original term of the contract and any extension of the contract, with or without
notice to the surety, and during the life of any guaranty required under the contract, and also
performs and fulfills all of the undertakings, covenants, terms, conditions and agreements of all
duly authorized modifications of the contract that may hereafter be made, notice of which
modifications to the surety being hereby waived, the above 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 of said Title and Chapter, to the extent as if it were copied at length in this Contract.

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 _____ 20__.

Principal (Seal)

Surety (Seal)

By: _____

By: _____

Agency of Record

Agency Address

SWITZER CANYON TRANSMISSION MAIN Phase I



VICINTY MAP

th - May 2013

CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Candace Schroeder, Senior Procurement Specialist
Co-Submitter: Ladd Vagen, Director Info. Tech.
Date: 06/12/2013
Meeting Date: 06/18/2013



TITLE:

Consideration and Approval of Payment: Annual Computer Hardware and Software Maintenance and Support Services.

RECOMMENDED ACTION:

Authorize the payment in the amount of \$601,015.15, plus applicable sales tax, to:

- 1) ERP - Financial Applications - \$151,000.00
- 2) SHI Software - Microsoft Enterprise Agreement - \$135,000.00
- 3) Intergraph Public Safety, Inc. - Maintain the map and corresponding DB for system - \$196,428.08
- 4) SIRSI - Online Library Catalog 4/1-3/31 - \$70,007.07
- 5) Additional charge for migrating data from branches into catalog - \$48,580.00

Policy Decision or Reason for Action:

- Policy Decision or Reason for Action:
 - Annual payments are issued to provide ongoing software licensing support and maintenance as necessary. The attached schedule outlines the anticipated expenditures for fiscal year 2014.
- Decision Points:
 - Annual purchase orders provide for the means to conduct day-to-day activities of the City without delay.

Financial Impact:

- Purchases are budgeted in the department/divisions general administration.

Connection to Council Goal:

- Effective governance - The action is required to assure continual service.

Has There Been Previous Council Decision on This:

No

Options and Alternatives:

1) Approve the recommended action as submitted; 2) Present to Council the hardware and software maintenance support services exceeding the bid threshold on an individual basis.

Background/History:

For the past five years, Purchasing has presented a comprehensive master listing outlining most computer hardware and software maintenance and support services. City staff's recommendation is to receive payment authorization as one action item at the onset of the fiscal year. During the current fiscal year we have expended to date \$521,538.08 to the various vendors as outlined in the attached schedule.

Key Considerations:

Hardware and Software maintenance and support services are being acquired from designated vendors we purchased the computer hardware and software from.

Expanded Financial Considerations:

Ongoing maintenance and support services assure the City the latest product enhancements and technical support that is critical in support of the City's computer infrastructure.

Community Benefits and Considerations:

No

Community Involvement:

Inform.

Attachments: FY14 Software Maint

EXHIBIT A
CITY OF FLAGSTAFF

DEPT / DIV	FY13 BUDGET	FY13 ACTUAL	FY14 BUDGET
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IT MAINTENANCE FY14

ERP - Financial Applications	\$121,000.00	\$132,142.00	\$151,000.00
SHI SOFTWARE-Microsoft enterprise Agreement	\$125,000.00	\$128,721.47	\$135,000.00
DoIT Maintenance Total	\$246,000.00	\$257,142.00	\$286,000.00

PD - IT MAINTENANCE FY14

INTERGRAPH PUBLIC SAFETY INC - Maintain the map and corresponding DB for system	\$192,832.16	\$196,428.08	\$196,428.08
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LIBRARY - IT MAINTENANCE FY14

SIRSI - Online Library Catalog 4/1-3/31	\$66,950.00	\$67,968.00	\$70,007.07
Additional charge for migrating the data from our branches into our Catalog.			\$48,580.00
Library Maintenance Total:	\$66,950.00	\$67,968.00	\$118,587.07

Total all

\$505,782.16 \$521,538.08 \$601,015.15

CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Shannon Anderson, Human Resources Manager
Date: 06/12/2013
Meeting Date: 06/18/2013



TITLE:

Consideration of Appointment: City Attorney.

RECOMMENDED ACTION:

Appoint Michelle D'Andrea as the City Attorney for the City of Flagstaff.

Policy Decision or Reason for Action:

Due to the departure of Rosemary Rosales on March 1, 2013 it is necessary to appoint a new City Attorney.

Financial Impact:

The salary and benefits for this position are currently budgeted.

Connection to Council Goal:

The City Attorney assists both City Council and City staff members in the accomplishment of the City Council goals and objectives.

1. Repair, replace, maintain infrastructure (streets & utilities)
2. Fund existing and consider expanded recreational services
3. Address Core Services Maintenance Facility
4. Complete Rio de Flag
5. Retain, expand, and diversify economic base
6. Complete Water Policy
7. Review financial viability of pensions
8. Review all commissions
9. Zoning Code check in and analysis of the process/implementation
10. Develop an ongoing budget process
11. Effective governance

Has There Been Previous Council Decision on This:

No

Options and Alternatives:

The City Council may consider other terms to be included and execute an updated agreement.

Community Involvement:

Inform

Attachments: Employment Agreement

EMPLOYMENT AGREEMENT

This Agreement for Services is made and entered into this 18th day of June 2013, by and between the City of Flagstaff, an Arizona municipal corporation in the City of Flagstaff, County of Coconino, State of Arizona (hereinafter called "The City") and Michelle D'Andrea (herein called "Employee.")

RECITALS:

WHEREAS, in order to secure the services of the Employee, the City desires to enter into an agreement embodying the terms of such employment (the "Agreement"); and

WHEREAS, the Employee desires to accept such employment and enter into such Agreement;

NOW, THEREFORE, in consideration of the premises, the agreements and mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Employee hereby agree as follows:

1. Agreement to Employ. Upon the terms and subject to the conditions of this Agreement, the City hereby employs the Employee, and the Employee hereby accepts employment by the City.

2. Term of Employment. Position and Responsibilities.

(a) Term of Employment. The City shall employ the Employee for a term commencing on June 18, 2013 and ending on June 17, 2014. The period during which the Employee is employed pursuant to this Agreement shall be referred to as the "Employment Period."

(b) Position and Responsibilities. During the Employment Period, the Employee will serve as City Attorney of the City of Flagstaff. Employee shall perform the functions and duties set forth in Article IV, Section 4 of the Charter of the City of Flagstaff (Exhibit A), and shall perform consistent with federal law, state law and the City Code of Flagstaff. Employee shall perform other legally permissible and proper duties and functions as the City Council shall from time to time assign. The Employee will devote substantially all of her skill, knowledge and working time to the conscientious performance of such duties except for reasonable vacation time, absence for sickness, and authorized leaves of absence. To the extent that it does not significantly interfere with the performance of the Employee's duties hereunder, it shall not be a violation of this Agreement for the Employee to (i) serve on civic or charitable boards or committees, and (ii) deliver lectures or fulfill speaking engagements at educational institutions. Employee shall not spend more than ten (10) hours per week in teaching, counseling or other non-Employer connected business without the prior approval of City Council. The Employee represents that she is entering into this Agreement voluntarily and that, to the best of her knowledge, her employment hereunder and compliance by her with the terms and conditions of this Agreement will not conflict with or result in the breach of any agreement to which she is a party or by which she may be bound.

3. Base Salary. As compensation for the services to be performed during the Employment Period by the Employee hereunder, the City will pay the Employee an annual base salary of not less than One Hundred Fifty-five Thousand and no/100 dollars (\$155,000.00). The City may review Employee's base salary at any time, and may, in its discretion, change such base salary as City deems appropriate, provided, however, that Employee's base salary under this agreement shall not be less than One Hundred Fifty-five Thousand and no/100 dollars (\$155,000.00). The Employee will also receive increases in pay as provided to other management employees.

4. Employee Benefits. During the Employment Period, Employee and the Employee's dependents are eligible and may participate in Employee benefit programs in accordance with the programs of the City available to employees. Such benefits may include (without limitation) medical, dental, vision, employee assistance programs, accidental death and dismemberment, individual and group life insurance, and other such benefits (sometimes referred to hereinafter as "welfare benefits"). The City may amend its welfare benefit program at any time without limitation in accordance with applicable State and Federal law. Employee shall also be entitled to participate in the Arizona State Retirement System.

5. Perquisites and Expenses.

(a) General. During the Employment Period, the Employee shall be entitled to participate in any special benefit or perquisite program generally available from time to time to employees of the City on the terms and conditions then prevailing under such programs.

(b) Automobile Expense. During the Employment Period, Employee shall receive an automobile allowance in the amount of Three Hundred Fifty and no/100 dollars (\$350.00) per month. Employee shall have the right to use a rental vehicle or her own vehicle in accordance with the City of Flagstaff Travel Policy.

(c) Business Travel, Lodging, etc. The City, subject to budget constraints, shall reimburse the Employee for reasonable travel, lodging and meal expenses incurred by her in condition with her performance of services hereunder or professional development, upon submission of evidence, satisfactory to the Employer, of the incurrence and purpose of each such expense.

(d) Professional Dues. The City agrees, subject to budgeting constraints, to budget for and to pay the professional licensing fees, dues and subscriptions of Employee.

(e) Vacation. Employee shall accrue twenty-one (21) days per year of vacation reflecting ten to fourteen (10-14) years of public service.

(f) Sick Leave. Employee shall be awarded twelve (12) days per year of sick leave and shall have six (6) days credited and available for immediate use.

6. Termination of Employment.

(a) Termination for Cause. The City shall be entitled at any time to terminate Employee's employment with City for Cause. For purposes of this Agreement, the City shall have "Cause" to terminate the Employee's employment as authorized by Article IV of the City

Charter. Upon the Employee's Date of Termination for Cause, the Employment Period will immediately terminate and all obligations of the City and the Employee under this Agreement will immediately cease. Upon Termination for Cause, the City shall pay to Employee the following amounts:

(i) Any accrued, unpaid portion of Base Salary through the Date of Termination shall be paid within three (3) days after the Employee's Date of Termination; and

(ii) Any leave or benefits accrued at the Date of Termination pursuant to the applicable policies in the Employee Handbook of Regulations in effect at the time of termination.

(b) Termination Due to Death or Disability. The City may terminate this Agreement immediately upon Employee's death or disability. "Disability," for purposes of this Agreement, means a condition that results in benefits to the Employee under any long-term disability arrangement of the City or an Affiliate, or the failure of the Employee to render and perform the services required of her under this Agreement, for a total of one hundred and eighty (180) days or more during any consecutive twelve (12) month period, because of any physical or mental incapacity. Upon the Employee's Date of Termination due to her death or disability, the Employment Period will immediately terminate and all obligations of the City and the Employee under this Agreement will immediately cease. Upon Termination due to Death or Disability, the City shall pay the Employee the following:

(i) Any accrued, unpaid portion of Base Salary through the Date of Termination. If termination is due to death, the amount shall be paid on the next applicable pay period after the Employee's Date of Termination. If termination is due to disability, the amount shall be paid within three (3) days after the Employee's Date of Termination; and

(ii) If termination is due to disability, an amount equal to six (6) months of Base Salary shall be paid within three (3) days after the Employee's Date of Termination; and

(iii) Any leave or benefits accrued at the Date of Termination pursuant to the applicable policies in the Employee Handbook of Regulations in effect at the time of termination.

(c) Termination by the City Without Cause. The City may terminate the Agreement without cause by providing Employee with forty-five (45) days written notice of its intent to terminate the Agreement. In the event Employee resigns following a request, whether formal or informal, by at least four (4) members of the City Council that she resign, Employee may at her option deem herself to be "Terminated without Cause" for purposes of this Agreement. Upon termination of Employee's employment without Cause, the Employment Period will immediately terminate and all obligations of the City and the Employee under this Agreement will immediately cease. The City shall pay the Employee, and the Employee shall be entitled to receive, the following:

(i) Any accrued, unpaid portion of Base Salary through the Date of Termination shall be paid within three (3) days after the Employee's Date of Termination; and

(ii) An amount equal to six (6) months of Base Salary shall be paid within three (3) days after the Employee's Date of Termination; and

(iii) Any leave or benefits accrued at the Date of Termination pursuant to the applicable policies in the Employee Handbook of Regulations in effect at the time of termination; and

(iv) Insurance coverage for a period of six (6) months following the Employee's Date of Termination.

(d) Voluntary Termination by the Employee. Employee may terminate this Agreement by providing forty-five (45) days written notice of her intent to terminate pursuant to this section. Upon voluntary termination by the Employee, the Employment Period will immediately terminate, and all obligations of the City under this Agreement will immediately cease. The City shall pay the Employee, upon the Employee's voluntary termination, the following:

(i) Any accrued, unpaid portion of Base Salary through the Date of Termination shall be paid on the next applicable pay period after the Employee's Date of Termination; and

(ii) Any leave or benefits accrued at the Date of Termination pursuant to the applicable policies in the Employee Handbook of Regulations in effect at the time of termination.

(e) Notice of Termination. Any termination of the Employee's employment (other than by reason of death) shall be communicated by written Notice of Termination from one party hereto to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision of this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Employee's employment under the provision so indicated.

(f) "Date of Termination" shall mean (i) if the Employee's employment is terminated by her death, the date of her death, (ii) if the Employee's employment is terminated by the Employer for Cause, the date on which Cause is determined, (iii) if the Employee's employment is terminated by the Employer Without Cause or voluntarily by the Employee, forty-five (45) days after the date on which Notice of Termination is given, and, (iv) if the Employee's employment is terminated by her disability, the date of the Notice of Termination.

7. Performance Evaluation. The City Council shall review and evaluate Employee's performance at least annually. The City shall provide adequate opportunity for Employee to discuss her evaluation with the City Council. The City Council shall conclude Employee's review and evaluation no later than June 17th of each year. Employee's review and evaluation shall be in accordance with specific criteria developed jointly by the City Council and Employee.

The City Council and Employee shall define goals and performance objectives annually, which they determine necessary for the proper operation of the City of Flagstaff and in attainment of the City Council's written policy objectives.

8. Entire Agreement. Except as otherwise expressly provided herein, this Agreement constitutes the entire agreement among the parties hereto with respect to the subject matter hereof, and all promises, representations, understandings, arrangements and prior agreements relating to such subject matter (including those made to or with the Employee by any other person or entity) are merged herein and superseded hereby.

9. Indemnification and Bonding. The City shall defend, hold harmless and indemnify Employee against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the lawful performance of Employee's duties as City Attorney. The City shall bear the full cost of any fidelity or other bonds required of Employee under any law or ordinance.

10. Miscellaneous.

(a) Governing Law. This Agreement is governed by and is to be construed, administered, and enforced in accordance with the laws of the State of Arizona, without regard to Arizona conflicts of law principles, except in so far as federal laws and regulations may be applicable. If under the governing law, any portion of this Agreement is at any time deemed to be in conflict with any applicable statute, rule, regulation, ordinance, or other principle of law, such portion shall be deemed to be modified or altered to the extent necessary to conform thereto or, if that is not possible, to be omitted from this Agreement. The invalidity of any such portion shall not affect the force, effect, and validity of the remaining portion hereof.

(b) Withholding. All payments to be made to the Employee under this Agreement will be subject to required withholding of taxes and other required deductions.

(c) Amendments. No provisions of this Agreement may be modified, waived or discharged unless such modification, waiver or discharge is approved in writing by the City and the Employee. No waiver by any party hereto at any time of any breach by any other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No waiver of any provision of this Agreement shall be implied from any course of dealing between or among the parties hereto or from any failure by any party hereto to assert its rights hereunder on any occasion or series of occasions.

(d) Severability. In the event that any one or more of the provisions of this Agreement shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not be affected thereby.

(e) Notices. Any notice or other communication required or permitted to be delivered under this Agreement shall be (1) in writing, (2) delivered personally, by courier service or by certified or registered mail, first-class postage prepaid and return receipt requested, (3) deemed to have been received on the date of delivery or on the third business day after the

mailing thereof, and (4) addressed as follows (or to such other address as the party entitled to notice shall hereafter designate:

(A) if to the City, to it at:

Human Resources Director

211 West Aspen Avenue

Flagstaff, Arizona 86001

(B) if to the Employee, to her at

211 West Aspen Avenue

Flagstaff, Arizona 86001

(f) Reimbursement of Expenses in Enforcing Rights. If any action at law or in equity, or any arbitration proceeding is brought to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs and necessary disbursements in addition to other relief so provided.

(g) No General Waivers. The failure of any party at any time to require performance by any other party of any provision hereof or to resort to any remedy provided herein or at law or in equity shall in no way affect the right of such party to require such performance or to resort to such remedy at any time thereafter, nor shall the waiver by any party or a breach of any of the provisions hereof be deemed to be a waiver of any subsequent breach of such provisions. No such waiver shall be effective unless in writing and signed by the party against whom such waiver is sought to be enforced.

(h) Authority. The City represents and warrants that this Agreement has been authorized by all necessary action of the City and is a valid and binding agreement of the City enforceable against them in accordance with its terms.

(i) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

(j) Headings. The section and other headings contained in this Agreement are for the convenience of the parties only and are not intended to be a part hereof or to affect the meaning or interpretation hereof.

IN WITNESS WHEREOF, City has duly executed this Agreement by their authorized representatives and the Employee has hereunto set her hand, in each case effective as of the date first above written.

MICHELLE D'ANDREA

CITY OF FLAGSTAFF

By _____

Jerry Nabours, Mayor

ATTEST:

By _____

City Clerk

APPROVED AS TO FORM:

By _____

Gordon Lewis, Attorney

CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Stephanie Smith, Executive Assistant to City Manager
Co-Submitter: Stacey Brechler-Knaggs, Grants Manager
Date: 06/14/2013
Meeting Date: 06/18/2013



TITLE:

Consideration and Approval of Agreement: Participating Agreement Supplemental Project Agreement between City of Flagstaff and USDA, Forest Service Coconino National Forest, for the Flagstaff Watershed Protection Project, Fuels Reduction Demonstration Project

RECOMMENDED ACTION:

Approve the Supplemental Project Agreement and authorize the City Manager to execute the necessary documents.

Policy Decision or Reason for Action:

As part of the Flagstaff Watershed Protection Project (FWPP), The City and U.S. Forest Service will implement a "pilot project" within two areas approved for mechanical treatment and prescribed burning in two areas, located within the Dry Lake Hills.

Both pilot project areas are located on rocky, 40 percent slopes, similar to other adjacent areas of the FWPP project area. The objective of the pilot project is to evaluate the effectiveness and feasibility of the two treatment prescriptions on the steep, rocky slopes. The evaluation will help The City and U.S. Forest Service determine the effectiveness of such treatments in meeting the desired conditions across the FWPP area.

Financial Impact:

The estimated cost of the project will not exceed \$30,000. All expenses for this pilot project will be paid for through the Forest Health and Water Supply Protection Bond.

Connection to Council Goal:

11. Effective governance.

Has There Been Previous Council Decision on This:

January 15, 2013 City Council approved three agreements with the USFS related to the Flagstaff Watershed Protection Project, including:

1. Memorandum of Understanding
2. Master Participating Agreement
3. Memorandum of Understanding - Cooperating Agency Status

Options and Alternatives:

1. Approve the agreement as written
2. Modify the agreement and approve
3. Reject the agreement

Background/History:

In November 2012, Flagstaff voters approved a \$10 million bond project, which supports forest treatments within two watersheds critical to our community – Rio De Flag/Dry Lake Hills and Lake Mary.

Community Benefits and Considerations:

The Flagstaff Watershed Protection Project is an innovative approach to help reduce the risk of devastating wildfire and post-fire flooding in the Rio de Flag and Lake Mary watersheds. The project is founded on a unique long-term partnership between the City, US Forest Service, and State of Arizona. The purpose of FWWP is to ensure the sustainability of our forests and local water supply, protect our local economy and improve community health and safety.

Community Involvement:

Collaborate - the Supplemental Project Agreement is supportive of the City's long-term and collaborative partnership with the US Forest Service.

Community involvement is a key element in the implementation of FWPP. The project design encourages the public to be actively engaged throughout the process. Outreach has been constant and includes informational multi-media communication, public meetings and opportunities for the public to provide formal input and comment.

Attachments: Supplementation Project Agreement
 Scope of Work
 Financial Plan

FS Agreement No. 13-PA-11030408-037
Cooperator Agreement No. _____

PARTICIPATING AGREEMENT SUPPLEMENTAL PROJECT AGREEMENT
To
MASTER PARTICIPATING AGREEMENT # 13-PA-11030420-013
BETWEEN
THE CITY OF FLAGSTAFF
AND THE
USDA, FOREST SERVICE
COCONINO NATIONAL FOREST

This Supplemental Project Agreement (SPA) is hereby made and entered into by and between the City of Flagstaff, hereinafter referred to as “The City,” and the USDA, Forest Service, Coconino National Forest, hereinafter referred to as the “U.S. Forest Service,” as specified under the provisions of Master Participating Agreement #13-PA-11030420-013.

Title: Flagstaff Watershed Protection Project, Fuels Reduction Demonstration Project

I. GENERAL PROJECT DESCRIPTION

As part of the Flagstaff Watershed Protection Project (FWPP), The City and U.S. Forest Service will implement a “pilot project” within two areas approved for mechanical treatment and prescribed burning under the Decision Notice and FONSI for the Jack Smith Schultz Fuels Reduction and Forest Health Restoration Project. The two areas, located within the Dry Lake Hills portion of the Rio de Flag 6th Code Watershed, are called North (approximately 9 acres) and South (approximately 8 acres). Both pilot project areas are located on rocky, 40 percent slopes, similar to other adjacent areas of the FWPP project area. Vegetation within the North unit is comprised mostly of ponderosa pine, with a small component of mixed conifer. Vegetation within the South unit is comprised mostly of mixed conifer, with dog-hair thickets of ponderosa pine.

Project work includes implementing one of two silvicultural prescriptions on each unit, as per Attachment A. Small-diameter and commercial-sized trees will be cut, and the cut material will be either piled or windrowed to the specification listed in Attachment A. The U.S. Forest Service will dispose of the slash from both project areas by burning when the material is dried sufficiently for complete consumption and conditions are suitable for prescribed burning. Refer to Attachment B, Financial Plan for estimated costs...

The objective of the pilot project is to evaluate the effectiveness and feasibility of the two treatment prescriptions on the steep, rocky slopes. The evaluation will help The City and U.S. Forest Service determine the effectiveness of such treatments in meeting the desired conditions outlined in Attachment A across the FWPP area.



In consideration of the above premises, the parties agree as follows:

II. RESPONSIBILITIES:

A. The City shall:

1. Provide all funding to award one or multiple contracts to implement the cutting and slash treatment activities.
2. Solicit, award and administer the contract(s) with operators with the equipment necessary to complete the cutting and slash treatment portion of the pilot project with completion dates of August 31, 2013.
3. Provide a Procurement Officer to administer the financial aspect and all City internal funding/contracting issues.
4. Provide a City Liaison to work with the U.S. Forest Service Project Manager and Liaison(s) to complete the project and to evaluate the effectiveness and feasibility of the treatment methods. The City Liaison will be on-site with the U.S. Forest Service personnel when the contract work is in progress.
5. Notify the U.S. Forest Service Project Manager at least two weeks prior to implementation in order to provide sufficient time for scheduling and notification of other interested parties to be present.
6. Provide the City Project Manager and/or Liaison to be present when the prescribed burning of the slash produced by this project is implemented. This will assure The City's participation in the full evaluation of the project/treatment effectiveness.
7. Work with the U.S. Forest Service to complete a project evaluation report for the pilot project, as well as any media notices and/or articles.

B. The U.S. Forest Service shall:

1. **TEXT MESSAGING WHILE DRIVING.** In accordance with Executive Order (EO) 13513, "Federal Leadership on Reducing Text Messaging While Driving," any and all text messaging by Federal employees is banned: a) while driving a Government owned vehicle (GOV) or driving a privately owned vehicle (POV) while on official Government business; or b) using any electronic equipment supplied by the Government when driving any vehicle at any time. All cooperators, their employees, volunteers, and contractors are encouraged to adopt and enforce policies that ban text messaging when driving company owned, leased or rented vehicles, POVs or GOVs when driving while on official Government business or when performing any work for or on behalf of the Government.



2. Provide the silvicultural prescriptions for the pilot project, including cutting requirements and slash treatment specifications. Include the marking colors and protocols, including designation of archaeological site boundaries, in the prescription documentation.
3. Provide personnel and vehicles necessary to layout project boundaries and mark trees, as necessary, according to the attached silvicultural prescriptions.
4. Provide a Project Manager and Liaison(s) to work with The City Procurement Officer, Project Manager and City Liaison to complete the project and to evaluate the effectiveness and feasibility of the treatment methods. The Project Manager and/or the Liaison(s) will be on-site with The City personnel when the contract work is in progress.
5. Provide personnel, vehicles and equipment necessary to complete the slash burning portion of the pilot project when the material and environmental conditions are suitable; anticipated time from implementation of tree cutting to the prescribed burning is 9 to 18 months. The City Project Manager will be notified in advance when the prescribed burning activity is to occur to allow full participation in the evaluation of the project/treatment effectiveness.
6. Provide a Job Hazard Analysis (JHA) for on-site project monitoring and implementation by The City and the U.S. Forest Service personnel, and any media or other visitors allowed on the project site during implementation. Review the JHA with all personnel prior to beginning any project implementation.
7. Work with The City to complete a project evaluation report for the pilot project, as well as any media notices and/or articles.

III. CONTACTS & TIME LIMITS:

- A. PRINCIPAL CONTACTS. Individuals listed below are authorized to act in their respective areas for matters related to this agreement.

Principal Cooperator Contacts:

The City's Project Manager	The City's Administrative Contact
Paul Summerfelt, Wildland Fire Mgmt Officer City of Flagstaff, Fire Department 211 W Aspen Flagstaff, AZ 86001 Phone: 928.213.2509 FAX: 928.213.2599 Email: psummerfelt@flagstaffaz.gov	Stacey Brechler-Knaggs, Grants Mgr City of Flagstaff 211 W Aspen Flagstaff, AZ 86001 Phone: 928.213.2227 FAX: 928.779.7656 Email: sknaggs@flagstaffaz.gov

**Principal U.S. Forest Service Contacts:**

U.S. Forest Service Project Manager Contact	U.S. Forest Service Administrative Contact
Erin Phelps, FWPP Forest Lead Coconino NF, Flagstaff Ranger District 5075 N Highway 89 Flagstaff, AZ 86004-2852 Phone: 928.527.8240 FAX: 928.527.8288 Email: ephelps@fs.fed.us	Elizabeth Vensel, Grants Mgmt Specialist Coconino NF, Supervisor's Office 1824 S Thompson Street Flagstaff, AZ 86001-2693 Phone: 928.527.3561 FAX: 928.527.3620 Email: evensel@fs.fed.us

- B. COMMENCEMENT/EXPIRATION DATE. This agreement is executed as of the date of the last signature and is effective through September 30, 2014 at which time it will expire, unless extended by an executed modification, signed and dated by all properly authorized, signatory officials.
- C. AVAILABILITY FOR CONSULTATION. Both parties will make themselves available at mutually agreeable times, for continuing consultation to discuss the conditions covered by this agreement and agree to actions essential to fulfill its purposes.

IV. APPROVAL

- A. AUTHORIZED REPRESENTATIVES. By signature below, each party certifies that the individuals listed in this document as representatives of the individual parties are authorized to act in their respective areas for matters related to this agreement. In witness whereof, the parties hereto have executed this agreement as of the last date written below.

CITY OF FLAGSTAFF

KEVIN BURKE, City Manager
City of Flagstaff

DateAttest:

Elizabeth A. Burke, City Clerk

DateApproved as to form:

_____, City Attorney

Date



U.S. FOREST SERVICE, Coconino National Forest

M. EARL STEWART, Forest Supervisor
U.S. Forest Service, Coconino National Forest

Date

The authority and format of this agreement have been reviewed and approved for signature.

ELIZABETH A. VENSEL
U.S. Forest Service Grants Management Specialist

Date

Burden Statement

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0217. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

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To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call toll free (866) 632-9992 (voice). TDD users can contact USDA through local relay or the Federal relay at (800) 877-8339 (TDD) or (866) 377-8642 (relay voice). USDA is an equal opportunity provider and employer.

Attachment A

Flagstaff Watershed Protection Project

Pilot Project Statement of Work

June 6, 2013

Background

Projections show that there could be extensive, severe flooding throughout Flagstaff if a high-intensity fire were to occur on the slopes of the Dry Lake Hills, and that the Lake Mary Reservoir, which provides roughly 50 percent of the City of Flagstaff's drinking water, could become non-functional due to sediment and carbon influx following a severe wildfire. The City of Flagstaff (the City) is helping to provide resources to reduce these risks through a \$10 million bond approved by voters in November 2012 with 73 percent voter approval. These funds, in conjunction with additional funding by the Forest Service, will allow the Forest Service and the City to jointly analyze and treat areas that otherwise would not be treated due to prohibitive costs associated with very steep terrain, low value material, and other challenging issues such as wildlife and visual concerns.

This effort is known as the Flagstaff Watershed Protection Project, and includes a patchwork of completed NEPA, ongoing Four Forests Restoration Initiative (4FRI) NEPA, and planned new NEPA--all of which are being consolidated under one implementation plan for a total of approximately 15,000 acres. The project area is primarily focused within the Dry Lake Hills portion of the Rio De Flag 6th Code Watershed, and includes a portion of Mormon Mountain that drains into the Upper Lake Mary Watershed. About 1,872 acres within the general project boundary are already covered under previous NEPA decisions: Jack Smith Schultz (2009) and Eastside (2007) Fuels Reduction and Forest Health Restoration Projects.

As part of this effort, the Forest Service and the City will implement a "pilot project" on two areas within the Dry Lake Hills that were analyzed for mechanical treatment and prescribed burning in the Jack Smith Schultz NEPA process. The two areas, North and South, are roughly nine and eight acres respectfully, and are located on rocky, 40 percent slopes similar to other adjacent areas of the project. The North unit is mostly ponderosa pine with a small component of mixed conifer. The South unit contains more mixed conifer and dog-hair thickets.

The City of Flagstaff is a cooperating agency with the Forest Service through a Memorandum of Understanding (MOU), which delineates the expectations and roles for both agencies. There is also a master participating agreement for the funding aspect of this project to allow bond monies to go toward both the planning and implementation of the project. Supplemental Project Agreements (SPAs) will be signed for each activity involving a transfer of money or expenditure of money for activities on the National Forest, including the funding of this pilot project through a contract procured and administered by the City.

Scope

For this activity, the City shall provide sole funding for a contract to implement the activities outlined under "Tasks" and in Appendix A (Proposal and Prescriptions for Treating Two Demonstration Units). The City shall procure and administer a contract with an operator who has the equipment necessary to cut commercial-sized trees as well as small-diameter trees (see Equipment Specifications below), and either pile or windrow the cut material to the specifications listed in the desired conditions section of Appendix A and as overseen by City's Project Manager or designated representative). The Forest Service shall identify a Project Manager and Liaison(s) to work with the City's Project Manager during implementation of the project. A designated Forest Service representative will be present during all project activities. The City shall provide all required documentation for the procurement and administration of the contract, including inspections. The Forest Service shall provide job hazard analyses (JHAs) for worksite visitors including other Forest Service employees and media personnel.

Attachment A

The City shall notify the Forest Service's designated contact when implementation activities are scheduled to occur at least two weeks prior to implementation in order to provide sufficient time for interested parties to be present.

Because the Flagstaff District Silviculturist will be on site during implementation, marking the prescription may not be necessary. If it is determined that marking the trees is necessary, Forest Service shall perform the layout and marking of the units according to the attached prescription (Appendix A) prior to implementation using a "cut tree" mark of blue paint. Boundaries shall be marked in orange paint by the Forest Service. Archaeological site boundaries are marked with white paint for avoidance.

Objectives

The objective for this project is to test the effectiveness and feasibility of two types of treatment activities on steep, rocky slopes within the two demo areas identified in order to ascertain the suitability of proposing such treatments across the rest of the project area. Upon completion, the City and the Forest Service shall evaluate the results and determine if these treatments met the desired conditions outlined in Appendix A.

Place of Performance

The contracted activities will take place on the National Forest in the two units identified within the Flagstaff Watershed Protection Project area (authorized under the Jack Smith Schultz NEPA decision), referred to as the North and South units. See map below.

Period of Performance

Harvesting and piling activities will occur when the designated City and Forest Service representatives are on site only, and are anticipated to take no more than three work days per site for a total of six days, not including equipment transportation to and from the site. Implementation of the contract shall be completed no later than August 31, 2013.

Equipment Specifications

The City shall ensure the contractor has the equipment necessary to operate on steep slopes (around 40 percent), including a self-leveling, tracked feller buncher

Tasks

The City's COR shall ensure that the contractor follows the cutting prescription described in Appendix A, including leaving all Yellow Pines, trees greater than 24" dbh and all trees within identified archaeological sites. Cut trees will be piled or windrowed within the units by the contractor to the specifications described below and in Appendix A.

Slash Treatment:

- Piles and windrows will be placed in-between groups of trees
- Do not place piles and windrows beneath the crowns of any leave trees
- Avoid placing piles and windrows on large old logs or stumps

The Forest Service District Fuels Specialist shall work with the COR to ensure material is piled to desired specifications, which may mean that activities are modified periodically. Not all acres may be cut as a part of this project; the tasks will be deemed complete once the objectives are determined to have been met by the City and the Forest Service within the six day period described above.

The slash piles generated during treatment shall be disposed of by the Forest Service, either by burning or biomass utilization, if available at the time of disposal. For the prescribed burning method, burning would occur

when the material has dried sufficiently for consumption and conditions are suitable for prescribed burning as determined by the District Fuels Specialist. Prior to burning, the Supplemental Project Agreement for the Pilot Project will be modified to account for the value of the activity, including personnel and equipment time.

Legend

- Demonstration Units
- Trails
- Orion Timber Sale
- FWPP Planning Boundary

0 0.05 0.1 0.2 Miles

N
W E
S

Tucson

FWPP Planning Boundary

Demonstration Units

Trails

Orion Timber Sale

8000

420

8000

8200

8400

8600

8800

9000

9200

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Appendix A: Proposal and Prescriptions for treating two Demonstration Units for the Flagstaff Watershed Protection Project

The Flagstaff Ranger District of the Coconino National Forest is proposing to treat two demonstration units within the Jack-Smith Schultz Environmental Analysis Area (Figure 1). These treatments are designed in conjunction with Flagstaff Watershed Protection Project to demonstrate what potential treatments in the Flagstaff Watershed Protection Project (FWPP) may look like and to determine potential effects to other resources, including soils. These treatments will help to inform treatment options and intensities that may be needed for the FWPP project.

What the district is proposing to do is treat two areas that contain steep slopes and mixed species. Instead of removing the trees and slash, the trees and slash will be piled and burned within the stand. There are two major reasons for proposing these demonstration units. One, because the local Forest Service workforce is mainly experienced with conventional logging on flat ground, this would be a great opportunity for the district staff and local contractors to experience harvesting on steep slopes and understanding the process. Much of the proposed treatments within the FWPP include treating on steep slopes. This would give the FWPP planning and analysis team a chance to observe and evaluate effects on a small scale, and whether the effects would be desirable in other areas currently under analysis. Second, through the planning process, several areas within the FWPP project area present logistical challenges to conventional treatment, where building a road maybe cost prohibitive or ecologically undesirable, so instead of harvesting and removing the trees, it may be possible to harvest and burn the trees with in the unit.

The treatments are also being undertaken as a learning experience and educational effort. Some of the objectives that we hope to achieve are:

- To have an area to show people possible treatments and to foster discussion and feedback for FWPP proposed actions.
- Understanding the capability of locally available harvest equipment on steep slopes
- Learning if treating and burning of slash within a unit a viable option
- What are the size of piles and distances from residual trees need to prevent excessive scorch
- Understanding the challenges of marking on steep slopes and in mixed species stands
- Learning the process of moving/utilizing City funds for contracted activities on the National Forest

The pictures below (figures 2-8) will give you a good sense of the stand conditions. The southern demo units is mostly mixed conifer and is uneven-age old growth (fig 2-4). However there is a very dense understory of trees creating a fuel ladder which greatly increases the fire hazard in that unit. The northern demo unit is mostly ponderosa pine and is primarily even-aged (fig 6-8). While there may not be a much of a fuel ladder the tree canopy is much more closed in and presents a high fire hazard for a running crown fire.

Treatments will be designed to reduce the fuel ladders and open up the canopy by creating groups of trees with openings in-between the groups of trees. No old growth trees will be cut and all other old growth components will be retained as much as possible.

Attachment A

Southern Unit



Figure 2: There is a dense understory of mixed conifer species and a continuous ladder fuels.



