

FINAL AGENDA

REGULAR COUNCIL MEETING
TUESDAY
JULY 21, 2015

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 BAROTZ

COUNCILMEMBER BREWSTER

COUNCILMEMBER EVANS

COUNCILMEMBER ORAVITS

COUNCILMEMBER OVERTON

COUNCILMEMBER PUTZOVA

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:** City Council Budget Advance of April 21-22, 2015; Work Session of May 26, 2015; Joint Work Session of June 22, 2015; Work Session of June 30, 2015; Regular Meeting of July 7, 2015; and Special Meeting (Executive Session) of July 14, 2015.

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).

- A. **Approval of Appointment:** Public Safety Personnel Retirement System Board.

RECOMMENDED ACTION:

Approve the Mayor's appointment of Adam Zickerman to one term expiring in September 2018.

8. **LIQUOR LICENSE PUBLIC HEARINGS**

- A. **Consideration and Action on Liquor License Application:** Patrick Paul, "Haggen", 1416 E. Route 66., Series 09 (liquor store - all spirituous liquor), Person Transfer and Sampling Privileges.

RECOMMENDED ACTION:

Hold the Public Hearing; absent any valid concerns received from the public hearing, staff recommends the Council forward a recommendation for approval to the State.

- B. **Consideration and Action on Liquor License Application:** Jeffrey Roff, "Whole Foods Market", 320 S. Cambridge Lane, Series 07 (beer and wine bar), Person and Location Transfer.

RECOMMENDED ACTION:

Hold the Public Hearing; absent any valid concerns received from the public hearing, staff recommends the Council forward a recommendation for approval to the State.

- C. **Consideration and Action on Liquor License Application:** Randy Nations, "Southside Tavern", 117 S. San Francisco, Series 12 (restaurant), New License.

RECOMMENDED ACTION:

Hold the Public Hearing; absent any valid concerns received from the public hearing, staff recommends the Council forward a recommendation for approval to the State.

- D. **Consideration and Action on Liquor License Application:** Randi Rolle, "Blendz", 21 E. Aspen Ave., Series 06 (bar- all spirituous liquor), Person/Location Transfer and Series 01 (In-State Producer) new license.

RECOMMENDED ACTION:

Hold the Public Hearing; absent any valid concerns received from the public hearing, staff recommends the Council forward a recommendation for approval to the State.

- E. **Consideration and Action on Liquor License Application:** Scott Bromley, "Sizzler Restaurant #792", 3540 E. Route 66, Series 12 (restaurant), New License.

RECOMMENDED ACTION:

Hold the Public Hearing; absent any valid concerns received from the public hearing, staff recommends the Council forward a recommendation for approval to the State.

- F. **Consideration and Action on Liquor License Application:** Andrew Grieder, "Cabin Fever", 1801 W. Route 66, Series 12 (restaurant), New License.

RECOMMENDED ACTION:

Hold the Public Hearing; absent any valid concerns received from the public hearing, staff recommends the Council forward a recommendation for approval to the State.

- G. **Consideration and Action on Liquor License Application:** Lauren Merrett, "Buster's Restaurant & Bar", 1800 S. Milton Rd., #120, Series 12 (restaurant), New License.

RECOMMENDED ACTION:

Hold the Public Hearing; absent any valid concerns received from the public hearing, staff recommends the Council forward a recommendation for approval to the State.

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 Contract:** Professional services for Civil Design and Engineering, Inc., to prepare the Rio de Flag watershed integrated hydrologic and hydraulic model (***Approve contract with Civil Design and Engineering, Inc. in the amount of \$174,583.00.***)

RECOMMENDED ACTION:

- 1) Award a professional services contract to Civil Design and Engineering, Inc., and
- 2) Authorize the Interim City Manager to execute the necessary documents.

- B. **Consideration and Approval of Contract:** Jay Lively Ice Rink Chiller Installation (***Approve Ice Chiller Installation contract with Interstate Mechanical Corporation in the amount of \$229,010.00.***)

RECOMMENDED ACTION:

- 1) Approve the Construction Contract with Interstate Mechanical Corporation in an amount not to exceed \$229,010.00.
- 2) Authorize Change Order Authority of 10% in the amount of \$ 22,901.00, to cover potential costs associated with unanticipated or additional items of work.
- 3) Authorize the City Manager to execute the necessary documents

- C. **Consideration and Approval of Contract:** Brannen Homes Roof Replacement (***Approve contract with Centennial Contractors Enterprises, Inc. in the amount of \$209,860.90.***)

RECOMMENDED ACTION:

Approve the use of the Mohave Educational Services Cooperative, and contract with Centennial Contractors Enterprises for the Cooperative Job Order Contract #14G-CENT-0903 in the amount of \$209,860.90 to replace roofs on 19 buildings at Brannen Homes.

- D. **Consideration and Approval of Contract:** Confirming Change Order No. 3 for La Plaza Vieja 2010 Bond Project ***(Approve Change Order #3 for contract with L.P.'s Excavating, Inc.)***.

RECOMMENDED ACTION:

- 1) Approve Confirming Change Order No. 3 with LP's Excavating, Inc. in the amount of \$120,093.43
- 2) Authorize the Interim City Manager to execute the necessary documents.

- E. **Consideration and Approval of Compensation:** City Magistrates

RECOMMENDED ACTION:

Consideration and approval of increase in compensation of City Magistrates beginning August 1, 2015, with an increase to the Presiding Magistrate's salary of \$4,200 and the Magistrate's salary of \$3,000 annually, and be eligible to receive any other increase provided to other management employees during the two-year term.

10. **ROUTINE ITEMS**

- A. **Consideration and Approval of Sole Source Purchase:** Authorization of the purchase of 34 Taser International Axon Flex body cameras and 5 years of storage manufactured by Taser International in the amount of \$77,762.57 to outfit and issue body worn cameras for all patrol officers to include supervisors for the Flagstaff Police Department.

RECOMMENDED ACTION:

Approve the funding of \$77,762.57 to Taser International for the Axon Flex camera program to outfit supervisors and specialty assignment officers. The initial amount of \$28,016.00, will allow for the purchase of 34 Axon Flex body cameras with mounting, charging, and docking accessories and professional services. The costs for evidence storage and retention will be \$32,879.90 for a five year contract, extended warranty: \$12,697.80, estimated tax and shipping \$4,168.87. The total allocated request \$77,762.57.

- B. **Consideration and Approval of Contract:** Flagstaff Watershed Protection Project: - Observatory Mesa Hazardous Fuels Thinning ***(Approve contract with Perkins Timber Harvesting, Inc. in the amount of \$366,250)***.

RECOMMENDED ACTION:

Approve the award of Bid #2015-73 to Perkins Timber Harvesting, Inc, in the amount of \$366,250

- C. **Consideration and Approval of Contract:** Sub-Recipient Agreement between Greater Flagstaff Forests Partnership, Inc. and the City of Flagstaff in the amount of \$100,000 ***(Approve agreement with GFFP for forest treatments on Observatory Mesa)***.

RECOMMENDED ACTION:

Approve the Sub-Recipient Agreement with Greater Flagstaff Forests Partnership, Inc.

- D. Consideration and Approval of Contract:** Multiple Job Order Contracting Services Contracts for upcoming projects under \$1,000,000.

RECOMMENDED ACTION:

A) Approve award of Job Order Contracting Contracts to 17 contractors representing six discipline areas.

1. Horizontal Construction: Achen-Gardner Construction, Kinney Construction Services (KCS) and Kear Civil Corporation

2. Vertical Construction: Kinney Construction Services (KCS), Loven Contracting and Wespac Construction

3. Water/Wastewater General Construction: Felix Construction, PCL Construction and Summa Construction

4. Water/Wastewater Controls Construction: Alliance Contractors, EIC Engineers and Quantum Controls

5. Landfill Construction: Fann Construction, Rummel Construction and SDB Contractors

6. Signing & Barricades: Action Barricade & Traffic Safety

B) Authorize the City Manager to execute the necessary documents.

- E. Consideration and Approval of Agreement:** Intergovernmental Agreement between City of Flagstaff and Coconino County for election services for the November 3, 2015, Special Election.

RECOMMENDED ACTION:

Approve the Intergovernmental Agreement between the City of Flagstaff and Coconino County for election services for the November 3, 2015, Special Election.

- F. Consideration and Approval of Contract:** Consideration and Approval of Professional Services Contract for Flagstaff Police Department Employer Assisted Housing Program (FPD-EAH) (***Approve contract with Housing Solutions of Northern Arizona, Inc. to Administer Employer Assisted Housing Program for Police Department Employees***).

RECOMMENDED ACTION:

1) Approve the award of the Professional Services Contract to Housing Solutions of Northern Arizona, Inc.; and

2) Authorize the Interim City Manager to execute the necessary documents.

- G. Consideration and Approval of Professional Services Contract:** Izabel Homes Funding/Development and Mortgage Lending Project

RECOMMENDED ACTION:

1. Award the Professional Services Contract to Habitat for Humanity of Northern Arizona; and

2. Approve Contingency Authority to the City Manager in the amount of 10% per phase.

3. Authorize the City Manager to execute the necessary documents.

- H. Consideration and Adoption of Ordinance No. 2015 -12:** An ordinance of approval for the Roadway Functional Classifications and Truck Routes map being placed into the Engineering Standards. (***Update/Addition to Engineering Standards***)

RECOMMENDED ACTION:

1) Read Ordinance No. 2015-12 by title only for the final time

2) City Clerk reads Ordinance No. 2015-12 by title only (if approved above)

3) Adopt Ordinance No. 2015-12

- I. **Consideration and Adoption of Ordinance No. 2015-15:** An ordinance of the Flagstaff City Council adopting amendments to the Flagstaff City Code, Title 5, *Fire Code*, to be consistent with Arizona Revised Statutes. **(Fireworks Regulations)**

RECOMMENDED ACTION:

- 1) Read Ordinance No. 2015-15 by title only for the final time
- 2) City Clerk reads Ordinance No. 2015-15 by title only for the final time (if approved above)
- 3) Adopt Ordinance No. 2015-15

- J. **Consideration and Adoption of Ordinance No. 2015-14:** Amending the Employee Handbook of Regulations and Flagstaff City Code by adopting amendments relating to Retiree Insurance relating to eligibility.

RECOMMENDED ACTION:

- 1) Read Ordinance No. 2015-14 for the final time
- 2) City Clerk reads Ordinance No. 2015-14 for the final time (if approved above)
- 3) Adopt Ordinance No. 2015-14

- K. **Consideration and Adoption of Resolution No. 2015-30:** A resolution supporting the Stepping Up initiative which aims to reduce the number of people with mental illness in jails.

RECOMMENDED ACTION:

- 1) Direct City Clerk to read Resolution No. 2015-30 by title only
- 2) City Clerk reads Resolution No. 2015-30 by title only (if approved above)
- 3) Adopt Resolution No. 2015-30

- L. **Consideration and Approval of Contract:** Intergovernmental Agreement with the Arizona Board of Regents for and on behalf of Northern Arizona University for Testing Paper Millings **(Approve IGA with NAU for testing paper millings for use at the Cinder Lake Landfill).**

RECOMMENDED ACTION:

Approve the Intergovernmental Agreement (IGA) with the Arizona Board of Regents for a total project cost of \$47,358.43, of which the City will cost share \$23,878.54 and NAU's share will be \$23,479.89.

RECESS

6:00 P.M. MEETING

RECONVENE

PLEASE NOTE: DUE TO THE NATURE OF THE AGENDA ITEMS, THERE WILL BE NO 6:00 P.M. PORTION OF THIS MEETING. ALL ITEMS WILL BE DISCUSSED AND ACTED ON DURING THE 4:00 P.M. PORTION .

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).*~~

11. **ROLL CALL**

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

~~MAYOR NABOURS~~

~~VICE MAYOR BAROTZ~~

~~COUNCILMEMBER BREWSTER~~

~~COUNCILMEMBER EVANS~~

~~COUNCILMEMBER ORAVITS~~

~~COUNCILMEMBER OVERTON~~

~~COUNCILMEMBER PUTZOVA~~

12. **PUBLIC PARTICIPATION**

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

14. **PUBLIC HEARING ITEMS**

15. **REGULAR AGENDA**

16. **DISCUSSION ITEMS**

17. **FUTURE AGENDA ITEM REQUESTS**

After discussion and upon agreement of three members of the Council, an item will be moved to a regularly scheduled Council meeting.

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 _____, 2015.

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: 07/15/2015
Meeting Date: 07/21/2015



TITLE

Consideration and Approval of Minutes: City Council Budget Advance of April 21-22, 2015; Work Session of May 26, 2015; Joint Work Session of June 22, 2015; Work Session of June 30, 2015; Regular Meeting of July 7, 2015; and Special Meeting (Executive Session) of July 14, 2015.

RECOMMENDED ACTION:

Amend/approve the minutes of the City Council Budget Advance of April 21-22, 2015; Work Session of May 26, 2015; Joint Work Session of June 22, 2015; Work Session of June 30, 2015; Regular Meeting of July 7, 2015; and Special Meeting (Executive Session) of July 14, 2015.

EXECUTIVE SUMMARY:

Minutes of City Council meetings are a requirement of Arizona Revised Statutes and, additionally, provide a method of informing the public of discussions and actions being taken by the City Council.

INFORMATION:

COUNCIL GOAL

8. Improve effectiveness of notification, communication, and engagement with residents, neighborhoods and businesses and about City services, programs, policies, projects and development

Attachments: [04.21-22.2015.CCBA.Minutes](#)
[05.26.2015.CCWS.Minutes](#)
[06.22.2015.CCJWS.Minutes](#)
[06.30.2015.CCWS.Minutes](#)
[07.07.2015.CCRM.Minutes](#)
[07.14.2015.CCRM.Minutes](#)

MINUTES

1. Call to Order

Mayor Nabours called the City Council Budget Advance of April 21, 2015, to order at 12:00 p.m.

2. Roll Call

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

PRESENT:

ABSENT:

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

NONE

Others present: Interim City Manager Jeff Meilbeck and City Attorney Michelle D'Andrea

3. FY16 Budget Hearings - City Council Advance

Mr. Meilbeck stated that a budget of \$163 million is a considerable amount of money to be entrusted with; he thanked staff for their hard work in getting the budget to where it is today. He stated that not everything was funded and there are some new investments because of additional resources. The presentations will focus on those elements as well as what is being done with the existing budget. He presented a Prezi presentation to Council that covered the following:

FISCAL MOUNT FLAGSTAFF FY 2016 AND BEYOND
WHERE DO WE WANT TO BE
TANGIBLE OBJECTIVES – WHAT WE DO
HOW DO WE GET THERE? WHAT DO WE AVOID?
SAFETY FIRST
GENERAL FUND CLOSE THE GAP
WHERE ARE WE NOW?
BASECAMP
MISSION AND VISION STATEMENT

Revenue Director Andy Wagemaker continued the presentation.

WHERE ARE WE NOW - SALES TAX REVENUES

Mayor Nabours clarified that the City has a total of \$500,000 more than what was anticipated in February and that there may be another \$150,000 that is not included in the presented budget package. Mr. Wagemaker stated that in addition to staff budgeting conservatively it is an indication of current growth; the possible \$150,000 will not be included in the budget until all the numbers are solidified and confirmed.

WHERE ARE WE NOW - STATE SHARED REVENUES
WHERE ARE WE NOW - BBB AND HURF REVENUES

Finance Director Rick Tadder continued the Presentation.

WHERE ARE WE NOW?

Mayor Nabours asked where the yearend savings came from. Mr. Tadder explained that there were a few contracts that were not going to spend all of the allocated money and they were able to be applied back to the General Fund.

WHERE ARE WE NOW – DEPARTMENT REQUESTS
WHERE ARE WE NOW – GENERAL FUND AFTER BUDGET TEAM REVIEW
BASECAMP

Management Services Director Barbara Goodrich continued the presentation.

FUND OVERVIEWS: GOVERNMENTAL BUDGETING “THE COLOR OF MONEY”
“THE COLOR OF MONEY” – BUDGETING
“THE COLOR OF MONEY” – BUDGET PROCESS
“THE COLOR OF MONEY” – FISCAL POLICIES
“THE COLOR OF MONEY” – FUND ACCOUNTING
“THE COLOR OF MONEY” – CITY BUDGET BY FUND - \$163.7 M
“THE COLOR OF MONEY” – ENTERPRISE FUNDS
“THE COLOR OF MONEY” – CAPITAL PROJECT FUNDS
“THE COLOR OF MONEY” – DEBT SERVICE FUNDS - \$8.0 MILLION
“THE COLOR OF MONEY” – SPECIAL REVENUE FUNDS
“THE COLOR OF MONEY” – THE GENERAL FUND
“THE COLOR OF MONEY” – THE GENERAL FUND – REVENUES
“THE COLOR OF MONEY” – GENERAL FUND – EXPENSES

Mr. Meilbeck continued the presentation.

HOW DO WE GET THERE?
NEW 1X INVESTMENTS IN PROPOSED FY16 BUDGET GENERAL FUND
NEW ONGOING INVESTMENTS IN PROPOSED FY16 BUDGET GENERAL FUND
REVENUE OPPORTUNITIES AND PRIORITIES

Assistant to the City Manager Stephanie Smith continued the presentation.

OTHER REVENUE OPPORTUNITIES (YELLOW CARDS) AND UNFUNDED BUDGET
PRIORITIES (BLUE CARDS)

Mayor Nabours asked if the presented revenues had been incorporated into the budget. Ms. Smith explained that the potential revenues are not built into the recommended City Manager budget and that the idea is for Council to direct where those funds should be applied.

Vice Mayor Barotz asked if the wastewater tax is part of an enterprise fund. Ms. Smith stated that it is part of the general fund. She also clarified that the housing fund total is \$734,000.

SOME GOOD...NEWS

Mr. Meilbeck stated that there are 11 goals that have been identified by the Council, each presentation by the department directors will touch on each of these goals and how their programs work in line with achieving them.

A break was held from 1:20 p.m. through 1:33 p.m.

Mr. Meilbeck explained that one of the things that have been added to the budget advance this year is to take a brief moment after each break to talk about a success. He introduced Interim Economic Vitality Director Heidi Hansen who provided a presentation that covered the following.

SUCCESS STORY #1: CVB LEADWORKER AND COOL ZONE

Human Resources Director Shannon Anderson along with EAC representatives Amelia Mason and Jennilyn Watson continued the budget advance presentation.

GOAL #1 – EMPLOYEE INVESTMENTS ATTRACTION AND RETENTION GOAL #1 – INVEST IN OUR EMPLOYEES AND IMPLEMENT RETENTION AND ATTRACTION STRATEGIES BENEFITS

Councilmember Putzova asked what the changes to benefits have been over the last few years. Ms. Anderson stated that for the last few years there have been little to no change in the premium to employees because NAPEBT has been using its reserves to offset the increases.

Vice Mayor Barotz stated that she has heard about the effort to provide a health clinic to employees and asked if emergency costs would apply to that service. Ms. Anderson explained that the healthcare clinic will be similar to an urgent care but without an x-ray machine. There will be no co-pay to utilize the clinic unless the employee uses the high deductible health plan.

Ms. Mason continued the presentation.

UNFUNDED BUDGET REQUESTS

Mayor Nabours asked if the Police Department pay increase includes Dispatchers. Ms. Anderson stated that Dispatchers are included in the overall 2% increase but are not included as part of the Police Department market based pay increase.

Mayor Nabours asked why shift differential funding is only one time. Ms. Anderson stated that the intent is to test it out to see if it is successful; if so staff will look to fund it ongoing next fiscal year.

Mayor Nabours asked what the snow operation stipend is. Ms. Anderson stated that Coconino County and ADOT pay higher rates of pay for snow removal operations; this stipend would allow the City to be more competitive in this area in attracting operators.

Councilmember Putzova stated that she would like to see the Dispatcher shift differential pay as an ongoing expense and if it is not successful adjustments can be made. Mr. Meilbeck stated that it is fair to say that pulling the funding next year would be difficult even knowing that the first year is a trial run.

Mr. Meilbeck stated that the EAC is very engaged in the budget process and he thanked them

for their involvement and hard work.

Utilities Director Brad Hill continued the presentation.

GOAL #2 – ENSURE LONG TERM WATER SUPPLY

GOAL #2: ENSURE FLAGSTAFF HAS A LONG-TERM WATER SUPPLY FOR CURRENT AND FUTURE NEEDS

Vice Mayor Barotz asked if staff is actively monitoring water usage for the ongoing water conservation efforts. Mr. Hill explained that staff bike and walk around town monitoring the usage; they use door hangers and talk to people about water conservation and the appropriate times to water their yards. Vice Mayor Barotz asked how success of the program is measured. Mr. Hill stated that it is not from a water use perspective but rather how much staff is engaging people that are not aware of the regulations contained in the City Code. Councilmember Oravits asked if the staff members have ticket writing authority to which Mr. Hill answered no; they are just able to provide education.

Councilmember Brewster asked for Mr. Hill to explain the collaboration with SRP. Mr. Hill stated that SRP is working with NAU to do two watersheds and the technology will be put into City's watershed.

Vice Mayor Barotz asked for clarification on expanding the use of reclaimed water. Mr. Hill explained that there is a waiting list of businesses that want reclaimed water; the supply side is finishing the pump and lift stations that will allow additional supply that will feed some of that demand.

Public Works Director Erik Solberg continued the presentation.

GOAL #3 – FACILITIES AND INFRASTRUCTURE

GOAL #3 – PROVIDE SUSTAINABLE AND EQUITABLE PUBLIC FACILITIES, SERVICES, AND INFRASTRUCTURE SYSTEMS IN AN EFFICIENT AND EFFECTIVE MANNER TO SERVE ALL POPULATION AREAS AND DEMOGRAPHICS

Deputy Housing Director Sarah Darr continued the presentation.

GOAL #4 – AFFORDABLE HOUSING

GOAL #4: EXPLORE AND ADOPT POLICIES TO LOWER THE COSTS ASSOCIATED WITH HOUSING TO THE END USER

Vice Mayor Barotz asked if there are any new Section 8 units planned for construction. Ms. Darr stated that no new ones are planned. Councilmember Overton asked for a description of the average Section 8 program. Ms. Darr explained that it is a voucher with a defined amount. The voucher covers the difference between one third of the renter's income and the fair market rate of rent. Also included are water and electricity costs.

Mayor Nabours asked about the incentive policy for affordable housing. Ms. Darr stated that in 2009 the Council adopted the affordable housing policy that covers part of the building fees and/or permit fees based on the affordability of the units within a development. There are certain incentives for parking, density, and other attributes. It has been set up in a way that developers can pick and choose which options work best for their project. The number and types of incentives that are available are based on the number of affordable units included in the project.

Police Chief Treadway and Deputy City Attorney Sterling Solomon continued the presentation.

GOAL #5 - PUBLIC SAFETY STAFFING

GOAL #5: DEVELOP AND IMPLEMENT GUIDING PRINCIPLES THAT ADDRESS PUBLIC SAFETY SERVICE LEVELS THROUGH APPROPRIATE STAFFING LEVELS

Flagstaff Metropolitan Planning Organization Manager Dave Wessell continued the presentation.

GOAL #6 – RELIEVE TRAFFIC CONGESTION

GOAL #6 – RELIEVE TRAFFIC CONGESTION THROUGHOUT FLAGSTAFF

Vice Mayor Barotz asked if the research for parking is intended to be citywide or for southside and downtown. Mr. Wessell stated that the intent is to partner with the student housing focus group and then push things out further from there. Councilmember Overton stressed the importance of attempting to get ADOT to the table to work with the student housing projects. Their participation is important and their feedback is vital; being a good partner and encouraging them to participate is a role the City should assume.

Mr. Meilbeck continued the presentation.

TRANSPORTATION PROJECTS

COST OF SOLUTION

REVENUE OPTIONS

BENEFITS

CONGESTION RELIEF SOLUTION

Councilmember Brewster asked if an alternative has been set into place should the initiative fail. Mr. Meilbeck stated that the timeline does not include a failure, if it does not succeed it would have to go again in 2021 at a general election.

Vice Mayor Barotz stated that this is the first time that the Council has seen the idea and she asked if it could be a work session item to discuss further; the more that is documented now the better. Mr. Meilbeck stated that a work session can certainly be arranged; the point of the presented solution is to show how a major project could be laid out over time. Mayor Nabours stated that he would like to see more focus on the Lone Tree area and the extension of John Wesley Powell. It will be important to identify how Juniper Point will impact the area as well.

A break was held from 3:07 p.m. through 3:19 p.m.

Fire Chief Mark Gaillard provided a success story on the CART program. CART is an alternative response to Flagstaff's high incidence of non-emergency and public intoxicant calls for service. The smaller unit is staffed by part-time civilian members of the Fire Department who are trained as EMTs to provide basic life support. The objectives are to slow rising pension costs, find an alternative response model for public intoxicants, to lessen responses of larger emergency response trucks to non emergencies and connect clients to services. The greatest success is the partnerships that have been garnered with the Police Department, Guardian Medical Transport, Northern Arizona University, Catholic Charities, The Guidance Center, and Northern Arizona Regional Behavioral Health Authority.

Vice Mayor Barotz asked the definition of non-emergency. Chief Gaillard stated that it is determined through the emergency dispatch protocol. The dispatchers go through a series of questions to determine if an incident is non-emergency and is not anticipating a medical transport. Vice Mayor Barotz asked if an intoxicant call could possibly be an emergency based on the status of the intoxicant. Chief Gaillard responded that it is always possible and the emergency medical personnel on staff are available to address those situations as needed. He added that when a non-emergency call turns emergency the crew can initiate care right there.

Councilmember Putzova stated that 110 contacts in five months does not seem like a lot, she

asked how many emergency contacts are made during that same time. Chief Gaillard stated that he does not have that information on hand but last year the department just approached 12,000 calls for service; depending on classification 70 or 80 percent of those calls are medical response and of that the estimate is that CART response can represent up to 20%. The idea is to keep the larger apparatus available for emergencies and the smaller vehicles can be used for CART response.

Councilmember Brewster asked if the alternative vehicles are at all the stations or just high call areas. Chief Gaillard stated that there is only one CART vehicle operating out of the Ponderosa station. It is a 40 hour a week operation that runs five days per week.

Chief Gaillard added that another tool available through the CART program are vouchers that allow people access to taxis, shelters, the Alcohol Stabilization Unit, etc. This is a tool that the City did not have before the CART program and staff is pleased that they have been able to reduce the impact for ambulance service.

Mayor Nabours thanked the Chief for the department's work with the CART program and noted that three years ago there was a work session on this issue and alternatives to dispatching a full service crew to these smaller non-emergency issues. It is great to see a program put into place that addresses the issue.

Councilmember Putzova requested additional information with regard to the cost for calls using the CART program in comparison to calls for service with other equipment; she would like to understand the cost savings that is being realized with the program.

Deputy City Manager Josh Copley continued the presentation.

**GOAL #7 – REGIONAL PLAN IMPLEMENTATION
GOAL #7 – ADDRESS KEY ISSUES AND PROCESSES RELATED TO THE
IMPLEMENTATION OF THE REGIONAL PLAN**

Assistant to the City Manager for Communication Kimberly Ott and IT Director Ladd Vagen continued the presentation.

**GOAL #8 – IMPROVED COMMUNICATION AND OUTREACH
GOAL #8 – IMPROVE EFFECTIVENESS OF NOTIFICATION, COMMUNICATION, AND
ENGAGEMENT WITH RESIDENTS, NEIGHBORHOODS AND BUSINESSES
AND ABOUT CITY SERVICES, PROGRAMS, POLICIES, PROJECTS AND
DEVELOPMENTS**

Interim Economic Vitality Director Heidi Hansen continued the presentation:

**GOAL #9 – ECONOMIC DEVELOPMENT AND PARTNER COMMITMENTS
GOAL #9 – FOSTER RELATIONSHIPS AND MAINTAIN ECONOMIC DEVELOPMENT
COMMITMENT TO PARTNERS**

Vice Mayor Barotz asked for further explanation on the need to have a Business Attraction Manager given the City's involvement in ECONA. Ms. Hansen stated that she is not discounting the relationship with ECONA but they are more of a collaborative for all of northern Arizona. Staff feels the need to be focusing on Flagstaff individually and having someone dedicated to finding businesses for the City.

Councilmember Putzova stated that the types of businesses that were mentioned in the presentation are all retail. When people think about business attraction they think about different types of businesses. She asked how staff is introducing other businesses and what is done to

reduce competition with existing businesses. Ms. Hansen stated that staff is looking at attracting all businesses and they are looking heavily at biosciences and medical devices. Flagstaff needs short and long term business and that is what this position will be focused on.

Councilmember Overton asked why the City cannot ask ECONA to look more locally; he is concerned that there will be a perception of the City going at attraction alone and losing the collaboration that is found with ECONA. Ms. Hansen stated that ECONA only has two staff members so they are limited as well. Simply put, more bodies are needed to do a better job of what is already being done. If the City does not have the bodies to produce the revenue it will remain stagnant. Ms. Watson added that ECONA is supportive of the City getting more capacity; there are things that the City can lose potential for without a dedicated person to go get it.

GOAL #10 – DECREASE THE NUMBER OF WORKING POOR

Councilmember Putzova expressed disappointment on how this portion of the presentation was done. She stated that it is ok to acknowledge that there is a goal that staff is not making progress on. There are people who are struggling to meet basic human needs; the intention was good but it is ok to say that the City needs to do better in this area. Ms. Hansen stated that what was presented was not everything that the City is doing however, staff missed the mark on this one and that has been noted.

Chief Gaillard continued the presentation:

GOAL #11 - PREPARE FOR EXTREME WINTER EVENTS

GOAL #11 – ENSURE THAT WE ARE AS PREPARED AS POSSIBLE FOR EXTREME WEATHER EVENTS

Mayor Nabours asked if the Regional Training Coordinator position will be funded in part by the other agencies that are participating. Chief Gaillard stated that there a number of agencies that are coordinating efforts to fund the position.

The City Council offered thanks to Mr. Meilbeck and City staff for preparing the budget presentations. It has been an excellent way to educate the Council with just the right amount of detail. Mr. Meilbeck stated that it was a team effort and everyone in the room has been involved in the preparation.

Councilmember Overton suggested adding a blue item to the list that would allow room for negotiation on the City Manager salary. There will likely be some back and forth on salary and he would like to avoid an awkward position of the City not being able to attract the right candidate due to lack of funding.

4. Recess

The April 21, 2015, portion of the City Council Budget Advance recessed at 4:56 p.m.

5. Reconvene

Mayor Nabours reconvened the City Council Budget Advance at 8:03 a.m. on April 22, 2015.

6. Roll Call

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

PRESENT

ABSENT

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

NONE

Others present: Interim City Manager Jeff Meilbeck and City Attorney Michelle D'Andrea.

7. FY16 Budget Hearings - City Council Advance

Mayor Nabours recognized Finance Director Rick Tadder for his 20 years of service to the City of Flagstaff.

Mr. Meilbeck provided a PowerPoint presentation that covered the following:

STRATEGIES FOR OVERALL STABILIZATION AND GROWING OUR ECONOMY

Capital Improvements Engineer Bret Peterson continued the presentation.

CAPITAL IMPROVEMENT PROGRAM
 FY 2016 CAPITAL BUDGET
 FY17-FY20 CAPITAL PROGRAM
 GENERAL GOVERNMENT – FY2016 BUDGET
 GENERAL GOVERNMENT – FIVE YEAR CAPITAL PROGRAM
 STREETS & TRANSPORTATION – FY2016 BUDGET
 STREETS & TRANSPORTATION – FIVE YEAR CAPITAL PROGRAM

Mayor Nabours asked about the Fourth Street intersection reconstruction and its relation to Canyon Del Rio. Mr. Peterson explained that \$3.2 million is a contribution to Canyon Del Rio for that project.

BBB FUNDS – FY16 BUDGET

Councilmember Overton asked if the work on the train station platform will bring it into ADA compliance for passengers. Mr. Peterson stated that there is some debate about how the platform needs to be raised or if there are other ways to mitigate the deficiency. Community Investment and Redevelopment Manager Karl Eberhard added that the concept is that the platform becomes accessible but staff is struggling to find an alternative method to the platform. Councilmember Overton stated that it is a large concern of many in the public and it could be a positive change for those who use the train. He urged staff to continue to work towards a solution; he stated that he would take ADA compliance over historical value.

BBB FUNDS – FIVE YEAR CAPITAL PROGRAM
 FUTS – FY2016 BUDGET

FUTS – FIVE YEAR CAPITAL PROGRAM
WATER, WASTEWATER & RECLAIMED – FY16 BUDGET

Mayor Nabours asked if the capital improvement requests that are being asked for require a utility rate change. Utilities Director Brad Hill explained that what is before the Council now are projects that can be done within the City's existing rates. Over the last several years outside consultants have been brought in to determine and prioritize what things need to be done and when. That information is then presented to the Water Commission for their approval prior to it coming before Council.

Councilmember Oravits asked if the meter replacement proposal is all meter replacements or just a portion. Mr. Hill explained that the request includes getting the older radios to the existing standard. In some cases meters have to be replaced, as of right now there are approximately 3500 old meters remaining.

WATER, WASTEWATER & RECLAIMED – FIVE YEAR CAPITAL PROGRAM
AIRPORT – FY2016 BUDGET
AIRPORT – FIVE YEAR CAPITAL PROGRAM

Mayor Nabours asked about the \$600,000 Master Plan update. Airport Manager Barney Helmick stated that \$600,000 is what has been advised as the average for this type of project; it takes about 24 months to complete the project in addition to doing a GIS update as part of the project. Mayor Nabours asked if the update will be paid for with general funds. Mr. Helmick explained that the project will be 91.6% grant funded and the remainder will be split between the City and the FAA.

Vice Mayor Barotz asked for the objective of the GIS update. Mr. Helmick explained that the GIS update will assist staff in identifying the airport property geographically; it will give the ability to pinpoint specifically with geographical points any changes in the Airport and will expedite getting information to the FAA.

Public Works Project Manager Matt Morales continued the presentation.

SOLID WASTE – FY2016 BUDGET
SOLID WASTE – FIVE YEAR CAPITAL PROGRAM

Mr. Peterson continued the presentation.

STORMWATER – FY2016 BUDGET
STORMWATER – FIVE YEAR CAPITAL
FY2016 – 2025 UN-FUNDED CAPITAL

A break was held from 9:21 a.m. through 9:41 a.m.

Risk Manager Dean Coughenour addressed Council with a presentation on a success story.

SUCCESS STORE #4: DECREASE IN EMPLOYEE INJURIES AND SERIOUS INJURIES

Assistant to the City Manager for Real Estate David McIntire continued the presentation.

REAL ESTATE UPDATE

After discussion regarding the possible new revenue opportunities and the other unfunded budget priorities the Council agreed to the following:

Ongoing revenue in the amount of \$133,000 generated from an increase in cemetery fees and the revised revenue projections and onetime revenue in the amount of \$250,000 from the revised revenue projections.

Ongoing expenses would include Heart Monitors in the amount of \$40,000 per year, a \$1 salary increase for Dispatchers, and a \$32,000 salary contingency for the incoming City Manager. Onetime expenses would included two years of Paramedic Assignment pay and \$50,000 to Dispatcher retention and attraction strategies.

A break was held from 11:27 a.m. through 11:55 a.m.

Community Development Director Mark Landsiedel addressed Council with a presentation on a success story.

SUCCESS STORY #3 – BUILDING PLAN REVIEW

Mr. Meilbeck thanked the budget team for all of the time and effort put into making the advance a success.

Mayor Nabours pointed out that a Council goal is to raise people out of poverty and one of the things that he thought would fit within that category would be the hiring of the Business Attraction Manager. In speaking with Rich Bowen at ECONA he understands that there are a lot of things going on and there are some strong possibilities of getting some high paying businesses into town. ECONA can use all the help they can get in attracting business to Flagstaff and the more good employers there are in town then the more high paying jobs there are available.

Councilmember Overton stated that this budget was presented at a much higher level than in the past and he feels that the result will be a good work program. He would like to make sure that there is some room in the Council schedule to allow demonstration of work programs. Because Council did not go into the level of detail as before he wants to make sure that the impacts to the work programs are not forgotten and Council needs to be aware of what goes into how the goals are met. He feels that the process is a good strategy but wants to make sure Council also gets connection with the organization work plan. Mr. Meilbeck agreed and stated that the leadership team has talked about an approach throughout the year that keeps Council connected to the organization with frequent reports. It is an ongoing process and staff will continue to fine tune.

Mr. Meilbeck stated that the budget discussion is completed but would like to have a conversation with Council to discuss possible approaches to some of the City problems related to economic development.

Ms. Goodrich stated that during the December and August retreats staff often gets requests that outpace the current resources. She would like to discuss how the City can grow itself out of the financial situation and what that looks like to the Council; specifically, what tools the Council like to use and what success looks like.

Mayor Nabours stated that he hopes to see Flagstaff get a reputation for being a niche community for something like the biomedical or medical products industry so that people and businesses in that industry want to be in Flagstaff because that is where the others in the industry are. Those are generally well paid jobs that are clean and not very demanding of the City.

Councilmember Brewster stated that there is a lot of focus on ECONA right now and their attempts to draw businesses with high paying positions; biosciences is that market. There are a lot of spin offs from biosciences that can work in as well; it is encouraging to know that there are things in the pipeline now at various stages of development. It is important to preplan to address traffic and negative consequences of growth.

Mayor Nabours added that he was encouraged by Mr. Meilbeck's comments about looking at the overall transportation plan; it is one of Council's goals and one that has been put off way too long.

Councilmember Overton stated that he feels that the City has done a pretty good job. The City has become more diversified and there are valuable resources that have been developed. A 2-3% growth rate is great but the challenge is that the City has done things above and beyond the core services and keeping those efforts moving forward may prove difficult. There is still the missing link for existing employers and micro-businesses in Flagstaff. He would like to see an effort to go back to the micro-businesses and check in on if they are getting all the resources they need to be successful in Flagstaff. How the City supports its existing businesses should be a bigger effort. It is important to continue to leverage grant opportunities for the community. He would like to continue looking at the positives such as water resources and forest management.

8. Adjournment

The City Council Budget Advance of April 22, 2015, adjourned at 12:24 p.m.

MAYOR

ATTEST:

CITY CLERK

MINUTES

1. Call to Order

Mayor Nabours called the Flagstaff Work Session of May 26, 2015, to order at 6:00 p.m.

2. Pledge of Allegiance

The audience and City Council recited the Pledge of Allegiance.

3. Roll Call

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

PRESENT:

ABSENT:

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

Others present: Interim City Manager Jeff Meilbeck and City Attorney Michelle D'Andrea.

4. Public Participation

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.

Orville Wiseman addressed Council with concerns he has about homeless campers. His property was recently involved in a fire due to such a camper nearby. He feels that they are a threat to the community and heavier enforcement and punishment should be carried out.

City Clerk Elizabeth Burke addressed Council to recognize Deputy City Clerk Stacy Saltzburg and present her with a Certificate for obtaining the International Institute of Municipal Clerks designation of Certified Municipal Clerk.

5. Preliminary Review of Draft Agenda for the June 2, 2015 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 Overton called out item 9A regarding Bushmaster Park, asking for a short presentation on the project and possibly some renderings on the intended improvements so that Council and the public have an idea of what is going to be taking place.

Mayor Nabours stated that items 15A and 15B will be in reverse order for the final agenda; he added that a couple of items on the 6:00 p.m. agenda may be moved up to the 4:00 p.m. agenda as well.

6. 2015 Wildfire Preparedness Briefing

Wildland Fire Manager Paul Summerfelt provided a PowerPoint presentation that covered the following:

WILDFIRE PREPAREDNESS BRIEFING
STATEWIDE AVERAGE TEMPERATURE RANKS
JUNE AND JULY FORECAST
FLAGSTAFF AREA ERC VALUE
2015 FOCUS AREAS
COLLABORATION & PARTNERSHIPS
GREATER FLAGSTAFF FOREST PARTNERSHIP FOREST TREATMENT MAP (DRAFT)

Lieutenant Frank Higgins with the Police Department continued the presentation.

LAW ENFORCEMENT FIRE PREVENTION PATROLS
PATROL EFFORTS
WOODS WATCH VOLUNTEERS

Coconino County Emergency Management Director Robert Rowley continued the presentation.

COCONINO COUNTY
PFAC FULL SCALE EXERCISE
CODE RED

Mayor Nabours asked Mr. Rowley to remind the community how they can sign up for Code Red. Mr. Rowley stated that by signing up for Code Red citizens will receive emergency notifications by landline, cell phone, and other technology specific to their geographic location; additionally, it will notify of emergency weather alerts. People can sign up at

coconino.az.gov/emergency .

Coconino National Forest Fire Staff Officer Don Muise continued the presentation.

COCONINO NATIONAL FOREST FIRE AND AVIATION MANAGEMENT PROGRAM
2015 CHIEF'S LETTER OF INTENT
WILDLAND FIRE DISPATCH
FIRE PREVENTION STRATEGIES
WILDFIRE DETECTION
ENGINES AND CREWS (USFS)
NATIONAL GROUND RESOURCES
NATIONAL AIR RESOURCES

The Council thanked staff and the partners for the presentation.

7. Development Services Listening Tour Report

Deputy City Manager Josh Copley provided a PowerPoint presentation that covered the following:

DEVELOPMENT SERVICES LISTENING TOUR
BACKGROUND

Management Services Director Barbara Goodrich continued the presentation.

WHO PARTICIPATED?
QUESTIONS
WHAT WE HEARD
BALANCE, COORDINATION, AND CONSISTENCY ARE IMPORTANT
COMMUNICATION IS IMPORTANT
TOO MANY REGULATIONS TO FOLLOW

Community Development Director Mark Landsiedel continued the presentation.

WHAT WE WILL DO
IMPROVED RELIABILITY OF TELEPHONE COMMUNICATIONS

Councilmember Oravits asked about the phone center and if it is an outsourced call center. IT Manager Ki Sung stated that the call center is in house; he clarified that the presentation refers to a software solution to the call center and that IT will be installing a new server that will handle the call center and software. Councilmember Oravits asked how that will help the system. Mr. Sung stated that some of the complaints that staff has is that they are unable to monitor calls. The new system will give staff reports and on the spot call process. This will aid staff in identifying where issues are occurring within the phone system. For example, the software will give staff insight into where failures are occurring in the phone tree system or where bottlenecks are occurring. Being able to identify these occurrences specifically allow staff to make adjustments accordingly to better serve the customers that are calling into the system.

Vice Mayor Barotz stated that she is not sure how a new phone system will improve the issue of return calls. Mr. Landsiedel stated that the issue is that staff members are not getting their calls. People are getting into a phone tree and not able to get to the right person to leave a message. There are also issues with calls and voicemails not being audible; it is a technology

issue that needs to be addressed.

Councilmember Oravits stated that he uses a live phone service to capture calls and information; he asked if staff has looked into a call service. Ms. Goodrich explained that the City will not be giving up the switchboard; what is being addressed is the behind the scenes phone management system. Sometimes when the call taker is on the phone it sends calls into a queue somewhere and this system will allow staff to know when calls are in queue and how many there are. Additionally it can monitor how many calls have been dropped and when, and how many are hang ups. Councilmember Oravits stated that people are not always patient to wait through the call prompts or being on hold and suggested that staff look at a call service that answers all calls with a live person.

Councilmember Putzova asked if the call center solution is integrated with the email system so the voicemail can be translated and delivered via email. Mr. Sung stated that the integration is there but the focus right now is on refining the process and the system. Councilmember Putzova offered that it may help speed up the response rate to customers if voicemails were delivered via email but understands that the features may have to be rolled out in stages.

Mr. Landsiedel continued the presentation.

IMPLEMENT PROJECT MANAGEMENT TOOLS FOR IMPROVED INTERNAL
COMMUNICATION
STREAMLINE BUILDING PLAN REVIEW COMMENTS
CROSS DEPARTMENTAL COMMUNICATION

Councilmember Putzova asked if staff plans on continuing the listening tour for other entities that were not included in this tour. Mr. Landsiedel stated that the feeling is that the tour is concluded at this point but if there are other entities that should be contacted staff is happy to do that. Councilmember Putzova stated that neighborhood associations and organizations such as Friends of Flagstaff's Future may have a perspective that could be useful. Mr. Landsiedel stated that he would be happy to reach out to them for input.

8. Discussion/Direction Regarding Future Charter Amendments

City Clerk Elizabeth Burke provided a PowerPoint presentation that covered the following:

PROPOSED CHARTER AMENDMENTS - 2015
AGENDA
RECAP
PUBLIC OUTREACH
POINTS FOR CONSIDERATION
CONSIDERATIONS/RECOMMENDATIONS
WHICH PROPOSALS THE COUNCIL WOULD LIKE TO BRING FORWARD
CALENDAR

Councilmember Evans asked how many people were present at the various focus group presentations. Ms. Burke stated that each meeting varied; some had as few as three or four participants while others had 25-30. She stated that they presented information to approximately 100-125 people total. Councilmember Evans asked if there were any public meetings outside of those that were part of a special interest group. Ms. Burke explained that the presentations were given to the different community groups but the information is online and people were encouraged to share the information with others.

Vice Mayor Barotz asked about the questions related to elections. Ms. Burke stated that the charter has separate sections for primary and general elections; two questions would ask to combine the primary and general sections into one and a third question would be asked to repeal the former general election section.

Joe Ray addressed Council with concerns about the process not being more citizen based with more input provided by the public.

Vice Mayor Barotz asked that an additional question be added to the ballot that formalizes the process of appointing the Vice Mayor based on who receives the highest number of votes at the election. A majority of Council was not in favor of adding this item to the ballot.

The Council took each item one by one to decide which will move forward to the ballot; the results are as follows:

- Item 1 – removed.
- Item 2 – removed.
- Item 3 – removed.
- Item 4 - removed.
- Item 5 – removed
- Item 6 – place on ballot.
- Item 7 – removed.
- Item 8 – removed.
- Item 9 – place on ballot.
- Item 10 – place on ballot.
- Item 11 – removed.
- Item 12 – removed.

Councilmember Putzova stated that she would like to see a better job done with education to the voters for this election. Ms. Burke stated that with the past election there was not much information provided because they were technical in nature; however, staff did see the need of having more and they do intend to provide more information in the publicity pamphlet. Additionally, she said they hope that there will be people who supply pro and con statements for the items as well. Vice Mayor Barotz added that she would like to see Council ambassadors on items that they are interested in to aid in getting information out to the public.

9. Review of Draft Agenda Items for the June 2, 2015 City Council Meeting.*

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

None

10. Public Participation

Stuart McDaniel addressed Council with concerns about the City taking a stance on the living wage lawsuit in relation to economic development.

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

Mayor Nabours requested a possible future agenda item for a public discussion on where the City is with panhandling, the better bucks program, and trespassing complaints regarding panhandlers.

12. Adjournment

The Flagstaff City Council Work Session of May 26, 2015, adjourned at 8:33 p.m.

MAYOR

ATTEST:

CITY CLERK

MINUTES

1. Call to Order

Chairman Babbott called the Joint City/County Work Session of June 22, 2015, to order at 4:02 p.m.

2. Pledge of Allegiance

The audience, City Council and Board of Supervisors recited the Pledge of Allegiance.

3. Roll Call:

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

PRESENT

CHAIRMAN BABBOTT
SUPERVISOR FOWLER
SUPERVISOR METZGER

ABSENT

SUPERVISOR ARCHULETA
SUPERVISOR RYAN

PRESENT

MAYOR NABOURS
VICE MAYOR BAROTZ
COUNCILMEMBER OVERTON
COUNCILMEMBER PUTZOVA

ABSENT

COUNCILMEMBER BREWSTER
COUNCILMEMBER EVANS
COUNCILMEMBER ORAVITS

Others present: Interim City Manager Jeff Meilbeck, County Manager Cynthia Seelhammer

4. Public Participation

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None

Chairman Babbott changed the order of the meeting to the following:

Item 2 – Update on Prop. 403 (County) and Prop. 406 (City) Road Improvements

Item 1 – Presentation on USFS Recreation Plan

Item 3 – Information on a Resolution passed by the Coconino County Board of Supervisors supporting the Stepping Up initiative in an effort to curb mental illness in our jails

The minutes are reflective of the original order of the agenda.

5. Presentation on USFS Recreation Plan

Chairman Babbott stated that Don Muise was originally scheduled to present on wildland fire response but he is out working on the Camillo Fire. Crews are getting great results from the naturally occurring fire at this time. Additionally, the Board of Supervisors and the City Council will have Mr. Muise report out at a later time.

Interim Forest Supervisor for Coconino National Forest Scott Russell addressed the Board of Supervisors and City Council stating that they are working on a sustained recreation strategy initiative to increase collaboration and partners around forest recreation.

Recreation Program Manager for the Coconino National Forest Charlotte Minor provided a PowerPoint Presentation that covered the following:

NORTHERN ARIZONA SUSTAINABLE RECREATION – WHY NOW?

District Ranger from the Red Rock District Nicole Branton continued the presentation.

NORTHERN ARIZONA SUSTAINABLE RECREATION – WHAT IS IT?

VERDE FRONT – STRING OF PEARLS

EXAMPLES OF SUSTAINABLE RECREATION COLLABORATION: FLAGSTAFF REGIONAL TRAILS COORDINATION COMMITTEE

COLLABORATIVE TRAILS PLANNING/IMPLEMENTATION

COLLABORATIVE TRAILS PROJECTS: NATIONAL TRAILS DAY EVENTS

NORTHERN ARIZONA SUSTAINABLE RECREATION: HOW IT ALL FITS TOGETHER

Mr. Russell stated that the idea is to step back and try to organize at a collaborative level for recreation and take what is already happening with different projects and sustainability and organize opportunities around recreation.

Mayor Nabours asked if the concept is getting people more focused on the use of the forest in specific places as opposed to wandering out into the forest to create their own fun. Mr. Russell stated that the more people are engaged and understand and are connected to natural resources the more they own the stewardship of that. That is not the principal objective; the goal is to build a group to learn what can be done better. It is a part of the discussion but not a founding principle. Mayor Nabours asked if there is any plan to have more concessionaires within the national forest who do things such as snow play and cross country skiing. He stated that doing so may bring more organization to the various activities that are available in the forest. Mr. Russell stated that it is definitely part of the discussion and there is a role for business within the collaboration.

Councilmember Overton stated that it sounds like the approach is more proactive; he asked if the group sees themselves tackling more of the community issues such as snow play and traffic congestion and potential solutions to these challenges in the community. Mr. Russell offered that he does see that as part of the discussions and they are working on trying to bring all of the players together to look at solutions to the public need.

Supervisor Metzger noted that the collaborative is a great undertaking. She asked if there will be an effort to identify and manage expectations. There are many great ideas but without format or a foundation in place the product cannot be honored. Mr. Russell stated that it is a nationwide movement aimed at getting the public involved in defining their expectations of the forest and having conversations with the public in a productive way. In northern Arizona there are a lot of jurisdictions involved in the forest and people have voiced frustration about access and roads; this is the type of thing that the group is expecting will come out of the public input and instead of narrowly focusing on one agency to address the issue the group will look at the issues collectively to find solutions or alternatives. The process may not make the problems and restrictions go away but it will provide an environment where discussions can focus on the public interest.

Chairman Babbott asked if the Forest Service will be coming to the County and City individually asking for participation. Mr. Russell stated that they hope to be back before the City and County individually in the late summer or early fall. The facilitator will be compiling everything that has come out of the various public meetings and presenting that along with possible outcomes, solutions and a process forward.

Mr. Russell provided an update on the two managed fires that are currently active. The Horse Tank fire is down on the southern part of the forest by Fossil Creek. The fire is a unique opportunity to reduce fuels in the area and completion is anticipated over the next couple of days. The Camillo fire is just east of Mormon Lake. Crews are also letting that fire burn to reduce fuels west of the power line that runs through the area in an effort to reduce future fire risk to that power line. The Forest Service is working with Fish and Wildlife Services to understand and monitor the impacts of the fire on the Spotted Owl; this will help develop procedures on how to treat or not treat the area in the future.

Supervisor Metzger asked how many acres had been burned for each fire. Mr. Russell stated that approximately 11,000 acres had been burned for the Camillo fire and approximately 4,000 for the Horse Tank fire.

6. Update on Prop. 403 (County) and Prop. 406 (City) Road Improvements

Mayor Nabours stated that last November the City and County proposed sales tax increases for road repair and maintenance and the voters approved both of those. There has been a lot of chip sealing activity around town and that is a result of the sales tax. This kind of activity will be continuing for some time as the city and county roads will be brought up to standard and maintained.

Capital Improvements Engineer Bret Peterson addressed the Board of Supervisors and City Council proving a PowerPoint presentation that covered the following:

ROAD REPAIR AND STREET SAFETY IMPROVEMENT PROGRAM UPDATE
ROADS MATTER TO FLAGSTAFF
KEY CONSIDERATIONS
PROP. 406 – FUNDING SUMMARY

There were questions from the City Council about the debt service line item and what that translated to over time. Assistant to the City Manager Stephanie Smith stated that the City has estimated about \$53 million dollars in project work in the first seven years of the tax. The ballot language stated that City would issue debt up to \$20 million for the project the remaining portion of the project is paid for as it goes along. The annual pavement preservation program is starting in year eight and is paid at about \$2 million per year for the remainder of the 15 years.

Mr. Peterson continued the presentation.

COMMUNICATION PRIORITIES
PROJECT WEB PAGE
PROGRAM MANAGEMENT – PRIORITIZATION

Public Works Project Manager Adam Meile continued the presentation.

2015 STREET MAINTENANCE PROGRAM
COF STREET MAINTENANCE PROGRAM REVIEW
SURFACE OVERLAY – PRIOR TO JULY 1, 2015
SURFACE OVERLAY – JULY-OCTOBER 2015

Mr. Peterson continued the presentation.

DESIGN PHASE: SUMMER/FALL 2015
PAVE THE WAY EVENT – APRIL 1, 2015
DELIVERING OUR PROMISE – CHIP SEAL 2015
DELIVERING OUR PROMISE – MILLING 2015 (N. SAN FRANCISCO)
DELIVERING OUR PROMISE – OVERLAY 2015 (N. SAN FRANCISCO)
DELIVERING OUR PROMISE – MILL & OVERLAY 2015

Mayor Nabours asked if the millings generated are able to be reused. Mr. Peterson explained that on some occasions they are when they are not able to be immediately reused they are preserved for future applications.

County Public Works Director Andy Bertelsen addressed the Board of Supervisors and the City Council stating that the County too is in full swing with road construction. Proposition 403 has provided adequate funding to preserve the infrastructure and allows the County to respond appropriately should a natural disaster occur. The County currently has \$6 million in road projects currently underway and \$2 million in chip seal projects. They are in the process of purchasing maintenance equipment as well to help with maintaining County roads. The County has been able to work with the career center to hire three maintenance workers that had worked at Walgreens; they will be training them to be heavy equipment operators. He thanked the community and the Board of Supervisors for allowing them to move forward with the projects that so greatly benefit the community.

Engineering Manager for Coconino County Public Works Dustin Woodman addressed the Board of Supervisors and the City Council with a PowerPoint presentation that covered the following:

FY 2015 PROP. 403 FUNDED PROJECTS
HOW WE GOT HERE
10 YEAR ROADS CAPITAL IMPROVEMENT PLAN
2015 CIP PROJECT: KOCH FIELD ROAD PAVEMENT PRESERVATION PROJECT
2015 CIP PROJECT: MUNDS WASH BRIDGE REPAIR PROJECT (MUNDS PARK)
2015 CIP PROJECT: PINWOOD BLVD RECONSTRUCTION PROJECT (MUNDS PARK)
2016 CIP PROJECT: TOWNSEND-WINONA ROAD
7 YEAR CHIP SEAL PLAN
2015 CHIP SEAL PROJECT: BLUE RIDGE
2015 CHIP SEAL PROJECT: DONEY PARK
2015 CHIP SEAL PROJECT: GREATER BELLEMONT/PARKS
PROJECT WEBSITE

Supervisor Metzger noted that she has observed a reluctance of the public to identify with the projects at some of the public meetings in the past. She has now seen a shift in that ownership with people now being quite proud to own the projects and they are happy with the work being done. There is great appreciation throughout the County for the work.

Chairman Babbott asked how much Proposition 403 is estimated to generate. Mr. Bertelsen stated that it is estimated to generate approximately \$7 million over 20 years. Chairman Babbott suggested looking for opportunities to collaborate with the City in an effort to get a better return on investment for the two jurisdictions. Mr. Bertelsen stated that this first year staff from the City and County were able to get all the material producers in town to establish timelines on materials for everyone involved. There are only a few companies in the state that focus on this type of production and it is hoped that as the City and County move forward they can continue to partner together with the material producers to be sure everyone has what they need at the best price possible.

7. Information on a Resolution passed by the Coconino County Board of Supervisors supporting the Stepping Up initiative in an effort to curb mental illness in our jails.

Toby Olvera addressed the Board of Supervisors and City Council about the Stepping Up Initiative, a national initiative that is sponsored by the National Association of Counties (NACO), the Council for State Governments and the American Psychiatric Foundation. The purpose is to reduce the number of mentally ill incarcerated in county jails. They are working to bring other agencies, leaders, and professionals to the table to discuss and collaborate ideas on how to reduce this population within the jail system and save tax payer dollars. Coconino County passed a resolution to support this initiative. Next month at the National Association of Counties annual conference they will be holding a national summit on this program.

Sheriff Bill Pribil addressed the City Council and Board of Supervisors stating that mental health within the criminal justice system is a complex issue that impacts every community in the nation. Jails are now the de-facto mental health facilities for the mentally ill in communities. People who do not have adequate resources to get the assistance they need often become involved in the criminal system and it is cheaper to put someone in jail rather than a mental health facility. Society needs to come up with a better solution. He is hopeful that with NACO involved there will be more conversations and support behind the movement.

The Flagstaff Police Department has been working on various programs to help facilitate the issue locally and the City Mental Health Court was the first to step forward.

Mayor Nabours asked what the proposed alternative is. Sherriff Pribil explained that back in the 60s and 70s there was a movement to transition the mental health system out of the hands of mental health professionals and into the hands of the law. Treatment was left in the hands of the community without the adequate funding to do so. There are people who are in jail for months because the system cannot figure out what to do with them; there is a revolving door because the person is able to be stabilized while in custody but once adjudicated and released they are back on the streets and self medicating with drugs and alcohol. The Mental Health Court is a concept that keeps track of these individuals and helps them to continue to take their medication and continue with counseling; it has been a great step forward.

Vice Mayor Barotz asked if the plan with the resolution is to get other agencies to sign on. Sherriff Pribil stated that it would be great for every community to sign on and send the message that this is an important issue that needs attention; jails should not be the treatment facilities for those who do not have the support and resources to address their mental issues. Vice Mayor Barotz stated that she will be asking for an agenda item for City Council to consider signing onto the resolution.

Supervisor Metzger stated that one of the challenges is that staff is unable to qualify and quantify the mental illnesses within the jails. NACO has the ability to serve as a think tank and a platform for numerous agencies to partner. It is interesting to hear how other counties and agencies are dealing with this issue; it is very political but there is an opportunity to have input and having

NACO at the ground level will be very helpful.

Chairman Babbott asked if there is opportunity for non-county jurisdictions to participate in the movement. Mr. Olivero responded yes stating that Flagstaff Police Department has been involved in discussions and other movements to help address the issues of mental health.

Supervisor Fowler stated one of the ideas of NACO is to get the educational awareness out to the public. The jails become the homestead for these individuals and it has a huge impact on the budget; this is a great opportunity for community awareness and bringing attention to a very serious issue.

8. Public Participation

None

9. Informational Items To/From Chairman, Supervisors and County Manager/Mayor, Council and City Manager.

Councilmember Putzova thanked the Board of Supervisors for meeting with the City Council.

Councilmember Overton offered congratulations to Chairman Babbott on his recent appointment as Chairman of the Board of Supervisors.

Supervisor Metzger stated that she is happy to see all the activity throughout the County and believes that it will bring good economic activity to the area.

Vice Mayor Barotz thanked the Board of Supervisors for their participation in the meeting.

Mayor Nabours stated that the City and County should continue to look for opportunities to partner and pool resources on the road work that is being done. He added that both the City and County are also heavily involved and downtown and he hopes that they will continue to work together on downtown issues.

Chairman Babbott stated that the bike skills park at Fort Tuthill had its grand opening over the weekend; it is a fun park with great amenities and he encouraged everyone to check it out. He also introduced Todd Medeska as the new Government Relations Director for Coconino County. He also stated that the new Deputy County Manager Neil Young will be coming on board in the next few weeks.

County Manager Cynthia Seelhammer stated that Supervisor Ryan sent photos of his new grandbaby. She also stated that the Deputy County Manager retirement event is next Wednesday.

10. Adjournment

The Flagstaff Joint City Council/County Board of Supervisors Work Session of June 22, 2015, adjourned at 5:35 p.m.

MAYOR

ATTEST:

CITY CLERK

MINUTES

1. Call to Order

Mayor Nabours called the Flagstaff Work Session of June 30, 2015, to order at 6:00 p.m.

2. Pledge of Allegiance

The Council and audience recited the pledge of allegiance.

3. Roll Call

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

PRESENT:

ABSENT:

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

Others present: Interim City Manager Jeff Meilbeck and City Attorney Michelle D'Andrea

4. Public Participation

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.

Risk Management Specialist Michael DuPuy presented a certificate of achievement to Mike Gouhin of the Flagstaff Housing Authority for their achievement of zero reportable accidents in the 2014-2015 year.

Marilyn Weismann addressed Council to report that the judge in the Flagstaff Living Wage lawsuit has signed the stipulation agreement giving local control back to the cities in regards to setting minimum wage. The City can now move forward in considering a reasonable working wage for Flagstaff employees. She urged the Council to play more of a role in the future of protecting citizens from the over-reaching arm of the State.

Andy Fernandez addressed Council with concerns about plastic bags and student housing.

Gil Hagenmeyer addressed Council regarding a new student housing development. He urged the Council to have further discussions about the project and address issues and concerns from the adjacent neighborhood.

5. Preliminary Review of Draft Agenda for the July 7, 2015, 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 Evans called out item 15-C asking to know if it is legal to use an election as a poll; she feels that having two questions regarding election dates is a form of polling and would like to know if that is allowed.

6. Presentation by Northern Arizona University President Cheng.

Mayor Nabours introduced NAU President Dr. Rita Cheng. Dr. Cheng thanked the Council for the opportunity to address them and she thanked them for their support during the 2015 Legislative session by communicating the importance of the University to the region and the state.

Dr. Cheng provided a PowerPoint presentation that covered the following:

FLAGSTAFF CITY COUNCIL UPDATE
FUNDING, ENROLLMENT AND DEGREES
PARTNERSHIPS GENERATING IMPACT
RESEARCH SUPPORT
THRIVE PROJECTS
ECONOMIC IMPACT
SUMMERS AT NAU
ENROLLMENT AND HOUSING
COMMUNITY DIALOGUE
HOMECOMING EVENTS ON OCTOBER 24
STUDENT ENGAGEMENT
STUDENT ACHIEVEMENT
THANK YOU

Mayor Nabours asked how many employees there are at NAU. Dr. Cheng stated that it is around 4,600 but that it changes almost daily.

Vice Mayor Barotz thanked Dr. Cheng for giving an update to the City Council. She stated that the Council finds themselves in a difficult position with regards to student housing; the Council wants to do what is right for the community and the students but it is a difficult position to be in

when there are competing values. Dr. Cheng stated that while the university does not partner with the off campus developers it is important for NAU to express its willingness to partner with the City. NAU is concerned about being good neighbors and they are doing what they can to build additional housing on campus when it is financially possible. Vice Mayor Barotz also thanked Joanne Keene for her work in increased communication about parking alternatives. The City appreciates the collaboration with NAU but feels that it is important for them to understand the struggle with the balance between the public and the university.

Mayor Nabours offered that during the early years of Flagstaff, the town fought so hard to have a college and if it was not for NAU Flagstaff would likely be just another Route 66 town. Dr. Cheng added that if it was not for the vibrancy of the community NAU would not be able to attract students to the campus and therefore be less successful.

Councilmember Evans thanked Dr. Cheng for not skirting the hard issues of housing and parking in the presentation and she thanked NAU for their willingness to partner and collaborate with the City on these issues. She expressed appreciation for the Sustainable Communities Program and the community action teams that have come from the program. There have been several individuals from that program that are tasked with going outside the university and into the community to apply the skills they are learning in real life situations.

A break was held from 6:36 p.m. through 6:40 p.m.

Andy Fernandez addressed Council stating that he was upset that a break was called prior to public participation on the item. He stated a number of concerns with NAU and its relationship with CCC.

7. Proposed Utilities Rates Adjustment - Timeline and Stakeholder Outreach Schedule. (Timeline for proposed utility rates adjustment).

Utilities Director Brad Hill provided a PowerPoint presentation that covered the following:

UTILITY RATE ADJUSTMENTS TIMELINE AND STAKEHOLDER OUTREACH
PURPOSE
OVERVIEW OF RATE STUDY PROCESS
TIMELINE
STAKEHOLDER OUTREACH
WEBSITE INFORMATION

Councilmember Overton asked when the draft will be available from the consultant. Mr. Hill stated that if the Water Commission approves the final report it will be available on the City website for public viewing on July 17, 2015 and officially delivered at a Council meeting on August 25, 2015.

Councilmember Putzova asked for clarification on the purpose of the study as she found it interesting that water conservation was not included in the overall purpose. Mr. Hill offered that the revenue sufficiency portion of the study does take conservation into consideration but that the purpose of the study is how the City funds the operation, maintenance and replacement of the utilities. Water conservation is an element that is embedded throughout the rate study portion.

Councilmember Oravits asked if future water supply will be discussed within the study along with the potential options for new funding sources. Mr. Hill stated that the study will include the

rate side and the growth side which is the capacity fees. New water supplies will be included within the capacity fee discussion.

Mayor Nabours asked when the rates were last changed. Mr. Hill stated that the last time Council took action on the rate plan was 2010 where a five year plan was adopted. Mayor Nabours asked if the review process is something that is within Council discretion or if there are statutory timelines that have to be adhered to. Mr. Hill stated that it is completely within Council's discretion to discuss or adopt new rates.

Andy Fernandez addressed Council regarding the need to conserve water and lower rates for users.

8. Airport Planning Update (*Planning for airport needs to serve our community and potential future growth at the airport*).

Economic Vitality Director Heidi Hansen provided an update on the search for a new airline. She and Airport Director Barney Helmick attended two conferences to this regard. At the first conference they met with four airlines and most of them are looking for bigger airports but there was one airline that is promising for Flagstaff. Staff has kept in constant contact with the airline and they are working with them through various issues. One of the challenges is that the City must be able to fill planes and show consistent growth. Airlines want the airport to market them; with the success of the CVB this year this has been a big positive to all the airlines. At the second conference there were ten potential airlines and staff was able to meet with five. Of that there were two that were promising. Again, staff is keeping in constant contact and working with the airlines to answer all questions and address issues or concerns they may have.

Ms. Hansen stated that since marketing is a big point for airlines staff has created a simple marketing packet that was given to all the airlines that Flagstaff met with. Staff is still putting together thank you letters to all the airlines that were met with and it is hoped that the airlines that were interested in Flagstaff will arrange headquarter meetings in the near future. For now, the message is Please Fly Flagstaff; the city's current airline is just as important as a new one and flying out of Flagstaff will show the continued support of the airline and continued enplanements.

Mr. Helmick provided a PowerPoint presentation that covered the following:

FLAGSTAFF AIRPORT PLANNING
AREAS OF IMPORTANCE
AIRPORT PARKING

Councilmember Overton stated that he would like to see charging the community for parking as a possibility rather than take away from the tax payer funded capital improvements. He also suggested looking for a partnership with the new airline that may come in to provide additional parking solutions.