Figure 3: Some areas are occupied with large boulders

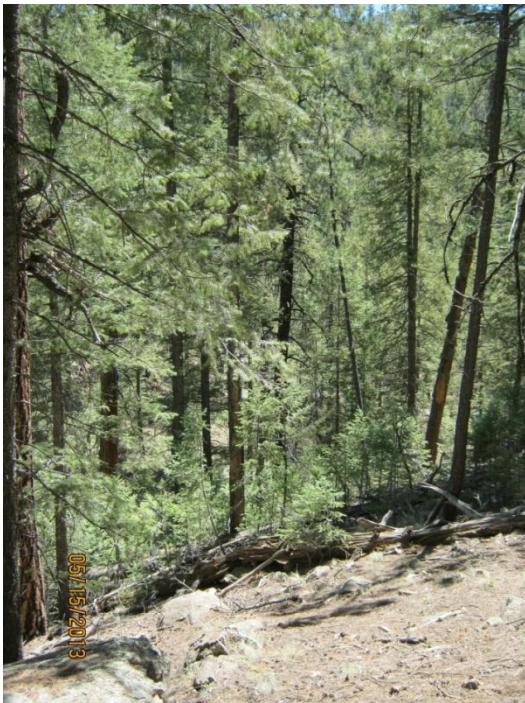


Figure 4: There are areas with heavy dead and down fuels

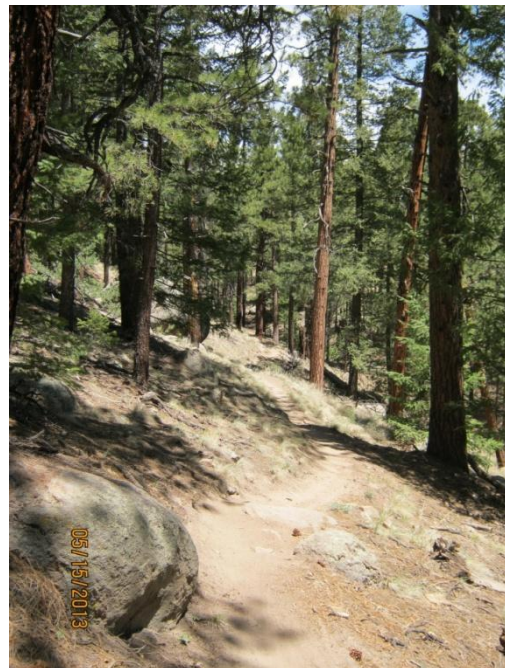


Figure 5: The Arizona Trail runs through an old growth stand and is adjacent to both demonstration units.

Attachment A

Northern Unit



Figure 6: The northern demo unit is mostly Ponderosa Pine.

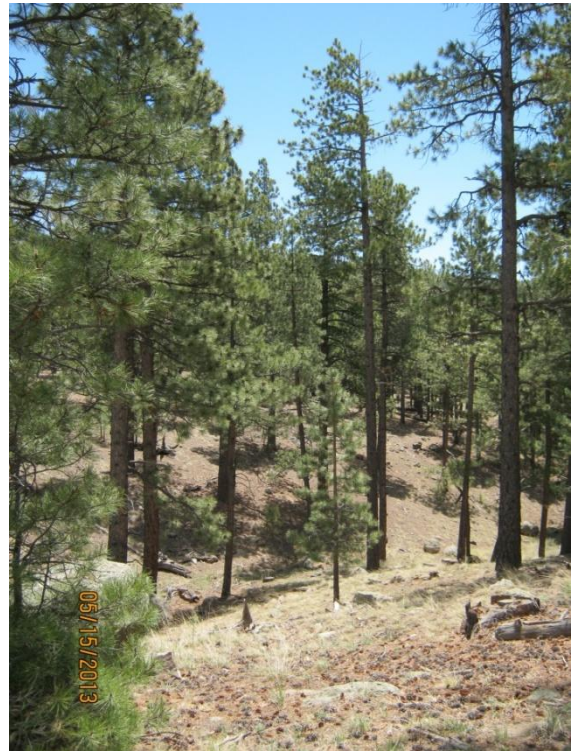


Figure 7: Some areas are relatively open and would be less intensely treated.



Figure 8: Here is a dense mature dog-hair thicket. This area is very dense despite being hand thinned about 30 years ago.

Attachment A

TIMBER STAND PRESCRIPTION AND MARKING GUIDES

Goshawk Post-Fledging Family Areas (FA)

Ponderosa Pine Forest Types

Rx Prepared by: A. Stevenson

DATE: 05/2013

Rx Certified Silviculturist: A. Stevenson

PROJECT: FWPP- Demo Units	CUT UNIT: DN	ACRES: 9
	COMPARTMENT: 000267	STAND(s): 0029, 0038
Boundary Mark: Double Orange band at eye level facing into the unit, and vertical stripe facing towards next boundary tree to indicate change in direction		
Leave Tree Mark: Unit will be leave tree marked by the FS.		

Silvicultural Treatment: Northern Goshawk Un-even Age Treatment: Group Selection with Intermediate Thinning.

Existing Conditions: : This is a ponderosa pine stand. Stand structure is a two-age and even-age, dominated by VSS 3 & 4 size classes. There are scattered yellow pines throughout the unit. There is a small pocket of mixed conifer in the south-west corner of the unit. Basal Areas range from 80 to 200, with an average of around 115. The stand is currently greatly above desired stocking levels. This unit is deficient in VSS 1, 2, 5, & 6. Dwarf mistletoe infection is relatively light and scattered throughout the unit.

Desired Condition: To create a structure that meets the Northern Goshawk guidelines for foraging areas. A patchwork of small clumps and groups interspersed throughout the stand. Leave trees will have the least amount of dwarf mistletoe infestation. Basal areas (BA) within VSS 3 groups will range from 20 to 60 sq. ft. and average 40 BA, within VSS 4 groups BA will range from 30 to 90 and average 50 BA. Clumps of leave trees will have interlocking crowns where possible.

TREATMENT OBJECTIVES:

- Create an uneven-aged groupy stand structure.
- Improve residual tree growth, health, and vigor-with reduced density to desired stocking levels
- Reduce overall level of dwarf mistletoe infection

Marking Guide: Mark all species of trees greater than 1" dbh

- Vary group size from 2-44 trees up and from .05 to .7 acres in size
- In VSS 3 groups vary basal areas from 20 to 70 sq. ft. with an average of 40 sq. ft.
- In VSS 4 groups vary basal areas from 30 to 90 sq. ft. with an average of 50 sq. ft.
- Leave mostly desirable and acceptable trees as described in table 1
- Trees should be arranged in groups/clumps with interlocking crowns where possible
- Leave all Yellow Pines and trees greater than 24" dbh.
- Leave up to two wildlife trees per acre greater than 16" dbh where existing snags are less than 2 per/acre.
- All trees within identified Archeological sites will be left
- Implement a directional mark for one chain from the Arizona trail
- In areas where mature Douglas-firs are present, retain some health young and mid-aged DF.
- Where mature DF are not present, favor PP over young and mid-aged DF
- Leave any Limber Pine and White fir with dominate or co-dominate crown positions.

Attachment A

- Remove most of DF, LP, and WF under story in areas dominated by Ponderosa Pine.
- Leave small groups of healthy PP and mixed conifer regeneration where present

Regeneration Openings:

- Provide for the creation of 20% openings across the stand (1.8 acres for this unit)
- Create opening in areas of denser VSS 3/4 pole stands.
- Openings will vary in shape and size from ½-1 acres, create two openings
- Openings should have a maximum width of 200 feet

Slash Treatment:

- Trees will not be removed from the unit
- Trees and slash will be piled or windrowed within the unit
- Piles and windrows will be placed in-between groups of trees
- Do not place piles and windrows beneath the crowns of any leave trees
- Avoid placing piles and windrows on large old logs or stumps

Discussion:

This treatment follows the standard and guidelines for managing habitat for Northern Goshawk as written in the Coconino Forest Plan and the Jack Smith Schultz Environmental Analysis. In areas of VSS 4/5/6 a minimum canopy cover of 40% will be left which is approximately an average of 50BA. In VSS 2/3 canopy cover will be more open to develop healthy tree growth and development. Current stand condition is two story and even age. There are a few open areas in the unit. Opening will be created across 20% of the unit. The remaining 80% of the stand will receive an intermediate thinning, with leave trees left in a groupy clumpy distribution. Maintain the current ratio of PP to DF where mature DF exist. Where there are no mature DF, remove most of the DF encroachment into the predominately pine areas. WF and LP are not common in this unit and can be retained if they have achieved a dominate or co-dominate crown positions.

Trees will be left in groups. There is no set spacing in-between groups. This means: **‘No Interspaces’**. A minimum of 20 BA must be maintained in-between all groups. Group sizes will range from .05 to .7 acres in size. The tree arrangement in this stand is already groupy. An occasional tree may be left in-between groups in order to maintain basal area coverage.

In some groups there may not be enough trees in the dominate size class to reach the targeted stocking level. Leave additional desirable or acceptable trees from smaller size classes to increase stocking. Desirable trees of the dominate VSS class will always be left first, then select the desirable trees of then next VSS size class down or acceptable trees from the larger VSS size classes. Only rarely would an unacceptable tree be left; typical reasons would be for the creation of a future wildlife tree or the removal of the tree would cause unacceptable damage to a leave tree.

Key in on creating groups where any VSS 5 and 6 trees occur.

The Coconino Forest Plan calls for maintaining 2 snags per acre. In areas which are deficit of existing snags up to 2 “wildlife” trees greater than 16” dbh may be left in addition to existing stocking. Wildlife trees include lightning struck trees, dead tops, and trees which are fading and may die soon. Mark trees with a “W”.

It is appropriate to leave the occasional intermediate or suppressed tree in well-formed groups in order to preserve the group and vertical canopy structure.

Where there is desirable and acceptable VSS 2 trees, leave the best dominate and co-dominate trees varying spacing from 8 to 15 feet apart. Allow for existing VSS2 DF in and adjacent to area that has existing mature DF.

This unit may contain archeological sites. No trees are to be mechanically removed from identified sites. Sites are marked with a single white band.

Attachment A

No slash and trees will be removed. All slash and trees will be piled or windrowed and burned on site. The operator shall strive to place slash in locations which will minimize damage to residual trees when those piles are burned.

This unit will require an initial entry prescribed burn and future maintenance burns. The burns are important for recycling nutrients and maintaining healthy grass/forb communities as well as to reduce surface fuels. Future treatments should concentrate on maintaining a mosaic of openings and tree groups of varying ages and densities, as well as a healthy grass understory. One of the main objectives will continue to be the reduction of fire risk.

Attachment A

PROJECT: FWPP- Demo Units	CUT UNIT: DS	ACRES: 8
	COMPARTMENT: 000267	STAND(s): 0037
Boundary Mark: Double Orange band at eye level facing into the unit, and vertical stripe facing towards next boundary tree to indicate change in direction		
Leave Tree Mark: Unit will be leave tree marked by the FS.		

Silvicultural Treatment: Northern Goshawk Un-even Age Treatment: Group Selection with Intermediate Thinning.

Existing Conditions: This is a mixed conifer and ponderosa pine stand. Stand structure is a uneven-age. Mixed conifer is predominately on the east facing slope and Ponderosa Pine predominately on the west facing slopes. This unit has not been harvested in the past. Basal Areas range from 60 to 140, with an average of around 95. While the basal area is not very high, there are a high number of trees per acre. The stand is currently greatly above desired stocking levels. There is dwarf mistletoe infection throughout the unit in the ponderosa pine.

Desired Condition: To create a structure that meets the Northern Goshawk guidelines for foraging areas. A patchwork of small clumps and groups interspersed throughout the stand. Leave trees will have the least amount of dwarf mistletoe infestation. Basal areas (BA) within VSS 3 groups will range from 20 to 60 sq. ft. and average 40 BA, within VSS 4 groups BA will range from 30 to 90 and average 50 BA. Clumps of leave trees will have interlocking crowns where possible.

TREATMENT OBJECTIVES:

- Create an uneven-aged groupy stand structure.
- Improve residual tree growth, health, and vigor-with reduced density to desired stocking levels
- Reduce overall level of dwarf mistletoe infection

Marking Guide: Mark all species of trees greater than 1" dbh

- Vary group size from 2-44 trees up and from .05 to .7 acres in size
- In VSS 3 groups vary basal areas from 20 to 70 sq. ft. with an average of 40 sq. ft.
- In VSS 4 groups vary basal areas from 30 to 90 sq. ft. with an average of 50 sq. ft.
- Leave mostly desirable and acceptable trees as described in table 1.
- Trees should be arranged in groups/clumps with interlocking crowns where possible
- Leave all Yellow Pines and trees greater than 24" dbh.
- Leave up to two wildlife trees per acre greater than 16" dbh where existing snags are less than 2 per/acre.
- All trees within identified Archeological sites will be left
- Implement a directional mark for one chain from the Arizona trail
- In areas where mature Douglas-firs are present, retain some health young and mid-aged DF.
- Where mature DF are not present, favor PP (not infected with dwarf mistletoe) over young and mid-aged DF
- Leave any Limber Pine and White fir with dominate or co-dominate crown positions.
- Remove most of DF, LP, and WF under story in areas dominated by Ponderosa Pine.
- Leave small groups of healthy PP and mixed conifer regeneration where present
- Leave DF in favor of PP infected with dwarf mistletoe
- Maintain any mixed conifer species regeneration in areas where the PP overstory is infected with dwarf mistletoe.

Regeneration Openings:

- Provide for the creation of 20% openings across the stand (1.8 acres for this unit)
- Create opening in areas of denser VSS 3/4 pole stands.

Attachment A

- Openings will vary in shape and size from ½-1 acres, create two openings
- Openings should have a maximum width of 200 feet

Slash Treatment:

- Trees will not be removed from the unit
- Trees and slash will be piled or windrowed within the unit
- Piles and windrows will be placed in-between groups of trees
- Do not place piles and windrows beneath the crowns of any leave trees
- Avoid placing piles and windrows on large old logs or stumps

Discussion:

This treatment follows the standard and guidelines for managing habitat for Northern Goshawk as written in the Coconino Forest Plan and the Jack Smith Schultz Environmental Analysis. In areas of VSS 4/5/6 a minimum canopy cover of 40% will be left which is approximately an average of 50BA. In VSS 2/3 canopy cover will be more open to develop healthy tree growth and development. Current stand condition is two story and even age. There are a few open areas in the unit. Opening will be created across 20% of the unit. The remaining 80% of the stand will receive an intermediate thinning, with leave trees left in a groupy clumpy distribution. Maintain the current ratio of PP to DF where mature DF exist. Where there are no mature DF, remove most of the DF encroachment into the predominately pine areas. WF and LP are not common in this unit and can be retained if they have achieved a dominate or co-dominate crown positions.

Trees will be left in groups. There is no set spacing in-between groups. This means: **‘No Interspaces’**. A minimum of 20 BA must be maintained in-between all groups. Group sizes will range from .05 to .7 acres in size. The tree arrangement in this stand is already groupy. An occasional tree may be left in-between groups in order to maintain basal area coverage. Mixed species groups are fine. Uneven-aged groups are fine too. An uneven-aged group doesn't mean leaving intermediate or suppressed trees in the group.

In some groups there may not be enough trees in the dominate size class to reach the targeted stocking level. Leave additional desirable or acceptable trees from smaller size classes to increase stocking. Desirable trees of the dominate VSS class will always be left first, then select the desirable trees of then next VSS size class down or acceptable trees from the larger VSS size classes. Only rarely would an unacceptable tree be left; typical reasons would be for the creation of a future wildlife tree or the removal of the tree would cause unacceptable damage to a leave tree.

Key in on creating groups where any VSS 5 and 6 trees occur.

The Coconino Forest Plan calls for maintaining 2 snags per acre. In areas which are deficit of existing snags up to 2 “wildlife” trees greater than 16” dbh maybe left in addition to existing stocking. Wildlife trees include lightning struck trees, dead tops, and trees which are fading and may die soon. Mark trees with a “W”.

It is appropriate to leave the occasional intermediate or suppressed tree in well-formed groups in order to preserve the group and vertical canopy structure.

Where there is desirable and acceptable VSS 2 trees, leave the best dominate and co-dominate trees varying spacing from 8 to 15 feet apart. Allow for existing VSS2 DF in and adjacent to area that has existing mature DF.

This unit may contain archeological sites. No trees are to be mechanically removed from identified sites. Sites are marked with a single white band.

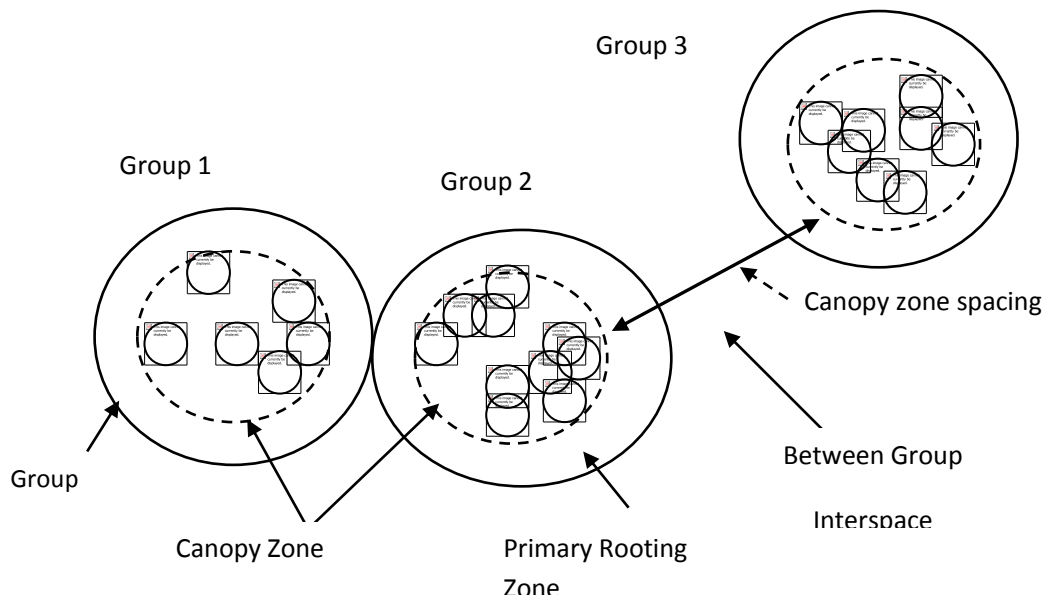
No slash and trees will be removed. All slash and trees will be piled or windrowed and burned on site. The operator shall strive to place slash in locations which will minimize damage to residual trees when those piles are burned.

This unit will require an initial entry prescribed burn and future maintenance burns. The burns are important for recycling nutrients and maintaining healthy grass/forb communities as well as to reduce surface fuels. Future treatments should concentrate on maintaining a mosaic of openings and tree groups of varying ages and densities, as well as a healthy grass understory. One of the main objectives will continue to be the reduction of fire risk.

Attachment A

OTHER SILVICULTURAL TREATMENTS DURING THIS CUTTING CYCLE	
Pre-commercial Thinning	Where there is desirable and acceptable VSS 2 trees, leave the best dominate and co-dominate trees varying spacing from 8 to 15 feet apart. .
Site Preparation	Logging scarification and broadcast burning.
Planting	None
Burning	Burn piles post timber harvest. Follow-up with broadcast burn to stimulate nutrient cycling, fuels reduction, and reduce sapling thickets and overall density. Maintenance Broadcast burn natural fuels within 10 years.

Figure 1: DESCRIPTION OF GROUPS/ CLUMPS:



Attachment A

1. Groups/ clumps are considered synonymous. Clumps are generally smaller than 1/10 acre in size.
2. Groups are composed of 2 zones:
Canopy Zone – the area of the group occupied by trees (within driplines). This is the basis of measurement for stocking guides, canopy cover and group area (ie: 1/10 acre).

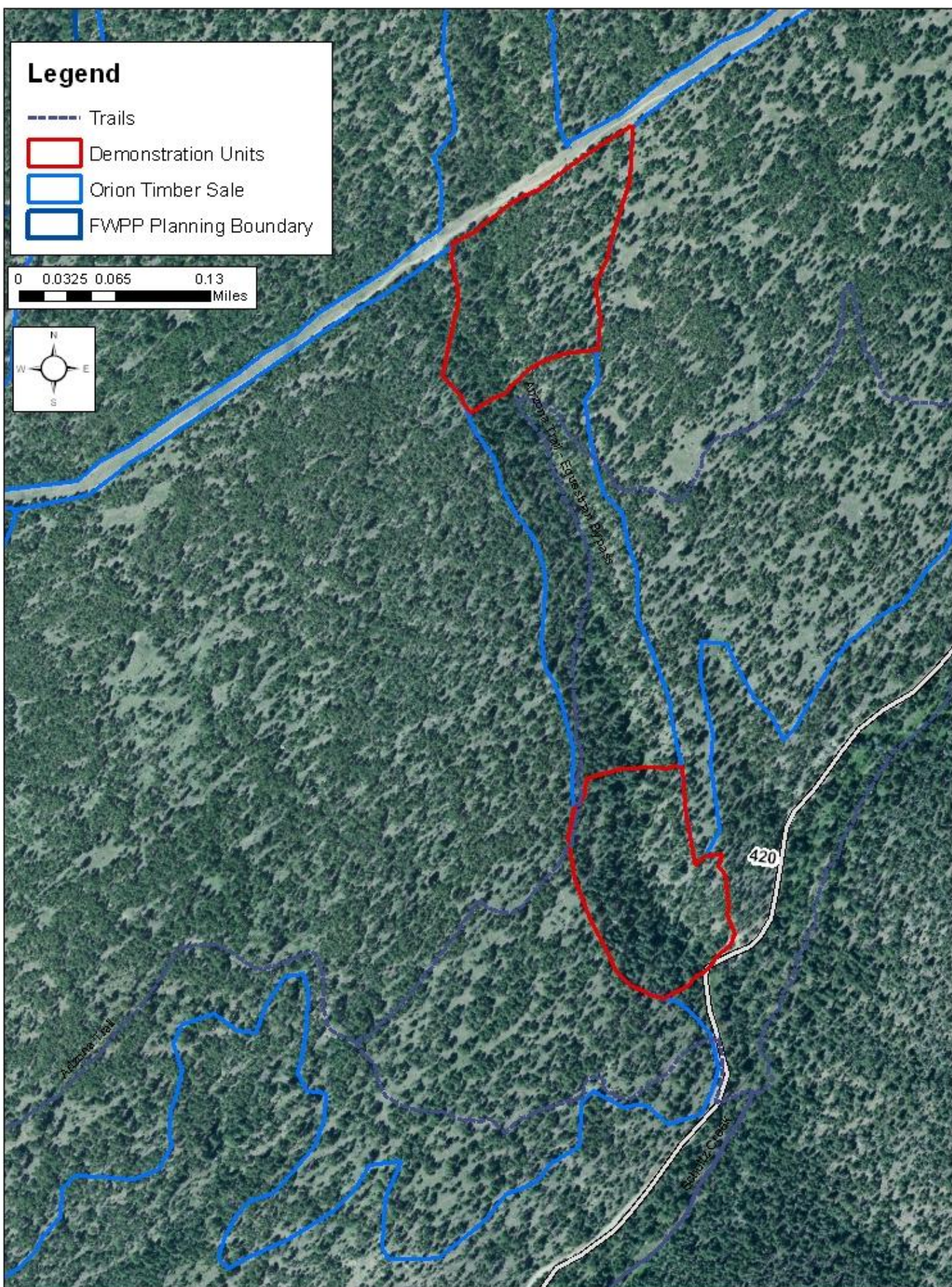
Primary Rooting Zone – the critical area of the group necessary for tree root development. This is defined as an open strip adjacent to the tree canopy zone, and it measures in width approximately ½ of the radius of the canopy zone.
3. Between Group Interspaces – are openings in the forest that occur between groups. If these are specified, they are **in addition to** the rooting zone portion of the group. When these interspaces are specified, the overall per acre stocking targets are adjusted accordingly.

TABLE 2: PHYSICAL CHARACTERISTICS TO CONSIDER WHEN CHOOSING LEAVE TREES

	Leave trees must meet the desirable/acceptable physical characteristics, with priority give to trees possessing desirable characteristics. These trees will be the ‘pool’ from which to choose. Note that not ALL trees with desirable or acceptable characteristics will be leave trees. That decision depends on the leave tree selection process described in the marking guide and discussion. As practicable, never leave trees which possess any of the unacceptable characteristics.		
EVALUATION CRITERIA	DESIRABLE	ACCEPTABLE	NON- DESIRABLE
LIVE CROWN RATIO	>40% for ponderosa pine	25% TO 40% for ponderosa pine 35 to 50% for other species	Less than 25% for ponderosa pine Less than 35% for other spp.
CROWN CLASS	dominants and co-dominants	intermediates	suppressed & over-topped
DAMAGING AGENTS*: INSECTS, ANIMAL, FIRE, MISC. DISEASE	NONE	Minor insect or animal defoliation (< 25 % live crown ratio). Barking of ponderosa pine or Douglas-fir < 50 % of bole circumference. Fire kill of cambium < 50 % of bole circumference or the scorch is on the	Any bark beetle attacks. Defoliation >25% of live crown. Barking of ponderosa pine or Douglas-fir > 50 % of bole circumference. Any significant barking of other species.

Attachment A

		lower 2/3 of the crown.	Any significant top killing. Fire kill of cambium >50 % of bole circumference, or the scorch reaches into the upper 1/3 of the crown. Any conks on stem which indicate rot.
(Hawksworth Dwarf mistletoe rating--DMR)	NONE	Infected pines with DMR rating from 1 to 3.	Infected pines with DMR rating 4-6 or any immediately adjacent trees to the infected ones.
FORM DEFECTS*	NONE	MINOR (no significant weakening of the tree anticipated. Minor crooks, sweeps, and tight forks which are < 30% of total tree height are acceptable if the tree is dominant or co-dominant and otherwise has good vigor).	MAJOR (weakening of tree or multiple tops)
SOUNDNESS DEFECTS*	NONE	NONE	ANY
RESERVE TREES	See snag requirements in wildlife section See legacy tree discussion		
<p>* Live trees with broken tops, defects, etc. may be marked with a “W” as leave trees for potential snag recruitment where existing snags are less than 2/acre. However, these should not be counted towards the number of leave trees needed to form the VSS group.</p>			



Attachment: USFS Agreement No.: Mod. No.: Cooperator Agreement No.: **Note: This Financial Plan may be used when:**

- (1) No program income is expected and
- (2) The Cooperator is not giving cash to the FS and
- (3) There is no other Federal funding

Agreements Financial Plan (Short Form)**Financial Plan Matrix:** Note: All columns may not be used. Use depends on source and type of contribution(s).

	FOREST SERVICE CONTRIBUTIONS		COOPERATOR CONTRIBUTIONS		
	(a)	(b)	(c)	(d)	(e)
COST ELEMENTS	Noncash	Cash to Cooperator	Noncash	In-Kind	Total
Direct Costs					
Salaries/Labor	\$11,531.64	\$0.00	\$3,129.68	\$0.00	\$14,661.32
Travel	\$432.40	\$0.00	\$0.00	\$0.00	\$432.40
Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Supplies/Materials	\$100.00	\$0.00	\$0.00	\$0.00	\$100.00
Printing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$0.00	\$30,000.00	\$0.00	\$30,000.00
Other					\$0.00
Subtotal	\$12,064.04	\$0.00	\$33,129.68	\$0.00	\$45,193.72
Coop Indirect Costs		\$0.00	\$0.00		\$0.00
FS Overhead Costs	\$844.48				\$844.48
Total	\$12,908.52	\$0.00	\$33,129.68	\$0.00	
Total Project Value:					\$46,038.20

Matching Costs Determination	
Total Forest Service Share = (a+b) ÷ (e) = (f)	(f) 28.04%
Total Cooperator Share (c+d) ÷ (e) = (g)	(g) 71.96%
Total (f+g) = (h)	(h) 100.00%

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: David Wessel, Metro Planning Org Manager
Co-Submitter: Stacey Brechler-Knaggs, Grants Manager
Date: 06/12/2013
Meeting Date: 06/18/2013



TITLE:

Consideration and Approval of Agreement Amendment: Joint Project Agreement 11-085 between the State of Arizona and the City of Flagstaff acting for and on behalf of the Flagstaff Metropolitan Planning Organization, Amendment 2 for Fiscal Year 2014

RECOMMENDED ACTION:

Authorize signature of JPA 11-805 Amendment 2

Policy Decision or Reason for Action:

The City benefits from its current relationship with FMPO and through FMPO the Arizona Department of Transportation. FMPO provides resources for regional planning, participation in state transportation plans, support for traffic impact analysis and access to federal transportation construction funding. Regional planning and more specifically transportation planning is an on-going function in which the City participates to meet other state and federal mandates. This JPA establishes the relationship with ADOT to permit the pass-through of federal funds. The JPA is amended annually to reflect changes in federal or state mandates, rules or expectations, and to create the new completion date, June 30, 2014.

Subsidiary Decisions Points: This Amendment has been reviewed and approved by the City Attorney's office and the City Grants Management office.

Financial Impact:

Annually, FMPO brings in about \$260,000 in planning funds, \$500,000 in general construction funds, and \$600,000 in safety project funds. Administration of the safety funds (Highway Safety Improvement Program, HSIP) is time consuming. Failure to approve the amendment will de-fund the FMPO and essential services in transportation modeling, trails planning and more will fall to City staff.

Connection to Council Goal:

Repair Replace maintain infrastructure (streets & utilities)
 Retain, expand, and diversify economic base
 Effective governance

Has There Been Previous Council Decision on This:

Yes, the original JPA was considered by Council on June 7, 2011

Options and Alternatives:

Approve as written: This is the most expeditious path

Approve with conditions: This will result in delays due to state and local reviews. Activities between July 1, 2013 and the final date of execution will be paid for with local funds or will be suspended.

Reject the amendment. The FMPO will not be funded.

Background/History:

The FMPO has been in place since 1996. It started with an intergovernmental agreement between the City, County and State. When the MPO reorganized several years ago, a new IGA between the City and County established the FMPO and the City - on behalf of the FMPO - entered into a contract with the State. This JPA with its amendments is very similar in content.

Key Considerations:

The FMPO Executive Board has approved the FY 14 Work Program which is referenced by this Amendment and helps fulfill some its requirements.

Community Benefits and Considerations:

Ensure continuation of important transportation planning and support functions.

Community Involvement:

Consult - a 30-day public comment period was provided

Attachments: JPA 11-085 Amendment 2 FMPO Work Program FY 2014

Agreement No	JPA 11-085 Amendment Two
AG Contract No	P0012011001543-85
Advantage Project No	PLA0120P; PSA0120P
Section	Multimodal Planning Division
MPO DUNS No	088302625
Description	FMPO Metropolitan Planning Organization Agreement for Work Program Implementation

**JOINT PROJECT AGREEMENT
BETWEEN
THE STATE OF ARIZONA
AND
THE CITY OF FLAGSTAFF ACTING FOR AND ON BEHALF OF
THE FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION**

THIS AGREEMENT JPA 11-085 Amendment Two, established pursuant to Arizona Revised Statutes (A.R.S.), § 28-101, § 28-334, § 28-367et seq., is entered into _____, 2013 between the STATE OF ARIZONA, acting by and through the ARIZONA DEPARTMENT OF TRANSPORTATION, herein referred to as the ADOT, established pursuant to Arizona Revised Statutes (A.R.S.), § 28-101, § 28-334, § 28-367et seq., and authorized to enter into this Agreement under A.R.S. § 28-401; and the CITY OF FLAGSTAFF ACTING FOR AND ON BEHALF OF FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION (FMPO) METROPOLITAN PLANNING ORGANIZATION, herein referred to as the MPO. ADOT and the MPO are collectively referred to as the “Parties”, and individually as ADOT, MPO, and “Party.”

RECITALS

- 1) To ensure a continuing, cooperative, and comprehensive transportation planning process that involves cooperation/coordination between the MPO and ADOT through the sharing of information.
- 2) The MPO is charged with the responsibility of carrying out transportation planning and programming processes that lead to the development and operation of an integrated, intermodal transportation system that facilitates the efficient, economic movement of people and goods; and supports metropolitan community development and social goals.
- 3) ADOT, a State Transportation Agency pursuant to Title 23, Section 134 of the United States Code (23 U.S.C. 134); Title 23, Section 450.310 of the Code of Federal Regulation (23 CFR 450.310) that is apportioned federal transportation funds, is a recipient of Federal Highway Administration (FHWA) Planning and Research funds, including State Planning and Research (SPR) funds, Metropolitan Planning Funds (PL), Surface Transportation Program (STP) funds, and Federal Transit Administration (FTA) funds that are apportioned per United States Code (49 U.S.C. 5303) and any funds provided to the MPO through ADOT for the purpose of the Work

Program and as identified in the Scope as well as any other federal funds specifically identified for transportation planning purposes or over which ADOT has fiduciary responsibility.

Catalog of Federal Domestic Assistance (CFDA)			
CFDA Number	Agency	Grant Program	Description
20.205	FHWA	all	Highway Planning and Construction
20.505	FTA	5303/5304/5305	Metropolitan Transportation Planning
20.513	FTA	5310	Capital Assistance Program for Elderly Persons and Persons with Disabilities
20.509	FTA	5311	Formula Grants for Other Than Urbanized Areas
20.516	FTA	5316	Job Access, Reverse Commute
20.521	FTA	5317	New Freedom Program

- 4) ADOT is authorized to allocate said funds for all Metropolitan Planning Organizations throughout the State of Arizona.
- 5) The MPO is to be the subrecipient of Metropolitan Planning Funds (PL Funds) authorized under 23 U.S.C. 104 (f) and 49 U.S.C. 5305 to carry out the provisions of 23 U.S.C. 134/49 U.S.C. 5303.
- 6) In accordance with 49 CFR 18.40, ADOT shall monitor all activities performed by its staff or by subrecipients of FHWA and FTA funds to assure that the work is being managed and performed satisfactorily and that time schedules are being met.
- 7) ADOT has primary responsibility for administering FHWA and FTA funds allocated to the MPO and ensuring that such funds are expended for eligible costs, purposes, and activities in accordance with 23 CFR 420.113, that are allowable per 2 CFR 225, and that are within the MPO planning boundaries.
- 8) 23 CFR 450.314 requires that ADOT and the MPO enter into an agreement clearly identifying the responsibilities for cooperatively carrying out the Metropolitan Planning Process and accomplishing the transportation planning requirements of state and federal law (including corridor and subarea studies pursuant to 23 CFR 450.318).

The parties agree to amend the above-referenced Agreement to extend the completion date to June 30, 2014.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and representation herein, the parties desiring to be legally bound, do agree as follows:

Section: **DEFINITIONS**

The following definition is added as follows:

MAP-21: Moving Ahead for Progress in the 21st Century	On July 6, 2012, President Obama signed into law P.L. 112-141, the Moving Ahead for Progress in the 21st Century Act (MAP-21) as the federal funding mechanism for surface transportation programs. MAP-21 creates a streamlined, performance-based, and multimodal program to address the many challenges facing the U.S. transportation system. These challenges include improving safety, maintaining infrastructure condition, reducing traffic congestion, improving efficiency of the system and freight movement, protecting the environment, and reducing delays in project delivery.
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Section 1.0 **SCOPE OF WORK**

Item (c) is added to read as follows:

(c) **MAP-21: Moving Ahead for Progress in the 21st Century**: On July 6, 2012, President Obama signed into law P.L. 112-141, the Moving Ahead for Progress in the 21st Century Act (MAP-21) as the federal funding mechanism for surface transportation programs. MAP-21 creates a streamlined, performance-based, and multimodal program to address the many challenges facing the U.S. transportation system. These challenges include improving safety, maintaining infrastructure condition, reducing traffic congestion, improving efficiency of the system and freight movement, protecting the environment, and reducing delays in project delivery.

Funding allocations for this Agreement shall incorporate requirements established under MAP-21

MAP-21, effective October 1, 2012, mandates additional requirements relevant to this Project. The MPO shall incorporate the requirements as requested or required by ADOT or any applicable agency of the US DOT.

Known MAP-21 modifications to the metropolitan planning process are listed below. Timelines for implementation vary subject to the requirements from section 1203 of MAP-21. The MPO shall coordinate implementation activities with ADOT.

Performance-based planning

- The MPO will establish and use a performance based approach to transportation decision making and development of transportation plans.
- The MPO will establish performance targets that address the MAP-21 surface transportation performance measures (see: National Goals and Performance Management Measures fact sheet).
- The performance targets selected by the MPO will be coordinated with ADOT to ensure consistency to the maximum extent practicable.
- Performance targets selected by the MPO will be coordinated with public transportation providers, to the maximum extent practicable, to ensure consistency with sections 5326(c) and 5329(d) of title 49.
- The MPO shall integrate into the metropolitan transportation planning process other performance-based transportation plans or processes.