Councilmember Oravits asked when it becomes possible to start charging on the current lot. Mr. Helmick stated that there is not a direct timeline but it is expected to be about 18-24 months out.

Mayor Nabours asked if the City is able to set regulations and issue parking tickets even though charging for parking is not currently available. Mr. Helmick stated that he would have to work with the Legal Department to determine if that is something that can be done.

Mr. Helmick continued the presentation.

AIRPORT TERMINAL MAINTENANCE
AIRPORT STAFFING
AIRPORT DESIGN
NEXT STEPS

Mayor Nabours stated that if the Airport were able to generate money by selling airport land it would be easier to put that money back into the airport. Mr. Helmick stated that staff has been under the impression that land could only be leased at the airport and not sold but there have been discussions with the FAA that indicate that has changed. Staff will be conducting an audit and appraisal of the land so the public can see the benefit if it exists.

9. Discussion to Define a Process for Council Consideration of Proposed Amendments to the Flagstaff Zoning Code.

Comprehensive Planning and Zoning Administrator Roger Eastman addressed Council with a PowerPoint presentation that covered the following:

MEETING PURPOSE
BACKGROUND
THREE LEVELS OF AMENDMENTS
 MINOR AMENDMENTS
 MAJOR AMENDMENTS
 CLERICAL AMENDMENTS
OVERVIEW – MAJOR AMENDMENTS
SOURCE OF AMENDMENTS
UNDERSTANDING THE CONTEXT
SUGGESTED PATH FORWARD
PUBLIC OUTREACH
CONCLUSION

Vice Mayor Barotz asked if staff would consider using social media as an outlet for communication. Mr. Eastman stated that it is a suggestion that is being looked into; staff recognizes that social media is a powerful tool that needs to be utilized more.

Councilmember Putzova asked that in addition to the language proposed if it would be possible to illustrate the implications with some real world examples in order for the Council to really understand how the changes are going to apply in the real world. Mr. Eastman stated some of the amendments already include that but he will look further to see if there are other areas that could benefit from those types of illustrations.

Mayor Nabours suggested phrasing the policy questions in a simplified manner of “Does the Council want to _____?” This will help the Council and the public see exactly what the question and amendment is. Mr. Eastman stated that it is a great suggestion and he will work on incorporating that into the staff summary.

10. Review of Draft Agenda Items for the July 7, 2015, City Council Meeting.*

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

None

11. Public Participation

None

12. Informational Items To/From Mayor, Council, and City Manager; and future agenda item requests.

Councilmember Oravits offered congratulations to community member John Conley who recently won Grocery Wars which is a television program on the Food Network. There were several plugs in the show for Flagstaff which is a great piece as well.

Vice Mayor Barotz requested a possible future agenda item for a resolution similar to the one the County adopted with regards to the Stepping Up Initiative.

She requested an additional possible future agenda item for an ordinance that expresses the policy that the City will have equal pay and how it will ensure equal pay for equal work in the future.

Councilmember Evans stated that she sent an email to the City Manager for information on 4FRI; specifically the history of 4FRI and how the City got involved, also the history of logging in Flagstaff and what the City is doing now in regards to logging and how that is connected to 4FRI. She requested a lot more information in her email and wanted to make sure that the Council was aware of the request.

Mayor Nabours stated that this day is the anniversary of the Yarnell Fire tragedy. Prescott is moving on and healing as best they can from this event; it is a terrible tragedy that can certainly happen in the Flagstaff area.

13. Adjournment

The Flagstaff City Council Work Session of June 30, 2015, adjourned at 7:52 p.m.

MAYOR

ATTEST:

CITY CLERK

4:00 P.M.

1. CALL TO ORDER

Mayor Nabours called the Regular Meeting of July 7, 2015, 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 .

PRESENT:

MAYOR NABOURS
VICE MAYOR BAROTZ
COUNCILMEMBER BREWSTER
COUNCILMEMBER ORAVITS
COUNCILMEMBER OVERTON
COUNCILMEMBER PUTZOVA

ABSENT:

COUNCILMEMBER EVANS

Others present: Interim City Manager Jeff Meilbeck and City Attorney Michelle D'Andrea.

3. PLEDGE OF ALLEGIANCE AND MISSION STATEMENT

The audience and City Council recited the Pledge of Allegiance and Mayor Nabours read the City of Flagstaff 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:** City Council Joint Work Session of April 6, 2015; Work Session of April 14, 2015; Special Work Session of April 17, 2015; Work Session of April 28, 2015; Work Session of May 12, 2015; Special Meeting (Executive Session) of June 3, 2015; Special Meeting (Executive Session) of June 9, 2015; Work Session of June 9, 2015; Special Meeting (Executive Session) of June 11, 2015; Special Meeting (Executive Session) of June 12, 2015; Regular Meeting of June 16, 2015; and Special Meeting (Executive Session) of June 30, 2015.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Scott Overton to approve the minutes of the City Council Joint Work Session of April 6, 2015; Work Session of April 14, 2015; Special Work Session of April 17, 2015; Work Session of April 28, 2015; Work Session of May 12, 2015; Special Meeting (Executive Session) of June 3, 2015; Special Meeting (Executive Session) of June 9, 2015; Work Session of June 9, 2015; Special Meeting (Executive Session) of June 11, 2015; Special Meeting (Executive Session) of June 12, 2015; Regular Meeting of June 16, 2015; and the Special Meeting (Executive Session) of June 30, 2015.

Vote: 6 - 0 - 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.

None

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).

A. Consideration of Appointments: Library Board.

Moved by Councilmember Jeff Oravits, **seconded by** Mayor Jerry Nabours to appoint Joanne Parkes and Dorothy Renstrom to the Library Board with terms to expire November 2017.

Vote: 6 - 0 - Unanimously

B. Consideration of Appointments: Planning and Zoning Commission.

Moved by Councilmember Scott Overton, **seconded by** Councilmember Jeff Oravits to appoint Alexandra Pucciarelli to the Planning and Zoning Commission, term expiring December 2017.

Councilmember Putzova pointed out that the Planning and Zoning Commission is a high-stake commission, and oftentimes this commission attempts to balance the interests of the environment and economic development. She said that currently everyone on the Commission is in one way or another tied to the construction industry or architectural engineering firms. She would like to see representatives from other groups. Two of the applicants met that criteria--Robert Kelty and Margo Wheeler, but she understood those names were not brought forward.

Vice Mayor Barotz said that she considered it a concern and while Alexandra had good qualifications, she did think it would be nice to attempt to ensure that the broader community has representation.

Vote: 5 - 1

NAY: Vice Mayor Celia Barotz

C. Consideration of Appointments: Open Space Commission.

Moved by Councilmember Jeff Oravits, **seconded by** Vice Mayor Celia Barotz to appoint Jimmy Burton to the Open Space Commission, term expiring April 2016.

Vice Mayor Barotz said that she attempted to call all of the applicants and was able to reach several. She said that Mr. Burton is a 12-year resident of Flagstaff and certainly appreciates what the charge is of the Open Space Commission. She fully supports his nomination.

Vote: 6 - 0 - Unanimously

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 Sole Source Contract: Sole source advertising contract with Legends Entertainment District. **(Purchase of the Flagstaff Cool Zone)**

Economic Vitality Director Heidi Hansen explained that this was paid for out of the BBB funds; however, they actually cost recover approximately \$40,000 of it through sponsorships.

Mayor Nabours asked if it was part of the freezing bicycles and things. Ms. Hansen replied that it was part of the campaign they had. She added that staff will be back in September to give a more thorough report on the entire campaign.

Councilmember Brewster said that it was a great place to advertise, right next to the light rail so that even if someone is not attending the game they benefit from it.

Ms. Hansen said that they are actually rewrapping the entire cool zone, and that will stay in place the entire year.

Moved by Councilmember Jeff Oravits, **seconded by** Councilmember Karla Brewster to approve the purchase of the Flagstaff Cool Zone with Legends Entertainment District in the amount of \$65,000, as a sole source procurement.

Vote: 6 - 0 - Unanimously

10. ROUTINE ITEMS

A. Consideration and approval of Grant Agreement: To the U.S. Department of Justice, through the Arizona Criminal Justice Commission, for the Edward Byrne Justice Assistance Grant funds in the amount of \$291,660.00 for the Northern Arizona Street Crimes Task Force **(aka METRO unit)**.

Police Lt. Scott Mansfield reviewed the grant award is in the amount of \$218,745.00 (75%) with required matching funds of \$72,915.00 (25%) for a total grant award of \$291,660. He said that if approved, this will be the 29th cycle of the grant and it is used to fund salaries of a Sergeant, Police Officer and County Sheriff Deputy.

Moved by Councilmember Scott Overton, **seconded by** Councilmember Jeff Oravits to approve the acceptance of the grant from the U.S. Department of Justice, through the Arizona Criminal Justice Commission, Edward Byrne Justice Assistance Grant funds in the amount of \$291,660.00 for FY2016.

Vote: 6 - 0 - Unanimously

B. Consideration and Adoption of Ordinance No. 2015-15: An ordinance of the Flagstaff City Council adopting amendments to the Flagstaff City Code, Title 5, *Fire Code*, to be consistent with Arizona Revised Statutes. **(Fireworks Regulations)**

Fire Marshal Patrick Staskey reviewed the changes proposed by this ordinance, to bring the City Code consistent with recent changes in State law. He distributed a one-page handout which indicated the different types of fireworks which were permitted and not permitted.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Scott Overton to read Ordinance No. 2015-15 by title only for the first time.

Vote: 6 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, AMENDING FLAGSTAFF CITY CODE TITLE 5, FIRE CODE, BY AMENDING SECTION 5-02-002, REGULATIONS FOR THE USE OF CONSUMER FIREWORKS, THEREOF

- C. **Consideration and Adoption of Ordinance No. 2015-11:** 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, 2016.
(Property Tax Levy for FY 15-16)

Mayor Nabours noted that this was second read and adoption of the property tax levy and it was staying flat.

Moved by Councilmember Scott Overton, **seconded by** Councilmember Jeff Oravits to read Ordinance No. 2015-11 by title only for the final time.

Vote: 5 - 1

NAY: Councilmember Eva Putzova

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, 2016

Moved by Councilmember Karla Brewster, **seconded by** Councilmember Jeff Oravits to adopt Ordinance No. 2015-11.

Vote: 6 - 0 - Unanimously

- D. **Consideration of Appointment and Approval of Agreement:** City Manager.

Moved by Councilmember Jeff Oravits, **seconded by** Councilmember Karla Brewster to appoint and approve the agreement for Josh Copley as the City Manager effective September 0, 2015, for the City of Flagstaff.

Vote: 6 - 0 - Unanimously

- E. **Consideration of Appointments:** Magistrates and Presiding Magistrate for the Flagstaff Municipal Court.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Karla Brewster to approve the appointments of Thomas L. Chotena as the Presiding Magistrate, Michael Araujo as Magistrate and Paul Julien as Magistrate, On-Call.

Vote: 6 - 0 - Unanimously

- F. Consideration and Adoption of Ordinance No. 2015-14:** Amending the Employee Handbook of Regulations and Flagstaff City Code by adopting amendments relating to Retiree Insurance relating to eligibility.

Benefits Analyst Drew Becker addressed the Council, noting that this was a recommended change to align with other members of the Northern Arizona Public Employee Benefits Trust (NAPEBT) to provide for employees with five years of continuing service with any NAPEBT organization, hired on after July 1, 2015, to be eligible for retiree insurance. Those employees hired before that date with the City were eligible to apply for retiree insurance at the time of retirement, regardless of their length of time with the City.

Councilmember Putzova asked what benefits there were with this change to the City or its employees. Mayor Nabours said that they are in a group insurance plan and this will make all of the organizations be consistent in their requirements for retiree insurance eligibility. Councilmember Overton said that an employee would be more encouraged to stick with the City for at least five years with this in place.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF RELATING TO RETIREE INSURANCE, AMENDING THE EMPLOYEE HANDBOOK OF REGULATIONS AND FLAGSTAFF CITY CODE, PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Jeff Oravits to read Ordinance No. 2015-14 by title only for the first time.

Vote: 5 - 1

NAY: Councilmember Eva Putzova

RECESS

The 4:00 p.m. portion of the July 7, 2015, Regular Council meeting recessed at 4:30 p.m.

6:00 P.M. MEETING

RECONVENE

Mayor Nabours reconvened the meeting of July 7, 2015, at 6:00 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).

11. ROLL CALL

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

PRESENT

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

ABSENT

NONE

Others present: Interim City Manager Jeff Meilbeck and City Attorney Michelle D'Andrea.

12. PUBLIC PARTICIPATION

Ward Davis, Flagstaff, addressed the Council with concerns related to the current rate study being done. He said that everything done has been flawed and the consultant does not seem to understand how the rate study controls water conservation.

Mayor Nabours reported that the Council would be discussing water rates some at next week's Work Session.

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

None

14. PUBLIC HEARING ITEMS

None

15. REGULAR AGENDA

- A. Consideration and Adoption of Ordinance No. 2015 - 12:** An ordinance of approval for the Roadway Functional Classifications and Truck Routes map being placed into the Engineering Standards. ***(Update/Addition to Engineering Standards)***

Transportation Engineering Project Manager Stephanie Sarty addressed the Council with a brief PowerPoint that addressed:

OVERVIEW

2001 REGIONAL PLAN MAPS

Map 10

Map 11

NEW MAP

Will reside in Engineering Standards - modified to reflect the new Regional Plan
ENGINEERING STANDARDS

Provides for map definitions, cross sections, roadway geometry and other design elements to be in one location

CONCLUSION

Mayor Nabours said that in looking through the maps and comparing them it looks like some of the roads were downgraded and some were upgraded. Ms. Sarty replied that there have been changes or modifications improving all of them. She added that there were no changes in the two truck routes. She clarified that this was not a change to the Regional Plan.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, AMENDING THE FLAGSTAFF CITY CODE, CHAPTER 13-10, STREETS, BY ADDING SECTION 13-10-014 "ROADWAY FUNCTIONAL CLASSIFICATIONS AND TRUCK ROUTES"; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Jeff Oravits, **seconded by** Councilmember Karla Brewster to read Ordinance No. 2015-12 by title only for the first time.

Vote: 7 - 0 - Unanimously

B. Approval of Ballot Language: For November 2015 Special Election. *(Approval of Ballot Language as exhibit to Resolution No. 2015-26)*

Councilmember Putzova said that the process has been very confusing and she did not appreciate the way it was done.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Jeff Oravits to approve the seven questions as presented by staff tonight as Exhibit A to Resolution No. 2015-26.

Vote: 4 - 3

NAY: Vice Mayor Celia Barotz
Councilmember Coral Evans
Councilmember Eva Putzova

Councilmember Oravits thanked staff for preparing this and the long process involved. Mayor Nabours echoed his thanks, especially to Ms. Burke, Ms. D'Andrea and Vice Mayor Barotz in getting the two personnel questions consolidated.

16. DISCUSSION ITEMS

None

17. FUTURE AGENDA ITEM REQUESTS

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 Councilmember Oravits for a future agenda item to have provided a Low Impact Development Update.

Councilmember Oravits said that he would like to have a future presentation where staff comes in and explains how things have gone with the recent changes to low-impact development (LID), specifically the retention basins. Mayor Nabours added that during the May 26 listening tour comments were received about concerns with the LID.

After some discussion on specifically what they were looking to receive an update on, consensus was to receive a report on the stormwater policy and tools available to address issues, along with being prepared to get into the LID.

- B. Request by Vice Mayor Barotz for a future agenda to discuss a possible resolution of support for the Stepping Up Initiative.

Vice Mayor Barotz said that a resolution of support by the County for the Stepping Up Initiative was presented at the Council's recent joint work session with the County and she would like the City to consider adopting a similar resolution. Consensus was to move this item forward and bring a resolution back for consideration.

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

Councilmember Overton reported that it was a nice Fourth of July parade.

Vice Mayor Barotz suggested that they consider walking together as a Council next year to send a unified message that they can walk together at the parade.

Councilmember Evans said that she has had the opportunity to speak with business owners lately and there is still a serious issue with panhandling. She asked if they could legally require them to register with the City for a business license and tax the money they collect. Depending on the answer to that question, she said that perhaps they could bring an item back for future consideration.

Additionally, Councilmember Evans said that the Council has received a few e-mails regarding air B&B's and she would like to receive a CCR on what regulations the City has for them.

She said that today she had the opportunity to attend the Meet and Greet at Camp Navajo and they mentioned that they have a new Strategic Plan at Camp Navajo. She suggested that the City possibly receive an update from Lt. Col. Vincent at their next joint meeting with the County.

Councilmember Oravits said that it was a great Fourth of July and there were a lot more people in Flagstaff. He commended staff, especially the Police Department, for managing all of the events throughout the weekend.

Councilmember Putzova asked that a F.A.I.R. item be presented for an ordinance to prescribe the process to be followed when a citizen submits a petition, regardless of the outcome of the upcoming election.

Mr. Meilbeck reminded everyone of the Special Work Session scheduled for July 16, 2015,

regarding Public Meeting Protocol.

Mr. Meilbeck reported that Stephanie Smith and Heidi Hansen were both filling in as deputy city managers and it was a testament to their abilities.

Mayor Nabours echoed interest in getting a report on Camp Navajo.

Councilmember Evans also requested that they get an update on a future Work Session regarding the Dew Downtown and what is going to happen with it.

19. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held July 7, 2015, adjourned at 6:45 p.m.

MAYOR

ATTEST:

CITY CLERK

CERTIFICATION

STATE OF ARIZONA)
) ss.
Coconino County)

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 on July 7, 2015. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 21st day of July, 2015.

CITY CLERK

MINUTES

1. Call to Order

Mayor Nabours called the Special Meeting (Executive Session) of July 14, 2015, to order at 4:01 p.m.

2. Roll Call

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

PRESENT:

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

ABSENT:

NONE

Others present: Interim City Manager Jeff Meilbeck and City Attorney Michelle D'Andrea.

3. Recess into Executive Session.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Karla Brewster to recess into Executive Session.

Vote: 7 - 0 - Unanimously

The Flagstaff City Council recess into Executive Session at 4:02 p.m.

4. Executive Session:

- A. Discussion or consultation for legal advice with the attorney or attorneys of the public body, pursuant to A.R.S. 38-431.03(A)(3).
 - i. Zoning Code Amendments

5. Adjournment

The Flagstaff City Council Special Meeting (Executive Session) of July 14, 2015, reconvened into open session at 5:24 p.m. at which time the meeting adjourned.

Mayor

ATTEST:

City Clerk

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Stacy Saltzburg, Deputy City Clerk
Date: 07/15/2015
Meeting Date: 07/21/2015



TITLE:

Approval of Appointment: Public Safety Personnel Retirement System Board.

RECOMMENDED ACTION:

Approve the Mayor's appointment of Adam Zickerman to one term expiring in September 2018.

Executive Summary:

The Public Safety Personnel Retirement System Board consists of the Mayor, two citizens serving four-year terms, and two representatives each from the Police Department and Fire Department. There is currently one Citizen seat available and pursuant to ARS the Mayor makes the appointments, with approval of the Council. The Police Department and Fire Department representatives are elected by members of the respective departments. The board meets as needed to process membership and retirement applications from Flagstaff police officers and firefighters.

The appointment of Adam Zickerman to the Public Safety Personnel Retirement Board needs to be approved by the Council.

Financial Impact:

These are voluntary positions and there is no budgetary impact to the City of Flagstaff.

Connection to Council Goal and/or Regional Plan:

There is no Council goal that specifically addresses appointments to Boards and Commissions; however, boards and commissions do provide input and recommendations based on City Council goals that may pertain to the board or commission work plan.

Has There Been Previous Council Decision on This:

None.

Options and Alternatives:

- 1) Approve appointment of Adam Zickerman, enabling the Public Safety Personnel Retirement System Board to be at full membership, and allowing the group to meet and provide recommendations.
- 2) Table the action to allow for further discussion or expand the list of candidates.

Community Benefits and Considerations:

The City's boards, commissions, and committees were created to foster public participation and input and to encourage Flagstaff citizens to take an active role in city government.

Community Involvement:

INFORM: The vacancies are posted on the City's website and individual recruitment and mention of the opening by Board members and City staff has occurred, informing others of this vacancy through word of mouth.

Attachments: [Public Safety Roster](#)
 [Public Safety Authority](#)



City of Flagstaff, AZ

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM MEMBERS

<u>NAME</u>	<u>APPOINTED</u>	<u>TERM EXPIRES</u>	<u>TRAINING COMPLETED</u>
<u>Higgins, Frank</u> Employee Member Lieutenant/City of Flagstaff Police Dept. 911 E. Sawmill Rd. Flagstaff, AZ 86001 Work Phone: 928-556-2306 Term: (1st 2/13-12/15)	02/01/2013	12/15	03/12/2013
<u>Holyfield, David</u> Employee Member Detective/City of Flagstaff Police Dept. Flagstaff, AZ 86001 Work Phone: 928-779-3646 Term: (1st 12/07-12/11; 2nd 12/11-12/15)	12/17/2007	12/15	No
<u>Mierendorf, Brett</u> Employee Member Fire Fighter/City of Flagstaff Fire Dept. 211 W. Aspen Ave. Flagstaff, AZ 86001 Home Phone: (928)779-7688 Term: (1st 3/06 - 3/10; 2nd 3/10-3/14)	03/01/2010	03/14	02/19/2015
<u>Nabours, Jerry</u> Mayor/Chair Mayor/City of Flagstaff Flagstaff, AZ 86001 Work Phone: 928-779-7600	07/03/2012	Indefinite	No
<u>Strohmeier, Scott</u> Employee Member Fire Fighter/City of Flagstaff Fire Dept. Flagstaff, AZ 86001 Home Phone: (928)779-7688 Term: (1st 3/06 - 3/10; 2nd 3/10-3/14)	03/01/2010	03/14	02/19/2015



City of Flagstaff, AZ

<u>VanBoxtaele, David</u>	03/05/2013	01/16	02/16/2012
Citizen Member Manager/State of Arizona Dept. of Gaming 738 N. Hulet Lane Flagstaff, AZ 86004 Cell Phone: 928-699-5036 Term: (1st 1/08-1/12; 2nd 1/12-1/16)			
<u>Z-VACANT,</u>		09/19	No
Citizen Member			

Staff Representative: Barela/Fennema

As Of: July 15, 2015



Fiftieth Legislature - Second Regular Session

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38-847. [Local boards](#)

A. The administration of the system and responsibility for making the provisions of the system effective for each employer are vested in a local board. The department of public safety, the Arizona game and fish department, the department of emergency and military affairs, the university of Arizona, Arizona state university, northern Arizona university, each county sheriff's office, each county attorney's office, each county parks department, each municipal fire department, each eligible fire district, each community college district, each municipal police department, the department of law, the department of liquor licenses and control, the Arizona department of agriculture, the Arizona state parks board, each Indian reservation police agency and each Indian reservation fire fighting agency shall have a local board. A nonprofit corporation operating pursuant to sections 28-8423 and 28-8424 shall have one local board for all of its members. Each local board shall be constituted as follows:

1. For political subdivisions or Indian tribes, the mayor or chief elected official or a designee of the mayor or chief elected official approved by the respective governing body as chairman, two members elected by secret ballot by members employed by the appropriate employer and two citizens, one of whom shall be the head of the merit system, or the head's designee from among the other members of the merit system, if it exists for the group of members, appointed by the mayor or chief elected official and with the approval of the governing body of the city or the governing body of the employer. The appointed two citizens shall serve on both local boards in a city or Indian tribes where both fire and police department employees are members.

2. For state agencies and nonprofit corporations operating pursuant to sections 28-8423 and 28-8424, two members elected by secret ballot by members employed by the appropriate employer and three citizens appointed by the governor. Each state agency local board shall elect a chairman.

3. For fire districts organized pursuant to section 48-804, the secretary-treasurer as chairman, two members elected by secret ballot by members employed by the fire district and two citizens appointed by the secretary-treasurer, one of whom is a resident of the fire district and one of whom has experience in personnel administration but who is not required to be a resident of the fire district.

B. On the taking effect of this system for an employer, the appointments and elections of local board members shall take place with one elective and appointive local board member serving a term ending two years after the effective date of participation for the employer and other local board members serving a term ending four years after the effective date. Thereafter, every second year, and as a vacancy occurs, an office shall be filled for a term of four years in the same manner as previously provided.

C. Each local board shall be fully constituted pursuant to subsection A of this section within sixty days after the employer's effective date of participation in the system. If the deadline is not met, on the written request of any member who is covered by the local board or the employer to the board of trustees, the board of trustees may appoint all vacancies of the local board pursuant to subsection A of this section and designate whether each appointive position is for a two year or four year term. If the board of trustees cannot find individuals to serve on the local board who meet the requirements of subsection A of this section, the board of trustees may appoint individuals to serve as interim local board members until qualified individuals are appointed or elected. Each local board shall meet at least twice a year. Each member of a local board, within ten days after the member's appointment or election, shall take an oath of office that, so far as it devolves on the member, the member shall diligently and honestly administer the affairs of the local board and that the member shall not knowingly violate or willingly permit to be violated any of the provisions of law applicable to the system.

D. Except as limited by subsection E of this section, a local board shall have such

powers as may be necessary to discharge the following duties:

1. To decide all questions of eligibility and service credits, and determine the amount, manner and time of payment of any benefits under the system.
 2. To prescribe procedures to be followed by claimants in filing applications for benefits.
 3. To make a determination as to the right of any claimant to a benefit and to afford any claimant or the board of trustees, or both, a right to a rehearing on the original determination. Except as otherwise required by law, unless all parties involved in a matter presented to the local board for determination otherwise agree, the local board shall commence a hearing on the matter within ninety days after the date the matter is presented to the local board for determination. If a local board fails to commence a hearing as provided in this paragraph, on a matter presented to the local board for determination, the relief demanded by the party petitioning the local board is deemed granted and approved by the local board. The granting and approval of this relief is considered final and binding unless a timely request for rehearing or appeal is made as provided in this article, unless the board of trustees determines that granting the relief requested would violate the internal revenue code or threaten to impair the system's status as a qualified plan under the internal revenue code. If the board of trustees determines that granting the requested relief would violate the internal revenue code or threaten to impair the system's status as a qualified plan, the board of trustees may refuse to grant the relief by issuing a written determination to the local board and the party petitioning the local board for relief. The decision by the board of trustees is subject to judicial review pursuant to title 12, chapter 7, article 6.
 4. To request and receive from the employers and from members such information as is necessary for the proper administration of the system and action on claims for benefits and to forward such information to the board of trustees.
 5. To distribute, in such manner as the local board determines to be appropriate, information explaining the system received from the board of trustees.
 6. To furnish the employer, the board of trustees and the legislature, on request, with such annual reports with respect to the administration of the system as are reasonable and appropriate.
 7. To receive and review the actuarial valuation of the system for its group of members.
 8. To receive and review reports of the financial condition and of the receipts and disbursements of the fund from the board of trustees.
 9. To appoint medical boards as provided in section 38-859.
 10. To sue and be sued to effectuate the duties and responsibilities set forth in this article.
- E. A local board shall have no power to add to, subtract from, modify or waive any of the terms of the system, change or add to any benefits provided by the system or waive or fail to apply any requirement of eligibility for membership or benefits under the system. Notwithstanding any limitations periods imposed in this article, including subsection D, paragraph 3 and subsections G and H of this section, if the board of trustees determines a local board decision violates the internal revenue code or threatens to impair the system's status as a qualified plan under the internal revenue code, the local board's decision is not final and binding and the board of trustees may refrain from implementing or complying with the local board decision.
- F. A local board, from time to time, shall establish and adopt such rules as it deems necessary or desirable for its administration. All rules and decisions of a local board shall be uniformly and consistently applied to all members in similar circumstances. If a claim or dispute is presented to a local board for determination but the local board has not yet adopted uniform rules of procedure for adjudication of the claim or dispute, the local board shall adopt and use the model uniform rules of local board procedure that are issued by the board of trustees' fiduciary counsel to adjudicate the claim or dispute.
- G. Except as otherwise provided in this article, any action by a majority vote of the members of a local board that is not inconsistent with the provisions of the system and the internal revenue code shall be final, conclusive and binding on all persons affected by it unless a timely application for a rehearing or appeal is filed as provided in this article. No later than twenty days after taking action, the local board shall submit to the board of trustees the minutes from the local board meeting that include the name of the member affected by its decision, a description of the action taken and an explanation of the reasons and all documents submitted to the local board for the action taken, including the reports of a medical board. The board of trustees may not implement and comply with any local board action that does not comply with the internal revenue code or that threatens to jeopardize the system's status as a qualified plan under the internal revenue code.
- H. A claimant or the board of trustees may apply for a rehearing before the local board within the time periods prescribed in this subsection, except that if a decision of a local board violates the internal revenue code or threatens to jeopardize the system's status as a qualified plan under the internal revenue code, no limitation period for the board of trustees to seek a rehearing of a local board decision applies. An application for a rehearing shall be filed in writing with a member of the local board or its secretary within sixty days after:
1. The applicant-claimant receives notification of the local board's original action by

certified mail, by attending the meeting at which the action is taken or by receiving benefits from the system pursuant to the local board's original action, whichever occurs first.

2. The applicant-board of trustees receives notification of the local board's original action as prescribed by subsection G of this section by certified mail.

I. A hearing before a local board on a matter remanded from the superior court is not subject to a rehearing before the local board.

J. Decisions of local boards are subject to judicial review pursuant to title 12, chapter 7, article 6.

K. When making a ruling, determination or calculation, the local board shall be entitled to rely on information furnished by the employer, a medical board, the board of trustees, independent legal counsel or the actuary for the system.

L. Each member of a local board is entitled to one vote. A majority is necessary for a decision by the members of a local board at any meeting of the local board.

M. The local board shall adopt such bylaws as it deems desirable. The local board shall elect a secretary who may, but need not, be a member of the local board. The secretary of the local board shall keep a record and prepare minutes of all meetings in compliance with chapter 3, article 3.1 of this title and forward the minutes and all necessary communications to the board of trustees as prescribed by subsection G of this section.

N. The fees of the medical board and of the local board's independent legal counsel and all other expenses of the local board necessary for the administration of the system shall be paid by the employer and not the board of trustees or system at such rates and in such amounts as the local board shall approve. Legal counsel that is employed by the local board is independent of the employer and any employee organization or member and owes its duty of loyalty only to the local board in connection with its representation of the local board.

O. The local board shall issue directions to the board of trustees concerning all benefits that are to be paid from the employer's account pursuant to the provisions of the fund. The local board shall keep on file, in such manner as it may deem convenient or proper, all reports from the board of trustees and the actuary.

P. The local board and the individual members of the local board shall be indemnified from the assets of the employer for any judgment against the local board or its members, including attorney fees and costs, arising from any act, or failure to act, made in good faith pursuant to the provisions of the system, including expenses reasonably incurred in the defense of any claim relating to the act or failure to act.

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Stacy Saltzburg, Deputy City Clerk
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Action on Liquor License Application: Patrick Paul, "Haggen", 1416 E. Route 66., Series 09 (liquor store - all spirituous liquor), Person Transfer and Sampling Privileges.

RECOMMENDED ACTION:

Hold the Public Hearing; absent any valid concerns received from the public hearing, staff recommends the Council forward a recommendation for approval to the State.

Executive Summary:

The liquor license process begins at the State level and applications are then forwarded to the respective municipality for posting of the property and holding a public hearing, after which the Council recommendation is forwarded back to the State. Series 09 (Liquor Store - all spirituous liquor) licenses are obtained through the person transfer of an existing license from another person and allows a spirituous liquor store retailer to sell all spirituous liquors, only in the original unbroken package, to be taken away from the premises of the retailer and consumed off the premises. Sampling privileges are also being requested at this location.

Haggen is currently operating with a Series 9 liquor license; the person transfer is required because of the recent sale of Albertsons to Haggen Opco South LLC. dba Haggen. The property has been posted as required, and the Police, Community Development, and Sales Tax divisions have reviewed the application with no concerns noted.

Financial Impact:

There is no budgetary impact to the City of Flagstaff as this is a recommendation to the State.

Connection to Council Goal and/or Regional Plan:

Liquor licenses are a regulatory action and there is no Council goal that applies.

Has There Been Previous Council Decision on This:

Not applicable.

OFFICE OF THE CITY CLERK

July 8, 2015

Haggen
Attn: Patrick Paul
2211 Rimland Drive
Bellingham, WA 98226

Dear Mr. Paul:

Your application for a new Series 09 liquor license for Haggen at 1416 E. Route 66, was posted on June 30, 2015. The City Council will consider the application at a public hearing during their regularly scheduled City Council Meeting on **Tuesday, July 21, 2015 which begins at 4:00 p.m.**

It is important that you or your representative attend this Council Meeting and be prepared to answer any questions that the City Council may have. Failure to be available for questions could result in a recommendation for denial of your application. We suggest that you contact your legal counsel or the Department of Liquor Licenses and Control at 602-542-5141 to determine the criteria for your license. To help you understand how the public hearing process will be conducted, we are enclosing a copy of the City's liquor license application hearing procedures.

The twenty-day posting period for your liquor license application is set to expire on July 20, 2015 and the application may be removed from the premises at that time.

If you have any questions, please feel free to call me at 928-213-2077.

Sincerely,

Stacy Saltzburg
Deputy City Clerk

Enclosure



City of Flagstaff

Liquor License Application Hearing Procedures

1. When the matter is reached at the Council meeting, the presiding officer will accept a motion to open the public hearing on the item.
2. The presiding officer will request that the Applicant come forward to address the Council regarding the application in a presentation not exceeding ten (10) minutes. Council may question the Applicant regarding the testimony or other evidence provided by the Applicant.
3. The presiding officer will then ask whether City staff have information to present to the Council regarding the application. Staff should come forward at this point and present information to the Council in a presentation not exceeding ten (10) minutes. Council may question City staff regarding the testimony or other evidence provided by City staff.
4. Other parties, if any, may then testify, limited to three (3) minutes per person. Council may question these parties regarding the testimony they present to the Council.
5. The Applicant may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of the Applicant.
6. City staff may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of City Staff.
7. By motion, Council will then close the public hearing.
8. By motion, the Council will then vote to forward the application to the State with a recommendation of approval, disapproval, or shall vote to forward with no recommendation.

License Types: Series 09 Liquor Store License (All spirituous liquors)

Transferable (From person to person and/or location to location within the same county only)

Off-sale retail privileges

Note: Terms in **BOLD CAPITALS** are defined in the [glossary](#).

PURPOSE:

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

ADDITIONAL RIGHTS AND RESPONSIBILITIES:

A retailer with off-sale privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. Payment must be made no later than the time of **DELIVERY**. The retailer must complete a Department approved "Record of Delivery" form for each spirituous liquor retail delivery.

On any original applications, new managers and/or the person responsible for the day-to-day operations must attend a basic and management training class.

A licensee acting as a **RETAIL AGENT**, authorized to purchase and accept delivery of spirituous liquor by other licensees, must receive a certificate of registration from the Department.

A **PREGNANCY WARNING SIGN** for pregnant women consuming spirituous liquor must be posted within twenty (20) feet of the cash register or behind the bar.

MEMORANDUM

Memo # 15-073-01

TO Chief Kevin Treadway
FROM Sgt. Matt Wright
DATE July 2, 2015
REF Series 9 liquor license application for a person to person transfer for
"Haggen" a grocery store

On July 2, 2015, I initiated an investigation into an application for a person to person transfer on an existing liquor license for Haggen Grocery Store located at 1416 E. Route 66 in Flagstaff. The license number is 09030028. This is the previous location of Albertsons prior to being purchased by Haggen Opco South LLC; dba as Haggen.

The listed applicants Patrick Paul and Michael Falk have financial interest in Haggen Opco South LLC. Patrick Paul and Michael Falk are all listed as controlling persons on the liquor license application. Roger Eskridge is also listed in the application as a manager who will manage the day to day operations of Haggen. The applicant names and business names on the license will change but the business and operations will remain the same. The applicants have also applied for sampling privileges and signed the form indicating they are aware of the current laws governing an on sight sampling event.

I conducted a query through our local systems and public access on Patrick Paul, Michael Falk, and Roger Eskridge and no derogatory records were found. I did not locate any liquor violations against this business or the applicants in the last ten years. I confirmed the applicants have attended the mandatory liquor law training courses and provided proof.

Based on this investigation I recommend approval of the application for the person to person transfer of this license.

Memo

To: Stacy Saltzberg, Deputy City Clerk

From: Ranbir Cheema - Tax, Licensing & Revenue Manager

Date: Jul 07, 2015

Re: Series 09 Liquor License – Haggen

I have reviewed our records for Haggen OPCO South LLC DBA Haggen and have no objection to approval of this item.



Planning and Development Services Memorandum

July 6, 2015

TO: Stacy Saltzburg, Deputy City Clerk

THROUGH: Roger E. Eastman, AICP, Comprehensive Planning and Code Administrator

FROM: Tom Boughner, Code Compliance Mgr. *TB*

RE: Application for Liquor License #09030028
1416 East Route 66, Flagstaff, Arizona 86001
Assessor's Parcel Number 104-06-008C
Patrick Paul on behalf of Haggen Stores.

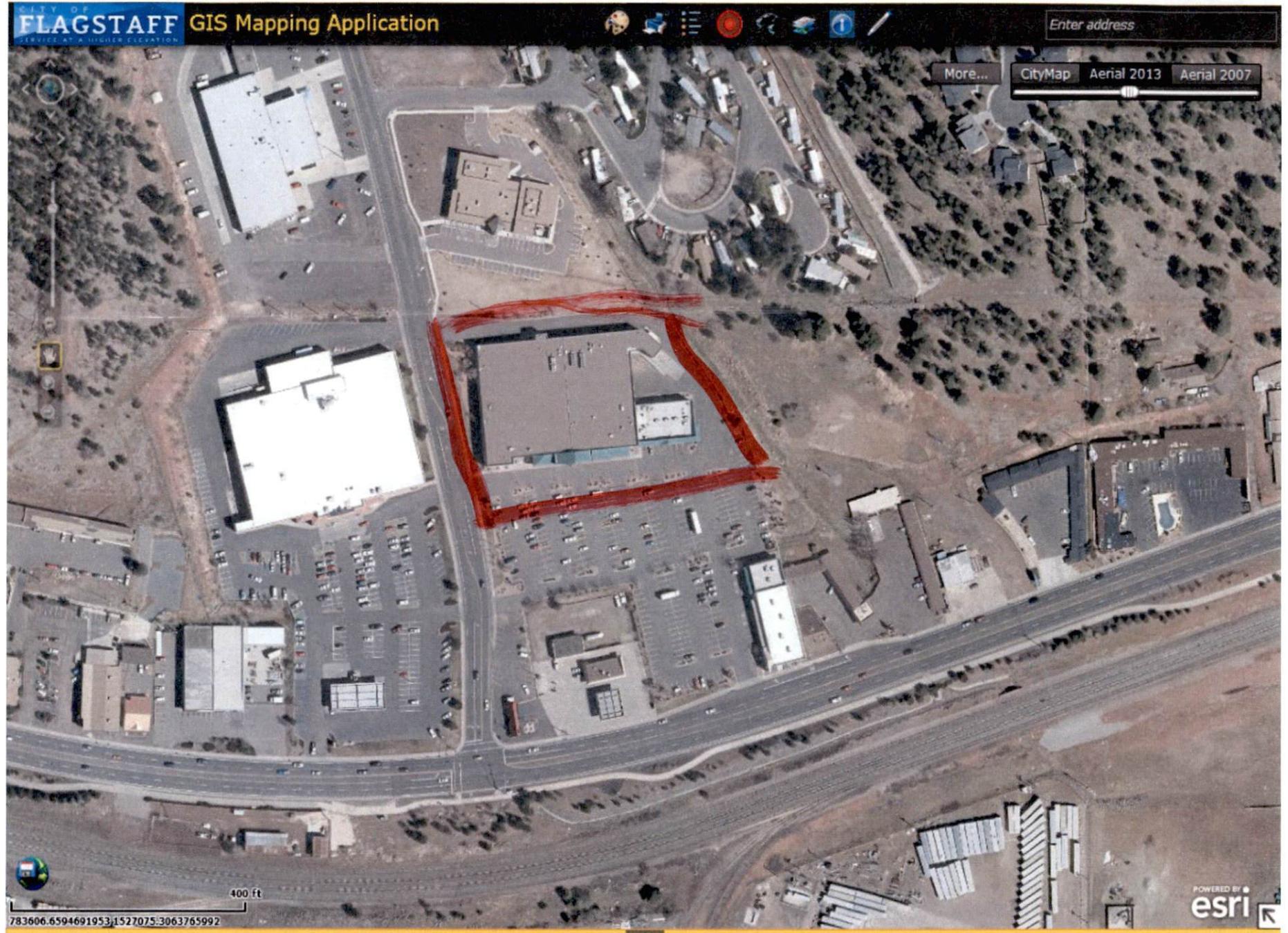
This application is a request for a transfer, Series 09 Liquor Store, liquor license, by Patrick Joseph Paul on behalf of Haggen Opco South, LLC. It is a transfer from Nicholas Guttilla on behalf of Albertsons #0967. This store is located within the Highway Commercial district. This district does allow for this use.

There are no active Zoning Code violations associated with the applicant or the property at this time.

This liquor license is recommended for approval.



1416 E. RTE. 66



1416 E. RTE 66

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Stacy Saltzburg, Deputy City Clerk
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Action on Liquor License Application: Jeffrey Roff, "Whole Foods Market", 320 S. Cambridge Lane, Series 07 (beer and wine bar), Person and Location Transfer.

RECOMMENDED ACTION:

Hold the Public Hearing; absent any valid concerns received from the public hearing, staff recommends the Council forward a recommendation for approval to the State.

Executive Summary:

The liquor license process begins at the State level and applications are then forwarded to the respective municipality for posting of the property and holding a public hearing, after which the Council recommendation is forwarded back to the State. Series 07 licenses must be obtained through the person transfer of an existing license from another business. This license is being transferred from Jason Urtubey with Wahweap Marine Store - Trailer Village, located in Page. The property has been posted as required, and the Police, Community Development and Sales Tax divisions have reviewed the application with no concerns noted.

Financial Impact:

There is no budgetary impact to the City of Flagstaff as this is a recommendation to the State.

Connection to Council Goal and/or Regional Plan:

Liquor licenses are a regulatory action and there is no Council goal that applies.

Has There Been Previous Council Decision on This:

Not applicable.

Options and Alternatives:

- 1) Table the item if additional information or time is needed.
- 2) Make no recommendation.
- 3) Forward the application to the State with a recommendation for approval.
- 4) Forward the application to the State with a recommendation for denial, stating the reasons for such recommendation.

Background/History:

An application for a person and location transfer Series 07 liquor license was received from Jeffrey Roff for Whole Foods Market, 320 S. Cambridge Lane. The person and location transfer is from Jason Urtubey with Wahweap Marine Store - Trailer Village, located in Page.

A background investigation performed by Sgt. Matt Wright of the Flagstaff Police Department resulted in a recommendation for approval.

A background investigation performed by Tom Boughner, Code Compliance Manager, resulted in no active code violations being reported.

A sales tax and licensing information review by Ranbir Cheema, Tax, Licensing & Revenue Manager, resulted in no objection to approval.

Key Considerations:

Because the application is for a person and location transfer, consideration may be given to both the applicant's personal qualifications and location.

A Series 07 beer and wine bar license allows a beer and wine bar retailer to sell and serve beer and wine, primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises.

The deadline for issuing a recommendation on this application is August 15, 2015.

Community Benefits and Considerations:

This business will contribute to the tax base of the community. We are not aware of any other relevant considerations.

Community Involvement:

The application was properly posted on June 30, 2015. No written protests have been received to date.

Attachments: [Whole Foods Letter to Applicant](#)
 [Hearing Procedures](#)
 [Series 07 Description](#)
 [Whole Foods PD Memo](#)
 [Whole Foods Tax Memo](#)
 [Whole Foods Code Memo](#)

OFFICE OF THE CITY CLERK

July 8, 2015

Whole Foods Market
Attn: Jeffrey Roff
550 Bowie Street
Austin, TX 78703

Dear Mr. Roff:

Your application for a new Series 07 liquor license for Whole Foods Market at 320 S. Cambridge Lane, was posted on June 29, 2015. The City Council will consider the application at a public hearing during their regularly scheduled City Council Meeting on **Tuesday, July 21, 2015 which begins at 4:00 p.m.**

It is important that you or your representative attend this Council Meeting and be prepared to answer any questions that the City Council may have. Failure to be available for questions could result in a recommendation for denial of your application. We suggest that you contact your legal counsel or the Department of Liquor Licenses and Control at 602-542-5141 to determine the criteria for your license. To help you understand how the public hearing process will be conducted, we are enclosing a copy of the City's liquor license application hearing procedures.

The twenty-day posting period for your liquor license application is set to expire on July 19, 2015 and the application may be removed from the premises at that time.

If you have any questions, please feel free to call me at 928-213-2077.

Sincerely,

Stacy Saltzburg
Deputy City Clerk

Enclosure



City of Flagstaff

Liquor License Application Hearing Procedures

1. When the matter is reached at the Council meeting, the presiding officer will open the public hearing on the item.
2. The presiding officer will request that the Applicant come forward to address the Council regarding the application in a presentation not exceeding ten (10) minutes. Council may question the Applicant regarding the testimony or other evidence provided by the Applicant.
3. The presiding officer will then ask whether City staff have information to present to the Council regarding the application. Staff should come forward at this point and present information to the Council in a presentation not exceeding ten (10) minutes. Council may question City staff regarding the testimony or other evidence provided by City staff.
4. Other parties, if any, may then testify, limited to three (3) minutes per person. Council may question these parties regarding the testimony they present to the Council.
5. The Applicant may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of the Applicant.
6. City staff may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of City Staff.
7. The presiding officer will then close the public hearing.
8. The Council will then, by motion, vote to forward the application to the State with a recommendation of approval, disapproval, or shall vote to forward with no recommendation.

R19-1-702. Determining Whether to Grant a License for a Certain Location

- A. To determine whether public convenience requires and the best interest of the community will be substantially served by issuing or transferring a license at a particular unlicensed location, local governing authorities and the Board may consider the following criteria:
1. Petitions and testimony from individuals who favor or oppose issuance of a license and who reside in, own, or lease property within one mile of the proposed premises;
 2. Number and types of licenses within one mile of the proposed premises;
 3. Evidence that all necessary licenses and permits for which the applicant is eligible at the time of application have been obtained from the state and all other governing bodies;
 4. Residential and commercial population of the community and its likelihood of increasing, decreasing, or remaining static;
 5. Residential and commercial population density within one mile of the proposed premises;
 6. Evidence concerning the nature of the proposed business, its potential market, and its likely customers;
 7. Effect on vehicular traffic within one mile of the proposed premises;
 8. Compatibility of the proposed business with other activity within one mile of the proposed premises;
 9. Effect or impact on the activities of businesses or the residential neighborhood that might be affected by granting a license at the proposed premises;
 10. History for the past five years of liquor violations and reported criminal activity at the proposed premises provided that the applicant received a detailed report of the violations and criminal activity at least 20 days before the hearing by the Board;
 11. Comparison of the hours of operation at the proposed premises to the hours of operation of existing businesses within one mile of the proposed premises; and
 12. Proximity of the proposed premises to licensed childcare facilities as defined by A.R.S. § 36-881.
- B. This Section is authorized by A.R.S. § 4-201(I).

License Types: Series 07 Beer and Wine Bar License

Transferable (From person to person and/or location to location within the same county only)

On & off-sale retail privileges

Note: Terms in **BOLD CAPITALS** are defined in the [glossary](#).

PURPOSE:

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

ADDITIONAL RIGHTS AND RESPONSIBILITIES:

A retailer with off-sale privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. Payment must be made no later than the time of **DELIVERY**. The retailer must complete a Department approved "Record of Delivery" form for each spirituous liquor retail delivery.

On any original applications, new managers and/or the person responsible for the day-to-day operations must attend a basic and management training class.

A licensee acting as a **RETAIL AGENT**, authorized to purchase and accept delivery of spirituous liquor by other licensees, must receive a certificate of registration from the Department.

A **PREGNANCY WARNING SIGN** for pregnant women consuming spirituous liquor must be posted within twenty (20) feet of the cash register or behind the bar.

A log must be kept by the licensee of all persons employed at the premises including each employee's name, date and place of birth, address and responsibilities.

Off-sale ("To Go") package sales can be made on the bar premises as long as the area of off-sale operation does not utilize a separate entrance and exit from the one provided for the bar.

Bar, beer and wine bar and restaurant licensees must pay an annual surcharge of \$20.00. The money collected from these licensees will be used by the Department for an auditor to review compliance by restaurants with the restaurant licensing provisions of ARS 4-205.02.

MEMORANDUM

TO Chief Treadway
FROM Sgt. Matt Wright #704
DATE June 30, 2015
REF LIQUOR LICENSE APPLICATION – SERIES 7 quota beer and wine bar license - For “Whole Foods Market”

On June 30, 2015, I initiated an investigation into an application for a series 7 (beer and wine bar) liquor license filed by Jeffrey Roff the listed agent for Whole Foods Market. Jeffrey is listed on the application and indicates he will be present two hours daily to assist with the daily operations. Whole Foods Market is located at 320 S. Cambridge Lane in Flagstaff. Jeffrey also stated a manager (store team leader) has been hired and identified as Dean Blanks. Jeff confirmed that he and Dean had completed the mandatory liquor law training courses. Jeff stated he would check with the department of liquor to determine if Dean needs to be added to the license as a manager or not.

Also listed in the application are several Controlling Persons who will not be responsible for the day to day operations and they are: Roberta Lang, Albert Percival, Patrick Bradley, and Erica Dubreuil. The liquor license application number is 07030068. Currently Whole Foods is operating with a series 10 license liquor license which will become inactive when the series 7 is approved. Jeff advised future plans exist to complete a small remodel to include a coffee, juice, smoothie bar that would include the sale of beer and wine. Whole Foods Market is located more than 300 feet away from the nearest school or church.

I conducted a local records and a public access check on Jeffrey Roff and Roberta Lang, Albert Percival, Patrick Bradley, Erica Dubreuil and the manager Dean Blanks. No criminal record was found for any of the listed applicants. I found that several Whole Foods Market stores exist in Arizona all with liquor licenses. I found only one 2009 liquor violation for which a \$750.00 fine was paid. This was out of a store in the Phoenix area.

As a result of this investigation, I can find no reason to oppose this application. Recommendation to Council would be for approval.

Memo

To: Stacy Saltzberg, Deputy City Clerk

From: Ranbir Cheema - Tax, Licensing & Revenue Manager

Date: Jul 07, 2015

Re: Series 07 Liquor License – Whole Foods

I have reviewed our records for Mrs. Gooch's Natural Food Markets Inc DBA Whole Foods and have no objection to approval of this liquor license.



Planning and Development Services Memorandum

July 6, 2015

TO: Stacy Saltzburg, Deputy City Clerk

THROUGH: Roger E. Eastman, AICP, Comprehensive Planning and Code Administrator

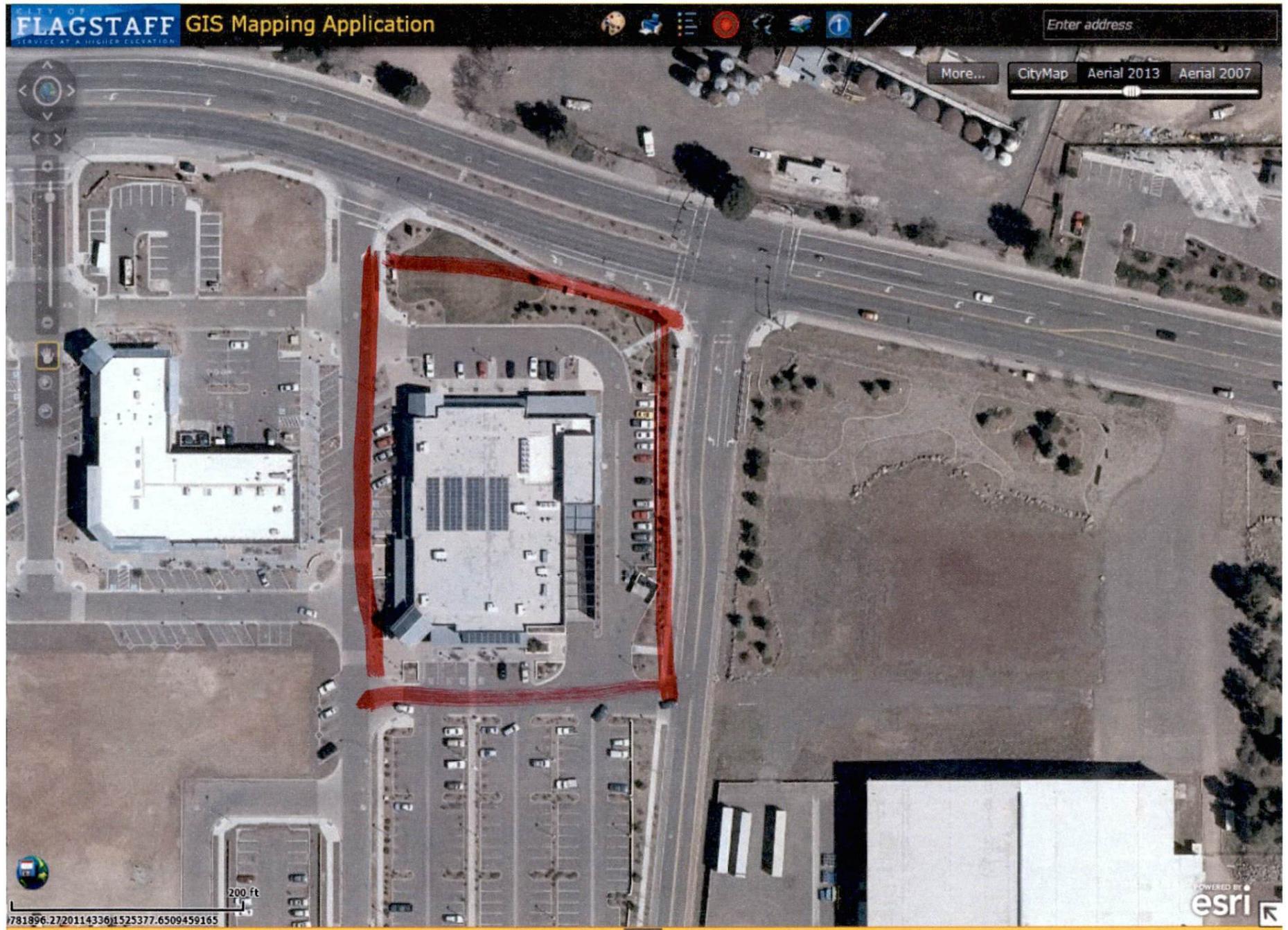
FROM: Tom Boughner, Code Compliance Mgr.

RE: Application for Liquor License #07030068
320 South Cambridge Lane, Flagstaff, Arizona 86001
Assessor's Parcel Number 104-19-124
Jeffrey Roff on behalf of Whole Foods Market

This application is a request for a transfer, Series 7 Liquor Sales License, by Jeffrey Howard Roff on behalf of Whole Foods Market; from Jason Urtubey, Aramark Sports & Entertainment Services LLC. This retail store is located within the Highway Commercial district. This district does allow for this use.

There are no active Zoning Code violations associated with the applicant or the property at this time.

This liquor license is recommended for approval.



<http://citygis/map/> **WHOLE FOODS**

320 CAMBRIDGE LN.



WHOLE FOODS
320 CAMBRIDGE LN.

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Stacy Saltzburg, Deputy City Clerk
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Action on Liquor License Application: Randy Nations, "Southside Tavern", 117 S. San Francisco, Series 12 (restaurant), New License.

RECOMMENDED ACTION:

Hold the Public Hearing; absent any valid concerns received from the public hearing, staff recommends the Council forward a recommendation for approval to the State.

Executive Summary:

The liquor license process begins at the State level and applications are then forwarded to the respective municipality for posting of the property and holding a public hearing, after which the Council recommendation is forwarded back to the State. A Series 12 license allows the holder of a restaurant license to sell and serve spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food. The property has been posted as required, and the Police, Community Development, and Sales Tax divisions have reviewed the application with no concerns noted.

Financial Impact:

There is no budgetary impact to the City of Flagstaff as this is a recommendation to the State.

Connection to Council Goal and/or Regional Plan:

Liquor licenses are a regulatory action and there is no Council goal that applies.

Has There Been Previous Council Decision on This:

Not applicable.

Options and Alternatives:

- 1) Table the item if additional information or time is needed.
- 2) Make no recommendation.
- 3) Forward the application to the State with a recommendation for approval.
- 4) Forward the application to the State with a recommendation for denial, stating the reasons for such recommendation.

Background/History:

An application for a new Series 12 liquor license was received from Randy Nations for Southside Tavern.

A background investigation performed by Sgt. Matt Wright of the Flagstaff Police Department resulted in a recommendation for approval.

A background investigation performed by Tom Boughner, Code Compliance Manager, resulted in no active code violations being reported.

A sales tax and licensing information review by Ranbir Cheema, Tax, Licensing & Revenue Manager, resulted in no objection to approval.

Key Considerations:

Because the application is for a new license, consideration may be given to both the location and the applicant's personal qualifications.

A Series 12 license allows the holder of a restaurant license to sell and serve spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food.

The deadline for issuing a recommendation on this application is July 28, 2015.

The applicant is not required to provide the distance between the applicant's business and the nearest church or school for government; and the State does not require a geological map or list of licenses in the vicinity for any license series.

Expanded Financial Considerations:

This business will contribute to the tax base of the community.

Community Involvement:

The application was properly posted on June 29, 2015. No written protests have been received to date.

Attachments: [Southside Tavern Letter to Applicant](#)
 [Hearing Procedures](#)
 [Series 12 Description](#)
 [Southside Tavern PD Memo](#)
 [Southside Tavern Tax Memo](#)
 [Southside Tavern Code Memo](#)

OFFICE OF THE CITY CLERK

July 8, 2015

Southside Tavern
Attn: Randy Nations
PO Box 2502
Chandler, AZ 85244

Dear Mr. Nations:

Your application for a new Series 12 liquor license for Southside Tavern at 117 S. San Francisco, was posted on June 29, 2015. The City Council will consider the application at a public hearing during their regularly scheduled City Council Meeting on **Tuesday, July 21, 2015 which begins at 4:00 p.m.**

It is important that you or your representative attend this Council Meeting and be prepared to answer any questions that the City Council may have. Failure to be available for questions could result in a recommendation for denial of your application. We suggest that you contact your legal counsel or the Department of Liquor Licenses and Control at 602-542-5141 to determine the criteria for your license. To help you understand how the public hearing process will be conducted, we are enclosing a copy of the City's liquor license application hearing procedures.

The twenty-day posting period for your liquor license application is set to expire on July 19, 2015 and the application may be removed from the premises at that time.

If you have any questions, please feel free to call me at 928-213-2077.

Sincerely,

Stacy Saltzburg
Deputy City Clerk

Enclosure



City of Flagstaff

Liquor License Application Hearing Procedures

1. When the matter is reached at the Council meeting, the presiding officer will open the public hearing on the item.
2. The presiding officer will request that the Applicant come forward to address the Council regarding the application in a presentation not exceeding ten (10) minutes. Council may question the Applicant regarding the testimony or other evidence provided by the Applicant.
3. The presiding officer will then ask whether City staff have information to present to the Council regarding the application. Staff should come forward at this point and present information to the Council in a presentation not exceeding ten (10) minutes. Council may question City staff regarding the testimony or other evidence provided by City staff.
4. Other parties, if any, may then testify, limited to three (3) minutes per person. Council may question these parties regarding the testimony they present to the Council.
5. The Applicant may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of the Applicant.
6. City staff may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of City Staff.
7. The presiding officer will then close the public hearing.
8. The Council will then, by motion, vote to forward the application to the State with a recommendation of approval, disapproval, or shall vote to forward with no recommendation.

R19-1-702. Determining Whether to Grant a License for a Certain Location

- A. To determine whether public convenience requires and the best interest of the community will be substantially served by issuing or transferring a license at a particular unlicensed location, local governing authorities and the Board may consider the following criteria:
1. Petitions and testimony from individuals who favor or oppose issuance of a license and who reside in, own, or lease property within one mile of the proposed premises;
 2. Number and types of licenses within one mile of the proposed premises;
 3. Evidence that all necessary licenses and permits for which the applicant is eligible at the time of application have been obtained from the state and all other governing bodies;
 4. Residential and commercial population of the community and its likelihood of increasing, decreasing, or remaining static;
 5. Residential and commercial population density within one mile of the proposed premises;
 6. Evidence concerning the nature of the proposed business, its potential market, and its likely customers;
 7. Effect on vehicular traffic within one mile of the proposed premises;
 8. Compatibility of the proposed business with other activity within one mile of the proposed premises;
 9. Effect or impact on the activities of businesses or the residential neighborhood that might be affected by granting a license at the proposed premises;
 10. History for the past five years of liquor violations and reported criminal activity at the proposed premises provided that the applicant received a detailed report of the violations and criminal activity at least 20 days before the hearing by the Board;
 11. Comparison of the hours of operation at the proposed premises to the hours of operation of existing businesses within one mile of the proposed premises; and
 12. Proximity of the proposed premises to licensed childcare facilities as defined by A.R.S. § 36-881.
- B. This Section is authorized by A.R.S. § 4-201(I).

License Types: Series 12 Restaurant License

Non-transferable

On-sale retail privileges

Note: Terms in **BOLD CAPITALS** are defined in the [glossary](#).

PURPOSE:

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

ADDITIONAL RIGHTS AND RESPONSIBILITIES:

An applicant for a restaurant license must file a copy of its restaurant menu and Restaurant Operation Plan with the application. The Plan must include listings of all restaurant equipment and service items, the restaurant seating capacity, and other information requested by the department to substantiate that the restaurant will operate in compliance with Title 4.

The licensee must notify the Department, in advance, of any proposed changes in the seating capacity of the restaurant or dimensions of a restaurant facility.

A restaurant licensee must maintain complete restaurant services continually during the hours of selling and serving of spirituous liquor, until at least 10:00 p.m. daily, if any spirituous liquor is to be sold and served up to 2:00 a.m.

On any original applications, new managers and/or the person responsible for the day-to-day operations must attend a basic and management training class.

A licensee acting as a **RETAIL AGENT**, authorized to purchase and accept **DELIVERY** of spirituous liquor by other licensees, must receive a certificate of registration from the Department.

A **PREGNANCY WARNING SIGN** for pregnant women consuming spirituous liquor must be posted within twenty (20) feet of the cash register or behind the bar.

A log must be kept by the licensee of all persons employed at the premises including each employee's name, date and place of birth, address and responsibilities.

Bar, beer and wine bar, and restaurant licensees must pay an annual surcharge of \$20.00. The money collected from these licensees will be used by the Department for an auditor to review compliance by restaurants with the restaurant licensing provisions of ARS 4-205.02.

MEMORANDUM

Memo # 15-067-01

TO: Chief Treadway

FROM: Sgt. Matt Wright

DATE: July 3, 2015

REF: Liquor License Application – Series 12 Restaurant License for Southside Tavern

On July 3, 2015, I initiated an investigation into an application for a series 12 (restaurant) liquor license. The liquor license application has been filed by Randy Nations owner of Arizona Liquor Industry Consultants, on behalf of Michael Smuck, Thomas Murray, and Michael Palmer (Controlling Persons) the new owners of Southside Tavern. Randy is listed on the application for administrative purposes only. Southside Tavern is located at 117 S. San Francisco St. in Flagstaff. This is the previous location of Sitto's Restaurant which is no longer in business.

I conducted a query through local systems and public access on Michael Smuck, Thomas Murray, and Michael Palmer and no recent derogatory records were found. Michael Smuck disclosed as part of his application he was arrested in 2010 for DUI, and completed all his court mandates. Michael Smuck also stated he has been involved with a number of liquor licenses in the past had one license in Colorado suspended for five days. The violation occurred well over 15 years ago. Thomas Murray also disclosed on the application being a part of the same license in Colorado with Michael.

I spoke with Michael Smuck by telephone. Michael stated the business is under renovations but planned to open by the first of August 2015. Michael confirmed that they planned to operate as a restaurant not as a night club. Michael indicated his closing times would be no later than 11:00 pm and would be serving food during all hours of operation. The detailed diagram of the business shows a bar, kitchen and dining area. The applicants have listed in the application they have completed the mandatory liquor law training courses. The applicants also signed the acknowledgement of the series 12 obligation that at least 40% of the businesses gross revenue is from the sale of food. Michael confirmed he has not received any recent liquor law violations and he and his partners have no recent criminal history.

As a result of the investigation the recommendation to council would be for approval.

Memo

To: Stacy Saltzberg, Deputy City Clerk

From: Ranbir Cheema - Tax, Licensing & Revenue Manager

Date: Jul 07, 2015

Re: Series 12 Liquor License – Southside Tavern

I have researched information for 117 S San Francisco Group LLC DBA Southside Tavern. They do not plan to open until July 30, 2015 and intend to obtain a City sales tax license before opening. Currently I have no objection to approval of this liquor license.



Planning and Development Services Memorandum

July 6, 2015

TO: Stacy Saltzburg, Deputy City Clerk

THROUGH: Roger E. Eastman, AICP, Comprehensive Planning and Code Administrator

FROM: Tom Boughner, Code Compliance Mgr. *TB*

RE: Application for Liquor License #12033378
117 South San Francisco St. Flagstaff, Arizona 86001
Assessor's Parcel Number 103-08-024C
Randy Nations on behalf of Southside Tavern.

This application is a request for a new, Series 12 Restaurant liquor license, by Randy D. Nations on behalf of Southside Tavern. This restaurant is located within the Community Commercial district. This district does allow for this use.

There are no active Zoning Code violations associated with the applicant or the property at this time.

This liquor license is recommended for approval.





**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Stacy Saltzburg, Deputy City Clerk
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Action on Liquor License Application: Randi Rolle, "Blendz", 21 E. Aspen Ave., Series 06 (bar- all spirituous liquor), Person/Location Transfer and Series 01 (In-State Producer) new license.

RECOMMENDED ACTION:

Hold the Public Hearing; absent any valid concerns received from the public hearing, staff recommends the Council forward a recommendation for approval to the State.

Executive Summary:

The liquor license process begins at the State level and applications are then forwarded to the respective municipality for posting of the property and holding a public hearing, after which the Council recommendation is forwarded back to the State.

Series 06 (bar- all spirituous liquor) licenses are obtained through the person and/or location transfer of an existing license from another business. The transfer is from Jacqueline Sullivan for Jacque's 19th Hole located in Flagstaff.

Series 01 (In-State Producer) is a non-transferable liquor license which allows an in-state producer to produce or manufacture all types of spirituous liquor and sell the product to a licensed wholesaler. A person who holds an In-State Producer license may also sell liquor produced or manufactured on the licensed premises for on-site consumption if the producer also holds an on-sale retail license.

The property has been posted as required, and the Police, Community Development, and Sales Tax divisions have reviewed the application with no concerns noted.

Financial Impact:

There is no budgetary impact to the City of Flagstaff as this is a recommendation to the State.

Connection to Council Goal and/or Regional Plan:

Effective governance - regulatory action.

Has There Been Previous Council Decision on This:

Not applicable.

Options and Alternatives:

- 1) Table the item if additional information or time is needed.
- 2) Make no recommendation.
- 3) Forward the application to the State with a recommendation for approval.
- 4) Forward the application to the State with a recommendation for denial, stating the reasons for such recommendation.

Background/History:

An application for a person/location transfer Series 06 and a new Series 01 liquor license was received from Randi Rolle for Blendz at 21 E. Aspen Ave. The transfer is from Jacqueline Sullivan of Jacque's 19th Hole located in Flagstaff.

A background investigation performed by Sgt. Matt Wright of the Flagstaff Police Department resulted in a recommendation for approval.

A background investigation performed by Tom Boughner, Code Compliance Manager, resulted in no active code violations being reported.

A sales tax and licensing information review by Ranbir Cheema, Tax, Licensing & Revenue Manager, resulted in no objection to approval.

Key Considerations:

Because the application is for a person and location transfer, consideration may be given to both the applicant's personal qualifications and location.

A Series 06 (bar - all spirituous liquor) allows a bar retailer to sell and serve spirituous liquors, primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises.

A Series 01 (In-State Producer) is a non-transferable liquor license which allows an in-state producer to produce or manufacture all types of spirituous liquor and sell the product to a licensed wholesaler. A person who holds an In-State Producer license may also sell liquor produced or manufactured on the licensed premises for on-site consumption if the producer also holds an on-sale retail license.

The deadline for issuing a recommendation on this application is July 27, 2015.

Community Benefits and Considerations:

This business will contribute to the tax base of the community. We are not aware of any other relevant considerations.

Community Involvement:

The application was properly posted on June 29, 2015. No written protests have been received to date.

Expanded Options and Alternatives:

- 1) Table the item if additional information or time is needed.
 - 2) Make no recommendation.
 - 3) Forward the application to the State with a recommendation for approval.
 - 4) Forward the application to the State with a recommendation for denial, stating the reasons for such recommendation.
-

Attachments: Blendz Letter to Applicant
 Hearing Procedures
 Series 06 Description
 Series 01 Description
 Blendz PD Memo
 Blendz Tax Memo
 Blendz Code Memo

OFFICE OF THE CITY CLERK

July 8, 2015

Blendz
Attn: Randi Rolle
2894 W. Noria St.
Flagstaff, AZ 86001

Dear Ms. Rolle:

Your applications for a new Series 01 and a person/location transfer Series 06 liquor license for Blendz at 21 E. Aspen Avenue, were posted on June 29, 2015. The City Council will consider the application at a public hearing during their regularly scheduled City Council Meeting on **Tuesday, July 21, 2015 which begins at 4:00 p.m.**

It is important that you or your representative attend this Council Meeting and be prepared to answer any questions that the City Council may have. Failure to be available for questions could result in a recommendation for denial of your application. We suggest that you contact your legal counsel or the Department of Liquor Licenses and Control at 602-542-5141 to determine the criteria for your license. To help you understand how the public hearing process will be conducted, we are enclosing a copy of the City's liquor license application hearing procedures.

The twenty-day posting period for your liquor license application is set to expire on July 19, 2015 and the application may be removed from the premises at that time.

If you have any questions, please feel free to call me at 928-213-2077.

Sincerely,

Stacy Saltzburg
Deputy City Clerk

Enclosure



City of Flagstaff

Liquor License Application Hearing Procedures

1. When the matter is reached at the Council meeting, the presiding officer will open the public hearing on the item.
2. The presiding officer will request that the Applicant come forward to address the Council regarding the application in a presentation not exceeding ten (10) minutes. Council may question the Applicant regarding the testimony or other evidence provided by the Applicant.
3. The presiding officer will then ask whether City staff have information to present to the Council regarding the application. Staff should come forward at this point and present information to the Council in a presentation not exceeding ten (10) minutes. Council may question City staff regarding the testimony or other evidence provided by City staff.
4. Other parties, if any, may then testify, limited to three (3) minutes per person. Council may question these parties regarding the testimony they present to the Council.
5. The Applicant may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of the Applicant.
6. City staff may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of City Staff.
7. The presiding officer will then close the public hearing.
8. The Council will then, by motion, vote to forward the application to the State with a recommendation of approval, disapproval, or shall vote to forward with no recommendation.

R19-1-702. Determining Whether to Grant a License for a Certain Location

- A. To determine whether public convenience requires and the best interest of the community will be substantially served by issuing or transferring a license at a particular unlicensed location, local governing authorities and the Board may consider the following criteria:
1. Petitions and testimony from individuals who favor or oppose issuance of a license and who reside in, own, or lease property within one mile of the proposed premises;
 2. Number and types of licenses within one mile of the proposed premises;
 3. Evidence that all necessary licenses and permits for which the applicant is eligible at the time of application have been obtained from the state and all other governing bodies;
 4. Residential and commercial population of the community and its likelihood of increasing, decreasing, or remaining static;
 5. Residential and commercial population density within one mile of the proposed premises;
 6. Evidence concerning the nature of the proposed business, its potential market, and its likely customers;
 7. Effect on vehicular traffic within one mile of the proposed premises;
 8. Compatibility of the proposed business with other activity within one mile of the proposed premises;
 9. Effect or impact on the activities of businesses or the residential neighborhood that might be affected by granting a license at the proposed premises;
 10. History for the past five years of liquor violations and reported criminal activity at the proposed premises provided that the applicant received a detailed report of the violations and criminal activity at least 20 days before the hearing by the Board;
 11. Comparison of the hours of operation at the proposed premises to the hours of operation of existing businesses within one mile of the proposed premises; and
 12. Proximity of the proposed premises to licensed childcare facilities as defined by A.R.S. § 36-881.
- B. This Section is authorized by A.R.S. § 4-201(I).

License Types: Series 06 Bar (all spirituous liquor)

Transferable (From person to person and/or location to location within the same county only)

On & off-sale retail privileges

Note: Terms in **BOLD CAPITALS** are defined in the [glossary](#).

PURPOSE:

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

ADDITIONAL RIGHTS AND RESPONSIBILITIES:

A retailer with off-sale privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. Payment must be made no later than the time of **DELIVERY**. The retailer must complete a Department approved "Record of Delivery" form for each spirituous liquor retail delivery.

On any original applications, new managers and/or the person responsible for the day-to-day operations must attend a basic and management training class.

A licensee acting as a **RETAIL AGENT**, authorized to purchase and accept delivery of spirituous liquor by other licensees, must receive a certificate of registration from the Department.

A **PREGNANCY WARNING SIGN** for pregnant women consuming spirituous liquor must be posted within twenty (20) feet of the cash register or behind the bar.

A log must be kept by the licensee of all persons employed at the premises including each employee's name, date and place of birth, address and responsibilities.

Off-sale ("To Go") package sales of spirituous liquor can be made on the bar premises as long as the area of off-sale operation does not utilize a separate entrance and exit from the ones provided for the bar.

A hotel or motel with a Series 06 license may sell spirituous liquor in sealed containers in individual portions to its registered guests at any time by means of a minibar located in the guest rooms of registered guests. The registered guest must be at least twenty-one (21) years of age. Access to the minibar is by a key or magnetic card device and not furnished to a guest between the hours of 2:00 a.m. and 6:00 a.m. Monday through Saturday and 2:00 a.m. and 10:00 a.m. on Sundays.

Bar, beer and wine bar, and restaurant licensees must pay an annual **SURCHARGE** of \$20.00. The money collected from these licensees will be used by the Department for an auditor to review compliance by restaurants with the restaurant licensing provisions of ARS 4-205.02.

License Types: Series 01 In-State Producer

Non-transferable

Note: Terms in **BOLD CAPITALS** are defined in the [glossary](#).

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

ADDITIONAL RIGHTS AND RESPONSIBILITIES:

A person who holds a Series 01 license may also sell beer produced or manufactured on the licensed premises for on-site consumption if the producer also holds an on-sale retail license (Series 06, 07 or 12). The retail license premises (commonly referred to as a "brew pub") must be located on, or adjacent to, the licensed premises of the in-state producer.

Sampling is permitted only for new products or products unfamiliar to the person receiving the sample.

An in-state producer may not offer illegal **INDUCEMENTS** to a retailer nor engage in commercial coercion or bribery or other unlawful trade practices.

AVERAGE APPROVAL TIME: Sixty-five (65) to one-hundred five (105) days.

PERIOD OF ISSUANCE: One (1) year with option to renew.

FEES: Non-refundable application fee: \$100.00
Fingerprint fee per card: Contact Department
Interim Permit fee: \$100.00

Upon approval:

Final fees (full year): \$1,850.00

Final fees (half year): \$1,675.00

Annual renewal fee (includes **SURCHARGE**) \$420.00

ARIZONA STATUTES AND REGULATIONS:

ARS 4-201, 4-202, 4-203, 4-209(B)(1), 4-209.(D)(1), 4-243, 4-243.02; Rule R19-1-250

MEMORANDUM

Memo # 15-069-01

TO: Chief Kevin Treadway

FROM: Sgt. Matt Wright

DATE: July 2, 2015

RE: LIQUOR LICENSE APPLICATION – for a new series 1 – Instate Producer liquor license for Blendz

On July 2, 2015, I initiated an investigation into an application for a series 1 (In state producer license) liquor license filed by Randi Rolle and Douglas Umlah (agents and controlling persons). Randi Rolle and Douglas Umlah are the owners of Blendz a brand new business located at 21 E Aspen in Downtown Flagstaff. This is an application for a series 1 license #01033003. Randi and Douglas have also applied for a series 6 (bar) liquor license at the same location, # 06030052. The Arizona Department of Liquor License and Control allows these two licenses to be “stacked” at the same location.

I conducted a query through local systems and public access on Randi Rolle and Douglas Umlah and found no derogatory records. I spoke with Randi Rolle who stated she and Douglas would be assisting in the day to day operation of the restaurant. Randi and Douglas have completed the mandatory liquor law training course and provided proof. Randi explained they planned to open by September 2015 due to the current renovations. Randi confirmed they have purchased the series 6 license from Jacqueline Sullivan, the previous owner of Jacque’s 19th Hole once located at 5200 E. Cortland Blvd #A7 in Flagstaff. Randi explained the business plan they will operate under is unique. Randi stated they planned to only produce wine, and in doing so are offering the ability to the customer to “Blend” the wines to their liking. The customer will be allowed to purchase a bottle of their blend and also create a customized label on site. The customer will be able to consume onsite or leave with a sealed bottle of wine for off site consumption. Randi stated the business will only operate till 10:00 pm confirming they had no plans to operate as a “night club” style bar.

No liquor law violations could be located for either of the applicants as this is their first liquor license. A series 1 liquor license is described by the AZDLLC as:

A non-transferable liquor license which allows an in-state producer to produce or manufacture all types of spirituous liquor and sell the product to a licensed wholesaler. A person who holds an In-State Producer license may also sell liquor produced or manufactured on the licensed premises for on-site consumption if the producer also holds an on-sale retail license (See series 06, 07 or 12 below). The retail license premises must be located on, or adjacent to, the licensed premises of the in-state producer. Internet sale of liquor is not permitted in the state of Arizona. Liquor must be delivered to an Arizona liquor-licensed wholesaler, then an Arizona liquor-licensed retailer prior to delivery to the consumer.

As a result of this investigation, a recommendation to Council would be for approval.

MEMORANDUM

Memo # 15-068-01

TO: Chief Kevin Treadway

FROM: Sgt. Matt Wright

DATE: July 2, 2015

RE: LIQUOR LICENSE APPLICATION – Person to Person and location transfer – Series 6- for Blendz

On July 2, 2015, I initiated an investigation into an application for a series 6 (bar) liquor license filed by Randi Rolle and Douglas Umlah (agents and controlling persons). Randi Rolle and Douglas Umlah are the owners of Blendz a brand new business located at 21 E Aspen in Downtown Flagstaff. This is an application for a series 6 person to person and location transfer for a full bar license #06030052. Randi and Douglas have also applied for a series 1 (in state producer) liquor license at the same location, # 01033003. The Arizona Department of Liquor License and Control allows these two licenses to be “stacked” at the same location.

I conducted a query through local systems and public access on Randi Rolle and Douglas Umlah and found nothing negative. I spoke with Randi Rolle who stated she and Douglas would be assisting in the day to day operation of the restaurant. Randi and Douglas have completed the mandatory liquor law training course and provided proof. Randi explained they planned to open by September 2015 due to the current renovations. Randi confirmed they have purchased the series 6 license from Jacqueline Sullivan, the previous owner of Jacque’s 19th Hole once located at 5200 E. Cortland Blvd #A7 in Flagstaff. Randi explained the business plan they will operate under is unique. Randi stated they planned to only produce wine, and in doing so are offering the ability to the customer to “Blend” the wines to their liking. The customer will be allowed to purchase a bottle of their blend and also create a customized label on site. The customer will be able to consume onsite or leave with a sealed bottle of wine for off site consumption. Randi stated the business will only operate till 10:00 pm confirming they had no plans to operate as a “night club” style bar.

No liquor law violations could be located for either of the applicants as this is their first liquor license.

As a result of this investigation, a recommendation to Council would be for approval.

Memo

To: Stacy Saltzberg, Deputy City Clerk

From: Ranbir Cheema - Tax, Licensing & Revenue Manager

Date: Jul 07, 2015

Re: Series 01 Liquor License – Blendz

I have researched information for Fine Wine Blends LLC DBA Blendz. Blendz does not plan to open until September 01, 2015 and intends to get the City sales tax license before opening. I have no objection to approval of this liquor license.

Memo

To: Stacy Saltzberg, Deputy City Clerk

From: Ranbir Cheema - Tax, Licensing & Revenue Manager

Date: Jul 07, 2015

Re: Series 06 Liquor License – Blendz

I have reviewed our records for the seller Jacque's 19th Hole and researched information for Fine Wine Blends LLC DBA Blendz. Blendz does not plan to open until September 01, 2015 and intends to get the City sales tax license before opening. I have no objection to approval of this liquor license.



Planning and Development Services Memorandum

July 6, 2015

TO: Stacy Saltzburg, Deputy City Clerk

THROUGH: Roger E. Eastman, AICP, Comprehensive Planning and Code Administrator

FROM: Tom Boughner, Code Compliance Mgr. *TB*

RE: Application for Liquor License #06030052
21 East Aspen Avenue, Flagstaff, Arizona 86001.
Assessor's Parcel Number 100-20-015 Randi Rolle on behalf of
Blendz at 21 East Aspen Avenue.

This application is a request for a transfer, Series 6(all spirituous) liquor license by Randi Sue Rolle, for the business Blendz; a transfer from Jacqueline Sullivan, for Jacque's 19th Hole. This business is located within the Central Commercial district. This district does allow for this use.

There are no active Zoning Code violations associated with the applicant or the property at this time.

This liquor license is recommended for approval.



Planning and Development Services Memorandum

July 6, 2015

TO: Stacy Saltzburg, Deputy City Clerk

THROUGH: Roger E. Eastman, AICP, Comprehensive Planning and Code Administrator

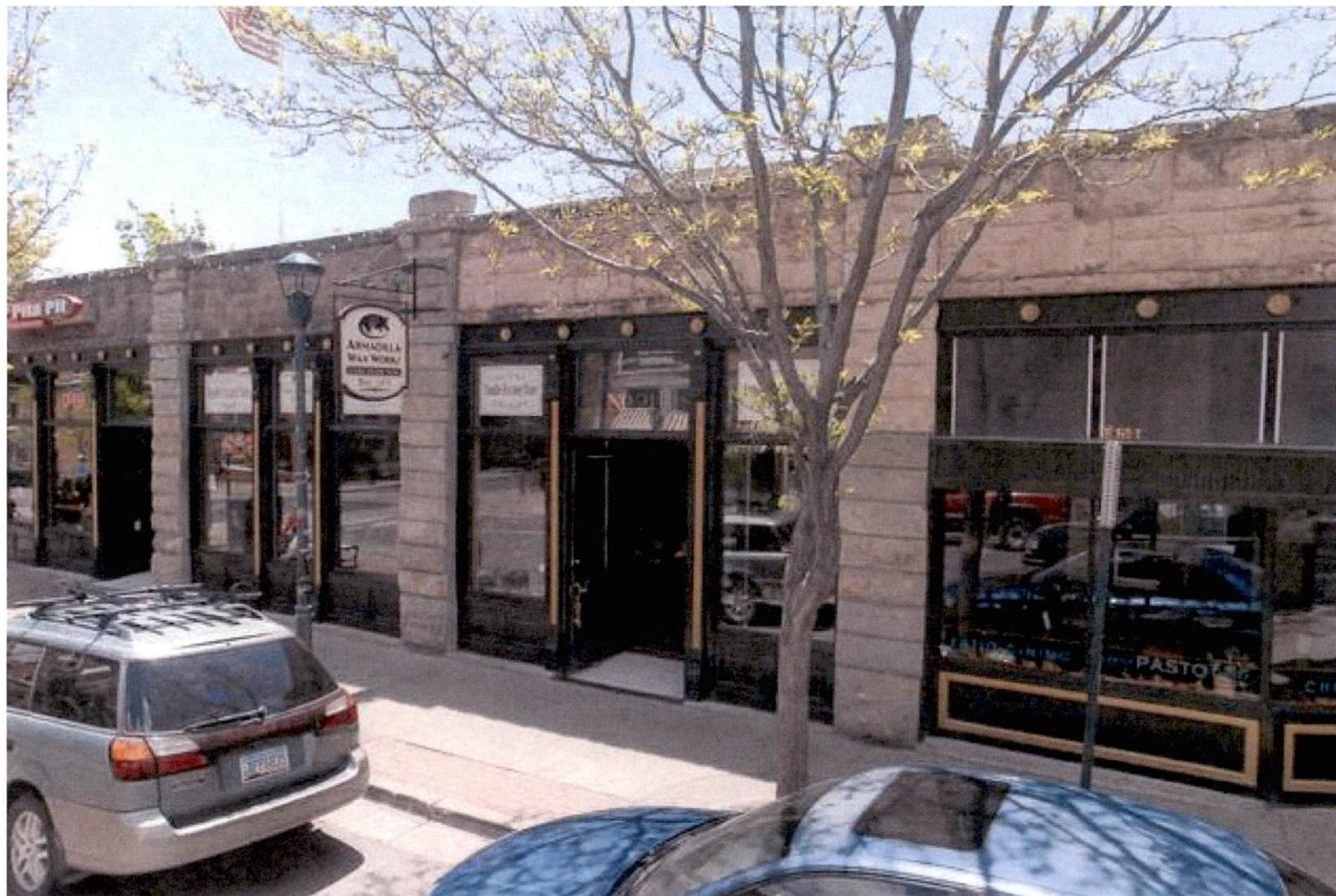
FROM: Tom Boughner, Code Compliance Mgr. 

RE: Application for Liquor License #01033003
21 East Aspen Avenue, Flagstaff, Arizona 86001.
Assessor's Parcel Number 100-20-015 Randi Rolle on behalf of
Blendz at 21 East Aspen Avenue.

This application is a request for a new, Series 1 (In State Producer) liquor license by Randi Sue Rolle, for the business Blendz. This business is located within the Central Commercial district. This district does allow for this use.

There are no active Zoning Code violations associated with the applicant or the property at this time.

This liquor license is recommended for approval.



21 EAST ASPEN



**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Stacy Saltzburg, Deputy City Clerk
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Action on Liquor License Application: Scott Bromley, "Sizzler Restaurant #792", 3540 E. Route 66, Series 12 (restaurant), New License.

RECOMMENDED ACTION:

Hold the Public Hearing; absent any valid concerns received from the public hearing, staff recommends the Council forward a recommendation for approval to the State.

Executive Summary:

The liquor license process begins at the State level and applications are then forwarded to the respective municipality for posting of the property and holding a public hearing, after which the Council recommendation is forwarded back to the State. A Series 12 license allows the holder of a restaurant license to sell and serve spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food. The property has been posted as required, and the Police, Community Development, and Sales Tax divisions have reviewed the application with no concerns noted.

Financial Impact:

There is no budgetary impact to the City of Flagstaff as this is a recommendation to the State.

Connection to Council Goal and/or Regional Plan:

Liquor licenses are a regulatory action and there is no Council goal that applies.

Has There Been Previous Council Decision on This:

Not applicable.

Options and Alternatives:

- 1) Table the item if additional information or time is needed.
- 2) Make no recommendation.
- 3) Forward the application to the State with a recommendation for approval.
- 4) Forward the application to the State with a recommendation for denial, stating the reasons for such recommendation.

OFFICE OF THE CITY CLERK

July 8, 2015

Sizzler Restaurant #792
Attn: Scott Bromley
3540 E. Route 66
Flagstaff, AZ 86004

Dear Mr. Bromley:

Your application for a new Series 12 liquor license for Sizzler Restaurant #792 at 3540 E. Route 66, was posted on June 29, 2015. The City Council will consider the application at a public hearing during their regularly scheduled City Council Meeting on **Tuesday, July 21, 2015 which begins at 4:00 p.m.**

It is important that you or your representative attend this Council Meeting and be prepared to answer any questions that the City Council may have. Failure to be available for questions could result in a recommendation for denial of your application. We suggest that you contact your legal counsel or the Department of Liquor Licenses and Control at 602-542-5141 to determine the criteria for your license. To help you understand how the public hearing process will be conducted, we are enclosing a copy of the City's liquor license application hearing procedures.

The twenty-day posting period for your liquor license application is set to expire on July 19, 2015 and the application may be removed from the premises at that time.

If you have any questions, please feel free to call me at 928-213-2077.

Sincerely,

Stacy Saltzburg
Deputy City Clerk

Enclosure



City of Flagstaff

Liquor License Application Hearing Procedures

1. When the matter is reached at the Council meeting, the presiding officer will open the public hearing on the item.
2. The presiding officer will request that the Applicant come forward to address the Council regarding the application in a presentation not exceeding ten (10) minutes. Council may question the Applicant regarding the testimony or other evidence provided by the Applicant.
3. The presiding officer will then ask whether City staff have information to present to the Council regarding the application. Staff should come forward at this point and present information to the Council in a presentation not exceeding ten (10) minutes. Council may question City staff regarding the testimony or other evidence provided by City staff.
4. Other parties, if any, may then testify, limited to three (3) minutes per person. Council may question these parties regarding the testimony they present to the Council.
5. The Applicant may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of the Applicant.
6. City staff may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of City Staff.
7. The presiding officer will then close the public hearing.
8. The Council will then, by motion, vote to forward the application to the State with a recommendation of approval, disapproval, or shall vote to forward with no recommendation.

R19-1-702. Determining Whether to Grant a License for a Certain Location

- A. To determine whether public convenience requires and the best interest of the community will be substantially served by issuing or transferring a license at a particular unlicensed location, local governing authorities and the Board may consider the following criteria:
1. Petitions and testimony from individuals who favor or oppose issuance of a license and who reside in, own, or lease property within one mile of the proposed premises;
 2. Number and types of licenses within one mile of the proposed premises;
 3. Evidence that all necessary licenses and permits for which the applicant is eligible at the time of application have been obtained from the state and all other governing bodies;
 4. Residential and commercial population of the community and its likelihood of increasing, decreasing, or remaining static;
 5. Residential and commercial population density within one mile of the proposed premises;
 6. Evidence concerning the nature of the proposed business, its potential market, and its likely customers;
 7. Effect on vehicular traffic within one mile of the proposed premises;
 8. Compatibility of the proposed business with other activity within one mile of the proposed premises;
 9. Effect or impact on the activities of businesses or the residential neighborhood that might be affected by granting a license at the proposed premises;
 10. History for the past five years of liquor violations and reported criminal activity at the proposed premises provided that the applicant received a detailed report of the violations and criminal activity at least 20 days before the hearing by the Board;
 11. Comparison of the hours of operation at the proposed premises to the hours of operation of existing businesses within one mile of the proposed premises; and
 12. Proximity of the proposed premises to licensed childcare facilities as defined by A.R.S. § 36-881.
- B. This Section is authorized by A.R.S. § 4-201(I).

License Types: Series 12 Restaurant License

Non-transferable

On-sale retail privileges

Note: Terms in **BOLD CAPITALS** are defined in the [glossary](#).

PURPOSE:

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

ADDITIONAL RIGHTS AND RESPONSIBILITIES:

An applicant for a restaurant license must file a copy of its restaurant menu and Restaurant Operation Plan with the application. The Plan must include listings of all restaurant equipment and service items, the restaurant seating capacity, and other information requested by the department to substantiate that the restaurant will operate in compliance with Title 4.

The licensee must notify the Department, in advance, of any proposed changes in the seating capacity of the restaurant or dimensions of a restaurant facility.

A restaurant licensee must maintain complete restaurant services continually during the hours of selling and serving of spirituous liquor, until at least 10:00 p.m. daily, if any spirituous liquor is to be sold and served up to 2:00 a.m.

On any original applications, new managers and/or the person responsible for the day-to-day operations must attend a basic and management training class.

A licensee acting as a **RETAIL AGENT**, authorized to purchase and accept **DELIVERY** of spirituous liquor by other licensees, must receive a certificate of registration from the Department.

A **PREGNANCY WARNING SIGN** for pregnant women consuming spirituous liquor must be posted within twenty (20) feet of the cash register or behind the bar.

A log must be kept by the licensee of all persons employed at the premises including each employee's name, date and place of birth, address and responsibilities.

Bar, beer and wine bar, and restaurant licensees must pay an annual surcharge of \$20.00. The money collected from these licensees will be used by the Department for an auditor to review compliance by restaurants with the restaurant licensing provisions of ARS 4-205.02.

MEMORANDUM

Memo # 15-066-01

TO: Chief Kevin Treadway

FROM: Sgt. Matt Wright

DATE: July 3, 2015

RE: LIQUOR LICENSE APPLICATION – SERIES 12- FOR “Sizzler Restaurant #792”

On July 3, 2015, I initiated an investigation into an application for a series 12 (restaurant) liquor license filed by Scott Bromley and Stacie Bromley (Agent and Controlling Person). Scott Bromley and Stacie Bromley are the owners of Sizzler store number 792. Sizzler is located at 3540 East Route 66 in Flagstaff. This is an application for a new series 12 license #12033382. Sizzler is currently open for business as it has been for many years.

I conducted a query through local systems and public access on Scott Bromley and Stacie Bromley and no derogatory records were found.

I spoke with Scott who explained he and Stacie have owned this Sizzler restaurant for 30 years and have operated without a liquor license during that time. Scott said his business plan will not change but wanted to offer beer and wine to his customers.

Scott confirmed he and Stacie would be responsible for the day to day operations. Scott confirmed this is his first liquor licensee and therefore has no liquor law violations. Scott advised he was aware of the requirements of the series 12 liquor license and has attended the mandatory liquor license training.

As a result of this investigation, a recommendation to Council would be for approval.

Memo

To: Stacy Saltzberg, Deputy City Clerk

From: Ranbir Cheema - Tax, Licensing & Revenue Manager

Date: Jul 07, 2015

Re: Series 12 Liquor License – Sizzlers #792

I have reviewed our records for SSJC Investments LLC DBA Sizzlers # 792 and have no objection to approval of this liquor license.



Planning and Development Services Memorandum

July 6, 2015

TO: Stacy Saltzburg, Deputy City Clerk

THROUGH: Roger E. Eastman, AICP, Comprehensive Planning and Code Administrator

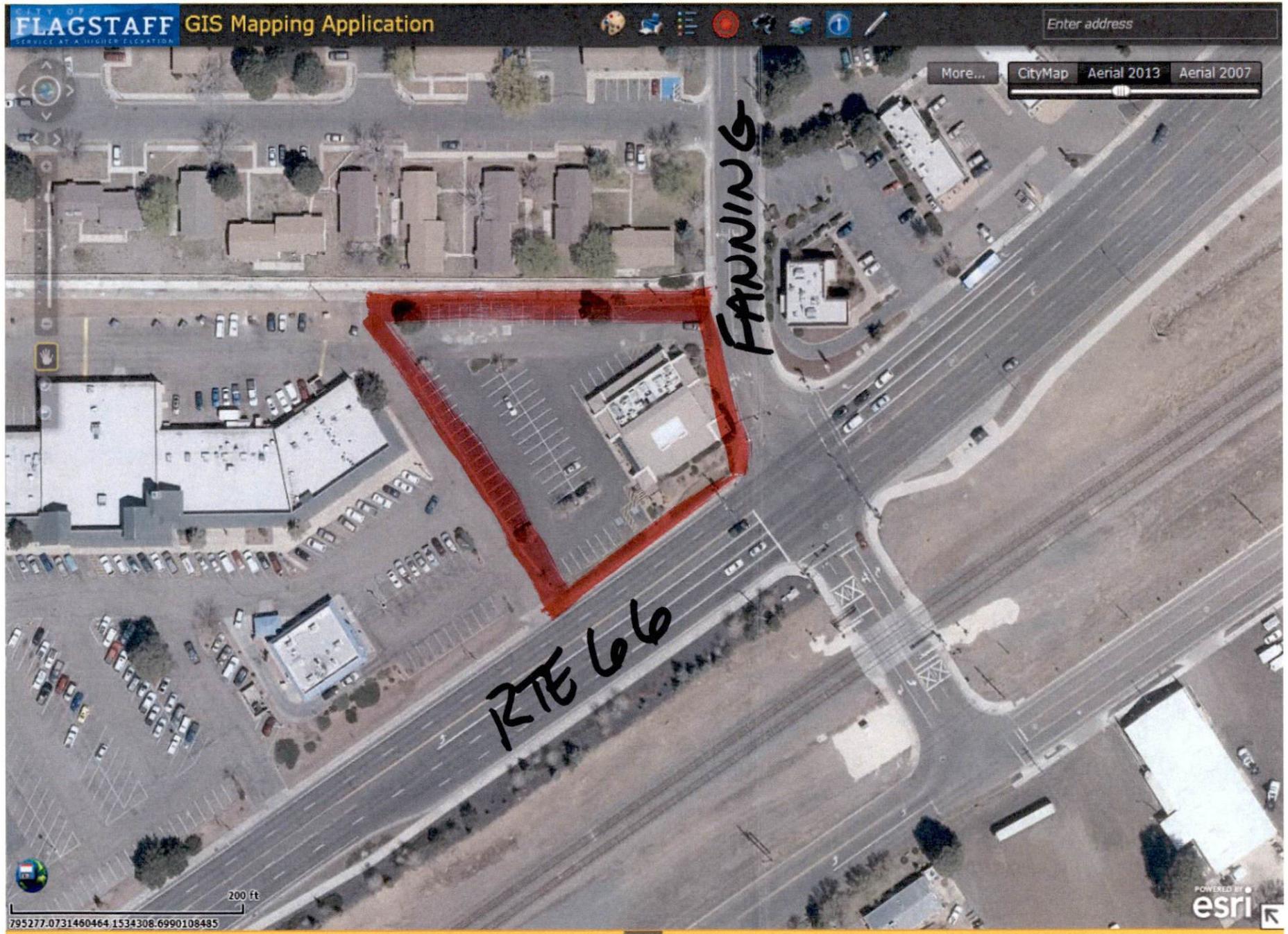
FROM: Tom Boughner, Code Compliance Mgr. *TB*

RE: Application for Liquor License #12033382
3504 East Rte. 66, Flagstaff, Arizona 86004
Assessor's Parcel Number 108-06-005F
Scott Bromley on behalf of Sizzler Restaurant

This application is a request for a new, Series 12 Restaurant liquor license, by Scott Russel Bromley on behalf of Sizzler. This restaurant is located within the Highway Commercial district. This district does allow for this use.

There are no active Zoning Code violations associated with the applicant or the property at this time.

This liquor license is recommended for approval.





3540 E RTE 66

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Stacy Saltzburg, Deputy City Clerk
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Action on Liquor License Application: Andrew Grieder, "Cabin Fever", 1801 W. Route 66, Series 12 (restaurant), New License.

RECOMMENDED ACTION:

Hold the Public Hearing; absent any valid concerns received from the public hearing, staff recommends the Council forward a recommendation for approval to the State.

Executive Summary:

The liquor license process begins at the State level and applications are then forwarded to the respective municipality for posting of the property and holding a public hearing, after which the Council recommendation is forwarded back to the State. A Series 12 license allows the holder of a restaurant license to sell and serve spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food. The property has been posted as required, and the Police, Community Development, and Sales Tax divisions have reviewed the application with no concerns noted.

Financial Impact:

There is no budgetary impact to the City of Flagstaff as this is a recommendation to the State.

Connection to Council Goal and/or Regional Plan:

Liquor licenses are a regulatory action and there is no Council goal that applies.

Has There Been Previous Council Decision on This:

Not applicable.

Options and Alternatives:

- 1) Table the item if additional information or time is needed.
- 2) Make no recommendation.
- 3) Forward the application to the State with a recommendation for approval.
- 4) Forward the application to the State with a recommendation for denial, stating the reasons for such recommendation.

Background/History:

An application for a new Series 12 liquor license was received from Andrew Grieder for Cabin Fever.

A background investigation performed by Sgt. Matt Wright of the Flagstaff Police Department resulted in a recommendation for approval.

A background investigation performed by Tom Boughner, Code Compliance Manager, resulted in no active code violations being reported.

A sales tax and licensing information review by Ranbir Cheema, Tax, Licensing & Revenue Manager, resulted in no objection to approval.

Key Considerations:

Because the application is for a new license, consideration may be given to both the location and the applicant's personal qualifications.

A Series 12 license allows the holder of a restaurant license to sell and serve spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food.

The deadline for issuing a recommendation on this application is August 3, 2015.

The applicant is not required to provide the distance between the applicant's business and the nearest church or school for government; and the State does not require a geological map or list of licenses in the vicinity for any license series.

Expanded Financial Considerations:

This business will contribute to the tax base of the community.

Community Involvement:

The application was properly posted on June 29, 2015. No written protests have been received to date.

Attachments: [Cabin Fever Letter to Applicant](#)
 [Hearing Procedures](#)
 [Series 12 Description](#)
 [Cabin Fever PD Memo](#)
 [Cabin Fever Tax Memo](#)
 [Cabin Fever Code Memo](#)

OFFICE OF THE CITY CLERK

July 8, 2015

Cabin Fever
Attn: Andrew Grieder
4995 S. Serpentine Rd.
Flagstaff, AZ 86005

Dear Mr. Grieder:

Your application for a new Series 12 liquor license for Cabin Fever at 1801 W. Route 66, was posted on June 29, 2015. The City Council will consider the application at a public hearing during their regularly scheduled City Council Meeting on **Tuesday, July 21, 2015 which begins at 4:00 p.m.**

It is important that you or your representative attend this Council Meeting and be prepared to answer any questions that the City Council may have. Failure to be available for questions could result in a recommendation for denial of your application. We suggest that you contact your legal counsel or the Department of Liquor Licenses and Control at 602-542-5141 to determine the criteria for your license. To help you understand how the public hearing process will be conducted, we are enclosing a copy of the City's liquor license application hearing procedures.

The twenty-day posting period for your liquor license application is set to expire on July 19, 2015 and the application may be removed from the premises at that time.

If you have any questions, please feel free to call me at 928-213-2077.

Sincerely,

Stacy Saltzburg
Deputy City Clerk

Enclosure



City of Flagstaff

Liquor License Application Hearing Procedures

1. When the matter is reached at the Council meeting, the presiding officer will open the public hearing on the item.
2. The presiding officer will request that the Applicant come forward to address the Council regarding the application in a presentation not exceeding ten (10) minutes. Council may question the Applicant regarding the testimony or other evidence provided by the Applicant.
3. The presiding officer will then ask whether City staff have information to present to the Council regarding the application. Staff should come forward at this point and present information to the Council in a presentation not exceeding ten (10) minutes. Council may question City staff regarding the testimony or other evidence provided by City staff.
4. Other parties, if any, may then testify, limited to three (3) minutes per person. Council may question these parties regarding the testimony they present to the Council.
5. The Applicant may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of the Applicant.
6. City staff may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of City Staff.
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R19-1-702. Determining Whether to Grant a License for a Certain Location

- A. To determine whether public convenience requires and the best interest of the community will be substantially served by issuing or transferring a license at a particular unlicensed location, local governing authorities and the Board may consider the following criteria:
1. Petitions and testimony from individuals who favor or oppose issuance of a license and who reside in, own, or lease property within one mile of the proposed premises;
 2. Number and types of licenses within one mile of the proposed premises;
 3. Evidence that all necessary licenses and permits for which the applicant is eligible at the time of application have been obtained from the state and all other governing bodies;
 4. Residential and commercial population of the community and its likelihood of increasing, decreasing, or remaining static;
 5. Residential and commercial population density within one mile of the proposed premises;
 6. Evidence concerning the nature of the proposed business, its potential market, and its likely customers;
 7. Effect on vehicular traffic within one mile of the proposed premises;
 8. Compatibility of the proposed business with other activity within one mile of the proposed premises;
 9. Effect or impact on the activities of businesses or the residential neighborhood that might be affected by granting a license at the proposed premises;
 10. History for the past five years of liquor violations and reported criminal activity at the proposed premises provided that the applicant received a detailed report of the violations and criminal activity at least 20 days before the hearing by the Board;
 11. Comparison of the hours of operation at the proposed premises to the hours of operation of existing businesses within one mile of the proposed premises; and
 12. Proximity of the proposed premises to licensed childcare facilities as defined by A.R.S. § 36-881.
- B. This Section is authorized by A.R.S. § 4-201(I).

License Types: Series 12 Restaurant License

Non-transferable

On-sale retail privileges

Note: Terms in **BOLD CAPITALS** are defined in the [glossary](#).

PURPOSE:

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

ADDITIONAL RIGHTS AND RESPONSIBILITIES:

An applicant for a restaurant license must file a copy of its restaurant menu and Restaurant Operation Plan with the application. The Plan must include listings of all restaurant equipment and service items, the restaurant seating capacity, and other information requested by the department to substantiate that the restaurant will operate in compliance with Title 4.

The licensee must notify the Department, in advance, of any proposed changes in the seating capacity of the restaurant or dimensions of a restaurant facility.

A restaurant licensee must maintain complete restaurant services continually during the hours of selling and serving of spirituous liquor, until at least 10:00 p.m. daily, if any spirituous liquor is to be sold and served up to 2:00 a.m.

On any original applications, new managers and/or the person responsible for the day-to-day operations must attend a basic and management training class.

A licensee acting as a **RETAIL AGENT**, authorized to purchase and accept **DELIVERY** of spirituous liquor by other licensees, must receive a certificate of registration from the Department.

A **PREGNANCY WARNING SIGN** for pregnant women consuming spirituous liquor must be posted within twenty (20) feet of the cash register or behind the bar.

A log must be kept by the licensee of all persons employed at the premises including each employee's name, date and place of birth, address and responsibilities.

Bar, beer and wine bar, and restaurant licensees must pay an annual surcharge of \$20.00. The money collected from these licensees will be used by the Department for an auditor to review compliance by restaurants with the restaurant licensing provisions of ARS 4-205.02.

MEMORANDUM

Memo # 15-071-01

TO: Chief Kevin Treadway

FROM: Sgt. Matt Wright

DATE: July 3, 2015

RE: LIQUOR LICENSE APPLICATION – SERIES 12- FOR “Cabin Fever”

On July 3, 2015, I initiated an investigation into an application for a series 12 (restaurant) liquor license filed by Andrew Grieder and Raana Abbasey (Agent and Controlling Person). Andrew and Raana are the owners of the Cabin Fever. Cabin Fever is located at 1806 West Route 66 in Flagstaff. This is an application for a new series 12 license #12033380. Cabin Fever is currently under renovations but plan to open by September 1, 2015.

I conducted a query through local systems and public access on Andrew Grieder and Raana Abbasey and no derogatory records were found.

I spoke with Andrew who explained Cabin Fever is a 14,000 square foot property they are converting to an active play area which will include, laser tag, a sport court, air filled bounce houses, a rock climbing fixture and an 800 square foot café. Andrew said it is in the café that he plans to offer alcohol for sale under the series 12 liquor license.

Andrew confirmed he and Raana would be responsible for the day to day operations. Andrew confirmed this is his first liquor licensee and therefore has no liquor law violations. Andrew advised he was aware of the requirements of the series 12 liquor license and has attended the mandatory liquor license training.

As a result of this investigation, a recommendation to Council would be for approval.

Memo

To: Stacy Saltzberg, Deputy City Clerk

From: Ranbir Cheema - Tax, Licensing & Revenue Manager

Date: Jul 07, 2015

Re: Series 12 Liquor License – Cabin Fever

I have reviewed our records for Kinderspiel DBA Cabin Fever and have no objection to approval of this liquor license.



Planning and Development Services Memorandum

July 6, 2015

TO: Stacy Saltzburg, Deputy City Clerk

THROUGH: Roger E. Eastman, AICP, Comprehensive Planning and Code Administrator

FROM: Tom Boughner, Code Compliance Mgr. *TB*

RE: Application for Liquor License #12033380
1801 West Route 66, Suite 202, Flagstaff, Arizona 86001
Assessor's Parcel Number 112-06-001B
Andrew Grieder on behalf of Cabin Fever

This application is a request for a new, Series 12 Restaurant liquor license, by Andrew Mark Grieder on behalf of Cabin Fever Restaurant. This inside snack bar located within the Light Industrial zone. This district does allow for this use.

There are no active Zoning Code violations associated with the applicant or the property at this time.

This liquor license is recommended for approval.



**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Stacy Saltzburg, Deputy City Clerk
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Action on Liquor License Application: Lauren Merrett, "Buster's Restaurant & Bar", 1800 S. Milton Rd., #120, Series 12 (restaurant), New License.

RECOMMENDED ACTION:

Hold the Public Hearing; absent any valid concerns received from the public hearing, staff recommends the Council forward a recommendation for approval to the State.

Executive Summary:

The liquor license process begins at the State level and applications are then forwarded to the respective municipality for posting of the property and holding a public hearing, after which the Council recommendation is forwarded back to the State. A Series 12 license allows the holder of a restaurant license to sell and serve spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food. Buster's was recently sold and has come under new management which is the reason for the new license. The property has been posted as required, and the Police, Community Development, and Sales Tax divisions have reviewed the application with no concerns noted.

Financial Impact:

There is no budgetary impact to the City of Flagstaff as this is a recommendation to the State.

Connection to Council Goal and/or Regional Plan:

Liquor licenses are a regulatory action and there is no Council goal that applies.

Has There Been Previous Council Decision on This:

Not applicable.

Options and Alternatives:

- 1) Table the item if additional information or time is needed.
- 2) Make no recommendation.
- 3) Forward the application to the State with a recommendation for approval.
- 4) Forward the application to the State with a recommendation for denial, stating the reasons for such recommendation.

Background/History:

An application for a new Series 12 liquor license was received from Lauren Merrett for Buster's Restaurant & Bar.

A background investigation performed by Sgt. Matt Wright of the Flagstaff Police Department resulted in a recommendation for approval.

A background investigation performed by Tom Boughner, Code Compliance Manager resulted in no active code violations being reported.

A sales tax and licensing information was reviewed by Ranbir Cheema, Tax, Licensing & Revenue Manager, resulting in no objection to approval.

Key Considerations:

Because the application is for a new license, consideration may be given to both the location and the applicant's personal qualifications.

A Series 12 license allows the holder of a restaurant license to sell and serve spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food.

The deadline for issuing a recommendation on this application is July 22, 2015.

The applicant is not required to provide the distance between the applicant's business and the nearest church or school for government; and the State does not require a geological map or list of licenses in the vicinity for any license series.

Expanded Financial Considerations:

This business will contribute to the tax base of the community.

Community Involvement:

The application was properly posted on June 29, 2015. No written protests have been received to date.

Attachments: [Buster's Letter to Applicant](#)
 [Hearing Procedures](#)
 [Series 12 Description](#)
 [Buster's PD Memo](#)
 [Buster's Tax Memo](#)
 [Buster's Code Memo](#)

OFFICE OF THE CITY CLERK

July 8, 2015

Buster's Restaurant & Bar
Attn: Lauren Merrett
736 S. Longmore St.
Chandler, AZ 85224

Dear Ms. Merrett:

Your application for a new Series 12 liquor license for Buster's Restaurant & Bar at 1800 S. Milton Rd. #120, was posted on June 29, 2015. The City Council will consider the application at a public hearing during their regularly scheduled City Council Meeting on **Tuesday, July 21, 2015 which begins at 4:00 p.m.**

It is important that you or your representative attend this Council Meeting and be prepared to answer any questions that the City Council may have. Failure to be available for questions could result in a recommendation for denial of your application. We suggest that you contact your legal counsel or the Department of Liquor Licenses and Control at 602-542-5141 to determine the criteria for your license. To help you understand how the public hearing process will be conducted, we are enclosing a copy of the City's liquor license application hearing procedures.

The twenty-day posting period for your liquor license application is set to expire on July 19, 2015 and the application may be removed from the premises at that time.

If you have any questions, please feel free to call me at 928-213-2077.

Sincerely,

Stacy Saltzburg
Deputy City Clerk

Enclosure



City of Flagstaff

Liquor License Application Hearing Procedures

1. When the matter is reached at the Council meeting, the presiding officer will open the public hearing on the item.
2. The presiding officer will request that the Applicant come forward to address the Council regarding the application in a presentation not exceeding ten (10) minutes. Council may question the Applicant regarding the testimony or other evidence provided by the Applicant.
3. The presiding officer will then ask whether City staff have information to present to the Council regarding the application. Staff should come forward at this point and present information to the Council in a presentation not exceeding ten (10) minutes. Council may question City staff regarding the testimony or other evidence provided by City staff.
4. Other parties, if any, may then testify, limited to three (3) minutes per person. Council may question these parties regarding the testimony they present to the Council.
5. The Applicant may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of the Applicant.
6. City staff may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of City Staff.
7. The presiding officer will then close the public hearing.
8. The Council will then, by motion, vote to forward the application to the State with a recommendation of approval, disapproval, or shall vote to forward with no recommendation.

R19-1-702. Determining Whether to Grant a License for a Certain Location

- A. To determine whether public convenience requires and the best interest of the community will be substantially served by issuing or transferring a license at a particular unlicensed location, local governing authorities and the Board may consider the following criteria:
1. Petitions and testimony from individuals who favor or oppose issuance of a license and who reside in, own, or lease property within one mile of the proposed premises;
 2. Number and types of licenses within one mile of the proposed premises;
 3. Evidence that all necessary licenses and permits for which the applicant is eligible at the time of application have been obtained from the state and all other governing bodies;
 4. Residential and commercial population of the community and its likelihood of increasing, decreasing, or remaining static;
 5. Residential and commercial population density within one mile of the proposed premises;
 6. Evidence concerning the nature of the proposed business, its potential market, and its likely customers;
 7. Effect on vehicular traffic within one mile of the proposed premises;
 8. Compatibility of the proposed business with other activity within one mile of the proposed premises;
 9. Effect or impact on the activities of businesses or the residential neighborhood that might be affected by granting a license at the proposed premises;
 10. History for the past five years of liquor violations and reported criminal activity at the proposed premises provided that the applicant received a detailed report of the violations and criminal activity at least 20 days before the hearing by the Board;
 11. Comparison of the hours of operation at the proposed premises to the hours of operation of existing businesses within one mile of the proposed premises; and
 12. Proximity of the proposed premises to licensed childcare facilities as defined by A.R.S. § 36-881.
- B. This Section is authorized by A.R.S. § 4-201(I).

License Types: Series 12 Restaurant License

Non-transferable

On-sale retail privileges

Note: Terms in **BOLD CAPITALS** are defined in the [glossary](#).

PURPOSE:

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

ADDITIONAL RIGHTS AND RESPONSIBILITIES:

An applicant for a restaurant license must file a copy of its restaurant menu and Restaurant Operation Plan with the application. The Plan must include listings of all restaurant equipment and service items, the restaurant seating capacity, and other information requested by the department to substantiate that the restaurant will operate in compliance with Title 4.

The licensee must notify the Department, in advance, of any proposed changes in the seating capacity of the restaurant or dimensions of a restaurant facility.

A restaurant licensee must maintain complete restaurant services continually during the hours of selling and serving of spirituous liquor, until at least 10:00 p.m. daily, if any spirituous liquor is to be sold and served up to 2:00 a.m.

On any original applications, new managers and/or the person responsible for the day-to-day operations must attend a basic and management training class.

A licensee acting as a **RETAIL AGENT**, authorized to purchase and accept **DELIVERY** of spirituous liquor by other licensees, must receive a certificate of registration from the Department.

A **PREGNANCY WARNING SIGN** for pregnant women consuming spirituous liquor must be posted within twenty (20) feet of the cash register or behind the bar.

A log must be kept by the licensee of all persons employed at the premises including each employee's name, date and place of birth, address and responsibilities.

Bar, beer and wine bar, and restaurant licensees must pay an annual surcharge of \$20.00. The money collected from these licensees will be used by the Department for an auditor to review compliance by restaurants with the restaurant licensing provisions of ARS 4-205.02.

MEMORANDUM

Memo # 15-072-01

TO: Chief Kevin Treadway

FROM: Sgt. Matt Wright

DATE: July 2, 2015

**RE: LIQUOR LICENSE APPLICATION – Series 12 Liquor License – for
“Buster’s Restaurant and Bar”**

On July 2, 2015, I initiated an investigation into an application for a series 12 (restaurant) liquor license filed by Lauren Merrett (Agent), Ryan Field, Jarred Field, Timothy Pacatte, and Brian Terpay and Jacob White (Controlling Persons). Lauren Merrett is the listed Agent on the license for administrative purposes only and will not be active in the day to day operations. Buster’s has recently been purchased by Ryan Field, Jarred Field, Timothy Pacatte, and Brian Terpay and Jacob White. The restaurant is located at 1800 S. Milton Road in Flagstaff. This is an application for a series 12 restaurant license number #12033377 which is currently operating with an interim permit.

I conducted a query through local systems and public access on Lauren Merrett (Agent), Ryan Field, Jarred Field, Timothy Pacatte, Brian Terpay and Jacob White and nothing negative was found on Jarred Field, Timothy Pacatte, or Jacob White. Ryan Field was found to have been arrested for DUI in 2005 which was ultimately dismissed. Brian Terpay stated he was arrested in 2005 for a DUI which he plead guilty to and the charge was reduced to reckless driving. Ryan Field and Brian Terpay would be assisting in the day to day operation of the restaurant. Ryan has completed the mandatory liquor law training course and provided proof.

I did find that part owner Ryan Field is also part owner in several restaurants in Arizona and Colorado. I found Ryan has ownership of six other restaurants in Arizona, two in Colorado, and one in Kansas. Ryan listed nine liquor violations of which the businesses he was part owner in were either warned or fined. The most recent violation was dated May 2013. Ryan Field, Jarred Field, Timothy Pacatte, and Brian Terpay are all part owners of Taverna Greek Grill and The Oakmont, both located in Flagstaff. I found Taverna received two liquor law violations for not having a manager’s agreement on file and another for removal of spirituous liquor from license premise, both fines were paid on January 2014. No other liquor violations could be located on the other applicants.

As a result of this investigation, a recommendation to Council would be for approval.

Memo

To: Stacy Saltzberg, Deputy City Clerk

From: Ranbir Cheema - Tax, Licensing & Revenue Manager

Date: Jul 07, 2015

Re: Series 12 Liquor License – Buster's

I have reviewed our records for Brick and Mortar F & B LLC DBA Buster's and have no objection to approval of this liquor license.



Planning and Development Services Memorandum

July 6, 2015

TO: Stacy Saltzburg, Deputy City Clerk

THROUGH: Roger E. Eastman, AICP, Comprehensive Planning and Code Administrator

FROM: Tom Boughner, Code Compliance Mgr. *TB*

RE: Application for Liquor License #12033377
1800 South Milton Road, Ste. #120. Flagstaff, Arizona 86001
Assessor's Parcel Number 103-22-00-4D
Lauren Merrett on Behalf of Busters Restaurant and Bar

This application is a request for a new, Series 12 Restaurant liquor license, by Lauren Kay Merrett, on behalf of Busters. This restaurant is located within the Highway Commercial district. This district does allow for this use.

There are no active Zoning Code violations associated with the applicant or the property at this time.

This liquor license is recommended for approval.



**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: James Janecek, Project Manager
Co-Submitter: Malcolm Alter, Stormwater Program Manager
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Approval of Contract: Professional services for Civil Design and Engineering, Inc., to prepare the Rio de Flag watershed integrated hydrologic and hydraulic model (**Approve contract with Civil Design and Engineering, Inc. in the amount of \$174,583.00**).

RECOMMENDED ACTION:

- 1) Award a professional services contract to Civil Design and Engineering, Inc., and
- 2) Authorize the Interim City Manager to execute the necessary documents.

Executive Summary:

The City of Flagstaff Utilities Division Stormwater Section has received a \$200,000 grant from FEMA through our Cooperating Technical Partners award number EMW-2014-CA-00087-S01: Watershed Management Plan and Flood Risk Report for the Rio de Flag Watercourse. The Stormwater Section has selected a professional services consultant, Civil Design and Engineering, Inc., through the Request for Statement of Qualifications #2015-35 to complete an integrated and comprehensive hydrologic and hydraulic model for the entire Rio de Flag watershed and negotiated a lump sum fee for \$174,583. The purpose of these models will be to help our understanding with watershed changes considering various scenarios including: the effects of catastrophic wildfire, development, capital improvement feasibility, planning, watershed protection and restoration, flood potential, floodplain mapping, climate change and resiliency. When completed these state-of-the-art models can be used for many purposes by the entire community such as Northern Arizona University, U.S. Geological Survey, U.S. Forest Service, National Weather Service and Natural Resources Conversation Services to name a few.

Financial Impact:

The total fee for professional services is \$174,583. The \$200,000 FEMA Cooperating Technical Partners grant award number EMW-2014-CA-00087-S01 has \$129,432 available for this professional services contract and the remaining \$45,151 will come from the Stormwater Utility Fund account 206-08-331-1251-0-4206 Master Planning. The remaining \$70,568 of the FEMA Cooperating Technical Partners grant award number EMW-2014-CA-00087-S01 will be reserved for other tasks associated with this grant.

Connection to Council Goal and/or Regional Plan:

COUNCIL GOALS:

3) Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics.

8) Improve effectiveness of notification, communication, and engagement with residents, neighborhoods and businesses and about City services, programs, policies, projects and developments.

11) Ensure that we are as prepared as possible for extreme weather events

REGIONAL PLAN:

Goal E&C.4. Integrate available science into policies governing the use and conservation of Flagstaff 's natural resources.

Goal E&C.6. Protect, restore and improve ecosystem health and maintain native plant and animal community diversity across all land ownerships in the Flagstaff region.

Goal E&C.7. Give special consideration to environmentally sensitive lands in the development design and review process.

Goal E&C.9. Protect soils through conservation practices.

Goal E&C.10. Protect indigenous wildlife populations, localized and larger-scale wildlife habitats, ecosystem processes, and wildlife movement areas throughout the planning area.

Goal OS.1. The region has a system of open lands, such as undeveloped natural areas, wildlife corridors and habitat areas, trails, access to public lands, and greenways to support the natural environment that sustains our quality of life, cultural heritage, and ecosystem health.

Goal WR.5. Manage watersheds and stormwater to address flooding concerns, water quality, environmental protections, and rainwater harvesting.

Goal WR.6. Protect, preserve, and improve the quality of surface water, groundwater, and reclaimed water in the region.

Has There Been Previous Council Decision on This:

The \$200,000 FEMA Cooperating Technical Partners grant award number EMW-2014-CA-00087-S01: Watershed Management Plan and Flood Risk Report for the Rio de Flag Watercourse was discussed at the 10-21-14 City Council meeting. Approval of the grant at that time resulted in the necessary funding to develop comprehensive hydrologic and hydraulic models for the Rio De Flag.

Options and Alternatives:

Alternative 1 - Approve the professional services contract.

Alternative 2 - Do not approve the professional services contract. This could result in losing the FEMA grant funding. Hiring additional staff to prepare the same product will be highly unlikely due to the very high technical requirements including writing software code.

Alternative 3 - Hire additional staff to prepare a similar product of lesser value. This alternative could also result in losing the FEMA grant funding.

Background/History:

The \$200,000 FEMA Cooperating Technical Partners grant award number EMW-2014-CA-00087-S01: Watershed Management Plan and Flood Risk Report for the Rio de Flag Watercourse was discussed at the 10-21-14 City Council meeting. Approval of the grant at that time resulted in the necessary funding to develop comprehensive hydrologic and hydraulic models for the Rio De Flag. The models will be used for modeling watershed changes and various scenarios including: effects of catastrophic wildfire, development, capital improvement feasibility, planning, watershed protection and restoration, flood

potential, floodplain mapping, climate change and resiliency. The models will be made available to the scientific and academic communities as well as the County. The result will be state-of-the-art models that can be used for many purposes by the entire community.

Staff issued a Request for Statement of Qualifications (ROSQ) for Professional Services, and was advertised on March 8 and 15, 2015. Three statements were received and opened on April 6, 2015. An evaluation committee comprised of five members, including two not employed with the City, determined Civil Design and Engineering, Inc. to be the most qualified.

Key Considerations:

The grant provides an opportunity to develop a comprehensive tool for the management of the Rio de Flag watershed. This model could also be expanded in the future to model the entire City of Flagstaff stormwater infrastructure system similar to how the City of Flagstaff water and sewer systems are modeled.

Expanded Financial Considerations:

Some Stormwater staff time will be necessary for model development and maintenance. The Stormwater work program can provide for the minimum necessary staff time. Model computer storage needs are anticipated to be minimal.

Community Benefits and Considerations:

The models will benefit the community in a number of ways. The models will be used for modeling watershed changes and various scenarios including: effects of catastrophic wildfire, development, capital improvement feasibility, planning, watershed protection and restoration, flood potential, floodplain mapping, climate change and resiliency. The scope also includes some specific items related to these variables. The models will be made available to the scientific and academic communities as well as the County. The result will be state-of-the-art models that can be used for many purposes by the entire community.

Community Involvement:

Inform: The scientific community and the County have met with the City to discuss the outcomes and uses of the models. The models will be used by these parties to assess their individual needs as well as provide additional data for model development.

Involve: the models will be used for purposes that include information to the public regarding flooding, causes of flooding and mitigations.

Collaborate: Partner with NAU, County, Forest Service, USGS, NWS, Soil Conservation Service and others.

Expanded Options and Alternatives:

Alternative 1 - Approve the professional services contract.

Alternative 2 - Do not approve the professional services contract. This could result in losing the FEMA grant funding. Hiring additional staff to prepare the same product will be highly unlikely due to the very high technical requirements including writing software code.

Alternative 3 - Hire additional staff to prepare a similar product of lesser value. This alternative could also result in losing the FEMA grant funding.

Attachments: [Professional Services Contract](#)
 [H&H Scope & Fee](#)
 [Public & Stakeholder Scope & Fee](#)

**SERVICE AGREEMENT
FOR
Rio De Flag Watershed Integrated Hydrologic and Hydraulic Model**

**CITY OF FLAGSTAFF
and**

CIVIL DESIGN AND ENGINEERING, INC.

This Agreement for the Rio De Flag Integrated Hydrologic and Hydraulic Model ("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 86001 and Civil Design and Engineering, Inc., with offices at 618 East Route 66, Flagstaff, 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 consultant for the Rio De Flag Watershed Integrated Hydrologic and Hydraulic Model Project, 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; and
- C. The following exhibits are incorporated by reference and are expressly made a part of this Agreement:

Scope of Work /Fee	Exhibit A
Grant Provisions	Exhibit B

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 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.

3.5 Completeness and Accuracy of Provider's Work. The Provider shall be responsible for the completeness and accuracy of Provider's work, plans, supporting data, and Special Provisions prepared or compiled under Provider's obligations for this project and shall correct, at Provider's expense, all errors or omissions therein.

3.5.1 All documents prepared by the design professional shall bear the stamp or seal of the design professional. All preparation of technical and related documents shall be completed in accordance with the prevailing Arizona law and services performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.

3.5.2 Correction of errors or omissions disclosed and determined to exist by the City during the completion of the project shall be accomplished by the Provider. The costs that become necessary to correct those errors attributable to the Provider and any expense incurred by the City as a result of additional completion costs caused by such errors shall be chargeable to the Provider. The fact that the City has accepted or approved the Provider's work shall in no way relieve the Provider of any of Provider's responsibilities or professional liability. Should the Provider be contracted to perform construction inspection of the project, Provider shall be responsible for errors and omissions in construction inspection disclosed and determined to exist by the City during and subsequent to the completion of the project. Provider's duty in the construction inspection phase is to assure City that the project is constructed in conformity with detailed plans and specifications and the cost of design necessary to correct errors and omissions in inspection attributable to the Provider and any expense incurred by City as a result of additional construction costs caused by such errors shall be chargeable to the Provider. Acceptance or approval by City of Provider's work shall not relieve Provider of inspection responsibilities or professional liability.

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
(Jim Janecek):

To Provider:

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

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 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
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, employees, and 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, employees, and volunteers 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.

6.4 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.

6.5 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 protect the Provider from potential insurer insolvency.

6.6 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.

6.6.1 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.

6.6.2 **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.

6.7 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.

6.8 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; or

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 a 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 Provider, 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 ten (10) days written notice. The City shall be responsible only for those standard items or services which have been delivered and accepted. If termination occurs under this Section 7.4, the Provider shall be paid fair market value for work completed by Provider as of the date of termination. Title to all materials, work in progress, and completed but undelivered goods, shall pass to the City after costs are claimed and allowed. Provider 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. 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. Provider shall not assign this Agreement, in whole or in part, without the prior written consent of the City. No right or interest in this Agreement shall be assigned, in whole or in part, 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 consent to such assignment. Provider agrees that any assignment agreement between Provider and the Assignee shall include and subject to the assignee to all obligations, terms and conditions of this Agreement and that Provider shall also remain liable under all obligations, terms and conditions of this Agreement.

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 RFP 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 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.

8.12 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").

8.12.1 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.

8.12.2 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.

8.12.3 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.

8.12.4 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.

8.13 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.

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

8.15 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.

8.16 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.

8.16.1 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 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.

8.16.2 Force majeure shall not include the following occurrences:

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

8.16.2.2 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.

8.16.3 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.

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 _____, 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 in writing for a supplemental period of up to 1 additional one-year terms. 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.

10. THIRD PARTY BENEFICIARIES

The parties acknowledge and agree that the terms, provisions, conditions, and obligations of this Agreement are for the sole benefit of, and may be enforceable solely by, the Parties to this Agreement, and none of the terms, provisions, conditions, and obligations of this Agreement are for the benefit of, or may be enforced by, any person or entity not a party to this Agreement.

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

City of Flagstaff

Civil Design and Engineering, Inc.

Jeff Meilbeck, Interim City Manager

Attest:

City Clerk

Approved as to form:

City Attorney

Date of Execution: _____

EXHIBIT A

SCOPE OF WORK/FEE SCHEDULE

ATTACHED

- H&H Modeling Scope & Fee.pdf
- Public & Stakeholder Scope & Fee.pdf

EXHIBIT B

GRANT PROVISIONS

ATTACHED

- Grant Provisions.pdf

Scope of Work, Fee & Schedule for Rio De Flag Watershed Integrated Hydrologic & Hydraulic Model

From Civil Design & Engineering (CD&E), with DHI

July 2, 2015

In this document, CD&E provides a narrative scope of work and schedule for the City of Flagstaff (CoF) Rio De Flag (RDF) Watershed Integrated Hydrologic & Hydraulic Model. The RDF watershed includes the Upper and Lower RDF watersheds in their entirety.

We propose 4 tasks below, with specific activities in each, followed by a proposed schedule.

Task 1 – Data Preparation/Review/Synthesis

Task 2 – Model Development and Calibration

Task 3 – Post-Fire Runoff Scenario Simulations

Task 4 – Infrastructure Resize and Re-ranking

See Figure 1, below, for a general flow chart. There are iterative feedbacks between Task 3 and Tasks 1 & 2.

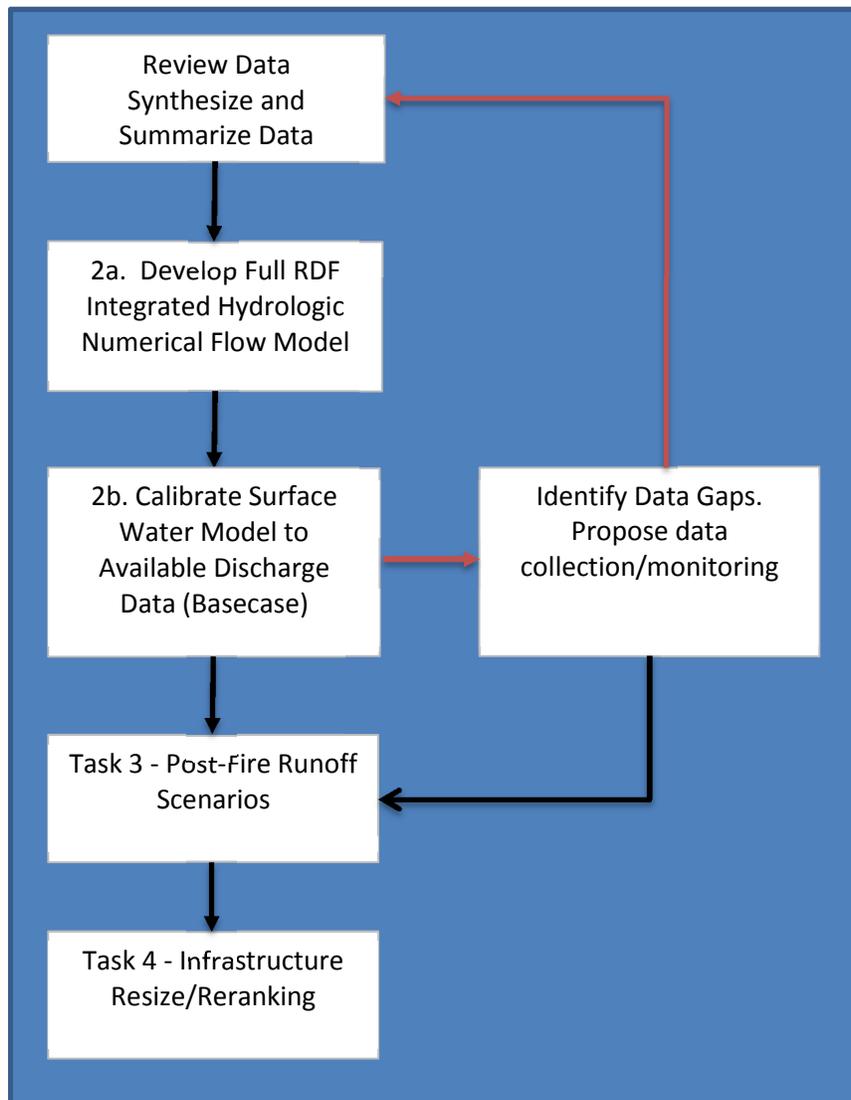


Figure 1. Proposed Project/Modeling Approach

Task 1. Data Preparation/Review/Synthesis

Original Text in RSOQ: *1. Consultant shall coordinate data collection efforts for an integrated hydrologic and hydraulic model for the entire Rio De Flag watershed, terminating at its confluence with Wildcat Canyon. Consultant shall review existing data resources and direct City staff for additional data collection required for adequate model performance. Data resources reviewed and collected may include HEC-2, HEC-RAS, HEC-1, HEC-HMS, selected drainage reports for FEMA regulated floodplains, rainfall and rain gauge data, stream gauge and stream flow data, snow, soils, vegetation, sediment, land use, topography, aerial photos, LIDAR topography, and USGS 7.5 minute quadrangle topography. Sources of data may include the City of Flagstaff, Coconino County, Northern Arizona University, Natural Resources Conservation Service, Arizona Department of Water Resources, United State Geological Survey, National Weather Service, and the National Oceanic and Atmospheric Administration. A summary table shall be prepared that lists and describes the data collected. The table shall include characteristics of the data including, but not limited to, its source, uncertainty, format, and assumptions.*

Proposed Revised Scope for Task 1

Task 1 will require close coordination with City of Flagstaff (COF) staff and informal more-limited coordination with other stakeholders such as Coconino County, Forest Service, USGS, NAU, NRCS, ADWR, and NOAA/NWS. As the integrated hydrologic/hydraulic MIKE SHE/MIKE 11 model (“RDF model”) requires substantial input data, we propose summarizing all data provided by the City in our standard Excel ‘Data Matrix’ template typically used in developing each fully integrated model.