- The MPO will establish performance targets not later than 180 days after the date that ADOT or public transportation provider establishes performance targets.

Long Range Transportation Plan (Plan)

- The Plan will include a description of the performance measures and performance targets used in assessing the performance of the transportation system.
- The Plan will include a system performance report and subsequent updates evaluating the condition and performance of the transportation system with respect to the established performance targets.
- The MPO has the option of developing multiple scenarios for consideration during the development of the Plan.
- The Plan must be prepared and updated every 4 years (or more frequently if the MPO elects to do so) in nonattainment areas and areas that were nonattainment and are now under a maintenance plan. In other areas, the Plan will be prepared and updated on a 5 year cycle (or more frequently if the MPO elects to do so).
- The Plan covers a minimum 20-year planning horizon with air quality conformity and fiscal constraint.

Transportation Improvement Program (TIP)

- The TIP will include, to the maximum extent practicable, a description of the anticipated effect of the TIP toward achieving the performance targets established in the Plan, linking investment priorities to those performance targets.
- The TIP is to be updated at least once every 4 years and approved by the MPO and Governor

Section 8.0 PROCUREMENT, FIXED ASSETS, TRAVEL

Procurement Policy

Item (a), Paragraph 2 is modified to read as follows:

In addition to other clauses required throughout this Agreement or by State law, the MPO will include applicable contract provisions in every third-party contract / purchase order using federal funding summarized (but not limited to) the following:

<u>FEDERAL THIRD PARTY CONTRACT PROVISIONS</u>					
TYPE OF PROCUREMENT					
PROVISION	Professional Services / A&E	Operations / Management	Rolling Stock Purchase	Construction	Materials & Supplies
No Federal Government Obligations to Third Parties (by Use of a Disclaimer)	All	All	All	All	All
False Statements or Claims Civil and Criminal Fraud	All	All	All	All	All
Access to Third Party Contract Records	All	All	All	All	All
Changes to Federal Requirements	All	All	All	All	All

<u>FEDERAL THIRD PARTY CONTRACT PROVISIONS</u>					
TYPE OF PROCUREMENT					
PROVISION	Professional Services / A&E	Operations / Management	Rolling Stock Purchase	Construction	Materials & Supplies
Termination	>\$10,000 if 49 CFR Part 18 applies.	>\$10,000 if 49 CFR Part 18 applies.	>\$10,000 if 49 CFR Part 18 applies.	>\$10,000 if 49 CFR Part 18 applies.	>\$10,000 if 49 CFR Part 18 applies.
Civil Rights (Title VI, ADA, EEO except Special DOL EEO clause for construction projects)	All	All	All>\$10,000	All	All
Special DOL EEO clause for construction projects				>\$10,000	
Disadvantaged Business Enterprises (DBEs)	All	All	All	All	All
Incorporation of FTA Terms	All	All	All	All	All
Debarment and Suspension	>\$25,000	>\$25,000	>\$25,000	>\$25,000	>\$25,000
Buy America			>\$100,000	>\$100,000	>\$100,000
Resolution of Disputes, Breaches, or Other Litigation	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000
Lobbying	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000
Clean Air	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000
Clean Water	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000
Cargo Preference			Transport by ocean vessel.	Transport by ocean vessel.	Transport by ocean vessel.
Fly America	Foreign air transp./travel.	Foreign air transp./travel.	Foreign air transp./travel.	Foreign air transp./travel.	Foreign air transp./travel.
Davis-Bacon Act				>\$2,000 (also ferries)	
Contract Work Hours and Safety Standards Act		>\$100,000 (transportation services excepted).	>\$100,000	>\$100,000 (also ferries)	
Copeland Anti-Kickback Act, Section 1, Section 2				All > \$2,000 (also ferries)	
Bonding				\$100,000	
Seismic Safety	A&E for new buildings & additions			New buildings & additions	
Transit Employee Protective Arrangements		Transit operations			
Charter Service Operations		All			
School Bus Operations		All			
Drug Use and Testing		Transit operations			
Alcohol Misuse and Testing		Transit operations			
Patent Rights	R & D				
Rights in Data and Copyrights	R & D				
Energy Conservation	All	All	All	All	All

<u>FEDERAL THIRD PARTY CONTRACT PROVISIONS</u>					
TYPE OF PROCUREMENT					
PROVISION	Professional Services / A&E	Operations / Management	Rolling Stock Purchase	Construction	Materials & Supplies
Recycled Products		EPA-selected items \$10,000 or more annually		EPA-selected items \$10,000 or more annually	EPA-selected items \$10,000 or more annually
Conformance with ITS National Architecture	ITS projects	ITS projects	ITS projects	ITS projects	ITS projects
ADA Access	A&E	All	All	All	All
Notification of Federal Participation for States	Limited to States	Limited to States	Limited to States	Limited to States	Limited to States

Section 28.0 FTA CERTIFICATIONS AND ASSURANCES

This section is replaced in its entirety to read:

Pursuant to 49 U.S.C. 5323(n), the FTA consolidated the certifications and assurances required by Federal law or regulations for its programs.

On an annual basis, any agency with an active FTA capital or formula project must provide an affirmation by SUBRECIPIENTs attorney pertaining to the SUBRECIPIENTs legal capacity. The SUBRECIPIENT must agree to comply with all categories applicable to ADOT, who is considered to be the APPLICANT and SUBRECIPIENT of the funds by FTA, regardless of current applicability of the initial award under this Agreement. This is to ensure that should the category become applicable during the life of the Agreement, the SUBRECIPIENT will comply. The FTA Certifications and Assurances will be provided to the SUBRECIPIENT under separate packet as they are released by FTA and subsequent to ADOT electronic agreement. Continuation of this Agreement shall be contingent on completion and submission of that packet within the deadline expressed at time of distribution. The FTA Certifications and Assurances, as modified and accepted each year shall be considered incorporated into this Agreement by reference.

The Parties understand and agree that not every provision of these twenty-four (24) Certifications and Assurances will apply to every Applicant or every Project. The type of Project and SUBRECIPIENT will determine which Certifications and Assurances apply.

SUBRECIPIENT also understands and agrees that these Certifications and Assurances are pre-award requirements, generally required by Federal law or regulation, and do not include all Federal requirements that may apply. The FTA Master Agreement for Federal FY 2013, <http://www.fta.dot.gov/documents/19-Master.pdf>, contains a list of most of those requirements.

SUBRECIPIENT is ultimately responsible for compliance with the Certifications and Assurances that apply to itself or its Project, even if a Subrecipient or other Third Party Participant may be involved in your Project, except as FTA determines otherwise in writing. For this reason, we strongly encourage SUBRECIPIENT to take the appropriate measures, including, but not limited to, obtaining sufficient documentation from each Subrecipient and other Third Party Participant to assure the validity of applicable Certifications and Assurances.

SUBRECIPIENT understands and agrees that when applying for funding on behalf of a consortium, joint venture, partnership, or team, SUBRECIPIENT must identify the activities each member will perform and the extent to which each member of that consortium, joint venture, partnership, or team will be responsible for compliance with the Certifications and Assurances, except as FTA determines otherwise in writing.

The FTA Certification and Assurances required of ADOT and its SUBRECIPIENTS are issued annually subsequent to ADOT signing the same. They are available for viewing in the e-Grant system and on the FTA website and are incorporated herein by reference. Completion and Signing of this FTA Certification and Assurances document is a requirement and a condition to receive FTA funding through ADOT and does not relieve the SUBRECIPIENT of any obligation of other certifications or assurances required in any application or contracting process, and should be treated as an addition to such certifications and assurances.

Appendix D is removed in its entirety

Section 29.0 MISCELLANEOUS PROVISIONS

Item 2 is replaced in its entirety to read:

- 2) This Agreement shall become effective July 1, 2013 upon its execution by all Parties hereto and shall remain in force and effect through June 30 of the following year, unless terminated, cancelled or extended as otherwise provided herein. By mutual written amendment, this Agreement may be extended for supplemental periods of up to a maximum of twenty-four (24) months. The Department reserves the right to unilaterally extend the period for thirty-one (31) days beyond the stated expiration date.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

**FLAGSTAFF METROPOLITAN
PLANNING ORGANIZATION**

**STATE OF ARIZONA
Department of Transportation**

By _____
**Sara Presler, Mayor
City of Flagstaff**

By _____
**Joseph S. Omer, Division Director
Multimodal Planning Division**

Date

Date

APPROVAL OF THE FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION

I have reviewed the above referenced proposed intergovernmental agreement, BETWEEN the ARIZONA DEPARTMENT OF TRANSPORTATION, MULTIMODAL PLANNING DIVISION and FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION, and declare this agreement to be in proper form and within the powers and authority granted to the CITY OF FLAGSTAFF ACTING FOR AND ON BEHALF OF THE FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION under the laws of the State of Arizona. No opinion is expressed as to the authority of the State to enter into this agreement.

DATED this _____ day of _____, 2013

Attorney for the City of Flagstaff
Acting on behalf of the Flagstaff Metropolitan Planning Organization

**Page reserved for
AG Determination Letter**

CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Brandi Suda, Finance Manager
Co-Submitter: Rick Tadder, Finance Director
Date: 06/12/2013
Meeting Date: 06/18/2013



TITLE:

Public Hearing For Proposed FY 2013 2014 Budget and Property Tax Levy.

RECOMMENDED ACTION

- 1) Open the public hearing, receive citizen input, and close the public hearing
- 2) Recess Regular Meeting and convene a Special Meeting

SPECIAL MEETING

Consideration and Adoption of Resolution No. 2013-14: CONSIDERATION AND APPROVAL OF RESOLUTION NO. 2013-14 A RESOLUTION FOR THE ADOPTION OF THE BUDGET FOR FISCAL YEAR 2013-2014 AND PUBLIC HEARING FOR BUDGET AND LEVY.

RECOMMENDED ACTION:

- 1) Read Resolution No. 2013-14 by title only
- 2) City Clerk reads Resolution No. 2013-14 by title only (if approved above)
- 3) Adopt Resolution No. 2013-14
- 4) Adjourn Special Meeting and reconvene Regular Meeting

Policy Decision or Reason for Action:

- In accordance with State law, a public hearing is required for final adoption of the budget, and the establishment of the property tax levy. This hearing provides for citizen input prior to adoption.
- Arizona State Statutes require each municipality to adopt a budget as prescribed by A.R.S. Title 42, Chapter 17, Articles 1 through 5. As published in the Tentative Adoption of the Budget, the Final Budget Adoption is to take place on June 18, 2013 (during a Special Meeting) and the Property Tax Levy ordinance will have a first read on June 18, 2013 and will have the second read on July 2, 2013.

Financial Impact:

- The final budget adoption allows the City to commit and expend resources as determined to be needed through the FY2013-2014 budget process.
- The City of Flagstaff will levy flat revenue for primary property taxes at a rate of \$0.8429 and a flat rate for secondary property taxes at a rate of \$0.8366. The City will also receive additional revenues related to new construction of \$94,078.00.

Connection to Council Goal:

Effective governance
 Repair Replace maintain infrastructure (streets & utilities)

Has There Been Previous Council Decision on This:

- Budget Retreats on November 14 & 15, 2012 & February 14, 2013
- Mini Budget Retreats on December 12, 2012, January 11 & 22, 2013 & February 4, 2013
- Council Budget Meetings on April 24, 25, and 26, 2013
- Tentative Budget Adoption on June 4, 2013

Options and Alternatives:

Public Hearing:

- Open the public hearing
- Delay the public hearing

Final Budget Adoption

- As the City adopted the tentative budget on June 4, 2013, the maximum appropriation for FY2013-2014 has been set. The Council could choose to make adjustments within that maximum appropriation

Background/History:

Budget adoption:

The budget was presented for tentative adoption on June 4, 2013. The tentative adoption established the maximum appropriation for the City for the FY 2013-2014 budget year. The budget legal schedules were published in the Arizona Daily Sun on June 6, 2013 and June 13, 2013.

Property tax levy:

Primary property taxes are accumulated in the General Fund and pay for general services which include but are not limited to public safety, parks and recreation, other public work services, and general administrative and management functions within the City.

Secondary property taxes support debt service payments on numerous city capital projects including the Aquaplex, fire stations, open space, street/utility projects, forest restoration, and the future core facility.

Truth and taxation legislation:

Every year, the Truth in Taxation legislation requires that the county assessor, on or before February 10, transmit to each city and town an estimate of the total net assessed valuation of the city, including new property added to the tax roll. If the proposed primary tax levy amount, excluding amounts attributable to new construction, is greater than the levy amount in the previous year, the City must go through the 'truth in taxation' procedures. It is important to note that it is the levy amount and not the rate which triggers the truth in taxation procedure. The City of Flagstaff has not triggered the 'truth in taxation' notification and hearing for FY2013-2014 and no additional notifications are required.

Key Considerations:

The adoption of the tentative budget sets into motion a legally mandated time sequence of actions of which the Council must adhere to adopt a final budget and to levy property taxes. If this time sequence is not met as required by statute, the tentative budget adoption, the final budget adoption, the property tax levy actions, and related publications must be started over. The final budget adoption must occur after a public hearing and Council must convene into a Special Meeting to adopt the final budget. The budget must be adopted by the third week of July. The County will adopt the property tax levy the first week of August. The key dates in the process have been presented as part of the action summary.

June 4, 2013	Tentative adoption of budget by Council
June 18, 2013	Proposed budget and property tax levy hearing
June 18, 2013	Final budget adoption (done in a Special meeting)
June 18, 2013	First reading property tax ordinance
July 2, 2013	Final reading and adoption of property tax ordinance

Expanded Financial Considerations:

The City of Flagstaff is proposing a flat primary property levy on existing properties for the FY2013-2014 base levy of \$5,426,095 plus new construction levy of \$94,078 for a total levy of \$5,520,173. The maximum allowable primary property revenue for FY2013-2014 is \$5,742,768. The City of Flagstaff is not proposing a change in the secondary property tax rate for FY2013-2014.

Primary property tax rate will increase from \$0.7131 in FY2012-2013 to \$0.8429 in FY2013-2014 due to the total valuation of all existing properties are decreasing 15.4%. The 'truth in taxation' has not been triggered as the levy amount on existing properties is flat and it is not dependent on rate. The table below reflects a five year rate history:

Property Tax Rates	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014 Proposed
Primary	\$ 0.6547	0.6479	0.6917	0.7131	0.8429
Secondary	0.8366	0.8366	0.8366	0.8366	0.8366
Total	\$ 1.4913	1.4845	1.5283	1.5497	1.6795

The final budget adoption allows the City to commit and expend resources as determined to be needed through the FY2013-2014 budget process. There have been no changes in the final budget recommended for adoption from that presented as the tentative budget. The recommended City of Flagstaff appropriation for FY2013-2014 is \$243,472,806.

Community Benefits and Considerations:

Public investment into the budget process is necessary as a tool for the Council to use when determining the current year goals and objectives. The budget translates City priorities into fiscal reality. Timely budget adoption allows the City to commit expenditures as related to the FY2013-2014 budget as needed for ongoing operational consistency to the citizenry. The FY2013-2014 budget is balanced.

Community Involvement:

Inform & Involve: This is the public hearing in the budget adoption process and it is open to public comment on the property tax levy and the final budget adoption. Budget legal schedules were published in the June 6, 2013 and June 13, 2013 Arizona Daily Sun to allow for additional community review. In addition, the legal and other budget schedules were made available at City Hall, at both Flagstaff Public Libraries, and on the official city website. The final opportunity for community involvement for the budget adoption is at this public meeting. The final opportunity for public input to the tax levy will be at the July 2, 2013 Council Meeting.

Attachments: [Final Budget resolution](#)
 [Budget Legal Schedules](#)

RESOLUTION NO. 2013-14

A RESOLUTION ADOPTING THE BUDGET FOR FISCAL YEAR 2013-2014.

WHEREAS, in accordance with the provisions of A.R.S. Title 42, Chapter 17, Articles 1 - 5, the City Council did, on June 4, 2013 make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property within the City of Flagstaff; and

WHEREAS, in accordance with said sections of said Title, and following due public notice, the Council met on June 4, 2013, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses or tax levies; and

WHEREAS, it appears that publication has been duly made as required by law, of said estimates together with a notice that the City Council would meet on June 18, 2013, in the Council Chambers at City Hall for the purpose of hearing taxpayers and making tax levies as set forth in said estimates; and

WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in A.R.S. 42-17051 (A);

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

That said estimates of revenues and expenditures shown on the accompanying schedules as now increased, reduced, or changed, are hereby adopted as the budget of the City of Flagstaff for Fiscal Year 2013-2014.

PASSED AND ADOPTED by the City Council and approved by the Mayor of the City of Flagstaff this _____ day of _____, 2013.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

OFFICIAL BUDGET FORMS

City of Flagstaff

Fiscal Year 2014

City of Flagstaff
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Fiscal Year 2014

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CITY OF FLAGSTAFF
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2014

THE FINAL OPPORTUNITY FOR PUBLIC INPUT ON THE CITY OF FLAGSTAFF FISCAL YEAR 2013-2014 BUDGET WILL OCCUR
ON JUNE 18, 2013 AT 6:00 P.M. IN THE CITY COUNCIL CHAMBERS, 211 W. ASPEN AVENUE, FLAGSTAFF, AZ
The budget may be reviewed at the City of Flagstaff in the City Clerks Office, 211 W. Aspen Avenue, Flagstaff AZ 86001
Or the Flagstaff City-County Public Library, 300 W. Aspen Avenue, Flagstaff AZ 86001
Or the East Flagstaff Community Library, 3000 N. 4th Street, Flagstaff, AZ 86004 or the official website "flagstaff.az.gov"

FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES*	ACTUAL EXPENDITURES/ EXPENSES**	FUND BALANCE/ NET POSITION***	PROPERTY TAX REVENUES	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES	OTHER FINANCING 2014		INTERFUND TRANSFERS 2014		TOTAL FINANCIAL RESOURCES AVAILABLE	BUDGETED EXPENDITURES/ EXPENSES
	2013	2013	July 1, 2013**	2014	2014	SOURCES	<USES>	IN	<OUT>	2014	2014
1. General Fund	\$ 55,934,774	\$ 47,707,225	\$ 19,552,029	Primary: \$ 5,355,000	\$ 46,448,731	\$ 4,000,000	\$	\$ 3,506,081	\$ 8,991,479	\$ 69,870,362	\$ 60,218,681
2. Special Revenue Funds	45,835,385	29,958,696	16,368,332	Secondary:	39,392,847	1,100,000		13,191,489	12,865,871	57,186,797	46,803,904
3. Debt Service Funds Available	6,364,381	5,508,974	8,886,368	5,530,453	964,800			7,460,125	7,460,125	15,381,621	8,365,725
4. Less: Amounts for Future Debt Retirement											
5. Total Debt Service Funds	6,364,381	5,508,974	8,886,368	5,530,453	964,800			7,460,125	7,460,125	15,381,621	8,365,725
6. Capital Projects Funds	74,559,305	10,325,857	9,255,448		28,345,447	25,200,000		6,326,000		69,126,895	62,277,283
7. Permanent Funds			214,968		22,373					237,341	
8. Enterprise Funds Available	65,410,254	46,725,890	19,535,601		56,905,210	4,578,600		4,665,156	5,831,376	79,853,191	65,807,213
9. Less: Amounts for Future Debt Retirement											
10. Total Enterprise Funds	65,410,254	46,725,890	19,535,601		56,905,210	4,578,600		4,665,156	5,831,376	79,853,191	65,807,213
11. Internal Service Funds											
12. TOTAL ALL FUNDS	\$ 248,104,099	\$ 140,226,642	\$ 73,812,746	\$ 10,885,453	\$ 172,079,408	\$ 34,878,600	\$	\$ 35,148,851	\$ 35,148,851	\$ 291,656,207	\$ 243,472,806

EXPENDITURE LIMITATION COMPARISON

	2013	2014
1. Budgeted expenditures/expenses	\$248,104,099	\$243,472,806
2. Add/subtract: estimated net reconciling items	3,508,343	3,053,590
3. Budgeted expenditures/expenses adjusted for reconciling items	251,612,442	246,526,396
4. Less: estimated exclusions	124,177,908	123,950,928
5. Amount subject to the expenditure limitation	\$127,434,534	\$122,575,468
6. EEC or voter-approved alternative expenditure limitation	\$130,339,503	\$133,177,482

☐ The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes Expenditure/Expense Adjustments Approved in current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts in this column represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually

CITY OF FLAGSTAFF
EXPENDITURE LIMITATION
AND
TAX LEVY INFORMATION
FISCAL YEAR 2013-2014

	ESTIMATED FY 2012-2013	FY 2013-2014
Expenditure Limitation [Economic Estimates Commission]		\$ 133,177,482
Total Estimated Expenditures Subject to Expenditure Limitation		
1. Maximum Allowable Primary Property Tax Levy [ARS 42-17051.A] rev 6/06 HB 2876	\$ 5,534,145	\$ 5,742,768
2. Amount Received from Primary Property Taxation in FY 2011-2012 in Excess of the Sum of that Year's Maximum Allowable Primary Property Tax Levy [ARS 42-17102.A.18]	\$ -	
3. Property Tax Levy Amounts		
A. Primary Property Taxes	\$ 5,426,095	\$ 5,520,173
B. Secondary Property Taxes	6,402,304	5,530,453
C. Total Property Tax Levy Amount	\$ 11,828,399	\$ 11,050,626
4. Property Taxes Collected (Estimated)		
A. Primary Property Taxes:		
(1) FY 2012-2013 Levy	\$ 5,250,000	
(2) Prior Years' Levies	100,000	
(3) Total Primary Property Taxes Collected	5,350,000	
B. Secondary Property Taxes:		
(1) FY 2012-2013 Levy	6,402,304	
(2) Total Secondary Property Taxes Collected	6,402,304	
C. Total Property Taxes Collected	\$ 11,752,304	
5. Property Tax Rates		
A. City of Flagstaff Tax Rate:		
(1) Primary Property Tax Rate	0.7131	0.8429
(2) Secondary Property Tax Rate	0.8366	0.8366
(3) Total City Tax Rate	1.5497	1.6795
B. Special Assessment District Tax Rates:		

As of the date of the proposed budget, the city was operating one special assessment district for which secondary property taxes are levied. For information pertaining to this districts and its' tax rates, please contact the City Finance Department.

* Includes actual property taxes collected as of the date the proposed budget was prepared plus estimated property tax collections for the remainder of the fiscal year.

CITY OF FLAGSTAFF
SUMMARY BY FUND OF REVENUES OTHER THAN PROPERTY TAXES
FISCAL YEARS 2013 AND 2014
(WITH ACTUALS FOR FISCAL YEAR 2012)

SOURCE OF REVENUES	ACTUAL REVENUES 2011-2012	BUDGETED REVENUES 2012-2013	ESTIMATED ACTUAL REVENUES 2012-2013	BUDGETED REVENUES 2013-2014	CHANGE (BDGT-BDGT)	% CHANGE
GENERAL FUND						
Local taxes						
City Sales Tax	\$ 14,765,828	14,351,925	15,582,500	15,850,368	1,498,443	10.44%
Franchise Tax	2,347,952	2,436,000	2,305,000	2,345,338	(90,662)	-3.72%
Licenses and permits						
Business Licenses	33,690	33,000	33,000	33,000	-	0.00%
Building Permits	1,288,317	600,000	1,100,000	1,119,250	519,250	86.54%
Other Licenses and permits	359,867	157,930	157,930	157,930	-	0.00%
Intergovernmental revenues						
State Income Tax Sharing	5,559,477	6,720,300	6,728,484	7,300,000	579,700	8.63%
State Shared Sales Tax	5,147,101	5,227,250	5,325,000	5,418,188	190,938	3.65%
Vehicle License Tax	2,483,244	2,486,750	2,500,000	2,543,750	57,000	2.29%
Federal Grants	1,178,532	2,575,967	1,359,175	2,158,654	(417,313)	-16.20%
State Grants	1,036,530	1,791,144	958,164	1,547,827	(243,317)	-13.58%
Local Intergovernmental Agreements	872,822	850,000	850,000	850,000	-	0.00%
Charges for services						
General Government	153,961	579,850	184,100	366,100	(213,750)	-36.86%
Parks & Recreation	1,319,732	1,408,830	1,308,830	1,578,830	170,000	12.07%
Public Safety	1,414,238	906,300	906,300	910,863	4,563	0.50%
Cemetery	135,335	134,000	134,000	135,340	1,340	1.00%
Fines and forfeits	1,182,413	1,238,570	1,110,478	1,115,151	(123,419)	-9.96%
Interest on investments	132,369	213,350	215,100	207,500	(5,850)	-2.74%
Miscellaneous revenues	2,077,340	3,885,183	1,626,449	2,810,642	(1,074,541)	-27.66%
Total General Fund	41,488,748	45,596,349	42,384,510	46,448,731	852,382	1.87%
SPECIAL REVENUE FUNDS						
LIBRARY FUND						
Intergovernmental revenues						
State Grants	155,088	52,400	78,697	25,000	(27,400)	-52.29%
Library District Taxes	3,885,243	3,843,535	3,843,537	6,116,924	2,273,389	59.15%
Interest on investments	22,579	27,250	21,105	37,437	10,187	37.38%
Miscellaneous revenues	76,571	2,453,363	612,887	20,474	(2,432,889)	-99.17%
Total Library Fund	4,139,481	6,376,548	4,556,226	6,199,835	(176,713)	-2.77%
HIGHWAY USER REVENUE FUND						
Intergovernmental revenues						
Federal Grants	-	-	-	36,000	36,000	0.00%
Highway User Tax	5,576,167	5,555,000	5,926,167	5,955,798	400,798	7.22%
Interest on investments	6,704	7,000	6,000	6,000	(1,000)	-14.29%
Miscellaneous revenues	1,151	540,000	-	740,000	200,000	-37.04%
Total Highway User Revenue Fund	5,584,022	6,102,000	5,932,167	6,737,798	435,798	7.14%
TRANSPORTATION FUND						
Transportation Tax	10,399,189	10,223,455	10,982,632	11,081,675	858,220	8.39%
Interest on Investments	58,675	40,000	94,000	89,000	49,000	122.50%
Miscellaneous revenues	670,622	4,500,000	-	4,500,000	-	0.00%
Total Transportation Fund	11,128,486	14,763,455	11,076,632	15,670,675	907,220	6.15%
FLAGSTAFF URBAN TRAIL SYSTEM FUND						
Intergovernmental revenues						
State Grants	-	-	-	1,239,339	1,239,339	0.00%
Total Beautification Fund	-	-	-	1,239,339	1,239,339	0.00%
BEAUTIFICATION FUND						
Intergovernmental revenues						
State Grants	236,132	1,392,471	678,392	-	(1,392,471)	-100.00%
BBB Tax	1,111,913	1,106,350	1,166,000	1,186,405	80,055	7.24%
Interest on investments	26,886	10,970	44,000	6,120	(4,850)	-44.21%
Miscellaneous	932	15,890	15,890	-	(15,890)	-100.00%
Total Beautification Fund	1,375,863	2,525,681	1,904,282	1,192,525	(1,317,266)	-52.15%

CITY OF FLAGSTAFF
SUMMARY BY FUND OF REVENUES OTHER THAN PROPERTY TAXES
FISCAL YEARS 2013 AND 2014
(WITH ACTUALS FOR FISCAL YEAR 2012)

SOURCE OF REVENUES	ACTUAL REVENUES 2011-2012	BUDGETED REVENUES 2012-2013	ESTIMATED ACTUAL REVENUES 2012-2013	BUDGETED REVENUES 2013-2014	CHANGE (BDGT-BDGT)	% CHANGE
ECONOMIC DEVELOPMENT FUND						
Intergovernmental revenues						
Federal Grants	\$ 373,306	220,000	-	-	(220,000)	-100.00%
State Grants	-	60,000	60,000	100,000	40,000	66.67%
BBB Tax	528,159	525,516	553,850	563,542	38,026	7.24%
Interest on investments	1,356	1,455	2,111	2,977	1,522	104.60%
Miscellaneous revenues	40,020	279,420	40,020	41,637	(237,783)	-85.10%
Total Economic Development Fund	942,841	1,086,391	655,981	708,156	(378,235)	-34.82%
TOURISM FUND						
BBB Tax	1,667,870	1,659,525	1,749,000	1,779,608	120,083	7.24%
Retail Sales	62,323	58,905	62,000	62,620	3,715	6.31%
Interest on investments	2,871	2,000	5,513	6,452	4,452	222.60%
Miscellaneous revenues	28,949	26,483	26,690	25,403	(1,080)	-4.08%
Total Tourism Fund	1,762,013	1,746,913	1,843,203	1,874,083	127,170	7.28%
ARTS AND SCIENCE FUND						
BBB Tax	416,967	414,881	437,250	444,902	30,021	7.24%
Interest on investments	1,778	3,501	3,084	2,866	(635)	-18.14%
Total Arts and Science Fund	418,745	418,382	440,334	447,768	29,386	7.02%
RECREATION-BBB FUND						
BBB Tax	1,834,657	1,825,478	1,923,900	1,957,568	132,090	7.24%
Interest on investments	5,463	6,200	11,200	7,000	800	12.90%
Total Recreation-BBB Fund	1,840,120	1,831,678	1,935,100	1,964,568	132,890	7.26%
HOUSING AND COMMUNITY SVCS FUND						
Intergovernmental revenues						
Federal Grants	836,607	1,109,731	715,810	912,174	(197,557)	-17.80%
State Grants	250,665	630,000	330,000	660,000	30,000	4.76%
Interest on investments	5,370	-	8,332	-	-	0.00%
Miscellaneous revenues	224,254	483,000	501,162	650,000	167,000	34.58%
Total Housing and Community Svcs Fund	1,316,896	2,222,731	1,555,304	2,222,174	(557)	-0.03%
METRO PLANNING ORGANIZATION FUND						
Intergovernmental revenues						
Federal Grants	424,374	380,604	349,068	660,071	279,467	73.43%
Miscellaneous revenues	3,880	105,000	5,000	255,000	150,000	142.86%
Total Metro Planning Organization Fund	428,254	485,604	354,068	915,071	429,467	88.44%
EDA REVOLVING LOAN FUND						
Intergovernmental revenues						
Federal Grants	-	-	-	220,000	220,000	0.00%
Interest on investments	-	-	-	855	855	0.00%
Total EDA Revolving Loan Fund	-	-	-	220,855	220,855	0.00%
TOTAL SPECIAL REVENUE FUNDS	28,936,721	37,559,383	30,253,297	39,392,847	1,649,354	4.39%
DEBT SERVICE FUNDS						
SECONDARY PROPERTY TAX FUND						
Interest on investments	42,387	32,700	57,700	59,700	27,000	82.57%
Total Secondary Property Tax Fund	42,387	32,700	57,700	59,700	27,000	82.57%
SPECIAL ASSESSMENT BONDS						
Special Assessments	8,286,453	904,625	904,625	902,000	(2,625)	-0.29%
Interest on investments	1,303	1,400	3,635	3,100	1,700	121.43%
Total Special Assessment Bonds	8,287,756	906,025	908,260	905,100	(925)	-0.10%
TOTAL DEBT SERVICE FUNDS	8,330,143	938,725	965,960	964,800	26,075	2.78%

CITY OF FLAGSTAFF
SUMMARY BY FUND OF REVENUES OTHER THAN PROPERTY TAXES
FISCAL YEARS 2013 AND 2014
(WITH ACTUALS FOR FISCAL YEAR 2012)

SOURCE OF REVENUES	ACTUAL REVENUES 2011-2012	BUDGETED REVENUES 2012-2013	ESTIMATED ACTUAL REVENUES 2012-2013	BUDGETED REVENUES 2013-2014	CHANGE (BDGT-BDGT)	% CHANGE
CAPITAL PROJECTS FUNDS						
G.O. BONDS PROJECTS						
Intergovernmental revenues						
Federal Grants	\$ -	3,000,000	2,389,000	6,000,000	3,000,000	100.00%
Interest on investments	21,100	13,230	15,500	10,355	(2,875)	-21.73%
Miscellaneous Revenue		11,196,000	-	9,711,092	(1,484,908)	-13.26%
Total G.O. Bonds Projects	21,100	14,209,230	2,404,500	15,721,447	1,512,217	10.64%
MUNICIPAL FACILITIES CORP						
Intergovernmental revenues						
Grant Revenues	-	3,762,500	-	4,600,000	837,500	22.26%
Miscellaneous Revenue	-	1,100,000	-	8,024,000	6,924,000	629.45%
Total Municipal Facilities Corp	-	4,862,500	-	12,624,000	7,761,500	
TOTAL CAPITAL PROJECTS FUNDS	21,100	19,071,730	2,404,500	28,345,447	9,273,717	48.63%
PERMANENT FUNDS						
PERPETUAL CARE FUND						
Contributions	15,475	19,908	19,908	20,306	398	2.00%
Interest on investments	1,080	2,056	1,742	2,067	11	0.54%
Total Perpetual Care Fund	16,555	21,964	21,650	22,373	409	1.86%
TOTAL PERMANENT FUNDS	16,555	21,964	21,650	22,373	409	1.86%
ENTERPRISE FUNDS						
WATER AND WASTEWATER FUND						
OPERATING FUND						
Intergovernmental revenues						
State Grants	346,222	432,715	307,200	290,500	(142,215)	-32.87%
Federal Grants	1,343,510	3,169,237	1,405,000	300,000	(2,869,237)	-90.53%
Water Revenues	12,570,940	12,940,449	13,377,684	15,718,170	2,777,721	21.47%
Wastewater Revenues	7,883,022	8,444,905	8,651,874	9,638,072	1,193,167	14.13%
Interest on Investments	58,920	101,505	95,000	95,950	(5,555)	-5.47%
Miscellaneous revenues	116,948	-	70,559	91,000	91,000	0.00%
Total Water and Wastewater Fund	22,319,562	25,088,811	23,907,317	26,133,692	1,044,881	4.16%
AIRPORT FUND						
OPERATING FUND						
Intergovernmental revenues						
Federal Grants	3,053,899	4,846,978	568,162	7,211,173	2,364,195	48.78%
State Grants	102,986	844,368	697,425	466,102	(378,266)	-44.80%
Airport Revenues	1,644,876	1,666,101	1,677,142	1,726,440	60,339	3.62%
Interest on investments	1,814	5,385	1,650	2,160	(3,225)	-59.89%
Miscellaneous revenues	196,215	261,120	42,030	328,520	67,400	25.81%
Total Airport Fund	4,999,790	7,623,952	2,986,409	9,734,395	2,110,443	27.68%
SOLID WASTE						
Intergovernmental revenues						
Federal Grants	430,707	93,500	114,906	-	(93,500)	-100.00%
Solid Waste Revenues	12,003,304	12,392,011	11,928,206	11,384,327	(1,007,684)	-8.13%
Interest on investments	45,793	30,164	47,044	47,044	16,880	55.96%
Miscellaneous revenues	7,716	12,000	107,822	-	(12,000)	-100.00%
Total Environmental Services Fund	12,487,520	12,527,675	12,197,978	11,431,371	(1,096,304)	-8.75%
ENVIRONMENTAL MANAGEMENT						
Environmental Services Revenues	-	-	-	1,001,509	1,001,509	0.00%
Miscellaneous revenues	-	-	-	23,600	23,600	0.00%
Total Environmental Services Fund	-	-	-	1,025,109	1,025,109	0.00%

CITY OF FLAGSTAFF
SUMMARY BY FUND OF REVENUES OTHER THAN PROPERTY TAXES
FISCAL YEARS 2013 AND 2014
(WITH ACTUALS FOR FISCAL YEAR 2012)

SOURCE OF REVENUES	ACTUAL REVENUES 2011-2012	BUDGETED REVENUES 2012-2013	ESTIMATED ACTUAL REVENUES 2012-2013	BUDGETED REVENUES 2013-2014	CHANGE (BDGT-BDGT)	% CHANGE
STORMWATER UTILITY						
Intergovernmental revenues						
Federal Grants	\$ 1,189	-	-	25,000	25,000	0.00%
Stormwater Utility Revenues	1,445,828	1,436,764	1,436,262	1,471,171	34,407	2.39%
Interest on investments	5,851	20,761	8,457	4,338	(16,423)	-79.11%
Miscellaneous revenues	329	-	-	-	-	0.00%
Total Stormwater Utility Fund	1,453,197	1,457,525	1,444,719	1,500,509	42,984	2.95%
FLAGSTAFF HOUSING AUTHORITY FUNDS						
Intergovernmental revenues						
Federal Grants	4,439,317	5,634,506	5,383,425	5,542,089	(92,417)	-1.64%
Rents and Other Tenant Income	1,057,705	1,037,472	970,511	990,000	(47,472)	-4.58%
Miscellaneous revenues	537,737	644,258	508,206	548,045	(96,213)	-14.93%
Total Stormwater Utility Fund	6,034,759	7,316,236	6,862,142	7,080,134	(236,102)	-3.23%
TOTAL ENTERPRISE FUNDS	47,294,828	54,014,199	47,398,565	56,905,210	2,891,011	5.35%
TOTAL REVENUES	\$ 126,088,095	157,202,350	123,428,482	172,079,408	14,692,948	9.35%