This template facilitates:

- Managing input data (raw and interpreted) in an organized format.
- Data transfers and reporting.
- Identification/tracking of data gaps, evaluation of data quality, and data collection/monitoring to support the modeling effort and reduce uncertainties.

All data in the proposed model can be carefully managed using this template, but it also serves to organize all data for future modeling work to better manage substantial amounts of data, especially as new data replaces old data. All data is arranged into model-relevant categories (see the flow model figure on next page). Data types, subtypes, locations, format, source, interpretations, uncertainty and various notes on quality, quantity, and frequency are included. We will provide the City with the data matrix template at the project start to facilitate data transfer. An added benefit of this approach is promoting the archiving of models of different epoch / age / generation.

Based on current discussions between CD&E and the CoF, we assume/understand the following:

- 1) CoF has spent considerable time to prepare GIS and other digital datasets that may be used for model development.
- 2) CoF will spend considerable additional time to finalize datasets from late June to August 1st, 2015, and continuing into August-October as necessary.
- 3) CoF will provide all key datasets required for input into the models in a readily useable digital format by August 1st, 2015.

Developing a fully integrated, distributed model of the RDF requires careful synthesis, organization of available data. We typically arrange both GIS and tabular data (Excel / Access) in a structured format similar to Figure 2. This greatly facilitates data evaluations, model input, processing, and transfer of the data between parties. GIS information is stored in either geodatabases, or simply shapefiles. With a few modifications, data can typically be input directly into the model.

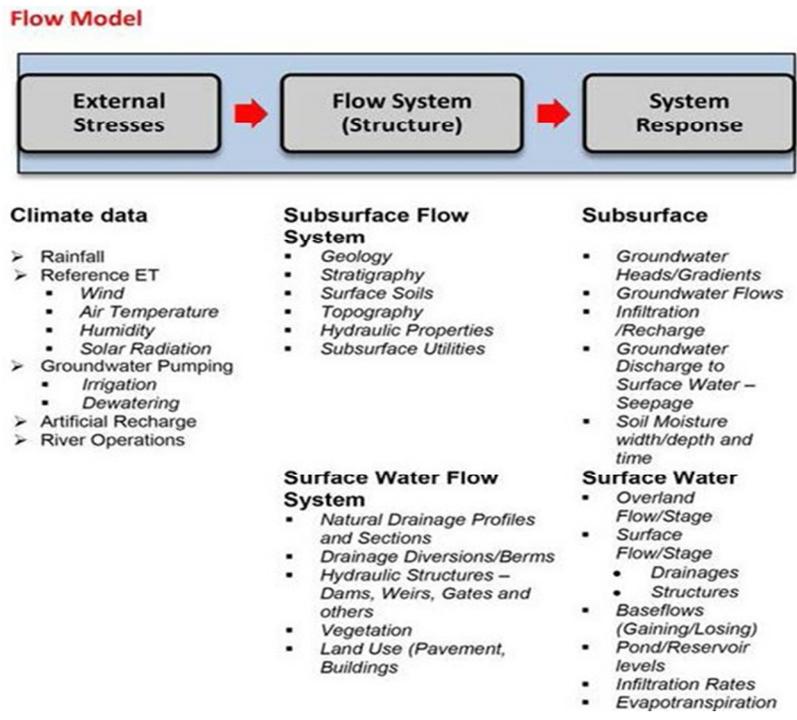


Figure 2. Proposed data organization & types.

Task 1 Proposed Activities/Deliverables:

CD&E will complete the following activities and provide the following deliverables to the CoF upon completion of Task 1.

Activity 1 – Data Template

- a) provide an initially incomplete Excel Data Template to the CoF,
- b) review all required model inputs for Task 2, Task 3 and Task 4 activities, and
- c) jointly help populate the blank fields in the template, as the City develops and provides available data sets, so that the template becomes a continuously maintained database summary throughout this and future projects.

This summary table can help identify initial data gaps and refinement to model development/calibration in Task 2.

Activity 2 – Data Review and Organization

Review, evaluate, assess and directory-organize all useable datasets (consisting of Excel / MS Access, HEC-RAS cross-section, ArcGIS files / geodatabases and other data) to identify those data sets that will be used as part of model development.

Set up a cloud-based project storage utility using Dropbox for use by CD&E and the CoF.

Task 2. Model Development and Calibration

Original Text in RSOQ:

Consultant shall provide to the City of Flagstaff an integrated hydrologic and hydraulic computer model. The model ideally should have the following capabilities and seamlessly integrate the following components of the hydrologic cycle:

- Physically based 2D finite difference hydrologic model capable of modeling temporal and spatial movements of measured or hypothetical storm events with connectivity to NWS NEXRAD data, rain on snow and snowmelt scenarios, and rainfall losses including infiltration,
- Storm sewer collection systems
- Hydraulic modeling of flood conveyances (including hydraulic structures) acceptable for floodplain determinations for FEMA
- Physically based 3D finite difference groundwater model that includes pumping and irrigation effects, water quality and contaminant transport capabilities.

The City of Flagstaff intends to collaborate with other agencies such as the USFS, USGS, NAU and Coconino County to access the code and City GIS resources via remote web applications. The City of Flagstaff anticipates hosting the computer model on its own servers, but may entertain the possibility of cloud hosted software and computing if security issues and logistics can be appropriately addressed. After the base model has been created, this will allow these agencies to run model scenarios and perform various research efforts that can serve to continually improve the model over time. Consultant shall have the capabilities of modifying the computer code to customize the model outputs and input interface for different needs from different departments of the City, and for customizing remote, web-based interface for collaborating agencies to access model input, output, and hypothetical scenarios. Consultant shall input data collected during Part 1 of Task 1 into the model. Consultant shall calibrate

the model to available observation data and verify the model with other qualitative methods which may include USGS regional watershed response equations, collected data of fluvial geomorphology data, and other separate and independent computer models prepared by others. Consultant shall conduct model simulations to help focus future data collection to validate model parameters that reduce uncertainty in the model. Consultant shall provide training to City staff for operating, maintaining and calibrating the computer model. Consultant shall advise City staff on using the computer model to simulate highly heterogeneous flood event scenarios including rain on snow, burned watershed and specific thunderstorm super-cell storm event scenarios.

Deliverable: Integrated Hydrologic and Hydraulic Computer Model for the Rio de Flag watershed with capabilities of allowing remote web-based access and interface.

Proposed Revised Scope for Task 2

Proposed Code

We propose using DHI's powerful, fully-integrated, physically- based, distributed-parameter hydrologic/hydraulic code MIKE SHE / MIKE11 that simulates all relevant COF requested processes (see Figure 3 below).

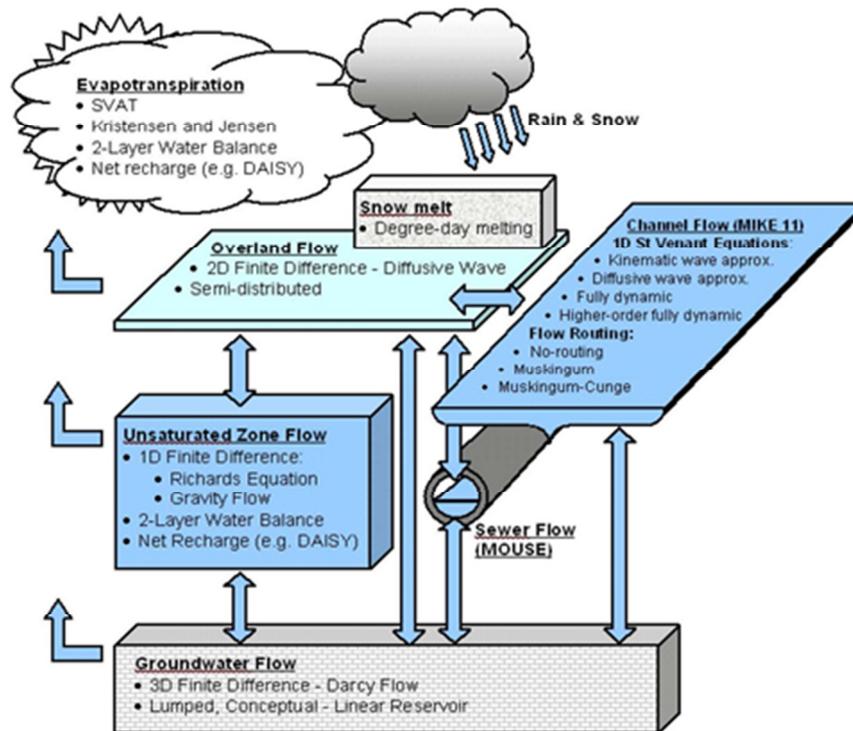


Figure 3. MIKE SHE/MIKE 11 Code Process Options and Links

KEY PROCESSES SIMULATED:

1. 1D fully-hydrodynamic channelized streamflow (or pipe), with a wide array of hydraulic structures and easily-scripted complex operations using FEMA approved MIKE 11 code
2. 2D Diffusive-Wave (St. Venant Equations) overland flow (DEM- based).
3. Fully 3-D Groundwater Flow capabilities similar to Modflow
4. 1D Unsaturated Zone Flow
5. Snowmelt (Modified Degree-Day) with spatially/temporally variable inputs, sublimation, dry or wet snow dynamics and rain-on-snow capabilities
6. Evapotranspiration, which calculates various losses, including pond evaporation, soil evaporation and plant transpiration and based on spatial/temporal distributed crops, soils and variable soil moisture.
7. Pond Evaporation Complex irrigation capabilities where different sources (river, wells, external) are specified in numerous options to fields.

Activity 1 – Model Development

We will develop an integrated regional model of the entire RDF watershed, which consists of the Upper and Lower RDF, Doney Park & Sinclair Wash watersheds – see Exhibit 1, using a coarser grid discretization (~ 100 meters to start). Simulation results from the regional model will be used to define an external time-varying surface water (overland and channelized water) inflow boundary condition to a localized, high-resolution model (see Exhibit 2). The refined grid in this local-model area will better resolve overland flow contributions into the channelized 1-dimensional MIKE11 drainage network in a critical area of the City, where key structures are currently known to be undersized, and which will form the focus area for Tasks 3 and 4. The exact configuration of this high-resolution grid will be refined during the calibration process as model performance and system dynamics become better understood. The MIKE 11 hydraulic stream network developed for the regional model will be used in the local high-resolution RDF model, as the coupling method is automated and all structures will be active in both models. However simulated output from the regional-scale model MIKE11 channels will be specified as input boundary conditions on all upstream 1-D branches crossing the local model boundary.

As part of the original RSoQ, the City anticipated financial and other participation on the part of Coconino County in the integrated hydrological and hydraulic model development. The City has since learned that the County has already paid consultants to develop, house, and run 2D flow models for the mountain and alluvial fan settings on the East flank of the San Francisco Peaks (Shultz Fire burn areas and downstream neighborhoods). Having paid heavily for and apparently being satisfied with those models, we understand that the County will not participate in the current endeavor. However, we assume that the CoF will obtain from the County current 2D flow model input & output, and related information (reports, presentations, etc.), for use on this project to help with parameterization of post-fire conditions (in Tasks 3 & 4, below). We are not insisting that the County provide us with the actual model if they are not comfortable with releasing it to the CoF for use on this project, but it will be very useful to work from the same dataset/assumptions for consistency.

Thus, it makes sense that this task focus on regional-scale (~100 m, or finer if possible) catchment model development for the Upper and Lower RDF, Doney Park and Sinclair Wash catchments, and on those sub-catchments, such as Clay & Spruce Avenues (and not on the Doney Park sub-catchments) that will need to be developed to capture flow dynamics associated with smaller-scale features in these areas, in order to fulfil the emphasis of this project on 1D flood forecasting on the upper Rio de Flag.

We understand that this project doesn't require that we develop and calibrate a fully integrated model, in which the surface flow system is coupled with the groundwater flow system. If time permits, we will, at our option, within the spatial extent of the CoF MIKE SHE/MIKE 11 model, add in the CoF's recent AMEC-modified NARGFM groundwater MODFLOW-based model input into the MIKE SHE model. This would include all production/monitoring wells and multiple aquifers/aquitards, though groundwater recharge would be determined based on actual infiltration and evapotranspiration dynamics calculated by long-term climate inputs. This would demonstrate to the COF the model's ability to address fully-coupled problems, for example where groundwater flow and water quality problems relate to surface waters. CD&E can demonstrate how the setup is done, and provide results from preliminary modeling (not calibration) using the fully coupled model (with groundwater). A groundwater element would be advantageous to securing the involvement of stakeholders such as NAU and the USGS.

The 2D MIKE SHE overland flow coupled to the MIKE 11 1D hydrodynamic channel flow and 1D infiltration/evapotranspiration regional-scale model would be calibrated first to reduce computational overhead. Though correctly modeling the entire storm sewer collection system is beyond the scope of this budget, assuming their flows are comparatively small relative to main RDF pre- and post-fire discharges, we could reasonably account for their flows by treating them as channels in MIKE 11 if needed/requested by COF, for example in the localized, high-resolution RDF model (Exhibit 2). Though not included in this effort, DHI's MIKE URBAN software could always be purchased and used in a later phase of work to link MIKE SHE/ MIKE 11 with the explicitly defined subsurface stormwater drainage pipe network to evaluate local-scale dynamics in detail, if of interest to the COF at a later date.

Activity 2 – Model Calibration

Key parameters within the integrated 2-D overland flow model coupled to the 1-D MIKE 11 channelized flow network and associated structures and to the 1-D unsaturated zone/evapotranspiration module will be calibrated to stream gage stage and/or discharge data made available to the CD&E team throughout the model domain. The ability to calibrate the regional-scale model will strongly depend on the locations, frequency and quality of available discharge (and/or stage) data, and complexity and influence of flow within sub-catchments.

Data Gaps - Typically during model calibration we assess model performance against available stream gage data; where performance is poor, we can identify what/where additional data can be collected to improve better model calibration.

In coordination with COF, we will complete a comparison at a limited number of locations of MIKE SHE/MIKE 11 model results and results other available surface water hydraulic models (i.e., HEC models)

where appropriate and available. This comparison will not get into adjusting MIKE SHE/MIKE 11 model parameters to bring results into conformance with earlier / other hydraulic model results.

Activity 3 - Model Training

CD&E proposes Schlinger and Prucha be available during Task 2 to work closely with the COF. Schlinger and Prucha will demonstrate how the model is developed, how high resolution sub-catchment models (telescoped) are developed and use regional model output as boundary conditions, how these models are calibrated, and how to develop and run scenarios and evaluate their output. We believe this would make COF modelers proficient and enthusiastic at further model development and use, especially during possible troubleshooting situations. This training provides ample understanding of modeling assumptions.

Task 2 Deliverables

Model input and output, recommendations on additional data collection/monitoring to improve model calibration and scenario predictions, and a presentation to the COF and interested stakeholders.

Task 3. Post-Fire Runoff Scenario Simulations

Original Text in RSOQ:

Assess potential for and provide recommendations for mitigation(s) related to wildfire and post fire flooding. Task includes mapping of hazards and consideration of the approved 4 Forest Restoration Initiative (4FRI) for forest treatment and the recently approved City Bond for forest health (FH). Hydrologic modeling to determine discharges affecting the City will be prepared based on the most probable scenarios.

Deliverables: A map showing all areas of the watershed that are proposed for forest treatment and identification of critical forest treatment that remains. Utilizing available data from the Schultz Burn and other resources, develop likely fire scenarios post forest treatment by 4FRI and FH. Based on the most likely fire scenario, calculate post fire flood discharges. Provide a pre- and post-fire inundation map of affected areas of the County and City.

Proposed Revised Scope for Task 3

Development & Evaluation of Planned 4FRI Forested Watershed Treatments.

See: <http://www.4fri.org/documents.html>

Our team will work closely with the City (and stakeholders) to:

1. Identify proposed and remaining 4FRI and FH treatments;
2. Define specific fire scenarios to evaluate in this task. CD&E proposes up to ten scenarios will be developed, run and evaluated in detail for this task.

For each fire scenario, specific changes in model inputs (i.e., soils, vegetation, topography, etc.) will need to be carefully determined in coordination with the City and stakeholders.

We propose the following steps for Task 3:

1. Simulate a combination of post-fire plus climate scenarios (late summer local convective/intense fires, spring freshet, winter storms, etc.) plus uncertain fire input parameters (i.e. soils/ vegetation from Schultz Burn) to account for input uncertainty.
2. Develop a range (up to 10) of simulated discharge responses and flood inundations at specific areas of interest, indicating which combination of conditions lead to the worst case and mid- level impacts. The City needs to know what combinations lead to the worst case scenario, and then develop mitigation plans accordingly. The worst case scenarios could point to high uncertainty related to input parameters, highlighting data gaps.
3. Work closely with the City (and stakeholders) to develop a set of possible mitigation strategies to reduce overall risks associated with strategy for scenarios.
4. Simulate the selected mitigation for a conservative (i.e., worst-case) and mid-level scenario combination (post-fire and climate) to demonstrate overall utility of the model used in conjunction with mitigation plans.

Simulation of single events will be fast. A key objective for the CD&E team will be to work closely with CoF throughout this process to ensure appropriate development of model inputs and evaluation of model outputs.

Task 3 Deliverables

Model scenario details, and all model input and output files (up to 10 simulations). A map showing all areas of the watershed proposed for forest treatment and identification of critical forest treatment that remains. Provide a pre- and post-fire inundation map of affected areas of the County and City for the conservative (worst-case) scenario and a mid-level impact scenario. Provide a post-mitigation inundation map for the worst-case scenario.

Task 4. Infrastructure Resize Scenarios / Infrastructure Re-ranking

Original Text in RSOQ:

Consultant shall determine specific locations where infrastructure is significantly undersized with respect to 100-year flows and the post fire discharges. Additionally, consideration of the effects of climate change for the region, such as more intense rainfall events shall also be considered in selection of undersized infrastructure. Up to 20 locations will be identified in the City and County. Consultant shall prioritize possible infrastructure improvements utilizing the City adopted ranking criteria, and provide preliminary cost estimates for the improvements.

Deliverables: A prioritized list of locations in the City of Flagstaff stormwater infrastructure network that are significantly undersized, and provide preliminary cost estimates for their correction and priority rankings according to the adopted City ranking criteria.

Proposed Revised Scope for Task 4

We propose an iterative approach to Task 4. Using FEMA design storm events, and existing structures, we will systematically enlarge individual structures, one at a time, beginning at the upstream end of reaches of interest, and evaluate effects and prioritize remaining structural adjustments to mitigate underperformance. CD&E assumes up to 20 single-event simulations will be run for this Task. Close coordination and ongoing training will enable CoF to develop in-house capability and knowledge of how to perform these types of simulations.

We will address the following question: “Does fixing 1 major structure problem simply create an even bigger problem elsewhere, or must a specific set of structures be changed to really reduce overall risks to the CoF?” Results may indicate that significant risk reduction can only be achieved by fixing multiple structures; the challenge would be finding the right combination through iterative modeling (i.e., fixing different sets). We believe iteratively simulating specific sets will provide considerable insight into which combination of structures should be addressed along with city criteria and costs.

It is possible that, where we find additional underperforming structures, we will evaluate improvements to improve their performance.

Deliverable:

All model input, output and a summary of modeling results will be presented in tables, graphs and maps, along with priority location rankings according to City criteria and preliminary costs for replacement.

Proposed Budget

Completion of the above 4 tasks (entire project) will cost \$107,531.10 (fixed fee). This fee includes \$16,885.00 for a personal single-user license of MIKE SHE / MIKE 11 for the CoF and there will be no CD&E markup of that major capital expense. The cost breakdown by tasks is as follows:

Task 1: \$32,016.65 (inclusive of software from DHI)

Task 2: \$41,346.65

Task 3: \$18,793.15

Task 4: \$15,374.65

Total: \$107,531.10

Please see the attached quote from DHI for the MIKE SHE / MIKE 11 software license.

Proposed Schedule

Please see the following schedule, which is premised on an August 1, 2015, start date.

Exhibit 2: Extent of Local, High-Resolution Model

The scale bar is 0.5 mile long; the dots represent approximate locations where drainage infrastructure is probably undersized



Scope of Work, Fee & Schedule for Rio De Flag Watershed Integrated Hydrologic & Hydraulic Model Interface Tasks

From Civil Design & Engineering (CD&E), with DHI

July 2, 2015

In this document, CD&E provides a narrative scope and schedule for the City of Flagstaff (CoF) Rio De Flag (RDF) Watershed Integrated Hydrologic & Hydraulic *Model Interface Tasks*. These *Model Interface Tasks* are as follow:

Task 1 – Web-Based Model Interface for Public;

Task 2 – Modeling Interface for Stakeholders.

These tasks are intended to build on and supplement the CoF's base project, which is the RDF Watershed Integrated Hydrologic and Hydraulic Model, and satisfy the CoF's Stormwater Management's requirement for:

- 1) providing web-based public access to selected H&H model input and output;
- 2) providing stakeholder ability to modify, using their own GIS software and skills, digital H&H model input files, submit those modified files to the CoF for model simulations, to be completed by CoF staff, and receive the digital output files for their own use.

Model Interface Task 1. Web-Based Model Information Access for Public

The CoF seeks a “viewer” for web-based public access to representative H&H model input and output – something similar to, but not as complex, as a web-based viewer in development at the Flood Control District of Maricopa County. The latter has required over 1.5 years of effort and, presumably, a significant budget for internal and consultant resources and engagement. Further, it represents a viewer designed for both public and consultant access, with considerably greater functionality than what is contemplated here. The term ‘public’ is used to identify interested and engaged members of the public who generally do not own or use GIS or H&H software.

During development, calibration and application of the distributed hydrologic/hydraulic MIKESHE/MIKE 11 model for the RDF (base proposal Tasks 2 through 4), CD&E will develop a web page (viewer), using ESRI's *Web AppBuilder for ArcGIS*. A sample *Web AppBuilder for ArcGIS* product can be seen here:

<https://strathconacounty.maps.arcgis.com/apps/webappviewer/index.html?id=ccb2270a9797497f9fd065fe0cd7bf4c>

The viewer will consist of a web page that provides access to imagery and other standard raster and vector GIS data, together with selected model input and output from Tasks 3 & 4 of the base project that the City wishes to share with the public. It contains, zooming and panning functionality, layers, links and widgets.

We anticipate and budget for two model scenarios. This web page would be hosted by the CoF on its servers. We assume an initial meeting with CoF staff, including a webmaster. The deliverable would consist of all digital content files needed for the webmaster to post the content to the CoF website – so that a member of the public would be able to access the web page and view the data. Links from

existing CoF webpages to the new webpage, and search engine indexing for the new webpage would be provided by the CoF Webmaster. CD&E will provide a half-day orientation session to CoF staff to explain how the web page was created, and its functionality developed, so that staff will be able to properly maintain and revise it as requested and necessary.

Model Interface Task 2. Modeling Interface for Stakeholders

The CoF seeks a *modeling interface for stakeholders*, by means of which a limited group of a half-dozen or so stakeholders (Forest Service, USGS, NAU, others) may reformat, using their own software (i.e., Excel, ESRI ArcGIS software), spatial and/or time-varying model input data for customized scenarios of interest to their organization. The CoF would then run MIKE SHE / MIKE 11 simulations using the revised model input data, and provide digital output files to the stakeholder(s) for their viewing, using ArcGIS software, and use. A relatively seamless, easy to use and straightforward modeling interface for stakeholders is sought. We anticipate that some programming may be required to develop an interface that is at least partially automated – to minimize use of CoF resources.

Activity 1: CD&E and the CoF will canvas stakeholders on their likely needs and uses of the model as set up, or modified for their use. This would involve assessing the types of model simulations they might be interested in, which would dictate what data inputs they would need to change (both spatial and temporal), and what outputs they'd want to see (there are various ways to display model outputs). CD&E will research alternatives for the interface, and provide recommendations in the form of a technical memorandum. The memorandum will include our recommendation(s) concerning a preferred solution, and possibly several alternatives for CoF consideration.

Activity 2: Assuming that the CoF decides to move forward with the recommended (or another) process, CD&E will develop, test, demonstrate and implement the process's application using input and output data sets developed as part of the main (base) project. CD&E would also host a half-day training session for CoF staff and stakeholders.

Model Input: For purposes of developing the scope/budget here, CD&E assumes that stakeholders will make changes to only the MIKE SHE gridded model inputs, which could include:

- a) Varying the types of vegetation at any location and in time. This could be useful in evaluating effects of changing vegetation distributions due to fire, or testing the impact(s) of land use modifications on hydrologic and hydraulic response over time. This can be done by adjusting appropriate 'vegetation code' attributes within a single MIKE SHE grid-based polygon shapefile that relate to a vegetation database that also includes details on time-varying vegetation root depths, Leaf Area Index, and crop coefficients (K_c) and other constant parameters, e.g., percentage of Canopy Interception.
- b) Varying the types of soils (or associated soil parameters) at any location. Effects on hydrologic/hydraulic response to post-fire conditions, or to other land use modifications could be assessed. Changes in soil types can also be made similar to changes in vegetation,

which varies by model grid cell, by also adjusting specific ArcGIS shapefile attributes referencing specific soil codes, which are tied to a MIKE SHE soils database. Within the soils database, specific soil parameters can be adjusted by stakeholders to meet their needs (i.e., different Green-Ampt soil parameters, or different soil horizons/depths with different unsaturated zone hydraulic properties if using the full Richards-based unsaturated zone flow option instead of the Green-Ampt method).

c) Climate:

- a. For single, non-distributed storm events, stakeholders can provide specific time series to CoF (i.e., design storms, or other).
- b. For distributed single storm events, stakeholders could provide spatially distributed time-varying precipitation in the form of raster images at specific time steps (i.e., NexRAD), which can be easily converted by CoF into distributed inputs for the model.

CD&E assumes stakeholders will not make changes to the MIKE 11 model inputs (i.e., cross-sections, stream locations, diversions, structures, distributed resistance, etc.) as this would involve more CoF staff time to prepare custom MIKE 11 input.

Model Output: CD&E assumes stakeholders will be interested in accessing both gridded MIKE SHE model output, and time-varying stage and discharge output calculated at alternating MIKE 11 numerical grid points.

Gridded Output: For accessing model output, existing DHI MIKE SHE tools are available to convert selected gridded model output into static or time-varying ArcGIS raster images, which can then be directly imported into ArcGIS. CD&E assumes all stakeholders have full access to ArcGIS and are fully capable of using it to develop their own customized viewing of output. In addition, additional DHI tools exist to further process gridded spatial output data (i.e., calculating statistical measures of time-varying output at each model grid) and to convert these spatial plots into ArcGIS raster images for import.

CD&E assumes the following time-varying MIKE SHE model gridded output would be generated for stakeholders:

- 1) Surface Evaporation
- 2) Plant Transpiration
- 3) Moisture Content
- 4) Infiltration
- 5) Surface Overland Depth
- 6) Surface Overland Flow Velocity (x and y directions)
- 7) Contributions of Overland Flow to MIKE 11 Stream Reach.

MIKE 11 Hydraulic Output: At a minimum, CoF can provide stakeholders time-series of stage or discharge at specific hydraulic network nodes throughout the model, if stakeholders provide

specific locations in an ArcGIS shapefile. CoF would then enter these locations in the model input. Once finished, the model automatically generates output time-series of desired output that can be easily converted into a text format, easily input by stakeholders into spreadsheet software like MS Excel. If stakeholders would like to see all stage and discharge output (typically large files), DHI has tools already developed which read the binary MIKE 11 output and convert this into ASCII text files, easily input into spreadsheet or databases (i.e., MS Access) for further visualization/evaluation.

Output Viewer: Several options are available to stakeholders to view spatially distributed output, ranging from using open-source GIS, to ESRI software, to DHI's Information Management Systems, or fully customizable DHI Decision Support Systems (DSS). CD&E assumes that, at a minimum, each stakeholder will have access to their own ArcGIS/ArcINFO GIS tools and can visualize all spatial data transferred between the CoF and the stakeholder.

Proposed Budget

Completion of the Model Interface Task 1 (public web-based model I/O viewer) will cost \$22,468 (fixed fee).

Completion of Activity 1 of Model Interface Task 2 will cost \$8,278 (fixed fee). Completion of Activity 2 of Model Interface Task 2 will cost \$26,875 – assuming that stakeholders will edit and view input data and view output data using their own ArcGIS software.

Proposed Schedule

Please see the attached schedule.

Task No.	Task	Activity	Sept				Oct				Nov				Dec			
			9/7	9/14	9/21	9/28	10/5	10/12	10/19	10/26	11/2	11/9	11/16	11/23	11/30	12/7	12/14	12/21
1	Web-Based Model Interface for Public	Implementation																
2	Modeling Interface for Stakeholders	Research & Recommendations																
		Implementation																

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Adam Miele, Senior Project Manager
Co-Submitter: Brian Grube, Recreation Services Director
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Approval of Contract: Jay Lively Ice Rink Chiller Installation (***Approve Ice Chiller Installation contract with Interstate Mechanical Corporation in the amount of \$229,010.00.***)

RECOMMENDED ACTION:

- 1) Approve the Construction Contract with Interstate Mechanical Corporation in an amount not to exceed \$229,010.00.
- 2) Authorize Change Order Authority of 10% in the amount of \$ 22,901.00, to cover potential costs associated with unanticipated or additional items of work.
- 3) Authorize the City Manager to execute the necessary documents

Executive Summary:

The chiller and cooling tower are critical components used for maintaining appropriate temperatures for the ice via circulated glycol solution under the ice. In previous years, the City purchased a second chiller and cooling tower for the intent of having a redundant system. This redundant system would allow repairs or routine maintenance to each system without shutting the facility down completely. While one chiller and cooling tower is in use, the second system would receive scheduled maintenance. This contract will include the construction of all necessary plumbing, electrical, controls and testing to ensure proper running of this backup system.

Financial Impact:

This project is funded through the BBB-Recreation Fund. This project is budgeted at \$240,000.00 in account 055-06-158-3312-5-4435

Connection to Council Goal and/or Regional Plan:

Council goals

3) Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics

Regional Plan

Goal LU.7. Provide for public services and infrastructure.

Has There Been Previous Council Decision on This:

Yes. Council previously approved purchase of the replacement chiller for J. Lively Activity Center through the Maricopa County SAVE (Strategic Alliance Volume Expenditures) intergovernmental agreement with Trane Corporation Maricopa SAVE Contract #07034-S. on October 21, 2008.

Options and Alternatives:

1. Approve the Construction Contract for the Jay Lively Ice Rink Chiller Installation with Interstate Mechanical Corporation as presented.
2. Reject the award of this contract and request staff to re-bid the project.
3. Reject the contract and maintain the current system as is with no backup or redundancy.

Background/History:

The City purchased the chiller in 2008 with the intention of providing a system that had a backup or redundant system. The chiller and the cooling tower have been stored at the facility following the purchase. With the lack of funding and the structural failure of the building, the chiller and cooling tower was never installed.

Currently, the system has to be completely shut down for maintenance and thus impacting the condition of the ice. In the event that the existing chiller or cooling tower has a mechanical failure, there is no backup and would render the facility unusable.

Staff issued a solicitation for construction bids, and was advertised on May 7 and 24, 2015. Five bids were received by the opening date of June 18, 2015 and Interstate Mechanical Corporation was determined to be the lowest responsive responsible bidder. Bid award is determined by the total bid amount of \$229,010.00. A tabulation of the base bids is summarized below in the Expanded Financial Considerations. Interstate Mechanical Corporation has both Phoenix and Flagstaff offices.

Key Considerations:

This improvement will provide a backup unit that will be reliable for years to come and reduce energy use because of improved efficiency ratings.

Expanded Financial Considerations:

Contractor	Bid Total
Interstate Mechanical Corporation	\$229,010.00
Boyer Metal Co.	\$248,200.00
Summa Mechanical Contractors, Inc.	\$258,357.00
Kinetics	\$268,880.00
Woodruff Construction	\$295,292.00

Community Benefits and Considerations:

The Jay Lively ice rink is a heavily used facility for the residence of Flagstaff. The rink schedules year-around events with various organizations (NAU hockey club, adult and youth hockey clubs and figure skating) and providing educational and self-development services for the public. This project will ensure that scheduled events will not be cancelled due to failure of the existing chiller and cooling tower.

Community Involvement:

Inform – Public Works and Recreation sections will prepare a news releases that will be distributed to the local media outlets describing work to be completed and anticipated finish date. Additionally, Recreation will notify the various clubs of progress and dates of partial closures.

Expanded Options and Alternatives:

Attachments: [Ice Rink Chiller Bid Tab.](#)
 [Ice Rink Chiller Construction Contract](#)

CITY OF FLAGSTAFF BID TABULATION

DATE: 06/18/15 BID/PROJECT NO: 2015-48 BID/PROJECT NAME: Jay Lively Ice Rink Chiller Installation
 CONDUCTED BY: Patrick Brown ANTICIPATED COUNCIL AWARD DATE: _____
 WITNESS: Liane Garcia ENGINEERS ESTIMATE: \$ _____

VENDOR	BO ND	ADDENDUM		BID ACKNOWLEDGEMENT	BID TOTAL	3	4	5	DEL
		1	2						
Kinetics	✓	✓	✓	✓	268320.00	④			
Boyer Metal Co.	✓	✓	✓	✓	248200.00	②			
Summa Mechanical Contractors, Inc	✓	✓	✓	✓	258357.00	③			
Interstate Mechanical Corporation (IMCOR)	✓	✓	✓	✓	229010.00	①			
Woodruff Construction <i>PLUMBING SERVICES</i>	✓	✓	✓	✓	295292.00	⑤			



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 HVAC · General Sheet Metal · Plumbing
 Process Piping · General Commercial Contracting

CONSTRUCTION CONTRACT

City of Flagstaff, Arizona and Interstate Mechanical Corporation

This Construction Contract ("Contract") is made and entered into this ____ day of _____ 2015, by and between the City of Flagstaff, an Arizona municipal corporation with offices at 211 West Aspen Avenue, Flagstaff, Arizona ("Owner") and Interstate Mechanical Corporation, an Arizona corporation ("Contractor") with offices at 1841 East Washington Street, Phoenix, 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 the **Jay Lively Ice Rink Chiller Installation 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.

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; Technical Specifications and Mechanical Provisions. 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 Technical Provisions

Exhibit A

2.2 Insurance Requirements

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 **\$229,010.00** 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 percent (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 **one hundred ten (110) 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 14 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.

11. Maintenance During Winter Suspension of Work. A “Winter Shutdown” is the period of time typically including December through March during which no Work will be performed by any person or entity (including but not limited to the Contractor) on the Project and Contractor shall shutdown, properly insulate and shelter the Project in a safe and workmanlike manner pursuant to local, state and federal laws. Although December through March is typically the time frame, the City reserves the right to initiate and terminate a Winter Shutdown at the City’s sole discretion in the event of adverse weather conditions. A Winter Shutdown may be declared by the City despite delays, *for any reason*, on the Project. City retains the right to declare a Winter Shutdown. If work has been suspended due to winter weather, the Contractor shall be responsible for maintenance and protection of the improvements and of partially completed portions of the work until final acceptance of the project. Winter Shutdown shall be by field order, change order or original contract. If repairs and/or maintenance are needed during the Winter Shutdown, the Contractor is required to perform the repairs and/or maintenance within twenty-four (24) hours of notification from the City. If the needed repairs and/or maintenance are not addressed within the timeframe, the City will accomplish the work and deduct the cost from monies due or become due to the Contractor.

12. Assignment. Contractor shall not assign this Contract, in whole or in part, without the prior written consent of the Owner. No right or interest in this Agreement shall be assigned, in whole or in part, by Contractor without prior written permission of the City and no delegation of any duty of Contractor shall be made without prior written permission of the City. The City shall not unreasonably withhold consent to such assignment. Contractor agrees that any assignment agreement between Contractor and the Assignee shall include and subject to the assignee to all obligations, terms and conditions of this Agreement and that Contractor shall also remain liable under all obligations, terms and conditions of this Agreement.

13. 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. However, notices of termination, notices of default and any notice regarding warranties shall be sent via registered or certified mail, return receipt requested at the address set forth below *and* to legal counsel for the party to whom the notice is being given.

If to Owner:

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

If to Contractor:

Bill Mason
President
1841 East Washington St.
Phoenix, AZ 85034

14. 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.

15. Termination for Convenience. The Owner may terminate this contract at any time for any reason by giving at least **thirty (30) days** written notice to the Contractor. If termination occurs under this Section 15, the Contractor shall be paid fair market value for work completed by Contractor as of the date of termination.

16. Contractor's Liability and Indemnification. To the fullest extent permitted by law, Contractor shall indemnify, save and hold harmless the City of Flagstaff and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against liabilities, damages, losses and costs, including reasonable attorney fees, but only to the extent caused by the negligence, recklessness or intentional wrongful conduct of the Contractor, subcontractor or design professional or other persons employed or used by the Contractor, subcontractor or design professional in the performance of the Contract. The amount and type of insurance coverage requirements set forth in the Contract (Exhibit B) will in no way be construed as limiting the scope of the indemnity in this paragraph.

17. 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.

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

19. 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.

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

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

22. 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.

23. 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.

24. Contractor's Warranty. 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, Verification of Employment Eligibility. Contractor shall not employ aliens in accordance with A.R.S. § 34-301, Employment of Aliens on Public Works Prohibited. Contractor acknowledges that pursuant to A.R.S. § 41-4401, Government Procurement; E-Verify Requirement; Definitions, 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 Owner retains the legal right to inspect the papers of any employee who works on the Contract to ensure compliance with this warranty.

25. Jurisdiction and Venue. This Contract 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.

26. 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.

27. 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.

28. No Third Party Beneficiaries. The parties acknowledge and agree that the terms, provisions, conditions, and obligations of this Contract are for the sole benefit of, and may be enforceable solely by, the Parties to this Contract, and none of the terms, provisions, conditions, and obligations of this Contract are for the benefit of, or may be enforced by, any person or entity not a party to this Contract.

29. 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.

30. 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.

31. Records and Reporting Requirements. The Owner and its employees, agents, and authorized representatives shall have the right at all reasonable times and during all business hours to inspect and examine Contractor's records related to this Contract. Contractor shall comply with the City's records retention policy with regard to all documents and records related to the Contract.

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

Interstate Mechanical Corporation

Jeff Meilbeck, Interim City Manager

Signature

Attest:

Printed Name

City Clerk

Title

Approved as to form:

City Attorney

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Mike Gouhin, FHA Director
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Approval of Contract: Brannen Homes Roof Replacement (*Approve contract with Centennial Contractors Enterprises, Inc. in the amount of \$209,860.90.*)

RECOMMENDED ACTION:

Approve the use of the Mohave Educational Services Cooperative, and contract with Centennial Contractors Enterprises for the Cooperative Job Order Contract #14G-CENT-0903 in the amount of \$209,860.90 to replace roofs on 19 buildings at Brannen Homes.

Executive Summary:

The Dept. of Housing and Urban Development provides Capital Fund Program funding annually for the rehabilitation of existing public housing to keep residential units in decent, safe and habitable condition. One of the major work items budgeted is the replacement of public housing roofs. Brannen Homes consists of three developments, AZ6-2, AZ6-3 and AZ6-4 with AZ6-3 being the last development to have the roofs replaced. The roofs in development AZ6-2 were replaced in 2013 by Centennial Contractors Enterprises, Inc. utilizing the Mohave Educational Services Cooperative Job Order Contract. Prior to obtaining the proposal all of the roofs were tested for asbestos in accordance with City policy and the test results were negative.

Financial Impact:

There is no financial impact as the re-roofing is being funded by HUD as part of Capital Fund Program AZ20P00650113 and Capital Fund Program AZ20P00650114. The appropriation is budgeted in the Housing Authority Fund with a revenue offset.

Connection to Council Goal and/or Regional Plan:

3) Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics

REGIONAL PLAN:

Goal NH.3. Make available a variety of housing types at different price points, to provide housing opportunity for all economic sectors.

Goal NH.4. All housing is safe and sanitary.

Has There Been Previous Council Decision on This:

Yes. The Capital Fund Program Budgets including the re-roofing were included in the FY2013 City of Flagstaff Housing Authority Annual Plan approved by the City Council on April 2, 2013 and the FY2014 City of Flagstaff Housing Authority Annual Plan approved by the City Council on April 1, 2014.

Options and Alternatives:

- 1) Approve the award of the roofing contract and authorize the Interim City Manager to execute the necessary documents.
- 2) Reject the proposal and reprogram the funds for other identified capital fund work items.

Background/History:

Due to a backlog of HUD funding for capital improvements of housing authority properties the Quality Housing and Work Responsibility Act of 1998 required housing authorities to prepare a long range capital improvement plan. A formula based plan was included in the QHWRA to provide annual funding through the Capital Fund Program to alleviate some of the backlog. Due to the age of the City of Flagstaff Housing Authority properties one of the capital improvement work items was to replace the roofs in all of its developments. The contract being presented is the final phase of the roof replacements.

Key Considerations:

The contractor will strip and dispose of all existing shingles, underlayment, drip edge, ridge vents, roof penetration jacks, and possibly flashings. Upon approval of the Housing Authority Project Manager new shingles, underlayment, drip edge, ridge vents and flashing will be installed. New roofing shingles will be furnished and installed per manufacturer's specifications. Architectural shingles made by Malarkey, Tamko or equal with a minimum weight of 235 pounds are required. Color will match existing shade for each building as close as possible.

Expanded Financial Considerations:

Without approval to authorize a contract with Centennial Contractors Enterprises, Inc. the roofs are in danger of further deterioration making them susceptible to leaking and structural damage. There are no General Fund monies involved in the roof replacement.

Community Benefits and Considerations:

The community benefit of this project is to protect the public housing units and provide a safe, sanitary and comfortable living environment for the residents.

Community Involvement:

Inform
Involve

The Public Housing Residents are kept informed of unit improvements through the Siler Resident Management Corporation (SRMC); monthly housing authority newsletters; and resident meetings. The QHWRA requires resident participation through a Resident Advisory Board (RAB). Since the SRMC represents all of the Public Housing Residents, they are considered to be the RAB. Public Hearings were held in 2013 and 2014 to obtain resident input on the PHA Annual Plans and the Capital Fund Program items which included the Brannen Homes roof replacement. Written comments were received from the SRMC supporting the Capital Fund Program.

Expanded Options and Alternatives:

1. Approve the award as recommended. This would allow work to begin immediately so that the work would be completed by the end of summer.

2. Reject approval of the award. This would jeopardize the Capital Fund Program and would cause further deterioration of the roofs.

Attachments: Centennial Proposal



PROPOSAL
CCE Mohave Contract #: 14G-CENT-0903

Date: June 19, 2015

CCE# 73200-0024

Title: Flagstaff Housing Authority-Brannen Homes Roof Replacement

Location: Flagstaff, AZ

Burdened Means Cost:	\$ 196,979.50
Non-Prepriced:	\$ -
Design Services:	\$ -
Bond:	\$ 1,556.14
Sales Tax @ 0.05704	\$ 11,325.27
Total Proposal Cost:	\$ 209,860.90

Centennial Contractors Enterprises
3877 North 7th Street
Suite 190
Phoenix, AZ 85014

Phone 602 230-9987
Fax 602 230-2521
www.cce-inc.com

Total Performance Time required: 90 Calendar Days after notice to proceed.

- Progress Payments shall apply to this proposal for work in place and stored materials.

CENTENNIAL CONTRACTORS ENTERPRISES, Inc.



Bill Jenkins
Project Manager

Proposal price is valid for 60 days from date of issuance.

CENTENNIAL CONTRACTORS ENTERPRISES, INC.
MOHAVE CONTRACT NO.: 14G-CENT-0903
**DELIVERY ORDER PROPOSAL
AND
WORK PLAN**



Project: Brannen Homes Roof Replacement

Date: 6/19/15

CCE #: 73200-0013

Location: Flagstaff, AZ

Estimated Construction Duration: 90 Calendar Days
(Excluding. Weather)

Owner Rep: Jesse Dominguez

Description of Delivery Order: New Roofing

I. Scope of Work:

Project Administration:

1. Perform site investigations & programming meetings to develop project requirements.
2. Administrate all bidding, preconstruction, construction, & project completion activities.
3. Coordinate all construction scheduling to complete project within contract duration.
4. Communicate and coordinate all Davis-Bacon Wage determination documents with Owner and all Subcontractors.
5. All work will be performed during regular business hours.
6. All work performed will be done by subcontractors and workman that will adhere to all Davis-Bacon Act requirements. This project is federally funded.
7. The Federal Wage determination to be used is AZ150012, attached to this proposal.
8. This project will adhere to all federally funded Section #3 hiring practices.
9. A 48 hour notice will be given to a resident of each unit within the building prior to any work being performed on that structure.
10. Should any personal property of the resident or otherwise be found to be within harms way as a result of the construction activities work will be suspended until the property is moved. Construction crews will not remove or relocate any personal property unless it is granted permission by the Owner in writing.

Roofing:

1. Remove existing roof system from 19 Brannen Homes residential buildings including all shingles, drip edge, and roof jacks. Replace roof system with new composition shingles, drip edge, and roof jacks at all roof penetrations. ONLY the following units are to receive new roofing:
 - a. Unit 51 1110 Lone Tree Drive
 - b. Unit 52 1112 Lone Tree Drive
 - c. Unit 53 1114 Lone Tree Drive
 - d. Unit 54 1116 Lone Tree Drive
 - e. Unit 55 1128 Lone Tree Drive
 - f. Unit 56 1120 Lone Tree Drive
 - g. Unit 57 606 E Woodland Drive
 - h. Unit 58 608 E Woodland Drive
 - i. Unit 59 614 E Woodland Drive
 - j. Unit 60 616 E Woodland Drive
 - k. Unit 61 618 E Woodland Drive
 - l. Unit 62 620 E Woodland Drive
 - m. Unit 63 707 E Ponderosa Place
 - n. Unit 64 705 E Ponderosa Place
 - o. Unit 65 703 E Ponderosa Place
 - p. Unit 66 701 E Ponderosa Place

q. Unit 67	617 E Ponderosa Place
r. Unit 68	615 E Ponderosa Place
s. Unit 69	606 E Ponderosa Place
t. Unit 70	608 E Ponderosa Place
u. Unit 71	610 E Ponderosa Place
v. Unit 72	612 E Ponderosa Place
w. Unit 73	614 E Ponderosa Place
x. Unit 74	616 E Ponderosa Place
y. Unit 75	702 E Ponderosa Place
z. Unit 76	704 E Ponderosa Place
aa. Unit 77	706 E Ponderosa Place
bb. Unit 78	708 E Ponderosa Place
cc. Unit 79	710 E Ponderosa Place
dd. Unit 80	712 E Ponderosa Place
ee. Unit 81	1121 S Paseo Del Flag
ff. Unit 82	1119 S Paseo Del Flag
gg. Unit 83	1117 S Paseo Del Flag
hh. Unit 84	1115 S Paseo Del Flag
ii. Unit 85	1113 S Paseo Del Flag
jj. Unit 86	1111 S Paseo Del Flag
kk. Unit 87	1109 S Paseo Del Flag
ll. Unit 88	1107 S Paseo Del Flag

Assumptions & Clarifications:

1. This proposal is not valid after 60 days from the date listed above.
2. Construction crews will have full access to Site during normal working hours.
3. Access to site will be maintained at all times.
4. There are no hazardous substances at the work site.
5. Construction duration does not include design review, permitting or submittal approval.
6. All building materials will be submitted for approval prior to material procurement.
7. All work not clearly defined on the drawings or in this work plan will be considered a change in scope and priced separately.
8. Sufficient water and power will be available at all times.
9. Roof subsurface replacement of any framing or roof wood sheeting is not included in this proposal. If this work is required it will be added as a change order.

Exclusions:

1. Relocation of existing utilities not specifically listed above including, but not limited to, electrical, plumbing, HVAC, sprinkler, etc.
2. Utility charges and back-charges
3. Electrical power suitable for operation of small tools at 120 volts. Unless indicated otherwise.
4. Temp Lighting (unless indicated otherwise).
5. Unforeseen conditions.
6. Hazardous materials, removal or testing.
7. Roof subsurface work or allowance is not included in this proposal. This work will be added as a change order if required.

II. TECHNICAL PLAN

1. **Special or long lead-time equipment and materials:** None
2. **Interface with existing structure:** None
3. **Possible disruption to building personal and plans to minimize:** All construction activities will be approved by building managers before construction begins.
4. **Outages:** None expected during construction.
5. **Special training/Orientation Requirements:** None
6. **Work to be performed during non-normal hours:** None
7. **Outage Coordination:** All outages will be coordinated with building managers to minimize inconveniences.
8. **Safety Issues:** No one will be permitted in areas under construction.
9. **Special Issues:** None
10. **Special Security Requirements:** None
11. **Significant Milestones:** Notice to Proceed
12. **Hazardous Materials:** None expected, planned for nor priced in this proposal.
13. **Quality Assurance Considerations:** Industry Standard for this type of work All materials, equipment, & workmanship will be approved by submittal process. Manufacture warranties, construction bonds, & CCE project turn over procedures will be provided before owner occupancy.

III. STAFFING PLAN:

Project Manager: Bill Jenkins
Superintendent: Joe Davis
Safety & Quality Control: Javier Cano

IV. CONSTRUCTIBILITY & VALUE ENGINEERING SUGGESTIONS:

None at this time

Centennial Contractors Enterprises, Inc.

Submitted By: Bill Jenkins
Project Manager

BRANEN HOMES ROOF REPLACEMENT

SCOPE OF WORK

Remove existing roof system from 19 Brannen Homes residential buildings including all shingles, drip edge, and roof jacks. Replace roof systems with new composition shingles, drip edge, and roof jacks at all roof penetrations.

Vendor is responsible for all field measurement. Arrangements for measurements are to be made in advance

General Specifications:

1. Coordinate all construction scheduling to complete the project within contract duration.
2. All work will be performed during regular business hours.
3. All disruptive construction will be performed off-hours or scheduled in advance.
4. A 48 hour notice will be given to the occupants of the buildings prior to any work being performed.
5. Should any personal property of the occupants or otherwise be found to be within harms way as a result of the construction activities, work will be suspended until such property is moved or properly protected by the Housing Authority. Construction crews will not remove or relocate any personal property unless it is granted permission by the Housing Authority in writing.
6. The contractor and sub-contractors to perform work on site will be required to adhere to all OSHA regulations at all times. Each company on site will supply the Housing Authority with a company Safety Plan complete with all applicable supplemental plans. This project will require a Fall Protection Plan and a Lift Plan if materials are to be lifted by equipment to the roof. All plans will be reviewed and approved by the Housing Authority prior to any work being performed.
7. This project will adhere to all federally funded Section 3 hiring practices.
8. All work performed by the contractor and any sub-contractors will adhere to all Davis-Bacon Act requirements. This is a federally funded project.
9. The Federal Wage determination to be used is attached.
10. As a federally funded project the contractor and all sub-contractors will be required to submit original copies of Payroll Reports WH347 to the City of Flagstaff Housing Authority Project Manager. Forms and instructions can be found at <http://www.dol.gov/whd/forms/wh347.pdf>.
11. All workmen performing work on site will submit to an interview process conducted by the Housing Authority Project Manager to determine compliance to all Davis-Bacon Employment and Wage requirements.
12. Contractor is required to obtain all City of Flagstaff permits and meet all City codes.
13. Work shall be completed within 90 (ninety) calendar days.

Technical Specifications:

1. All existing roofing will be stripped from the structures. This will include all shingles, underlayment, drip edge, ridge vent, roof penetration jacks, and possibly flashings. All existing flashing will be inspected at the time of roof removal for possible reuse. If flashings are damaged and cannot be reused they will be replaced as part of this Scope of Work.
2. Subsurface will be investigated and any areas requiring work will be brought to the attention of the Housing Authority Project Manager for review and possible correction.
3. When the roof subsurface has been approved by the Housing Authority Project Manager for installation of a new roof, new underlayment, drip edge, and roofing will be installed.
4. New roofing felt underlayment will be furnished and installed per manufacturer's recommendations.
5. New roofing shingles will be furnished and installed per manufacturer's recommendations. Architectural shingles made by Malarky, Tamko or equal with a minimum weight of 235 pounds are required. Color should match existing shade for each building as close as possible.

6. New drip edge will be furnished and installed where drip edge currently exists. New drip edge will be furnished and installed to all roofing edges even if it does not currently exist.
7. All existing roof jacks at existing roof penetrations will be replaced with new roof jacks unless reuse of existing is approved by the Housing Authority Project Manager in advance.
8. All work will be approved and accepted by the Housing Authority before considered final.
9. Each work site will be cleaned on a daily basis and no tools or materials will be left unattended at the site during the construction process unless it is stored in a secured and approved area. Extra care should be taken to assure that the area is cleaned of roofing nails that can cause tire damage.
10. Any and all materials to be stored on site will be kept in a safe and orderly fashion. Such areas will require proper warning and signage to designate the areas as Construction Zones.
11. Each bidder will submit a description and material cut sheet of the materials he is proposing to use with his bid. Materials proposed, schedule and pricing will all be a consideration in the choice of roofing contractor.

General Decision Number: AZ150012 01/02/2015 AZ12

Superseded General Decision Number: AZ20140012

State: Arizona

Construction Type: Residential

Counties: Coconino and Yavapai Counties in Arizona.

EXCLUDING NAVAJO INDIAN RESERVATION

RESIDENTIAL CONSTRUCTION PROJECTS (consisting of single family homes and apartments up to and including 4 stories).

Note: Executive Order (EO) 13658 establishes an hourly minimum wage of \$10.10 for 2015 that applies to all contracts subject to the Davis-Bacon Act for which the solicitation is issued on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.10 (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract. The EO minimum wage rate will be adjusted annually. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

RESIDENTIAL WAGE RATES

Modification Number Publication Date
 0 01/02/2015

BRAZ0003-007 07/01/2013

	Rates	Fringes
BRICKLAYER.....	\$ 16.44	6.31

 ELEC0518-002 01/01/2014

	Rates	Fringes
ELECTRICIAN.....	\$ 17.50	5.26+3%

 * ENGI0428-005 06/01/2014

	Rates	Fringes
POWER EQUIPMENT OPERATOR (Grader/Blade).....	\$ 26.44	9.30

 IRON0075-008 01/01/2014

	Rates	Fringes
IRONWORKER, STRUCTURAL.....	\$ 26.52	21.02

 PLAS0394-006 07/01/2013

	Rates	Fringes
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CEMENT MASON/CONCRETE FINISHER...\$ 22.84 8.57

 SUAZ2011-005 07/28/2011

	Rates	Fringes
CARPENTER, Excludes Drywall Hanging.....	\$ 18.16	0.00
FORM WORKER.....	\$ 14.37	0.00
HVAC MECHANIC (Installation of HVAC Duct).....	\$ 14.13	0.00
LABORER: Common or General.....	\$ 10.20	0.00
LABORER: Mason Tender - Brick...	\$ 12.77	0.00
LABORER: Mason Tender - Cement/Concrete/Stone.....	\$ 11.00	0.00
LABORER: Pipelayer.....	\$ 13.00	0.00
OPERATOR: Backhoe.....	\$ 18.29	0.00
OPERATOR: Excavator.....	\$ 24.67	0.00
OPERATOR: Forklift.....	\$ 16.00	0.00
OPERATOR: Loader (Front End)....	\$ 15.00	0.00
OPERATOR: Paver (Asphalt, Aggregate, and Concrete).....	\$ 20.75	0.00
OPERATOR: Roller.....	\$ 16.24	1.42
OPERATOR: Scraper.....	\$ 19.20	1.52
OPERATOR: Tractor.....	\$ 20.98	0.00
PAINTER: Brush, Roller and Spray.....	\$ 13.31	0.00
PLUMBER.....	\$ 20.14	4.08
ROOFER.....	\$ 13.67	0.00
TRUCK DRIVER: Dump Truck.....	\$ 17.02	0.00
TRUCK DRIVER: Water Truck.....	\$ 14.50	0.00

 WELDERS - Receive rate prescribed for craft performing
 operation to which welding is incidental.
 =====

Unlisted classifications needed for work not included within

the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of "identifiers" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than "SU" or "UAVG" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

Survey Rate Identifiers

Classifications listed under the "SU" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate

that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- * an existing published wage determination
- * a survey underlying a wage determination
- * a Wage and Hour Division letter setting forth a position on a wage determination matter
- * a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material,

etc.) that the requestor considers relevant to the issue.

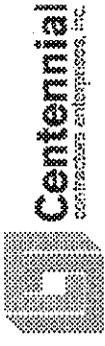
3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

=====
END OF GENERAL DECISION

□



Preliminary Estimate, by estimates
 Bill Jenkins
 Centennial Contractors Enterprises, Inc.
 73200_Flagstaff - 73200 Mohave JOC With Divisional CCI: Flagstaff - Default
 - 4/15/2015 to 4/15/2016
 Brennan Homes Roofing - 73200-0024

Estimator: Bill Jenkins **Brennan Homes Roofing**

Division Summary (MF04)	
01 - General Requirements	
02 - Existing Conditions	\$47,097.10
03 - Concrete	
04 - Masonry	
05 - Metals	
06 - Wood, Plastics, and Composites	\$160,249.74
07 - Thermal and Moisture Protection	
08 - Openings	
09 - Finishes	
10 - Specialties	
11 - Equipment	
12 - Furnishings	
13 - Special Construction	
14 - Conveying Equipment	
21 - Fire Suppression	
22 - Plumbing	
23 - Heating, Ventilating, and Air-Conditioning (HVAC)	
Totalling Components	
73200 Mohave JOC Nonstandard (-5.0000%)	\$(10,367.34)
Priced Line Items	\$207,346.84
Nonpriced Line Items	
MF04 Total (Without totalling components)	\$207,346.84

Material, Labor, and Equipment Totals (No Totalling Components)	
Material:	\$89,204.10
Labor:	\$118,142.74
Equipment:	\$0.00
Other:	\$0.00
Laborhours:	2,004.73
Green Line Items:	\$31,747.10

Priced/Non-Priced	
Total Priced Items:	8
Total Non-Priced Items:	0
	\$207,346.84
	\$207,346.84
	0.00%

Grand Total **\$196,979.50**

Preliminary Estimate, by estimates

Estimator: **Bill Jenkins** Brennan Homes Roofing

Item	Description	UM	Quantity	Unit Cost	Total	Book
02 - Existing Conditions						
1	02-41-19-19-0840 Selective demolition, rubbish handling, the following are to be added to the demolition prices. Dumpster, weekly rental, includes one dump per week, 40 C.Y. capacity, 10 tons	Week	10.0000	\$795.60	\$7,956.00	RSM15FAC M, L, O&P, CCI 860 Q2 DMT P
2	02-41-19-19-2045 Selective demolition, rubbish handling, the following are to be added to the demolition prices. Load, haul, dump and return, 0' to 100' haul, wheeled	C.Y.	200.0000	\$36.97	\$7,394.00	RSM15FAC L, O&P, CCI 860 Q2 DMT P
3	02-42-10-20-2010 Deconstruction of building components, buildings one or two stories only, excludes material handling, packaging, container costs and transportation for salvage or disposal, deconstruction of wood components, roof sheeting	S.F.	20,615.0000	\$1.54	\$31,747.10	RSM15FAC Gr, L, O&P, CCI 860 Q2 DMT P
02 - Existing Conditions Total					\$47,097.10	
07 - Thermal and Moisture Protection						
4	07-31-13-10-0300 Asphalt roof shingles, standard laminated multi-layered shingles, class A, 240 to 260 lbs per square	Sq.	589.0000	\$208.75	\$122,953.75	RSM15FAC M, L, O&P, CCI 860 Q2 DMT P
5	07-31-13-10-0800 Asphalt roof shingles, #15 felt underlayment	Sq.	383.0000	\$12.53	\$4,798.99	RSM15FAC M, L, O&P, CCI 860 Q2 DMT P
6	07-31-13-10-0850 Asphalt roof shingles, self adhering polyethylene and rubberized asphalt underlayment	Sq.	206.0000	\$91.02	\$18,750.12	RSM15FAC M, L, O&P, CCI 860 Q2 DMT P
7	07-71-43-10-0100 Drip edge, rake edge, ice belts, aluminum, .016" thick, 5" wide, white finish	L.F.	4,256.0000	\$1.86	\$7,916.16	RSM15FAC M, L, O&P, CCI 860 Q2 DMT P
8	07-72-23-20-2500 Vents, roof vent	Ea.	133.0000	\$43.84	\$5,830.72	RSM15FAC M, L, O&P, CCI 860 Q2 DMT P
07 - Thermal and Moisture Protection Total					\$160,249.74	

Estimate Grand Total

196,979.50

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Trevor Henry, Project Manager
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Approval of Contract: Confirming Change Order No. 3 for La Plaza Vieja 2010 Bond Project (*Approve Change Order #3 for contract with L.P.'s Excavating, Inc.*).

RECOMMENDED ACTION:

- 1) Approve Confirming Change Order No. 3 with LP's Excavating, Inc. in the amount of \$120,093.43
- 2) Authorize the Interim City Manager to execute the necessary documents.

Executive Summary:

Approval of this Confirming Change Order No. 3 will allow the City to close out the La Plaza Vieja 2010 Bond with LP's Excavating, Inc. from Williams, AZ. The Confirming Change Order No. 3 will compensate the contractor for work that was performed due to unforeseen circumstances. Coordination efforts to resolve conflicts with natural gas facilities and unforeseen field conditions resulted in additional trench rock excavation and trench pavement surfacing for the new sewer infrastructure. The additional work resulted in additional costs that were outside of the contract amount, the cost was negotiated and the final amount is the compensation that the City will provide. The funding source for Confirming Change Order No. 3 is from the Utility program and will come from the FY 16 approved budget. The amount of Confirming Change Order No. 3 does not affect the overall delivery and funding of the 2010 Bond Improvement Program.

Financial Impact:

Confirming Change Order No. 3 will be funded by the FY 16 Annual Sewer Replacement Fund (203-08-375-3220-0-4421). The amount does not affect the overall delivery and funding of the 2010 Bond Improvement Program.

Connection to Council Goal and/or Regional Plan:

- 3) Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics

Has There Been Previous Council Decision on This:

Yes, Council approval of the award of construction contract on June 4, 2013.

Options and Alternatives:

1) Approve the Confirming Change Order No. 3 as recommended. 2) Reject this Confirming Change Order No. 3 and direct staff to continue negotiations with the contractor and/or locate an alternate funding source. This option would delay the close of the project.

Background/History:

This project was programmed near the completion of the 2010 Bond Program. The scope of the project includes new 8" sanitary sewer mains and services, new 8" water mains and services and new fire hydrants. The design of the project considered minimal work for installation of the new water and sewer infrastructure. The design was developed with input from the natural gas company on their gas infrastructure. The project did not account for a winter shut down.

Conflicts with the gas infrastructure were discovered as construction began. Unforeseen field conditions relating to the existing non-compliant sewer trenches were discovered within the project limits. These two field conditions required additional work from the contractor to complete the project as designed. The time for the additional work required the project to enter into a winter shut down. The project had to address the uncompleted sewer trenches and make it traversable throughout the winter months. Temporary asphalt was used by the contractor to pave the uncompleted sewer trenches.

The Change Order Committee reviewed and approved this Confirming Change Order No.3 at their July 2, 2015 meeting.

Key Considerations:

Discussions have taken place with the natural gas company regarding responsibility due to the conflicts with their infrastructure. The City will compensate the contractor for Confirming Change Order No. 3 in order to begin the close out process. Funding for Confirming Change Order No. 3 will be allocated from the approved FY 16 budget for Utility Department's Annual Sewer Replacement Program. There is adequate funding available to fund the entire amount of Confirming Change Order No. 3.

Expanded Financial Considerations:

Confirming Change Order No. 3 will be funded by the FY 16 Annual Sewer -Replacement Program in the amount of \$120,093.43 (203-08-375-3220-0-4421).

The amount of Confirming Change Order No. 3 will complete the La Plaza Vieja 2010 Bond Project. The amount does not affect the overall delivery and funding of the 2010 Bond Improvement Program.

Community Benefits and Considerations:

The project improved the water and sewer infrastructure within the La Plaza Vieja Neighborhood. The water and sewer system now meet the City's minimum standards for operation and maintenance.

Community Involvement:

Inform

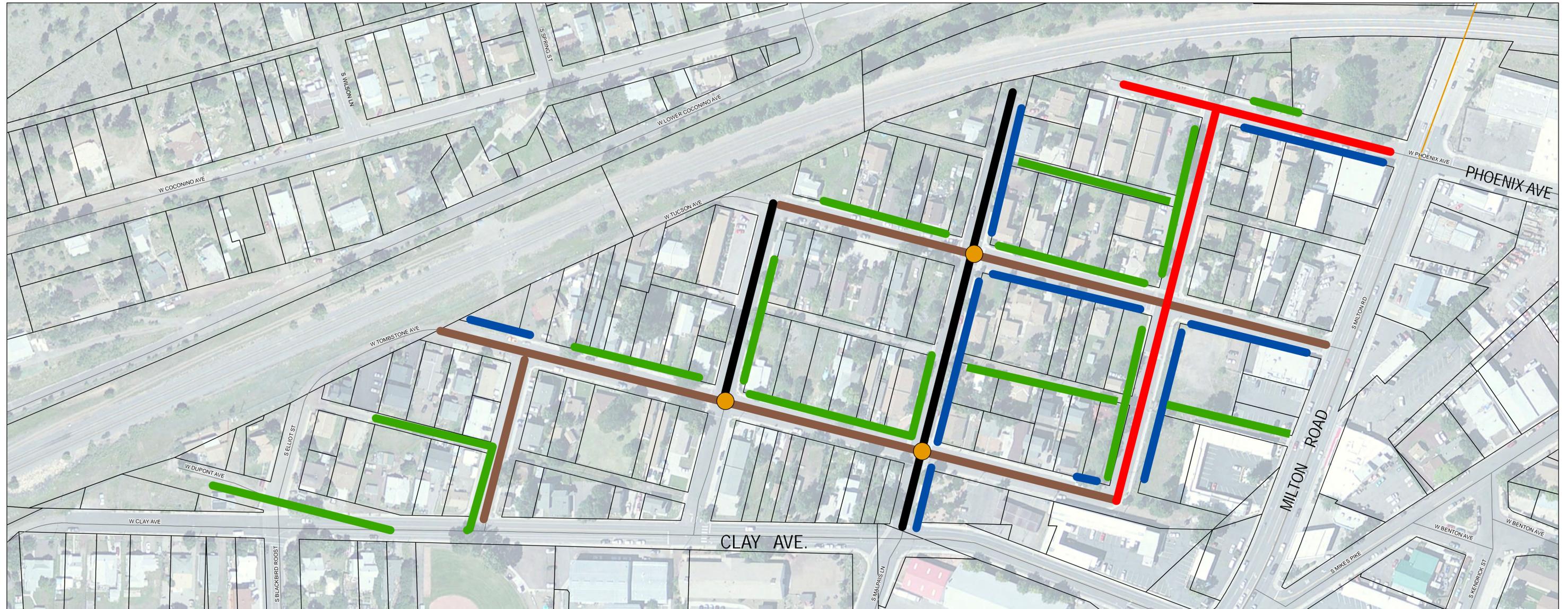
Expanded Options and Alternatives:

Approve the Confirming Change Order No. 3 as recommended Reject this Confirming Change Order No. 3 and direct staff to continue negotiations with the contractor and/or locate an alternate funding source. This option would delay the close of the project.