CITY OF FLAGSTAFF
SUMMARY BY FUNDING OF OTHER FINANCING SOURCES
AND INTERFUND TRANSFERS
FISCAL YEAR 2013-2014

FUND	PROCEEDS FROM OTHER FINANCING SOURCES	INTERFUND TRANSFERS	
		IN	OUT
GENERAL FUND	\$ 4,000,000	3,506,081	8,991,479
SPECIAL REVENUE FUNDS			
Library Fund	-	1,224,451	328,391
Highway User Revenue Fund	-	9,102,904	28,401
Transportation Fund	-	-	7,867,486
FUTS Fund		2,580,634	
Beautification Fund	-	-	2,556,619
Economic Development	-	261,000	-
Tourism Fund	-	-	136,185
Recreation-BBB Fund	1,100,000	-	1,948,789
Housing & Community Services	-	-	-
MPO	-	22,500	-
Total Special Revenue Funds	<u>1,100,000</u>	<u>13,191,489</u>	<u>12,865,871</u>
DEBT SERVICE FUNDS			
Secondary Property Tax Fund	-	-	7,460,125
G.O. Bond Fund	-	7,460,125	-
Total Debt Service Funds	<u>-</u>	<u>7,460,125</u>	<u>7,460,125</u>
CAPITAL PROJECTS FUNDS			
G.O. Bond Funded Projects	19,500,000	4,700,000	-
Municipal Facilities Corporation	5,700,000	1,626,000	-
Total Capital Projects Funds	<u>25,200,000</u>	<u>6,326,000</u>	<u>-</u>
ENTERPRISE FUNDS			
Water and Wastewater Fund	628,600	-	182,794
Stormwater Utility	-	3,927,428	425,118
Airport Fund	-	552,000	33,567
Solid Waste Fund	3,950,000	-	4,950,216
Environmental Management Fund		185,728	239,681
Total Enterprise Funds	<u>4,578,600</u>	<u>4,665,156</u>	<u>5,831,376</u>
TOTAL ALL FUNDS	<u>\$ 34,878,600</u>	<u>35,148,851</u>	<u>35,148,851</u>

CITY OF FLAGSTAFF
SUMMARY BY DIVISION OF EXPENDITURES/EXPENSES WITHIN EACH FUND
COMPARISON OF FISCAL YEAR 2013 AND 2014
(WITH ACTUAL FOR FISCAL YEAR 2012)

FUND/DIVISION	ACTUAL EXPENDITURES/ EXPENSES 2011-2012	ADOPTED BUDGETED EXPENDITURE/ EXPENSE 2012-2013	ESTIMATED ACTUAL EXPENDITURES/ EXPENSES 2012-2013	PROPOSED BUDGETED EXPENDITURE/ EXPENSE 2013-2014	CHANGE (BDGT-BDGT)	% CHANGE
GENERAL FUND						
General Administration	\$ 7,939,695	8,395,367	8,036,576	8,470,643	75,276	0.9%
Community Development	3,497,589	3,715,394	3,579,817	4,293,997	578,603	15.6%
Management Services	2,850,274	3,123,808	3,051,046	3,171,917	48,109	1.5%
Fire	8,543,680	10,215,163	9,826,416	10,346,646	131,483	1.3%
Police	16,185,670	16,875,477	16,576,723	17,556,777	681,300	4.0%
Public Works	4,906,365	7,400,090	5,174,398	10,674,003	3,273,913	44.2%
Economic Vitality	226,401	1,200,701	478,636	612,978	(587,723)	(48.9%)
Community Enrichment	3,310,380	3,222,068	3,218,728	-	(3,222,068)	(100.0%)
Non-departmental	(3,268,704)	636,706	(2,435,115)	3,526,720	2,890,014	453.9%
Contingency	132,020	1,150,000	200,000	1,565,000	415,000	36.1%
Total General Fund	44,323,370	55,934,774	47,707,225	60,218,681	4,283,907	7.7%
SPECIAL REVENUE FUNDS						
LIBRARY FUND						
General Administration	124,645	150,716	150,716	148,678	(2,038)	(1.4%)
Management Services	150,648	134,552	134,552	7,025,781	6,891,229	5,121.6%
Public Works	58,909	87,664	87,664	81,044	(6,620)	(7.6%)
Economic Vitality	27,622	27,272	27,272	14,800	(12,472)	(45.7%)
Community Enrichment	4,803,975	7,102,717	5,051,720	-	(7,102,717)	(100.0%)
Non-departmental	152,915	93,095	93,095	89,293	(3,802)	(4.1%)
Contingency	-	100,000	-	222,000	122,000	122.0%
	5,318,714	7,696,016	5,545,019	7,581,596	(114,420)	(1.5%)
HIGHWAY USER REVENUE FUND						
General Administration	108,282	118,391	118,391	109,645	(8,746)	(7.4%)
Community Development	678,205	533,783	533,783	550,239	16,456	3.1%
Management Services	138,296	73,428	73,428	66,108	(7,320)	(10.0%)
Public Works	9,042,899	13,527,647	9,437,744	16,168,834	2,641,187	19.5%
Economic Vitality	29,053	24,888	24,888	13,892	(10,996)	(44.2%)
Non-departmental	226,418	85,536	85,536	88,851	3,315	3.9%
Contingency	-	100,000	-	100,000	-	0.0%
	10,223,153	14,463,673	10,273,770	17,097,569	2,633,896	18.2%
TRANSPORTATION FUND						
General Administration	46,278	52,014	52,014	41,592	(10,422)	(20.0%)
Management Services	266,540	215,009	215,009	251,419	36,410	16.9%
Economic Vitality	10,449	7,789	7,789	5,455	(2,334)	(30.0%)
Non-departmental	6,299,251	7,798,412	5,974,129	6,943,202	(855,210)	(11.0%)
	6,622,518	8,073,224	6,248,941	7,241,668	(831,556)	(10.3%)
FLAGSTAFF URBAN TRAIL SYSTEM FUND						
Community Development	-	-	-	3,446,341	3,446,341	0.0%
BEAUTIFICATION FUND						
Community Development	537,192	3,210,435	1,197,880	-	(3,210,435)	(100.0%)
Economic Vitality	428,705	3,366,203	1,240,532	2,794,669	(571,534)	(17.0%)
Reserve/Contingency	-	10,000	-	10,000	-	0.0%
	965,897	6,586,638	2,438,412	2,804,669	(3,781,969)	(57.4%)
ECONOMIC DEVELOPMENT FUND						
Economic Vitality	1,227,611	1,389,255	1,015,324	968,885	(420,370)	(30.3%)
Reserve/Contingency	-	265,000	-	45,000	(220,000)	(83.0%)
	1,227,611	1,654,255	1,015,324	1,013,885	(640,370)	(38.7%)
TOURISM FUND						
Economic Vitality	1,540,957	1,624,102	1,653,512	1,879,658	255,556	15.7%
Reserve/Contingency	-	50,000	-	50,000	-	0.0%
	1,540,957	1,674,102	1,653,512	1,929,658	255,556	15.3%

CITY OF FLAGSTAFF
SUMMARY BY DIVISION OF EXPENDITURES/EXPENSES WITHIN EACH FUND
COMPARISON OF FISCAL YEAR 2013 AND 2014
(WITH ACTUAL FOR FISCAL YEAR 2012)

FUND/DIVISION	ACTUAL EXPENDITURES/ EXPENSES 2011-2012	ADOPTED BUDGETED EXPENDITURE/ EXPENSE 2012-2013	ESTIMATED ACTUAL EXPENDITURES/ EXPENSES 2012-2013	PROPOSED BUDGETED EXPENDITURE/ EXPENSE 2013-2014	CHANGE (BDGT-BDGT)	% CHANGE
ARTS AND SCIENCE FUND						
Economic Vitality	\$ 392,982	637,056	412,010	642,206	5,150	0.8%
Reserve/Contingency	-	10,000	-	10,000	-	0.0%
	392,982	647,056	412,010	652,206	5,150	0.8%
RECREATION-BBB FUND						
Public Works	-	1,100,000	-	1,100,000	-	0.0%
HOUSING AND COMMUNITY SERVICES FUND						
Community Development	1,697,295	3,386,672	1,945,487	2,740,457	(646,215)	(19.1%)
Non-departmental	54,519	45,652	37,053	38,284	(7,368)	(16.1%)
	1,751,814	3,432,324	1,982,540	2,778,741	(653,583)	(19.0%)
METRO PLANNING ORG FUND						
Community Development	416,870	386,971	368,042	666,445	279,474	72.2%
Non-departmental	24,962	21,126	21,126	21,126	-	0.0%
Contingency	-	100,000	-	250,000	150,000	150.0%
	441,832	508,097	389,168	937,571	429,474	84.5%
EDA REVOLVING LOAN FUND						
Economic Vitality	-	-	-	220,000	220,000	0.0%
Total Special Revenue Funds	28,485,478	45,835,385	29,958,696	46,803,904	968,519	2.1%
DEBT SERVICE FUNDS						
GENERAL OBLIGATION BONDS FUND						
Non-departmental	3,743,832	5,456,156	4,600,749	7,460,125	2,003,969	36.7%
SPECIAL ASSESSMENT BONDS FUND						
Non-departmental	7,381,215	908,225	908,225	905,600	(2,625)	(0.3%)
Total Debt Service Funds	11,125,047	6,364,381	5,508,974	8,365,725	2,001,344	31.4%
CAPITAL PROJECT FUNDS						
G.O. BONDS FUNDED PROJECTS FUND						
Non-departmental	9,083,346	65,447,305	9,889,107	49,203,033	(16,244,272)	(24.8%)
MUNICIPAL FACILITIES CORP FUND						
Non-departmental	63,271	9,112,000	436,750	13,074,250	3,962,250	43.5%
Total Capital Projects Funds	9,146,617	74,559,305	10,325,857	62,277,283	(12,282,022)	(16.5%)
ENTERPRISE FUNDS						
WATER AND WASTEWATER FUND						
General Administration	580,253	626,188	626,188	621,261	4,927	(0.8%)
Management Services	983,638	915,248	915,248	857,869	(57,379)	(6.3%)
Public Works	50,698	59,122	59,122	48,039	(11,083)	(18.7%)
Economic Vitality	78,942	73,918	73,918	44,347	(29,571)	(40.0%)
Utilities	21,838,673	26,764,580	19,836,514	26,946,257	181,677	0.7%
Non-departmental	494,338	263,254	263,254	270,184	6,930	2.6%
Contingency	69,702	1,800,000	65,000	1,800,000	-	0.0%
	24,096,244	30,502,310	21,839,244	30,587,957	85,647	0.3%

CITY OF FLAGSTAFF
SUMMARY BY DIVISION OF EXPENDITURES/EXPENSES WITHIN EACH FUND
COMPARISON OF FISCAL YEAR 2013 AND 2014
(WITH ACTUAL FOR FISCAL YEAR 2012)

FUND/DIVISION	ACTUAL EXPENDITURES/ EXPENSES 2011-2012	ADOPTED BUDGETED EXPENDITURE/ EXPENSE 2012-2013	ESTIMATED ACTUAL EXPENDITURES/ EXPENSES 2012-2013	PROPOSED BUDGETED EXPENDITURE/ EXPENSE 2013-2014	CHANGE (BDGT-BDGT)	% CHANGE
AIRPORT FUND						
General Administration	\$ 51,062	62,750	62,750	61,759	(991)	(1.6%)
Management Services	99,735	119,449	119,449	94,151	(25,298)	(21.2%)
Public Works	127,108	125,633	125,633	105,195	(20,438)	(16.3%)
Economic Vitality	4,834,876	7,450,799	2,803,777	9,432,657	1,981,858	26.6%
Non-departmental	70,048	57,063	57,063	59,662	2,599	4.6%
Contingency	-	-	-	500,000	500,000	0.0%
	<u>5,182,829</u>	<u>7,815,694</u>	<u>3,168,672</u>	<u>10,253,424</u>	<u>2,437,730</u>	<u>31.2%</u>
SOLID WASTE FUND						
General Administration	311,071	398,292	398,292	425,155	26,863	6.7%
Management Services	373,062	376,834	376,834	323,645	(53,189)	(14.1%)
Public Works	10,756,152	12,387,952	11,614,826	9,508,438	(2,879,514)	(23.2%)
Economic Vitality	60,269	61,828	61,828	44,291	(17,537)	(28.4%)
Non-departmental	297,412	244,599	244,599	282,110	37,511	15.3%
Contingency	49,192	612,000	425,000	612,000	-	0.0%
	<u>11,847,158</u>	<u>14,081,505</u>	<u>13,121,379</u>	<u>11,195,639</u>	<u>(2,885,866)</u>	<u>(20.5%)</u>
ENVIRONMENTAL MANAGEMENT FUND						
General Administration	-	-	-	18,020	18,020	0.0%
Management Services	-	-	-	21,367	21,367	0.0%
Public Works	-	-	-	887,221	887,221	0.0%
Economic Vitality	-	-	-	4,628	4,628	0.0%
Non-departmental	-	-	-	18,560	18,560	0.0%
	<u>-</u>	<u>-</u>	<u>-</u>	<u>949,796</u>	<u>949,796</u>	<u>0.0%</u>
STORMWATER UTILITY FUND						
General Administration	23,401	38,734	38,734	37,905	(829)	(2.1%)
Community Development	19,762	-	-	-	-	0.0%
Management Services	30,331	50,435	50,435	53,860	3,425	6.8%
Public Works	12,249	10,921	10,921	9,626	(1,295)	(11.9%)
Economic Vitality	4,813	3,782	3,782	2,035	(1,747)	(46.2%)
Utilities	1,112,683	5,567,829	1,543,325	5,508,079	(59,750)	(1.1%)
Non-departmental	17,545	15,138	15,138	14,022	(1,116)	(7.4%)
Contingency	5,849	10,000	-	10,000	-	0.0%
	<u>1,226,633</u>	<u>5,696,839</u>	<u>1,662,335</u>	<u>5,635,527</u>	<u>(61,312)</u>	<u>(1.1%)</u>
FLAGSTAFF HOUSING AUTHORITY						
Community Development	6,256,760	6,312,656	5,933,010	6,183,620	(129,036)	(2.0%)
Contingency	-	1,001,250	1,001,250	1,001,250	-	0.0%
	<u>6,256,760</u>	<u>7,313,906</u>	<u>6,934,260</u>	<u>7,184,870</u>	<u>(129,036)</u>	
Total Enterprise Funds	<u>48,609,624</u>	<u>65,410,254</u>	<u>46,725,890</u>	<u>65,807,213</u>	<u>396,959</u>	<u>0.6%</u>
TOTAL ALL FUNDS	<u>\$ 141,690,136</u>	<u>248,104,099</u>	<u>140,226,642</u>	<u>243,472,806</u>	<u>(4,631,293)</u>	<u>(1.9%)</u>

CITY OF FLAGSTAFF
BUDGET SUMMARY BY DIVISION OF EXPENDITURES
COMPARISON OF FISCAL YEAR 2013 AND 2014
(WITH ACTUAL FOR FISCAL YEAR 2012)

DIVISION/FUND	ACTUAL EXPENDITURES/ EXPENSES 2011-2012	ADOPTED BUDGETED EXPENDITURE/ EXPENSE 2012-2013	ESTIMATED ACTUAL EXPENDITURES/ EXPENSES 2012-2013	PROPOSED BUDGETED EXPENDITURE/ EXPENSE * 2013-2014	CHANGE (BDGT-BDGT)	% CHANGE
GENERAL ADMINISTRATION						
General Fund	\$ 7,939,695	8,395,367	8,036,576	8,470,643	75,276	0.9%
Library Fund	124,645	150,716	150,716	148,678	(2,038)	(1.4%)
HURF Fund	108,282	118,391	118,391	109,645	(8,746)	(7.4%)
Transportation Fund	46,278	52,014	52,014	41,592	(10,422)	(20.0%)
Water and Wastewater Fund	580,253	626,188	626,188	621,261	(4,927)	(0.8%)
Airport	51,062	62,750	62,750	61,759	(991)	(1.6%)
Solid Waste Fund	311,071	398,292	398,292	425,155	26,863	6.7%
Environmental Management Fund	-	-	-	18,020	18,020	0.0%
Stormwater Utility Fund	23,401	38,734	38,734	37,905	(829)	(2.1%)
TOTAL	9,184,687	9,842,452	9,483,661	9,934,658	92,206	0.9%
COMMUNITY DEVELOPMENT						
General Fund	3,497,589	3,715,394	3,579,817	4,293,997	578,603	15.6%
HURF fund	678,205	533,783	533,783	550,239	16,456	3.1%
Beautification Fund	537,192	3,210,435	1,197,880	3,446,341	235,906	7.3%
Housing and Community Services Fund	1,697,295	3,386,672	1,945,487	2,740,457	(646,215)	(19.1%)
Metro Planning Organization Fund	416,870	386,971	368,042	666,445	279,474	72.2%
Stormwater Utility Fund	19,762	-	-	-	-	0.0%
Flagstaff Housing Authority	6,256,760	6,312,656	5,933,010	6,183,620	(129,036)	(2.0%)
TOTAL	13,103,673	17,545,911	13,558,019	17,881,099	335,188	1.9%
MANAGEMENT SERVICES						
General Fund	2,850,274	3,123,808	3,051,046	3,171,917	48,109	1.5%
Library Fund	150,648	134,552	134,552	7,025,781	6,891,229	5,121.6%
HURF Fund	138,296	73,428	73,428	66,108	(7,320)	(10.0%)
Transportation Fund	266,540	215,009	215,009	251,419	36,410	16.9%
Water and Wastewater Fund	983,638	915,248	915,248	857,869	(57,379)	(6.3%)
Airport Fund	99,735	119,449	119,449	94,151	(25,298)	(21.2%)
Solid Waste Fund	373,062	376,834	376,834	323,645	(53,189)	(14.1%)
Environmental Management Fund	-	-	-	21,367	21,367	0.0%
Stormwater Utility Fund	30,331	50,435	50,435	53,860	3,425	6.8%
TOTAL	4,892,524	5,008,763	4,936,001	11,866,117	6,857,354	136.9%
FIRE						
General Fund	8,543,680	10,215,163	9,826,416	10,346,646	131,483	1.3%
TOTAL	8,543,680	10,215,163	9,826,416	10,346,646	131,483	1.3%
POLICE						
General Fund	16,185,670	16,875,477	16,576,723	17,556,777	681,300	4.0%
TOTAL	16,185,670	16,875,477	16,576,723	17,556,777	681,300	4.0%
PUBLIC WORKS						
General Fund	4,906,365	7,400,090	5,174,398	10,674,003	3,273,913	44.2%
Library Fund	58,909	87,664	87,664	81,044	(6,620)	(7.6%)
HURF Fund	9,042,899	13,527,647	9,437,744	16,168,834	2,641,187	19.5%
Recreation-BBB Fund	-	1,100,000	-	1,100,000	-	0.0%
Water and Wastewater Fund	50,698	59,122	59,122	48,039	(11,083)	(18.7%)
Airport Fund	127,108	125,633	125,633	105,195	(20,438)	(16.3%)
Solid Waste Fund	10,756,152	12,387,952	11,614,826	9,508,438	(2,879,514)	(23.2%)
Environmental Management Fund	-	-	-	887,221	887,221	0.0%
Stormwater Utility Fund	12,249	10,921	10,921	9,626	(1,295)	(11.9%)
TOTAL	24,954,380	34,699,029	26,510,308	38,582,400	3,883,371	11.2%
COMMUNITY ENRICHMENT						
General Fund	3,310,380	3,222,068	3,218,728	-	(3,222,068)	(100.0%)
Library Fund	4,803,975	7,102,717	5,051,720	-	(7,102,717)	(100.0%)
TOTAL	8,114,355	10,324,785	8,270,448	-	(10,324,785)	(100.0%)

CITY OF FLAGSTAFF
BUDGET SUMMARY BY DIVISION OF EXPENDITURES
COMPARISON OF FISCAL YEAR 2013 AND 2014
(WITH ACTUAL FOR FISCAL YEAR 2012)

DIVISION/FUND	ACTUAL EXPENDITURES/ EXPENSES 2011-2012	ADOPTED BUDGETED EXPENDITURE/ EXPENSE 2012-2013	ESTIMATED ACTUAL EXPENDITURES/ EXPENSES 2012-2013	PROPOSED BUDGETED EXPENDITURE/ EXPENSE * 2013-2014	CHANGE (BDGT-BDGT)	% CHANGE
ECONOMIC VITALITY						
General Fund	\$ 226,401	1,200,701	478,636	612,978	(587,723)	(48.9%)
Library Fund	27,622	27,272	27,272	14,800	(12,472)	(45.7%)
HURF Fund	29,053	24,888	24,888	13,892	(10,996)	(44.2%)
Transportation Fund	10,449	7,789	7,789	5,455	(2,334)	(30.0%)
Beautification Fund	428,705	3,366,203	1,240,532	2,794,669	(571,534)	(17.0%)
Economic Development Fund	1,227,611	1,389,255	1,015,324	968,885	(420,370)	(30.3%)
EDA Revolving Loan Fund	-	-	-	220,000	220,000	0.0%
Tourism Fund	1,540,957	1,624,102	1,653,512	1,879,658	255,556	15.7%
Arts and Science Fund	392,982	637,056	412,010	642,206	5,150	0.8%
Water and Wastewater Fund	78,942	73,918	73,918	44,347	(29,571)	(40.0%)
Airport Fund	4,834,876	7,450,799	2,803,777	9,432,657	1,981,858	26.6%
Solid Waste Fund	60,269	61,828	61,828	44,291	(17,537)	(28.4%)
Environmental Management Fund	-	-	-	4,628	4,628	0.0%
Stormwater Utility Fund	4,813	3,782	3,782	2,035	(1,747)	(46.2%)
TOTAL	8,862,680	15,867,593	7,803,268	16,680,501	812,908	5.1%
UTILITIES						
Water and Wastewater Fund	21,838,673	26,764,580	19,836,514	26,946,257	181,677	0.7%
Stormwater Utility Fund	1,112,683	5,567,829	1,543,325	5,508,079	(59,750)	(1.1%)
TOTAL	22,951,356	32,332,409	21,379,839	32,454,336	121,927	0.4%
NON-DEPARTMENTAL						
General Fund	(3,268,704)	636,706	(2,435,115)	3,526,720	2,890,014	453.9%
Library Fund	152,915	93,095	93,095	89,293	(3,802)	(4.1%)
HURF Fund	226,418	85,536	85,536	88,851	3,315	3.9%
Transportation Fund	6,299,251	7,798,412	5,974,129	6,943,202	(855,210)	(11.0%)
Housing and Community Services Fund	54,519	45,652	37,053	38,284	(7,368)	(16.1%)
Metro Planning Organization Fund	24,962	21,126	21,126	21,126	-	0.0%
General Obligation Bonds Fund	3,743,832	5,456,156	4,600,749	7,460,125	2,003,969	36.7%
Special Assessment Bonds Fund	7,381,215	908,225	908,225	905,600	(2,625)	(0.3%)
G.O. Bonds Funded Projects Fund	9,083,346	65,447,305	9,889,107	49,203,033	(16,244,272)	(24.8%)
Municipal Facilities Corp Fund	63,271	9,112,000	436,750	13,074,250	3,962,250	43.5%
Water and Wastewater Fund	494,338	263,254	263,254	270,184	6,930	2.6%
Airport Fund	70,048	57,063	57,063	59,662	2,599	4.6%
Solid Waste Fund	297,412	244,599	244,599	282,110	37,511	15.3%
Environmental Management Fund	-	-	-	18,560	18,560	0.0%
Stormwater Utility Fund	17,545	15,138	15,138	14,022	(1,116)	(7.4%)
TOTAL	24,640,368	90,184,267	20,190,709	81,995,022	(8,189,245)	(9.1%)
RESERVES/CONTINGENCIES						
General Fund	132,020	1,150,000	200,000	1,565,000	415,000	36.1%
Library Fund	-	100,000	-	222,000	122,000	122.0%
HURF Fund	-	100,000	-	100,000	-	0.0%
Beautification Fund	-	10,000	-	10,000	-	0.0%
Economic Development Fund	-	265,000	-	45,000	(220,000)	(83.0%)
Tourism Fund	-	50,000	-	50,000	-	0.0%
Arts and Science Fund	-	10,000	-	10,000	-	0.0%
Metro Planning Organization Fund	-	100,000	-	250,000	150,000	150.0%
Water and Wastewater Fund	69,702	1,800,000	65,000	1,800,000	-	0.0%
Airport Fund	-	-	-	500,000	500,000	0.0%
Solid Waste Fund	49,192	612,000	425,000	612,000	-	0.0%
Stormwater Utility Fund	5,849	10,000	-	10,000	-	0.0%
Flagstaff Housing Authority Fund	-	1,001,250	1,001,250	1,001,250	-	0.0%
TOTAL	256,763	5,208,250	1,691,250	6,175,250	967,000	18.6%
ALL FUNDS TOTAL	\$ 141,690,136	248,104,099	140,226,642	243,472,806	-4,631,293	(1.9%)

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

CITY OF FLAGSTAFF
FULL-TIME EMPLOYEE AND PERSONNEL COMPENSATION
FISCAL YEAR 2014

FUND	FULL-TIME EQUIVALENTS (FTE) 2013-2014	EMPLOYEE SALARIES AND HOURLY COSTS 2013-2014	RETIREMENT COSTS 2013-2014	HEALTHCARE COSTS 2013-2014	OTHER BENEFIT COSTS 2013-2014	TOTAL ESTIMATED PERSONNEL COMPENSATION 2013-2014
GENERAL FUND	531.03	\$ 30,488,086	\$ 6,190,770	\$ 3,468,067	\$ 2,587,255 =	\$ 42,734,178
SPECIAL REVENUE FUNDS						
Library	51.40	2,058,353	214,372	321,225	158,321 =	2,752,271
HURF	35.92	1,548,692	157,778	205,301	207,722	2,119,493
Beautification	1.25	97,608	11,264	9,694	7,468	126,034
Economic Development	2.25	166,507	19,609	13,322	13,549	212,987
Tourism	13.18	626,001	66,842	75,777	48,731	817,351
Housing and Comm Services	1.00	54,834	6,328	5,921	4,380	71,463
Metro Planning Organization	2.88	212,638	21,834	20,847	15,879	271,198
Total Special Revenue Funds	<u>107.88</u>	<u>4,764,633</u>	<u>498,027</u>	<u>652,087</u>	<u>456,050 =</u>	<u>6,370,797</u>
ENTERPRISE FUNDS						
Water & Wastewater	61.50	3,501,614	392,300	420,062	327,872 =	4,641,848
Airport	9.75	481,691	54,287	55,365	51,203	642,546
Stormwater	5.50	381,886	42,790	31,891	31,679	488,246
Solid Waste	47.40	2,164,240	251,961	321,708	249,577	2,987,486
Environmental Management	8.48	437,028	48,119	59,564	37,066	581,777
Flagstaff Housing Authority	22.00	1,287,218	145,162	160,925	145,162	1,738,467
Total Enterprise Funds	<u>154.63</u>	<u>8,253,677</u>	<u>934,619</u>	<u>1,049,515</u>	<u>842,559 =</u>	<u>11,080,370</u>
TOTAL ALL FUNDS	<u>793.54</u>	<u>\$ 43,506,396</u>	<u>\$ 7,623,416</u>	<u>\$ 5,169,669</u>	<u>\$ 3,885,864 =</u>	<u>\$ 60,185,345</u>

CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Brandi Suda, Finance Manager
Co-Submitter: Rick Tadder, Finance Director
Date: 06/12/2013
Meeting Date: 06/18/2013



TITLE:

Consideration and Adoption of Ordinance No. 2013-13: AN ORDINANCE LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF FLAGSTAFF, ARIZONA, SUBJECT TO TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS, FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS AND PROVIDING FUNDS FOR GENERAL MUNICIPAL EXPENSES, ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2014.

RECOMMENDED ACTION:

Read Ordinance No. 2013-13 by title only for the first time on June 18, 2013.
 Read Ordinance No. 2013-13 by title only for the second time on July 2, 2013.
 Adopt Ordinance No. 2013-13 on July 2, 2013.

Policy Decision or Reason for Action:

Arizona Revised Statute 42-17104 requires that an Ordinance to adopt property tax levies be passed after the adoption of the final budget. The final budget is anticipated to be adopted on June 18, 2013.

Financial Impact:

The City of Flagstaff is proposing a flat primary property levy on existing properties for the FY2013-2014 base levy of \$5,426,095 plus the new construction levy of \$94,078 for a total levy of \$5,520,173. The primary property tax rate to support this levy is \$0.8429 per \$100 of assessed valuation.

The City of Flagstaff proposing a flat tax rate for secondary property taxes for FY2013-2014 for a total levy of \$5,530,453. The proposed secondary property tax rate is \$0.8366 per \$100 of assessed valuation.

Connection to Council Goal:

Effective governance

Has There Been Previous Council Decision on This:

- Budget Retreats on November 14 & 15, 2012 & February 14, 2013
- Mini Budget Retreats on December 12, 2012, January 11 & 22, 2013 & February 4, 2013
- Council Budget Meetings on April 24, 25, and 26, 2013
- Tentative Budget Adoption on June 4, 2013
- Final Budget Adoption on June 18, 2013

Options and Alternatives:

- Adopt the primary and secondary property tax rates at the proposed amounts,
- Adopt the primary property levy up to the maximum statutory levy; adopt the secondary property tax rate at something greater than proposed above
- Adopt the primary and secondary property tax rates at something less than that shown above.

Background/History:

Both the State Constitution and State law specify a property tax levy limitation system. This system consists of two levies, a limited levy known as the primary property tax levy and an unlimited levy referred to as the secondary property tax levy. The primary levy may be imposed for all purposes, while the secondary levy in cities and towns may only be used to retire the principal and interest or redemption charges on general obligation bonded indebtedness.

The adoption of the property tax levy is the final step in the entire budget approval process.

Key Considerations:

The key dates for budget and property tax levy adoption have been determined and have been followed throughout this process. The County adopts the property tax levy as proposed by the City on or about August 1, 2013.

Expanded Financial Considerations:

The City has budgeted a total of \$5,355,000 in FY2013-2014 primary property tax, an approximate 2.0% increase over the FY2012-2013 budget. This increase is due to new construction and reduced delinquencies. Primary property tax funds any general purpose use of the city government. The budgeted amount is less than the levy as the City is allowing for approximately 3% in bad debt.

Statutorily, the maximum allowable primary property levy for FY2013-2014 is \$5,742,768. The City can capture this additional levy in future budget years if Council so directs.

The City has budgeted a total of \$5,530,453 in FY2013-2014 secondary property tax, an approximate 13.6% decrease over the FY2012-2013 budget. The decrease is directly related to the decreased assessed valuation experienced in our community. Secondary property tax funds general obligation debt and debt is issued to manage within the levy.

Five years historical data is shown below:

Property Tax Rates	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014 Proposed
Primary	\$0.6547	0.6479	0.6917	0.7131	0.8429
Secondary	0.8366	0.8366	0.8366	0.8366	0.8366
Total	\$ 1.4913	1.4845	1.5283	1.5497	1.6795

Primary property taxes account for 9.6% of the General Fund revenues budgeted for FY2013-2014.

Community Benefits and Considerations:

Primary property taxes support a number of City services including public safety, parks and recreation, other public works services, and general administrative and management functions within the city.

Secondary property taxes support the debt service payment on numerous city capital projects including: Aquaplex, Fire Stations, Open Space, numerous street/utility projects, Forest Restoration and the future Core Facility as well as many others.

Community Involvement:

Inform & Involve: Budget legal schedules were published in the June 6, 2013 and June 13, 2013 Arizona Daily Sun to allow for additional community review. In addition, the legal and other budget schedules were made available at City Hall, at both Flagstaff Public Libraries, and on the official city website. A public hearing on June 18, 2013 for both the final budget adoption and the property tax levy is open for public comment and allows citizens to provide input.

Attachments: [Ord2013.13](#)

ORDINANCE NO. 2013-13

AN ORDINANCE LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF FLAGSTAFF, ARIZONA, SUBJECT TO TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS, FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS AND PROVIDING FUNDS FOR GENERAL MUNICIPAL EXPENSES, ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2014

RECITALS:

WHEREAS, by the provisions of State law, the ordinance levying taxes for fiscal year 2013-2014 is required to be finally adopted not later than the third Monday in August; and

WHEREAS, the County of Coconino is the assessing and collecting authority for the City of Flagstaff.

ENACTMENTS:

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

SECTION 1. There is hereby levied on each one hundred dollars (\$100.00) of the assessed value of all property, both real and personal within the corporate limits of the City of Flagstaff, except such property as may be by law exempt from taxation, a primary property tax rate of 0.8429 for the fiscal year ending on the 30th day of June, 2014. If this tax rate exceeds the maximum levy allowed by law, the Board of Supervisors of the County of Coconino is hereby authorized to reduce the levy to the maximum allowable by law after providing notice to the City.

SECTION 2. In addition to the rate set in Section 1 hereof, there is hereby levied on each one hundred dollars (\$100.00) of the assessed value of all property, both real and personal within the corporate limits of the City of Flagstaff, except such property as may be by law exempt from taxation, a secondary property tax rate of 0.8366 for the fiscal year ending June 30, 2014.

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

SECTION 4. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

SECTION 5. That the Clerk is hereby directed to transmit a certified copy of this ordinance to the County Assessor and the Board of Supervisors of the County of Coconino, Arizona.

SECTION 6. Effective Date. The tax levies imposed by this Ordinance shall take effect Aug 2, 2013.

PASSED AND ADOPTED by the City Council and approved by the Mayor of the City of Flagstaff this _____ day of _____, 2013.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

CITY OF FLAGSTAFF
STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Elaine Averitt, Planning Development Manager
Date: 06/12/2013
Meeting Date: 06/18/2013



TITLE:

Consideration and Approval of Final Plat: A request from Pete Reznick for final plat approval of the University Terrace Unit 2, a subdivision consisting of twenty (20) single-family lots on 10.55 acres located at 4015 South Holland Road in the R1, Residential Zoning District.

RECOMMENDED ACTION:

The Planning and Zoning Commission recommends approving the final plat with the conditions outlined in the staff summary and its attachments, and authorizing the Mayor to sign both the plat and City/Subdivider Agreement when notified by staff that all conditions have been met and documents are ready for recording.

Policy Decision or Reason for Action:

Title 11: General Plans and Subdivisions Section 11-20.70.030.F. indicates that approval of a final plat requires approval by the City Council provided the Council finds that the final plat meets the requirements of the zoning code and the engineering design standards and specifications.

Subsidiary Decisions Points:
None

Financial Impact:

Not applicable to this proposal.

Connection to Council Goal:

- 5. Retain, expand, and diversify economic base
- 9. Zoning Code check in and analysis of the process and implementation

Has There Been Previous Council Decision on This:

Yes, on April 15, 2008, the City Council approved the Preliminary Plat, PC SUB 08-001.

Options and Alternatives:

- 1. Approve the final plat.
- 2. Deny the final plat.

Background/History:

- January 29, 1998, the final plat of University Terrace was recorded which included thirty (30) single-family lots and Tracts A and B on 25.7 acres. Tract B, the subject property, was identified for future development and limited to a maximum of twenty (20) dwelling units.
- April 15, 2008, Council approved the preliminary plat for University Terrace Unit 2.
- April 21, 2010, Planning staff approved an extension of the preliminary plat.
- August 16, 2011, Planning staff approved a second extension of the preliminary plat with the condition that new stormwater management requirements and a drainage report addendum be reviewed and approved to ensure compliance with the new standards.
- On May 14, 2013, inter-division staff approved the final plat with no conditions.

Community Benefits and Considerations:

Information regarding community benefits and considerations is addressed in the Preliminary Plat report PC SUB 08-001, included with this staff report.

Community Involvement:

The platting process does not require a public hearing. However, the preliminary plat was reviewed by both the Planning & Zoning Commission and city council at public meetings.

Attachments: [F-Plat Cover Sheet](#)
 [Final Plat](#)
 [P-Plat DRB conditions](#)
 [Preliminary Plat Report](#)

FINAL PLAT OF UNIVERSITY TERRACE UNIT 2

DEDICATION:

State of Arizona } ss.
County of Coconino }

KNOW ALL MEN BY THESE PRESENTS: That UNIVERSITY TERRACE DEVELOPMENT, L.L.C., hereby publishes this plat as and for the plat of UNIVERSITY TERRACE UNIT 2, a subdivision of TRACT "B" of UNIVERSITY TERRACE, Case 7, Map 58, Coconino County Records. Located in the NW1/4 Section 32, Township 21 North, Range 7 East, G. & S.R.M., Flagstaff, Coconino County, Arizona, as shown platted hereon, and hereby declares that said plat sets forth the locations and gives the dimensions and measurements of the lots and streets constituting same and that each lot and street shall be known by the number or name given to each respectively on said plat and hereby dedicates to the City of Flagstaff the streets and Right of Way as shown on said plat. Easements are dedicated for the purposes shown.

Tracts "A" & "D" are hereby dedicated to the PROPERTY OWNERS ASSOCIATION as OPEN SPACE and DRAINAGE FACILITIES and ARE PERPETUAL NATURAL RESOURCE PROTECTION EASEMENTS (TO BE MAINTAINED BY THE PROPERTY OWNERS ASSOCIATION).

Tract "C" is hereby dedicated to the CITY OF FLAGSTAFF for PUBLIC UTILITIES & OPEN SPACE.

Tracts "B", "E", "F", "G" & "H" are to be retained by the OWNER/DEVELOPER for possible future combination with LOTS 15 & 20 - 23 of UNIVERSITY TERRACE and are PERPETUAL RESOURCE PROTECTION EASEMENTS.

Tract "I" is hereby dedicated to the CITY OF FLAGSTAFF as RURAL FLOODPLAIN with NO DISTURBANCES ALLOWED.

IN WITNESS WHEREOF: UNIVERSITY TERRACE DEVELOPMENT, L.L.C., has caused its name to be signed and the same to be attested by the signature of its representative, thereunto authorized.

Done at _____, Arizona, this _____ day of _____, 20____.

BY: _____
Peter S. Reznick (Manager)

ACKNOWLEDGMENT:

State of Arizona } ss.
County of Coconino }

On this the _____ day of _____, 20____, before me, the undersigned personally appeared, PETER S. REZNICK, Manager and Member of UNIVERSITY TERRACE DEVELOPMENT, L.L.C., an Arizona Limited Liability Company, who acknowledged by self to represent UNIVERSITY TERRACE DEVELOPMENT, L.L.C., and that he/she as such, being authorized so to do, executed the foregoing instrument for the purpose therein contained.

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

Notary Public _____

My commission expires: _____

OCCUPANCY:

No Certificate of Occupancy for any residence may be issued nor may any residence erected in this tract be occupied until the required water, sewer, and all other essential utilities are installed and an all-weather access roadway to the residence is constructed and approved or accepted by the City Engineer.

NOTES:

Except for construction and improvements by governmental entities and certified Public Utilities, construction and improvements within Utility easements shall be limited to only the following:

- Removable wood, wire, or section-type fencing
- Construction, structures, or buildings expressly approved in writing by all Public Utilities which use or shall use the utility easement.

All building construction, including accessory buildings, shall be limited to a specific development envelope for each lot as shown hereon and this buildable area is limited to setbacks shown.

All on-lot areas not designated as development envelopes are to be maintained as perpetual resource protection easements and bufferyards to be maintained by the individual lot owners (See Sheet 2 of 2 for individual development envelopes).

Construction of landscaping within clear view zones is restricted per the City of Flagstaff Engineering Design & Construction Standards & Specifications for New Infrastructure (2012 Edition) - Section 13-10-006-0002, Intersection Sight Triangles, Clear View Zones.

Driveway slopes shall be in accordance with City of Flagstaff Ordinance No. 2007-13.

NO FENCING, RE-GRADING, DISTURBANCE OF NATURAL GROUND, PLACEMENT OF FILL OR ANY OTHER OBSTRUCTIONS ARE PERMITTED WITHIN THE DRAINAGE EASEMENTS.

FIRE APPARATUS ACCESS ROADS SHALL BE PROVIDED ON SITE WHEN ANY PORTION OF THE FACILITY OR BUILDING IS BEYOND 150 FEET FROM APPROVED FIRE APPARATUS ACCESS ROADWAYS AS MEASURED BY AN APPROVED ROUTE AROUND THE EXTERIOR OF THE BUILDING OR FACILITY. ALTERNATIVE FIRE PROTECTION MEASURES MAY BE SUBSTITUTED FOR MEETING THIS REQUIREMENT WHEN APPROVED BY THE FIRE DEPARTMENT. CONFER WITH THE FLAGSTAFF FIRE DEPARTMENT FIRE PREVENTION OFFICER TO DETERMINE THE SPECIFIC MEANS OF COMPLIANCE.

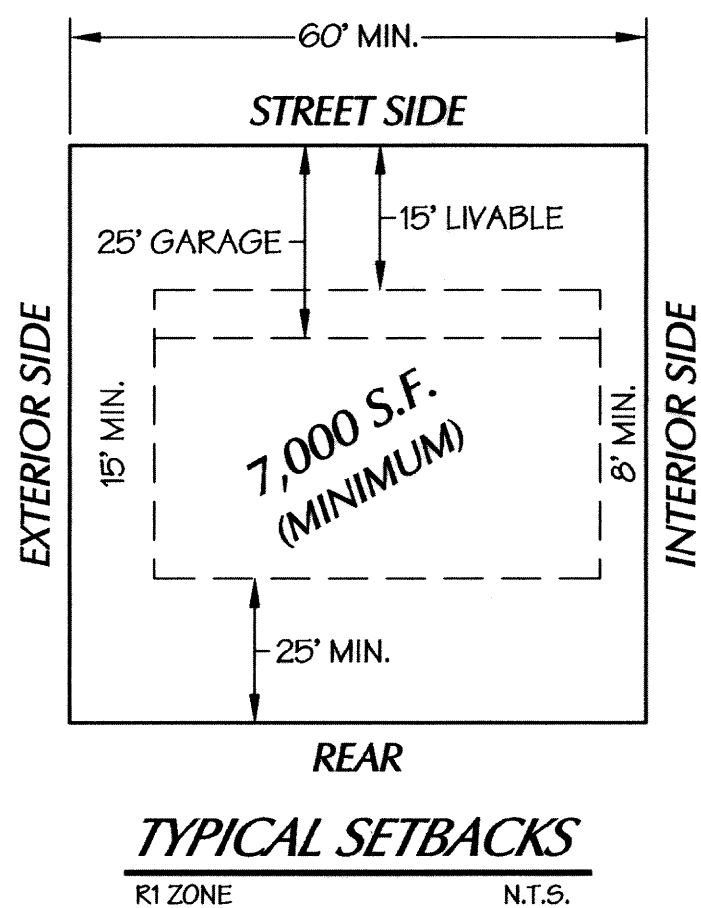
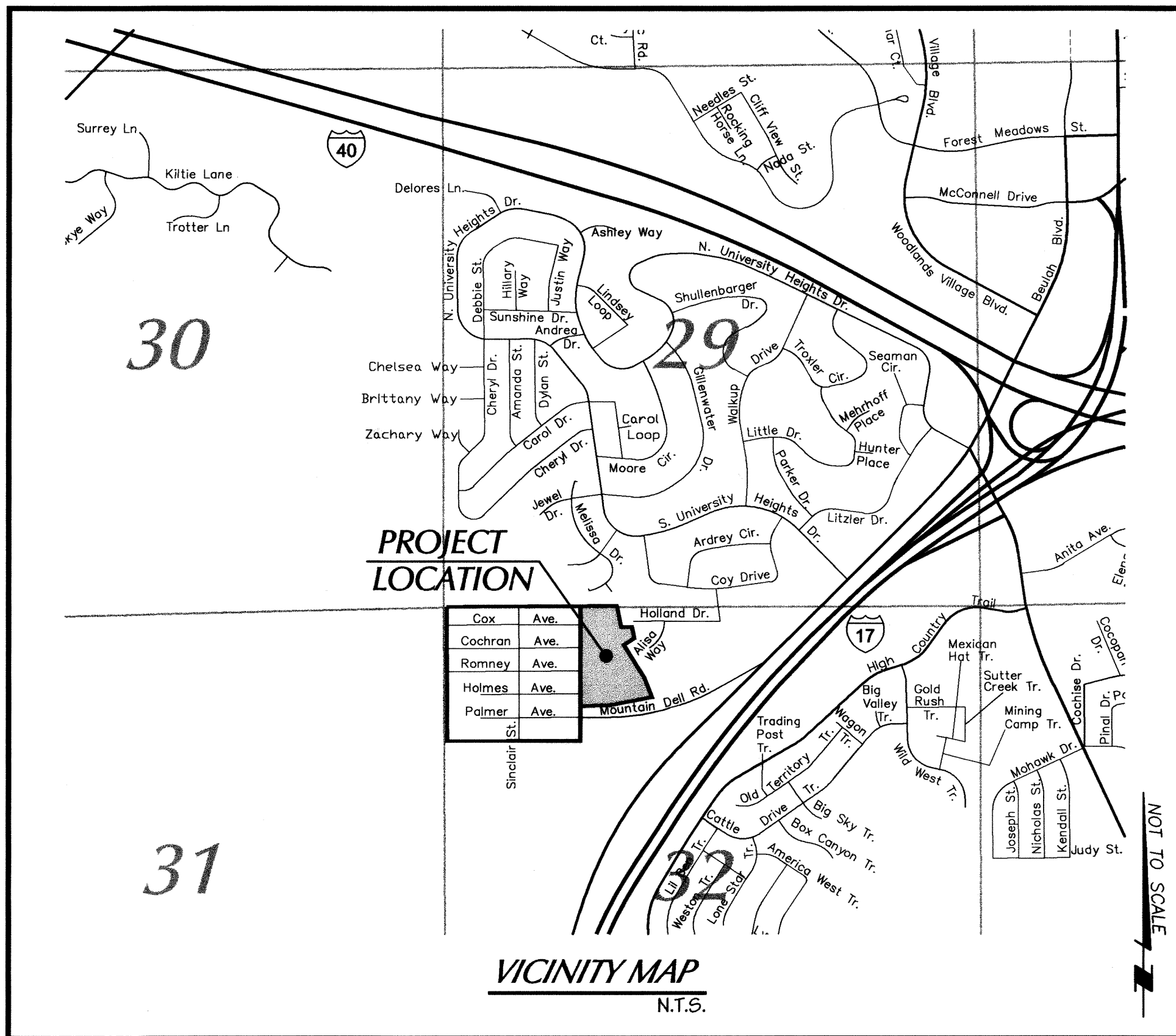
THE PROPERTY OWNERS ASSOCIATION SHALL BE SOLELY RESPONSIBLE FOR THE OPERATION, MAINTENANCE, AND LIABILITY FOR PRIVATE DETENTION FACILITIES AND PRIVATE DRAINAGEWAYS.

THE CITY OF FLAGSTAFF SHALL HAVE THE RIGHT TO PERIODICALLY INSPECT SAID DETENTION FACILITIES TO VERIFY THAT REGULAR MAINTENANCE ACTIVITIES ARE BEING PERFORMED ADEQUATELY.

ACCESSORY BUILDINGS AND STRUCTURES SHALL EITHER BE CONSTRUCTED WITHIN THE INDIVIDUAL BUILDING ENVELOPES AS SHOWN OR THE INDIVIDUAL OWNER MUST DEMONSTRATE THROUGH A BUILDING PERMIT APPLICATION THAT NO FOREST RESOURCES OR SLOPE RESOURCES GREATER THAN 17% WILL BE REMOVED ON ENCROACHED UPON. ADDITIONALLY, THE BUILDING/STRUCTURE SHALL COMPLY WITH ALL CITY OF FLAGSTAFF REQUIREMENTS REGARDING THE LOCATION, SIZE AND CONSTRUCTION FOR SUCH BUILDING/STRUCTURE.

THE FLOOD HAZARD BOUNDARIES IDENTIFIED ON THIS PLAT ARE APPROXIMATE PER F.I.R.M. MAP 040066916G, REVISION DATE 9/3/2010. BECAUSE FLOOD HAZARD BOUNDARIES MAY BE REVISED PERIODICALLY, THE MOST RECENT FLOOD HAZARD MAP FOR THIS AREA SHOULD BE REVIEWED TO DETERMINE THE EXACT LIMITS AND SEVERITY OF POTENTIAL FLOODING ON THESE LOTS. FLOOD HAZARD MAPS AND THE REQUIREMENTS FOR CONSTRUCTION WITHIN FLOOD HAZARD AREAS CAN BE OBTAINED FROM THE CITY OF FLAGSTAFF.

A SUBDIVISION OF TRACT "B" OF UNIVERSITY TERRACE, CASE 7, MAP 58
COCONINO COUNTY RECORDS - LOCATED IN THE NW1/4 OF SECTION 32,
TOWNSHIP 21 NORTH, RANGE 7 EAST, G&S.R.M.
FLAGSTAFF, COCONINO COUNTY, ARIZONA



INDEX TO SHEETS

SHEET 1 COVER SHEET
SHEET 2 FINAL PLAT

CITY OF FLAGSTAFF:

It is hereby certified that this plat has been officially approved for record by the Council of the City of Flagstaff, Arizona on the _____ day of _____, 20____.

BY: _____
MAYOR

ATTEST: _____
CITY CLERK

It is hereby certified that this plat has been officially approved for record by the Development Review Board of Flagstaff, Arizona on the _____ day of _____, 20____.

BY: _____
CHAIRPERSON

BY: _____
CITY ENGINEER

UTILITY COMPANY ACKNOWLEDGMENT

UNISOURCE ENERGY _____ DATE _____

CENTURYLINK _____ DATE _____

ARIZONA PUBLIC SERVICE _____ DATE _____

SUDDENLINK _____ DATE _____

PROJECT INFORMATION

SUBDIVISION NAME: UNIVERSITY TERRACE UNIT 2

PROJECT LOCATION: 4015 S. HOLLAND ROAD
FLAGSTAFF, AZ 86001

LATITUDE: N 35° 09' 55.5"

LONGITUDE: W 111° 40' 42.1"

APN NUMBER: 112-47-032

TOTAL ACREAGE: 10.55

NUMBER OF LOTS: 20

DENSITY: 1.90 UNITS / ACRE

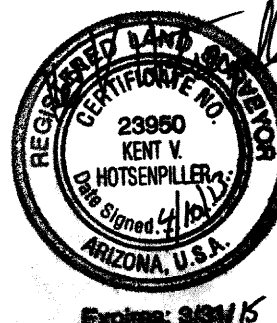
ZONING DISTRICT: R1

PROPOSED USE: SINGLE FAMILY DETACHED

OWNER/DEVELOPER: PETE REZNICK
1500 W. PALMER AVE.
FLAGSTAFF, AZ 86001
(928) 774-7805

CERTIFICATION

I HEREBY CERTIFY THAT THIS PLAT, AND THE SURVEY ON WHICH IT IS BASED, WAS PERFORMED BY ME AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.



SHEET NO. 1 OF 2

COF DRB # 07-016

FINAL PLAT OF UNIVERSITY TERRACE UNIT 2

A SUBDIVISION OF TRACT "B" OF UNIVERSITY TERRACE, CASE 7, MAP 58
COCONINO COUNTY RECORDS - LOCATED IN THE NW1/4 OF SECTION 32,
TOWNSHIP 21 NORTH, RANGE 7 EAST, G&S.R.M.
FLAGSTAFF, COCONINO COUNTY, ARIZONA

CURVE DATA			
#	RADIUS	LENGTH	DELTA
C1	137.17'	22.50'	09°23'48"
C2	137.17'	20.07'	08°23'02"
C3	125.50'	30.76'	14°02'40"
C4	125.50'	36.44'	16°38'09"
C5	125.50'	42.05'	19°11'45"
C6	125.50'	49.06'	22°23'55"
C7	125.50'	24.64'	11°15'00"
C8	24.50'	21.57'	50°26'09"
C9	54.00'	26.14'	27°44'20"
C10	54.00'	27.61'	29°17'56"
C11	54.00'	33.74'	35°47'46"
C12	54.00'	20.12'	21°20'38"
C13	54.00'	21.74'	23°04'11"
C14	54.00'	22.70'	24°05'11"
C15	54.00'	16.17'	17°09'40"
C16	54.00'	46.06'	48°52'33"
C17	54.00'	50.42'	53°30'03"
C18	24.50'	21.57'	50°26'09"
C19	74.50'	14.63'	11°15'00"
C20	74.50'	107.79'	82°53'57"
C21	74.50'	10.33'	07°56'31"
C22	48.00'	22.32'	26°38'24"
C23	48.00'	17.72'	21°08'59"
C24	100.00'	36.97'	21°10'53"
C25	100.00'	19.63'	11°15'00"
C26	36.00'	45.91'	73°03'44"
C27	36.00'	91.98'	146°23'05"
C28	36.00'	43.78'	69°40'31"
C29	36.00'	30.58'	48°40'37"

LINE DATA		
#	BEARING	DISTANCE
L1	N76°29'29"E	28.27'
L2	N22°54'18"W	11.81'
L3	N14°20'59"W	8.81'
L4	N14°20'59"W	17.21'
L5	N25°35'59"W	22.30'
L6	N25°35'59"W	13.78'
L7	N25°35'59"W	10.98'
L8	N25°35'59"W	20.39'
L9	N25°35'59"W	4.72'
L10	S87°42'09"W	41.51'
L11	S87°42'09"W	35.58'
L12	N83°37'01"E	36.37'
L13	N83°37'01"E	34.11'
L14	N83°37'01"E	24.16'
L15	N83°37'01"E	21.65'
L16	N83°37'01"E	34.11'
L17	S34°48'56"E	22.74'
L18	S41°31'47"W	30.87'
L19	S02°34'27"E	34.80'
L20	N61°53'18"W	40.45'
L21	S22°00'08"W	41.52'
L22	N12°18'23"W	21.60'
L23	S34°48'56"E	48.00'
L24	N55°18'37"E	36.25'
L25	N22°54'18"W	98.58'
L26	S83°46'20"W	63.34'
L27	N75°13'46"W	8.19'
L28	S56°27'58"W	20.90'
L29	S56°27'58"W	34.17'
L30	N45°48'16"E	34.39'

SUBDIVISION NOTES

TRACTS "A" & "D" ARE HEREBY DEDICATED TO THE PROPERTY OWNERS ASSOCIATION as OPEN SPACE and DRAINAGE FACILITIES and ARE PERPETUAL NATURAL RESOURCE PROTECTION EASEMENTS (TO BE MAINTAINED BY THE PROPERTY OWNERS ASSOCIATION).

TRACT "C" IS HEREBY DEDICATED TO THE C.O.F. FOR PUBLIC UTILITIES AND OPEN SPACE.

TRACT "B", "E", "F", "G", & "H" ARE TO BE RETAINED BY THE OWNER/DEVELOPER FOR POSSIBLE COMBINATION WITH LOTS 15 & 20-23 OF UNIVERSITY TERRACE AND ARE PERPETUAL RESOURCE PROTECTION EASEMENTS.

TRACT "I" IS HEREBY DEDICATED TO C.O.F. AS RURAL FLOODPLAIN WITH NO FUTURE DISTURBANCES ALLOWED.

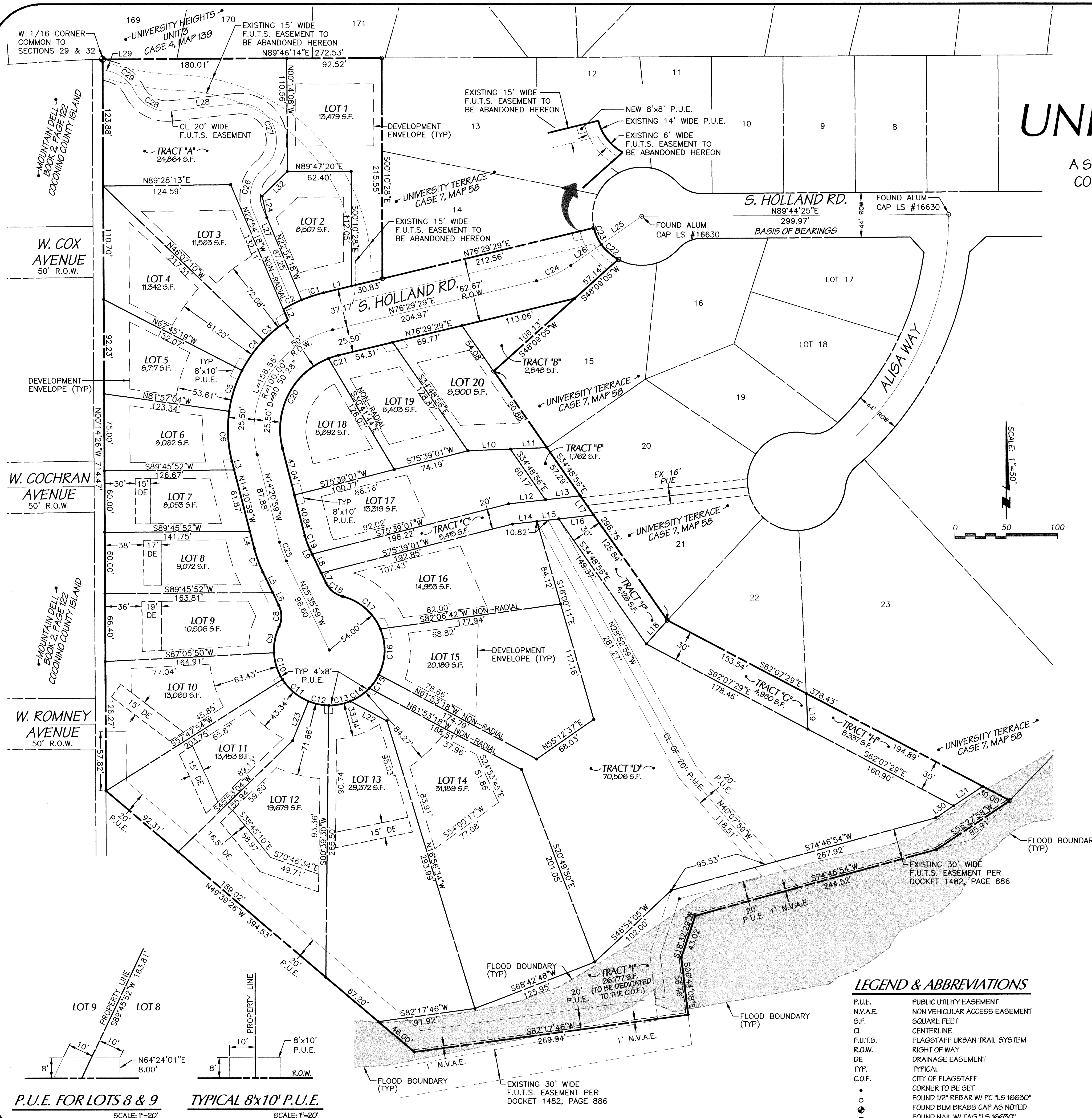
TYPICAL BUILDING SETBACKS ARE AS FOLLOWS:
FRONT = 15' MIN (FOR MAIN PORTION OF DWELLING)
FRONT = 25' MIN (FOR GARAGE OR CARPORT)
FRONT SETBACKS SHOWN ON THIS PLAT ARE DRAWN AT 25' MIN
SIDE = 8' MIN (15' IF ADJACENT TO A PUBLIC STREET)
REAR = 25' MIN

NOTE THAT LOTS 3, 4, 5, & 10-14 HAVE FRONT SETBACKS GREATER THAN 25'. THE FRONT SETBACKS SHOWN ON THESE LOTS IS WHERE THE LOT WIDTH EQUALS 60'.

NOTE THAT LOTS 7-13 HAVE PRIVATE ON-SITE DRAINAGE EASEMENTS AND LOW IMPACT DEVELOPMENT (L.I.D.) DRAINAGE BASINS INSTALLED THAT ARE A PART OF THE PROJECTS OVERALL STORMWATER MANAGEMENT DESIGN. INDIVIDUAL ROOF DRAIN SYSTEMS WILL NEED TO BE CONNECTED TO THE ON-SITE L.I.D. BASINS (A) 4" PVC ROOF DRAIN INLET PIPES. THE DESIGN VOLUME OF THESE L.I.D. BASINS SHALL BE MAINTAINED IN PERPETUITY AND THE BASINS SHALL NOT BE COVERED UP.

LEGEND & ABBREVIATIONS

P.U.E.	PUBLIC UTILITY EASEMENT
N.V.A.E.	NON VEHICULAR ACCESS EASEMENT
S.F.	SQUARE FEET
C.L.	CENTERLINE
F.U.T.S.	FLAGSTAFF URBAN TRAIL SYSTEM
R.O.W.	RIGHT OF WAY
DE	DRAINAGE EASEMENT
C.O.F.	TYPICAL CITY OF FLAGSTAFF
	CORNER TO BE SET
	FOUND 1/2" REBAR W/ PC "LS 16630"
	FOUND BLM BRASS CAP AS NOTED
	FOUND NAIL W/ TAG "LS 16630"



P.U.E. FOR LOTS 8 & 9
SCALE: 1"=20'

TYPICAL 8'x10' P.U.E.
SCALE: 1"=20'



City of Flagstaff
Preliminary Plat Review
Conditions of Approval

Project Name: **UNIVERSITY TERRACE UNIT 2**
Print Date: 28-Feb-08
Project Number: **DRB07-016**

Site Address: 4015 S Holland Rd - Application No. PSPR 2007-065

DRB Date: 28-Feb-08

Conditions of Approval: [approved with 12 conditions below]

Project Mgmt (Planning): Preliminary Plat, AWC, 2-20-08

1. Sheet No.3: Remove Note: "Driveways shown hereon are schematic only..." (the driveways were removed from drawing).
2. Preserve existing pines, where feasible, at entrance of new public roadway for a landscaped entry and buffer for existing Lots.
3. Current Site Capacity calcs contain error in carrying over [3] total resource prot. land (acres). Corrected number would result in 20.9 (rounded down to 20) dwelling units and 20 are proposed. Correct work sheet and resubmit with your final plat.
4. The proposed detention basins require the following landscaping: a minimum of 2 plant units for every 100 feet of the perimeter of the basin.
5. Prior to application to the Planning and Zoning Commission, submit written responses from the following agencies regarding the intent to subdivide: appropriate public utilities; cable television and communication companies; Flagstaff Unified School District; USDA Soil Conservation Service; Coconino Co. Health Dept.; Coconino Co. Flood Control District; and Coconino Co. Community Development Dept. (since the proposed subdivision is adjacent to an unincorporated area).

Community Design:

6. Make detention facilities natural in character rather than rectangular.
7. If Tract A is open space, design the trail to take a more organic route through Tract A. If not feasible, please use existing FUTS easement without deviation.

Updated 11-6-7: No changes. All comments apply.

FMPO:

8. Realign FUTS trail through Tract A so the trail does not have right angle turns and is not pushed to the edges of the tract.
(mi 11-15-2007)

Fire Dept:

9. Second fire dept. access is required or add fire sprinklers to all buildings.
10. Delete the fire hydrant of front of lot 18. One (1) new hydrant is required as shown between lots 16 & 17 as shown on the site plan.
11. The mini-roundabout needs to be designed to accommodate a 45' fire truck, allowing for no part of the fire truck to extended over the curb/sidewalk. Also, the mini-roundabout shall allow for some driver error. The most recent design is too narrow and cannot be approved for fire truck access at this time. Please show a revised drawing for the mini-roundabout on the construction plans. The mini-roundabout will be red-lined if the turning radius is not satisfied.

Project Review (Building): (APPROVED W/ Conditions; 5-1-2007; 6-18-07; 7-3-07; 11-19-2007 eml)

See comments below for FINAL Plat requirements.

Public Works: No conditions

Utilities: NONE

Project Review Engineering: 02-19-08, APPROVED

Storm water: 2/21/2008

Traffic: 02-21-08 Address the following on the construction drawings:

12. Sidewalk on the north side of cul-de-sac throat scales to 4'. It Should be 5' after the transition from the cul-de-sac.

General Recommendations and Comments:

Project Mgmt (Planning):

1. Following DRB approval of the preliminary plat, the subdivider or authorized representative shall submit 10 copies of the preliminary plat; one 8-1/2 x 11 inch reduction of the preliminary plat; and a copy of the preliminary plat in electronic format. A Subdivision Review Application and \$250 administrative fee is required with these materials. Please reference revised Subdivision Platting, Application Packet (dated 12/26/07).

Community Design: None

Fire Dept:

1. Add fire sprinklers to all buildings and second fire access requirement will go away.
2. 2 new fire hydrants are required.

Project Review (Building): (APPROVED, conditions for after platting, eml, 11-18-2007)

1. The new driveway ordinance is in affect and must be adhered to for Final Plat and applying for building permits. Since the topo-info is from COF GIS data (not known to be highly accurate), the driveway information on lots 9-15 must be demonstrated to work with the roadway or that information on finish floor elevations and driveway slopes can be maintained. Applicant must provide a typical section through lot #14 and #12 to demonstrate the extent of fill that will be required and the building envelope for the structure and boundaries of the fill. (eml, 9 Apr 2007)
2. A building permit is required. (eml, 9 Mar 2007)
3. A geotechnical soils report will be required for this subdivision.
4. Council is expected to approve the 2006 IRC and the City of Flagstaff 2007 Building code amendments on 18 December 2007.

Public Works: No comments

Utilities:

1. (This condition has been met) A Water and Sewer Impact Study is required. It will be completed by the City of Flagstaff upon receipt of written request from the applicant. Please contact the Utilities Engineer, Ryan Roberts, P.E. @ 779-7685 (Ext. 7248) for additional information and estimated costs. The Water and Sewer Impact study must be completed prior to Development Review Board approval.
 2. (This condition has been met) Show proposed minimum 20' public utility easements over new water and sewer main extensions on the site plan/tentative plat. 20' wide public utility easements are required for water and sewer easements. The developer shall acquire the additional 4 ft easement required from the existing landowners. Easements must be dedicated prior to issuance of a Building Permit.
 3. (This condition has been met) All sewer lines shall be designed for gravity flow. Pressurized sewer lines and Lift Stations are prohibited by City of Flagstaff. This development may need to extend sewer main 2400 ft along the sinclair wash in order to provide gravity flow service to this development.
- The following standard comments 5,6,7,9,10,17,21 and 22 are conditions that must be completed prior to the issuance of the building permit.

Project Review Engineering:

Survey comments to be addressed on the final plat:

1. Provide a description of proposed ROW and PUE's
2. Bearings and distances on Tract "I" and others where needed.
3. Provide copies of all referenced record Docket/Pages.

Storm water:

1. Pursuant to the Stormwater Management Design Manual, concentrated discharges from your site, including the detention basin(s) are not allowed. A letter, or recorded private drainage easement is required for this project and must be provided prior to construction plan approval, recordation of Plat and/or issuance of Building Permits.

STORM WATER COMMENTS:

(x) An engineered Preliminary Drainage Report must be submitted and approved prior to approval of the tentative plat by DRB.

(x) City policy on public versus private drainage easements:

1. Regulatory (FEMA) watercourses: dedicated and maintained by the City of Flagstaff.
2. Public drainageways or private drainageways: rarely, the City may require that a drainageway be dedicated to the

City. In most instances, the drainageway shall remain private. During Civil Plan Review, stormwater staff shall determine the dedication so that it can be accurately dedicated, or shown on the Final Plat.

(x) All designs shall be in conformance with the City of Flagstaff Stormwater Design Manual.

(x) An engineered drainage report is required prior to issuance of a grading and/or building permits.

(x) Engineered grading and drainage plans are required prior to issuance of grading and/or building permits.

(x) A grading permit is required prior to any grading activity on the site.

(x) ROUGH GRADING: Building permits will not be issued until rough grading inspection is performed and a Rough Grading Certificate is submitted. The rough grading inspection must be scheduled a minimum of 24 hours in advance (779-7650). It is recommended to have the civil engineer at the inspection. The rough grading form has four certification blocks to be completed as described below:

a. Certification is always required by the civil engineer and permittee.

b. Soils engineer / engineering geologist certification is required if soils testing was performed as part of the rough grading work.

c. Land surveyor certification is required if an independent surveyor (not associated with the civil engineer or permittee) was responsible for staking grades, or if the civil engineer deems this necessary.

(x) FINAL GRADING: Certificates of Occupancy will not be issued until a final grading inspection is performed and a Final Grading Certificate with As-built grading plans are submitted and approved. This form requires only the certification by the civil engineer. The final grading inspection must be scheduled a minimum of 24 hours in advance (928-779-7650). It is recommended to have the civil engineer at the inspection.

(x) The property owner or homeowners association is responsible for the regular inspection and maintenance of the detention basin.

(x) Stormwater Pollution Prevention Plans (SWPPP) are required for any land disturbing activity greater than one (1) acre. Developers are responsible for complying with City of Flagstaff requirements for land disturbing activities greater than one (1) acres. SWPPP's must be prepared by an engineer. AZPDES Notice of Intent and Notice of Termination are required. The City of Flagstaff will not issue a grading permit until the NOI is provided and the SWPPP is installed and inspected by Stormwater Staff.

(x) Impervious surface (roofs, driveways, sidewalks, etc.) calculations must be shown on plans prior to issuance of a building permit.

Traffic Engineering: None

Fire:

1. A fire code modification form is required for fire sprinkler systems in place of the second access.

PLANNING & DEVELOPMENT SERVICES DIVISION
PRELIMINARY PLAT REPORT

PC SUB 08-001

DATE: March 18, 2008

MEETING DATE: March 25, 2008

REPORT BY: Elaine Averitt

REQUEST:

A request from Pete Reznick for Preliminary Plat approval of the University Terrace Unit 2, a subdivision consisting of twenty (20) single-family lots on 10.55 acres located at 4015 South Holland Road in the R1, Residential Zoning District.

STAFF RECOMMENDATION:

Staff recommends the Planning and Zoning Commission forward the preliminary plat to the City Council with a recommendation for approval subject to the conditions as listed in the Development Review Board Minutes of February 28, 2008.

PRESENT LAND USE:

Vacant, forested land.

PROPOSED LAND USE:

University Terrace Unit 2 subdivision, a twenty (20) lot, single-family subdivision on 10.55 acres.

NEIGHBORHOOD DEVELOPMENT:

North: University Highlands Unit 3 subdivision, single-family residential uses; R-1-E District;

South: Undeveloped; R1 District;

East: University Terrace subdivision, single-family residential uses; R1 District;

West: Mountain Dell county subdivision; residential uses; AR District.

REQUIRED FINDINGS:

The Planning and Zoning Commission shall find the proposed preliminary plat meets the requirements of the City of Flagstaff *Land Development Code (LDC)* and City of Flagstaff *Engineering Design and Construction Standards and Specifications*.

STAFF REVIEW:

Introduction

Location

The site is situated west of 89A, south of the University Highlands subdivision and east of the Mountain Dell county subdivision. The subject property slopes generally from north to south, dropping approximately 60 feet in elevation down to the Sinclair Wash floodplain at the southern boundary. The elevation ranges from 6,960

feet to 6,900 feet above sea level. Vegetation is heavily forested with Ponderosa Pine trees, distributed fairly evenly throughout the 10.55-acre site.

Lot sizes range from a minimum of 8,053 square feet to a maximum of 37,567 square feet. Zoning allows a minimum lot size of 7,000 square feet. The plat dedicates a .47-acre tract of land to the City as rural floodplain with no disturbances allowed. Two tracts totaling 2.5 acres are to be dedicated to the home owners association as open space and detention basin facilities. Five narrow tracts abutting University Terrace Unit 1 lots are to be retained by the owner/developer for possible combination with lots 15 and 20 to 23 Unit 1, following platting, and are perpetual resource protection easements.

Previous Approvals

On January 29, 1998, the Final Plat of University Terrace was recorded which included thirty (30) single-family lots and Tracts A and B on 25.7 acres. Tract B, the subject property being considered and consisting of 10.55 acres, was identified for future development and limited to a maximum of twenty (20) dwelling units. In addition, future development of this tract shall comply with the City Land Development Code.

In late 1996, during public hearings for the University Terrace tentative plat, there was considerable discussion about the pros and cons of requiring a second access through Mountain Dell. The benefits included having an emergency access; however, prohibitive constraints included problems with crossing a floodplain and steep slopes, as well as the unimproved condition of the county roads. In addition, University Heights neighbors expressed opposition to the idea of a street connection between University Heights and Mountain Dell. Therefore, the resulting decision was Holland Drive approved as the sole access for University Terrace coupled with the Fire Department's condition limiting total build-out to fifty (50) units or less.

Current Proposal

In respect to the current proposal for the final twenty (20) units, the Fire Department will allow the extension of Holland Drive without a secondary access, with the condition that fire sprinklers must be installed in each residence. Please note, the Engineering Standards typically require a second access when a road is longer than 1200 feet; however, due to the constraints referenced above and the 1996 City Council decision not to require a second access, the Engineering Division, therefore, has waived the requirement.