Attachments: [Vicinity Map](#)
[CCO No. 3](#)

LA PLAZA VIEJA -- 2010 BOND IMPROVEMENTS

FLORENCE ST, TUCSON ST, TOMBSTONE AVE, PARK ST, PHOENIX AVE, GLOBE AVE, KINGMAN ST AND DUPONT AVE



Title: LA PLAZA VIEJA Improvements

- 1.) - Pavement Reconstruction —
- 2.) - Mill and Pavement Overlay —
- 3.) - Chip Seal Application —
- 4.) - Water / Sewer replacements — —
- 5.) - Mini Traffic Circles ●



May 2012



CITY OF FLAGSTAFF – CHANGE ORDER

CONFIRMING CHANGE ORDER NO. 3
 CONSULTING CONTRACT CHANGE ORDER NO. _____
 CONSTRUCTION CONTRACT CHANGE ORDER NO. _____

PROJECT NO. 243700 PROJECT NAME: La Plaza Vieja 2010 Bond Projects

FILE NO. 03-11027 Project Manager: Trevor Henry

TO: LP's Excavating, Inc.

You are hereby directed to make the herein described changes from the plans and specifications or do the following described work not included in the plans and specifications on this contract. Description of work to be done:

Provide additional work that was outside of the project scope, resulting in coordination efforts to resolve conflicts with natural gas facilities and unforeseen field conditions resulting in additional trench rock excavation and trench pavement surfacing for the new sewer infrastructure. The additional work resulted in additional costs that were outside of the contract amount, the cost was negotiated and the final amount is compensation that the City will provide. The addition work and cost will be paid for in accordance with the approved construction documents and in an amount not to exceed \$120,093.43 and 0 additional calendar days.

Change Order originated by: CITY OF FLAGSTAFF CONTRACTOR CONSULTANT OTHER _____

Project Manager	<u>July 2, 2015</u>	Approval Recommended	
C.O. Committee Meeting Date	<u>July 2, 2015</u>	Approval Recommended	
Community Development Dir.	<u>July 2, 2015</u>	Approval Recommended	
City Attorney	<u>July 2, 2015</u>	Approval Recommended	
City Manager	<u>July 2, 2015</u>	Approval Recommended	_____
City Council Meeting Date	<u>July 21, 2015</u>	Approval Recommended	_____

ORIGINAL CONTRACT PERIOD	<u>150</u> Days ^{Date} (12/12/13)	ORIGINAL CONTRACT VALUE	\$ <u>1,741,893.15</u>
PRIOR TIME CHANGES	<u>65</u> Days (06/11/14)	TOTAL PRIOR VALUE CHANGES	\$ <u>165,831.35</u>
THIS TIME CHANGE	<u>0</u> Days (06/11/14)	VALUE OF THIS CHANGE	\$ <u>120,093.43</u>
NEW CONTRACT PERIOD	<u>215</u> Days (06/11/14)	NEW CONTRACT VALUE	\$ <u>2,027,817.93</u>

We, the undersigned contractor, have given careful consideration to the change proposed and hereby agree, if this proposal is approved, that we will provide all equipment, furnish all materials, except as may otherwise be noted above, and perform all services necessary for the work above specified, and will accept as full payment therefore the prices and time extensions shown above.

FIRM NAME: LP's Excavating, Inc.

Accepted Date 7/6/15 By

CITY OF FLAGSTAFF

<input checked="" type="checkbox"/>	CONFIRMING CHANGE ORDER NO.	<u>3</u>
<input type="checkbox"/>	CONSULTING CONTRACT CHANGE ORDER NO.	<u> </u>
<input type="checkbox"/>	CONSTRUCTION CONTRACT CHANGE ORDER NO.	<u> </u>

PROJECT NO. 243700PROJECT NAME: La Plaza Vieja 2010 Bond ProjectFILE NO. 03-11027PROJECT MANAGER: Trevor Henry

JUSTIFICATION: This project was programmed near the completion of the 2010 Bond Program. The design of the project considered minimal work for installation of new water and sewer infrastructure. The plan was to ensure the project met the intent of the scope and allowed for the overall 2010 Bond Program to be delivered on budget and time. Prior to the completion of the project, additional work and costs were submitted for City consideration. The City reviewed and discussed the additional costs with the appropriate agency for compensation. The City decided to compensate the contractor for the negotiated amount, which will allow the project to begin the close out process. Discussion with the agency may continue for reimbursement, the discussion will be dependent on further City staff review. The additional work is as follows:

The project included the natural gas utility to determine their infrastructure location in relationship to the new water, sewer mains and manholes. Once the project started, the natural gas information provided at the design level did not reflect what the potholing efforts yielded. In order to continue with the schedule, the natural gas agency was required to relocate their utilities in order for the sewer main and manholes to be constructed. The project began work in other areas of the neighborhood and realized additional relocation work was necessary. In order to salvage what was left of the schedule, the project modified the sewer infrastructure, per the engineering standards, to avoid further natural gas facilities. The modifications required manholes to be moved, sewer services lines to be moved and additional potholing efforts. The Compensation is for the work that resulted from the modifications.

The project intended to remove the existing sewer main which was constructed in the 1920's and replace it in-kind but with newer materials. The intent was to use the existing trench, horizontal and vertical, with minimal work to bring it into compliance. The City's field logs could not depict if the sewer mains were constructed for gravity flow or in a straight grade. As construction began, excavation determined the existing trenches were non-conforming for width, vertical and horizontal alignment. Rock was encountered and further compounded the work to bring the existing trenches into conformance. In order to construct the sewer mains as designed and conform to engineering standards, additional trench rock excavation work was required. The contractor made an attempt to construct the project while absorbing the additional trench rock excavation work. However, when the existing alignment was too far out of conformance, and the amount of work for the additional trench rock excavation was beginning to become difficult for the contractor to absorb, compensation was required.

Due to the additional work related to the natural gas coordination efforts, modifications of the sewer mains and manholes, as well as the additional work for the trench rock excavation, the project entered a winter shut down. A winter shut down was not planned and required the contractor to provide an all weather surface for the uncompleted trenches. Temporary asphalt was placed and maintained through the winter shut down until work was resumed the following spring. The project was located in La Plaza Vieja neighborhood. The cost for the temporary asphalt will be paid.

TIME ANALYSIS: There is no time extension necessary with this conforming change order. The winter shut down was effective November 30, 2013, work resumed on March 5, 2014. Final Completion of the project was issued on April 9, 2015.

COST ANALYSIS: This change order was prepared and will require approval from the City Council as the City Manager's authority has been exhausted. The change order amount will be added to the previous authorized contract amount.

Original Contract Value:	\$1,741,893.15
Value of previous changes:	\$ 165,831.35
Value of this Change:	<u>\$ 120,093.43</u>
New Contract Value:	\$ 2,027,817.93

The project was funded by the general obligation bonds from the 2010 Bond program in a principal amount up to \$16,500,000. The cost of Change Order #3 was included in the latest summary for the entire 2010 bond program but will be funded by the Utility Department's Sewer Replacement Fund WW3220. This increased contract amount due to Change Order #3 will not affect the overall delivery of the 2010 Bond projects.

Original Change Order Authority	\$166,000.00
Change Order No. 1	\$ 86,943.40
Change Order No. 2	<u>\$ 78,887.95</u>
Change Order City Manager's Authority Remaining	\$ 168.65
Change Order #3 City Council Request Amount	\$120,093.43

CITY OF FLAGSTAFF				PROJECT STATUS FORM
PROJECT NAME: La Plaza Vieja 2010 Bond Projects				<input type="checkbox"/> Design <input checked="" type="checkbox"/> Construction <input type="checkbox"/>
PROJECT NO. 243700				FILE NO. 03-11027
ACCT NO. 403-09-421-3265-6-4443	94 %	\$1,907,724.50		
ACCT NO. 203-08-375-3220-0-4421	6%	\$120,093.43		
		NEW CONTRACT TOTAL		\$2,027,817.93
CITY COUNCIL APPROVAL: June 4, 2013				ORIGINAL CONTRACT AMT: \$1,741,893.15
BUDGET AMT: \$2,100,000		FY: 13/14		
NOTICE TO PROCEED: July 15, 2013		TIME (No. Days): 150		
COMPLETION DATE: April 9, 2015		ORIGINAL CONTRACT ALLOWANCE: \$80,000.00		
CONSULTANT: Parsons Brinckerhoff, Inc.		LOCATION: Tempe, Arizona		
CONTRACTOR: LP'S Excavating, Inc.		LOCATION: Williams, AZ		
Project Manager: Trevor Henry				
Change Orders	C.O. Amount	C.O. Day	Council Date	REASON FOR CHANGE
Revision Date	New Total	New Total	New Comp. Date	
1	\$86,943.40	14	N/A	Construct full depth pavement on Elliot Street between Clay Ave. and Tombstone Ave. and install 255 feet of a new 8" water main from the end of Tombstone Ave. to an existing 16" main.
10/17/13	\$1,828,836.55	171	01/02/14	
2	\$78,887.95	21	01/02/14	Added concrete infrastructure removal and replacement and compensation for rock excavation which was not anticipated during the design and bidding of the project.
5/8/14	\$1,907,724.50	226	06/11/14	
3	\$120,093.43	0	7/21/15	Work for re-design and modification of sewer manholes, services. Work for additional trench rock excavation to bring sewer trenches into conformation and temporary asphalt for an unplanned winter shut down.
7/21/15	\$2,027,917.93	226	6/11/14	

COMMENTS: _____

NOTE: IF CHANGE ORDER ACCOUNT NUMBER OR DISTRIBUTION DIFFERS FROM THAT ABOVE, IT MUST BE SPECIFICALLY NOTED.

ITEMS	AMOUNT
#2 - Phoenix Ave Gas Potholing	\$193.63
#4&5 - Clay and Elliot MH #3 Gas	\$15,079.19
#6 - Alley No. 3 Gas Potholing	\$878.55
#7- MH No.5 Gas	\$7,214.02
#1-#3-#19 - Rock Sewer paved streets	\$10,738.80
#1-#3-#19 - Rock Sewer alleys	\$13,187.88

Total \$47,292.07

Rock Sewer alley additional cost \$17,113.00

Rock Sewer roads additional cost \$19,545.00

Balance \$83,950.07

Temporary asphalt \$36,143.36

Balance Due \$120,093.43

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Shannon Anderson, Human Resources Manager
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Approval of Compensation: City Magistrates

RECOMMENDED ACTION:

Consideration and approval of increase in compensation of City Magistrates beginning August 1, 2015, with an increase to the Presiding Magistrate's salary of \$4,200 and the Magistrate's salary of \$3,000 annually, and be eligible to receive any other increase provided to other management employees during the two-year term.

Executive Summary:

A market analysis was conducted for the Presiding Magistrate and Magistrate positions. Both positions are paid lower than the average market rate.

The request for compensation includes an increase to the Presiding Magistrate's salary of \$4,200 and the Magistrates' salary of \$3,000. In addition both the Presiding Magistrate and Magistrate would be eligible to receive any other increase provided to other management employees during the two year term from August 1, 2015 through July 31, 2017. This would include any market or merit increases provided to other management employees.

Financial Impact:

The salary and benefits for the Presiding Magistrate and Magistrate are budgeted.

Connection to Council Goal and/or Regional Plan:

- 1) Invest in our employees and implement retention and attraction strategies
- 2) Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics

Has There Been Previous Council Decision on This:

The City Council appointed the Presiding Magistrate and Magistrate to a new term beginning on August 1, 2015 during the City Council meeting on July 7, 2015, but there has not been a public meeting related to the compensation.

Options and Alternatives:

1) The City Council may choose to maintain the compensation at the current level. This option would keep the City's budget in relation to these employee's salaries constant over the next two years. The City Magistrates would continue to be below the average market rate at the same rate or further if the market continues to grow.

2) The City Council may choose to maintain the compensation at the current level and include any other increase provided to other management employees during the two year term from August 1, 2015 through July 31, 2017. This option would provide the same increase to the Magistrates that other management employees receive. The City Magistrates may continue to lag further if the market continues to grow.

Community Involvement:

Inform

Attachments:

CITY OF FLAGSTAFF
STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Jennifer Brown, Special Services Supervisor
Co-Submitter: Di Ann Butkay
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Approval of Sole Source Purchase: Authorization of the purchase of 34 Taser International Axon Flex body cameras and 5 years of storage manufactured by Taser International in the amount of \$77,762.57 to outfit and issue body worn cameras for all patrol officers to include supervisors for the Flagstaff Police Department.

RECOMMENDED ACTION:

Approve the funding of \$77,762.57 to Taser International for the Axon Flex camera program to outfit supervisors and specialty assignment officers. The initial amount of \$28,016.00, will allow for the purchase of 34 Axon Flex body cameras with mounting, charging, and docking accessories and professional services. The costs for evidence storage and retention will be \$32,879.90 for a five year contract, extended warranty: \$12,697.80, estimated tax and shipping \$4,168.87. The total allocated request \$77,762.57.

Executive Summary:

The Flagstaff Police Department is requesting authorization to purchase 34 body cameras and enhance storage in the amount of \$77,762.57 to complete equipping all uniform patrol with the body cameras.

Financial Impact:

Upfront costs for the capital purchase of the camera and mounting equipment: \$28,016. Five Years of evidence.com storage, 34 basic user licenses, 1 professional license: \$32,879.90 Extended Warranty: \$12,697.80 Estimated shipping costs: \$320.01 Estimated tax: \$3,848.86 Total allocation request: \$77,762.57. The Police Department has \$85,000 budgeted in FY 2016 under account 001-04-061-0221-2-4305.

Connection to Council Goal and/or Regional Plan:

Improve effectiveness of notification, communication, and engagement with residents, neighborhoods and businesses and about City services, programs, policies, projects and developments. Review what, when and how Council and public are notified about development projects. Identify opportunities for collaborative outreach among Council members and key community stakeholders. The Axon Flex camera system has many benefits to the individual officer and the police department. The use of this technology will help protect officers and the department from false accusations of wrong doing, and improves community trust and transparency by assisting in use of force and citizen complaint reviews. It will benefit the community in the long run through better prosecution of crimes. Cameras provide valuable evidence and an opportunity to allow the investigator to have the ability to review after the initial contact

and to view the scene in the original officers point of view. These tools will help assist to continue to maintain high-quality effectiveness and efficiency in law enforcement to the extent that is consistent with governmental operations.

Has There Been Previous Council Decision on This:

Yes. The Council approved for the purchase of 50 Axon Flex Body Cameras on July 01, 2014 along with accessories and storage of the video.

Options and Alternatives:

- 1) The Council may approve the contract with Taser International to purchase Axon Flex body cameras.
- 2) The Council may choose to reject the contract.

Background/History:

The Flagstaff Police Department is committed to the belief that body camera video is an important and valuable tool for law enforcement. The cameras provide audio-video documentation of a police officer's investigative and enforcement activities from the perspective of the officer. The use of on-officer video is expected to result in greater transparency, more effective prosecution, and more effective investigations of allegations of excessive use of force, misconduct or racial profiling. Studies have also shown the use of body cameras results in a reduction of citizen complaints and use of force incidents. Officers in the Flagstaff Police Department previously issued with the body cameras have recognized the protective function of audio or video recording since the purchase in July of 2014. Audio or video recordings of investigative or enforcement actions are evidence, and subject to rules of disclosure. It is in the best interest of justice that the Department standardizes the body cameras in use as well as evidence collection and storage policy and procedure. Having officers wear body cameras allows complete incidents to be viewed from the prospective of the individual officer.

Key Considerations:

After speaking with other agencies and reviewing the research, and conducting an internal pilot program, we believe the Axon Flex body camera is the best system on the market with the features and capabilities no other vendor can provide. In July 2014 the Flagstaff Police Department issued Taser Body Cameras to officers in the field. The transition has gone smoothly and we have noticed the usefulness of the video for criminal and internal investigations. Benefits of the Axon Flex System as compared to other systems include: a higher capacity recording life (12 hours), multiple point of view mounting options, pre-event recording (30 seconds) low light and night mode capability. Storage is kept on the Evidence.com cloud. The evidence management system (Evidence.com), allows for easy download and categorization of incidents, easy retrieval for disclosure or supervisory oversight, and allows our department to set up automatic retention periods in line with state law.

Expanded Financial Considerations:

The body cameras have a basic clip attached to them and can be positioned on the officers clothing or belts only, limiting the viewpoint of the camera when recording. The Axon Flex is more versatile and has multiple mounting options. Most importantly the Axon Flex has mounting options on eyewear and over the ears, which allows the viewer to see exactly what the officer was viewing when the camera was on. This viewpoint is much more beneficial to the officers. The Axon Flex cameras are more expensive at \$599 apiece versus the body cameras at \$299. We felt it was in the best interest of the department and the city to explore this Axon Flex option. We have been able to secure a quote for this program to include 34 Axon Flex cameras (\$28,016) and five years of evidence storage instead of three (\$32,879.90). The 34 cameras will outfit the supervisors in the field and officers assigned to specialty assignments. The department may be able to secure a grant at a later time to purchase more cameras for replacement purposes. The Axon Flex utilizes a system that mounts to glasses. The current approved amount for this purchase is \$85,000 allowing us to successfully purchase more eyewear with the remaining amount in

this account. We were able to successfully reduce our evidence storage cost by sharing accounts among those who will have a need to review the video recordings. The costs for evidence storage and retention will be \$32,879.90 for the five year contract. The cost for the Axon Flex cameras (\$28,016), five years storage (\$32,879.90), along with professional services, shipping and tax (\$4,168.87), warranty (\$12,697.80) makes the total amount of this request (\$77,762.57). The remaining funds will be used to purchase extra equipment such as sunglasses to properly mount the cameras.

Community Benefits and Considerations:

The Flagstaff Police Department values customer service and citizen trust. Body camera video will aid in prosecution, accurately documenting victim and witness statements as well as providing an objective recording of the crime scene. The use of body cameras allows us to be more transparent in our interactions with the public. The demeanor of both officers and citizens is less contentious when both parties are aware they are being recorded. As a risk management tool, the video may alleviate false accusations of wrong doing.

Community Involvement:

Inform.

Expanded Options and Alternatives:

The law abiding citizens of our community deserve and expect our streets and neighborhoods to be places where they feel safe. The body cameras are another tool to ensure we are policing correctly, constitutionally, and consistently. The audio and video recording from the body cameras will increase our ability to review probable cause for arrests, view officer and citizen interactions, provide feedback for officers in training, and better collect evidence for investigation and prosecution.

Attachments: Taser Quote
 J. Brown Memo

TASER International

Protect Life

17800 N 85th St.
Scottsdale, Arizona 85255
United States
Phone: (800) 978-2737
Fax: (480) 991-0791



Dan Musselman

(928) 679-4068
dmusselman@coconino.az.gov

Quotation

Quote: Q-28784-2
Date: 6/23/2015 6:42 AM
Quote Expiration: 6/30/2015
Effective Date*: 7/15/2015
Contract Number: 00002873
Expiration Date: 8/14/2019

Ship To:

Dan Musselman
Flagstaff Police Dept. - AZ
911 E. Sawmill Road
Flagstaff, AZ 86001
US

Bill To:

Flagstaff Police Dept. - AZ
911 E. Sawmill Road
Flagstaff, AZ 86001
US

SALESPERSON	PHONE	EMAIL	DELIVERY METHOD	PAYMENT METHOD
Andrew Mellen	800-978-2737	amellen@taser.com	Fedex - Ground	Net 30

*These subscriptions have been prorated for the duration of the existing contract and will be up for renewal at the expiration date listed above.

Hardware

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
34	73030	CAMERA SYSTEM, AXON FLEX, S	USD 599.00	USD 20,366.00	USD 0.00	USD 20,366.00
34	73036	CONTROLLER, HOLSTER, BELT CLIPS, FLEX	USD 0.00	USD 0.00	USD 0.00	USD 0.00
34	73008	OAKLEY, CLIP, FLEX	USD 0.00	USD 0.00	USD 0.00	USD 0.00
5	70026	EVIDENCE.COM DOCK, AXON SIX BAY	USD 1,495.00	USD 7,475.00	USD 0.00	USD 7,475.00
5	70033	WALL MOUNT BRACKET, ASSY, EVIDENCE.COM DOCK	USD 35.00	USD 175.00	USD 0.00	USD 175.00
Hardware Total Before Discounts:						USD 28,016.00
Hardware Net Amount Due:						USD 28,016.00

Enterprise Software

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
34	87005	BASIC EVIDENCE.COM LICENSE: 5 YEAR	USD 735.00	USD 24,990.00	USD 3,400.00	USD 21,590.00
170	85114	EVIDENCE.COM INCLUDED STORAGE (GB)-5 YEAR CONTRACT	USD 0.00	USD 0.00	USD 0.00	USD 0.00
1	89005	PROFESSIONAL EVIDENCE.COM LICENSE: 5 YEAR	USD 1,911.00	USD 1,911.00	USD 0.00	USD 1,911.00
15	85114	EVIDENCE.COM INCLUDED STORAGE (GB)-5 YEAR CONTRACT	USD 0.00	USD 0.00	USD 0.00	USD 0.00

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
1,530	85535	EVIDENCE.COM STORAGE (GB)-5 YEAR CONTRACT	USD 6.13	USD 9,378.90	USD 0.00	USD 9,378.90
Enterprise Software Total Before Discounts:						USD 36,279.90
Enterprise Software Net Amount Due:						USD 32,879.90

Extended Warranties

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
34	73033	AXON FLEX KIT 2 YEAR EXTENDED WARRANTY	USD 299.95	USD 10,198.30	USD 0.00	USD 10,198.30
5	70030	EXTENDED WARRANTY, 2 YEAR,EVIDENCE.COM DOCK, HUB	USD 79.95	USD 399.75	USD 0.00	USD 399.75
5	70032	EXTENDED WARRANTY, 2 YEAR, EVIDENCE.COM DOCK, 6 BAY	USD 419.95	USD 2,099.75	USD 0.00	USD 2,099.75
Extended Warranties Total Before Discounts:						USD 12,697.80
Extended Warranties Net Amount Due:						USD 12,697.80

Subtotal	USD 73,593.70
Estimated Shipping & Handling Cost	USD 320.01
Estimated Tax	USD 3,848.86
Grand Total	USD 77,762.57

Complimentary Evidence.com Tier Upgrade Through 9/30/2015

This quote contains a purchase of either the Basic or Standard Evidence.com license. You will temporarily receive the features available with the Professional license for the Basic and Standard licenses purchased until September 30, 2015. This is a free upgrade to your account so you can enjoy all the benefits of our most feature rich license tier. In October 2015 you will be prompted to select which users you would like to assign to each tier. This will have no impact on uploaded data.

**TASER International, Inc.'s Sales Terms and Conditions
for Direct Sales to End User Purchasers**

By signing this Quote, you are entering into a contract and you certify that you have read and agree to the provisions set forth in this Quote and TASER's current Sales Terms and Conditions for Direct Sales to End User Purchasers or, in the alternative, TASER's current Sales Terms and Conditions for Direct Sales to End User Purchasers for Sales with Financing if your purchase involves financing with TASER. If your purchase includes the TASER Assurance Plan (TAP), then you are also agreeing to TASER's current Sales Terms and Conditions for the AXON Flex™ and AXON Body™ Cameras TASER Assurance Plan (U.S. Only) and/or Sales Terms and Conditions for the X2/X26P and TASER CAM HD Recorder TASER Assurance Plan (U.S. Only), as applicable to your product purchase. All of the sales terms and conditions, as well as, the TAP terms and conditions are posted at <http://www.taser.com/sales-terms-and-conditions>. If your purchase includes AXON hardware and/or EVIDENCE.com services you are also agreeing to the terms in the EVIDENCE.com Master Service Agreement posted at <https://www.taser.com/serviceagreement14>. If your purchase includes Professional Services, you are also agreeing to the terms in the Professional Service Agreement posted at <https://www.taser.com/professional-services-agreement>. If your purchase includes Integration Services, you are also agreeing to the terms in the SOW posted at <https://www.taser.com/integrationstatementofwork14>. You represent that you are lawfully able to enter into contracts and if you are entering into this agreement for an entity, such as the company, municipality, or government agency you work for, you represent to TASER that you have legal authority to bind that entity. If you do not have this authority, do not sign this Quote.

Signature: _____ **Date:** _____
Name (Print): _____ **Title:** _____
PO# (if needed): _____

Please sign and email to Andrew Mellen at amellen@taser.com or fax to 480-991-0791

THANK YOU FOR YOUR BUSINESS!

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FLAGSTAFF P. D. Special Services



Memorandum

To: Candace Schroeder, Senior Procurement Specialist
DiAnn Butkay, Buyer

From: Jennifer Brown, Support Services Manager

Date: July 6, 2015

Re: Taser AXON Flex Body Worn Cameras

TASER International's Digital Evidence Solution consists of body-worn cameras, evidence transfer managers, accessories, digital evidence management software, and data storage. TASER's Digital Evidence Solution is the only system that meets the department's specific requirements to enable officers to record, manage and store digital recordings in a timely and effective manner at the time of purchase on August 1, 2014. Since then other companies have come into fruition with the ability to purchase body worn cameras. However, it is most beneficial to the Flagstaff Police Department to continue to purchase the Axon Flex Body Camera from Taser. Here are some key features specific to TASER to include:

1. TASER body-worn cameras have a 30 second pre-event record buffer option which allows the user to capture 30 seconds of video footage prior to activating the camera in record mode.
2. TASER body-worn cameras have a 12 hour battery life both in pre-event and normal record modes. These are the only on-officer cameras identified that will operate in these modes for an entire 10 hour patrol officer shift, eliminating the need to recharge the camera during the shift.
3. TASER body-worn cameras and digital evidence management solution enables officers to immediately link and attach metadata to recordings prior to the evidence being uploaded. The ability to attach metadata in the field improves accuracy and efficiency. All other systems require the digital evidence to be uploaded to a laptop or desk top prior to the metadata being attached.
4. TASER's Evidence Transfer Manager (ETM) allows automatic file uploading and simultaneous recharging of body cameras. Each ETM has multiple docking stations and officers do not have to be present while files upload. Officers can dock their cameras in seconds at the end of their shift and go home; no log-in or wait is required. This will save time, keep officers on patrol in communities longer, and have the equipment ready at the start of the officers' next shift. TASER is the only vendor that offers this option.

Other vendors' products require officers to access an available LAN computer or intranet connection, log in to the LAN, wait until all files are uploaded and then log out. This method is significantly



FLAGSTAFF P. D. Special Services

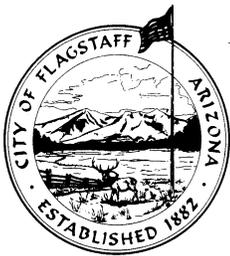


more time consuming for each officer. Further, some police divisions will have 30 or more officers attempting to access a limited number of LAN connections and upload files at the same time.

5. TASERS “Evidence Mobile” is the only mobile application that gives officers the ability to capture digital evidence, immediately identify it, and link it to Evidence.com from an iOS or Android mobile device. This application allows the evidence to immediately become manageable and searchable in Evidence.com.
6. Several body-worn camera vendors were contacted and their products identified as not meeting our requirements.
7. Currently the Flagstaff Police Department has 50 Taser Axon Flex body worn cameras issued and in use to its officers.
8. The Flagstaff Police Department has accessories and equipment to fit Taser Flex Body Cameras.
9. The Flagstaff Police Department stores their evidence video from Evidence.com to view and save videos taken from the officer’s footage.
10. The City Attorney’s Office will be signing up to utilize Evidence.com to view Flagstaff Police Department footage for prosecution.
11. The County Attorney is currently looking into utilizing Evidence.com as well.

TASER’s Digital Evidence Solution includes the following necessary features:

1. TASER’s Digital Evidence Solution provides an audit trail and other security features that assure digital evidence will meet all standards for reliability in court.
2. AXON Body and AXON FLEX cameras have a *configurable* pre-event buffering record mode, preset to 30 seconds.
3. AXON Body and AXON FLEX cameras have 12-hours of battery life in pre-record buffering mode and in record mode. This is the only camera that has the ability to last a full shift without being recharged.
4. AXON Body and AXON FLEX cameras have several mounting options. The AXON FLEX is unique in that it can be mounted on the head, the lapel and on the collar. All other vendors offer systems that are designed for chest only mounts. The mounting options are necessary to accommodate officers’ preference and physical attributes. As an example, an AXON FLEX camera can be mounted in different locations and angled up or down depending on the officer’s stature and on the camera angle desired in a specific situation.
5. TASER’s Digital Evidence Solution is the only system that enables officers to immediately link and attach metadata to a recording prior it being uploaded. TASER also offers the ability to categorize digital evidence and manage it using more unique searchable fields than other products.



FLAGSTAFF P. D. Special Services



6. TASER's Evidence Transfer Manager (ETM) automatically uploads the digital evidence to a Cloud server, simultaneously charging the camera, without necessitating an officer be present.
7. TASER's "Evidence Mobile" application gives officers the ability to capture digital evidence (audio, photographs, and video), identify it with metadata and link it to Evidence.com from an iOS or Android mobile device. This evidence immediately becomes manageable and searchable in Evidence.com.

The Flagstaff Police Department would like to continue with the same product as we are currently utilizing the Taser Axon Flex Body Worn Cameras. The Police Department has 50 officers equipped with the equipment along with multiple users such as detectives, City Attorneys and the Internal Investigations Sergeant to view footage from the officer's video to help aid in their investigations. We would like to keep the equipment uniform in nature and have all its users be on the same system such as Evidence.com.

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Paul Summerfelt, Wildland Fire Manager
Co-Submitter: Mark Brehl, Wildland Fire Leadworker
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Approval of Contract: Flagstaff Watershed Protection Project: - Observatory Mesa Hazardous Fuels Thinning (*Approve contract with Perkins Timber Harvesting, Inc. in the amount of \$366,250*).

RECOMMENDED ACTION:

Approve the award of Bid #2015-73 to Perkins Timber Harvesting, Inc, in the amount of \$366,250

Executive Summary:

Observatory Mesa Open Space lands were identified as forested lands (roughly 2,500 acres) to be treated with the FWPP bond, approved by 74% of voters in November 2012. The 475-acre hazardous fuels thinning project - subject of this Staff Summary - is located in Section 18, southern-most parcel of the Open Space area.

A total of two (2) bids were received. Of these, Perkins Timber Harvesting, Inc, at a total cost of \$366,250, is recommended. This price includes cutting, skidding, and removal of wood products, plus grinding and removal of all debris. This equates to \$771.05/acre, in-line with past work of a similar nature. (By comparison, the second bid was roughly 2 1/2 times higher than that submitted by Perkins.) .

Financial Impact:

Total cost of this award is \$366,250. Of this amount, \$100,000 will be off-set by an April 2014 grant award received by the City from the State of AZ (WBBI 13-601). The net cost to City bond funds will therefore be \$266,250 (\$571.05/acre - considerable below the estimated project cost if paid using only bond funds.). The off-set (\$100,000, or \$210.53/acre) represents a bond savings that can be applied to other FWPP-related treatment activities.

Connection to Council Goal and/or Regional Plan:

COUNCIL GOALS: This Agreement facilitates achievement of the following:

- 2) Ensure Flagstaff has a long-term water supply for current and future needs
- 3) Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics
- 7) Address key issues and processes related to the implementation of the Regional Plan
- 11) Ensure that we are as prepared as possible for extreme weather events

REGIONAL PLAN: This Agreement facilitates achievement of the following:

Environmental Planning & Conservation – Vision for the Future: *In 2013, the long-term health and viability of our natural resource environment is maintained through strategic planning for resource conservation and protection*

Policy E&C.3.3 – Invest in forest health and watershed protection measures.

Policy E&C.6.1 – Encourage public awareness that the region’s ponderosa pine forest is a fire-dependent ecosystem and strive to restore more natural and sustainable forest composition, structure, and processes.

Policy E&C.6.3 – Promote protection, conservation, and ecological restoration of the region’s diverse ecosystem type and associated animals.

Policy E&C.6.6 – Support cooperative efforts for forest health initiatives or practices, such as the Four Forest Restoration Initiative (4FRI), to support healthy forests and protect our water system.

Policy E&C.10.2 – Protect, conserve, and when possible, enhance and restore wildlife habitat on public land.

Has There Been Previous Council Decision on This:

Not on this specific activity (Observatory Mesa Section 18 forest treatments). Council was involved in the Bond effort, has been engaged in review, discussion, comment, and/or approval of other FWPP issues and agreements, and has been briefed/updated periodically on the overall progress and status of the effort since the election.

Options and Alternatives:

1) **Approve** Agreement/Scope of Work with recommended vendor, permitting the forest treatment work to proceed as planned:

Pro - this allows the work to proceed and permits full-use of the grant funds (termination date Dec 31, 2015);

2) **Revise** by selecting another vendor, and then approving the Agreement/Scope of Work:

Con - associated cost and operational changes to proposed work:

3) **Discard** the bids and/or Agreement/Scope of Work, and request the process be repeated:

Pro - Costs *may* decrease (uncertain):Con - risk extending start/completion so that some-or-all of grant funds are in jeopardy (expiration date Dec 31st, 2015);

Background/History:

Severe and destructive wildfire is an annual and ever-present threat to the community and our forests. Areas that have undergone forest treatments (ie - thinning, debris disposal, and/or prescribed fire) are not only healthier and more resilient to damaging agents, they also provide proven barriers to unrestricted wildfire, enhance public safety and infrastructure protection, and suffer much less damage from serious fires than what occurs on non-treated sites.

Key Considerations:

Both the designated area, and the forest treatments proposed, were presented as part of the overall plan and effort during the bond campaign leading-up to the election. Wildfires on Observatory Mesa are a challenge for suppression resources due to lack of water supply. They present a threat to adjacent neighborhoods (Railroad Springs, Flagstaff Townsite, Westridge, Northridge, Coconino Estates, Anasazi Ridge, Cheshire, and Linwood), Lowell Observatory, and businesses along Hwy 180. Forest treatments such as that proposed have proven highly effective in reducing fire intensity, duration, cost, and impact, both within Flagstaff and elsewhere.

Expanded Financial Considerations:

Acting now allows the City to fully utilize/leverage currently awarded-and-available grant funds (WBBI 13-601), thereby saving bond monies.

Community Benefits and Considerations:

Multiple community partners have been engaged in the FWPP effort, to include the **Greater Flagstaff Forests Partnership** (GFFP), **Friends of the Rio**, and NAU's **Ecological Restoration Institute** (NAU-ERI). The campaign to pass the bond also included the citizen-led "**Yes on 405**" group, the **Grand Canyon Trust**, and **The Nature Conservancy**. Specific to Observatory Mesa plans and operations, the City's Sustainability program, the **Observatory Mesa Stakeholder Group**, **AZ Game and Fish**, the **US Fish and Wildlife Service**, and **AZ State Forestry** have all provided input and been engaged. Successfully completing the planned forest treatments will enhance protection of adjacent neighborhoods from destructive wildfire, and promote the vigor, resiliency, and sustainability of the forest itself.

Community Involvement:

Inform - In the months leading up to the November 2012 election, 50 public outreach events were held throughout the community. Since then, we've endeavored to keep the community informed of overall FWPP efforts through various means, including public meetings, briefings, the project website, media coverage, etc. Specific to this project, we have worked to inform various stakeholders of desired outcomes, plans, schedules, and status.

Consult - We've worked with both AZ Game & Fish and US Fish & Wildlife Service regarding protection of wildlife habitat, adjacent neighbors regarding access, the US Forest Service regarding transportation routes, Kinder Morgan/El Paso Natural Gas and the AZ Snowbowl regarding pipeline crossings, and AZ State Forestry regarding plans and treatment options.

Involve - Following on-going hand thinning work being conducted by City Crew 1 on other areas of the Open Space area, the Winter Wood for Warmth program has been involved removing firewood for distribution to area residents: in addition, we have initiated a free-use personal firewood permit program for interested individuals as well..

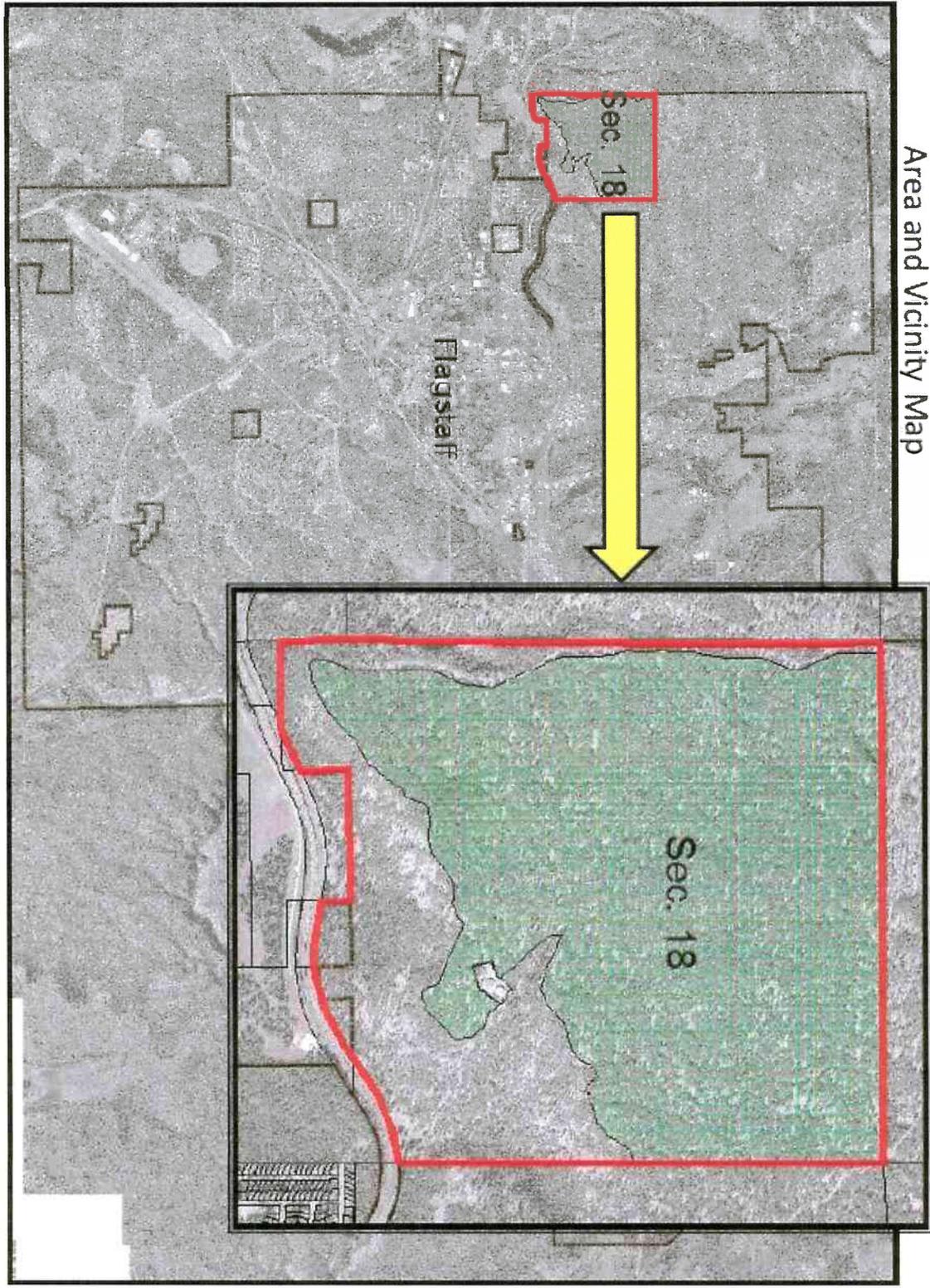
Collaborate - The proposed work is compatible with other forest treatment work in the Flagstaff area, and is in-alignment with efforts conducted by the US Forest Service, AZ State Forestry, the City's Wildland Fire Management program, and Greater Flagstaff Forest Partnership. It will compliment work currently being planned and that will be implemented as part of the Four Forest Restoration Initiative. It is in accordance with the Greater Flagstaff Area Community Wildfire Protection Plan (CWPP) and supports the City's Wildland Urban Interface Fire Code (WUI), adopted by Council in 2005 and 2008, respectfully.

Empower - 74% of those who voted in November 2012 voted in favor of the FWPP.

Expanded Options and Alternatives:

Attachments: [Project Map](#)
 [Bid Tab](#)
 [Contract](#)

Exhibit A.



FWPP Observatory Mesa Hazardous Fuels Tree Thinning IFB #2015-73
Based upon costs submitted in IFB Pricing Schedule

	Activity	Perkins Timber Harvesting LLC	Summitt Forests, Inc.	
A	Cutting/Skidding	190,000.00	482,350.00	
B	Wood Value	37,500.00	10,000.00	
C	Disposal 1- Grind, Piles Left	190,000.00	299,250.00	
D	Disposal 1- Net (A + C - B)	342,500.00	771,600.00	
	Disposal 1 - Cost/Acre	721.05	1,624.42	
E	Disposal 2 - Grind/Remove	213,750.00	499,700.00	
F	Disposal 2 - Net (A + E - B)	366,250.00	972,050.00	
	Disposal 2 - Cost/Acre	771.05	2,046.42	
G	Disposal 3 - Pile Slash	47,500.00	118,750.00	
H	Disposal 3 - Net (A + G - B)	200,000.00	591,100.00	
	Disposal 3 - Cost/Acre	421.05	1,244.42	

OFFER AND CONTRACT AWARD

Submit the original of this form to the City.

OFFER

TO THE CITY OF FLAGSTAFF:

The Undersigned Vendor hereby offers and agrees to furnish the products, materials, services or construction in compliance with all terms, conditions, specifications and amendments set forth in the Invitation for Bids, Instructions, Uniform Contract Terms and Conditions, Special Terms and Conditions, Specifications/Requirements of Bid, this Offer and Contract Award, and any written exceptions in the Offer (the "Contract Documents"). The Undersigned Vendor also certifies by signing and submitting this Offer and Contract Award that Undersigned Vendor has the legal authority to enter into a contract with the City.

For clarification of this offer, contact:

Name: James Perkins

Phone: 928-607-3860

Perkins Timber Harvesting
Company Name

202 E Fulton Williams AZ 86046
Address

Williams AZ 86046
City State Zip

Type of Legal Entity (select applicable box)

- Corporation LLC Partnership Sole Proprietor Other

E-Mail Address: JamesPerkins@aol.com

Federal ID Number: 45-2306564

Fax No.: 928-635-9889

Signature of Person Authorized to Sign Offer

James Perkins
Printed Name

Manager
Title

Date: July 8, 2015

ACCEPTANCE OF OFFER AND CONTRACT AWARD (For City of Flagstaff Use Only)

Your Offer is hereby accepted.

Vendor is now bound to sell the products, materials, services or construction listed by the attached award notice based upon the Contract Documents.

This Contract shall henceforth be referred to as Contract No. 2015-73. Vendor is hereby cautioned not to commence any billable work or provide any products, materials, services or construction under this Contract until vendor receives an executed purchase order.

Awarded this ____ day of _____ 2015.

City Manager

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Paul Summerfelt, Wildland Fire Manager
Co-Submitter: Mark Brehl, Wildland Fire Leadworker
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Approval of Contract: Sub-Recipient Agreement between Greater Flagstaff Forests Partnership, Inc. and the City of Flagstaff in the amount of \$100,000 (**Approve agreement with GFFP for forest treatments on Observatory Mesa**).

RECOMMENDED ACTION:

Approve the Sub-Recipient Agreement with Greater Flagstaff Forests Partnership, Inc.

Executive Summary:

Approval of the Sub-Recipient Agreement will allow the City of Flagstaff to collect up to \$100,000 from Greater Flagstaff Forests Partnership (GFFP).

GFFP has received a Western Bark Beetle Initiative (WBBI) grant from AZ State Forestry to conduct forest treatments on susceptible forested lands within the greater Flagstaff area. GFFP is desirous to provide up to \$100,000 from this grant award to the City of Flagstaff for forest treatments to off-set treatment costs on no more than 250-acres of the City-owned Observatory Mesa Open Space area. The forest treatments will include tree thinning and wood/debris disposal. The Observatory Mesa Open Space area is within the Flagstaff Watershed Protection Project (FWPP) boundary area, and such work will reduce both wildfire and insect threat.

GFFP will account for the 250-acres of completed work as part of their required WBBI grant reporting, and distribution of these funds to the City of Flagstaff to achieve the desired forest treatments is allowable/encouraged by the State.

Financial Impact:

The funds provided by GFFP to the City of Flagstaff per terms of this Sub-Recipient Agreement will pay for up to but no more than 50% of the overall treatment cost of the 250-acre project. This is in keeping with the specifics of the original grant award from AZ State Forestry to GFFP. The City of Flagstaff will match the GFFP-provided funding with FWPP bond funds on a 1-1 basis: for every two dollars spent on the treatment work, one dollar will be from GFFP provided funds, and one dollar from the bond funds. The forest treatments work on the 250 acres was planned to occur and would otherwise be funded entirely by FWPP bond funds: acceptance of these GFFP supplied funds and approval of the Sub-Recipient Agreement will leverage our fund pool and reduce bond fund expenditures.

Connection to Council Goal and/or Regional Plan:

COUNCIL GOALS:

- 2) Ensure Flagstaff has a long-term water supply for current and future needs
- 3) Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics
- 7) Address key issues and processes related to the implementation of the Regional Plan
- 11) Ensure that we are as prepared as possible for extreme weather events

REGIONAL PLAN

Environmental Planning & Conservation – Vision for the Future: *In 2013, the long-term health and viability of our natural resource environment is maintained through strategic planning for resource conservation and protection*

Policy E&C.3.3 – Invest in forest health and watershed protection measures.

Policy E&C.6.1 – Encourage public awareness that the region's ponderosa pine forest is a fire-dependent ecosystem and strive to restore more natural and sustainable forest composition, structure, and processes.

Policy E&C.6.3 – Promote protection, conservation, and ecological restoration of the region's diverse ecosystem type and associated animals.

Policy E&C.6.6 – Support cooperative efforts for forest health initiatives or practices, such as the Four Forest Restoration Initiative (4FRI), to support healthy forests and protect our water system.

Policy E&C.10.2 – Protect, conserve, and when possible, enhance and restore wildlife habitat on public land.

Has There Been Previous Council Decision on This:

Not on this specific issue (Sub-recipient Agreement between GFFP and City for up to 250 acres of Forest Treatment on Observatory Mesa). Council was involved in the bond effort, has been engaged in review, discussion, comment, and/or approval of other FWPP issues and agreements, and has been periodically briefed/updated on the overall progress and status of the effort since the election.

Options and Alternatives:

Three options exist:

- 1) **Approve** Sub-Recipient Agreement, permitting forest treatment work to proceed as planned: Pro - This permits full-use of the grant funds (termination date of Sept 30, 2015) and saves bond funds.
- 2) **Discard** the Sub-Recipient Agreement, and elect to pay the entire cost of treatment from bond funds: Con - Increases City costs and reduces bond funds for other FWPP required work.
- 3) **Reject** the need for forest treatments on Observatory Mesa: Con - Wildfire and insect risk continues unabated (and will increase over time), forest sustainability is in jeopardy, and voter desire/direction is unmet.

Background/History:

Damage and loss of our forests from widespread insect infestations and destructive wildfire are ever-present threats to our forests and the community. Areas that have undergone forest treatments (ie – thinning, debris disposal, and/or prescribed fire) are not only healthier and more resilient to damaging agents and provide barriers to their expansion, they also enhance public safety and infrastructure protection. Areas such as the Observatory Mesa Open Space area that undergo forest treatments suffer far less damage from insect outbreaks and/or serious wildfires than what occurs on non-treated sites.

Key Considerations:

The Observatory Mesa Open Space area and the forest treatments that will occur were presented during the bond campaign leading-up to the election as part of the overall goal, area, and effort that would result with passage of the bond. Regardless of location, insect outbreaks are always a challenge to manage. Wildfires on Observatory Mesa are a challenge to suppress due to access, water supply, adjacent neighborhoods, and other factors. Completion of forest treatments, such as those planned for Observatory Mesa, have proven highly effective, both in Flagstaff and elsewhere, in reducing the occurrence of, and severity from, both insect outbreaks and wildfire events.

Expanded Financial Considerations:

Funds provided by approval and acceptance of the Sub-Recipient Agreement will be applied toward planned forest treatments on Observatory Mesa, thereby reducing bond expenditures.

Community Benefits and Considerations:

Multiple partners have been engaged in the FWPP effort, to include GFFP, *Friends of the Rio*, the NAU *Ecological Restoration Institute*, *AZ Game & Fish*, *US Fish and Wildlife Service*, *AZ State Forestry*, and the *Observatory Mesa Stakeholders* group. Successfully completing the planned forest treatments will enhance protection of adjacent neighborhoods, recreational opportunities, and the community's viewshed, while promoting the vigor, resiliency, and sustainability of the forest itself.

Community Involvement:

Inform: In the months leading up to the November 2012 election, 50 public outreach events were held throughout the community. Since then, we've endeavored to keep the community informed of overall FWPP efforts through various means, including public meetings, briefings, the project website, media coverage, etc. Specific to this project, we have worked to inform various stakeholders of desired outcomes, plans, schedules, and status. Signage will also be posted in the area to inform visitors of the need and goals of the forest treatments.

Consult: We've worked with both AZ Game & Fish and US Fish & Wildlife Service regarding protection of wildlife habitat, adjacent neighborhoods regarding access, the US Forest Service regarding transportation routes, Kinder Morgan/El Paso Natural Gas and the AZ Snowbowl regarding pipeline crossings, and AZ State Forestry regarding plans and treatment options.

Involve: Following treatment work conducted by City Crew 1 on other areas within the Observatory Mesa Open Space area, the Winter Wood for Warmth program has been involved in removing firewood from the area for distribution to area residents. In addition, we have initiated a free, personal-use firewood permit program for interested individuals as well.

Collaborate: The proposed work is compatible with other forest treatment work in the Flagstaff area, and is in-alignment with efforts conducted by the US Forest Service, AZ State Forestry, the City's Wildland Fire Management program, and the Greater Flagstaff Forests Partnership. It will compliment work currently being planned and that will be implemented as part of the Four Forest Restoration Initiative. It is in accordance with the Greater Flagstaff Area Community Wildfire Protection Plan (CWPP) and supports the City's Wildland Urban Interface Fire Code (WUI), adopted by Council in 2005 and 2008, respectfully.

Empower: 74% of those who voted in November 2012 voted in favor of the FWPP.

Attachments: Sub-Recipient Agreement
 GFFP Grant Award

Subrecipient Agreement
between
Greater Flagstaff Forests Partnership, Inc.
and
City of Flagstaff

This Agreement (“Agreement”) is entered into this _____ day of _____, 2015, by and between Greater Flagstaff Forests Partnership, Inc. (“GFFP”), an Arizona corporation with its primary place of business at _____, Flagstaff, Arizona and the City of Flagstaff (“Subrecipient/City”), an Arizona municipal corporation with offices at 211 West Aspen Avenue, Flagstaff, Arizona, and. The GFFP and Subrecipient may also be referred to as “Party” or “Parties” in this Agreement.

RECITALS

1. The GFFP has entered into a Grant Agreement with the Arizona State Forestry Division, a copy of which is attached as **Exhibit A**, to oversee and discharge certain funds, granted through the 2015 Arizona State Parks Grant, for the **Observatory Mesa Harvesting Project** (the “Project”).
2. The City of Flagstaff has the ability and the willingness to carry out the Project in a timely manner.

1. PURPOSE OF AGREEMENT

The purpose of this Agreement is to specify the responsibilities and procedures for the Parties.

2. TERM OF AGREEMENT, TERMINATION AND AMENDMENTS

This Agreement shall become effective on _____ and shall terminate on _____. The following obligations of Subrecipient will survive termination of this Agreement: Sections 5, 8, 9.1 (with respect to final report), 9.2, 10, 11, 13, 16-23 (inclusive) and 26-33 (inclusive).

3. DESCRIPTION OF SERVICES

The Subrecipient shall provide the services for the GFFP as approved in the grant agreement titled “GFFP 2015 Western Bark Beetle Initiative Program” and funded for up to One Hundred Thousand Dollars (\$100,000.00) for two hundred fifty (250) acres of completed work, as may have been modified by the award letter. Services shall be completed on or before **September 20, 2015**.

4. CITY DISBURSEMENTS TO SUBRECIPIENT

The GFFP shall:

- 4.1 Provide up to One Hundred Thousand Dollars (\$100,000) to Subrecipient for services provided under Section 3 and in Exhibits B and C.
- 4.2 GFFP will disburse funds to Subrecipient on a reimbursement basis only, conditioned upon receipt of proof of payment and applicable, accurate and complete reimbursement documents, as deemed necessary by the GFFP, to be submitted by Subrecipient. Payments will be contingent upon receipt of all reporting requirements of Subrecipient under this Agreement.

5. FISCAL RESPONSIBILITY

The funds disbursed by the GFFP under this Agreement shall be used only for the project as described in GFFP's Western Bark Beetle Initiative Program Grant Agreement and in Exhibit B and C. Any modification to quantity or scope of work must be approved in writing by City. Should the project not be completed, Subrecipient shall reimburse unspent funds provided by the GFFP under this Agreement to the GFFP immediately upon demand by the GFFP. If the project is completed at a lower cost than originally budgeted, the amount reimbursed to Subrecipient shall be the amount actually spent by Subrecipient in accordance with the approved application. If any expenditure by Subrecipient under this Agreement is disallowed by an audit exemption or by the GFFP or the State, Subrecipient shall reimburse funds for the disallowed expenditure directly to the GFFP immediately upon demand by the GFFP. The Subrecipient shall also abide by the General Provisions in the Grant Agreement between the Arizona State Forestry Division and the GFFP, Contract # WBB1 11-601, a copy of which is attached as **Exhibit A** and incorporated in this Agreement by reference.

6. PROGRAMMATIC MONITORING

The Subrecipient agrees to terms specified in A.R.S. § 35-214 and § 35-215.

- 6.1 During the term of this Agreement, Subrecipients will be monitored periodically by GFFP staff, both programmatically and financially, to ensure that the project goals, objectives, performance requirements, timelines, milestone completion, budgets, and other related program criteria are being met. Monitoring will be accomplished through a combination of office-based reviews and onsite monitoring visits. Monitoring can involve aspects of the work involved under this contract including but not limited to the review and analysis of the financial, programmatic, performance and administrative issues relative to each program and will identify areas where technical assistance and other support may be needed. All on-site monitoring shall take place during normal business hours, upon advance written notice, on dates and at times as mutually agreed upon by the GFFP and Subrecipient.

7. DEBARMENT CERTIFICATION

Subrecipient agrees to comply with the Federal debarment and suspension regulations as outlined in the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions."

8. FUNDS MANAGEMENT

Subrecipient must maintain funds received under this Agreement in separate ledger accounts and cannot mix these funds with other sources. Subrecipient must manage funds according to applicable Federal regulations for administrative requirements, costs principles, and audits. Subrecipient must maintain adequate business systems to comply with Federal requirements. The business systems that must be maintained are: Financial Management, Procurement, Personnel, Property, and Travel. A system is adequate if it is written, followed consistently (it applies to similar items), and consistently applied (it applies to all sources of funds).

9. REPORTING REQUIREMENTS

Regular reports by Subrecipient shall include:

- 9.1 Progress Reports.** Subrecipient shall provide quarterly programmatic reports to the GFFP within five (5) working days of the last day of the month in which services are provided. The Subrecipient shall use the form provided by the GFFP to submit quarterly programmatic reports. The report shall contain such information as deemed necessary by the GFFP. If the scope of the project has been fully completed and implemented, and there will be no further updates, then the quarterly programmatic report for the quarter in which the project was completed will be sufficient as the final report. The report should be marked as final and should be inclusive of all necessary and pertinent information regarding the project as deemed necessary by the GFFP. Quarterly programmatic reports shall be submitted to the GFFP until the entire scope of the project is completed. Notwithstanding anything to the contrary in this Section 9, the GFFP shall not request, and Subrecipient shall not be required to provide, any of Subrecipient's confidential or proprietary information in reports provided to the GFFP, including without limitation, any information regarding research collaborators, research plans or any data, results or other information resulting from Subrecipient's performance of research or any other activities relating thereto.
- 9.2 Financial Reimbursements.** Subrecipient shall provide as frequently as monthly, but not less than quarterly, requests for reimbursement. Reimbursements shall be submitted with the Reimbursement Form provided by the GFFP staff. Subrecipient shall submit a final reimbursement for expenses received and invoiced prior to the end of the termination of this Agreement no more than forty-five (45) days after the end of the Agreement. Requests for reimbursement received later than the forty-five (45) days after the Agreement termination will not be paid. The final reimbursement request as submitted shall be marked FINAL, and include a copy of the Property Control Form. All reports shall be submitted to the contact person as described in Section 29, NOTICES, of this Agreement.

10. ASSIGNMENT AND DELEGATION

Subrecipient may not assign any rights under this Agreement without the express, prior written consent of the GFFP.

11. AMENDMENTS

Any change in this Agreement including but not limited to the Description of Services and budget, whether by modification or supplementation, must be accomplished by a formal Agreement amendment signed and approved by the duly authorized representatives of Subrecipient and the GFFP. Any such amendment shall specify: 1) an effective date; 2) any increases or decreases in the amount of Subrecipient's compensation if applicable; 3) be titled as an "Amendment," and 4) be signed by the parties identified in the preceding sentence. Subrecipient understands and agrees that no other method of communication, including any other document, correspondence, act, or oral communication by or from any person, shall be used or construed as an amendment or modification or supplementation to this Agreement.

12. OFFSHORE PERFORMANCE OF WORK PROHIBITED

Due to security and identity protection concerns, all services under this Agreement shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision applies to work performed by subcontractors at all tiers.

13. AGREEMENT RENEWAL

This Agreement shall not bind nor purport to bind the GFFP for any contractual commitment in excess of the original Agreement period.

14. RIGHT TO ASSURANCE

If the GFFP in good faith has reason to believe that Subrecipient does not intend to, or is unable to perform or continue performing under this Agreement, the GFFP may demand in writing that Subrecipient give a written assurance of intent to perform. If Subrecipient fails to provide written assurance within the number of days specified in the demand, the GFFP at its option may terminate this Agreement.

15. CANCELLATION FOR CONFLICT OF INTEREST

Pursuant to A.R.S. § 38-511, if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of GFFP is an employee or agent of the other party in any capacity or a consultant to the other party to the Agreement with respect to the subject matter of the Agreement, this Agreement may be canceled for conflict of interest.

16. AVAILABILITY OF FUNDS

Every payment obligation of the GFFP under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligations. If the funds are not allocated and available for the continuance of this Agreement, the GFFP may terminate this Agreement at the end of the period for which funds are available. GFFP will provide thirty days written notice and shall pay Subrecipient for termination costs as allowable under Cost Principles (OMB Circular A-122).

17. FORCE MAJEURE

If either party hereto is delayed or prevented from the performance of any act required in this Agreement by reason of acts of God, strikes, lockouts, labor disputes, civil disorder, or other causes without fault and beyond the control of the party obligated, performance of such act will be excused for the period of the delay.

18. PARTIAL INVALIDITY

Any term or provision of this Agreement that may be declared contrary to any current or future law, order, regulation, or rule, or which is otherwise invalid, shall be deemed stricken from this Agreement without impairing the validity of the remainder of this Agreement.

19. VENUE

For any dispute arising from this Agreement, venue shall be in Coconino County, State of Arizona, or in the District of Arizona if litigation under diversity jurisdiction is involved.

20. GOVERNING LAW

This Agreement shall be governed and interpreted in accordance with the laws of the State of Arizona.

21. ENTIRE AGREEMENT

This Agreement is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms in this document. This Agreement and its Exhibits constitute the entire agreement between the parties and may not be changed or added to except by a writing signed by the parties provided, however, that the GFFP shall have the right to immediately amend this Agreement so that it complies with any new legislation, laws, ordinances, or rules affecting this Agreement. Subrecipient agrees to execute any such amendment within ten (10) business days of its receipt.

22. NON WAIVER

Neither Party's failure to insist on strict performance of any term or condition of the Agreement shall be deemed a waiver of that term or condition, even if the Party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object.

23. RESTRICTIONS ON LOBBYING

The Subrecipient 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.

24. LICENSING

The Subrecipient, unless otherwise exempted by law, shall obtain and maintain all licenses,

permits, and authority necessary to perform those acts it is obligated to perform under this Agreement.

25. NON-DISCRIMINATION

Subrecipient shall comply with all State and Federal equal opportunity and non-discrimination requirements and conditions of employment, including the Americans with Disabilities Act, in accordance with A.R.S. title 41, Chapter 9, Article 4 and Executive Order 2009-09.

26. SECTARIAN REQUESTS

Funds disbursed pursuant to this Agreement may not be expended for any sectarian purpose or activity, including sectarian worship or instruction in violation of the United States or Arizona Constitutions.

27. ADVERTISING AND PROMOTION OF AGREEMENT

The Subrecipient shall not advertise or publish information for commercial benefit concerning this Agreement without the prior written approval of the GFFP.

28. OWNERSHIP OF INFORMATION, PRINTED AND PUBLISHED MATERIAL

The Funding Agency and the GFFP shall have full and complete rights to reproduce, duplicate, disclose, perform, and otherwise use all report provided to the GFFP under this Agreement in accordance with Section 10 above.

28.1 The Subrecipient agrees that any report furnished to GFFP pursuant to Section 10 herein shall contain the following statement:

"This document was prepared under a grant from the Arizona Commerce Authority, Rural Economic Development Grant. Points of view or opinions expressed in this document are those of the authors and do not necessarily represent the official position or policies of the Arizona Commerce Authority."

28.2 The Subrecipient also agrees that one copy of any such report shall be submitted to the GFFP to be placed on file and distributed as appropriate to other potential sub-recipients or interested parties. The GFFP may waive the requirement for submission of any specific publication upon submission of a request providing justification from Subrecipient.

28.3 The GFFP and Subrecipient recognize that activities funded under this Agreement have the potential to become public information. It is also agreed that any report or printed matter provided pursuant to Section 10 of this Agreement is a work for hire and shall not be copyrighted by Subrecipient.

29. INDEMNIFICATION

To the extent permitted by law, each Party (as Indemnitor) agrees to indemnify, defend and hold

harmless the other Party (as Indemnitee) from and against any and all claims, losses, liability, costs, or expenses, including reasonable attorney's fees, (collectively referred to as "Claims") arising out of bodily injury of any person, including death, or property damage, but only to the extent that such claims which result in vicarious/derivative liability to the Indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents or employees.

30. TERMINATION

Either Party reserves the right to terminate the Agreement without cause by providing the other Party a written thirty (30) day advance notice of the termination.

- 30.1 If Subrecipient chooses to terminate the Agreement before the grant purposes have been met then the GFFP reserves the right to collect all reimbursements distributed to Subrecipient that have not been spent and that Subrecipient is not contractually obligated to pay to any third party as of the date Subrecipient receives notice of said termination.
- 30.2 The Subrecipient shall continue to perform, in accordance with the requirements of the Agreement, up to the date of termination, as directed in the termination notice.

31. PARAGRAPH HEADINGS

The paragraph headings in this Agreement are for convenience of reference only and do not define, limit, enlarge, or otherwise affect the scope, construction, or interpretation of this Agreement or any of its provisions.

32. SPECIAL CONDITIONS

- 32.1 The Subrecipient agrees that, when practicable, any equipment purchased with grant funding shall be prominently marked as follows: **"Purchased with funds provided by the Arizona State Forestry Division and U.S. Forest Service, Western Bark Beetle Grant."**
- 32.2 The Subrecipient 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.

33. NOTICES

Any and all notices, requests, demands, or communications by either party to this Agreement, pursuant to or in connection with this Agreement shall be in writing be delivered in person or shall be sent to the respective parties at the following addresses:

To Greater Flagstaff Forest Partnership:

Scott Harger
Greater Flagstaff Forests
Partnership
1300 S. Milton, #209
Flagstaff, AZ 86001

To Subrecipient:

Grants Manager
City of Flagstaff
211 West Aspen
Flagstaff, AZ 86001

IN WITNESS WHEREOF the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

Greater Flagstaff Forest Partnership

City of Flagstaff

Scott Harger, _____

Jeff Meilbeck, Interim City Manager

Attest:

City Clerk

Approved as to form:

City Attorney

Attachments: Exhibit A
 Exhibit B
 Exhibit C

Douglas A. Ducey
Governor

Jeff Whitney
State Forester

Office of the State Forester

Arizona State Forestry Division

1110 W. Washington St., Suite 100
Phoenix, AZ 85007
(602) 771-1400



17 April 2015

EXHIBIT A

Mark Brehl
Greater Flagstaff Forests Partnership
119 E Terrace Ave. Suite F
Flagstaff, AZ 86001

RE: Western Bark Beetle Initiative Grant Program (WBBI 11-601)

Dear Mr. Brehl:

I have enclosed your copy of the executed Western Bark Beetle Initiative Grant Program (WBBI 11-601), which was fully executed as of 9 April 2015. **Grant-related invoices and expenditures are now eligible for reimbursement, and grant-related matching may be accrued as of this date.**

Please include the grant number (WBBI 11-601) in the subject line of all subsequent communications for tracking purposes. Also, let me know if you have any questions or require additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Chris Erickson', written over a light blue horizontal line.

Chris Erickson
Forest Program Specialist
Forest Health Program

Phone: 602 771 1407
Email: chriserickson@azsf.gov

Enclosure:
Signed WBBI 11-601 Master Agreement (with attachments A-E)

Arizona State Forestry Grant Agreement No. WBB1 11-601
Western Bark Beetle Initiative Program

This grant agreement ("Agreement") is entered into by and between the ("Grantee") Arizona State Forestry Division ("State Forestry" or "State") and ("Sub-grantee"), **Greater Flagstaff Forests Partnership (DUNS #05-760-4253)**, pursuant to the Cooperative Forestry Assistance Act of 1978, Public Law 95-313, as amended; Food, Agriculture, Conservation, and Trade Act of 1990, as amended, Public Law 101-624.

I. PURPOSE OF AGREEMENT

State Forestry is a primary recipient of grant funds provided by the USDA Forest Service to assist in the advancement of forest resources management; forest insect and disease management, urban and community forestry, development and transfer of new and improved fire control technologies, organization of shared fire suppression resources, forestry resources planning, conservation of forest land, and achievement of a number of other goals for the use and protection of forest lands. This agreement is a sub-award of those federal grant funds authorized under Arizona Revised Statute 37-622.

The Catalog of Federal Domestic Assistance (CDFA) Number is **10.664, Cooperative Forestry Assistance**, U.S. Department of Agriculture, Forest Service.

II. SCOPE OF WORK

Compensation is contingent upon Sub-grantee fulfilling the Scope of Work and project commitments as identified in the Grant Application (Attachment A) and as amended by the approved Detailed Project Plan (Attachment B).

III. PROGRAMATIC CHANGES

Sub-grantee shall obtain prior approval for any changes to the scope of objectives of the approved project, key personnel, or transfer of substantive programmatic work to another party.

IV. TERM OF AGREEMENT

This Agreement shall be effective immediately upon signature by all parties and will terminate on **September 30, 2015** unless otherwise terminated or modified pursuant to the terms herein.

V. COMPENSATION AND MATCHING INVESTMENT

Grant funds may be utilized for up to **50%** of the total cost of this program. A contribution by the Sub-grantee for an additional **Cost Share Match of 50%** of the total cost of the program is required (including contributions of third parties). Support documentation outlining project costs including cost share match is required.