Access to the property is available from Holland Drive which is an improved and dedicated City street. The Development Review Board approved a preliminary plat on February 28, 2008.

Flagstaff Area Regional Land Use and Transportation Plan

The site is designated as Low Density Residential in the *Regional Land Use and Transportation Plan*. This land use category is intended for predominately single-family, detached residential development with densities of up to 5 dwelling units per acre. The proposal of 1.9 units per acre conforms to the Low Density Residential land use designation.

Zoning Requirements

The property within University Terrace Unit 2 is zoned R1, Residential District. Base site area and site capacity calculations have been performed. The proposed development of twenty (20) units for the site is within the density yield allowed by the *Land Development Code* (LDC). The R1 zoning district permits a minimum lot area of 7,000 square feet. The proposed lots comply with this minimum requirement.

Natural Resources and Site Capacity Analysis

Site capacity calculations are required for the R1 zoned property. The designers have provided calculations of existing resources on the property to be disturbed and retained. In this case, the LDC requires that 50% of the forest resources and 100% of the rural floodplain be retained. Furthermore, the LDC requires 70% of the 17-24.9% and 80% of the 25% and over qualifying slopes to be retained in the R1 district. This subdivision contains forest, rural floodplain, and both slope resources. The following table shows total resources with protection results. The calculations revealed resources will be protected at or above the minimum resource protection thresholds within the R1 District.

RESOURCE PROTECTION LAND IN THE R1 DISTRICT
UNIVERSITY TERRACE UNIT 2

RESOURCE	TOTAL ACRES	REQUIRED PROTECTION LEVEL & ACRES	PROTECTED LEVEL & PROTECTED ACRES
Forest	7.97	50% 3.98	51% 4.07
Slope 17-24.9%	0.10	70% 0.07	*70% 0.07
Slope 25% and greater	1.79	80% 1.43	80% 1.43
Rural Floodplain	0.46	100% 0.46	100% 0.46

*Note that the developer credited 0.014 acres of excess slope from the 25% and greater slopes to meet minimum thresholds for slopes of 17-24.9%.

Bulk Standards

The lots within University Terrace Unit 2 comply with the detached, single-family performance and property development standards of the R1 district.

Design Review

The project complies with Level 1, Design Review Guidelines which are applicable to this project. Forest and slope resource areas protected in the southern end of the project will connect to floodplain, detention, and open space areas. An internal walkway will connect pedestrians to the existing University Terrace development. Lastly, the Flagstaff Urban Trail System (FUTS) trail continues through the property and provides connectivity to the trail system.

Landscaping

The Land Development Code requires the exterior boundaries of the subdivision to comply with the landscape bufferyard standards. Required opacities are noted on the plat. Existing Ponderosa Pine trees will be used and credited to meet the requirements. Street trees are required to be installed per City of Flagstaff's Engineering Standards and will be reviewed for compliance when the civil plans are submitted.

SYSTEMS ANALYSIS:

Access and Traffic

P.F.S. Traffic Engineering prepared the original traffic impact statement for the University Terrace subdivision based upon the anticipated fifty (50) maximum dwelling units. The traffic impact statement was accepted by the City's Traffic Engineer. The traffic impact statement stated the proposed subdivision is estimated to generate approximately 419 daily trips, with a net AM/PM peak hour generation of approximately thirty-two (32) additional trips to the existing AM peak hour and approximately forty-two (42) additional trips to the existing PM peak hour. A new traffic impact statement was not required for University Terrace Unit 2.

As noted earlier, access to the subdivision is available from Holland Drive, an improved, dedicated City street which connects to Coy Drive, then to University Drive South. No additional vehicle access to the subdivision is proposed, nor is additional access required by the City's Development Review Board per the City code requirements and the conditions that the development is limited to twenty (20) units or less and fire sprinklers are installed in each residence.

Holland Drive currently terminates at a cul-de-sac on the west end of University Terrace Unit 1. The proposed extension of Holland Drive will extend through the end of the existing cul-de-sac between Lots 14 and 15. The proposed street will be a 27-foot public cross-section with vertical curb and gutter. The extended road will then terminate into a new cul-de-sac. Also, near the entrance to University Terrace Unit 2, there will be a narrower sidewalk transitioning to a 5-foot sidewalk on the north, and an 8-foot FUTS trail on the south. The typical roadway section will include a 5-foot parkway and 5-foot sidewalk on both sides of the street, except as noted at Unit 2's entry. Lastly, the existing Holland Drive cul-de-sac is proposed to be modified by building an at-grade, circular planter approximately 25 feet in diameter with a mountable curb which will serve as a traffic calming device through the cul-de-sac.

Utilities

A new Public Water and Sewer Impact Analysis was prepared by the City of Flagstaff in September 2007.

Water and Sewer

The proposed development is located within the City's urban service boundary and is serviced by Zone B water pressure system. The proposed water mains will be public. Currently there is an 8" PVC water main in Holland Road that may serve this development. The applicant is responsible for extension of an 8" diameter water main into and through the site. The developer has shown and is required to provide a 16-foot, public utility easement which will allow future expansion of the waterline by others to service future development in the area. Results of the analysis demonstrated that adequate water supply and pressure exist for peak demand and fire flow.

The sewer mains will also be public. The applicant is required to extend an 8" sewer line into the subdivision. The closest sewer line is an existing 8" diameter main located in Alisa Way which may be used by the proposed development. The proposed sewer extension is located within a new, 16' wide, public utility easement running between Unit 2's lots 16 and 17 along the eastern border of the site. The remainder of the on-site sewer system will be located under the new, interior street and within the public right-of-way. The impact analysis shows adequate capacity of the existing collection system to convey the existing and proposed flow rates as well as maintain the required, less-than 70 percent full pipe capacity.

Stormwater

The preliminary drainage report has been accepted by the City's Stormwater Manager. The applicant proposes Tracts "A" and "D" of the subject property to be dedicated for collecting and detaining stormwater run-off from the subdivision. In addition, the applicant proposes a thirty (30) foot wide drainage easement running near the rear property lines of Lots 8 through 14. A berm will be built within this easement to direct run-off into the Tract "D" detention area. As noted earlier, the plat dedicates a .47-acre tract of land to the City as rural floodplain.

Open Space

The 1996 University Terrace Unit 1 approval provided a 30-foot wide FUTS easement from an existing trail that parallels the Sinclair Wash. The easement runs northwest from the wash to Holland Drive. At this point, the easement is integrated within the street section in the form of a 10-foot sidewalk. This sidewalk continues to Tract "B" now known as Unit 2. The Development Review Board has approved an alternative alignment of the FUTS easement through Unit 2 that ends at the northwest corner of the subdivision. The developer has agreed to install a split-rail fence along the west line of Lot 2 and the east line of Lot 8 to maintain an open feel where the FUTS trail runs between the two lots.

At an unknown future date, the FUTS trail is planned to continue beyond this corner of the subdivision, based upon the City Council discussion in 1996 which stated, "County staff incorporated a condition within an abandonment request from Mr. Thatcher that dedicates a 15-foot wide FUTS easement across Mr. Thatcher's property from the above-mentioned northwest corner, to abut the DeMiguel Elementary School property. This pedestrian connection, if approved through the county island will provide students within the area direct access to the school on a dedicated pedestrian system."

DISCUSSION:

In respect to Development Review Board conditions of approval (attached), the applicant has addressed most of the conditions with the current submittal to the Planning and Zoning Commission. Several conditions relating to design of the detention facilities will not be reviewed until construction plans are submitted. Staff has requested that the detention basins be designed to look natural in character and that the FUTS trail through Tract A is aligned to avoid right-angle turns. The preliminary plat shows the detention areas as rectangular, but these areas will be redesigned after additional detailed drainage studies determine how large the detention areas need to be. Also, the proposed circular planter in the cul-de-sac will be re-designed to accommodate a 45-foot fire truck and the design will be finalized with construction plans. The Fire Department will require a Fire Code Modification Form confirming the use of sprinkler systems in residences as an alternative to a second access.

RECOMMENDATION:

Staff recommends the Planning and Zoning Commission forward the Preliminary Plat to the City Council with a recommendation for approval subject to the Development Review Board Minutes of February 28, 2008.

ATTACHMENTS:

- Preliminary Plat Application and Plan Set
- Location Map
- DRB Minutes of February 28, 2008
- Final Plat of University Terrace (11x17"), recorded January 29, 1998; for reference only

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Margaret Penado, Risk Manager
Date: 06/12/2013
Meeting Date: 06/18/2013



TITLE:

Consideration of Insurance Renewal: Property/Casualty for Fiscal Year 2014.

RECOMMENDED ACTION:

Approve or disapprove insurance renewal proposal from Willis of Arizona for the period July 1, 2013 to June 30, 2014 and authorize the City Manager to execute the necessary documents. Our contracted insurance broker, Willis of Arizona, has provided the following options:

- SIR 50,000 (current)
\$1,315,380 premium plus 5% buffer for policy changes= \$1,381,149
- SIR 75,000 (staff recommendation)
\$1,256,093 premium plus 5% buffer for policy changes = \$1,318,898
- SIR 100,000
\$1,222,832 premium plus 5% buffer for policy changes = \$1,283,974

Policy Decision or Reason for Action:

Approval of the insurance renewal proposal will authorize staff to secure insurance protection for the July 1, 2013 to June 30, 2014 policy year and authorizes City Manager to execute necessary documents.

Financial Impact:

Premium will be paid from the City's self insured trust (SIT) fund 600-8901-590-2304. Note premium includes additional 5% for mid term changes which may occur during the policy year. Our current Self Insured Retention is \$50,000. Higher options on SIR are quoted at \$75,000 and \$100,000. Expenditures for claims under the Self Insured Retention are also paid from the City's self insured trust (SIT) fund 600-8901-590-2304.

Connection to Council Goal:

11. Effective governance - The City purchases insurance coverage to transfer financial responsibility for liability and property losses exceeding the City's selected retention in order to effectively govern and appropriate resources.

Previous Council Decision on This:

No.

Options and Alternatives:

Travelers quoted three options:

SIR 50,000 (current)

\$1,315,380 premium plus 5% buffer for policy changes= \$1,381,149

SIR 75,000 (staff recommendation)

\$1,256,093 premium plus 5% buffer for policy changes = \$1,318,898

SIR 100,000

\$1,222,832 premium plus 5% buffer for policy changes = \$1,283,974

Background/History:

Willis of Arizona was selected as insurance broker through an RFP process in 2011 to provide risk management and brokerage services and to market City's insurance renewal annually.

Key Considerations:

Willis' market search for the next best insurance package yielded fractured results. (See Exhibit E) Of the five other markets approached to quote, one market responded with a quote on our liability coverages, but no home was found for our property insurance to join with this. Increased Traveler's package premium reflects the convergence of a hardening insurance market with the City's negative loss experience. Losses which have negatively impacted the City's loss experience over the six-year loss-experience review period included two large property losses (Jay Lively ice rink and Wildcat wastewater treatment plant digester,) two officer involved shootings, an auto fatality and other significant claims, resulting in a negative loss history. (See Exhibits A1 and A2)

This premium increase continues an upward trend which began in policy year 2010/2011. A historical review shows Travelers has been a stable market for the City and remains best choice for City. Exhibits B, and C reflect the cost per million of coverage for both property and combined liability exposures over past years. Auto liability is shown separately in exhibit D at cost per vehicle over past years.

Expanded Financial Considerations:

The 50,000 SIR is the current level on the existing insurance policy.

The 75,000 SIR yields a cost savings of \$59,287 from the 50,000 SIR level quote

The 100,000 SIR yields a cost savings of another \$33,261 beyond the 75,000 SIR quote

Diminishing premium savings are seen at the highest level of SIR

SIR's are like deductibles for defense and payments on liability claims.

Community Benefits and Considerations:

Purchase of insurance will provide funding to pay for covered losses without disruption to the City's budget.

Community Involvement:

Not Applicable.

Attachments: 50,000 Self Insured Retention Premium Summary

[75,000 Self Insured Retention Premium Summary](#)
[100,000 Self Insured Retention Premium Summary](#)
[Property/Casualty Premiums vs. Losses](#)
[Property/Casualty Historical Losses Pie Chart](#)
[Property Insurance Cost per Million Chart](#)
[Liability Cost per Million Chart](#)
[Automobile Liability Insurance Cost per Unit Chart](#)
[2013 Insurance Market Responses](#)
[PowerPoint](#)

City of Flagstaff Insurance Proposal July 1, 2013 to 2014				7/1/2011	7/1/2012	7/1/2013
Insurance Carrier	Coverage	2012 Limits	SIR/Deductible	Premium	Premium	Premium
Travelers	Property	\$224,938,782	\$25,000	\$217,753	\$303,011	\$347,048
Package Policy	Removing Water Tank	21,400,000		Not included	not included	-\$32,999
	Flood (not Zone A)	\$10,000,000	\$50,000/72 Hours	Included	Included	Included
See SOV for Flood information	Flood High Risk	\$2,500,000	\$50,000/72 Hours	Included	Included	Included
	Earthquake	\$15,000,000	\$25,000/72 Hours	Included	Included	Included
Quote based on 5/14/2013 SOV	Bus Inc/Extra Exp	\$7,000,000	72 Hours	Included	Included	Included
	Boiler & Mach.	Included	\$5,000	\$17,224	\$17,524	Included
	IM Cont EQ	\$7,391,884	\$1,000	\$9,826	\$9,966	\$13,026
In Property Limit	IM EDP EQ	\$1,438,500	\$1,000	Included	Included	Included
	IM Fine Arts	\$78,700	\$1,000	Included	Included	Included
	IM Misc Floater	\$249,882	\$1,000	Included	Included	Included
(384 Power Units)	Auto Liability	\$1,000,000	\$50,000 SIR	\$180,515	\$195,048	\$237,000
	Auto Phys Damage	\$25,367,352	\$1,000/\$5,000	\$34,754	\$44,322	\$54,202
Occurrence	General Liability	\$1,000,000/\$2,000,000	\$50,000 SIR	\$108,012	\$119,750	\$173,315
Claims Made	EBL	\$1,000,000/\$3,000,000	\$50,000 SIR	Included	\$225	\$220
Claims Made	CyberFirst	\$1,000,000/\$1,000,000	\$5,000	\$1,381	\$1,726	\$2,769
Occurrence	Law	\$1,000,000/\$1,000,000	\$50,000 SIR	\$119,974	\$142,580	\$216,394
Claims Made	PEML (E&O)	\$1,000,000/\$1,000,000	\$50,000 SIR	\$11,458	\$10,564	\$24,368
Claims Made	EPLI	\$5,000,000/\$5,000,000	\$50,000 SIR	\$52,956	\$59,127	\$78,921
Occur/Claims Made	Umbrella/Excess	\$20,000,000	\$10,000/None	\$96,143	\$96,143	\$111,833
TRIA Premium				Not Included	Not Included	Not Included
				\$849,996	\$999,986	\$1,226,097
					17.6%	25.9%
St Paul Fire & Marine	Excess Liability	\$5,000,000	N/A	\$16,469	\$17,641	\$18,569
Charits Crime	Crime Coverages	\$1,000,000	5,000	\$6,348	\$6,348	\$6,348
ACE	International Pkg	Various	Various	\$2,500	\$2,500	\$2,500
ACE USA	Airport Liability	\$40,000,000	None	\$11,800	\$10,500	\$10,631
Flood Insurance	City Hall, Libr, Court			\$18,227	\$18,510	\$21,235
Premium Totals	(as of 5/24/2012)			\$905,340	\$1,055,485	\$1,285,380
Annual Broker Fee				\$30,000	\$30,000	\$30,000
Program Totals				\$935,340	\$1,085,485	\$1,315,380
					+16.8%	21.20%

Please see notes on the following page.

Please note that terrorism is not included in the above premiums, except for Airport Liability.

See Willis Aviation for quote options.

See Appendix A for all quotes, indications and declinations received.

City of Flagstaff - OPTION FOR \$75,000 SIR July 1, 2013 to 2014				7/1/2011	7/1/2012	7/1/2013
Insurance Carrier	Coverage	2012 Limits	SIR/Deductible	Premium	Premium	Premium
						\$75,000 SIR
Travelers	Property	\$224,938,782	\$25,000	\$217,753	\$303,011	\$347,048
Package Policy	Minus Water Tanks	Removing 21,400,000		Not Included	Not Included	-\$32,999
	Flood (not Zone A)	\$10,000,000	\$50,000/72 Hours	Included	Included	Included
See SOV for Flood	Flood High Risk	\$2,500,000	\$50,000/72 Hours	Included	Included	Included
information	Earthquake	\$15,000,000	\$25,000/72 Hours	Included	Included	Included
Quote based on	Bus Inc/Extra Exp	\$7,000,000	72 Hours	Included	Included	Included
5/14/2013 SOV	Boiler & Mach.	Included	\$5,000	\$17,224	\$17,524	Included
	IM Cont EQ	\$7,391,884	\$1,000	\$9,826	\$9,966	\$13,026
In Property Limit	IM EDP EQ	\$1,438,500	\$1,000	Included	Included	Included
	IM Fine Arts	\$78,700	\$1,000	Included	Included	Included
	IM Misc Floater	\$249,882	\$1,000	Included	Included	Included
(384 Power Units)	Auto Liability	\$1,000,000	\$75,000 SIR	\$180,515	\$195,048	\$219,264
	Auto Phys Damage	\$25,367,352	\$1,000/\$5,000	\$34,754	\$44,322	\$54,202
Occurrence	General Liability	\$1,000,000/\$2,000,000	\$75,000 SIR	\$108,012	\$119,750	\$159,210
Claims Made	EBL	\$1,000,000/\$3,000,000	\$75,000 SIR	Included	\$225	\$198
Claims Made	CyberFirst	\$1,000,000/\$1,000,000	\$5,000	\$1,381	\$1,726	\$2,769
Occurrence	Law	\$1,000,000/\$1,000,000	\$75,000 SIR	\$119,974	\$142,580	\$199,564
Claims Made	PEML (E&O)	\$1,000,000/\$1,000,000	\$75,000 SIR	\$11,458	\$10,564	\$22,724
Claims Made	EPLI	\$5,000,000/\$5,000,000	\$75,000 SIR	\$52,956	\$59,127	\$70,011
Occur/Claims Made	Umbrella/Excess	\$20,000,000	\$10,000/None	\$96,143	\$96,143	\$111,793
TRIA Premium				Not Included	Not Included	Not Included
				\$849,996	\$999,986	\$1,166,810
					+17.6%	+19.9%
St Paul Fire & Marine	Excess Liability	\$5,000,000	N/A	\$16,469	\$17,641	\$18,569
Charits Crime	Crime Coverages	\$1,000,000	5,000	\$6,348	\$6,348	\$6,348
ACE	International Pkg	Various	Various	\$2,500	\$2,500	\$2,500
ACE USA	Airport Liability	\$40,000,000	None	\$11,800	\$10,500	\$10,631
Flood Ins	City Hall, Libr, Court			\$18,227	\$18,510	\$21,235
Premium Totals	(as of 5/24/2012)			\$905,340	\$1,055,485	\$1,226,093
Annual Broker Fee				\$30,000	\$30,000	\$30,000
Program Totals				\$935,340	\$1,085,485	\$1,256,093
					+16.8%	15.80%

Please see notes on the following page.

Please note that terrorism is not included in the above premiums, except for Airport Liability.

See Willis Aviation for quote options.

See Appendix A for all quotes, indications and declinations received.

City of Flagstaff - OPTION FOR \$100,000 SIR July 1, 2013 to 2014				7/1/2011	7/1/2012	7/1/2013
Insurance Carrier	Coverage	2012 Limits	SIR/Deductible	Premium	Premium	Premium
Travelers	Property	\$224,938,782	\$25,000	\$217,753	\$303,011	\$347,048
Package Policy	Removing Water Tank	21,400,000		Not Included	Not Included	-32999
	Flood (not Zone A)	\$10,000,000	\$50,000/72 Hours	Included	Included	Included
See SOV for Flood information	Flood High Risk	\$2,500,000	\$50,000/72 Hours	Included	Included	Included
	Earthquake	\$15,000,000	\$25,000/72 Hours	Included	Included	Included
Quote based on 5/14/2013 SOV	Bus Inc/Extra Exp	\$7,000,000	72 Hours	Included	Included	Included
	Boiler & Mach.	Included	\$5,000	\$17,224	\$17,524	Included
	IM Cont EQ	\$7,391,884	\$1,000	\$9,826	\$9,966	\$13,026
In Property Limit	IM EDP EQ	\$1,438,500	\$1,000	Included	Included	Included
	IM Fine Arts	\$78,700	\$1,000	Included	Included	Included
	IM Misc Floater	\$249,882	\$1,000	Included	Included	Included
(384 Power Units)	Auto Liability	\$1,000,000	\$100,000 SIR	\$180,515	\$195,048	\$216,192
	Auto Phys Damage	\$25,367,352	\$1,000/\$5,000	\$34,754	\$44,322	\$54,202
Occurrence	General Liability	\$1,000,000/\$2,000,000	\$100,000 SIR	\$108,012	\$119,750	\$151,386
Claims Made	EBL	\$1,000,000/\$3,000,000	\$100,000 SIR	Included	\$225	\$186
Claims Made	CyberFirst	\$1,000,000/\$1,000,000	\$5,000	\$1,381	\$1,726	\$2,769
Occurrence	Law	\$1,000,000/\$1,000,000	\$100,000 SIR	\$119,974	\$142,580	\$181,812
Claims Made	PEML (E&O)	\$1,000,000/\$1,000,000	\$100,000 SIR	\$11,458	\$10,564	\$21,652
Claims Made	EPLI	\$5,000,000/\$5,000,000	\$100,000 SIR	\$52,956	\$59,127	\$66,569
Occur/Claims Made	Umbrella/Excess	\$20,000,000	\$10,000/None	\$96,143	\$96,143	\$111,706
TRIA Premium				Not Included	Not Included	Not Included
				\$849,996	\$999,986	\$1,133,549
					+17.6%	+16.6%
St Paul Fire & Marine	Excess Liability	\$5,000,000	N/A	\$16,469	\$17,641	\$18,569
Charits Crime	Crime Coverages	\$1,000,000	5,000	\$6,348	\$6,348	\$6,348
ACE	International Pkg	Various	Various	\$2,500	\$2,500	\$2,500
ACE USA	Airport Liability	\$40,000,000	None	\$11,800	\$10,500	\$10,631
Flood Insurance	City Hall, Libr, Court			\$18,227	\$18,510	\$21,235
Premium Totals	(as of 5/28/2012)			\$887,113	\$1,036,975	\$1,192,832
Annual Broker Fee				\$30,000	\$30,000	\$30,000
Program Totals				\$917,113	\$1,066,975	\$1,222,832

Please see notes on the following page.

+16.8%**14.60%**

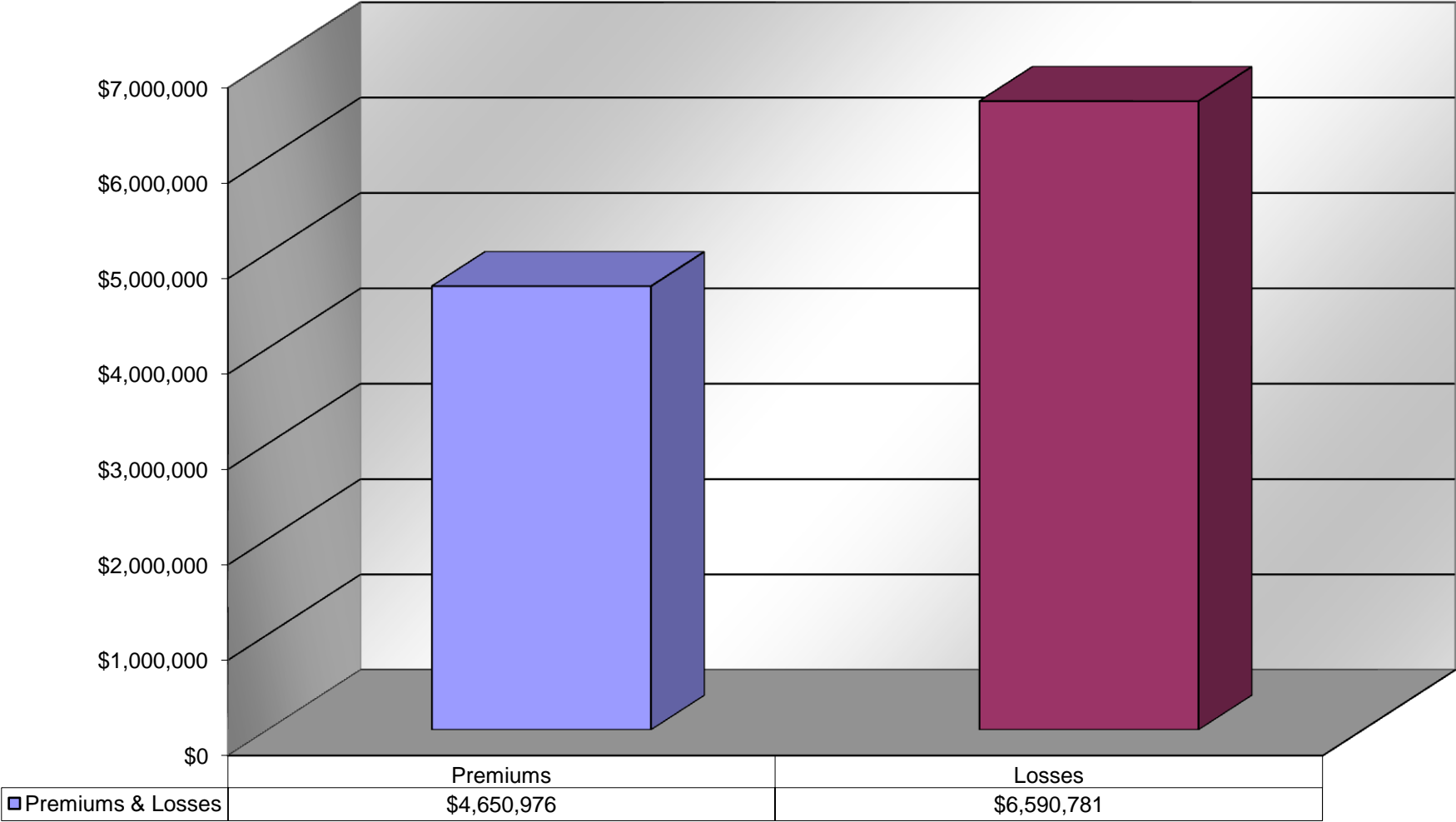
Please see next pages for National Flood Insurance Policy Information.

Please note that terrorism is not included in the above premiums, except for Airport Liability.

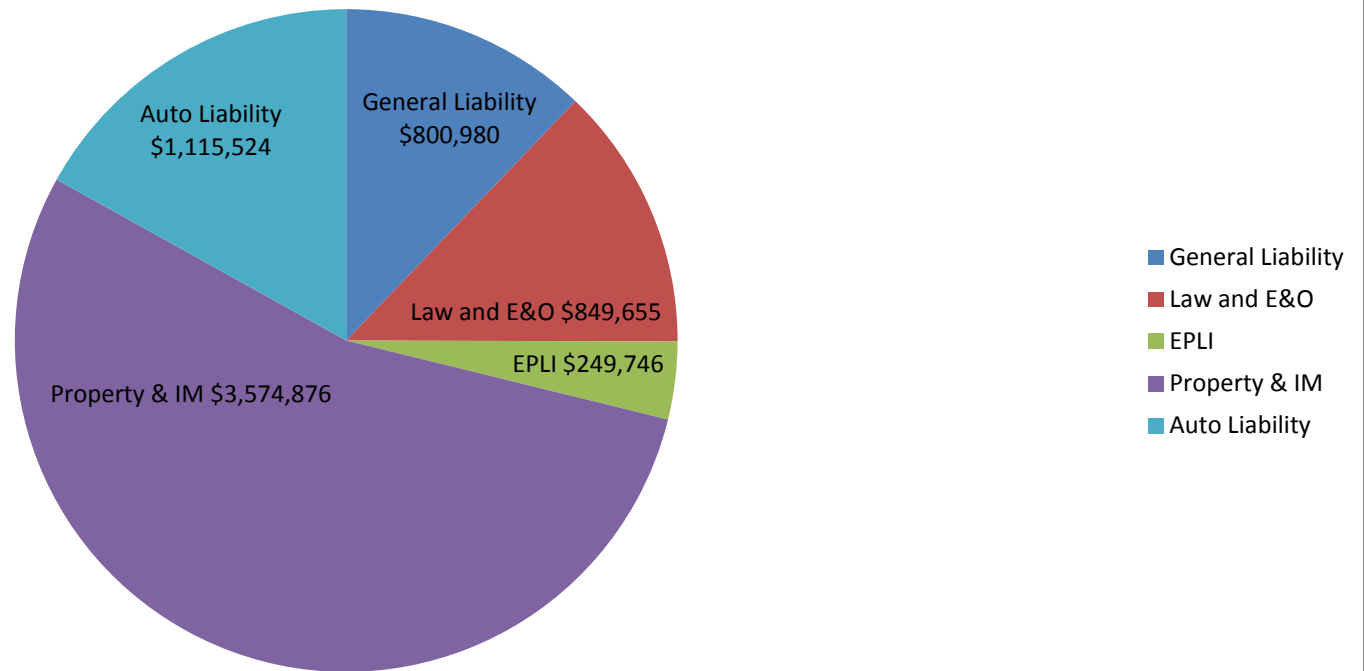
See Willis Aviation for quote options.

See Appendix A for all quotes, indications and declinations received.

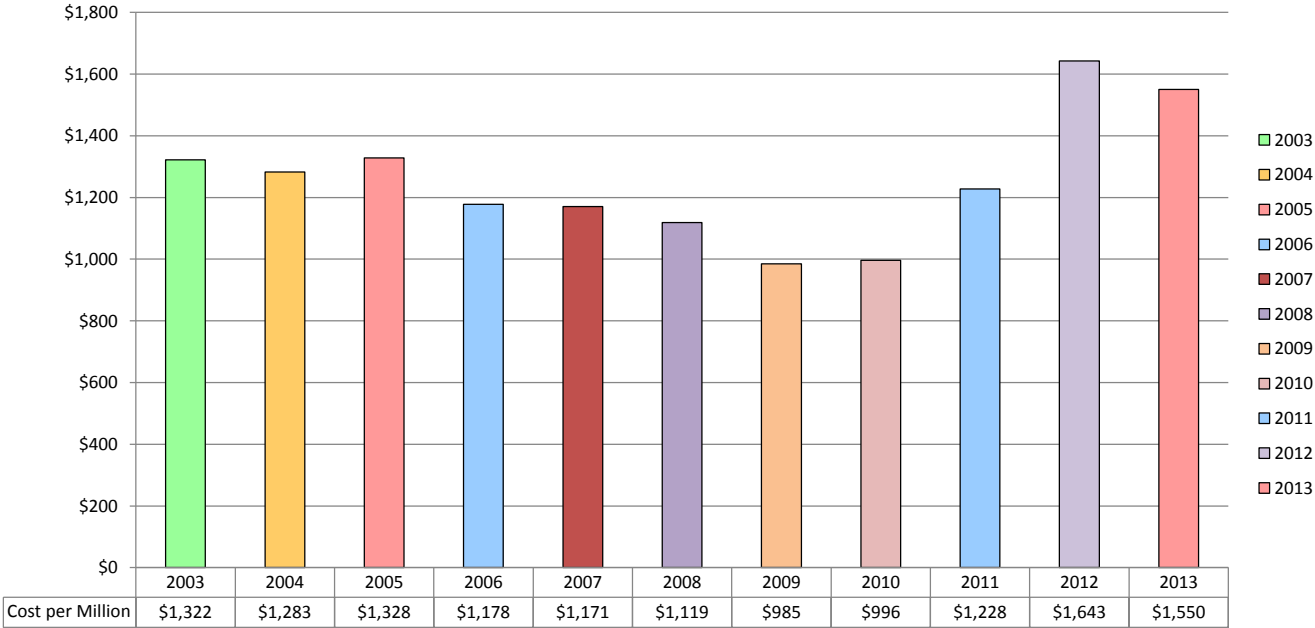
City of Flagstaff Travelers Premiums vs. Losses 6/1/2007 to 3/05/2013



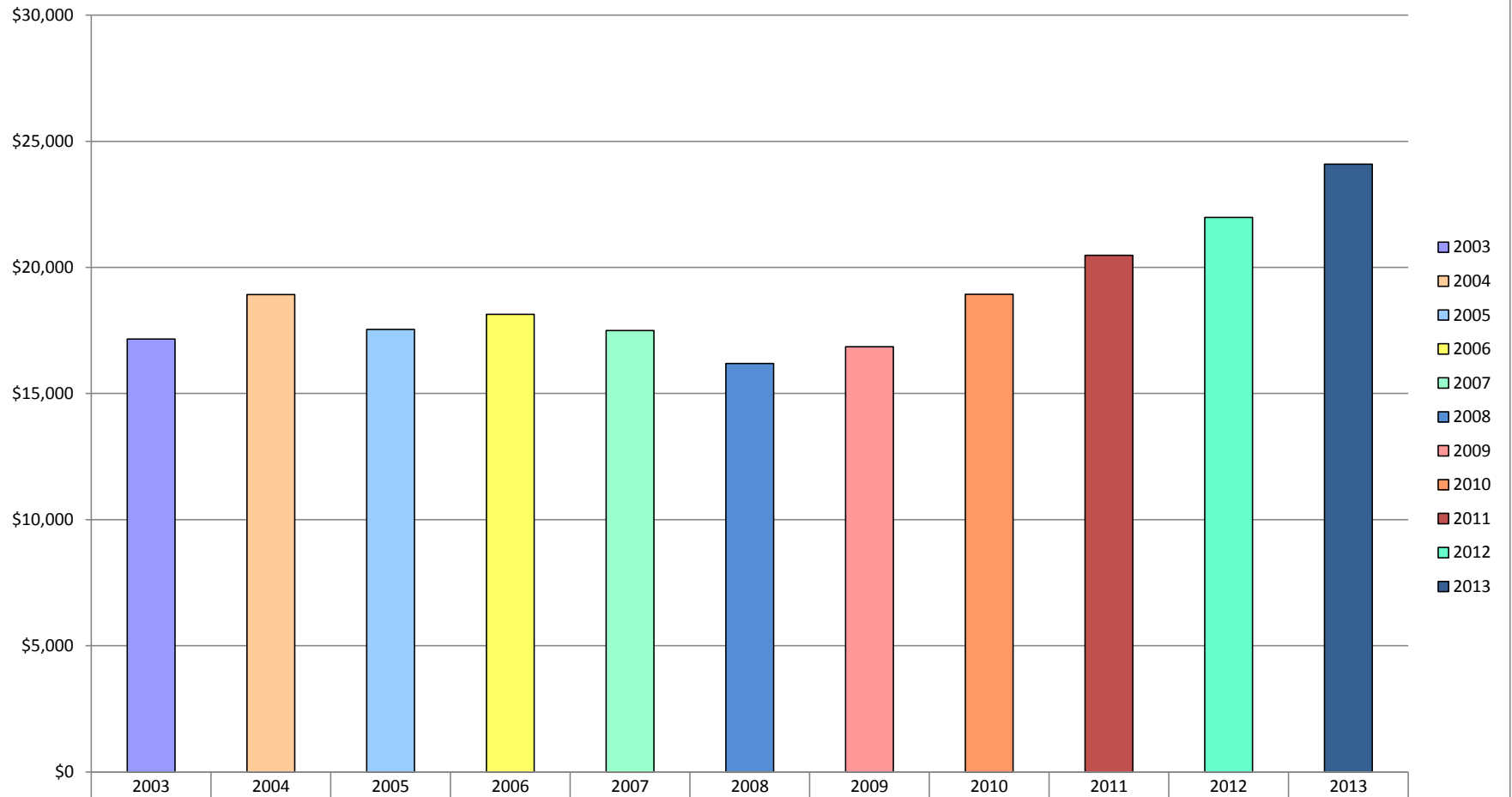
**City of Flagstaff
Travelers Total Incurred Losses
6/01/2007 to 3/05/2013**



Property Insurance Cost Per Million Policy Year 2003 to 2013

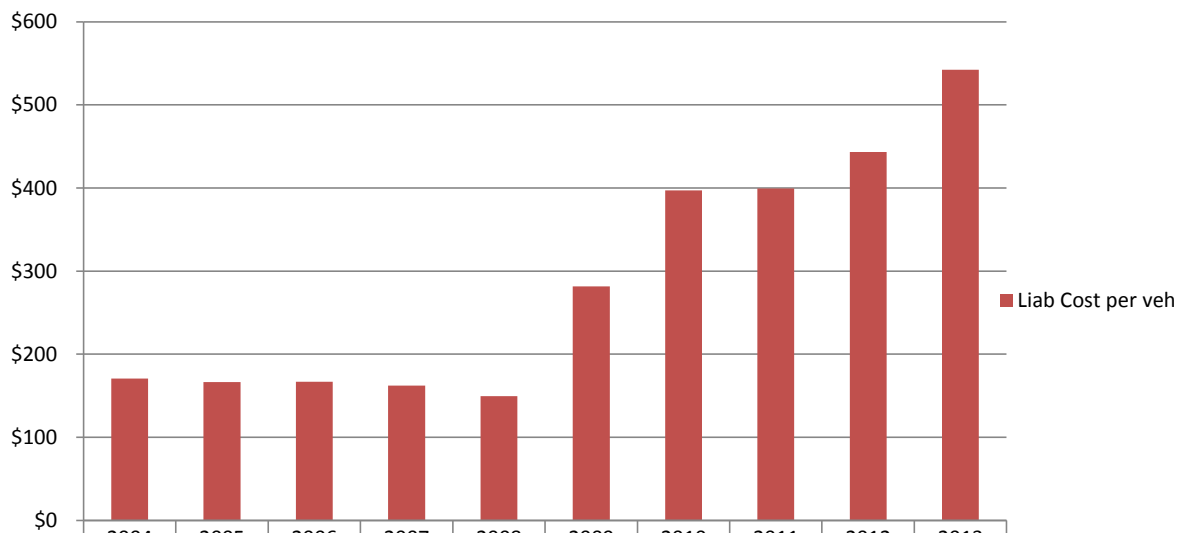


City of Flagstaff Liability Insurance Cost Per Million Policy Years 2003 to 2013



	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Cost per Million	\$17,163	\$18,926	\$17,541	\$18,140	\$17,495	\$16,193	\$16,853	\$18,939	\$20,483	\$21,976	\$24,091

City of Flagstaff Auto Liability Cost Per Unit Polciy Year 2004 to 2013



■ Liab Cost per veh

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
\$171	\$166	\$167	\$162	\$150	\$281	\$397	\$399	\$443	\$542

CITY OF FLAGSTAFF – 2013 MARKET RESPONSES

Carrier	Coverage	Quote, Indication or Declination	Quote Included	Premium Quoted or Indicated	Retail Comm	Name of Wholesale Broker	Wholesale Comm	Expenses		Surplus Lines	
								Policy Fees	Gov't Charges	Taxes	Fees
Travelers Public Sector	Package, Cyber & Excess	Renewal quote with \$20 million excess @ \$50,000 SIR	Yes	\$1,259,096 No TRIA	None	NA	NA	NA	NA	NA	NA
Travelers Public Sector	Package, Cyber & Excess	Optional quote with \$20 million excess @ \$75,000 SIR	Yes	\$1,199,809 No TRIA	None	NA	NA	NA	NA	NA	NA
Travelers Public Sector	Package, Cyber & Excess	Optional quote with \$20 million excess @ \$100,000 SIR	Yes	\$1,166,548 No TRIA	None	NA	NA	NA	NA	NA	NA
OneBeacon	Liability, Cyber & Excess	Indication only, with \$10 million excess	Yes	\$692,000 No TRIA	None	NA	NA	NA	NA	NA	NA
OneBeacon	Property	Declined due to pricing and claims	No	NA	None	NA	NA	NA	NA	NA	NA
Chubb	Property	Declined due to pricing and claims	No	NA	None	NA	NA	NA	NA	NA	NA
Affiliated FM	Property	No response	No	NA	None	NA	NA	NA	NA	NA	NA
ACE	Public Entity Package	No response	No	NA	None	NA	NA	NA	NA	NA	NA
Argonaut	Public Entity Package	Declined – would require a \$500,000 SIR	No	NA	None	NA	NA	NA	NA	NA	NA
AIG Lexington	Excess Liability	No response	No	NA	None	NA	NA	NA	NA	NA	NA
Travelers Commercial	Excess Liability	Renewal Quote \$5 million Excess	Yes	\$18,569 and \$186 TIRA	None	NA	NA	NA	NA	NA	NA

CITY OF FLAGSTAFF – 2013 MARKET RESPONSES

Carrier	Coverage	Quote, Indication or Declination	Quote Included	Premium Quoted or Indicated	Retail Comm	Name of Wholesale Broker	Wholesale Comm	Expenses		Surplus Lines	
Great American	Excess Liability	Option for \$15 million excess over OneBeacon Unable to quote over an indication.	No	NA	None	NA	NA	NA	NA	NA	NA
Travelers	Workers Comp	Declined – would be about \$1,685,000	No	NA	TBD	NA	NA	NA	NA	NA	NA
Charis	Crime	Renewal quote	Yes	\$6,348 No TRIA	None	NA	NA	NA	NA	NA	NA
Various	Airport Liability	See proposal from Willis Aerospace, LA	Yes	\$10,631 Includes TRIA	None	Willis Aerospace	None	NA	NA	NA	NA

2013 Property Casualty Insurance Renewal for Consideration

Presented by Margaret Penado, Risk Management
City of Flagstaff

06/18/2013

Procurement Process

- RFP in 2011 led to selection of Willis as our insurance broker.
- Our broker shops the market and obtains competitive quotes for the City of Flagstaff

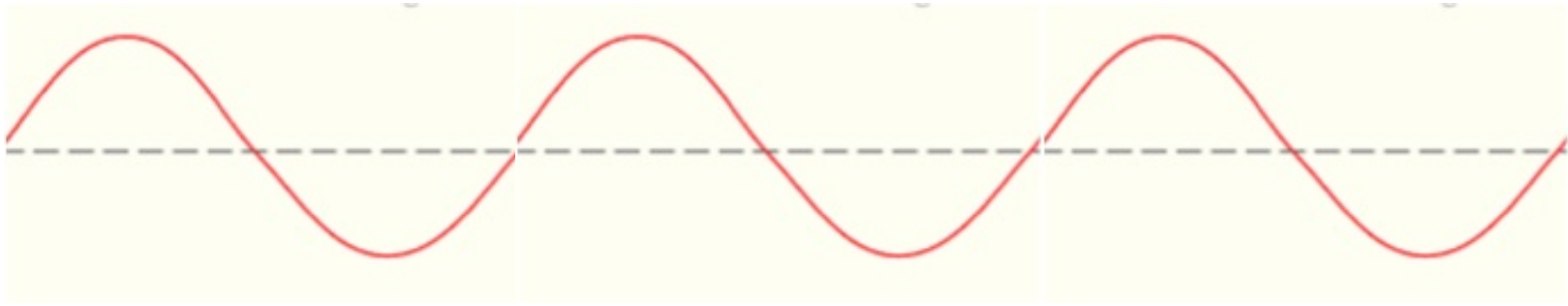
Market Results

- Several Markets Approached
- Only Travelers offered full package
- One Beacon offered liability only
- Unable to find another host for Property insurance to match with One Beacon quote.
- Increased premium 21% higher from FY 2013

CITY OF FLAGSTAFF – 2013 MARKET RESPONSES

Carrier	Coverage	Quote, Indication or Declination	Quote Included	Premium Quoted or Indicated	Retail Comm	Name of Wholesale Broker	Wholesale Comm	Expenses		Surplus Lines	
								Policy Fees	Gov't Charges	Taxes	Fees
Travelers Public Sector	Package, Cyber & Excess	Renewal quote with \$20 million excess @\$50,000 SIR	Yes	\$1,259,096 No TRIA	None	NA	NA	NA	NA	NA	NA
Travelers Public Sector	Package, Cyber & Excess	Optional quote with \$20 million excess @\$75,000 SIR	Yes	\$1,199,809 No TRIA	None	NA	NA	NA	NA	NA	NA
Travelers Public Sector	Package, Cyber & Excess	Optional quote with \$20 million excess @\$100,000 SIR	Yes	\$1,166,548 No TRIA	None	NA	NA	NA	NA	NA	NA
OneBeacon	Liability, Cyber & Excess	Indication only, with \$10 million excess	Yes	\$692,000 No TRIA	None	NA	NA	NA	NA	NA	NA
OneBeacon	Property	Declined due to pricing and claims	No	NA	None	NA	NA	NA	NA	NA	NA
Chubb	Property	Declined due to pricing and claims	No	NA	None	NA	NA	NA	NA	NA	NA
Affiliated FM	Property	No response	No	NA	None	NA	NA	NA	NA	NA	NA
ACE	Public Entity Package	No response	No	NA	None	NA	NA	NA	NA	NA	NA
Argonaut	Public Entity Package	Declined – would require a \$500,000 SIR	No	NA	None	NA	NA	NA	NA	NA	NA
AIG Lexington	Excess Liability	No response	No	NA	None	NA	NA	NA	NA	NA	NA
Travelers Commercial	Excess Liability	Renewal Quote \$5 million Excess	Yes	\$18,569 and \$186 TIRA	None	NA	NA	NA	NA	NA	NA

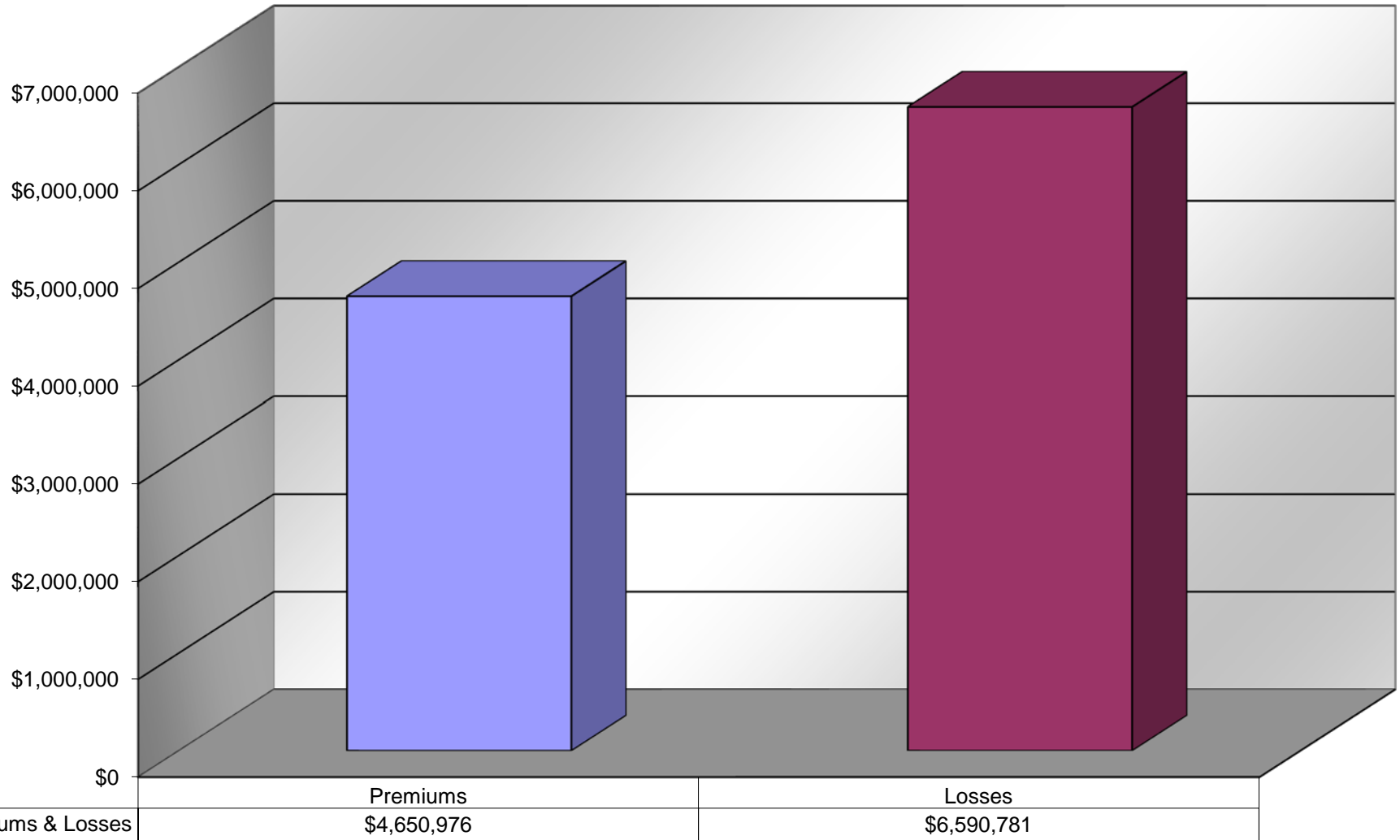
Carrier	Coverage	Quote, Indication or Declination	Quote Included	Premium Quoted or Indicated	Retail Comm	Name of Wholesale Broker	Wholesale Comm	Expenses		Surplus Lines	
Great American	Excess Liability	Option for \$15 million excess over OneBeacon Unable to quote over an indication.	No	NA	None	NA	NA	NA	NA	NA	NA
Travelers	Workers Comp	Declined – would be about \$1,685,000	No	NA	TBD	NA	NA	NA	NA	NA	NA
Chartis	Crime	Renewal quote	Yes	\$6,348 No TRIA	None	NA	NA	NA	NA	NA	NA
Various	Airport Liability	See proposal from Willis Aerospace, LA	Yes	\$10,631 Includes TRIA	None	Willis Aerospace	None	NA	NA	NA	NA



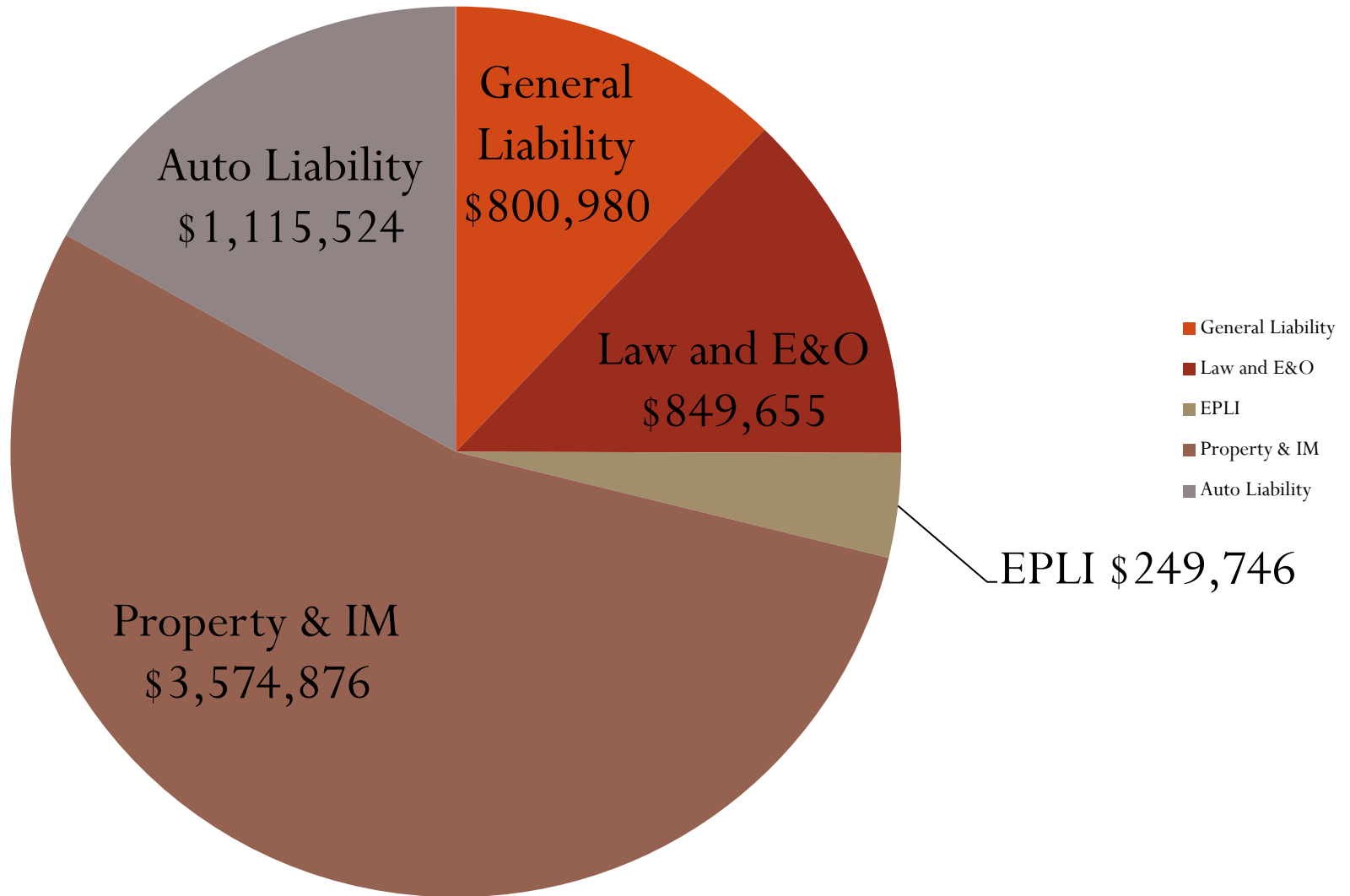
Market Cycle

- Currently in Hard Market which began in 2010/2011 policy year.
- Higher pricing, stricter underwriting
- Influenced by large catastrophic losses globally and nationally, and low investment returns to insurers
- Insurers pricing increases during hard market
- Loss history of an account also affects pricing

City of Flagstaff Travelers Premiums vs. Losses 6/1/2007 to 3/05/2013

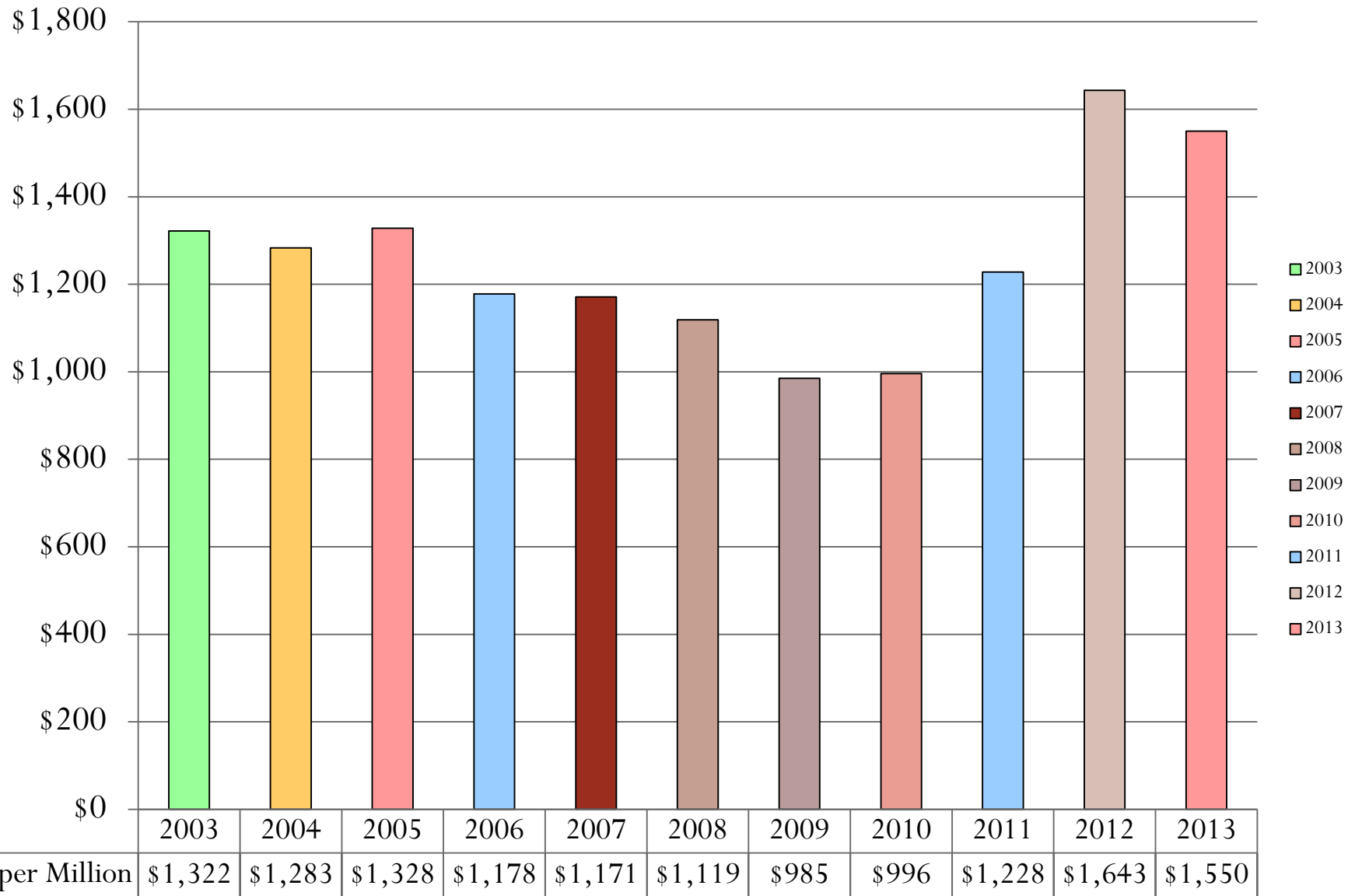


City of Flagstaff
Travelers Total Incurred Losses
6/01/2007 to 3/05/2013

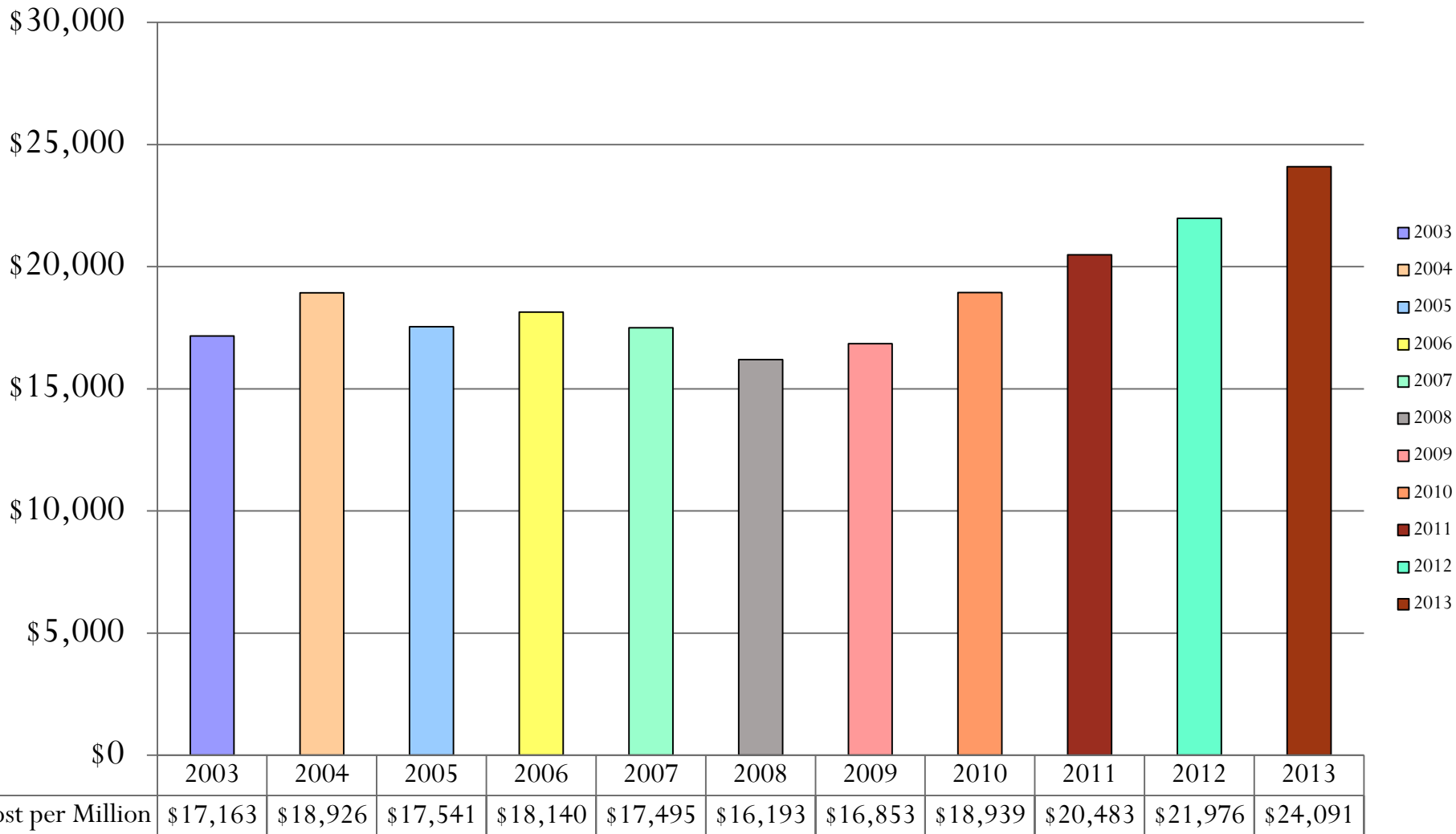


Property Insurance Cost Per Million Policy

Year 2003 to 2013

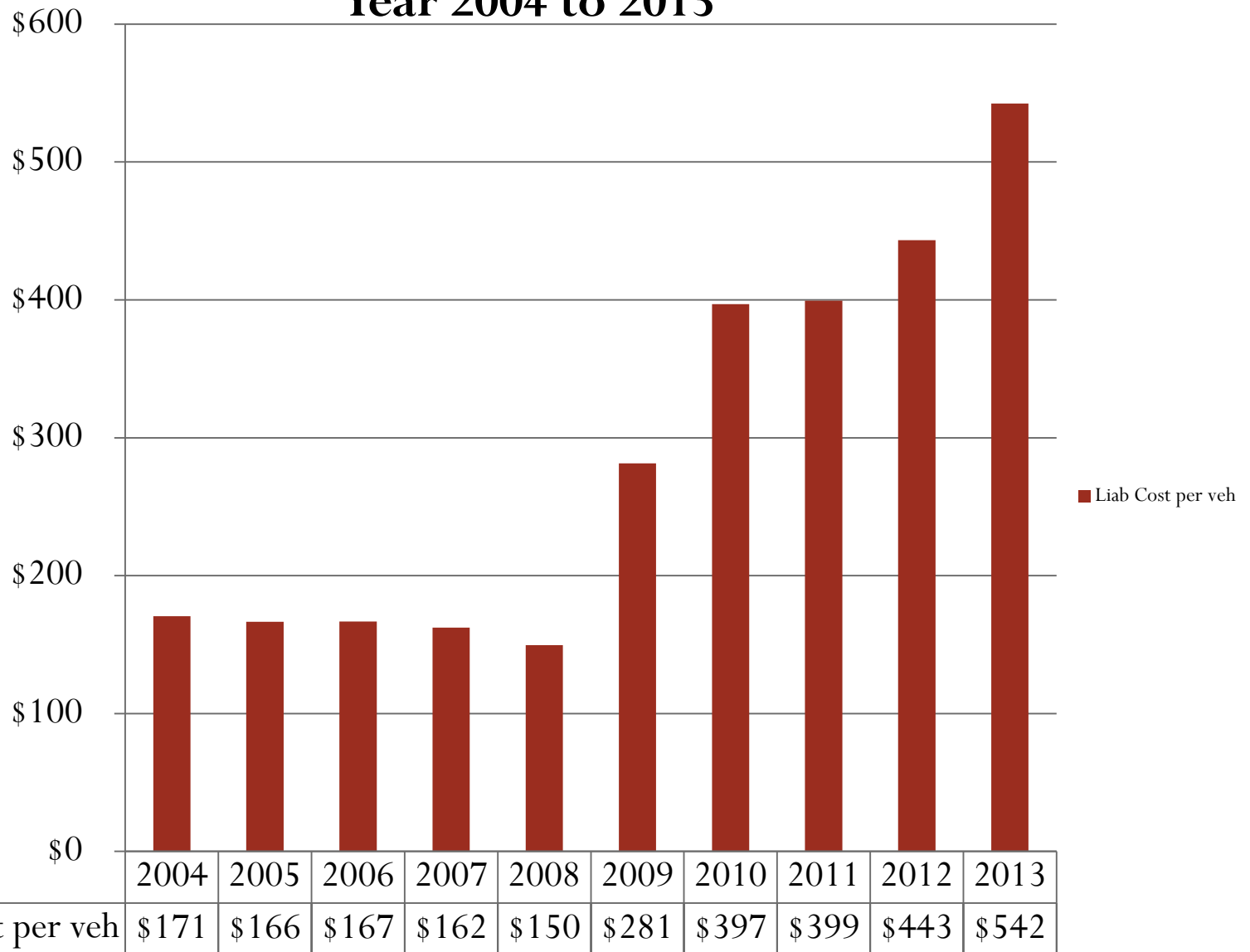


City of Flagstaff Liability Insurance Cost Per Million Policy Years 2003 to 2013



City of Flagstaff Auto Liability Cost Per Unit Polciy

Year 2004 to 2013



Travelers Quote Options

- Add to each a 5% buffer for policy changes
- 50,000 Self Insured Retention on Liability (current level)
 - \$1,315,380 Quote : \$1,381,149
- 75,000 Self Insured Retention on Liability
- (staff recommendation)
 - \$1,256,093 Quote : \$1,318,898
- 100,000 Self Insured Retention on Liability
 - \$1,222,832 Quote : \$1,283,974

Savings from SIR Alternatives

- 50,000 SIR is our current level
- 75,000 SIR yields \$59,287 savings in premium
- 100,000 SIR yields \$33,261 savings in premium
- Diminishing returns in highest SIR option

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Margaret Penado, Risk Manager
Date: 06/12/2013
Meeting Date: 06/18/2013



TITLE:

Consideration of Insurance Renewal: Workers' Compensation for fiscal year 2014.

RECOMMENDED ACTION:

Accept workers compensation renewal proposal offered by SCF Western for the period July 1, 2013 to June 30, 2014, and authorize payment of premiums for this policy period and authorize the City Manager to execute the necessary documents to accept the proposal.

Policy Decision or Reason for Action:

Approval of the insurance renewal proposal will authorize staff to secure workers compensation insurance for the July 1, 2013 to June 30, 2014 policy year.

Financial Impact:

Premium will be paid from the City's self-insured trust (SIT) fund from account number 600 8901 590 2304. The renewal premium includes a 20% discount factor off of manual rates and the annual premium is projected to be \$1,098,527. An initial deposit of \$180 is required. Then, premiums are paid quarterly when actual payrolls for each quarter are reported to the insurer.

Connection to Council Goal:

11. Effective governance

Purchase of insurance will provide funding to pay for employee injuries without disruption to the City's budget.

Previous Council Decision on This:

No.

Options and Alternatives:

Accept the proposal from SCF Western.

Reject the proposal - Note no other insurance markets are available. This would require filing a request to self insure with the Industrial Commission of Arizona and expose the City to the cost of work injuries as well as workers' compensation claims adjusting.

Background/History:

The City of Flagstaff has been insured with SCF since 2002 with regular explorations of other markets conducted by our broker Willis. This year, although other insurance companies were approached by our broker; no other markets provided quotes on our workers' compensation insurance. Travelers indicated that they would be in the realm of \$1.6 million for this line of insurance, but did not complete their quote. SCF Arizona is a direct writer with whom the City interacts directly with no commission due to an agent.

Key Considerations:

State statute requires workers compensation benefits be provided to employees.

Past loss history including large losses from a significant auto accident in 2009 as well as frequency of claims with higher loss ratios has created upward pricing pressure on this line of insurance

Expanded Financial Considerations:

No other insurance markets were interested in quoting workers' compensation on a solo basis, nor was Travelers Insurance competitively motivated to add it to our package policy with them. Travelers indicated a premium of 1,685,000 which is over \$586,000 higher than our renewal quote from SCF Western of \$1,098,527. Workers' compensation is historically a difficult market in which to find competitive insurers. This is compounded by our loss history which includes a significant auto related accident in 2009 and loss frequency with above average loss ratios in the last few years.

Community Benefits and Considerations:

Purchase of insurance will provide funding to pay for covered losses without disruption to the City's budget.

Community Involvement:

Not applicable.

Expanded Options and Alternatives:

None.