Compensation under this agreement shall be on a reimbursement basis, shall not exceed the total eligible costs of the project, and total compensation (federal portion) **shall not exceed \$100,000.00.**

Only costs for those project activities approved in (1) the initial award, or (2) approved modifications thereto, are allowable. All payments are contingent upon the availability of funds and reimbursement by the United States Department of Agriculture, Forest Service.

Reimbursement payments will be made to the Sub-grantee after State Forestry receives reimbursement from the USDA Forest Service, normally within ninety days of receipt of the reimbursement request and required documentation.

VI. ELIGIBLE COSTS

Eligible costs must be incurred during the Term of the Agreement, conform with the General Provisions of this Grant Agreement (Attachment C) and all other provisions identified herein, and be submitted to State Forestry along with detailed supporting documentation. This is a reimbursable grant program. Support documentation must show dates and amounts of all expenses (See Attachment D).

Purchase of Capital Equipment (equipment costing more than \$5,000 per unit price) is **NOT allowed** under this agreement.

This is an award of Federal financial assistance and is subject to the Office of Management and Budget (OMB) Circulars A-102 as implemented by USDA regulations 7CFR3015, 7CFR3016, 2CFR170, 2CFR225, 2CFR215 as implemented by USDA regulations 7CFR3019, and OMB Circular A-133 as implemented by USDA regulation 7CFR3052. All Federal and Sub-grantee matching/cost-share contributions are subject to all relevant OMB Circulars. All project expenditures are subject to the Single Audit act of 1984 and payments shall adhere to the Federal Cash Management Improvement Act (CMIA).

VII. ADMINISTRATIVE AND ACCOUNTING REQUIREMENTS

It shall be the sole responsibility of the Sub-grantee to establish and document both accounting and administrative control procedures for their organization. Such procedures shall be followed to ensure grant funds are being tracked and spent in accordance with all applicable laws and with the terms of the grant agreement/award. Sub-grantee accepts full liability for resources administered through the grant.

VIII. AUDIT REQUIREMENTS

SINGLE AUDIT ACT OF 1984: All project expenditures are subject to the Single Audit act of 1984 and all relevant Office of Management and Budget (OMB) Circulars including OMB Circular A-133 . Sub-grantees are subject to audit if their share of federal financial assistance is \$500,000 or more for a single fiscal year. Federal financial assistance includes reimbursements under this award and all other financial assistance originating from any agency of the federal government during the Sub-grantee's fiscal year. Sub-grantee will be required annually to report compliance with this requirement.

ARS 35-181.03. Sub-grantee must also comply with applicable ARS 35-181.03 provisions for financial and compliance audits.

In the event that an audit determines that unallowable costs have been charged to the grant and funds have been disbursed to the Sub-grantee, then the Sub-grantee accepts full liability and must pay back all costs incurred and deemed unallowable. Any audit involving a Federally-funded grant shall provide a copy of the audit report to the Federal Audit Clearinghouse managed by the Census Bureau within 30 days after receipt from auditor or nine months from the close of their fiscal year, whichever is earlier.

IX. PROCUREMENT REQUIREMENTS

All procurement activities shall be in compliance with Uniform Administrative Requirements applicable to the sub-recipient organization. For State and Local Governments, this includes OMB Circular A-102 as implemented by USDA regulations 7CFR3016. For Non-Profit Organizations and Institutions of Higher Education, this includes OMB Circular A-110 (2 CFR 215) as implemented by USDA regulations 7CFR3019. All Sub-grantees are responsible for developing, documenting, and adhering to their own established procurement activities that include both administrative and accounting controls.

X. REPORTING REQUIREMENTS

Sub-grantee shall monitor the performance of the grant activities to ensure that performance goals are being achieved. Sub-grantee shall provide detailed grant/project accomplishments in quarterly reports to State Forestry no later than 30 days after the end of each calendar quarter, or as requested by State Forestry. Performance reports shall follow the format identified in Attachment E or as may be revised by State Forestry.

Reports will contain information on the following:

- A comparison of actual accomplishments to the goals established for the period and for the entire program or project.
- Output of the project that can be readily expressed in numbers, such as acres of forest treatment, number of citizens served, or other similar activities. A computation of cost per unit of output may be required where applicable.
- Reason(s) for delay if established goals were not met.
- Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

Financial/Reimbursement requests may be submitted quarterly or more often if necessary. Reimbursement requests shall follow the format as identified in Attachment E or as may be revised by State Forestry.

Financial/Reimbursement requests may be held for processing until quarterly accomplishment/performance reports are current.

A final accomplishment report with mapping, if required, and all financial/reimbursement requests and required documentation shall be provided at completion of the grant project, but no later than 30 days after end of grant term.

All accomplishment and financial reports shall be submitted to the State Forestry contact as identified below in Section XII (NOTICES)

Sub-grantee shall immediately notify State Forestry of developments that have a significant impact on the activities supported under this grant. Also, notification shall be given in case of problems, delays or adverse conditions that materially impair the ability to meet the objectives of the agreement. This notification shall include a statement of the action taken or contemplated, and any assistance needed to resolve the situation.

Any change to the original grant application scope of work or approved detailed project plan must have prior written State approval. Incurring costs without prior written approval may result in loss of funds reimbursed.

XI. PRINCIPAL CONTACTS.

NOTE: Principal contact should be one contact person responsible for overseeing all elements of the grant project including but not limited to accounting, administrative and field portions of the project.

Each party certifies that the individuals listed below are authorized to act in their respective areas for matters related to this instrument.

Principal Sub-grantee Fiscal Contact:

Mark Brehl, Board of Directors, GFFP
1300 S Milton Rd, #209
Flagstaff, AZ 86001
928-213-2512; 928-853-2735
mbrehl@flagstaffaz.gov; admin@gffp.org

Principal Sub-grantee Programmatic Contact:

Mark Brehl, Wildland Firewise Specialist, FFD
211 W. Aspen
Flagstaff, AZ 86001
928-213-2512
mbrehl@flagstaffaz.gov

Principal Arizona State Forestry Contact:

Chris Erickson, Forest Program Specialist
1110 W Washington St, Suite 100
Phoenix, AZ 85007
602-771-1407
chriserickson@azsf.gov

XII. NOTICES

Any and all reports, notices, requests or demands given or made upon the parties hereto, pursuant to or in connection with this Agreement, unless otherwise noted, shall be delivered in person or sent by United States Mail, postage prepaid, to the parties at their respective addresses as set forth immediately below:

<u>STATE FORESTRY</u>	<u>SUB-GRANTEE</u>
Chris Erickson Forest Program Specialist Arizona State Forestry Division 1110 West Washington, Suite 100 Phoenix, AZ 85007 602-771-1407 chriserickson@azsf.gov	Mark Brehl Board of Directors Greater Flagstaff Forests Partnership 1300 S Milton Rd, #209 Flagstaff, AZ 86001 928-213-2512; 928-853-2735 mbrehl@flagstaffaz.gov; admin@gffp.org

XIII. AWARD CLOSEOUT

Sub-grantee shall close out the grant within 30 days after expiration or notice of termination. If this award is closed out without audit, Arizona State Forestry and the U.S. Forest Service reserve the right to disallow and recover an appropriate amount after fully considering any recommended disallowances resulting from an audit which may be conducted later.

XIV. AUTHORITY

Sub-grantee shall have the legal authority to enter into this agreement and the institutional, managerial, and financial capability to ensure proper planning, management, accounting and completion of the project, which includes funds sufficient to pay the nonfederal share of project costs, when applicable.

XV. ATTACHMENTS

The following Attachments are part of this Agreement:

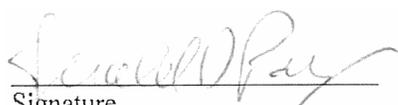
- A. Project Application
- B. Detailed Project Plan
- C. General Provisions
- D. Documentation of Expenses
- E. Quarterly Report and Invoice Format

Additional Certifications (require separate signatures):

- AD1048** - USDA Form AD-1048 Debarment Certification
- Lobbying** - USDA Lobbying Certification

XVI. IN WITNESS WHEREOF, the parties agree to execute this agreement as of the last date written below.

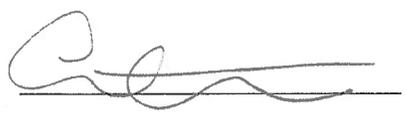
<u>STATE FORESTRY</u>	<u>ACCEPTED BY SUB-GRANTEE</u>
Arizona State Forestry Division 1110 West Washington, Suite 100 Phoenix, AZ 85007	Greater Flagstaff Forests Partnership 1300 S Milton Rd, #209 Flagstaff, AZ 86001



Signature
FOU
Arizona State Forestry Division
Date: 4/9/15



Signature
Mark Brehl
Print or Type Name
Date: 4/2/15



Glen Buettner
Date: 4/9/15

ATTACHMENT A

**Project Application
(Cover Sheet)**

Western Bark Beetle Initiative
2014 Grant Application-ASFD

FOR OFFICIAL USE ONLY	
Dollar Amount Requested:	\$100,000
Matching Share:	\$105,000
Percent (%) Matching	51.22%

Applicant Information	
Applicant:	Greater Flagstaff Forests Partnership
Contact Person:	Steve Gatewood and Mark Brehl
Address:	1300 South Milton Road, #209
City/Zip Code:	Flagstaff, 86001
Phone (Work/Cell):	928/600-3858
Email:	admin@gffp.org
Fax:	928/226-1387

Project Information			
Name of Project:	Observatory Mesa Forest Health Project		
Community Name:	Flagstaff		
County:	Cocconino	Congressional District:	1
Latitude (decimal degrees):	111.6789	Longitude (decimal degrees):	35.2140

Grant Contributors (Matching Share)							
(Federal dollars DO NOT qualify)							
Please specify each match contributor and the dollar amount of each contribution.							
Please DO NOT show grant requested funds in this table. This is for matching share only.							
Contributors: (Please specify)	GFFP	City of Flagstaff					TOTAL
Dollars (Hard Match):	\$0	\$100,000	\$0	\$0	\$0	\$0	\$100,000
In-Kind (Soft Match):	\$2,000	\$3,000	\$0	\$0	\$0	\$0	\$5,000
TOTAL:	\$2,000	\$103,000	\$ 0	\$ 0	\$ 0	\$ 0	\$105,000

Total Project Expense (break down matching share totals from block three)				
	Grant Share (\$ Amount Requested)	Match (from block three)		TOTAL
		Dollars	In-Kind	
Personnel / Labor:	\$1,000	\$1,000	\$2,000	\$4,000
Operating:	\$0	\$0	\$1,000	\$1,000
Travel:	\$0	\$0	\$0	\$ 0
Contractual Services:	\$95,000	\$100,000	\$0	\$195,000
Equipment:	\$0	\$0	\$0	\$ 0
Indirect Costs:	\$4,000	\$500	\$500	\$5,000
TOTAL:	\$100,000	\$101,500	\$3,500	\$205,000

Project Summary (check all that apply and answer related questions in appropriate box)			
	Is this a new project? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
	Can this project be completed by September 30, 2014? (Priority) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	What is the duration of this project? (36 month maximum) 36 months		
5	Number of acres to be treated:	250	Estimated cost per acre: \$820.00
	Are the acres to be treated contiguous (adjacent to each other)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please describe their layout in block six (6).		
	Does this project have a current forest management or stewardship plan? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, please attach the plan to this application.		
	Is this project managed by a professional land manager? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please provide qualifications in block six (6).		
	Number of communities directly affected by this project:	1	
	Number of citizens to be reached:	2,500	
	Number of residences affected:	100	

Project Area Description	
All information for the project should fit into the allotted character space provided below. Addendum may be submitted if more space is needed.	
6	<p>Provide a brief overview of the project and the project area. 2500 characters</p> <p>This project encompasses 250 acres within the eastern most parcel of four parcels (T21N,R7E, Sec 8, Parcel B in the attached Forest Stewardship Plan) on Observatory Mesa which the City of Flagstaff recently purchased from the State under the Arizona Preserve Initiative (API). Under the initiative the newly acquired parcels are designated to be preserved in perpetuity as open space. This parcel is located on the top of Observatory Mesa in the western position of the City and lies directly adjacent to the epicenter of Flagstaff's most prominent bark beetle activity. The project area is directly adjacent to the Westridge neighborhood and is approximately ¼ mile WNW of downtown Flagstaff. Historic Lowell Observatory, for which the mesa is named, sits atop the eastern edge of the mesa and approximately ½ mile from the project area. This project will compliment and expand the treatment areas being planned under the Flagstaff Watershed Protection Project and will decrease the occurrence of bark beetle damage, reduce the risk of severe wildfire and limit post fire impacts such as flooding.</p> <p>The forests around Flagstaff have been and will continue to be influenced by the interactions of humans with the land. Extensive railroad logging occurred in-and-around Flagstaff from 1880 - 1930. Throughout the general area, it is estimated that as much as 80% of the merchantable volume was removed during these operations. These past harvest practices, in combination with fire suppression and extensive livestock grazing, resulted in an unnaturally-dense second-growth forest blanketing the area. This human influenced change to current forest structure has been accompanied with a significant decrease in overall forest health including the unnaturally large and destructive bark beetle outbreaks. These infestations have devastated large acreages of forest and pose serious risk of continued spread and damage in the dense forests on Observatory Mesa.</p>
	<p>Briefly describe the qualifications of the person(s) managing this project. 500 characters</p> <p>Steve Gatewood has a BS Degree in Forestry and has managed several AZSFD cost share projects for GFFP since 2005, including one previous WBBI grant. Mark Brehl has a BS Degree in Forestry and has also managed several AZSFD cost share projects for Flagstaff Fire and GFFP.</p>

Project Goals and Objectives

All information for the project should fit into the allotted character space provided below.
Addendum may be submitted if more space is needed.

Provide a brief description of how this project meets the grant objectives and goals. 1500 characters

7

Portions of Section 8 on Observatory Mesa are overly dense and subject to bark beetle infestation, especially in the face of the prolonged drought occurring regionally. Pockets of recent some bark beetle activity has been identified on the site, which is part of a larger block of City Open Space land that also needs treatment. The City of Flagstaff/Flagstaff Fire Department will mark this site with the objective of achieving acceptable basal area and tree density conditions - around 70BA and less than 100 TP - and will manage a contractor to conduct actual thinning and slash disposal operations. The site also will be subject to prescribed fire treatment in the future to maintain forest health and restored forest conditions. Fire behavior modification objectives will also be achieved. This project will achieve match objectives through use Flagstaff Watershed Protection funding as hard dollar match, and staff support for administration and operations from S. Gatewood and M. Brehl as in-kind match.

Scope of Work / Project Timeline

All information for the project should fit into the allotted character space provided below.
Addendum may be submitted if more space is needed.

Provide a brief scope of work which clearly describes how grant funds will be spent: Types of treatments proposed, primary bark beetle(s) & host of concern & any information & education activities. (This should be more specific than the project description) 1500 characters

8

The overall intent, per the attached Resource Management Plan, is to create clumpy-groupy conditions mimicing historcial southwestern ponderosa pine conditions, with an overall basal area (BA) range of between 60-90. The goal is to foster and create conditions where the vigor and health of the remaining pine trees is improved to the point they can withstand attacks of bark beetles, to include western pine, mountain pine, roundheaded pine, and Ips beetles. Emphasis will be on retention of larger trees, but pockets and areas of of smaller, younger trees and reproduction will be left to ensure long-term sustainability and forest cover on the site.

~ Evaluate site and determine thinning prescription that will achieve primary forest health restoration and secondary fire behavior modication objectives

~ Prepare site for treatment and mark trees for retention; secure contractor and manage thinning contract

~ Post appropriate signage identifying this pject as a joint GFFP/FWPP forest restoration effort

~ Dispose of slash through a combination of pile burning and some chipping/grinding

~ Provide updates to citizens through regular outreach activities associated with the FWPP

~ Maintain financial records and prepare quarterly reports and invoices

~ Complete and submit a final report identifying what was achieved through utilization of WBBI grant funds

Provide a timeline for the project. 1000 characters

Fall/ Winter 2014-15 -- Coordinate with Flagstaff Watershed Protection Project Team and other stakeholders as appropriate to discuss desired future conditions, planning, communications and project coordination.

Winter 2014-15 -- Finalize standards of treatment and prescriptions with partners and stakeholders.

Winter/Spring 2015 -- Solicit and award bids for contracted work.

Summer 2015- Fall 2016 -- Implement field operations, conduct project monitoring as needed, conduct community outreach and education

Winter 2015 and 2016 - Conduct pile burning as necessary

Summer/Fall 2017 -- Complete work and finalize reporting requirements, including quarterly reporting during grant.

NOTE - FFD is discussing this project with an Oregon firm that did extensive thinning on Camp Navajo very quickly. If they are interested and available, this project could be completed by September 2014. Final decision soon.

Collaborative Elements and Partners

All information for the project should fit into the allotted character space provided below.
Addendum may be submitted if more space is needed.

9 **Specify the private, local, tribal, county, state, federal and/or non-governmental 501(c) 3 organizations that will contribute to or participate in the completion of this project. Describe briefly the contributions each partner will make (i.e. – donating time/equipment, funding, etc.).**

2000 characters

The Greater Flagstaff Forests Partnership is a 501(c)3 local collaborative that has been working to restore forest ecosystems around Flagstaff for over 15 years. Current Board members represent the City of Flagstaff, NAU/ERI, Coconino NRCD, USFWS and 2 private consulting firms - Mottek Consulting, LLC and Wildwood Consulting, LLC. GFFP, through a contract/service agreement, will provide grant and financial management, as well as technical support. Flagstaff Fire will provide field operations management and contractor supervision. Other GFFP members will provide support for the overall operation through decision making and technical advice. GFFP will provide in-kind match through staff and operations support, and the City of Flagstaff will provide the bulk of dollar match through the Flagstaff Watershed Protection Project and also in-kind staff support.

Project Longevity / Maintenance

All information for the project should fit into the allotted character space provided below.
Addendum may be submitted if more space is needed.

10 **Clearly demonstrate how this project will remain effective over time.** 2000 characters

Once forest health conditions are restored under this grant through mechanical thinning and slash disposal, Flagstaff Fire Department will maintain forest health through regular application of prescribed fire according to a forest management plan that will be prepared for forested open space land owned and managed by the City. Periodic site assessments will determine needs for additional cutting if/where future bark beetle activity is discovered.

Funding will come from the City of Flagstaff general fund to conduct future treatments necessary to maintain ecological health and to perpetuate the goals of this grant program well into the future. These efforts will be undertaken as part of the Flagstaff Fire Department's Wildland Fire Mgmt Program.

ATTACHMENT B
(Cover Sheet)

Detailed Project Plan – Subject to State Approval
(Include specific planned accomplishments, detailed project budget, and time line)

DETAILED PROJECT PLAN #2 – OBSERVATORY MESA FOREST HEALTH PROJECT

Greater Flagstaff Forests Partnership WBBI Gant Application

November 12, 2014

Project Scope

In conjunction with the Flagstaff Watershed Protection Project (FWPP), the Greater Flagstaff Forests Partnership (GFFP) will coordinate the treatment of 250 acres of local government land (Observatory Mesa, City of Flagstaff) to achieve forest health restoration objectives, and associated fuel reduction, fire behavior modification, and community protection benefits. A combination of hand and mechanical thinning crews will be used to reduce basal area to appropriate levels. Slash will be addressed through a combination of pile burning and chipping/removal. Guidance in the Forest Stewardship Plan – Observatory Mesa, prepared by the City of Flagstaff, will be used to design treatment approaches and specific prescriptions.

Hand thinning and mechanical removals will be conducted by a successful bidder through an RFP. Through combined FWPP/GFFP outreach efforts, community education and awareness will be provided and local support enlisted, especially in the adjacent Westridge neighborhood. This project will be managed administratively by the GFFP and in the field by Flagstaff Fire Department.

Project Schedule

A specific project schedule will be finalized as negotiations for specific work are finalized and potential forest restrictions/closures are incorporated, but generally the following timeline and schedule are proposed:

- 1) November/December – develop treatment approach/prescriptions and issue RFP for thinning
- 2) January 2015 – secure bond funding to complete project
- 3) January/February/March – secure contractors and initiate work (weather permitting)
- 4) April thru September 30, 2015 - conduct forest treatment activities (fire restrictions permitting)

Project Budget

See attached Project Budget Worksheet.

Arizona State Forestry – Project Budget Worksheet

Project: Observatory Mesa Forest Health Project, GFFP

Total Project Budget (by expense type)				
Budget Detail	Grant Share (\$ Amount Requested)	Match		TOTAL
		Dollars	In-Kind	
Administrative Labor:	\$500	\$500	\$1,000	\$2,000
Project Labor:	\$500	\$500	\$2,000	\$3,000
Fringe Benefits:	\$0	\$0	\$0	\$ 0
Travel:	\$0	\$0	\$0	\$ 0
Equipment:	\$0	\$0	\$0	\$ 0
Supplies:	\$0	\$0	\$0	\$ 0
Contractual:	\$95,000	\$100,000	\$0	\$195,000
Other:	\$4,000	\$500	\$500	\$5,000
TOTAL:	\$100,000	\$101,500	\$3,500	\$205,000

Budget Narrative
<p>Provide a brief explanation of each budget item. Include an explanation for items that will be reimbursed by grant funds and those that will be provided as project match (add additional pages if needed).</p> <p>Administrative labor will be provided by Steve Gatewood of GFFP and Mark Brehl of FFD to manage, provide administrative support, and produce required reports for the project.</p> <p>Project Labor will be provided primarily by Mark Brehl of FFD to manage field operations for the project, with support from Steve Gatewood of GFFP; some project match will be provided by FFD fuel management crews for pile burning.</p> <p>Contractual Services will be provided for all forest thinning activities by Summit Forests for hand thinning and an as yet undetermined mechanical crew (if necessary).</p> <p>Indirect Costs will be incurred by GFFP and FFD, and they will also provide some match for Indirect.</p> <p>Dollar match will come from the GFFP budget and through bond funding from FFD/City of Flagstaff.</p>

Budget Narrative - Continued

Use this additional space to provide a brief explanation of each budget item. Include an explanation for items that will be reimbursed by grant funds and those that will be provided as project match (add additional pages if needed).

ATTACHMENT C

General Provisions

COVENANT AGAINST CONTINGENT FEES

The Sub-grantee warrants that it has not employed or retained any company or person, other than a bona fide employee working for the Sub-grantee, to solicit or secure this agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this agreement. For breach or violation of this warranty, the State shall have the right to annul this agreement without liability, or, in its discretion to deduct from the agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

MODIFICATIONS

Modifications within the scope of this award shall only be made by mutual consent of both parties, by issuance of a written amendment signed and dated by all properly authorized signatory officials prior to any changes being performed. Requests for modification shall be made, in writing, at least thirty (30) days prior to the implementation of the requested change. Any change to the original grant application scope of work or approved detailed project plan must have prior written State approval. Incurring costs without prior written approval may result in loss of funds reimbursed.

EXTENSIONS

Timely completion of this project is required. If this agreement is extended by mutual written consent of the parties, all terms, conditions and provisions of the original agreement shall remain in full force and effect and apply during any extension period. Any extension of time granted shall not constitute or operate as a waiver by the State of any of its rights herein. Extensions will only be considered and/or made if the Sub-grantee has demonstrated reasonable efforts to complete the grant project as defined in the original detailed project plan and has a clear and specific plan for completion of the project within the extended time period.

RESPONSIBILITY FOR CLAIMS AND LIABILITIES

The Sub-grantee agrees to assume all risk of loss to indemnify and hold the State, its officers, agents and employees, harmless from and against any and all liabilities, demands, claims, suites, losses, damages causes or action, fines or judgments, including costs, attorney's and witnesses' fees and expenses incident thereto, for injuries or death to persons and for loss of, damage to, theft of or destruction of any property including loss of use thereof arising out of or in connection with the performance of duties required by agreement, all whether or not authorized or agreed to by Sub-grantee.

RETENTION OF RECORDS

The Sub-grantee and any subcontractor shall maintain and store all documents, papers, accounting records; other evidence pertaining to costs incurred for this work, and shall make all such materials available at any reasonable time during the term of work and for five (5) years from the date of final payment to the Sub-grantee. The Sub-grantee may be required to provide such records as necessary to any auditing agent. Inability to provide such records may result in unallowable costs to the grant and any funds disbursed to the Sub-grantee may have to be paid back to the State and/or Federal government.

COMPLIANCE WITH ARIZONA EXECUTIVE ORDERS 75-5 and 2009-09

The Sub-grantee shall comply with Arizona Executive Order 75-5 and as amended by Arizona Executive Order 2009-09 relating to non-discrimination in employment by government contractors and subcontractors. These regulations are herein incorporated by reference and made a part of this agreement.

ADMINISTRATIVE AND ACCOUNTING REQUIREMENTS

It is the Sub-grantee's responsibility to develop, document, administer and manage the correct accounting and administrative procedures for managing the grant in accordance with all applicable Federal and State laws.

Sub-grantee is subject to the following administrative requirements and cost principles based on the sub-grantee organization's structure:

Grantee Structure	Administrative Requirements	Cost Principles
Non-Profit Organization	OMB Circular A-110 (2 CFR 215 / 7CFR3019)	2 CFR 230 (OMB A-122)
Local and Tribal Governments	State and Federal laws, regulations	2 CFR 225 (OMB A-87)
State Agencies	State and Federal laws, regulations	2 CFR 225 (OMB A-87)
Universities	OMB Circular A-110 (2 CFR 215 / 7CFR3019)	2 CFR 220 (OMB A-21)
CFR (Code of Federal Regulations) – www.gpoaccess.gov/cfr/ OMB (Office of Management and Budget) - www.whitehouse.gov/omb/grants If grantee needs assistance in obtaining any of these documents in electronic or printed form, please contact your Arizona State Forestry representative.		

If any program income is generated as a result of this grant/agreement, the income earned during the term of this agreement shall be applied using the deductive method as described in 7CFR 3016.25 and 3019.24; the deductive alternative is the preferred method, unless specifically authorized by the Signatory Official. Costs incident to the generation of program income may be deducted from gross income to determine program income provided these costs have not been charged to the award/agreement and they comply with the applicable Cost Principles.

FREEDOM OF INFORMATION ACT

Public access to grant or agreement records shall not be limited, except when such records must be kept confidential and would have been exempted from disclosure pursuant to "Freedom of Information" regulations (5 U.S.C. 552).

MEMBERS OF U.S. CONGRESS

Pursuant to 41 U.S.C. 22, no United States member of, or United States delegate to, Congress shall be admitted to any share or part of this award, or benefit that may arise there from, either directly or indirectly.

TERMINATION FOR CONVENIENCE

The Office of the State Forester, by written notice, may terminate this contract, in whole or in part, when it is deemed in the best interest of the State. If this agreement is so terminated, Sub-grantee will be compensated for work performed up to the time of the termination notification. In no event shall payment for such costs exceed the current grant amount.

TERMINATION BY MUTUAL AGREEMENT

This award may be terminated, in whole or part, as follows:

- When the State and Sub-grantee agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated.
- By thirty (30) days written notification by the Sub-grantee to the State setting forth the reasons of termination, effective date, and in the case of partial termination, the portion to be terminated.
- If, in the case of a partial termination, the State determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the State may terminate the award in its entirety.

Upon termination of an award, the Sub-grantee shall not incur any new obligations for the terminated portion of the award after the effective date, and shall cancel as many outstanding obligations as possible. The State shall allow full credit to the Sub-grantee for the United States Federal share of the non-cancelable obligations properly incurred by the Sub-grantee up to the effective date of termination. Excess funds shall be refunded within sixty (60) days after the effective date of termination.

CANCELLATION FOR CONFLICT OF INTEREST

Pursuant to A.R.S. §38-511, the state, its political subdivisions or any department or agency of either may, within three years after its execution, cancel any contract, without penalty or further obligation, made by the state, its political subdivisions, or any of the departments or agencies of either if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the state, its political subdivisions or any of the departments or agencies of either is, at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

FEDERAL IMMIGRATION AND NATIONALITY ACT

By entering into the Agreement, the Sub-grantee warrants compliance with the Federal Immigration and Nationality Act (FINA) and all other Federal immigration laws and regulations related to the immigration status of its employees. The Sub-grantee shall obtain statements from its contractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Contract. The Contractor and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U.S. Department of Labor's Immigration and Control Act, for all employees performing work under the Grant. I-9 forms are available for download at USCIS.GOV.

The State may request verification of compliance for any Sub-grantee, contractor or subcontractor performing work under the Grant. Should the State suspect or find that the Sub-grantee or any of its contractors are not in compliance, the State may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Agreement for default, and suspension and/or debarment of the Sub-grantee or Contractor. All costs necessary to verify compliance are the responsibility of the Sub-grantee. The parties agree to comply with A.R.S. §41-4401, the provisions of which are hereby incorporated.

ARBITRATION

To the extent required by A.R.S. §12-1518, the parties agree to use arbitration, after exhausting applicable administrative review, to resolve disputes arising out of this agreement.

ANTITRUST VIOLATIONS

The Sub-grantee and the State recognize that in actual economic practice overcharges resulting from antitrust violations are in fact borne by the purchaser or ultimate user. Therefore, Sub-grantee acting as a vendor, hereby assigns to State any and all claims for such overcharges.

SUSPENSION OR DEBARMENT

Submittal of an offer or execution of a contract shall attest that the sub-grantee or contractor is not currently suspended or debarred. If the Sub-grantee or any of its contractors become suspended or debarred, the Sub-grantee shall immediately notify the State. The State may, by written notice to the Sub-grantee, immediately terminate this Agreement if the State determines that the Sub-grantee or their contractors have been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body.

CONTRACTS AND SUBAWARDS TO DEBARRED AND SUSPENDED PARTIES

Pursuant to Code of Federal Regulations 7CFR 3016 and 7CFR 3017, grantees and subgrantees must not make an 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". By entering into this agreement sub-grantee agrees to comply with all relevant codes including 7CFR part 3017, subpart C, "Responsibilities of Participants Regarding Transactions". When entering into a covered transaction with another person at the next lower tier, sub-grantee must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by:

- (a) Checking the Excluded Parties List System (EPLS) – www.epls.gov or System for Award Management (SAM) – www.sam.gov
- (b) Collecting a certification from that person if allowed
- (c) Adding a clause or condition to the covered transaction with that person.

TITLE VI of CIVIL RIGHTS ACT of 1964

Sub-grantee agrees to comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352, 42 U.S.C. 200d). In accordance with Title VI of that Act, no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives Federal financial assistance and Sub-grantee will immediately take any measures necessary to effectuate this agreement.

UNIVERSAL IDENTIFIER REQUIREMENTS

Unless exempted from this requirement under 2CFR 25.110, Sub-grantee agrees to provide a DUNS number to State Forestry prior to award, and to maintain all related information through the full term of this agreement. A *Data Universal Numbering System (DUNS) Number* is a nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).

GOVERNING LAW

This AGREEMENT is made under, and is to be construed in accordance with, the laws of the State of Arizona.

PUBLICATION REQUIREMENTS

A. ACKNOWLEDGEMENT IN PUBLICATIONS. Sub-grantee shall acknowledge Arizona State Forestry Division and U.S. Forest Service support in any publications, audiovisuals, and electronic media developed as a result of this award.

B. NONDISCRIMINATION STATEMENT IN PUBLICATIONS. Sub-grantee shall include the following statement, in full, in any printed, audiovisual material, or electronic media for public distribution developed or printed with any Federal funding.

"In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. (Not all prohibited basis apply to all programs.)

To file a complaint of discrimination, write USDA, director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer."

If the material is too small to permit the full statement to be included, the material must, at minimum, include the following statement, in print size no smaller than the text: *"This institution is an equal opportunity provider."*

C. COPYRIGHTS. No original text or graphics produced and submitted by the U.S. Forest Service shall be copyrighted. The U.S. Forest Service reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use the work for federal government purposes. This right shall be transferred to any sub agreements or subcontracts. This provision includes the copyright in any work developed by Sub-grantee under this agreement. And any right of copyright to which Sub-grantee purchases ownership with any federal contributions.

REPORTING OF SUBRECIPIENT EXECUTIVES

Unless exempt from this requirement of 2CFR 170, Sub-grantee agrees to report the names and total compensation of each of the sub-grantee's five most highly compensated executives for the sub-grantee's preceding completed fiscal year if:

1. in the sub-grantee's preceding fiscal year, the sub-grantee received—
 - (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2CFR 170.320 (and subawards); and
 - (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
2. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.

TRAFFICKING IN PERSONS.

Section 106 of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), include provisions applicable to federal support recipients. By entering into this agreement, you agree to terms set forth in the primary award from the US Forest Service as documented below. This Agreement may be unilaterally terminated, without penalty, if a subrecipient is determined to have violated an applicable prohibition in this award term. (See 22 U.S.C. 7104 and 2CFR175.25 for more details)

A. Provisions applicable to a Recipient that is a private entity.

1. You as the Recipient, your employees, subrecipients under this award, and subrecipients' employees may not-
 - (i) Engage in severe forms of trafficking in persons during the period of time that the award is in effect;

- (ii) Procure a commercial sex act during the period of time that the award is in effect; or
- (iii) Use forced labor in the performance of the award or subawards under the award.

2. This award may be unilaterally terminated, without penalty, if you or a subrecipient that is a private entity -

- (i) Is determined to have violated a prohibition in paragraph A.1 of this award term; or
- (ii) Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph A.1 of this award term through conduct that is either-
 - a. Associated with performance under this award; or
 - b. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Government wide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 CFR 417.

B. Provision applicable to a recipient other than a private entity. This award may be unilaterally terminated, without penalty, if a subrecipient:

- 1. Is determined to have violated an applicable prohibition in paragraph A.1 of this award term; or
- 2. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph A.1 of this award term through conduct that is either-
 - (i) Associated with performance under this award; or
 - (ii) Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Government wide Debarment and Suspension (Nonprocurement)," as implemented at 2 CFR 417.

C. Provisions applicable to any recipient.

- 1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph A.1 of this award term.
- 2. Our right to terminate unilaterally that is described in paragraph A.2 or B of this section:
 - (1) Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
 - (2) Is in addition to all other remedies for noncompliance that are available to us under this award.
- 3. You must include the requirements of paragraph A1 of this award term in any subaward you make to a private entity.

D. Definitions. For purposes of this award term:

- 1. "Employee" means either:
 - (1) An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or

(2) Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

2. "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

3. "Private entity":

(1) Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.

(2) Includes:

i. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).

ii. A for-profit organization.

4. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

DRUG-FREE WORKPLACE

Compliance with the Drug-Free Workplace Act of 1988 (Public Law 100-690, Title V, Subtitle D, as amended) requires that all organizations receiving grants from any federal agency agree to maintain a drug-free workplace.

INVALIDITY OF PART OF THIS AGREEMENT

The parties agree that should any part of this AGREEMENT be held to be invalid or void, the remainder of the AGREEMENT shall remain in full force and effect and shall be binding upon the parties.

COUNTERPARTS

This AGREEMENT may be executed in any number of duplicate originals, photocopies or facsimiles, all of which (once each party has executed at least one such duplicate original, photocopy, or facsimile) will constitute one and the same document.

INTERPRETATION

This AGREEMENT is not to be construed or interpreted for or against either of the parties on the grounds of sole or primary authorship or draftsmanship.

PARAGRAPH HEADINGS

The paragraph headings in this AGREEMENT are for convenience of reference only and do not define, limit, enlarge, or otherwise affect the scope, construction, or interpretation of this AGREEMENT or any of its provisions.

ENTIRE AGREEMENT

This AGREEMENT contains the entire agreement and understanding of the parties hereto. There are no representations or provisions other than those contained herein, and this AGREEMENT supersedes all prior agreements between the parties, whether written or oral, pertaining to the same subject matter of this AGREEMENT.

ATTACHMENT D

Grant Reimbursement and Documentation Requirements

Arizona State Forestry grants are federally funded and are based on reimbursement for actual costs incurred. Sub-grantees are typically required to provide a portion of the total project cost as MATCH contribution to show local investment in the project or program. Match investment must not originate from a federal source and cannot be used as a match for any other federal cost-share program. Specific match amount is identified in each grant agreement. All costs and match should conform to the approved project plan and budget contained in the grant agreement – and all reimbursements are subject to Arizona State Forestry approval. All project expenses must meet the applicable Cost Principles (2CFR220, 2CFR225, 2CFR230).

Only project expenses incurred during the term of the signed grant agreement are eligible. (See Term of Agreement)

All documentation submitted for reimbursement must have the correct project name and/or State Forestry grant number, date work was completed, and proof of payment from the Sub-grantee.

All reimbursements to Sub-grantees shall be calculated from the “Grant Reimbursement Form”. By signing the form, the Sub-grantee assumes full and implied responsibility for all grant costs incurred and submitted on the form. By signature, the Sub-grantee accepts full liability that the work and costs incurred were in accordance with the agreed scope of work and/or approved detailed project plan and in accordance with all applicable Federal and State laws. By signing the “Grant Reimbursement Form”, the Sub-grantee is claiming that costs were incurred following the established procurement process for its own organization and that their process is documented, administered and managed with the correct accounting and administrative procedures and is in accordance with all applicable Federal and State laws.

INELIGIBLE COSTS – Any expenses submitted for reimbursement that are not properly documented shall not qualify for reimbursement. It shall be the Sub-grantees sole responsibility to submit the required and accurate support documentation for all project costs. In the event an audit determines that ineligible costs were charged to the project, the Sub-grantee accepts full liability for such costs.

- Expenses not included in an approved project plan or are unnecessary for the completion of the project are ineligible for reimbursement or as match.
- NO FOOD or BEVERAGE purchases or donations are eligible for reimbursement or as match, unless included in the project plan as budgeted travel costs, and pre-approved by State.
- NO purchase of equipment or supplies for individuals are eligible for reimbursement or as match. (though purchase of supplies and small equipment by the Sub-grantee organizations for ongoing community use may be eligible)
- Poorly documented match or volunteer hours with insufficient support documentation will not count towards the required match. It is the Sub-grantees responsibility to keep all project/grant records pertaining to matching requirements. In the event an audit determines that ineligible match was credited to the project, the Sub-grantee accepts full liability for such costs

ATTACHMENT D

Grant Reimbursement and Documentation Requirements

REIMBURSABLE PROJECT EXPENSES – are direct, out-of-pocket expenditures for eligible project activities that are supported by paid invoices, cancelled checks, signed receipts, or official payroll records. Examples include:

Labor- may include paid staff, contracted labor, or documented reimbursement from Sub-grantee to others for services. Related expenses such as employee benefits or required travel costs are also eligible if properly documented.

- All staff/labor hours must be accompanied by an employee time sheet detailing the hours worked on the grant project. The time sheet must clearly have the State grant ID number, an employee signature, and the dates work hours were contributed towards the grant. A supervisor's approval signature should also be included. Note, for auditing purposes, an auditor will most likely want to see all hours worked in addition to those charged to the grant.
- Required documentation can include payment receipts, timesheets, payroll records, job sheets, cancelled checks, or signed letters detailing paid staff time, dates, and services or work provided.

Supplies - may include operating supplies, office supplies, and small equipment purchased by the Sub-grantee and necessary for the completion of the project.

- Required documentation can include payment receipts, cancelled checks, or official accounting records detailing expenses and goods and service provided.

Equipment Purchases (small) – small equipment necessary for the completion of the project may be purchased by the Sub-grantee organization if included in the approved project plan and budget. Purchases of equipment or supplies for individuals is not eligible. Purchase of necessary equipment totaling less than \$5,000 will be considered as supplies (above).

- Required documentation will include purchase receipts detailing costs and equipment details.

Equipment Purchases (large) - Any single piece of capital equipment costing more than \$5,000 must be included in the original project plan and preapproved. Because funding originates from the federal government, they may retain an ongoing vested ownership in the equipment. Additional details will be provided for approved purchases. If an audit determines that excessive equipment was purchased, the Sub-grantee accepts full liability for cost reimbursement back to the State/Federal government. Please limit your liability by purchasing only items listed in the original grant application and detailed project plan. Please only purchase what is necessary to complete the specific grant/project approved.

- Required documentation will include purchase receipts detailing costs and equipment details.

Equipment Rental – Rental of equipment necessary for completion of the project may be reimbursed if included in the approved project plan and budget.

- Required documentation will include rental receipts detailing costs, dates of use, and equipment details.

Contracted Services – Contracting for services from outside organizations or businesses is permitted if included in the approved project plan and budget. Such services could include contracted fuels crews, arborists, trucking, waste disposal, and other costs.

- Required documentation will include receipts detailing costs, dates and details of services provided.

Equipment Operating Costs - Operating costs for owned, rented, or donated equipment may be permitted if included in the project plan and properly documented. Methods for cost determination must be specifically documented and approved. Use of Sub-grantee owned equipment may be charged to the grant if prior approval is granted. A Sub-grantee may submit a rate agreement that is typical of rate charges established for all agencies utilizing the equipment including their own. Under no circumstances shall the grant be charged for use of equipment purchased with Federal funds, beyond operating costs.

- Required documentation can include receipts detailing costs, dates and details of equipment usage, payment receipts, mileage logs, shift tickets, etc. Any operating costs that are not paid for directly and do not have corresponding payment receipts, must be specifically documented as to method of cost determination.

ATTACHMENT D

Grant Reimbursement and Documentation Requirements

ELIGIBLE MATCH – All grants require some level of MATCH investment from the Sub-grantee organization. Matching investment may only be included if goods or services are provided or paid for during the term of the agreement and are necessary for the completion of the project. The matching investment may be in the form of cash and/or in-kind contributions. The Sub-grantee share (match) cannot originate from a federal source and must not be used as a match for any other federal cost-share program. As with reimbursable costs, eligible match expenses only include those that are reasonable and necessary for the completion of the grant-funded program or project and must meet the applicable Cost Principles (2CFR220, 2CFR225, 2CFR230).

Matching investments will not be directly reimbursed.

Examples of possible match include:

Cash - Matching investment can include actual costs as documented above.

- Required documentation will include payment receipts, cancelled checks, or official accounting records detailing expenses and related goods and service provided.

In-kind Contributions - include on-hand supplies, third party donations of supplies or equipment, the value of professional services provided at the professional rate, or time spent by employees on eligible project activities.

- An in-kind contribution of goods or services from another business or organization may be counted as community match with proper documentation. This typically consists of a letter on the donating organization's letterhead, signed by the proper person and showing the amount and type of donation. Property or use thereof shall be assigned a fair market value per applicable Cost Principles and should include a letter of documentation from the donating party.

Volunteer - Volunteer labor hours shall conform to standard documented operating procedures for the Sub-grantee organization with established pay rates.

- Required documentation for volunteers will include signed time logs/sign-in sheets with volunteer name, date, time, place, and type of volunteer service provided. Volunteer time may be valued at the local market rate for equivalent work (children at minimum wage). Hourly rates exceeding \$20 per hour will require specific support documentation for justification and approval. If you use consultants, forestry professionals, planners, etc., who donate their professional services, appropriate hourly rates may be documented in a letter from the individual or their organization.

ATTACHMENT E

Quarterly Performance Report

Year: _____

Quarter ending (circle one): **Mar 31** **June 30** **Sept 30** **Dec 31**

Project Name: _____ **Grant No:** _____

Sub-grantee Name & Address: _____

Name of Person Filing This Report: _____

Narrative Report: (List activity for this quarter. Include appropriate comments regarding expenditures for employees or equipment, volunteers, donated time or materials etc.)

Project Objectives Accomplishment: (During this reporting period, what progress has been made toward meeting the project objectives stated in the Detailed Project Plan?)

- 1)
- 2)
- 3)

Measurement Criteria: (What is the success in meeting the overall measurement criteria stated in the Detailed Project Plan?) Please provide cumulative numbers for key criteria, such as acres completed, trees planted, educational program completed, etc.

List key project objectives and current overall status:

- 1)
- 2)
- 3)



Arizona State Forestry Grant Reimbursement Form

NOTE: It is the Sub-grantees' responsibility to develop, document, administer and manage the correct accounting and administrative procedures for administering the grant in accordance with all applicable Federal and State laws. It is the Sub-grantees' sole responsibility to maintain all grant records and provide them as necessary to any auditing agent. Inability to provide such records may result in unallowable costs to the grant and any funds disbursed to the Sub-grantee may have to be paid back to the State and/or Federal government.

Grant Number: _____
Organization Name: _____
Total Grant Amount: \$0.00 **Total Match Required:** \$0.00
Grant Expiration/End Date: _____ (Grant \$ + Match \$ = Total Project Cost)

Previous Project Totals (Sum of all previous reimbursement requests):			
	Reimbursable Costs	Match	Total
	0.00	0.00	0.00

This Reimbursement Period:			
	Reimbursable Costs	Match	Total
Administration	0.00	0.00	0.00
Personnel	0.00	0.00	0.00
Contracted Services	0.00	0.00	0.00
Supplies	0.00	0.00	0.00
Other	0.00	0.00	0.00
Other	0.00	0.00	0.00
Other	0.00	0.00	0.00
Volunteer time	N/A	0.00	0.00
In-Kind Contributions	N/A	0.00	0.00
Total:	0.00	0.00	0.00

Cumulative Project Totals (This period request added to all previous reimbursement requests):			
	Reimbursable Costs	Match	Total
	0.00	0.00	0.00

* As long as the Cumulative MATCH meets the required amount, this Reimbursement Period's REIMBURSABLE amount should qualify for payment (provided all items are properly documented and all other grant requirements are met.)

_____ _____ _____
Authorized Signature *Title* *Date*

SIGNATURE LINE STATEMENT (Required for Processing)

By signing the "Grant Reimbursement Form", the signing agent is verifying that:

All work performed on this grant/project was completed in conformance with all applicable laws and established procedures. Charges and time sheets submitted are in fact for work completed on this project. All charges have been reviewed and verified by a supervisor and all employee and volunteer hours are being tracked, with support documentation on file and available to any auditing agent.

NOTE: Reimbursements may take 60-90 days

U.S. DEPARTMENT OF AGRICULTURE

Certification Regarding Debarment, Suspension, Ineligibility
and Voluntary Exclusion - Lower Tier Covered Transactions

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 7 CFR part 3017, Section 3017.510, Participants' responsibilities. The regulations were published as Part IV of the January 30, 1989, Federal Register (pages 4722-4733). Copies of the regulations may be obtained by contacting the Department of Agriculture agency with which this transaction originated.

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)

- (1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Greater Flagstaff Forests Partnership

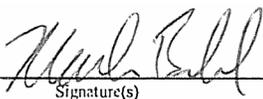
Organization Name

WBBI 11-601

PR/Award Number or Project Name

Mark Brehl, GFFP President

Name(s) and Title(s) of Authorized Representative(s)



Signature(s)



Date

Instructions for Certification

1. By signing and submitting this form, the prospective lower tier participant is providing the certification set out on the reverse side in accordance with these instructions.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this form that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this form that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," without modification, in all lower tier covered transaction and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

USDA Department of Agriculture
Forest Service

LOBBYING CERTIFICATION

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

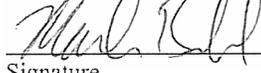
This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Greater Flagstaff Forests Partnership

Organization Name

Mark Brehl, GFFP President

Name of Authorized Official



Signature

4/8/15
Date

PROJECT MAPPING – Map Data is required for all grant projects.

In an ongoing effort to map forestry, fire mitigation, invasive plants, and other projects, all grantees are required to provide mapping information for grant related activities. It is understood that organizations vary in their resources and levels of expertise, and this form is designed to identify points of contact, expected mapping capabilities, and possible needs for assistance.

Please complete the information below and return it to our office via fax or USPS prior to initiation of grant funded activities.

Organization Name:	Greater Flagstaff Forests Partnership			Date:	4/7/15
Address:	119 E. Terrace Ave., Suite F				
City:	Flagstaff	State:	AZ	Zip:	86001
Primary Grant Contact:	Mark Brehl				
Phone:	(928) 853-2735	E-Mail:	Mbrehl@flagstaffaz.gov admin@gffp.org		
Mapping Contact Name (if different):					
Phone:		E-Mail:			

PROJECT INFO:

Project Name:	Observatory Mesa Forest Health Project	Project ID:	WBBI 11-601
Activity (Type of work to be completed – thinning, prescribed burn, invasive plant treatment, etc):	Selective tree removal and debris disposal		
Expected Acres:	250	Expected Start Date:	June 2015
		Expected Completion Date:	Sept 2015
Implementer (Who will be doing on-the-ground work – your organization, volunteers, contractor, etc.):	Combined work of FFD's wildland Fire Mgmt Crew and a Contractor		
County:	Cocconino	Property Ownership:	City of Flagstaff
Is any type of formal Environmental Assessment being conducted or required for this project?	No		
If so, please explain:			
Other comments:			

MAPPING: Map data is required for all grant projects.

- What type of mapping data will your organization be able to provide?

(See page 2 for more information on mapping options)	Comments:
<input checked="" type="checkbox"/> 1. GIS Data (Preferred)	We will attempt to provide Shapefile data, but in may also submit paper maps.
<input checked="" type="checkbox"/> 2. Paper Map	
<input type="checkbox"/> 3. Location Coordinates only	
Special Circumstances	
<input type="checkbox"/> We may need assistance in mapping or determining best methods.	

- Does any mapping information already exist that identifies the planned project area?
(If so, please include a copy with this form or information on how the Office of the State Forester can obtain the information)

Please return this completed form to:
(or contact us with questions)

GIS/Mapping
Office of the State Forester
1110 West Washington, Suite 100
Phoenix, AZ 85007
FAX: (602) 771-1421

Grant Mapping Requirements

All final project reports must include geospatial information (map data) in addition to the information required by the grant administrator. There are a few options available for grant recipients to provide these data.

The options are outlined as follows:

Option #1 – GIS Data (Preferred):

Data files (Shapefile or personal Geodatabase) created using a GIS application such as ESRI ArcGIS, may be submitted by E-Mail, FTP, CD, or other method and should include pertinent treatment attributes.

Option #2 – Paper Map

If GIS capabilities are not available, a sketched perimeter of the treatment or activity is acceptable on a standard 7.5-minute USGS quad map or other standard base map.

Option #3 – Location Coordinates

If no mapping capabilities are available, the geographic coordinates (LATITUDE and LONGITUDE) of the project should be provided. It can either be a single point or a series of points (track file) from a GPS unit. These coordinates should be included in either written or electronic format along with the other attribute information.

Special Circumstances

If you need assistance in mapping, determining best methods of mapping, or have a special situation that may not be conducive to mapping, please contact the GIS Section at the Arizona State Forestry Division at (602) 771-1400.

Questions and Assistance

For additional information on reporting fuels treatments and grant activity mapping please call (602) 771-1400.

Exhibit A.

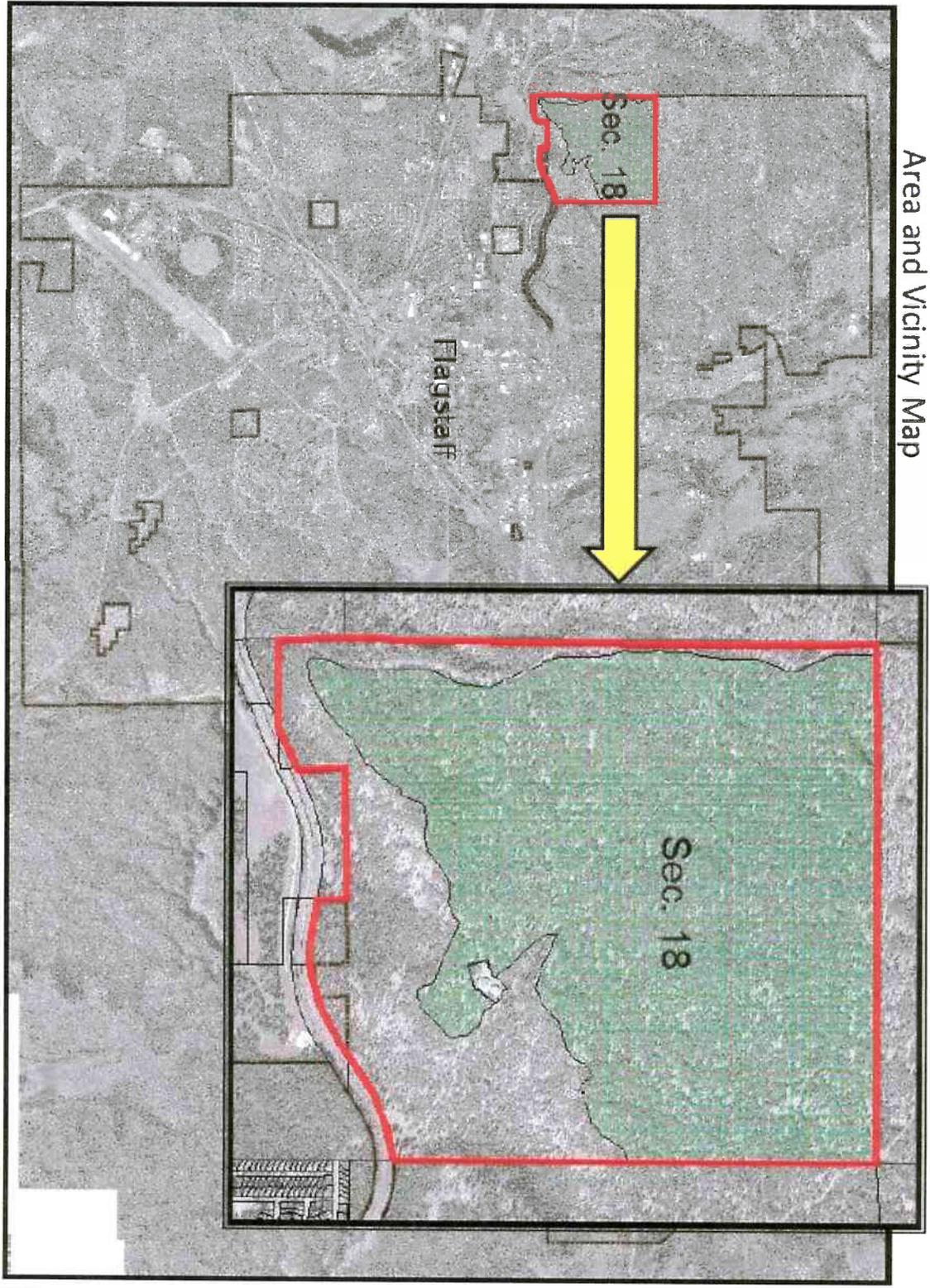


Exhibit B.

Observatory Mesa Harvesting Guidelines: FWPP Planned Operations – Section 18

Stand History: The majority of the Harvest Area has been harvested through numerous entries by the Arizona State Land Department over the past century. Early operations generally focused on removal of larger diameter sawtimber with several pulpwood sales occurring in the last quarter of the 20th century. Operations have resulted in fairly homogenous stands of low to marginal quality timber in the small to mid range size classes with average basal areas ranging from approximately 40-200 ft² BA per acre.

Treatment Goals:

1. Reduce the risk of catastrophic, stand-replacing wildfire by decreasing stand densities, increasing average crown base height, and decreasing crown continuity. Create conditions that are conducive to the reintroduction of low intensity surface fire. Improve understory productivity and diversity.
2. Create a more open vigorous and diverse uneven-aged forest structure with large openings and a groupy/clumpy character resembling, though not precisely replicating, the forest structure which existed prior to the interruption of the historic fire regime. Trees will be left in groups and clumps of varying shape, size, and configuration with trees of varying number, size and age classes to create a heterogeneous forest more in line with the historic range of natural variability.
3. Improve forest health by: decreasing inter-tree competition; increasing individual tree growth and vigor; increasing age and size class diversity; reducing wildfire hazard; decreasing susceptibility to disease and insect mortality; increasing understory productivity and diversity; maintain and where possible, improve wildlife habitat.

Current Objectives:

1. Reduce risk of severe wildfire and promote restored ecosystem structure, function and process through tree harvesting activities.
2. Increase overall diversity of size classes and distribution.
3. Reduce overall canopy cover by approximately 55%, primarily as tree groups.
4. Create a tree group forest structure (approximately 45% of unit/stand/area),
5. Reduce average residual BA to vary between 60-80 ft² BA/A. The stand should be characterized by dense clumps (10-20%, 90-110 ft² BA), variable sized openings (approx 35.5% of the area), and the rest in “thinned stands” averaging 60-80 ft² BA/A (variability is encouraged across the thinned area).
6. Where current stand structure permits, retain tree clumps of 3-50 trees; some with interlocking crowns and multi-story structure, interspersed with openings and interspaces that more closely resembles conditions which existed prior to interruption of the historic fire regime. Clumps will be spaced at least 50ft apart with larger clumps (20-50 trees) spaced approximately 50-100ft between clumps.
7. Retain denser clumps/groups desirable for wildlife cover.

8. Create openings and increase the size of natural openings (Maximum 5 ac.)
9. Retain snags greater than 18 inches DBH and 12 feet tall unless deemed a Hazard Tree by Sale Administrator.
10. In addition, a longer-term objective is to permit establishment of natural regeneration in openings to facilitate long-term structural heterogeneity.

Cutting Guidelines:

1. Large trees will be retained where possible although trees up to 24" DBH may be removed where necessary to achieve overall desired forest structure including: encroached grasslands; within-stand openings; and within areas heavily stocked with a preponderance of large, young trees. No live yellow barked trees are permitted for removal regardless of size or condition.
2. Tree groups will occupy approximately 65% of the overall area and will range in size from 1.0-5.0 acres. Spacing between groups will typically vary between 50 to 300ft+ (allowable exceptions may occur where larger openings are desired as approved by the Sale Administrator). As conditions allow, the majority of tree groups will be arranged perpendicular to predominant winds, to reduce wildfire hazard.
3. Multiple tree clumps of 3-50+ trees of varying size will be scattered within each individual tree group, and will range from <0.1 – 2.0 acres in size. Stocking of each tree clump will vary between 40 - 140 ft² BA/acre, and most will have interlocking crowns. Some light thinning within a clump is permitted to reduce ladder fuels and achieve overall objectives. Trees outside of an identified clump but within an identified tree group will largely be removed, with some individual "link" trees retained in order to meet objectives.
4. Basal Area of tree clumps located within 0.4 miles south or west of homes will not exceed 80 ft² BA/acre to reduce the risk of torching and subsequent ember transmission.
5. A buffer zone with a lower basal area (50-70 ft² BA/A) will be located around the south and west sides of any tree clump exceeding 90 ft² BA/A, and will extend out at least 50 feet.
6. Individual tree clumps outside of and separate from a larger group may be located on small hilltops and rises.
7. Openings will comprise approximately 35% of the overall Harvest Area, will vary in size from 0.25 – 5.0 acres, and vary in shape and configuration. All trees within an opening which are less than 24 inches DBH are to be removed.
8. Irregular tree spacing and vertical diversity within-and-between the individual groups and clumps is desired.
9. Yellow barked pines, regardless of size), Gambel oak (regardless of size), juniper species (regardless of size), fir trees (regardless of size), pines greater than 24 inches DBH, and all large snags ($\geq 18''$ DBH and $\geq 12'$ tall) will be retained.
10. Preserve all large (greater than 18" diameter at mid-point of log) down and dead logs in original location and condition during cutting and skidding operations

Factors to consider for other trees to retain include:

- Trees in the larger size classes (≥ 16 " DBH) except where necessary to limit meadow encroachment, create or maintain intra-stand openings in areas of high BA resulting from the preponderance of large young trees;
- Dominant and co-dominant blackjack pines with good tree form and vigor;
- Any size class (≥ 1 " DBH), so as to increase vertical diversity;
- Those forming tree clumps around trees ≥ 24 " DBH;
- Those not in the most common size classes (≤ 5 " DBH and ≥ 16 " DBH), and
- Trees with obvious wildlife nesting activity (squirrel and/or bird nests);
- Trees/clumps located on small rises/hilltops;
- Trees of poor form (if no other choices exists or special "character;")
- Trees which are fading if average snag per acre count is below 4 per acre.

Factors to consider for trees to remove include:

- Trees with obvious insect or disease infestation;
- Trees with Dwarf Mistletoe Ratings of 3+ (DMR3+);
- Hazard Trees as determined by the Sale Administrator;
- Trees of the most dominant size classes;
- Trees damaged or of poor form;
- Trees which are "fading" or suppressed trees exhibiting low vigor;
- Trees surrounding oak clumps.

Special Notes:

- No skidding/driving on Loop Trail or FUTS Trail (Single perpendicular crossing only as necessary and approved by Sale Administrator).
- No cutting permitted within 650 ft. of homes between 1700 – 0800.
- No landings, log decks or slash piles are to be located within 600 ft. of any home.
- Locate piles in open areas and in such a fashion to drastically reduce chance of scorch.
- All operations will be conducted during either dry or frozen soil conditions.
- Road improvement/landings to be kept to an absolute minimum.
- No piling/landings on the water line or gas line.
- Contractor must only cross gas and water utility lines at designated crossings and perform appropriate and approved protection measures where needed.
- All Standard Specifications contained within the contract shall be adhered to.

The Purchaser shall protect all known survey and reference monuments, witness and bearing trees, telephone and power lines, fences, ditches and other improvements against damage or destruction during the Purchaser's operations. If damage or destruction does occur, the Purchaser shall be responsible for immediate restoration of the improvements to a condition satisfactory to the owner.

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Patrick Brown, Senior Procurement Specialist
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Approval of Contract: Multiple Job Order Contracting Services Contracts for upcoming projects under \$1,000,000.

RECOMMENDED ACTION:

- A) Approve award of Job Order Contracting Contracts to 17 contractors representing six discipline areas.
 - 1. Horizontal Construction: Achen-Gardner Construction, Kinney Construction Services (KCS) and Kear Civil Corporation
 - 2. Vertical Construction: Kinney Construction Services (KCS), Loven Contracting and Wespac Construction
 - 3. Water/Wastewater General Construction: Felix Construction, PCL Construction and Summa Construction
 - 4. Water/Wastewater Controls Construction: Alliance Contractors, EIC Engineers and Quantum Controls
 - 5. Landfill Construction: Fann Construction, Rummel Construction and SDB Contractors
 - 6. Signing & Barricades: Action Barricade & Traffic Safety
- B) Authorize the City Manager to execute the necessary documents.

Executive Summary:

Award of the Job Order Contracting (JOC) contracts will allow expediency for project delivery during the short construction months, while providing best value to the project. The City has utilized cooperative contracts in the past to accommodate this need. The JOC Services Contracts follow the Arizona Revised Statutes (A.R.S.) Title 34 expenditure limits for Job Order Contracting.

Financial Impact:

Costs will be expended from budgets already approved and allocated by the City Council. Awarding multiple contracts based on specific areas of qualifications and experience on an as needed basis will result in increased efficiency.

Connection to Council Goal and/or Regional Plan:

COUNCIL GOALS:

- 3) Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics
- 11) Ensure that we are as prepared as possible for extreme weather events - Having JOC contracts in

place will allow the City to react to areas of damage due to extreme weather in a more expedient manner.

Has There Been Previous Council Decision on This:

No.

Options and Alternatives:

- 1) Approve the multiple contract awards as recommended
- 2) Approve a smaller number of contracts
- 3) Reject the JOC Services Contracts and re-solicit with revised scopes of disciplines
- 4) Reject the JOC Services Contracts and do not re-solicit

Background/History:

The City of Flagstaff handles and manages a significant number of projects, which span a wide range in size and complexity in each discipline area. Job order contracting (JOC) is a way for the City to get numerous, commonly encountered construction projects done quickly and easily during the short construction season. JOC reduces unnecessary levels of engineering, design, and contract procurement time along with construction project procurement costs by awarding long-term contracts for a wide variety of renovation, repair and construction projects. Staff determined that up to three contractors in each discipline area would be adequate to handle the estimated projects needed. This includes the recent tax increase approved by voters for roadway repairs.

Additionally, the City has also utilized cooperative contracts from other municipal agencies for required JOC projects. Some cooperative contracts may carry an administration fee, either charged to the contractor and passed through the pricing to the City, or directly to the City. Having the City of Flagstaff's own JOC contracts could eliminate or reduce the need to utilize cooperatives.

Purchasing utilized the Request for Statement of Qualifications (RSOQ) solicitation method in determining the most qualified and experienced contractors participating in JOC Services. The RSOQ rendered 48 Statement of Qualifications (SOQ) from interested contractors over all disciplines. An evaluation committee comprised of six members, including one local registered contractor, evaluated all responses in the following evaluation criteria:

- A. Contractor/Team Overview, General Background & Information
- B. Company Project Management Approach
- C. Experience and Qualifications of Contractor and Key Personnel
- D. Project Approach
- E. Executive Summary of Qualifications and Experience Presented
- F. Value Added Knowledge and Experience

After completing the evaluation process, the evaluation committee identified three top firms in each discipline. Except for the Signing & Striping discipline where only two contractor's submitted SOQs, staff recommends award to the top three contractors in each discipline area. Scoring summary results are attached.

The JOC Services contracts (attached as JOC Services Contract) allows for an initial three (3) year term, with the option to extend the contract for two (2) one year additional terms. Specific projects will be awarded on an as needed basis, based upon competitive pricing requested of the contractors. Each project will then be awarded on a separate construction contract containing the City's required terms and conditions, bonding requirements, and engineering requirements for City owned construction projects (attached as JOC Contract).

Key Considerations:

Job Order Contracting Services will allow the City to react more quickly to repair, enhancements and additions of facilities and roadways. Considerable time will be saved in staff time in order to maximize the large number of projects needed during the small construction season window, and minimizing the number of winter shut downs needed. The City saves the cost of multiple solicitation advertisements and staff time and related soft dollar costs for conducting a formal solicitation process for each separate project.

Expanded Financial Considerations:

Increased efficiency in project delivery could render project and staff time savings that could then be utilized in other additional projects.

Community Benefits and Considerations:

Community will receive repair and enhancements to their roadways and service facilities in a more expedient manner.

Community Involvement:

N/A

Expanded Options and Alternatives:

None

Attachments: [Scoring Summary](#)
 [JOC Services Contract](#)
 [JOC Construction Contract](#)

CITY OF FLAGSTAFF
JOC Services
EVALUATION SUMMARY

RSOQ #2015-28

	A Miner	Achen-Gardner	C and E Paving	CORE	FANN	Hunter	KCS	KEAR	RTR	Rummel	VASTCO	Woodruff
Horizontal Construction	470	663	547	556	625	640	647	666	556	601	602	555

	BEC	CORE	FCI	KCS	Loven	McCarthy	SDB	Sky Engineering	Wespac	Woodruff
Vertical Construction	601	589	605	670	608	605	598	579	636	594

	A Miner	FANN	Felix	Hunter	McCarthy	PCL	Summa	VASTCO
Water/Wastewater General Construction	435	543	608	583	604	660	636	488

	Alliance	EIC	Felix	Ludvik	Quantum	Ripple Industries	Rosendin	Vertech	Wunderlich	Zak
Water/Wastewater Controls Construction	601	643	580	485	616	489	557	547	534	586

	FANN	KCS	Rummel	SDB	VASTCO
Landfill Construction	630	587	602	607	526

	Action Barricade	Traffic Safety
Signing & Striping	518	601

**SERVICE AGREEMENT
FOR
JOB ORDER CONTRACTING SERVICES: [SERVICE NAME]**

**CITY OF FLAGSTAFF
and**

This Agreement for the On-Call Professional 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 [Party's Name], [Form of organization], with offices at [Party's address] (“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 Contractor for the On-Call Professional services [Service Name], 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. All of the terms and conditions set forth in this RSOQ pertaining to the services set forth in Attachment A, including all standard terms and conditions shall be incorporated in this Agreement as if fully set forth herein.