Attachments:

Workers' Compensation Market Responses

SCF Western Quote on Workers' Compensation Insurance

Workers' Compensation Loss History Chart

Workers' Compensation Insurance Premium Chart

Powerpoint

CITY OF FLAGSTAFF – 2013 MARKET RESPONSES

Carrier	Coverage	Quote, Indication or Declination	Quote Included	Premium Quoted or Indicated	Retail Comm	Name of Wholesale Broker	Wholesale Comm	Expenses		Surplus Lines	
								Policy Fees	Gov't Charges	Taxes	Fees
Travelers Public Sector	Package, Cyber & Excess	Renewal quote with \$20 million excess @\$50,000 SIR	Yes	\$1,259,096 No TRIA	None	NA	NA	NA	NA	NA	NA
Travelers Public Sector	Package, Cyber & Excess	Optional quote with \$20 million excess @\$75,000 SIR	Yes	\$1,199,809 No TRIA	None	NA	NA	NA	NA	NA	NA
Travelers Public Sector	Package, Cyber & Excess	Optional quote with \$20 million excess @\$100,000 SIR	Yes	\$1,166,548 No TRIA	None	NA	NA	NA	NA	NA	NA
OneBeacon	Liability, Cyber & Excess	Indication only, with \$10 million excess	Yes	\$692,000 No TRIA	None	NA	NA	NA	NA	NA	NA
OneBeacon	Property	Declined due to pricing and claims	No	NA	None	NA	NA	NA	NA	NA	NA
Chubb	Property	Declined due to pricing and claims	No	NA	None	NA	NA	NA	NA	NA	NA
Affiliated FM	Property	No response	No	NA	None	NA	NA	NA	NA	NA	NA
ACE	Public Entity Package	No response	No	NA	None	NA	NA	NA	NA	NA	NA
Argonaut	Public Entity Package	Declined – would require a \$500,000 SIR	No	NA	None	NA	NA	NA	NA	NA	NA
AIG Lexington	Excess Liability	No response	No	NA	None	NA	NA	NA	NA	NA	NA
Travelers Commercial	Excess Liability	Renewal Quote \$5 million Excess	Yes	\$18,569 and \$186 TIRA	None	NA	NA	NA	NA	NA	NA

CITY OF FLAGSTAFF – 2013 MARKET RESPONSES

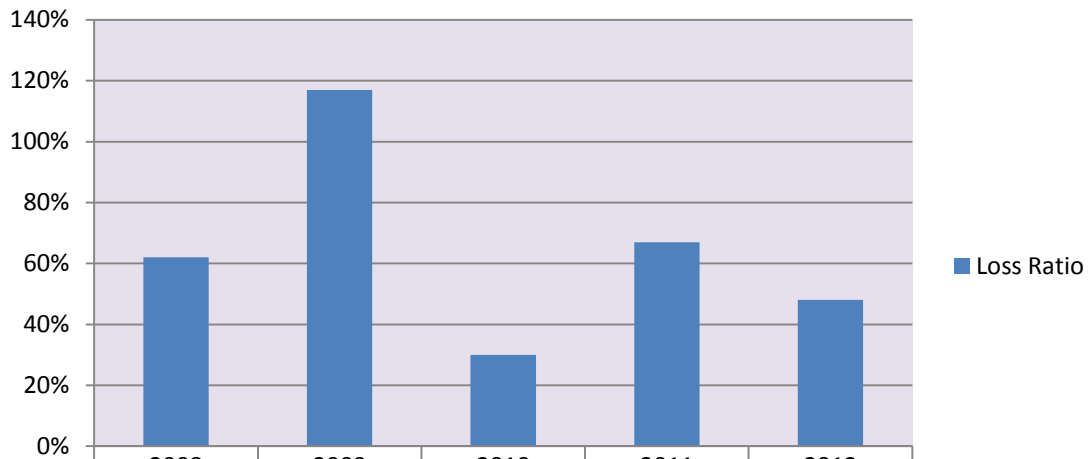
Carrier	Coverage	Quote, Indication or Declination	Quote Included	Premium Quoted or Indicated	Retail Comm	Name of Wholesale Broker	Wholesale Comm	Expenses		Surplus Lines	
Great American	Excess Liability	Option for \$15 million excess over OneBeacon Unable to quote over an indication.	No	NA	None	NA	NA	NA	NA	NA	NA
Travelers	Workers Comp	Declined – would be about \$1,685,000	No	NA	TBD	NA	NA	NA	NA	NA	NA
Charis	Crime	Renewal quote	Yes	\$6,348 No TRIA	None	NA	NA	NA	NA	NA	NA
Various	Airport Liability	See proposal from Willis Aerospace, LA	Yes	\$10,631 Includes TRIA	None	Willis Aerospace	None	NA	NA	NA	NA

07/01/2013 to 06/30/2014 Workers' Compensation Quoted Premium

SCF Western

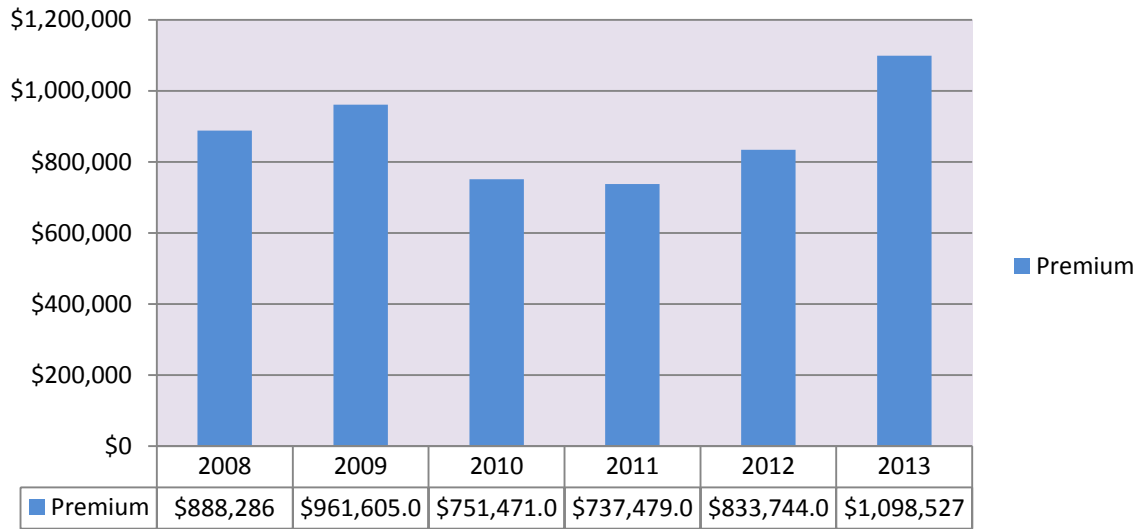
Class Code Description	2013 payrolls use	# of FTE Employees	2013 Base Rates	Renewal Premium
5506 Street or Rd. Constr.	\$1,071,938.40	23	10.09	\$108,158.58
6217 Sanitary Landfill	\$408,816.48	5	5.24	\$21,421.98
7403 Aviation: All Other	\$321,525.79	6	5.98	\$19,227.24
7520 Waterworks Operation	\$1,209,046.82	67	3.27	\$39,535.83
7580 Sewage Disposal Plant	\$1,260,352.70	18	3.64	\$45,876.84
7710 Firefighters	\$6,298,738.73	86	6.56	\$413,197.26
7720 Police Officers	\$8,232,990.53	116	3.85	\$316,970.14
8380 Auto Service or Repair	\$402,300.43	6	3	\$12,069.01
8411 volunteer Police	\$339,177.12	20	1.38	\$4,680.64
8411 Volunteers General	\$628,980.26	52	1.38	\$8,679.93
8810 Clerical Office NOC	\$17,967,405.86	355	0.23	\$41,325.03
8820 Attorney; All empl& Clerical-Msg	\$1,057,550.26	7	0.2	\$2,115.10
8831 Dog Pound	\$48,111.84	1	2.2	\$1,058.46
9015 Bldg Oper by Owner	\$479,238.10	11	4.27	\$20,463.47
9016 Skating Rinks-Ice/Roller	\$193,057.27	20	4.55	\$8,784.11
9101 Public Library-All Other Emp	\$0.00	0	5.89	\$0.00
9102 Parks NOC All Employees	\$2,355,935.26	195	3.23	\$76,096.71
9220 Cemetary	\$75,296.78	2	5.24	\$3,945.55
9402 Snow Removal	\$111,996.00	63	6.95	\$7,783.72
9403 Garbage collection	\$1,071,942.53	28	7.47	\$80,074.11
9410 Municipal/Town Empl NOC	\$1,533,528.26	26	3.2	\$49,072.90
Total Payroll		1107		\$1,280,536.62
		EL Incr Limits	1.011	\$14,086.00
		Emod	1.18	\$233,032.00
		Deviation	0.8	-\$305,531.00
		Size Disc.	0.8913	-\$132,790.00
		Domes Terrorism	.0001 of payroll	\$4,507.00
		Foreign Terrorism	.0001 of payroll	\$4,507.00
		Expense Constant		\$180.00
		Total Premium		\$1,098,527.62

City of Flagstaff Workers' Compensation Loss Ratio Policy Years 2008 to 2012



■ Loss Ratio	2008	2009	2010	2011	2012
	62%	117%	30%	67%	48%

City of Flagstaff Workers' Compensation Premium Policy Years 2008 to 2013



2013 Workers' Compensation Insurance Proposal for Consideration

Presented by Margaret Penado

Risk Management

06/18/2013

Historical Workers' Compensation Insurance Placement

- City of Flagstaff with SCF since 2002.
- SCF Western is a subsidiary of SCF Arizona.
- This is a direct writer.
- Insureds work directly with the SCF to obtain a renewal quote.
- Competitive quotes are also sought through our contracted insurance broker.

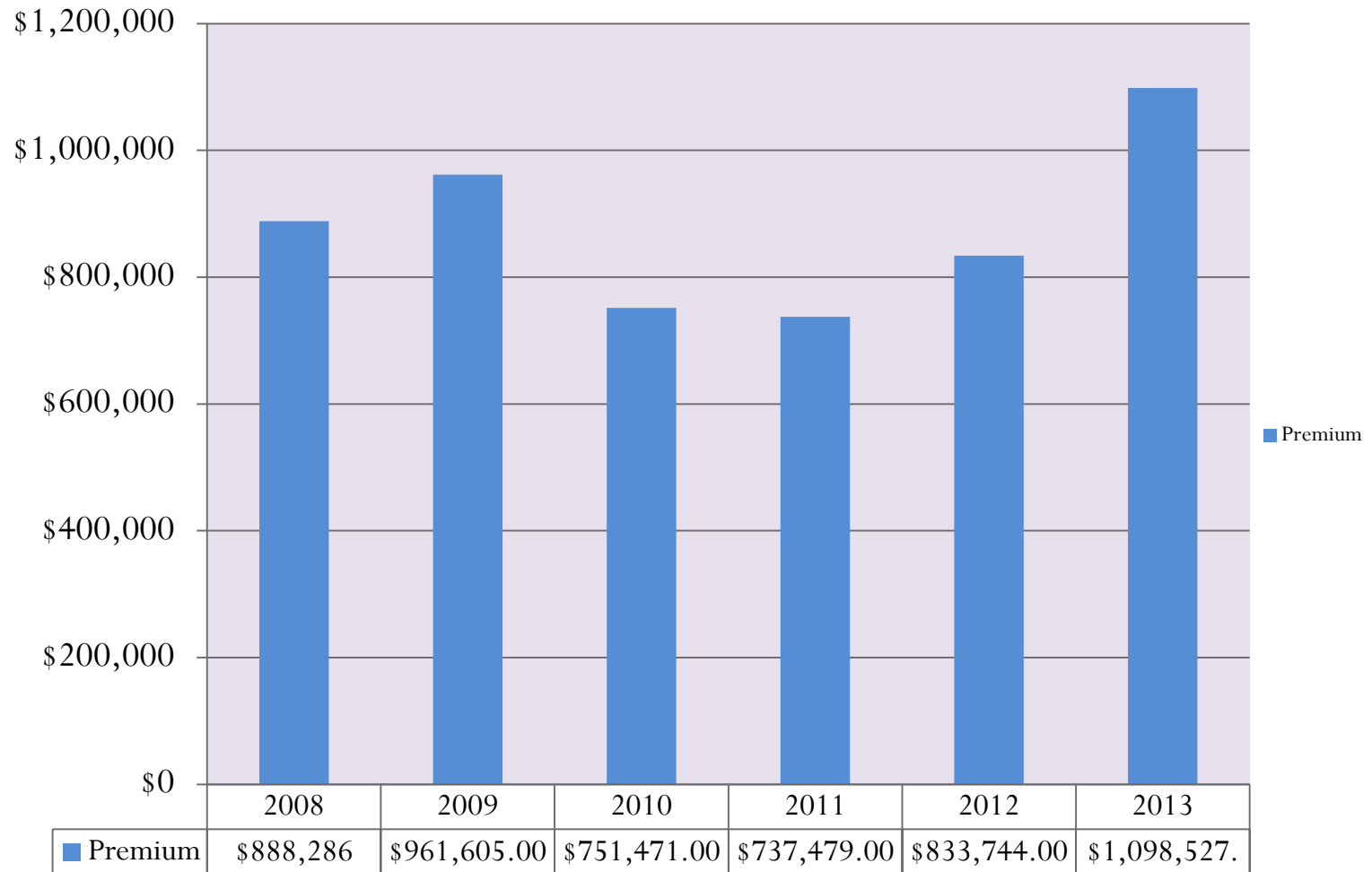
Contracted Insurance Broker

- RFP in 2011 led to selection of Willis as our insurance broker.
- Our broker shops the market and obtains competitive quotes for the City of Flagstaff.

Market Responses for Workers Compensation Quotes 2013

- SCF Western renewal quote is \$1,098,527
- Travelers did not finish quote but indicated a price of approximately \$1,685,000.
- No other respondents.

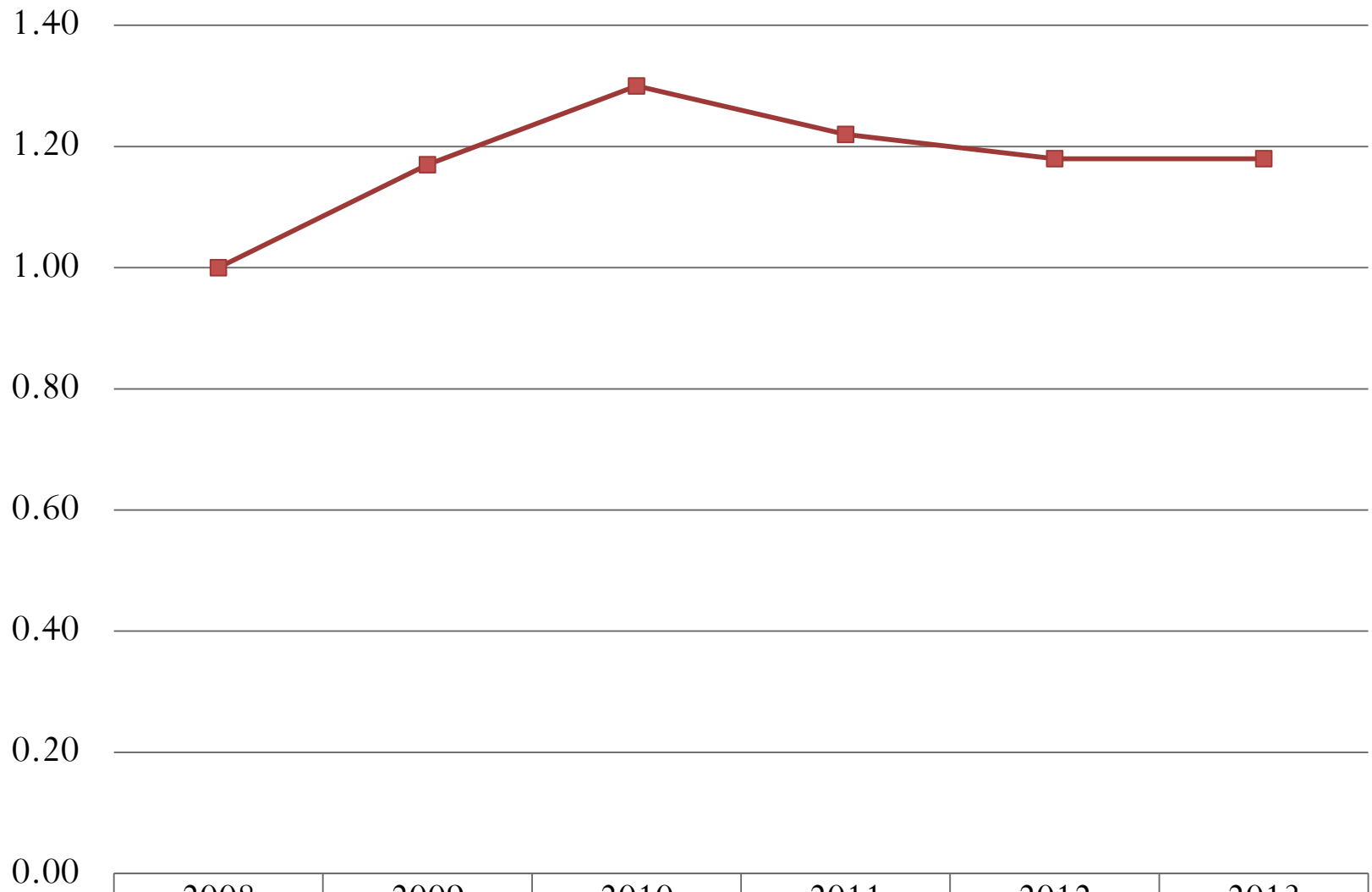
City of Flagstaff Workers' Compensation Premium Policy Years 2008 to 2013



Affect of 2013 Account Modifiers

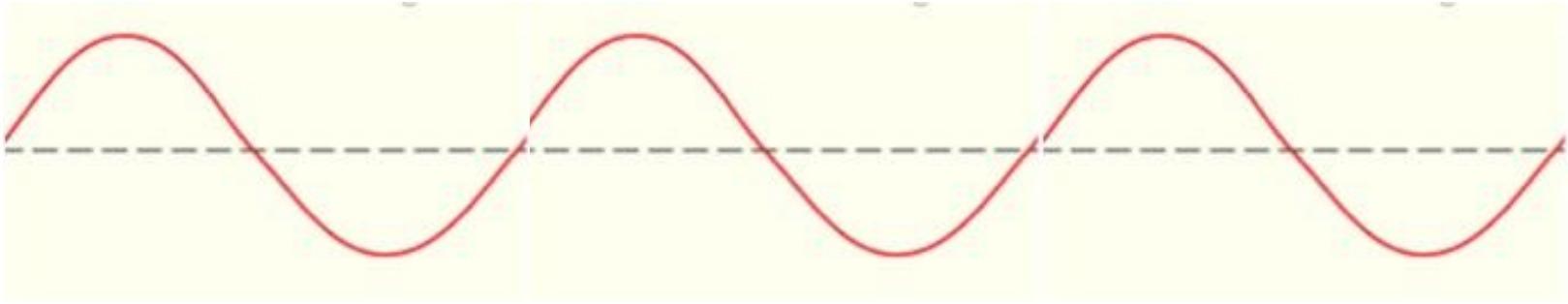
- Experience Modifier 1.18
- Discount Pricing Track .80

City of Flagstaff Workers' Compensation Experience Modifier.



—■ Exper Mod.

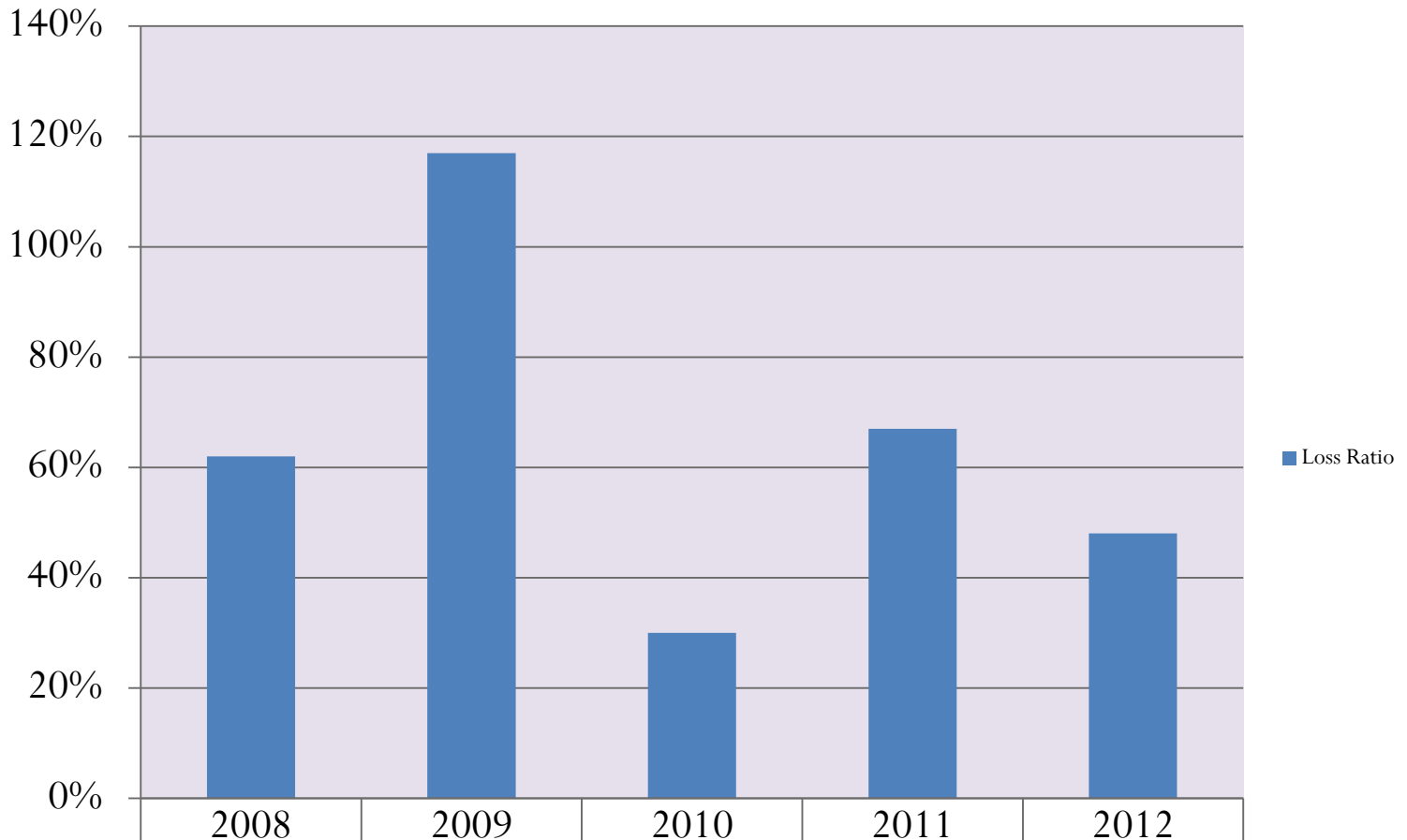
—■ Exper Mod.



Market Cycle

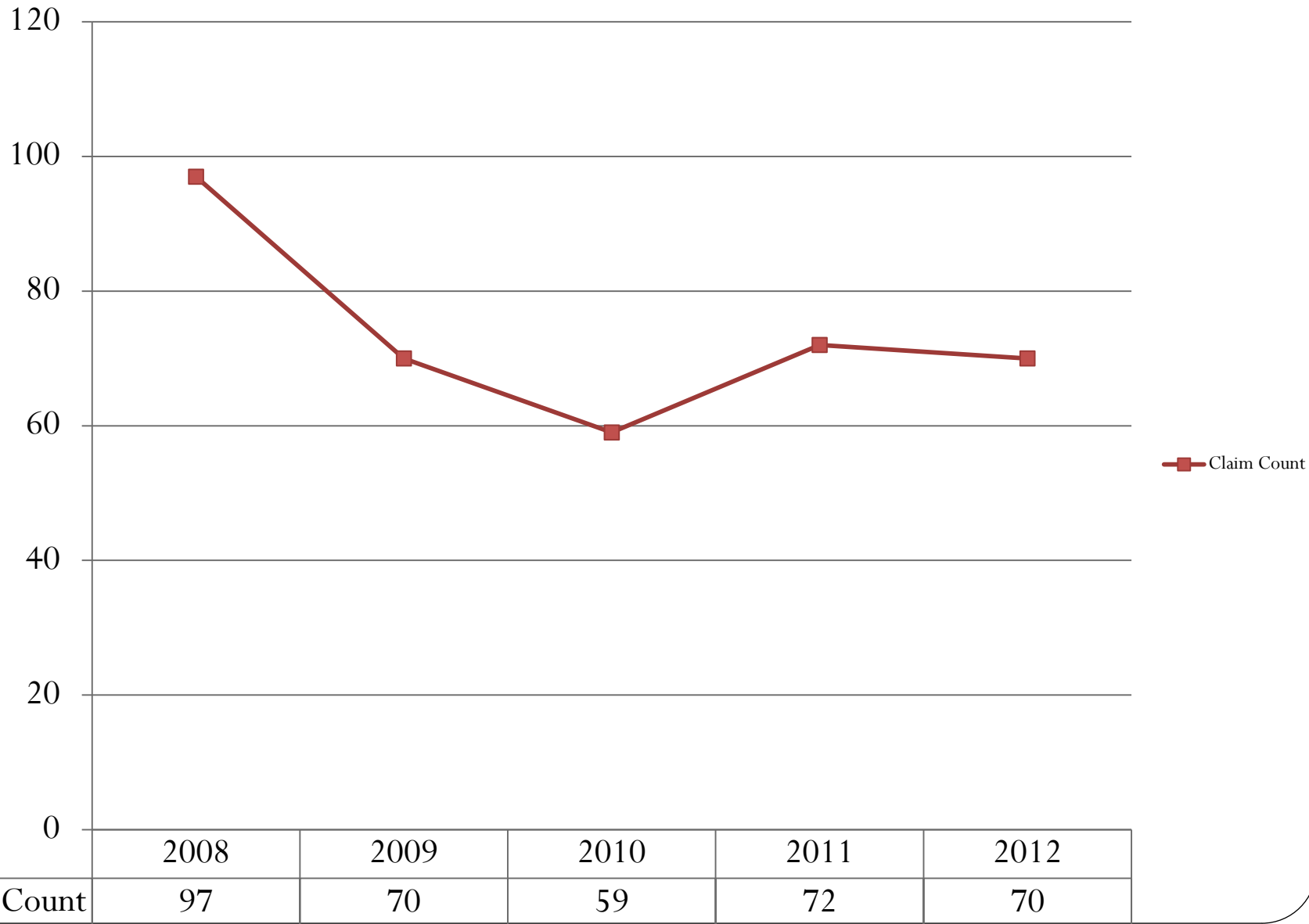
- Currently in Hard Market which began in 2010/2011 policy year.
- Higher pricing, stricter underwriting
- Influenced by large catastrophic losses globally and nationally, and low investment returns to insurers
- Insurers pricing increases during hard market
- Loss history of an account also affects pricing

City of Flagstaff Workers' Compensation Loss Ratio Policy Years 2008 to 2012



■ Loss Ratio	2008	2009	2010	2011	2012
	62%	117%	30%	67%	48%

City of Flagstaff Workers Compensation Claim Count by Policy Year.



Causes of Injury

Most Frequent

- Strain; lifting, moving 36%
- Slips, Trips, Falls 15%
- Struck by 15%

Most Costly

- Motor Vehicle Accident 37%
- Strain; Lifting, Moving 36%
- Slip, Trip, Fall 10%

Improvement Work in Progress

- Focused Safety Training
- Safety Committees
- Accident Review Board
- Performance Appraisals
- Addition of Risk Management Specialist
- Health and Wellness Programs

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Margaret Penado, Risk Manager
Date: 06/12/2013
Meeting Date: 06/18/2013



TITLE:

Consideration and Adoption of Resolution No. 2013-16: A Resolution to Cover Volunteers of the City of Flagstaff under the City's Workers' Compensation Insurance.

RECOMMENDED ACTION:

Should Council wish to move forward with adoption of this resolution:

- 1) Read Resolution No. 2013-16 by title only
- 2) City Clerk reads Resolution No. 2013-16 by title only (if approved above)
- 3) Adopt Resolution No. 2013-16

Policy Decision or Reason for Action:

The City of Flagstaff enjoys the services of many citizen volunteers who help with City programs, activities and events and who help lower overall costs of governmental operations. For many years now, the City has reported volunteers to its workers' compensation insurer and paid premium for their coverage. This resolution formalizes the intent to cover all City volunteers with workers' compensation insurance and sets the payroll basis for computing compensation benefits and premium payments in compliance with the current requirements of the Arizona Revised Statutes.

Financial Impact:

Using a Fiscal Year 2014 projected net rate of 1.175 per \$100 of payroll, this resolution will result in premium charges of approximately \$5 per month per volunteer including Citizens Police, with a higher charge of approximately \$39 per month per volunteer for Reserve Police Officers in Fiscal Year 2014. Note that workers' compensation rates and the City of Flagstaff Experience Modifier change from year to year. In Fiscal Year 2013 a total of \$12,665 was projected as insurance premium for coverage of all volunteer workers. Insurance amounts are paid from the Self Insurance Trust Fund under account 600-8901-590-2304

Connection to Council Goal:

2. Fund existing and consider expanded recreational services
11. Effective governance

Has There Been Previous Council Decision on This:

No.

Options and Alternatives:

1) Adopt Resolution No. 2013-16; 2) Do not adopt Resolution No. 2013-16.

Background/History:

Only counties, towns, municipalities, political subdivisions of the State, fire and police departments, and hospitals may elect to cover their volunteers for workers' compensation insurance.

Workers' compensation is a no fault insurance that covers medical expenses for workers' injured on the job as well as associated lost time and wages. See A.R.S. § 23-901.06. Workers' injured on the job who receive workers' compensation coverage are barred from suing their employer for this cause. See A.R.S. § 23-906A.

To exercise this option, a resolution or ordinance must be passed by the governing body to define the nature and type of volunteer work and workers to be covered by workers' compensation and accept the basis set by this statute. Rather than identifying each individual volunteer by name, the resolution identifies broad categories of volunteers who will be covered by workers' compensation insurance. This is standard practice.

Arizona law provides that "the basis for computing compensation benefits and premium payments shall be four hundred dollars per month per volunteer."

However, A.R.S. § 23-901 (6)(d) provides that the monetary basis for computing compensation benefits and premium payments for volunteer police officers be set at the salary equal to the beginning salary of the same rank or grade in the full time service of the City. The proposed resolution stipulates that this definition shall apply only to volunteer City of Flagstaff Reserve Police Officers who are armed and have arrest authority. The resolution sets \$3,298 per month as the basis for computing compensation benefits and premium payments in this specific subcategory of volunteers.

A.R.S. § 23-901 (6)(d) further provides that if there is no full time equivalent to a volunteer policemen's work, then the salary equivalent shall be set by resolution of the governing body of the City of Flagstaff. Therefore, this resolution provides that the volunteers of the Citizens Police Force and other police volunteers who are unarmed and who have no arrest authority will have the same assigned basis as our regular volunteers of \$400 per month for computing compensation benefits and premium payments.

Key Considerations:

Fiscal year 2012 projected figures for volunteers used the above described assigned basis which equate to approximately 6 reserve police officers and about 102 volunteers per month. These figures may be for non reserve police volunteers. New volunteer tracking procedures will improve accuracy.

Community Benefits and Considerations:

This resolution formalizes the City practice which is to cover all volunteers for workers' compensation insurance. This practice helps protect the City from liability from the injury or death of a volunteer engaged in volunteer work for the City. It also affords volunteers immediate medical coverage and statutory benefits for bodily injury or disease.

Community Involvement:

Involve

Collaborate

Passage of this resolution allows for the continued growth of volunteer programs in the City of Flagstaff that engage citizens, build a stronger community, and foster a greater understanding among volunteer citizens of the work and dedication of our many departments.

Expanded Options and Alternatives:

1) Approve this resolution and continue to pay for and provide workers compensation benefits to volunteers. Volunteers who do not reject this coverage in writing are not able to pursue liability recovery against the City for death or injury in the scope of their volunteer duties at the City.

2) Do not approve this resolution. Non-approval will have the effect of eliminating workers' compensation insurance coverage for City volunteers. In this case the City will no longer pay insurance premium charges for volunteers. As a result, the City will be exposed to liability for medical expenses and other damages in the event that a volunteer is injured or harmed while performing volunteer duties for the City.

Attachments: Resolution No. 2013-16
 ARS 23 Excerpts

RESOLUTION NO. 2013-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, PURSUANT TO A.R.S. §23-901.06, ESTABLISHING A SALARY EQUIVALENT FOR PURPOSES OF COMPUTING WORKERS' COMPENSATION INSURANCE PREMIUM AND COMPENSATION BENEFITS FOR VOLUNTEERS, AND ESTABLISHING AN EFFECTIVE DATE

RECITALS:

WHEREAS, pursuant to the Arizona Revised Statutes ("A.R.S.") § 23-901.06 volunteer workers of the City of Flagstaff may be deemed to be employees entitled to workers' compensation benefits upon the passage of a resolution or ordinance by the City defining the nature and type of volunteer work and the workers entitled to such benefits.

ENACTMENTS:

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

SECTION 1. In General.

1. Workers' Compensation Insurance.

Volunteers working for no pay within any department of the City of Flagstaff shall be covered by workers' compensation insurance carried by the City of Flagstaff, in the amounts established herein, for the broad categories of work described below. A supervising director may approve individual volunteers for the approved broad categories of work. The supervising director is responsible for promptly notifying the City Human Resources Department concerning any new volunteers.

2. Authority to Approve Additional Broad Categories of Volunteers.

The City Council shall have exclusive authority to modify or approve additional broad categories of volunteers to be covered by workers' compensation insurance, by resolution.

3. Amount of Workers' Compensation Benefit.

Pursuant to A.R.S. § 23-901.06, the basis for computing compensation benefits and premium payments shall be four hundred dollars (\$400.00) per month per volunteer for the broad categories of volunteers described in this resolution, except Reserve Police Officer Volunteers as defined herein.

Pursuant to A.R.S. § 23-901.6(d), the basis for computing compensation benefits and premium payments for volunteers serving as Reserve Police Officer Volunteers shall be the salary equal to the beginning salary of the same rank or grade in the full time service with the City of Flagstaff. This sum is currently three-thousand two-hundred ninety-eight

(\$3,298.00) per month, and the Risk Manager shall have authority to adjust such sum for equivalency without further Council approval.

4. Broad Categories of Volunteers.

The nature and type of volunteer work to be covered by City of Flagstaff workers' compensation insurance are as follows:

Police Department

Reserve Police Officer Volunteers are defined as police volunteers with arrest authority and armament, working under the direction of the Flagstaff Police Department with prior consent of the City Police Chief pursuant to A.R.S. § 13-3871. Reserve Police Officer Volunteers may engage in activities expected of a City Police Officer. Citizen Patrol Volunteers are not Reserve Police Officer Volunteers.

Citizen Patrol Volunteers may issue citations for violation of A.R.S. § 28-884 or a City ordinance regulating parking in parking spaces for persons with physical disabilities, as provided for in City Code Section 9-01-001-0012(C); may be employed and shall be empowered to issue citations, and commence an action or proceeding before a court or judge for violation of any City ordinances regulating the standing or parking of vehicles, as provided for in City Code Section 9-01-001-0012(A) and A.R.S. § 28-627(E). In addition such volunteers may direct traffic in public rights-of-way; sit in a City patrol car at an intersection for traffic deterrence and speed monitoring without citation authority or interaction with traffic offenders; assist at special events; work within the sex offender program and perform such duties as dispersing sex offender notification flyers to the public; perform records filing and computer work; provide administration assistance and internal audit assistance to the detectives division; drop off and pick up decoy vehicles; and perform other assignments and duties as needed and appropriate for their skills and training. Citizen Patrol Volunteers have no arrest authority and are not armed.

Community Development

Litter Patrol Volunteers collect litter usually walking along roadsides, trails, parks, open fields, and fence lines. Place litter into heavy gauge bags, tie off tops, and leave at the road/trail side for collection. May use a pincer-like handheld device to pick up debris, use bags and wear rubber gloves.

Graffiti Volunteers paint over graffiti damage using paint rollers and water based paint on mostly vertical surfaces. Take pictures of graffiti before and after. Drive a City of Flagstaff van to a site to supply themselves and other volunteers with paint and supplies. May use aerosol paint at times to cover graffiti damage on a non-rollable surface. At times a solvent such as lacquer thinner is used on a cotton rag to wipe away damage. All graffiti abatement is outdoors.

Solid Waste and Recycle Volunteers usually stand near receptacles advising which container is appropriate for users. They may reach into receptacles and pull-out materials that were put in the wrong bin; may pick up materials and dispose of them in the correct bin; and may roll a container to a nearby dumpster for tipping.

Outreach Volunteers typically walk neighborhoods distributing flyers or door hangers, and may talk to citizens concerning posted information.

Metropolitan Planning Volunteers for field data collection set trail counters and count pedestrians and bicycles while standing or sitting at a street corner. May conduct research, data collection, organize public outreach meetings, and update regional plan calendar. Conduct research and write reports.

Library

Library Volunteers are at least 14 years of age and perform administrative, clerical, and filing work; book check-in, sorting, and shelving; information distribution and communication with citizens. Volunteers may perform book repair, book cleaning, search for lost items, assist with summer reading program outreach by communicating with citizens and logging their reading activity as reported, address envelopes, provide computer tutoring, double check CD's and DVD's to ensure in proper cases, take inventory of books, help with displays and preparation for in house promotional events at the library.

Parks and Recreation

Youth Junior Recreation Leader Volunteers are between ages 12-15 and may assist staff at the Aquaplex with swim lessons, and recreation classes; and perform any other assignments or duties as needed and appropriate for their skills and training at the Aquaplex.

Ice Rink Volunteers are at least 13 years of age and may assist rink guards at the Jay Lively Ice Rink to enforce center rules, maintenance, and provide customer service.

Coach Volunteers may assist with coaching adult and/or youth teams.

Ballfield Volunteers may assist with raking, dragging and putting lines on ballfields; may provide scorekeeping; may serve as a referee or officiator on the ballfield but do not provide umpire services.

All Departments

Special Event Volunteers may distribute event flyers and maps; may work in public rights-of-way to help direct vehicles to parking areas available; may oversee festival games, staff informational booths; may perform duties of a Solid Waste and Recycling Volunteer; may help maintain the snowboard/ski course at the Dew Downtown event; may assist with ticket sales.

Office Volunteers may conduct online research and write reports; attend meetings; may assist with file management, conduct interviews; carry files; attend court; make telephone calls; and may assist with mailing.

SECTION 2. Effective Date.

This resolution shall become effective thirty (30) days following adoption by the City Council.

PASSED AND ADOPTED by the City Council and approved by the Mayor of the City of Flagstaff this 18th day of June, 2013.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

ASRS 23-901.06. Volunteer workers

In addition to persons defined as employees under section 23-901, volunteer workers of a county, city, town, or other political subdivision of the state may be deemed to be employees and entitled to the benefits provided by this chapter upon the passage of a resolution or ordinance by the political subdivision defining the nature and type of volunteer work and workers to be entitled to such benefits. The basis for computing compensation benefits and premium payments shall be four hundred dollars per month.

ASRS 23-901. Definitions

6. "Employee", "workman", "worker" and "operative" means:

(d) Regular members of volunteer fire departments organized pursuant to title 48, chapter 5, article 1, regular firemen of any volunteer fire department, including private fire protection service organizations, organized pursuant to title 10, chapters 24 through 40, volunteer firemen serving as members of a fire department of any incorporated city or town or an unincorporated area without pay or without full pay and on a part-time basis, and voluntary policemen and volunteer firemen serving in any incorporated city, town or unincorporated area without pay or without full pay and on a part-time basis, are deemed to be employees, but for the purposes of this chapter, the basis for computing wages for premium payments and compensation benefits for regular members of volunteer fire departments organized pursuant to title 48, chapter 5, article 1, or organized pursuant to title 10, chapters 24 through 40, regular members of any private fire protection service organization, volunteer firemen and volunteer policemen of these departments or organizations shall be the salary equal to the beginning salary of the same rank or grade in the full-time service with the city, town, volunteer fire department or private fire protection service organization, provided if there is no full-time equivalent then the salary equivalent shall be as determined by resolution of the governing body of the city, town or volunteer fire department or corporation.

ASRS 23-906. Liability under chapter or under common law of employer securing compensation; carriers; service representatives; right of employee to make election; procedure for making election

A. Employers who comply with the provisions of section 23-961 or 23-962 as to securing compensation, and the employers' workers' compensation insurance carriers or administrative service representatives, shall not be liable for damages at common law or by statute, except as provided in this section, for injury or death of an employee wherever occurring, but it shall be optional with employees to accept

compensation as provided by this chapter or to reject the provisions of this chapter and retain the right to sue the employer as provided by law.