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. Contractor agrees that any specific scopes of work for individual Job Order Construction Contracts will have specific and mutually agreed upon fee schedules attached.

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:

Provider's representative's name, title
Provider's name, e.g. name of corporation
Address Line 1
Address Line 2
City, State Zip Code

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 (30) 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 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.

8.12 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").

8.12.1 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.

8.12.2 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.

8.12.3 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.

8.12.4 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.

8.13 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.

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

8.15 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.

8.16 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.

8.16.1 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.

8.16.2 Force majeure shall not include the following occurrences:

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

8.16.2.2 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.

8.16.3 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.

8.17 No Third Party Beneficiaries. The parties acknowledge and agree that the terms, provisions, conditions, and obligations of this Contract are for the sole benefit of, and may be enforceable solely by, the Parties to this Contract, and none of the terms, provisions, conditions, and obligations of this Contract are for the benefit of, or may be enforced by, any person or entity not a party to this Contract.

8.18 Assignment. Provider shall not assign this Contract, in whole or in part, without the prior written consent of the City. No right or interest in this Agreement shall be assigned, in whole or in part, 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 consent to such assignment. Provider agrees that any assignment agreement between Provider and the Assignee shall include and subject to the assignee to all obligations, terms and conditions of this Agreement and that Provider shall also remain liable under all obligations, terms and conditions of this Agreement.

8.19 Notice. Many notices or demands required to be given, pursuant to the terms of this Agreement, may be given to the other Party in writing, delivered in person, sent by facsimile transmission, emailed, deposited in the United States mail, postage prepaid, 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. However, notices of termination, notices of default and any notice regarding warranties shall be sent via registered or certified mail, return receipt requested at the address set forth below **and** to legal counsel for the party to whom the notice is being given.

8.20 Records. The City and its employees, agents, and authorized representatives shall have the right at all reasonable times and during all business hours to inspect and examine Provider's records related to this Agreement. Provider shall retain all records related to this Agreement for a period consistent with the City of

Flagstaff's records retention policy. This record retention requirement shall remain in effect following termination of the Agreement.

9. SPECIAL TERMS AND CONDITIONS

9.1 Job Order; Authorization to Proceed. All proposed work under this Agreement shall be performed pursuant to the issuance of individual Job Orders. Contractor shall perform no work under this Agreement until or unless a written Job Order has been issued by the City and executed by the Parties, which Job Order describes the specific services and the time of performance requested by the City. Contractor shall respond to each Job Order issued by the City by submitting a written fee proposal and time required to complete the specific services requested in the Job Order. When the Job Order is agreed to and executed by both Parties, the Job Order shall constitute Contractor's authorization to proceed with the requested services. All Contractor invoices shall reference the Job Order number and shall contain an itemization of all hours and expenses per the Price Schedule.

9.2 Technical and Professional Requirements; Key Personnel. Contractor shall be professionally licensed and qualified in all pertinent disciplines for consulting services required under this Agreement. It is essential that Contractor provide adequately experienced personnel who are capable of, and devoted to, the successful accomplishment of all services performed under this Agreement. Key personnel to be assigned to the project shall be identified in writing to the City by Contractor at the time of Notice to Proceed. At a minimum the Contractor shall identify for the City's written approval, the project manager who shall be empowered to act for the Contractor in accordance with this agreement in all matters relating to the technical administration of services to be provided. Authorization for changes in key personnel must be requested in writing by the Contractor.

9.3 Subcontracts. At the time subcontracted services are anticipated, the Contractor shall notify the City of the nature of, and need for, such services and identify the proposed subcontracting contractor. The Contractor must receive approval in writing from the City prior to utilization of any subcontractor other than the parties listed in this article. The Contractor is authorized by the City to subcontract work having a cost which will not exceed 30 percent (30%) of the total amount of compensation due under this Agreement. The Contractor shall be responsible to the Owner for the actions of persons and contractors performing subcontract work.

9.4 Rights and Obligations of Contractor

9.4.1 Work Schedule: Upon receipt of an executed copy of a Job Order, the Contractor shall prepare a work schedule. The work schedule shall include:

9.4.1.1. Events which will satisfy SECTION 1. Services to be performed by the Contractor.

9.4.1.2 Date each event shall start and its duration.

9.4.1.3 Critical relationship of events.

9.4.1.4 Name(s) of the person(s) responsible for the project. The work schedule shall provide for the completion of SECTION I services not later than 365 calendar days from the written Notice-to-Proceed.

9.4.1.5 The schedule shall be updated periodically as necessary.

9.4.1.6 The Contractor agrees to maintain adequate resources to provide the described services within the time provided in the agreed upon schedule. Failure to adhere to the schedule may result in termination of this contract.

9.5 Maintenance of Documents. Contractor shall deliver to the City copies of reports, specifications and drawings prepared under the terms of this agreement. If drawings are prepared, the City will be provided with a set of full-size reproductions. Originals of design and study notes, calculations, correspondence and similar material will be filed by the Contractor and made available to the City on Request. Copies will be furnished to the City by the Contractor at cost. Except as otherwise provided herein, documents prepared under the terms of this

agreement will not be used by the City on other projects or extensions to this project except with the written agreement of the Contractor.

9.6 Alteration in Character of Work. Whenever an alteration in the character of work results in a substantial change in the Planned Consulting Services, thereby materially increasing or decreasing the cost of the performance, the work will be performed in accordance with the contract and as directed; provided however, that before such work is started, a contract change order shall be approved and executed by the City and the Contractor. Additions to, modifications, or deletions from the project provided herein may be made and the compensation to be paid to the Contractor may be adjusted accordingly by mutual agreement of the City and Contractor. It is distinctly understood and agreed that no claim for extra work done or materials furnished by the Contractor will be allowed by the City except as provided herein, nor shall the Contractor do any work, or furnish any materials not covered by this Agreement unless such work is first ordered in writing.

9.6.1 Any such work or materials furnished by the Contractor without such written order first being given shall be at his own risk, cost, and expense, and Contractor hereby agrees that without such written order he will make no claim for compensation for such work or materials furnished.

9.7 Completeness and Accuracy of Contractor's Work. The Contractor shall be responsible for the completeness and accuracy of his survey work, plans, supporting data, and Special Provisions prepared or compiled under his obligation for this project and shall correct, at his expense, all errors or omissions therein which may be disclosed during the review of the plans.

9.7.1 All documents prepared by the design professional shall bear the stamp or seal of the design professional. All preparation of technical and related documents shall be completed in accordance with the prevailing Arizona law.

9.7.2 Correction of engineering errors or omissions disclosed and determined to exist by the City during the construction of the project shall be accomplished by the Contractor. The cost of the design necessary to correct those errors attributable to the Contractor and any expense incurred by the City as a result of additional construction costs caused by such engineering errors shall be chargeable to the Contractor. The fact that the City has accepted or approved the Contractor's work shall in no way relieve the Contractor of any of his responsibilities. Should the Contractor be contracted to perform construction inspection of the project, he shall be responsible for errors and omissions in construction inspection disclosed and determined to exist by the City during and subsequent to the construction of the project. Contractor's duty in the construction inspection phase is to assure City that the project is constructed in conformity with detailed plans and specifications and the cost of design necessary to correct errors and omissions in inspection attributable to the Contractor and any expense incurred by City as a result of additional construction costs caused by such errors shall be chargeable to the Contractor. Acceptance or approval by City of Contractor's work shall not relieve Contractor of inspection responsibilities.

9.8 General Responsibilities and Obligations of Contractor. The Contractor is employed to render a professional service only, and any payments made to him are compensation solely for such services as he may render and recommendations he may make in carrying out the work. The Contractor shall follow the practice of the profession to make findings, opinion, factual presentations, and to offer professional advice and recommendations. To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted from the acts, errors, mistakes, omissions, work or services of the Contractor, its employees, agents, or any tier of subcontractors in the performance of this Contract. The Contractor's duty to defend, hold harmless and indemnify the City, 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 therefrom, caused by any acts, errors, mistakes, omissions, work or services in the performance of this Contract including any employee of the Contractor or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services the Contractor may be legally liable.

9.8.1 The amount and type of insurance coverage requirements set forth herein (Section, 7. Insurance) will in no way be construed as limiting the scope of the indemnity in this paragraph.

9.8.2 In performing construction management services, Contractor shall act as agent of the City. The Contractor's review or supervision of work prepared or performed by other individuals or contractors employed by the City shall not relieve those individuals or contractors of complete responsibility for the adequacy of their work.

9.8.3 It is understood that any resident consulting or inspection provided by the Contractor is for the purpose of determining compliance with the technical provisions of the project specifications and does not constitute any form of guarantee or assurance with respect to the performance of a contractor. The Contractor does not assume responsibility for methods or appliances used by a contractor, for safety of construction work, or for compliance by contractors with laws and regulations.

9.8.4 The Contractor agrees to notify the owner of any potential unsafe conditions observed at a construction site while performing resident consulting services. It is understood that the resident Contractor will perform the aforesaid services only as incidental to the agreed consulting services and only while at the site; no duty to inspect for unsafe conditions is accepted by the resident Contractor.

9.9 Cooperative Use Of Contract. This Agreement resulting from the RSOQ may be extended for use by the members of the Flagstaff Alliance for the Second Century. An Intergovernmental Agreement (IGA) has been executed between the City, Coconino County Community College District, Northern Arizona University, Coconino County and Flagstaff Unified School District. The Agreement may also be extended to other municipalities and government agencies of the state. Any such usage by other municipalities and government agencies must be in accordance with the ordinance, charter and/or rules and regulations of the respective political entity. Any public agencies not identified within this Agreement who wish to cooperatively use the contract are subject to the approval of Vendor.

The City is also a member of S.A.V.E. (Strategic Alliance for Volume Expenditures), which consists of numerous municipalities, counties, universities, colleges, schools and other Arizona State agencies. These cooperatives are achieved through Intergovernmental Agreements (IGA) in accordance with provisions allowed by A.R.S. §11-952 and §41-2632. The IGAs permit purchases of material, equipment and services from Vendors at the prices, terms and conditions contained in contracts originated between any and all of these agencies and the Vendor(s) contract, as awarded.

10. 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 in writing for a supplemental period of up to **two (2) additional one-year terms, at the discretion of the City**. 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

Provider

City Manager

PROVIDER'S NAME AND TITLE

Attest:

City Clerk

Approved as to form:

City Attorney

Date of Execution: _____

JOB ORDER CONTRACT

City of Flagstaff, Arizona
and

This Job Order Contract ("Contract") is made and entered into this __ day of _____ 20__, by and between the City of Flagstaff, an Arizona municipal corporation with offices at 211 West Aspen Avenue, Flagstaff, Arizona ("Owner") and _____ ("Contractor"), with offices at _____. Contractor and the Owner may be referred to each individually as a "Party" and collectively as the "Parties."

RECITALS

- A. Owner desires to obtain Job Order Contracting (JOC) for [**Construction Type**] construction services ("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 all labor, materials, equipment, transportation, utilities, services and facilities required to perform all work for the construction of **[NAME OF 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 location, date and time of the Conference will be agreed upon between the Contractor and the Engineer. 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 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/Scope of Work Exhibit B
- 2.1.3 Cost Estimation (R.S. Means or Open Book Pricing) Exhibit C

3. Payments. In consideration of the faithful performance of the work described in this Contract, the Owner shall pay an amount not to exceed _____ to the Contractor for work and materials provided in accordance with the bid schedule, which amount includes 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 as identified and in conjunction with the Cost Estimation in **Exhibit C**;
- 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 percent (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 determine the final 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 [Days in written form] **(XX)** 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 3 above, or such additional time as may be allowed, the proceeds of Contractor's proposal 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 execution of this Contract, and bonds and the performance of work under this Contract, and the necessity of accepting a higher or less desirable bid from such failure or refusal to execute this Contract and bond as required. If Contractor has submitted a certified check or cashier's check as a proposal guaranty, the check shall be returned after execution 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. Maintenance during Winter Suspension of Work. A “Winter Shutdown” is the period of time typically including December through March during which no Work will be performed by any person or entity (including but not limited to the Contractor) on the Project and Contractor shall shutdown, properly insulate and shelter the Project in a safe and workmanlike manner pursuant to local, state and federal laws. Although December through March is typically the time frame, the City reserves the right to initiate and terminate a Winter Shutdown at the City’s sole discretion in the event of adverse weather conditions. A Winter Shutdown may be declared by the City despite delays, *for any reason*, on the Project. City retains the right to declare a Winter Shutdown. If work has been suspended due to winter weather, the Contractor shall be responsible for maintenance and protection of the improvements and of partially completed portions of the work until final acceptance of the project. Winter Shutdown shall be by field order, change order or original contract. If repairs and/or maintenance are needed during the Winter Shutdown, the Contractor is required to perform the repairs and/or maintenance within twenty-four (24) hours of notification from the City. If the needed repairs and/or maintenance are not addressed within the timeframe, the City will accomplish the work and deduct the cost from monies due or become due to the Contractor.

The City shall provide snow removal operations on active traffic lanes only during the Winter Shutdown. All other snow removal and maintenance operations shall be the responsibility of the Contractor during the Winter Shutdown. All cost associated with snow removal and proper disposal shall be considered incidental to the work including repair of temporary surface improvements due to normal wear and snow removal operations during the Winter Shutdown.

12. Assignment. Contractor shall not assign this Contract, in whole or in part, without the prior written consent of the Owner. No right or interest in this Agreement shall be assigned, in whole or in part, by Contractor without prior written permission of the City and no delegation of any duty of Contractor shall be made without prior written permission of the City. The City shall not unreasonably withhold consent to such assignment. Contractor agrees that any assignment agreement between Contractor and the Assignee shall include and subject to the assignee to all obligations, terms and conditions of this Agreement and that Contractor shall also remain liable under all obligations, terms and conditions of this Agreement.

13. Notices. Many notices or demands required to be given, pursuant to the terms of this Contract, may be given to the other Party in writing, delivered in person, sent by facsimile transmission, emailed, deposited in the United States mail, postage prepaid, 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. However, notices of termination, notices of default and any notice regarding warranties shall be sent via registered or certified mail, return receipt requested at the address set forth below *and* to legal counsel for the party to whom the notice is being given.

If to Owner:

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

If to Contractor:

14. 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.

15. Termination for Convenience. The Owner may terminate this contract at any time for any reason by giving at least **thirty (30) days** written notice to the Contractor. If termination occurs under this Section 15, the Contractor shall be paid fair market value for work completed by Contractor as of the date of termination. The parties agree that fair market value shall be determined based on the Contractor's original bid price, less any work not yet completed by the Contractor as of the date the written notice of termination is given to the Contractor.

16. Contractor's Liability and Indemnification. To the fullest extent permitted by law, Provider shall indemnify, save and hold harmless the City of Flagstaff and its officers, officials,

agents, and employees (hereinafter referred to as “Indemnitee”) from and against liabilities, damages, losses and costs, including reasonable attorney fees, but only to the extent caused by the negligence, recklessness or intentional wrongful conduct of the contractor, subcontractor or design professional or other persons employed or used by the contractor, subcontractor or design professional in the performance of the contract. 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.

17. 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.

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

19. 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.

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

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

22. 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.

23. 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.

24. Contractor’s Warranty. 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, Verification of Employment Eligibility. Contractor shall not employ aliens in accordance with A.R.S. § 34-301, Employment of Aliens on Public Works Prohibited. Contractor acknowledges that pursuant to A.R.S. § 41-4401, Government Procurement; E-Verify

Requirement; Definitions, 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 Owner retains the legal right to inspect the papers of any employee who works on the Contract to ensure compliance with this warranty.

25. 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.

26. 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.

27. 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.

28. No Third Party Beneficiaries. The parties acknowledge and agree that the terms, provisions, conditions, and obligations of this Contract are for the sole benefit of, and may be enforceable solely by, the Parties to this Contract, and none of the terms, provisions, conditions, and obligations of this Contract are for the benefit of, or may be enforced by, any person or entity not a party to this Contract.

29. 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.

30. 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.

31. Records. The City and its employees, agents, and authorized representatives shall have the right at all reasonable times and during all business hours to inspect and examine Provider's records related to this Agreement. Provider shall retain all records related to this Agreement for a period consistent with the City of Flagstaff's records retention policy. This record retention requirement shall remain in effect following termination of the Agreement.

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

Contractor

City Manager

Signature

Attest:

Printed Name

City Clerk

Approved as to form:

City Attorney

**CITY OF FLAGSTAFF, ARIZONA
PAYMENT BOND**

PROJECT NAME:

PROJECT NUMBER:

PRICE PROPOSAL NUMBER:

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:

PROJECT NUMBER:

PRICE PROPOSAL NUMBER:

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 _____ 200__ 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

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Elizabeth A. Burke, City Clerk
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Approval of Agreement: Intergovernmental Agreement between City of Flagstaff and Coconino County for election services for the November 3, 2015, Special Election.

RECOMMENDED ACTION:

Approve the Intergovernmental Agreement between the City of Flagstaff and Coconino County for election services for the November 3, 2015, Special Election.

Executive Summary:

On June 16, 2015, the City Council adopted Resolution No. 2015-26 calling for a special election to be held on November 3, 2015, to submit to the registered voters of Flagstaff the second set of proposed amendments to the City Charter. Ballot language, which is Exhibit A to this resolution, was approved at the July 7, 2015, Council Meeting. With the exception of Phoenix and Tucson, who perform their own elections, municipalities across the state contract for the operation of their elections, primarily with their respective county. While the City is responsible for many of the election activities such as preparation of the resolution, ballot language, public notices, and Information Pamphlet, the County prepares the ballot (with approval by the City), mails and receives the ballots, and counts the ballots on election day. The attached Intergovernmental Agreement (IGA) outlines the roles of the City and County in this Special Mail Ballot Election.

Financial Impact:

This election has been budgeted in the FY2015 Budget. The services provided by the County are charged at \$2.50 per registered voter. With approximately 30,000 registered voters, the County charges should be around \$75,000. Additional expenses will be incurred with Election Operation Services for compilation, translation, and mailing of the associated Information Pamphlet as well as the notification postcards.

Connection to Council Goal and/or Regional Plan:

COUNCIL GOAL

8. Improve effectiveness of notification, communication, and engagement with residents, neighborhoods and businesses about City services, programs, policies, projects and developments

Has There Been Previous Council Decision on This:

While the Special Election itself has been discussed multiple times, as further explained under Background/History on the next page, the Intergovernmental Agreement has not been discussed although it is the same wording as that agreement approved by the Council for the May 19, 2015, Special Election.

Options and Alternatives:

1) Approve the IGA as presented or 2) amend the IGA and return to Coconino County for further consideration.

Background/History:

The City Council initially gave direction to conduct a comprehensive review of the City Charter through a City Manager-appointed resident committee. This committee met eight times during 2014 and presented their recommendations to the City Manager in October 2014. On October 28 and November 25, 2014, the City Council discussed the questions and directed staff to bring back a resolution that called for a Special Election in May of 2015 to address the technical questions.

The remaining questions which focused more broadly on policies that Council believed should continue to be further reviewed and discussed with the public, were taken to the residents of Flagstaff for additional input. Results of this public outreach effort were brought before Council at the May 26, 2015, Work Session. The Council further discussed those questions and on June 16, 2015, adopted Resolution No. 2015-26 calling for a Special Election to be held on November 3, 2015. Ballot language was then approved for this election at the July 7, 2015, Council meeting.

Community Involvement:

Inform
Consult
Involve
Collaborate
Empower

An election of this type provides the ultimate power to the voters of the City, in allowing them to amend the Charter.

Attachments: IGA

**INTERGOVERNMENTAL AGREEMENT
FOR PROVISION OF SERVICES BY THE
COCONINO COUNTY RECORDER'S OFFICE**

THIS AGREEMENT is entered into this _____ day of _____, _____ between **COCONINO COUNTY RECORDER'S OFFICE** ("Recorder"), for and on behalf of the **COCONINO COUNTY BOARD OF SUPERVISORS**, the governing body of Coconino County, a political subdivision of the State of Arizona ("**COUNTY**"), and **CITY OF FLAGSTAFF**, ("**CITY**").

RECITALS

1. **CITY** is authorized under Flagstaff City Charter, Article IX, to hold primary, general, and special elections.
2. **COUNTY** is authorized, pursuant to A.R.S. Sections 16-408.D, and 11-251.3, to perform services concerning elections.
3. **COUNTY** is authorized by A.R.S. Section 16-172 to allow any political subdivision conducting an election to utilize the County registration rolls upon negotiation of an agreement to reimburse the County Recorder for actual expenses for preparing the necessary lists for use in such election.
4. **COUNTY** and **CITY** have determined that the use of the services of the Recorder's Office is in the public interest, and **COUNTY** agrees to provide such services.

NOW, THEREFORE, pursuant to Arizona Revised Statutes Section 11-952, authorizing contracts between public agencies for services for the joint exercise of powers common to both the **CITY** and the **COUNTY** and in consideration of the mutual covenants and stipulations set forth below, the parties agree as follows:

SECTION 1: PURPOSE

The purpose of the Agreement is to secure the services of **COUNTY**, as enumerated in Section 2, for the preparation and conduct of the **CITY'S** Special Election of November 3, 2015, regarding charter amendments, which will be conducted by mail ballot (the "Election").

SECTION 2: SERVICES TO BE PERFORMED BY COUNTY

COUNTY, or its designated agent, agrees to:

For all elections:

- 2.1 Provide ballots, which will allow qualified electors to vote for any questions or candidates appearing on the ballot.

- 2.2 Cause the election boards to use the copies of the registers, prepared from the records of the Recorder, for the purpose of identifying the electors qualified to vote in **CITY** elections.
- 2.3 Conduct training as necessary.
- 2.4 Staff voting and tally boards, count ballots, and transmit the results to **CITY** within five (5) business days of each Election day.
- 2.5 Provide facilities for counting the ballots.
- 2.6 Provide facilities for obtaining replacement ballots for voters who misplace ballots, do not receive ballots, or spoil ballots in any way.
- 2.7 Provide translation, layout, and printing of ballots, ensuring that the return ballot envelopes are coded with a special postal code so that postal officials know to handle them with extreme care and promptness, and not to leave them unsecured.
- 2.8 Prepare the necessary registers for use in the election.
- 2.9 Provide an electronic file of all of the registered voters to William E. Doyle, a sole proprietor, doing business as Elections Operations Services, in time to meet all legal requirements and deadlines.
- 2.10 Provide publicity for last day to register, replacement ballots; drop off locations, and early voting availability and deadlines.
- 2.11 Provide to **CITY** an itemized statement of charges.

For polling place elections only: N/A

- 2.12 Establish polling place and provide staffing for the polling place election.
- 2.13 Provide facilities where voters may hand deliver ballots during regular business hours, Monday through Friday, throughout the balloting period, or during the hours of 6:00 a.m. to 7:00 p.m. on each Election Day.
- 2.14 Mail ballots, by first class mail, to every registered voter in the City of Flagstaff who is on the County's permanent early voting list or who has requested an early ballot pursuant to law. Ballots must be mailed within the statutorily required timeframes.

For mail ballot elections only:

- 2.15 Mail ballots, by first class mail, to every registered voter in the City of Flagstaff.

- 2.16 Mail a notice of election to every registered voter for the purpose of notifying voters of the mail ballot election and to clean up the election rolls.

SECTION 3: OBLIGATIONS OF CITY OF FLAGSTAFF

CITY, or its designated agent, agrees to:

- 3.1 Upon completion of the canvass, prepare and issue the Certificate of Results for the Primary and General Elections, if applicable.
- 3.2 Pay to **COUNTY**, on a reimbursement basis, the actual cost of the service provided including, but not limited to \$2.50 per registered voter in the special election and for the actual cost of outreach, and administrative services provided by **COUNTY** pursuant to this Agreement. **CITY** will pay **COUNTY** within thirty (30) days after presentation by **COUNTY** of demand for payment.
- 3.3 Submit before the Election, upon request from ELECTION OPERATION SERVICES, (EOS) a check payable to EOS for estimated election postage costs for the mailing of the special postcard notification and mailing of information pamphlets. In addition, **CITY** will pay EOS directly for costs associated with Spanish translations of voting information, the actual cost of informational pamphlets, notification postcards, ballots, materials, and other election services as needed, upon presentation of an itemized billing by EOS.
- 3.4 All books, accounts, reports, files, and other records of the **COUNTY** relating to the contract shall be subject at all reasonable times to inspection and audit by the **CITY** for three (3) years after completion of the contract.
- 3.5 Publish and/or post all legal notices required by statute.
- 3.6 Prepare and submit Voting Rights Act submissions to the U.S. Justice Department, if applicable.
- 3.7 Provide translation, layout, printing, and mailing of Informational Pamphlet.
- 3.8 Prepare and file a report to the Speaker of the House and President of the Senate regarding the Mail Ballot Election results as required by statute. Provide any other notices, including but not limited to notice of change to taxing district boundaries, required for the contract for elections.

SECTION 4: MANNER OF FINANCING AND BUDGETING

Each party represents that it has sufficient funds available in this current fiscal year budget to discharge the funding obligation imposed by this Agreement.

SECTION 5: TERMINATION

This Agreement shall terminate upon completion or resolution of all matters connected with the election, legal challenges excepted, or upon written notice by either party to the other within

thirty days (30) prior to the election date. Should the elections which are the subject of this Agreement be challenged or questioned for any reason whatsoever, then **CITY** shall be solely responsible for the defense of the election, however, the County agrees to make its officers and employees available to testify as witnesses in any litigation related to the Election and to make its officers and employees available for any reasonable preparation for any such litigation.

SECTION 6: INDEMNIFICATION

Each party (as "Indemnitor") agrees to indemnify, defend and hold harmless the other party (as "Indemnitee") for, from and against any and all claims, losses, liability, costs or expenses, including reasonable attorney fees, (collectively referred to as "Claims") including those arising out of injury of any person, including bodily injury, death, or property damage, but only to the extent that such Claims which result in vicarious or derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct or other fault of the Indemnitor, its officers, officials, agents, employees, charges, or volunteers.

SECTION 7: EFFECTIVE DATE AND TERM OF AGREEMENT

This Agreement shall be effective at the time of signing and shall terminate as provided in Section 5.

SECTION 8: SEVERABILITY

If any provision of this Agreement or application of this Agreement is held invalid, such invalidity shall not affect other provisions or applications of this Agreement.

SECTION 9: AUTHORITY TO CONTRACT

Each party represents and warrants that it has full power and authority to enter into this Agreement and perform its obligations under this Agreement and has taken all required acts or actions necessary to authorize the Agreement.

SECTION 10: CONFLICT OF INTEREST

This Agreement is subject to Arizona Revised Statutes Section 38-511 and may be cancelled if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on behalf of either party is an employee, consultant, or agent of the other party to this Agreement.

SECTION 11: DISPUTE RESOLUTION

11.1 Resolution of Issues Raised by Third Parties. The Parties understand that from time to time members of the public may raise issues about the conduct of an Election. If requested by the City, the County agrees to provide a thorough written explanation of its procedures to address the concerns raised by a member of the public. The City will not request an explanation from the County until after the canvass of the election and the time period for filing an election challenge has passed. If an election challenge is filed by the member of the public who has raised issues about the conduct of an Election, or if the member of the public has brought any legal action to enforce election laws, this paragraph is not applicable.

11.2 Attorneys' Fees. In the event any action at law or in equity is instituted between the parties in connection with this Agreement, the prevailing party in the action will be entitled to its costs including reasonable attorneys' fees and court costs from the non-prevailing party.

11.3 If there is a dispute between the parties as to whether their actions are compliant with all applicable laws, the Parties may jointly consult with the Secretary of State's Office for assistance in reaching a resolution.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this _____ day of _____, 2015.

CITY OF FLAGSTAFF

COCONINO COUNTY

MAYOR

COCONINO COUNTY RECORDER

CHAIRMAN, BOARD OF SUPERVISORS

ATTEST:

ATTEST:

CITY CLERK

CLERK OF THE BOARD

In accordance with A.R.S. §11-952, the undersigned, as legal counsel for the City of Flagstaff, has reviewed the foregoing intergovernmental agreement and has determined that it is in appropriate form and is within the powers and authority granted to the CITY.

In accordance with A.R.S. §11-952, the undersigned, as legal counsel for Coconino County, has reviewed the foregoing intergovernmental agreement and has determined that it is in appropriate form and is within the powers and authority granted to the COUNTY.

CITY ATTORNEY

DEPUTY COUNTY ATTORNEY

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Leah Bloom, Housing and Grants Administrator
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Approval of Contract: Consideration and Approval of Professional Services Contract for Flagstaff Police Department Employer Assisted Housing Program (FPD-EAH) (***Approve contract with Housing Solutions of Northern Arizona, Inc. to Administer Employer Assisted Housing Program for Police Department Employees***).

RECOMMENDED ACTION:

- 1) Approve the award of the Professional Services Contract to Housing Solutions of Northern Arizona, Inc.; and
- 2) Authorize the Interim City Manager to execute the necessary documents.

Executive Summary:

City Council authorized the use of \$90,000 in general funds in the 2014-2015 Budget for the purposes of an Employer Assisted Housing Program for personnel of the Police Department. The goal of the FPD-EAH Program is to add a housing based incentive (matching funds of up to \$7,000) to assist with recruitment and retention of police officers and dispatcher personnel for the Flagstaff Police Department. Housing Solutions of Northern Arizona, Inc. has been selected as the most qualified respondent through a Request for Statement of Qualifications process to administer this program.

Financial Impact:

City Council authorized the use of \$90,000 in general funds in the FY 2015 Budget for the purposes of an Employer Assisted Housing Program for personnel of the Police Department. Funding is available in the FY 2016 budget in account 021-05-106-0361-4-4290 as the funding was carried forward.

The budget for this Program includes both the program and administration. It is estimated at least 11 households will benefit from the FPD-EAH Program. Administrative fees to Housing Solutions of Northern Arizona, Inc. (HSNA) are \$1,000 per matching loan, to be paid at the point of closing.

Connection to Council Goal and/or Regional Plan:

COUNCIL GOALS:

- 1) Invest in our employees and implement retention and attraction strategies
- 4) Explore and adopt policies to lower the costs associated with housing to the end user
- 5) Develop and implement guiding principles that address public safety service levels through appropriate staffing levels

Has There Been Previous Council Decision on This:

While Council has not acted on the award of this specific contract previously, City Council did authorize the use of \$90,000 in general funds in the 2014-2015 Budget for this purpose.

Options and Alternatives:

- 1) Approve the contract award as recommended and authorize the Interim City Manager to execute the necessary documents.
- 2) Do not approve the contract for the Flagstaff Police Department Employer Assisted Housing Program and publish a Request for Statement of Qualification allowing other entities to submit proposals.
- 2) Hire staff to operate the program in-house with an increased administrative cost.
- 3) Do not implement the program.

Background/History:

The City of Flagstaff is experiencing high turnover with dispatch personnel and sworn police officers. The intent of the FPD-EAH program is to provide an employee benefit to eligible employees, helping them to open the door to homeownership and act as an employee retention and attraction tool.

Many officers with smaller households make too much money to qualify for existing down payment and closing cost programs limited, due to funding sources, to low/moderate income households. The Police Department, Human Resources and the Housing Section worked together to design the a program to provide matching funds of up to \$7,000 toward the down payment on a home for sworn officers and dispatch personnel.

Staff issued a Request for Statement of Qualifications (RSOQ) for Professional Services, and was advertised on February 22, and March 8, 2015. One statement was received and opened on March 30, 2015. An evaluation committee comprised of 5 members, including one not employed with the City, determined Housing Solutions of Northern Arizona to be most qualified.

Key Considerations:

HSNA will provide all services necessary to design and market the program, conduct outreach, ensure equal opportunity, process applications, ensure eligibility and select homebuyers.

Dispatch personnel or sworn law enforcement officers of the Flagstaff Police Department are eligible for assistance ("Eligible Buyers") when meeting the following criteria:

- Be employed by the City of Flagstaff as for a minimum of 12 months. In addition, sworn officers must have successfully completed the Police Academy and no longer be on probation
- Not have owned a home within the Flagstaff Metropolitan Planning Organization (FMPO) boundary within the last three years
- Complete homebuyer education and one-on-one housing counseling
- Occupy the home assisted with EAH funds as their principal place of residence
- Home to be purchased must be within a prescribed area. The prescribed area is defined consistent with the residency requirement already in place for Police Department employees
- Home purchase price may not exceed 125% of the FHA 203(b) mortgage insurance limit for Coconino County (Adjusted annually, currently \$452,812)
- Housing-to-income ratio cannot exceed 35% of gross monthly income and total debt-to-income ratio cannot exceed 45% of gross monthly income
- Mortgage obtained by the buyer must be a 30-year, fixed rate with competitive interest rate.
- The home must be livable, passing lender guidelines for occupancy and purchase.

The maximum assistance provided through the PD-EAH Program to employees of the Flagstaff Police Department is as follows:

- Maximum amount of financial assistance is \$7,000.00 per employee.
- Total amount of financial assistance provided will be based on employee contribution. The program will match employee contribution to the home purchase on a 1-to-1 basis with up to \$7,000.00 of employee funds matched with up to \$7,000.00 of EAH funds. The EAH program will also match gifts from immediate family members.
- PD-EAH financial assistance will be forgiven over a 7-year period. Financial assistance will be immediately repaid by the employee if any of the following occur: (1) employment with City of Flagstaff terminates for any reason; (2) home is no longer owner-occupied; (3) employee refinances home to access home equity – refinance with no cash out is permitted and EAH assistance will subordinate; (4) information provided to Housing Solutions or City of Flagstaff at time of assistance is determined to be fraudulent.

HSNA is ready to proceed with program implementation and will begin upon an issuance of a Notice to Proceed from the City of Flagstaff, pending Council approval of the contract.

Expanded Financial Considerations:

City Council authorized the use of \$90,000 in general funds in the FY 2015 budget for the purposes of an Employer Assisted Housing Program for personnel of the Police Department. Funding was carried forward to the FY 2016 budget. The initial budget for this Program is \$90,000 including both the program and administration. Administration fees to Housing Solutions of Northern Arizona are \$1,000 per contract closed.

The funding for this program is a result of the repayment of loans made through the Community Homebuyer Assistance Program (CHAP). Funded with General Funds, the CHAP program began in 2009 and worked increases homeownership in Flagstaff through the provision of down payment and closing cost loans to middle income (up to 125% AMI) first time homebuyers. Funding for the CHAP program was discontinued in the 2008/2009 budget year due to budget cuts, however, existing loans continue to be paid off.

Community Benefits and Considerations:

The administration of the FPD-EAH program will provide homebuyer education, counseling and financial assistance in order to increase homeownership opportunities to eligible sworn police officers and dispatch personnel. Additionally, the program will serve as a recruitment and retention tool for the City of Flagstaff's Police Department.

Community Involvement:

Consult: A Request for Statements of Qualification was issued on February 19, 2015 and the proposals were due to the City's Purchasing Office by 3:00 pm on March 30, 2015. At that time, a representative from Purchasing opened the sealed bids and recorded that Housing Solutions of Northern Arizona was the sole respondent. An evaluation team comprised of three internal employees of the City of Flagstaff, a representative from the Flagstaff Police Department and a representative from the mortgage and lending industry.

Expanded Options and Alternatives:

- 1) Do not approve the contract for the FPE-EAH and publish a Request for Statement of Qualification allowing other entities to submit proposals to operate Program.
 - 2) Hire staff to operate the program in-house with an increased administrative cost.
 - 3) Eliminate the program.
-

Attachments: [EAH Contract](#)

CONTRACT FOR PROFESSIONAL SERVICES

Contract No. 2015-60

This Contract is entered into this ____ day of _____, 20__ by and between the City of Flagstaff, an Arizona municipal corporation with offices at 211 W. Aspen Avenue, Flagstaff, Arizona ("City"), and Housing Solutions of Northern Arizona, Inc., a non-profit Arizona company ("Contractor").

WHEREAS, the City of Flagstaff desires to receive and Contractor is able to provide professional services;

NOW THEREFORE, in consideration for the mutual promises contained herein, the City and Contractor (the "Parties") agree as follows:

SERVICES

1. Scope of Work: Contractor shall provide the professional services generally described as follows:

The overall goal of the FPD-EAH Program is to add a housing based incentive to assist with recruitment and retention of police officers and dispatcher personnel for the Flagstaff Police Department. Many officers with smaller households make too much money to qualify for existing down payment and closing cost programs or funding limited to low/moderate income households as defined by the U.S. Department of Housing and Urban Development. This program will provide non-federal/state matching funds for the purchase of a home to select employees of the Flagstaff Police Department as defined below. The Agency will provide all services necessary to design and market the program, conduct outreach, ensure equal opportunity, process applications, ensure eligibility and select homebuyers. Agency program marketing responsibilities include: development of program brochure, distribution of program brochure, and presentation of program to the industry, taking referrals from other agencies, and disseminating information through local media.

and as more specifically described in the scope of work attached hereto as Exhibit A.

2. Schedule of Services: Contractor shall perform all work per the schedule set forth in Exhibit A.
3. Standard Terms and Conditions: The City of Flagstaff Standard Terms and Conditions, attached hereto as Exhibit B are hereby incorporated by reference and shall apply to performance of this Contract, except to the extent modified in Exhibit A.
4. Key Personnel/Subcontractors: Contractor's Key Personnel, Subcontractors (if any), and contact information are designated in Exhibit A. Key Personnel are those employees whose license number and signature will be placed on key documents and those employees who have significant responsibilities for completion of the services. The City Representative for this contract has the right to approve any proposed substitution of Key Personnel or Subcontractors.

CITY RESPONSIBILITIES

5. City Representative: The City Representative is Leah Bloom, Housing and Grants Administrator or his/her designee. All communications to the City shall be through the City Representative. City Representative is responsible for bringing any request for a contract amendment or price adjustment to the attention of the City Buyer.

6. City Cooperation: City will cooperate with Contractor by placing at its disposal all available information concerning the City, City property, or the City project reasonably necessary for Contractor's performance of this Contract.

CONTRACT TERM

7. Contract Term: The Contract shall be effective as of the date signed by both parties. Performance shall commence within ten (10) days from the City's issuance of the Notice to Proceed, and shall be completed on or before _____, 20__ consistent with the Schedule of Services.
8. Renewal: This Contract may be renewed for up to three additional one year terms by mutual written consent of the parties. The City Manager or his designee (the Purchasing Director) shall have authority to approve renewal on behalf of the City.
9. Termination: This Contract may be terminated pursuant to the Standard Terms and Conditions attached hereto.

PAYMENT

10. Compensation: Contractor shall be paid for satisfactory performance of the work, in accordance with the Compensation Schedule attached hereto as part of Exhibit A.
11. Price Adjustment: If price adjustments are permitted (see Exhibit A), any price adjustment must be approved by the City in writing as a formal Contract Amendment. The City Council must approve the price adjustment if the annual contract price exceeds \$50,000; otherwise the City Manager or his designee (the Purchasing Director) shall have authority to approve a price adjustment on behalf of the City.

DATA AND RECORDS

12. City Ownership of Document and Data: Any original documents prepared or collected by Contractor in performance of this Contract such as models, samples, reports, test plans, survey results, graphics, tables, charts, plans, maps, specifications, surveys, computations and other data shall be the property of City ("City's work product"), unless otherwise agreed by the parties in writing. Contractor agrees that all materials prepared under this Contract are "works for hire" within the meaning of the copyright laws of the United States and hereby assigns to the City all rights and interests Contractor may have in the materials it prepares under this Contract, including any right to derivative use of the material.
13. Re-Use. City may use City's work product without further compensation to Contractor; provided, however, City's reuse without written verification or adaption by Contractor for purposes other than contemplated herein is at City's sole risk and without liability to Contractor. Contractor shall not engage in any conflict of interest nor appropriate any portion of City's work product for the benefit of Contractor or any third parties without City's prior written consent.
14. Delivery of Document and Data: Upon termination of this Contract in whole or part, or upon expiration if not previously terminated, Contractor shall immediately deliver to City copies all of City's work product and any other documents and data accumulated by Contractor in performance of this Contract, whether complete or in process.

INSURANCE

15. Insurance: Contractor shall meet insurance requirements of the City, set forth in Exhibit C.

MISCELLANEOUS

16. Notice: Any notice concerning this Contract shall be in writing and sent by certified mail and email as follows:

To the City:

To Firm:

Leah Bloom
Housing and Grants Administrator
City of Flagstaff
211 W. Aspen
Flagstaff, Arizona 86001
lbloom@flagstaffaz.gov

With a copy to:

With a copy to:

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

17. Authority. Each party warrants that it has authority to enter into this Contract and perform its obligations hereunder, and that it has taken all actions necessary to enter into this Contract.

HOUSING SOLUTIONS OF NORTHERN ARIZONA, INC.

Print name: _____

Title: _____

CITY OF FLAGSTAFF

Print name: _____

Title: _____

Attest:

City Clerk

Approved as to form:

City Attorney

Notice to Proceed issued: _____, 20__

EXHIBIT A SCOPE OF WORK

The intent of the City of Flagstaff's Employer Assisted Housing Program (EAH) is to make homeownership possible for sworn officers and dispatch personnel working for the City of Flagstaff. This program will assist employees with the up-front costs of homeownership who are mortgage eligible based on credit and employment, but lack the cash necessary for the down payment and closing costs associated with purchasing a home. Housing Solutions of N. Arizona, Inc., a local HUD-Approved housing counseling agency and nonprofit organization, has been selected by the City of Flagstaff through a competitive RSOQ process to administer the program. Housing Solutions will determine eligibility for program participation, provide one-on-one housing counseling and general homebuyer education services, and administer the financial assistance at the time of purchase.

The program will be funded from City of Flagstaff General Funds.

2. PROGRAM ELIGIBILITY CRITERIA

2.1 City of Flagstaff EAH buyer eligibility criteria is as follows:

- 2.1.1 To be eligible such homebuyers must be employed by the City of Flagstaff as (1) dispatch personnel or (2) sworn law enforcement officers.
- 2.1.2 Eligible buyers must meet employment guidelines and have worked for the City of Flagstaff in an eligible employment position for a minimum of 12 months. In addition, sworn officers must have successfully completed the Police Academy and no longer be on probation.
- 2.1.3 Eligible Buyers must not have owned a home within the Flagstaff Metropolitan Planning Organization (FMPO) boundary within the last three years.
- 2.1.4 Eligible Buyers must complete the online homebuyer education course and one-on-one housing counseling prior to entering into a purchase contract.
- 2.1.5 Eligible Buyers must occupy the home purchased with EAH funds as their principal place of residence.

2.2 EAH housing unit eligibility is as follows:

- 2.2.1 Home to be purchased must be located within a prescribed area of Flagstaff. The prescribed area shall be defined as a 12-mile radius from City Hall or 35 miles eastbound, westbound, and southbound from the I-17 and I-40 exchanges with a five mile wide corridor (2 ½ miles on each side). Eligible housing types include single family detached, townhouses, and condominiums. Manufactured homes that meet FHA requirements and that are permanently affixed to and purchased with real property are eligible.
- 2.2.2 Home purchase price may not exceed 125% of the FHA 203(b) mortgage insurance limit for Coconino County.
- 2.2.3 The home must be livable, passing lender guidelines for occupancy and purchase.

2.2.4 Although the Agency and the City of Flagstaff highly recommend the buyers obtain a professional, impartial third-party home inspection by a licensed inspector, this is not a requirement of the program. However, the buyer will sign a Hold Harmless agreement at the time of purchase, ensuring they will not hold Housing Solutions of N. Arizona or the City of Flagstaff responsible for the condition of the home.

2.3 Agency shall document and retain all eligibility with client records.

3. ASSISTANCE LEVELS AND LENDING PARAMETERS

3.1 Due to the high cost of housing in the Flagstaff area, the City of Flagstaff has seen higher turnover with dispatch personnel and sworn Police Officers. The intent of the City's EAH program is to provide an employee benefit to eligible employees, helping them to open the door to homeownership. The EAH program is an employee retention and attraction tool. The purpose of this program is to enhance recruitment efforts and improve retention of identified personnel.

The maximum assistance provided through the EAH Program is as follows:

3.1.1 Maximum amount of financial assistance is \$7,000.00 per employee.

3.1.2 Total amount of financial assistance provided will be based on employee contribution. The program will match employee contribution to the home purchase on a 1 to 1 basis with up to \$7,000.00 of employee funds matched with up to \$7,000.00 of EAH funds. The EAH program will also match gifts from immediate family members, as documented and allowed by the first mortgage lender. All employee contribution funds must be sourced and documented.

3.1.2 EAH financial assistance will be forgiven over a 7-year period. Financial assistance will be immediately repaid by the employee if any of the following were to occur: (1) employment with City of Flagstaff terminates for any reason; (2) home is no longer owner-occupied; (3) employee refinances home to access home equity – refinance with no cash out is permitted and EAH assistance will subordinate; (4) information provided to Housing Solutions or City of Flagstaff at time of assistance is determined to be fraudulent.

3.1.3 In order to ensure affordability and long-term sustainability for the employee, his/her housing ratio cannot exceed 35% of gross monthly income (unless lender guidelines or layered assistance program has more conservative requirements).

3.1.4 Debt-to-income ratio does not exceed 45% of gross monthly income.

3.1.5 Mortgage is a 30-year, fixed rate with competitive interest rate.

3.1.6 Closing costs are reasonable and consistent with industry norms.

3.1.7 EAH assistance is recorded in second position behind the primary mortgage, unless approved to subordinate behind another subordinate deed of trust.

3.2 The Agency may, with City staff approval, vary slightly from the above loan parameters on a case-by-case basis to assist with a particular hardship or when doing so can derive some other program benefit.

4. LOAN TERMS

The financial assistance loans will be secured on each property by a Deed of Trust and Promissory Note payable to the City of Flagstaff. The original recorded Deed of Trust and Promissory Note will be kept by the Agency until contract close out; at that time the original documents will be transferred to the City of Flagstaff Housing Section. The Note will be forgiven over a seven-year period. At the end of the seven years, the City of Flagstaff Housing Section will record with Coconino County Recorder's Office a Deed of Release and Reconveyance. If repayment is triggered prior to the seven year period, the City of Flagstaff Housing Section will process payoff requests from the Title Company. Assistance is forgiven on a pro-rated basis over the seven-year life of the loan. Assistance requires no payment and no interest. The City of Flagstaff will subordinate to a second lien position to a primary mortgage lender. The City of Flagstaff, at its own discretion, may decide to subordinate to a third lien position. Refinancing to obtain a lower payment only and no cash out (no cash is borrowed) will be allowed. The City reserves the right to review each subordination as a lender.

5. LOAN SERVICING

The City of Flagstaff will service the loans. Upon contract close-out, Housing Solutions of N. Arizona will provide the City with individual client files containing at a minimum the copy of the Deed of Trust, Promissory Note and all other pertinent documents necessary to service the loans. This will be done in conjunction with the contract close-out procedures.

6. CLIENT AND PROGRAM FILES

Housing Solutions of N. Arizona will keep and maintain program and client records on file for a minimum five years and be available to the City of Flagstaff for monitoring of the files. Original Deeds of Trust and Promissory notes will be submitted to the City upon contract close out. Copies of client files and documents necessary to service the loans will be submitted to the City on an annual basis upon program close-out. Housing Solutions of N. Arizona will maintain original client files for a minimum of five years.

7. HOMEBUYER COUNSELING & EDUCATION

7.1 Homebuyer education and counseling will follow homebuyer education guidelines established by NeighborWorks. In addition, Housing Solutions of N. Arizona has adopted and follows the National Housing Counseling Standards. The intent of homebuyer education is to provide clients with general information regarding the home-buying process, credit and savings information, lending details and how to shop for a home. In addition, Fair Housing and Energy Star information are presented to potential homebuyers.

7.2 All homebuyer aspirants, regardless of income, are invited to complete our online Homebuyer Education Course. Clients will pay a \$49 workshop fee for the course. The workshop fee will be paid by the City of Flagstaff as part of the EAH contract. The City of Flagstaff employee will not be charged for the course.

7.3 Throughout the home-buying process, clients are encouraged to meet one-on-one with a certified homebuyer counselor who will help them navigate the home-buying process, determine their

individual housing needs and wants, and overcome challenges to open the door to homeownership. The counselor will also help clients understand and access additional available financial assistance programs including BFAP and WISH. The cost of one-on-one housing counseling is \$30 per borrower. This charge covers the cost of up to two tri-merge credit reports per person. The \$30 fee will be paid by the City of Flagstaff as part of the EAH contract. The City of Flagstaff employee will not be charged for the credit reports.

7.4 Financial assistance available through the City's EAH program will be committed on a first come, first served basis. Clients will be determined to be eligible for funds when they meet the following criteria: (1) have an accepted purchase contract with a closing date within 60 days; (2) have loan approval from a lender, demonstrating their loan meets Housing Solutions' guidelines; (3) have completed one-on-one homebuyer counseling and the required pre-purchase education classes; (4) have provided all required documentation to the counselor to determine eligibility. Once a client is determined to be eligible for financial assistance, the Housing Solutions Homebuyer Assistance Programs committee, comprised of experts in the lending field, will review the purchase, loan and financial assistance package to determine if the client is eligible to receive financial assistance.

7.5 The Housing Solutions' homebuyer counselor will prepare loan documents and draw funds in preparation for close of escrow.

8. GENERATING MORTGAGE RESOURCES

Agency agrees that the Eligible Buyers shall obtain the mortgage financing from the lender of their choice and shall choose the title company of their choice. The Agency shall use its best efforts to generate mortgage resources for Eligible Buyers through: 1) relationships with lending institutions; and 2) gaining approval of "soft second" mortgage products by the Federal Housing Administration, the Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac) and the Veterans Administration (VA).

9. PROGRAM MARKETING

The Agency shall affirmatively market the program through media, literature, announcements through the Realtors' multiple listing service meetings, mailing to realtors, and other activities as appropriate.

10. PROJECT ADMINISTRATION

Administrative fees to Housing Solutions of Northern Arizona are \$1,000 per matching loan, to be paid at the point of closing. The Agency will provide all of the necessary services to carry out the daily tasks of ensuring that the project progresses satisfactorily and that all of the administrative functions associated with the project are properly executed in accordance with the contract. Agency responsibilities include: 1) keeping project files detailing expenses, procurement, project information, and correspondence, in addition to any other necessary information; 2) submitting applicable reports to the Housing Section; 3) keeping client files detailing eligibility, income, ethnicity, age, special needs, and income information, in addition to any other necessary information; 4) project accounting, including documentation of expenditures and receipts; 5) managing personnel; 6) completing audits and other submissions; 7) overseeing project to ensure a cost-effective and efficient delivery of services; and 8) ensuring that an open process is conducted in all outreach activities and equal opportunity is provided to all persons regardless of race, color, sex, religion, handicap, familial status or national origin.

EXHIBIT B
CITY OF FLAGSTAFF STANDARD TERMS AND CONDITIONS

IN GENERAL

1. **NOTICE TO PROCEED:** Contractor shall not commence performance until after City has issued a Notice to Proceed.
2. **LICENSES AND PERMITS:** Contractor its expense shall maintain current federal, state, and local licenses, permits and approvals required for performance of the Contract, and provide copies to City upon request.
3. **COMPLIANCE WITH LAWS:** Contractor shall comply with all applicable federal, state and local laws, regulations, standards, codes and ordinances in performance of this Contract.
4. **NON-EXCLUSIVE:** Unless expressly provided otherwise in the Contract, this Contract is non-exclusive and the City reserves the right to contract with others for materials or services.
5. **SAMPLES:** Any sample submitted to the City by the Contractor and relied upon by City as representative of quality and conformity, shall constitute an express warranty that all materials and/or service to be provided to City shall be of the same quality and conformity.

MATERIALS

6. **PURCHASE ORDERS:** The City will issue a purchase order for the materials covered by the Contract, and such order will reference the Contract number.
7. **QUALITY:** Contractor warrants that all materials supplied under this Contract will be new and free from defects in material or workmanship. The materials will conform to any statements made on the containers or labels or advertisements for the materials, and will be safe and appropriate for use as normally used. City's inspection, testing, acceptance or use of materials shall not serve to waive these quality requirements. This warranty shall survive termination or expiration of the Contract.
8. **ACCEPTANCE:** All materials and services provided by Contract are subject to final inspection and acceptance by the City. Materials and services failing to conform to the Contract specifications may be rejected in whole or part. If rejected, Contractor is responsible for all costs associated arising from rejection.
9. **MANUFACTURER'S WARRANTIES:** Contractor shall deliver all Manufacturer's Warranties to City upon City's acceptance of the materials.
10. **PACKING AND SHIPPING:** Contractor shall be responsible for industry standard packing which conforms to requirements of carrier's tariff and ICC regulations. Containers shall be clearly marked as to lot number, destination, address and purchase order number. All shipments shall be F.O.B. Destination, City of Flagstaff, 211 West Aspen Avenue, Flagstaff, Arizona 86001, unless otherwise specified by the City. C.O.D. shipments will not be accepted.
11. **TITLE AND RISK OF LOSS:** The title and risk of loss of material shall not pass to the City until the City actually receives the material at the point of delivery, and the City has completed

inspection and has accepted the material, unless the City has expressly provided otherwise in the Contract.

12. **NO REPLACEMENT OF DEFECTIVE TENDER:** Every tender of materials shall fully comply with all provisions of the Contract. If a tender is made which does not fully conform, this shall constitute a breach and Contractor shall not have the right to substitute a conforming tender without prior written approval from the City.
13. **DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH:** Contractor and may not substitute nonconforming materials, or services. Delivery of nonconforming materials, and/or services, or a default of any nature, at the option of the City, shall constitute shall deliver conforming materials, or services, in each installment or lot of the contract a breach of the contract as a whole.
14. **SHIPMENT UNDER RESERVATION PROHIBITED:** Contractor is not authorized to ship materials under reservation and no tender of a bill of lading shall operate as a tender of the materials.
15. **LIENS:** All materials and other deliverables supplied to the City shall be free of all liens other than the security interest held by Contractor until payment in full is made by the City. Upon request of the City, Contractor shall provide a formal release of all liens.
16. **CHANGES IN ORDERS:** The City reserves the right at any time to make changes in any one or more of the following: (a) methods of shipment or packing; (b) place of delivery; and (c) quantities. If any change causes an increase or decrease in the cost of or the time required for performance, an equitable adjustment may be made in the price or delivery schedule, or both. Any claim for adjustment shall be evidenced in writing and approved by the City Purchasing Director prior to the institution of the change.

PAYMENT

17. **INVOICES:** A separate invoice shall be issued for each shipment and each job completed. Invoices shall include the Contract and/or Purchase Order number, and dates when goods were shipped or work performed. Invoices shall be sent within 30 days following performance. Payment will only be made for satisfactory materials and/or services received and accepted by City.
18. **LATE INVOICES:** The City may deduct up to 10% of the payment price for late invoices. The City operates on a fiscal year budget, from July 1 through the following June 30. Except in unusual circumstances, which are not due to the fault of Contractor, City will not honor any invoices or claims submitted after August 15 for materials or services supplied in the prior fiscal year.
19. **TAXES:** Contractor shall be responsible for payment of all taxes including federal, state, and local taxes related to or arising out of Contractor's performance of this Contract. Such taxes include but are not limited to federal and state income tax, social security tax, unemployment insurance taxes, transaction privilege taxes, use taxes, and any other taxes or business license fees as required.

Exception: The City will pay any taxes which are specifically identified as a line item dollar amount in the Contractor's bid, proposal, or quote, and which were considered and approved by

the City as part of the Contract award process. In this event, taxes shall be identified as a separate line item in Contractor's invoices.

20. **FEDERAL EXCISE TAXES:** The City is exempt from paying certain Federal Excise Taxes and will furnish an exemption certificate upon request.
21. **FUEL CHARGES:** Contractor at its own expense is liable for all fuel costs related to performance. No fuel surcharges will be accepted or paid by City.
22. **DISCOUNTS:** If the Contract provides for payment discounts, payment discounts will be computed from the later date of the following: (a) when correct invoice is received by the City; or (b) when acceptable materials and/or materials were received by City.
23. **AMOUNTS DUE TO THE CITY:** Contractor must be current and remain current in all obligations due to the City during performance. Payments to Contractor may be offset by any delinquent amounts due to City or fees and charges owed to City under this Contract.
24. **OFAC:** No City payments may be made to any person in violation of Office of Foreign Assets Control regulations, 31 C.F.R. Part 501.

SERVICES

25. **INDEPENDENT CONTRACTOR:** Contractor shall be an independent contractor for purposes of all laws, including but not limited to the Fair Labor Standards Act, Federal Insurance Contribution Act, Social Security Act, Federal Unemployment Tax Act, Internal Revenue Code, Immigration and Naturalization Act; Arizona revenue and taxation, workers' compensation, and unemployment insurance laws.
26. **CONTROL:** Contractor shall be responsible for the control of the work.
27. **WORK SITE:** Contractor shall inspect the work site and notify the City in writing of any deficiencies or needs prior to commencing work.
28. **SAFEGUARDING PROPERTY:** Contractor shall responsible for any damage to real property of the City or adjacent property in performance of the work and safeguard the worksite.
29. **QUALITY:** All work shall be of good quality and free of defects, performed in a diligent and professional manner.
30. **ACCEPTANCE:** If work is rejected by the City due to noncompliance with the Contract, The City, after notifying Contractor in writing, may require Contractor to correct the deficiencies at Contractor's expense, or cancel the work order and pay Contractor only for work properly performed.
31. **WARRANTY:** Contractor warrants all work for a period of one (1) year following final acceptance by the City. Upon receipt of written notice from the City, Contractor at its own expense shall promptly correct work rejected as defective or as failing to conform to the Contract, whether observed before or after acceptance, and whether or not fabricated, installed or completed by Contractor, and shall bear all costs of correction. If Contractor does not correct deficiencies within a reasonable time specified in the written notice from the City, the City may perform the work and Contractor shall be liable for the costs. This one-year warranty is in addition to, and does not limit Contractor's other obligations herein. This warranty shall survive termination or expiration of the Contract.

INSPECTION, RECORDS, ADMINISTRATION

32. **RECORDS:** The City shall have the right to inspect and audit all Contractor books and records related to the Contract for up to five (5) years after completion of the Contract.
33. **RIGHT TO INSPECT BUSINESS:** The City shall have the right to inspect the place of business of the Contractor or its subcontractor during regular business hours at reasonable times, to the extent necessary to confirm Contract performance.
34. **PUBLIC RECORDS:** This Contract and any related materials are a matter of public record and subject to disclosure pursuant to Arizona Public Records Law, A.R.S. § 39-121 et seq. If Contractor has clearly marked its proprietary information as “confidential”, the City will endeavor to notify Contractor prior to release of such information.
35. **CONTRACT ADMINISTRATION:** Contractor will be required to participate in the City’s Contract Administration Process. Contractor will be closely monitored for contract compliance and will be required to promptly correct any deficiencies.

INDEMNIFICATION, INSURANCE

36. **GENERAL INDEMNIFICATION:** Contractor shall indemnify, defend and hold harmless the City, its council, boards and commissions, officers, employees from all losses, claims, suits, payments and judgments, demands, expenses, attorney’s fees or actions of any kind resulting from personal injury to any person, including employees, subcontractors or agents of Contractor or damages to any property arising or alleged to have arisen out of the negligent performance of the Contract, except any such injury or damages arising out of the sole negligence of the City, its officers, agents or employees. This indemnification provision shall survive termination or expiration of the Contract. This indemnification clause shall not apply, if a different indemnification clause is included in the City’s Specific Terms and Conditions.
37. **INSURANCE:** Contractor shall maintain all insurance coverage required by the City, including public liability and worker’s compensation.
38. **INTELLECTUAL PROPERTY INDEMNIFICATION:** Contractor shall indemnify and hold harmless the City against any liability, including costs and expenses, for infringement of any patent, trademark or copyright or other proprietary rights of any third parties arising out of contract performance or use by the City of materials furnished or work performed under this Contract. Contractor shall promptly assume full responsibility for the defense of any suit or proceeding which is, has been, or may be brought against the City and its agents for alleged infringement, or alleged unfair competition resulting from similarity in design, trademark or appearance of goods, and indemnify the City against any and all expenses, losses, royalties, profits and damages, attorneys fees and costs resulting from such proceedings or settlement thereof. This indemnification shall survive termination or expiration of the Contract.

CONTRACT CHANGES

39. **PRICE INCREASES:** Except as expressly provided for in the Contract, no price increases will be approved.

40. **COMPLETE AGREEMENT:** The Contract is intended to be the complete and final agreement of the parties.
41. **AMENDMENTS:** This Contract may be amended by written agreement of the parties.
42. **SEVERABILITY:** If any term or provision of this Contract is found by a court of competent jurisdiction to be illegal or unenforceable, then such term or provision is deemed deleted, and the remainder of this Contract shall remain in full force and effect.
43. **NO WAIVER:** Each party has the right insist upon strict performance of the Contract, and the prior failure of a party to insist upon strict performance, or a delay in any exercise of any right or remedy, or acceptance of materials or services, shall not be deemed a waiver of any right to insist upon strict performance.
44. **ASSIGNMENT:** This Contract may be assigned by Contractor with prior written consent of the City, which will not be unreasonably withheld. Any assignment without such consent shall be null and void. Unless expressly provided for in a separately executed Consent to Assignment, no assignment shall relieve Contractor (Assignor) from any of its obligations and liabilities under the Contract with respect to City. The Purchasing Director shall have authority to consent to an assignment on behalf of City.
45. **BINDING EFFECT:** This Contract shall be binding upon and inure to the benefit of the parties and their successors and assigns.

EMPLOYEES AND SUBCONTRACTORS

46. **SUBCONTRACTING:** Contractor may subcontract work in whole or in part with the City's advance written consent. City reserves the right to withhold consent if subcontractor is deemed irresponsible and/or subcontracting may negatively affect performance. All subcontracts shall comply with the underlying Contract. Contractor is responsible for Contract performance whether or not subcontractors are used.
47. **NONDISCRIMINATION:** Contractor shall not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, sex, national origin, disability, genetic information, veteran's status, pregnancy, familial status and represents and warrants that it complies with all applicable federal, state and local laws and executive orders regarding employment. In addition any Contractor located within City of Flagstaff limits shall comply with the City Code, Chapter 14-02 Civil Rights which also prohibits discrimination based on sexual orientation, or gender identity or expression.
48. **DRUG FREE WORKPLACE:** The City has adopted a Drug Free Workplace policy for itself and those doing business with the City to ensure the safety and health of all persons working on City contracts and projects. Contractor personnel shall abstain from use or possession of illegal drugs while engaged in performance of this Contract.
49. **IMMIGRATION LAWS:** Pursuant to A.R.S. § 41-4401, Contractor hereby warrants to the City that the Contractor and each of its subcontractors will comply with, and are contractually obligated to comply with, all State and Federal Immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A) (hereinafter "Contractor Immigration Warranty"). A breach of the Contractor Immigration Warranty shall constitute a material breach of this Contract and shall subject the Contractor to penalties up to and including termination of this Contract at the sole

discretion of the City. The City retains the legal right to inspect the papers of any Contractor or subcontractor employee who works on this Contract to ensure compliance with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any such inspections. The City may, at its sole discretion, conduct random verification of the employment records of the Contractor and any subcontractors to ensure compliance with Contractor's Immigration Warranty. Contractor agrees to assist the City in regard to any random verification performed. Neither Contractor nor any subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if Contractor or subcontractor if Contractor or subcontractor establishes that it has complied with the employment verification provisions prescribed by sections 274A and 274B of the Federal Immigration and Nationality Act and the E-verify requirements prescribed by A.R.S. § 23-214(A).

DEFAULT AND TERMINATION

- 50. TERMINATION FOR DEFAULT:** Prior to terminating this Contract for a material breach, the non-defaulting party shall give the defaulting party written notice and reasonable opportunity to cure the default, not to exceed thirty (30) days unless a longer period of time is granted by the non-defaulting party in writing. In the event the breach is not timely cured, or in the event of a series of repeated breaches the non-defaulting party may elect to terminate Contract by written notice to Contractor, which shall be effective upon receipt. In the event of default, the parties may execute all remedies available at law in addition Contract remedies provided for herein.
- 51. CITY REMEDIES:** In the event of Contractor's default, City may obtain required materials and/or services from a substitute contractor, and Contractor shall be liable to the City to pay for the costs of such substitute service. City may deduct or offset the cost of substitute service from any balance due to Contractor, and/or seek recovery of the costs of substitute service against any performance security, and/or collect any liquidated damages provided for in the Contract. Remedies herein are not exclusive.
- 52. CONTRACTOR REMEDIES:** In the event of City's default, Contractor may pursue all remedies available at law, except as provided for herein.
- 53. SPECIAL DAMAGES:** In the event of default, neither party shall be liable for incidental, special, or consequential damages.
- 54. TERMINATION FOR NONAPPROPRIATION OF FUNDS:** The City may terminate all or a portion of this Contract due to budget constraints and non-appropriation of funds for the following fiscal year, without penalty or liability to Contractor.
- 55. TERMINATION FOR CONVENIENCE:** Unless expressly provided for otherwise in the Contract, this Contract may be terminated in whole or part by the City for convenience upon thirty (30) days written notice, without further penalty or liability to Contractor. If this Contract is terminated, City shall be liable only for payment for satisfactory materials and/or services received and accepted by City before the effective date of termination.
- 56. TERMINATION DUE TO INSOLVENCY:** If Contractor becomes a debtor in a bankruptcy proceeding, or a reorganization, dissolution or liquidation proceeding, or if a trustee or receiver is appointed over all or a substantial portion of the property of Contractor under federal bankruptcy law or any state insolvency law, Contractor shall immediately provide the City with a written notice thereof. The City may terminate this Contract, and Contractor is deemed in default, at any time if the Contractor becomes insolvent, or is a party to any voluntary bankruptcy or receivership

proceeding, makes an assignment for a creditor, or there is any similar action that affects Contractor's ability to perform under the Contract.

57. **PAYMENT UPON TERMINATION:** Upon termination of this Contract, City will pay Contractor for satisfactory performance up until the effective date of termination. City shall make final payment within thirty (30) days from receipt of the Contractor's final invoice.
58. **CANCELLATION FOR GRATUITIES:** The City may cancel this Contract at any time, without penalty or further liability to Contractor, if City determines that Contractor has given or offered to give any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant ("Gratuities") in connection with award or performance of the Contract.
59. **CANCELLATION FOR CONFLICT OF INTEREST (A.R.S. § 38-511):** The City may cancel this Contract within three (3) years after its execution, without penalty or further liability to Contractor.

MISCELLANEOUS

60. **ADVERTISING:** Contractor shall not advertise or publish information concerning its Contract with City, without the prior written consent of the City.
61. **NOTICES:** All notices given pursuant to this Contract shall be delivered at the addresses as specified in the Contract, or updated by Notice to the other party. Notices may be: (a) personally delivered, with receipt effective upon personal delivery; (b) sent via certified mail, postage prepaid, with receipt deemed effective four (4) days after being sent; (c) or sent by overnight courier, with receipt deemed effective two (2) days after being sent. Notice may be sent by email as a secondary form of notice.
62. **THIRD PARTY BENEFICIARIES:** This Contract is intended for the exclusive benefit of the parties. Nothing herein is intended to create any rights or responsibilities to third parties.
63. **GOVERNING LAW:** This Contract shall be construed in accordance with the laws of Arizona.
64. **FORUM:** In the event of litigation relating to this Contract, any action at law or in equity shall be filed in Coconino County, Arizona.
65. **ATTORNEYS FEES:** If any action at law or in equity is necessary to enforce the terms of this Contract, the prevailing party shall be entitled to recover its reasonable attorneys fees, costs, professional fees and expenses.

**EXHIBIT C
INSURANCE**

1. In General. Contractor shall maintain insurance against claims for injury to persons or damage to property, arising from performance of or in connection with this Contract by the Contractor, its agents, representatives, employees or contractors.
2. Requirement to Procure and Maintain. Each insurance policy required by this Contract shall be in effect at, or before, commencement of work under this Contract and shall remain in effect until all Contractor's obligations under this Contract have been met, including any warranty periods. The Contractor's failure to maintain the insurance policies as required by this Contract or to provide timely evidence of renewal will be considered a material breach of this Contract.
3. Minimum Scope and Limits of Insurance. The following insurance requirements are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The City does not represent or warrant that the minimum limits set forth in this Contract are sufficient to protect the Contractor from liabilities that might arise out of this Contract, and Contractor is free to purchase such additional insurance as Contractor may determine is necessary.

Contractor shall provide coverage at least as broad and with limits not less than those stated below.

a. Commercial General Liability - Occurrence Form

General Aggregate	\$2,000,000
Products/Completed Operations	\$1,000,000
Each Occurrence	\$1,000,000

b. Umbrella Coverage \$2,000,000

c. Automobile Liability –
Any Automobile or Owned, Hired
and Non-owned Vehicles
Combined Single Limit Per Accident
for Bodily Injury & Property Damage \$1,000,000

d. 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

[OPTION: e. Professional Liability \$2,000,000]

4. Self-Insured Retention. Any self-insured retentions 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. Contractor shall be solely responsible for any self-insured retention amounts. City at its option may require Contractor to secure payment of such self insured retention by a surety bond or irrevocable and unconditional letter of credit.

5. Other Insurance Requirements. The policies shall contain, or be endorsed to contain, the following provisions:
- a. Additional Insured. In Commercial General Liability and Automobile Liability Coverages, the City of Flagstaff, its officers, officials, agents and employees shall be named and endorsed as additional insureds with respect to liability arising out of this Contract and activities performed by or on behalf of the Contractor, including products and completed operations of the Contractor, and automobiles owned, leased, hired or borrowed by the Contractor.
 - b. Broad Form. The Contractor's insurance shall contain broad form contractual liability coverage.
 - c. Primary Insurance. The Contractor'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 Contractor's insurance and shall not contribute to it.
 - d. Each Insured. The Contractor'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.
 - e. Not Limited. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.
 - f. Waiver of Subrogation. The policies shall contain a waiver of subrogation against the City, its officers, officials, agents and employees for losses arising from work performed by Contractor for the City.
6. Notice of Cancellation. Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, cancelled, reduced in coverage or in limits unless prior written notice has been given to the City. Notices required by this section shall be sent directly to the Buyer listed in the original Solicitation and shall reference the Contract Number:
- Attention: Patrick Brown, C.P.M
Senior Procurement Specialist
Contract No. 2015-71
Purchasing Department
City of Flagstaff,
211 W. Aspen Avenue
Flagstaff, Arizona 86001.
7. Acceptability of Insurers. Contractor 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 protect the Contractor from potential insurer insolvency.
8. Certificates of Insurance. The Contractor shall furnish the City with certificates of insurance (ACORD form) as required by this Contract. 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. The City project/contract number and project description shall be noted on the certificates of

insurance. The City must receive and approve all certificates of insurance and endorsements before the Contractor commences work.

9. Policies. 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 Contract at any time. The City shall not be obligated, however, to review any insurance policies or to advise Contractor of any deficiencies in such policies and endorsements. The City's receipt of Contractor's policies or endorsements shall not relieve Contractor from, or be deemed a waiver of, the City's right to insist on strict fulfillment of Contractor's obligations under this Contract.
10. Modifications. Any modification or variation from the insurance requirements in this Contract must have the prior approval of the City's Attorney's Office in consultation with the City's Risk Manager, whose decision shall be final. Such action will not require a formal Contract amendment but may be made by their handwritten revision and notation to the foregoing insurance requirements.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Justyna Costa, Housing & Grants Administrator
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Approval of Professional Services Contract: Izabel Homes
 Funding/Development and Mortgage Lending Project

RECOMMENDED ACTION:

1. Award the Professional Services Contract to Habitat for Humanity of Northern Arizona; and
2. Approve Contingency Authority to the City Manager in the amount of 10% per phase.
3. Authorize the City Manager to execute the necessary documents.

Executive Summary:

The goal of the Izabel Homes Funding/Development & Mortgage Lending Project is to provide permanently affordable housing to Flagstaff's low to moderate income residents. To facilitate this goal, Izabel Homes is part of Flagstaff's Community Land Trust Program (CLTP). Under this program, the City of Flagstaff maintains ownership of the land indefinitely. The completed homes will be owned by qualified households, and the land leased through a 99-year, renewable ground lease. Homeowners who participate in this program must meet income and other eligibility requirements.

The Izabel Homes Funding/Development & Mortgage Lending Project includes the development of six (6) single-family homes, and the mortgage lending services to low to moderate income households purchasing the homes. This Professional Services Contract is for all six homes; however each phase will be issued a separate Notice to Proceed and may have separate value engineering and contingency specifications. Each phase of the contract will include funding, construction, income eligibility and lending. The first phase is for one house.

Financial Impact:

Houses will be built in phases. Habitat for Humanity of Northern Arizona (HFHNA) will complete all remaining phases of the Izabel Homes project (6 homes) by 12/31/2020. HFHNA will provide funding for the development and sale of the Izabel Homes project including costs associated with construction, homebuyer selection, mortgage financing, sale of home and reporting. The City of Flagstaff will designate a 10% contingency per phase, to be used only if needed. HFHNA projects that phase one of the build will cost approximately \$110,000 to which the City will designate a 10% contingency of \$11,000.

HFHNA has a grant to assist with building phase one of Izabel Homes, which is set to expire at the end of this calendar year. The agency would like to apply their grant funding during this construction season, which will require obtaining a Certificate of Occupancy by December.

Connection to Council Goal and/or Regional Plan:

COUNCIL GOALS:

Explore and adopt policies to lower the costs associated with housing to the end user

REGIONAL PLAN:

Goal NH.1. Foster and maintain healthy and diverse urban, suburban, and rural neighborhoods in the Flagstaff region.

Policy NH.1.1. Preserve and enhance existing neighborhoods.

Goal NH.3. Make available a variety of housing types at different price points, to provide housing opportunity for all economic sectors.

Policy NH.3.1. Provide a variety of housing types throughout the City and region, including purchase and rental options, to expand the choices available to meet the financial and lifestyle needs of our diverse population.

Policy NH.3.2. Promote accessory dwelling units, where appropriate.

Policy NH.3.3. Increase the availability of affordable housing for very low-income persons, through innovative and effective funding mechanisms.

Has There Been Previous Council Decision on This:

Yes. Council has made multiple decisions regarding the purchase and infrastructure development of the parcel. Most recently Council approved Loven Contracting, Inc. to provide the CM@Risk services for Phases I (2010), II (2011) III (2012) and IV (2013).

Options and Alternatives:

- Approve the Professional Services Contract; or
- Reject the Contract and direct staff to pursue alternative delivery methods; or
- Reject the Agreement and choose to pursue homeownership goals through alternative mechanisms. This will require addressing the vacant land in some fashion.

Background/History:

Previous work on this project includes the purchase of the site, remediation of environmental and safety hazards, and the elimination of blight conditions through the removal of hazardous buildings with Community Development Block Grant funds. Other improvements include the installation of curb and gutters, sidewalks, utility extensions, and infrastructure developments. The first, second third and fourth phases of residential construction are complete. Ten homes have been added to the City's Land Trust Program and have been sold to low and moderate income households.

Starting in 2010 a Construction Manager At Risk (CMAR) procurement process was used to select Loven Contracting, LLC to build the sixteen homes in City authorized phases. Loven Contracting has done a wonderful job of not only constructing quality homes, but also of being a true partner in being mindful of costs in the delivery of the ten (10) homes completed so far.

Market changes, specifically changes in the lending market, impacted the pace of sales in the most recent phase, with one of the four homes in the phase remaining on the market for more than a year. The target population for this project is a challenging one to serve with homeownership in the very strict lending market of current day. There was sufficient interest and qualified households in the fourth phase of Izabel Homes. In fact, three contracts were written and were unable to secure financing to close on the home. In a different lending market, these clients would have likely been able to obtain a mortgage.

As lending has been the most significant hurdle to providing homeownership opportunities to low-income

households in the Izabel Homes project, a new model for delivery of the last six (6) homes is being implemented. In May, staff conducted a Request for Statement of Qualifications (RSOQ) to identify a non-profit quality builder that also can provide lending achievable by the target population. HFHNA was the successful respondent to the RSOQ and has the organizational capacity not only to build the houses, but to provide mortgage financing through Habitat International.

Key Considerations:

When complete, Izabel Homes will include 16 single-family, detached residences for sale to qualified families. There are six homes remaining to be built. The homes will be included in the Community Land Trust Program (CLTP) to make them permanently affordable. The earthwork and driveway improvements necessary for the remaining six homes were completed with Phase III in order to gain efficiencies that saved the project approximately \$15,000.00. The City's investment will remain in the land, provide ongoing permanent affordability to households in the community, generate ongoing property tax revenue for the general fund, and supply lease fees that will assist in long term administration of the units.

Expanded Financial Considerations:

No new or ongoing general fund dollars are involved in this Professional Services Contract. HFHNA will be funding the construction and lending pieces of this project (approximately \$110,000 for the first home), and the contingency funding (approximately \$11,000) will come from Housing Section's existing resources designated for use for affordable housing.

Community Benefits and Considerations:

The purpose of this project is to provide permanently affordable workforce housing to Flagstaff's low to moderate-income residents, thus improving the quality of community housing opportunities for residents as well as assist in retaining Flagstaff's workforce. The City maintains ownership of the land indefinitely. The homes will be owned by qualified households, and the land leased through a 99-year, renewable ground lease. Previous Council direction led to the homes being designed to maximize energy efficiency and all four phases have been awarded a Sustainable Building Award – Intermediate Level – by the Coconino County Sustainable Building Program. Construction of highly energy efficient homes has community benefits, as well as long-term benefits for the homeowners, making the homes inherently more affordable by reducing ongoing utility costs. As the market appreciates, the homes will become comparatively even more affordable to lower income populations. Additionally, HFHNA will utilize local contractors and community volunteers for the house build.

Community Involvement:

Consult: In planning and implementation of the previous phases of Izabel Homes, many community partners were consulted from real-estate, design and lending to non-profit and construction industries. The recent RSOQ process comprised a selection committee that included representatives from the design, engineering and construction industries.

Attachments: [Professional Services Contract](#)

CONTRACT FOR PROFESSIONAL SERVICES

Contract No. 2015-71

This Contract is entered into this ____ day of _____, 20__ by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City"), and Habitat for Humanity of Northern Arizona, an Arizona non-profit organization ("Contractor").

WHEREAS, the City of Flagstaff desires to receive and Contractor is able to provide professional services;

NOW THEREFORE, in consideration for the mutual promises contained herein, the City and Contractor (the "parties") agree as follows:

SERVICES

1. Scope of Work: Contractor shall provide the professional services generally described as follows:

The goal of the Izabel Homes Funding/Development & Mortgage Lending Project is to provide permanently affordable housing to Flagstaff's low to moderate income residents. To facilitate this goal, Izabel Homes is part of Flagstaff's Community Land Trust Program (CLTP). Under this program, the City of Flagstaff maintains ownership of the land indefinitely. The completed homes will be owned by qualified households, and the land leased through a 99-year, renewable ground lease. Homeowners who participate in this program must meet income and other eligibility requirements.

The Izabel Homes Funding/Development & Mortgage Lending Project includes the development of six (6) single-family homes, and the mortgage lending services to low to moderate income households purchasing the homes. This Professional Services Contract is for all six homes; however each phase will be issued a separate Notice to Proceed and may have separate value engineering and contingency specifications. Each phase of the contract will include funding, construction, income eligibility and lending. The first phase is for one house.

Scope of Work is more specifically described in the scope of work attached hereto as Exhibit A.

2. Schedule of Services: Contractor shall perform all work per the schedule set forth in Exhibit A.
3. Standard Terms and Conditions: The City of Flagstaff Standard Terms and Conditions, attached hereto as Exhibit B are hereby incorporated by reference and shall apply to performance of this Contract, except to the extent modified in Exhibit A.
4. Key Personnel/Subcontractors: Contractor's Key Personnel, Subcontractors (if any), and contact information are designated in Exhibit A. Key Personnel are those employees whose license number and signature will be placed on key documents and those employees who have significant responsibilities for completion of the services. The City Representative for this contract has the right to approve any proposed substitution of Key Personnel or Subcontractors.

CITY RESPONSIBILITIES

5. City Representative: The City Representative is Justyna Costa, Community Housing & Grants Administrator or his/her designee. All communications to the City shall be through the City Representative. City Representative is responsible for bringing any request for a contract amendment or price adjustment to the attention of the City Buyer.

6. City Cooperation: City will cooperate with Contractor by placing at its disposal all available information concerning the City, City property, or the City project reasonably necessary for Contractor's performance of this Contract.

CONTRACT TERM

7. Contract Term: The Contract shall be effective as of the date signed by both parties. Performance shall commence within ten (10) days from the City's issuance of the Notice to Proceed, and shall be completed on or before _____, 20__ consistent with the Schedule of Services.
8. Renewal: This Contract may be renewed for up to three additional one year terms by mutual written consent of the parties. The City Manager or his designee (the Purchasing Director) shall have authority to approve renewal on behalf of the City.
9. Termination: This Contract may be terminated pursuant to the Standard Terms and Conditions attached hereto.

DATA AND RECORDS

10. City Ownership of Document and Data: Any original documents prepared or collected by Contractor in performance of this Contract such as models, samples, reports, test plans, survey results, graphics, tables, charts, plans, maps, specifications, surveys, computations and other data shall be the property of City ("City's work product"), unless otherwise agreed by the parties in writing. Contractor agrees that all materials prepared under this Contract are "works for hire" within the meaning of the copyright laws of the United States and hereby assigns to the City all rights and interests Contractor may have in the materials it prepares under this Contract, including any right to derivative use of the material.
11. Re-Use. City may use City's work product without further compensation to Contractor; provided, however, City's reuse without written verification or adaption by Contractor for purposes other than contemplated herein is at City's sole risk and without liability to Contractor. Contractor shall not engage in any conflict of interest nor appropriate any portion of City's work product for the benefit of Contractor or any third parties without City's prior written consent.
12. Delivery of Document and Data: Upon termination of this Contract in whole or part, or upon expiration if not previously terminated, Contractor shall immediately deliver to City copies all of City's work product and any other documents and data accumulated by Contractor in performance of this Contract, whether complete or in process.

INSURANCE

13. Insurance: Contractor shall meet insurance requirements of the City, set forth in Exhibit C.

13.1 Insurance for construction work shall be in accordance to the City's Construction Requirements, set forth in Exhibit D.

MISCELLANEOUS

14. Notice: Any notice concerning this Contract shall be in writing and sent by certified mail and email as follows:

To the City:

To Contractor:

Justyna Costa.
Community Housing & Grants Administrator
City of Flagstaff
211 W. Aspen
Flagstaff, Arizona 86001
jcosta@flagstaffaz.gov

With a copy to:

With a copy to:

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

15. Authority. Each party warrants that it has authority to enter into this Contract and perform its obligations hereunder, and that it has taken all actions necessary to enter into this Contract.

CONTRACTOR

Print name: _____

Title: _____

CITY OF FLAGSTAFF

Print name: _____

Title: _____

Attest:

City Clerk

Approved as to form:

City Attorney's Office

Notice to Proceed issued: _____, 20__

EXHIBIT A SCOPE OF WORK

A. Scope of Work

The goal of the Izabel Homes Funding/Development & Mortgage Lending Project is to provide permanently affordable housing to Flagstaff's low to moderate income residents. To facilitate this goal, Izabel Homes is part of Flagstaff's Community Land Trust Program (CLTP). Under this program, the City of Flagstaff maintains ownership of the land indefinitely. The completed homes will be owned by qualified households, and the land leased through a 99-year, renewable ground lease. Homeowners who participate in this program must meet income and other eligibility requirements.

The Izabel Homes Funding/Development & Mortgage Lending Project includes the development of six (6) single-family homes, and the mortgage lending services to low to moderate income households purchasing the homes. This Professional Services Contract is for all six homes; however each phase will be issued a separate Notice to Proceed and may have separate value engineering and contingency specifications. Each phase of the contract will include funding, construction, income eligibility and lending. The first phase is for one house.

I. Construction

- a. Habitat for Humanity of Northern Arizona (HFHNA) will provide construction financing and will build 6 detached residences in Flagstaff's Sunnyside neighborhood. The contract work will also include the installation of access driveways, landscaping, fencing, connection to existing utilities and other site work.
- b. Homes will be built according to the plans; any deviations require pre-approval by the City and must be submitted in writing.
- c. HFHNA will complete all phases of the Izabel Build Project by 12/31/2020. HFHNA will diligently work to find funding to increase the speed of production.
- d. Eric Wolverton, Executive Director of HFHNA, will be the project manager for the Izabel Homes Project.
- e. Each phased construction will follow City construction requirements, and terms and conditions as identified in Exhibit D of the Professional Services contract.

II. Homebuyer Selection

- a. HFHNA will select eligible homebuyers based on the following:
 - i. Households must be at or below 80%AMI.
 - ii. Residency or employment requirement of one year in the Flagstaff Metropolitan Planning Organization (FMPO) boundary prior to applying for homeownership.
 - iii. Applicant(s) must provide proof of employment for at least 1 year.
 - iv. Applicant(s) must provide 1% of total purchase price for a down payment at the date of purchase.
 - v. Household must express the need for HFHNA housing. "Need" is defined as:
 1. Substandard Housing: Housing may have maintenance and/or structural issues that create health and safety problems (such as mold, poor heating or plumbing, or unsafe construction.) House is overcrowded, or is not good for handicapped/disabled family members.
 2. Temporary Housing: Household has temporary living arrangements or transitional/subsidized housing.
 3. Excessive Cost: Total housing costs (rent and necessary utilities) are more than 30% of household income.

4. Unsafe: Neighborhood is unsuitable or unsafe for family members, especially children or elderly/disabled individuals.

III. Mortgage Financing

- a. HFHNA will provide Mortgage Financing with the following stipulations:
 - i. Any fulltime resident over 18 years of age must contribute 200 hours of sweat equity.
 - ii. Homebuyer will contribute 1% of total cost of the home in down payment/closing costs.
 - iii. Monthly mortgage payments must be received by HFHNA on time each month for the entire length of the mortgage.

IV. Sale of Homes

- a. HFHNA will advertise and market the homes for sale to low and moderate income individuals.

V. Reporting

- a. HFHNA will provide the City of Flagstaff Housing Section with progress updates at a minimum of once per month.

B. Project Budget

Construction associated with Phase One of this build will be fully paid for by HFHNA and will cost approximately \$110,000. The City of Flagstaff will issue at 10% contingency, (equaling \$11,000) for the first phase. Subsequent phases may include value engineering and additional contingency funding. Requests to use contingency funds must be made in writing to and approved by the City of Flagstaff prior to commencing associated work.

C. Project Schedule

Construction associated with Phase One will be aligned with the following schedule:

- 7/22/15 - Begin land, foundation, and utility connection work (start date determined by notice to proceed and permit issue date)
- 9/1/15 - Carpentry
- 10/1/15 - Trades and insulation
- 11/1/15 - Drywall, landscaping, and completed utility work

EXHIBIT B
CITY OF FLAGSTAFF STANDARD TERMS AND CONDITIONS

IN GENERAL

1. **NOTICE TO PROCEED:** Contractor shall not commence performance until after City has issued a Notice to Proceed.
2. **LICENSES AND PERMITS:** Contractor its expense shall maintain current federal, state, and local licenses, permits and approvals required for performance of the Contract, and provide copies to City upon request.
3. **COMPLIANCE WITH LAWS:** Contractor shall comply with all applicable federal, state and local laws, regulations, standards, codes and ordinances in performance of this Contract.
4. **NON-EXCLUSIVE:** Unless expressly provided otherwise in the Contract, this Contract is non-exclusive and the City reserves the right to contract with others for materials or services.
5. **SAMPLES:** Any sample submitted to the City by the Contractor and relied upon by City as representative of quality and conformity, shall constitute an express warranty that all materials and/or service to be provided to City shall be of the same quality and conformity.

MATERIALS

6. **PURCHASE ORDERS:** The City will issue a purchase order for the materials covered by the Contract, and such order will reference the Contract number.
7. **QUALITY:** Contractor warrants that all materials supplied under this Contract will be new and free from defects in material or workmanship. The materials will conform to any statements made on the containers or labels or advertisements for the materials, and will be safe and appropriate for use as normally used. City's inspection, testing, acceptance or use of materials shall not serve to waive these quality requirements. This warranty shall survive termination or expiration of the Contract.
8. **ACCEPTANCE:** All materials and services provided by Contract are subject to final inspection and acceptance by the City. Materials and services failing to conform to the Contract specifications may be rejected in whole or part. If rejected, Contractor is responsible for all costs associated arising from rejection.
9. **MANUFACTURER'S WARRANTIES:** Contractor shall deliver all Manufacturer's Warranties to City upon City's acceptance of the materials.
10. **PACKING AND SHIPPING:** Contractor shall be responsible for industry standard packing which conforms to requirements of carrier's tariff and ICC regulations. Containers shall be clearly marked as to lot number, destination, address and purchase order number. All shipments shall be F.O.B. Destination, City of Flagstaff, 211 West Aspen Avenue, Flagstaff, Arizona 86001, unless otherwise specified by the City. C.O.D. shipments will not be accepted.
11. **TITLE AND RISK OF LOSS:** The title and risk of loss of material shall not pass to the City until the City actually receives the material at the point of delivery, and the City has completed

inspection and has accepted the material, unless the City has expressly provided otherwise in the Contract.

12. **NO REPLACEMENT OF DEFECTIVE TENDER:** Every tender of materials shall fully comply with all provisions of the Contract. If a tender is made which does not fully conform, this shall constitute a breach and Contractor shall not have the right to substitute a conforming tender without prior written approval from the City.
13. **DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH:** Contractor and may not substitute nonconforming materials, or services. Delivery of nonconforming materials, and/or services, or a default of any nature, at the option of the City, shall constitute shall deliver conforming materials, or services, in each installment or lot of the contract a breach of the contract as a whole.
14. **SHIPMENT UNDER RESERVATION PROHIBITED:** Contractor is not authorized to ship materials under reservation and no tender of a bill of lading shall operate as a tender of the materials.
15. **LIENS:** All materials and other deliverables supplied to the City shall be free of all liens other than the security interest held by Contractor until payment in full is made by the City. Upon request of the City, Contractor shall provide a formal release of all liens.
16. **CHANGES IN ORDERS:** The City reserves the right at any time to make changes in any one or more of the following: (a) methods of shipment or packing; (b) place of delivery; and (c) quantities. If any change causes an increase or decrease in the cost of or the time required for performance, an equitable adjustment may be made in the price or delivery schedule, or both. Any claim for adjustment shall be evidenced in writing and approved by the City Purchasing Director prior to the institution of the change.

PAYMENT

17. **INVOICES:** A separate invoice shall be issued for each shipment and each job completed. Invoices shall include the Contract and/or Purchase Order number, and dates when goods were shipped or work performed. Invoices shall be sent within 30 days following performance. Payment will only be made for satisfactory materials and/or services received and accepted by City.
18. **LATE INVOICES:** The City may deduct up to 10% of the payment price for late invoices. The City operates on a fiscal year budget, from July 1 through the following June 30. Except in unusual circumstances, which are not due to the fault of Contractor, City will not honor any invoices or claims submitted after August 15 for materials or services supplied in the prior fiscal year.
19. **TAXES:** Contractor shall be responsible for payment of all taxes including federal, state, and local taxes related to or arising out of Contractor's performance of this Contract. Such taxes include but are not limited to federal and state income tax, social security tax, unemployment insurance taxes, transaction privilege taxes, use taxes, and any other taxes or business license fees as required.

Exception: The City will pay any taxes which are specifically identified as a line item dollar amount in the Contractor's bid, proposal, or quote, and which were considered and approved by

the City as part of the Contract award process. In this event, taxes shall be identified as a separate line item in Contractor's invoices.

20. **FEDERAL EXCISE TAXES:** The City is exempt from paying certain Federal Excise Taxes and will furnish an exemption certificate upon request.
21. **FUEL CHARGES:** Contractor at its own expense is liable for all fuel costs related to performance. No fuel surcharges will be accepted or paid by City.
22. **DISCOUNTS:** If the Contract provides for payment discounts, payment discounts will be computed from the later date of the following: (a) when correct invoice is received by the City; or (b) when acceptable materials and/or materials were received by City.
23. **AMOUNTS DUE TO THE CITY:** Contractor must be current and remain current in all obligations due to the City during performance. Payments to Contractor may be offset by any delinquent amounts due to City or fees and charges owed to City under this Contract.
24. **OFAC:** No City payments may be made to any person in violation of Office of Foreign Assets Control regulations, 31 C.F.R. Part 501.

SERVICES

25. **INDEPENDENT CONTRACTOR:** Contractor shall be an independent contractor for purposes of all laws, including but not limited to the Fair Labor Standards Act, Federal Insurance Contribution Act, Social Security Act, Federal Unemployment Tax Act, Internal Revenue Code, Immigration and Naturalization Act; Arizona revenue and taxation, workers' compensation, and unemployment insurance laws.
26. **CONTROL:** Contractor shall be responsible for the control of the work.
27. **WORK SITE:** Contractor shall inspect the work site and notify the City in writing of any deficiencies or needs prior to commencing work.
28. **SAFEGUARDING PROPERTY:** Contractor shall responsible for any damage to real property of the City or adjacent property in performance of the work and safeguard the worksite.
29. **QUALITY:** All work shall be of good quality and free of defects, performed in a diligent and professional manner.
30. **ACCEPTANCE:** If work is rejected by the City due to noncompliance with the Contract, The City, after notifying Contractor in writing, may require Contractor to correct the deficiencies at Contractor's expense, or cancel the work order and pay Contractor only for work properly performed.
31. **WARRANTY:** Contractor warrants all work for a period of one (1) year following final acceptance by the City. Upon receipt of written notice from the City, Contractor at its own expense shall promptly correct work rejected as defective or as failing to conform to the Contract, whether observed before or after acceptance, and whether or not fabricated, installed or completed by Contractor, and shall bear all costs of correction. If Contractor does not correct deficiencies within a reasonable time specified in the written notice from the City, the City may perform the work and Contractor shall be liable for the costs. This one-year warranty is in addition to, and does not limit Contractor's other obligations herein. This warranty shall survive termination or expiration of the Contract.

INSPECTION, RECORDS, ADMINISTRATION

32. **RECORDS:** The City shall have the right to inspect and audit all Contractor books and records related to the Contract for up to five (5) years after completion of the Contract.
33. **RIGHT TO INSPECT BUSINESS:** The City shall have the right to inspect the place of business of the Contractor or its subcontractor during regular business hours at reasonable times, to the extent necessary to confirm Contract performance.
34. **PUBLIC RECORDS:** This Contract and any related materials are a matter of public record and subject to disclosure pursuant to Arizona Public Records Law, A.R.S. § 39-121 et seq. If Contractor has clearly marked its proprietary information as “confidential”, the City will endeavor to notify Contractor prior to release of such information.
35. **CONTRACT ADMINISTRATION:** Contractor will be required to participate in the City’s Contract Administration Process. Contractor will be closely monitored for contract compliance and will be required to promptly correct any deficiencies.

INDEMNIFICATION, INSURANCE

36. **GENERAL INDEMNIFICATION:** Contractor shall indemnify, defend and hold harmless the City, its council, boards and commissions, officers, employees from all losses, claims, suits, payments and judgments, demands, expenses, attorney’s fees or actions of any kind resulting from personal injury to any person, including employees, subcontractors or agents of Contractor or damages to any property arising or alleged to have arisen out of the negligent performance of the Contract, except any such injury or damages arising out of the sole negligence of the City, its officers, agents or employees. This indemnification provision shall survive termination or expiration of the Contract. This indemnification clause shall not apply, if a different indemnification clause is included in the City’s Specific Terms and Conditions.
37. **INSURANCE:** Contractor shall maintain all insurance coverage required by the City, including public liability and worker’s compensation.
38. **INTELLECTUAL PROPERTY INDEMNIFICATION:** Contractor shall indemnify and hold harmless the City against any liability, including costs and expenses, for infringement of any patent, trademark or copyright or other proprietary rights of any third parties arising out of contract performance or use by the City of materials furnished or work performed under this Contract. Contractor shall promptly assume full responsibility for the defense of any suit or proceeding which is, has been, or may be brought against the City and its agents for alleged infringement, or alleged unfair competition resulting from similarity in design, trademark or appearance of goods, and indemnify the City against any and all expenses, losses, royalties, profits and damages, attorneys fees and costs resulting from such proceedings or settlement thereof. This indemnification shall survive termination or expiration of the Contract.

CONTRACT CHANGES

39. **PRICE INCREASES:** Except as expressly provided for in the Contract, no price increases will be approved.

40. **COMPLETE AGREEMENT:** The Contract is intended to be the complete and final agreement of the parties.
41. **AMENDMENTS:** This Contract may be amended by written agreement of the parties.
42. **SEVERABILITY:** If any term or provision of this Contract is found by a court of competent jurisdiction to be illegal or unenforceable, then such term or provision is deemed deleted, and the remainder of this Contract shall remain in full force and effect.
43. **NO WAIVER:** Each party has the right insist upon strict performance of the Contract, and the prior failure of a party to insist upon strict performance, or a delay in any exercise of any right or remedy, or acceptance of materials or services, shall not be deemed a waiver of any right to insist upon strict performance.
44. **ASSIGNMENT:** This Contract may be assigned by Contractor with prior written consent of the City, which will not be unreasonably withheld. Any assignment without such consent shall be null and void. Unless expressly provided for in a separately executed Consent to Assignment, no assignment shall relieve Contractor (Assignor) from any of its obligations and liabilities under the Contract with respect to City. The Purchasing Director shall have authority to consent to an assignment on behalf of City.
45. **BINDING EFFECT:** This Contract shall be binding upon and inure to the benefit of the parties and their successors and assigns.

EMPLOYEES AND SUBCONTRACTORS

46. **SUBCONTRACTING:** Contractor may subcontract work in whole or in part with the City's advance written consent. City reserves the right to withhold consent if subcontractor is deemed irresponsible and/or subcontracting may negatively affect performance. All subcontracts shall comply with the underlying Contract. Contractor is responsible for Contract performance whether or not subcontractors are used.
47. **NONDISCRIMINATION:** Contractor shall not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, sex, national origin, disability, genetic information, veteran's status, pregnancy, familial status and represents and warrants that it complies with all applicable federal, state and local laws and executive orders regarding employment. In addition any Contractor located within City of Flagstaff limits shall comply with the City Code, Chapter 14-02 Civil Rights which also prohibits discrimination based on sexual orientation, or gender identity or expression.
48. **DRUG FREE WORKPLACE:** The City has adopted a Drug Free Workplace policy for itself and those doing business with the City to ensure the safety and health of all persons working on City contracts and projects. Contractor personnel shall abstain from use or possession of illegal drugs while engaged in performance of this Contract.
49. **IMMIGRATION LAWS:** Pursuant to A.R.S. § 41-4401, Contractor hereby warrants to the City that the Contractor and each of its subcontractors will comply with, and are contractually obligated to comply with, all State and Federal Immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A) (hereinafter "Contractor Immigration Warranty"). A breach of the Contractor Immigration Warranty shall constitute a material breach of this Contract and shall subject the Contractor to penalties up to and including termination of this Contract at the sole

discretion of the City. The City retains the legal right to inspect the papers of any Contractor or subcontractor employee who works on this Contract to ensure compliance with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any such inspections. The City may, at its sole discretion, conduct random verification of the employment records of the Contractor and any subcontractors to ensure compliance with Contractor's Immigration Warranty. Contractor agrees to assist the City in regard to any random verification performed. Neither Contractor nor any subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if Contractor or subcontractor if Contractor or subcontractor establishes that it has complied with the employment verification provisions prescribed by sections 274A and 274B of the Federal Immigration and Nationality Act and the E-verify requirements prescribed by A.R.S. § 23-214(A).

DEFAULT AND TERMINATION

- 50. TERMINATION FOR DEFAULT:** Prior to terminating this Contract for a material breach, the non-defaulting party shall give the defaulting party written notice and reasonable opportunity to cure the default, not to exceed thirty (30) days unless a longer period of time is granted by the non-defaulting party in writing. In the event the breach is not timely cured, or in the event of a series of repeated breaches the non-defaulting party may elect to terminate Contract by written notice to Contractor, which shall be effective upon receipt. In the event of default, the parties may execute all remedies available at law in addition Contract remedies provided for herein.
- 51. CITY REMEDIES:** In the event of Contractor's default, City may obtain required materials and/or services from a substitute contractor, and Contractor shall be liable to the City to pay for the costs of such substitute service. City may deduct or offset the cost of substitute service from any balance due to Contractor, and/or seek recovery of the costs of substitute service against any performance security, and/or collect any liquidated damages provided for in the Contract. Remedies herein are not exclusive.
- 52. CONTRACTOR REMEDIES:** In the event of City's default, Contractor may pursue all remedies available at law, except as provided for herein.
- 53. SPECIAL DAMAGES:** In the event of default, neither party shall be liable for incidental, special, or consequential damages.
- 54. TERMINATION FOR NONAPPROPRIATION OF FUNDS:** The City may terminate all or a portion of this Contract due to budget constraints and non-appropriation of funds for the following fiscal year, without penalty or liability to Contractor.
- 55. TERMINATION FOR CONVENIENCE:** Unless expressly provided for otherwise in the Contract, this Contract may be terminated in whole or part by the City for convenience upon thirty (30) days written notice, without further penalty or liability to Contractor. If this Contract is terminated, City shall be liable only for payment for satisfactory materials and/or services received and accepted by City before the effective date of termination.
- 56. TERMINATION DUE TO INSOLVENCY:** If Contractor becomes a debtor in a bankruptcy proceeding, or a reorganization, dissolution or liquidation proceeding, or if a trustee or receiver is appointed over all or a substantial portion of the property of Contractor under federal bankruptcy law or any state insolvency law, Contractor shall immediately provide the City with a written notice thereof. The City may terminate this Contract, and Contractor is deemed in default, at any time if the Contractor becomes insolvent, or is a party to any voluntary bankruptcy or receivership

proceeding, makes an assignment for a creditor, or there is any similar action that affects Contractor's ability to perform under the Contract.

57. **PAYMENT UPON TERMINATION:** Upon termination of this Contract, City will pay Contractor for satisfactory performance up until the effective date of termination. City shall make final payment within thirty (30) days from receipt of the Contractor's final invoice.
58. **CANCELLATION FOR GRATUITIES:** The City may cancel this Contract at any time, without penalty or further liability to Contractor, if City determines that Contractor has given or offered to give any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant ("Gratuities") in connection with award or performance of the Contract.
59. **CANCELLATION FOR CONFLICT OF INTEREST (A.R.S. § 38-511):** The City may cancel this Contract within three (3) years after its execution, without penalty or further liability to Contractor.

MISCELLANEOUS

60. **ADVERTISING:** Contractor shall not advertise or publish information concerning its Contract with City, without the prior written consent of the City.
61. **NOTICES:** All notices given pursuant to this Contract shall be delivered at the addresses as specified in the Contract, or updated by Notice to the other party. Notices may be: (a) personally delivered, with receipt effective upon personal delivery; (b) sent via certified mail, postage prepaid, with receipt deemed effective four (4) days after being sent; (c) or sent by overnight courier, with receipt deemed effective two (2) days after being sent. Notice may be sent by email as a secondary form of notice.
62. **THIRD PARTY BENEFICIARIES:** This Contract is intended for the exclusive benefit of the parties. Nothing herein is intended to create any rights or responsibilities to third parties.
63. **GOVERNING LAW:** This Contract shall be construed in accordance with the laws of Arizona.
64. **FORUM:** In the event of litigation relating to this Contract, any action at law or in equity shall be filed in Coconino County, Arizona.
65. **ATTORNEYS FEES:** If any action at law or in equity is necessary to enforce the terms of this Contract, the prevailing party shall be entitled to recover its reasonable attorneys fees, costs, professional fees and expenses.

**EXHIBIT C
INSURANCE**

1. In General. Contractor shall maintain insurance against claims for injury to persons or damage to property, arising from performance of or in connection with this Contract by the Contractor, its agents, representatives, employees or contractors.
2. Requirement to Procure and Maintain. Each insurance policy required by this Contract shall be in effect at, or before, commencement of work under this Contract and shall remain in effect until all Contractor's obligations under this Contract have been met, including any warranty periods. The Contractor's failure to maintain the insurance policies as required by this Contract or to provide timely evidence of renewal will be considered a material breach of this Contract.
3. Minimum Scope and Limits of Insurance. The following insurance requirements are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The City does not represent or warrant that the minimum limits set forth in this Contract are sufficient to protect the Contractor from liabilities that might arise out of this Contract, and Contractor is free to purchase such additional insurance as Contractor may determine is necessary.

Contractor shall provide coverage at least as broad and with limits not less than those stated below.

a. Commercial General Liability - Occurrence Form

General Aggregate	\$2,000,000
Products/Completed Operations	\$1,000,000
Each Occurrence	\$1,000,000

b. Umbrella Coverage \$2,000,000

c. Automobile Liability –
Any Automobile or Owned, Hired
and Non-owned Vehicles
Combined Single Limit Per Accident
for Bodily Injury & Property Damage \$1,000,000

d. 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

[OPTION: e. Professional Liability \$2,000,000]

4. Self-Insured Retention. Any self-insured retentions 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. Contractor shall be solely responsible for any self-insured retention amounts. City at its option may require Contractor to secure payment of such self insured retention by a surety bond or irrevocable and unconditional letter of credit.

5. Other Insurance Requirements. The policies shall contain, or be endorsed to contain, the following provisions:
- a. Additional Insured. In Commercial General Liability and Automobile Liability Coverages, the City of Flagstaff, its officers, officials, agents and employees shall be named and endorsed as additional insureds with respect to liability arising out of this Contract and activities performed by or on behalf of the Contractor, including products and completed operations of the Contractor, and automobiles owned, leased, hired or borrowed by the Contractor.
 - b. Broad Form. The Contractor's insurance shall contain broad form contractual liability coverage.
 - c. Primary Insurance. The Contractor'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 Contractor's insurance and shall not contribute to it.
 - d. Each Insured. The Contractor'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.
 - e. Not Limited. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.
 - f. Waiver of Subrogation. The policies shall contain a waiver of subrogation against the City, its officers, officials, agents and employees for losses arising from work performed by Contractor for the City.
6. Notice of Cancellation. Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, cancelled, reduced in coverage or in limits unless prior written notice has been given to the City. Notices required by this section shall be sent directly to the Buyer listed in the original Solicitation and shall reference the Contract Number:
- Attention: Patrick Brown, C.P.M
Senior Procurement Specialist
Contract No. 2015-71
Purchasing Department
City of Flagstaff,
211 W. Aspen Avenue
Flagstaff, Arizona 86001.
7. Acceptability of Insurers. Contractor 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 protect the Contractor from potential insurer insolvency.
8. Certificates of Insurance. The Contractor shall furnish the City with certificates of insurance (ACORD form) as required by this Contract. 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. The City project/contract number and project description shall be noted on the certificates of

insurance. The City must receive and approve all certificates of insurance and endorsements before the Contractor commences work.

9. Policies. 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 Contract at any time. The City shall not be obligated, however, to review any insurance policies or to advise Contractor of any deficiencies in such policies and endorsements. The City's receipt of Contractor's policies or endorsements shall not relieve Contractor from, or be deemed a waiver of, the City's right to insist on strict fulfillment of Contractor's obligations under this Contract.
10. Modifications. Any modification or variation from the insurance requirements in this Contract must have the prior approval of the City's Attorney's Office in consultation with the City's Risk Manager, whose decision shall be final. Such action will not require a formal Contract amendment but may be made by their handwritten revision and notation to the foregoing insurance requirements.

**EXHIBIT D
CONSTRUCTION REQUIREMENTS**

The Contractor shall furnish any and all labor, materials, equipment, transportation, utilities, services and facilities required to perform all work for the construction of **Izabel Homes Phased Construction** (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.

A Pre-Construction Conference will be held with the Contractor prior to the Notice to Proceed is issued for each phase. The date and time of the Conference will be agreed upon between the Contractor and the City Housing Representative. 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.

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:

Revisions of MAG Standard Specifications for Public Works Construction ("Flagstaff Addendum to MAG")	Exhibit A
Special Provisions	Exhibit B

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.

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.)

CITY OF FLAGSTAFF
STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Stephanie Sarty, Transportation Engineering
Project Manager
Co-Submitter: Jeff Bauman, Traffic Engineer
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Adoption of Ordinance No. 2015 -12: An ordinance of approval for the Roadway Functional Classifications and Truck Routes map being placed into the Engineering Standards.
(Update/Addition to Engineering Standards)

RECOMMENDED ACTION:

- 1) Read Ordinance No. 2015-12 by title only for the final time
- 2) City Clerk reads Ordinance No. 2015-12 by title only (if approved above)
- 3) Adopt Ordinance No. 2015-12

Executive Summary:

The 2001 Regional Plan included detailed maps, (Map 10: Circulation – Regional Roadway Categorization Plan, and Map 11: Circulation - Regional Truck Route Map). Map 10 was used for proposed developments by contractors, citizens, and city staff to determine roadway classifications and the associated roadway design standards. It is referenced in the Engineering Standards and Zoning Code. The new 2030 Regional Plan does not include a detailed map with functional classifications like Map 10, or a truck route map like Map 11. It was planned that after the adoption of the 2030 Regional Plan, a Transportation Master Plan would be created to cover the details missing from the Regional Plan. Developing a Transportation Master Plan is a long process, so for the time being, temporarily putting the more detailed Roadway Functional Classification Map (including truck routes) into the Engineering Standards will satisfy this need.

Along with the map, definitions of the various classifications, and a description of the truck routes will be included in the addendum (Appendix A). Providing the map, definitions, and cross-sections all in one place will help the public, developers, and City staff with locating the documents. Since the Engineering Standards make references to the old Regional Plan, these locations will now be directed to the addendum, and can be found in Appendix A.

As a result of the 2030 Regional Plan, the Roadway Functional Classification Map has been updated to match the Regional Plan. Each change made can be reviewed in the following attachment (Appendix B).

During the February 4th Transportation Commission meeting, Commission members made a recommendation of approval of the Roadway Functional Classifications Map and recommended that it be placed into the Engineering Standards with the attached changes.

Financial Impact:

None.

Connection to Council Goal and/or Regional Plan:**COUNCIL GOALS:**

- 3) Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics
- 7) Address key issues and processes related to the implementation of the Regional Plan
- 8) Improve effectiveness of notification, communication, and engagement with residents, neighborhoods and businesses and about City services, programs, policies, projects and developments

REGIONAL PLAN:

Chapter IX - Growth Areas & Land Use

Goal LU.16. Establish heavy industrial areas that provide for the manufacturing of goods, flexible space, and intermodal facilities that are well maintained, attractive, and compatible with adjoining nonindustrial uses.

Chapter X - Transportation

Goal T.1. Improve mobility and access throughout the region.

Goal T.2. Improve transportation safety and efficiency for all modes.

Goal T.6. Provide for bicycling as a safe and efficient means of transportation and recreation.

Goal T.8. Establish a functional, safe, and aesthetic hierarchy of roads and streets.

Chapter XI - Cost of Development

Goal CD.1. Improve the City and County financial systems to provide for needed infrastructure development and rehabilitation, including maintenance and enhancement of existing infrastructure.

Has There Been Previous Council Decision on This:

Sara Dechter presented the Regional Plan Annual Report at the Work Session meeting on June 9th. During her presentation she mentioned that in addition to the Major Plan Amendment for Map 25, a road functional classification map would be redone and added into the Engineering Standards. Discussion and first reading of this ordinance occurred on July 7, 2015.

Options and Alternatives:

- 1) Approve - Will be added to the Engineering Standards
- 2) Modify - Delay the approval of the ordinance
- 3) Do Not Approve - Will not be added to the Engineering Standards and will need to be addressed in the future

Community Involvement:

Empower

Attachments: [Ord. 2015-12](#)
 [Appendix A - Engineering Standards Information and New Map](#)
 [Appendix B - Changes](#)

ORDINANCE NO. 2015-12

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, AMENDING THE FLAGSTAFF CITY CODE, CHAPTER 13-10, *STREETS*, BY ADDING SECTION 13-10-014 "*ROADWAY FUNCTIONAL CLASSIFICATIONS AND TRUCK ROUTES*"; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

RECITALS:

WHEREAS, Arizona Revised Statutes § 9-240(B)(3)(a) authorizes the City of Flagstaff to exercise complete control over streets, alleys, avenues and sidewalks within the City; and

WHEREAS, Under the authority of the Flagstaff City Charter, Article XIII General Provisions, Section 9 the Flagstaff City Council adopted the proposed 2030 Regional Plan on January 14, 2014; and

WHEREAS, The Flagstaff voters ratified the 2030 Regional Plan on May 20, 2014; and

WHEREAS, under the 2030 Regional Plan a specific Streets Master Plan must be developed; and

WHEREAS, the development of a specific Streets Master Plan will benefit from the addition of a more detailed roadway functional classification map to the Engineering Standards; and

WHEREAS, Chapter 13-10 of the Flagstaff City Code contains Engineering Standards which may be amended to add a more detailed roadway functional classification map;

ENACTMENTS:

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

SECTION 1. In General.

The Flagstaff City Code, Chapter 13-10 is hereby amended by the addition of Sections: 13-10-014 *ROADWAY FUNCTIONAL CLASSIFICATION AND TRUCK ROUTES*; 13-10-014-0001 *ROADWAY FUNCTIONAL CLASSIFICATIONS*; 13-10-014.0001.1 *DEFINITIONS*; 13-10-014.0002 *TRUCK ROUTES*; 13-10-014-0003 *MAPS*; in the

language and maps which are set forth below and hereby incorporated herein as follows:

13-10-014 Roadway Functional Classifications and Truck Routes

13-10-014-0001 Roadway Functional Classifications

This chapter defines the roadway functional classes and also provides a map of the City of Flagstaff with the various roadway classifications and truck routes.

13-10-014-0001.1 Definitions

“Freeways” refer to high-speed facilities with access permitted only at traffic interchanges.

“Major Arterials” provide relatively high-capacity roadways for longer trips. They provide direct service to major regional centers or activity and often serve as boundaries between districts. Major Arterials provide roadway continuity and length for trans-regional, inter-regional and inter-state trips and connect the Flagstaff region to surrounding regions. Throughput capacity will be emphasized over local access. Adjacent land uses include commercial areas, open space, public lands, industrial sites and institutional sites. Residential property will not abut Major Arterials unless separated by adequate buffering.

“Minor Arterials” provide capacity and continuity for travel between different districts of the region. Adjacent land uses include residential and commercial areas, open space, public lands, industrial sites, and institutional sites. The activity center for a district will often be located along a Minor Arterial or at the intersection of a Minor Arterial with another Minor Arterial or a Major Collector.

“Major Collectors” collect traffic from Minor Collectors and Local streets within a district and deliver that traffic to Major or Minor Arterials. They are generally not intended to serve trans-regional trips and generally will not provide route continuity for more than a mile or two (except in rural areas where they may be longer). These roadways are generally contained entirely within a district and connect the neighborhoods of that district with each other. Adjacent land uses include residential and commercial areas, open space, public lands, industrial site, and institutional sites.

“Minor Collectors” collect traffic from Local streets and deliver it to Major Collectors or Minor Arterials. They will not serve trans-regional trips and will not provide route continuity for more than a mile (except in rural areas where they may be longer). Adjacent land uses include residential and commercial areas, open space, public lands, industrial sites, and institutional sites. The contribution of Minor Collectors to the structural framework of the region is minimal, but affect neighborhood form.

“Commercial Local” refers to streets that provide for direct vehicle, bicycle, and pedestrian access to commercial land uses. The streets do not serve trans-regional trips and provide no route continuity beyond the areas they connect. Adjacent land uses include commercial areas, industrial sites, and institutional sites.

13-10-014-0002 Truck Routes

The Truck Routes map positively identifies where trucks are to operate for cross and through-town trips. The Regional Plan policies direct the City and County to develop regulations for specifying how trucks may make deliveries (i.e., make use of the shortest route in and out of a residential area, during certain hours in certain zones). The map will guide investment and design decisions so that trucks may operate in the Flagstaff region safely and efficiently.

13-10-014-0003 Map

Please see the map found in the “Roadway Functional Classification Map” which is attached hereto and hereby incorporated herein by this reference as “13-10-014-0003 Map”.

SECTION 2. Repeal of Conflicting Ordinances.

All ordinances and parts of ordinances in conflict with the provisions of the code adopted herein are hereby repealed.

SECTION 3. Severability

If any section, subsection, sentence, clause, phrase or portion of this ordinance or any part of the code adopted herein by reference is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 4. Clerical Corrections.

The City Clerk is hereby authorized to correct clerical and grammatical errors, if any, related to this ordinance, and to make formatting changes appropriate for purposes of clarity, form, or consistency with the Flagstaff City Code.

SECTION 5. Effective Date.

This ordinance shall be effective thirty (30) days following adoption by the City Council.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 21st the day of July, 2015.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

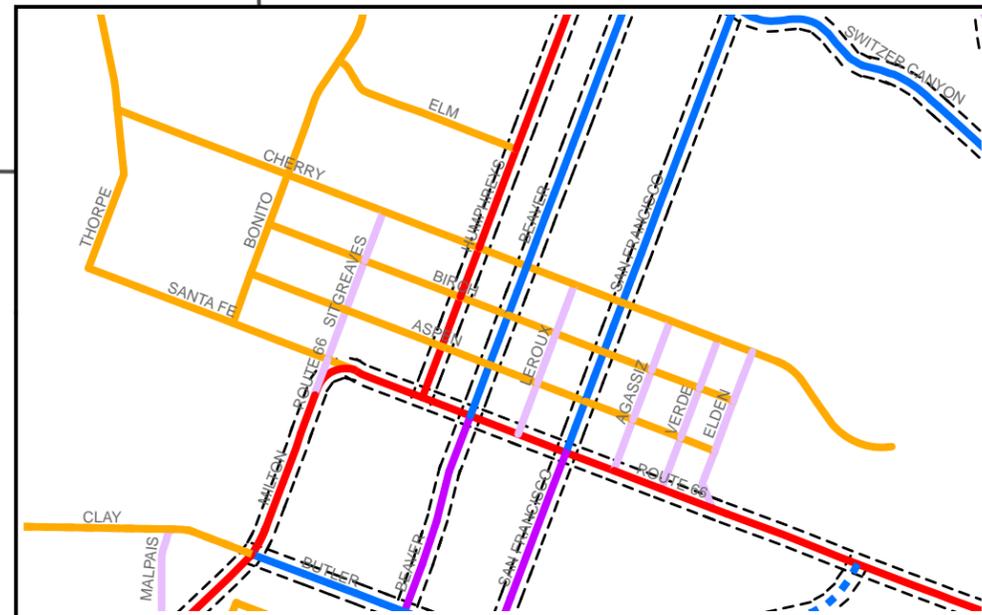
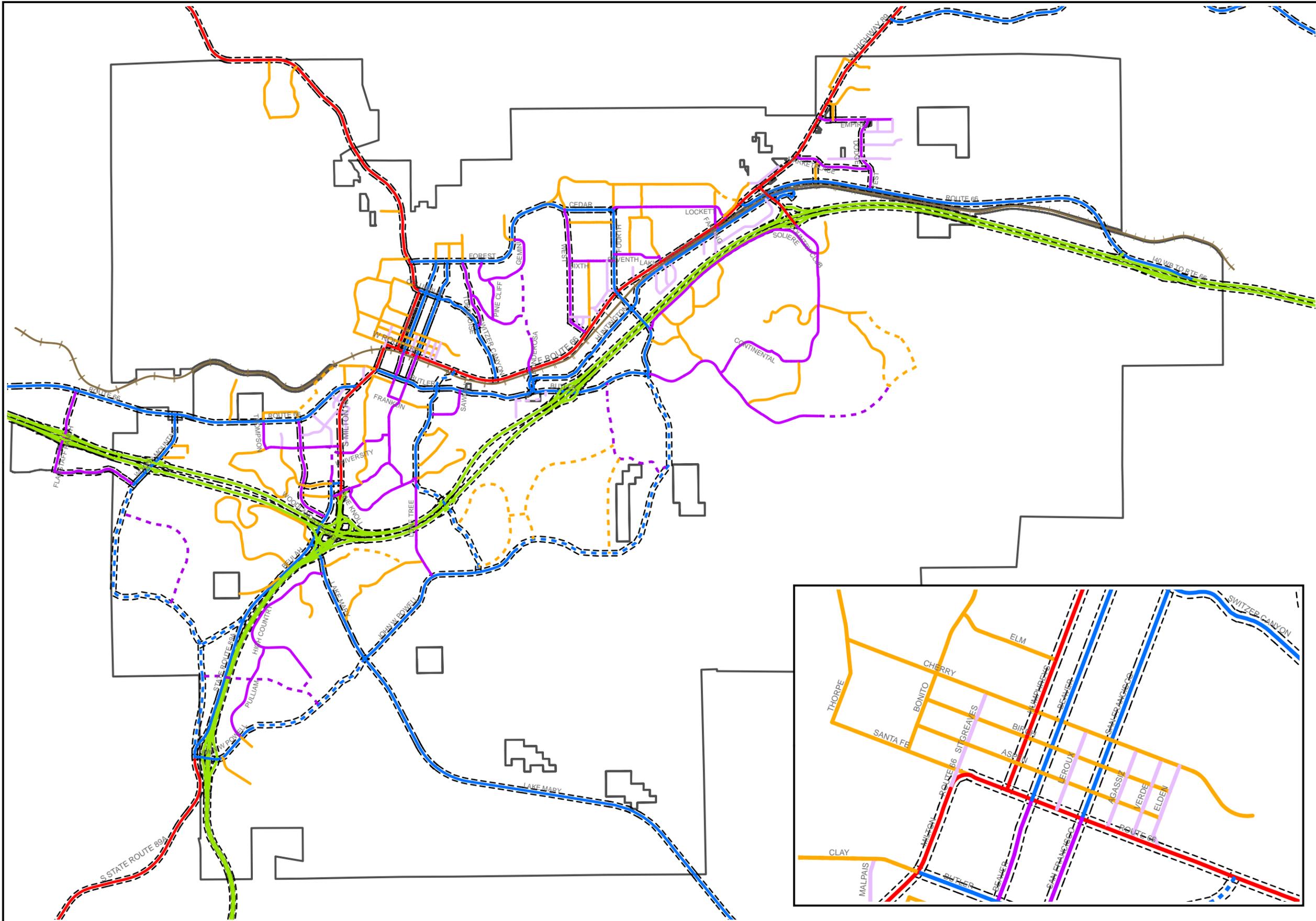
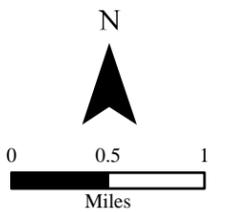
Section 13-10-014-0003 Map



Roadway Functional Classification Map

Legend

- Future Freeway
- Freeway
- Major Arterial
- Minor Arterial
- - - Future Minor Arterial
- Major Collector
- - - Future Major Collector
- Minor Collector
- - - Future Minor Collector
- Commercial Local
- - - Future Commercial Local
- - - - Truck Routes



Appendix A

**FLAGSTAFF ADDENDUM TO
FLAGSTAFF ENGINEERING STANDARDS**

This addendum is part of Ordinance No. 2015 - 12, Roadway Functional Classifications and Truck Routes.

Attached is a new page insert and map that belongs between pages 132 and 133 in the 2012 Engineering Standards.

The 2012 Engineering Standards make numerous references to the 2001 Regional Plan. Since a new Regional Plan has been adopted, that does not have the detailed maps, these references are invalid. The following are locations that refer to the 2001 Regional Plan, and will now be referred to as Section 13-10-014.

- Page 97
- Page 98
- Page 112
- Page 113
- Page 114
- Page 115
- Page 116
- Page 123
- Page 126
- Page 132

New Engineering Standards are currently being revised, and are anticipated to be completed in April of 2016. The above locations will be corrected when the 2016 Engineering Standards are developed.

CHAPTER 13-10

STREETS

Sections:

13-10-014 Roadway Functional Classifications and Truck Routes

13-10-014-0001. Roadway Functional Classifications

13-10-014-0001.1 Definitions

13-10-014-0002 Truck Routes

13-10-014-0003 Map

Section 13-10-014 Roadway Functional Classifications and Truck Routes

Section 13-10-014-0001. Roadway Functional Classifications

This chapter defines the roadway functional classes and also provides a map of the City of Flagstaff with the various roadway classifications and truck routes.

Section 13-10-014-0001.1 Definitions

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"Minor Arterials" provide capacity and continuity for travel between different districts of the region. Adjacent land uses include residential and commercial areas, open space, public lands, industrial sites, and institutional sites. The activity center for a district will often be located along a Minor Arterial or at the intersection of a Minor Arterial with another Minor Arterial or a Major Collector.

"Major Collectors" collect traffic from Minor Collectors and Local streets within a district and deliver that traffic to Major or Minor Arterials. They are generally not intended to serve trans-regional trips and generally will not provide route continuity for more than a mile or two (except in rural areas where they may be longer). These roadways are generally contained entirely within a district and connect the neighborhoods of that district with each other. Adjacent land uses include residential and commercial areas, open space, public lands, industrial site, and institutional sites.

"Minor Collectors" collect traffic from Local streets and deliver it to Major Collectors or Minor Arterials. They will not serve trans-regional trips and will not provide route continuity for more than a mile (except in rural areas where they may be longer). Adjacent land uses include residential and commercial areas, open space, public lands, industrial sites, and institutional sites. The contribution of Minor Collectors to the structural framework of the region is minimal, but affect neighborhood form.

CHAPTER 13-10

STREETS

"Commercial Local" refer to streets that provide for direct vehicle, bicycle, and pedestrian access to commercial land uses. The streets do not serve trans-regional trips and provide no route continuity beyond the areas they connect. Adjacent land uses include commercial areas, industrial sites, and institutional sites.

Section 13-10-014-0002 Truck Routes

The Truck Routes map positively identifies where trucks are to operate for cross and through-town trips. The Regional Plan policies direct the City and County to develop regulations for specifying how trucks may make deliveries (i.e., make use of the shortest route in and out of a residential area, during certain hours in certain zones). The map will guide investment and design decisions so that trucks may operate in the Flagstaff region safely and efficiently.

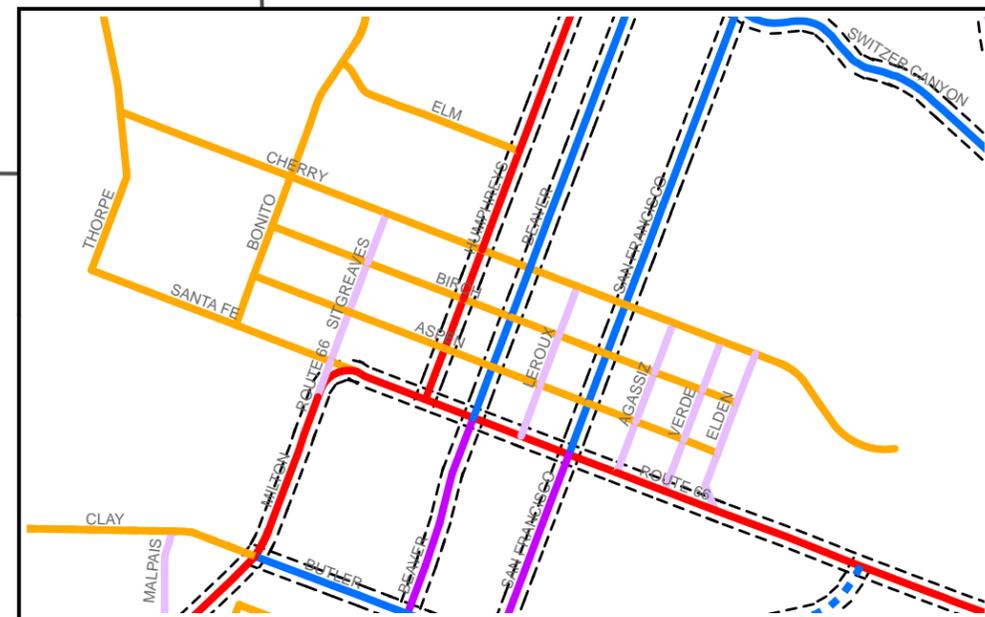
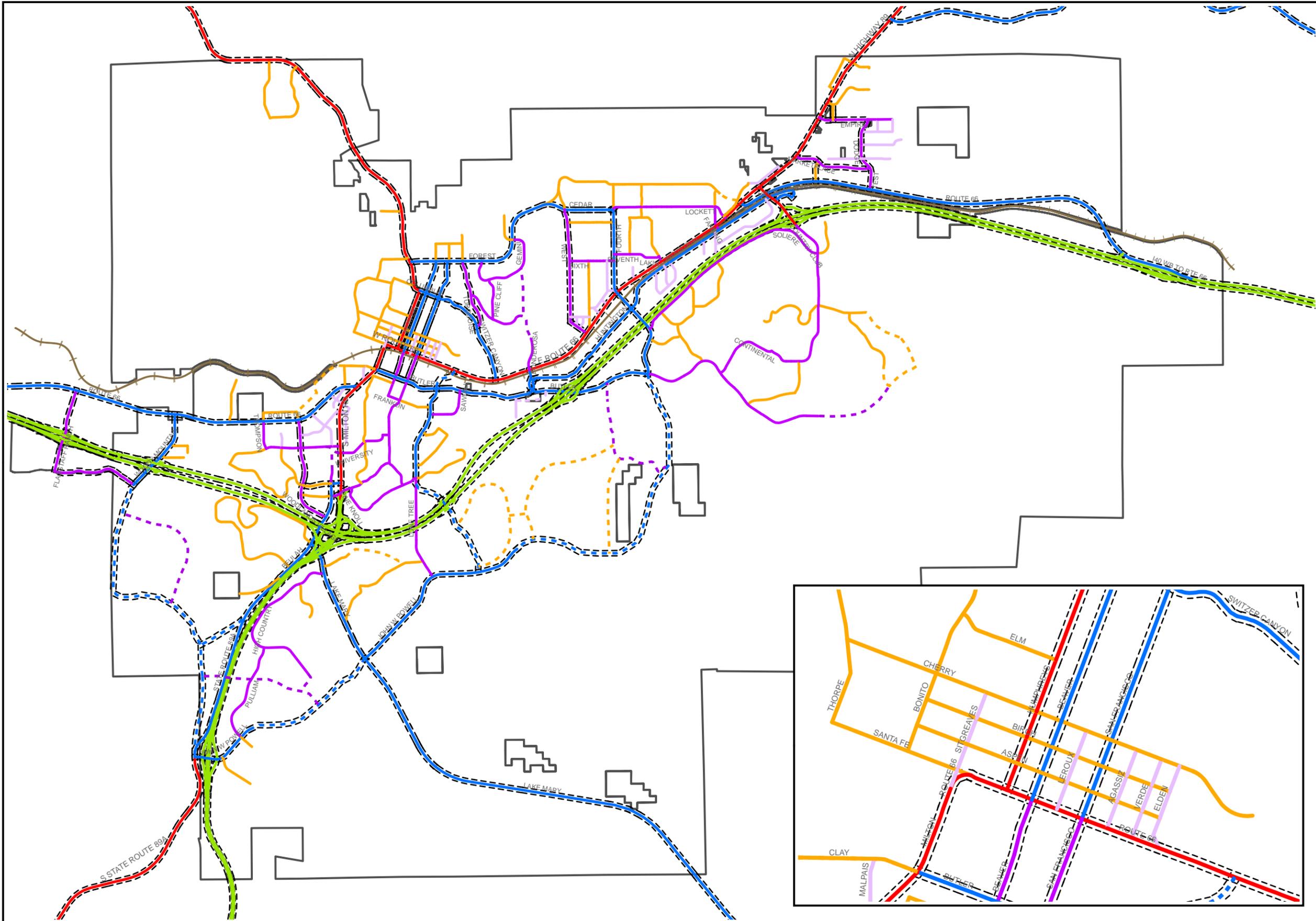
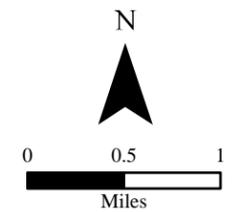
Section 13-10-014-0003 Map



Roadway
Functional
Classification
Map

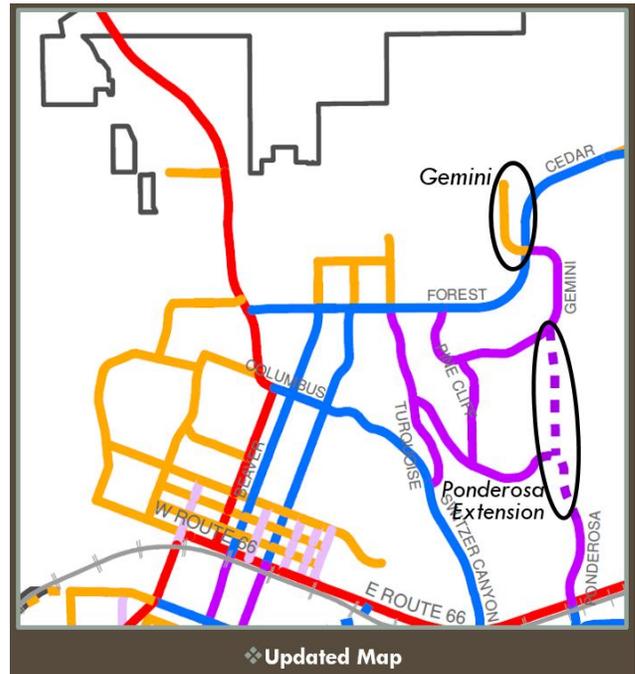
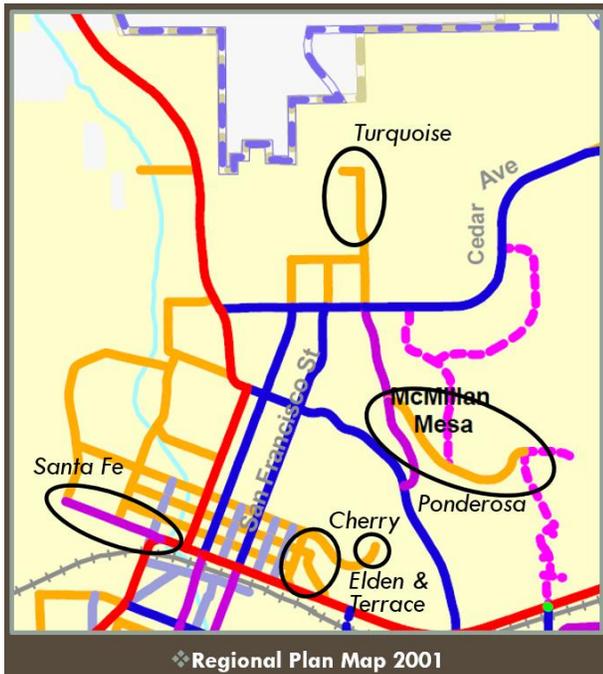
Legend

- Future Freeway
- Freeway
- Major Arterial
- Minor Arterial
- Future Minor Arterial
- Major Collector
- Future Major Collector
- Minor Collector
- Future Minor Collector
- Commercial Local
- Future Commercial Local
- Truck Routes



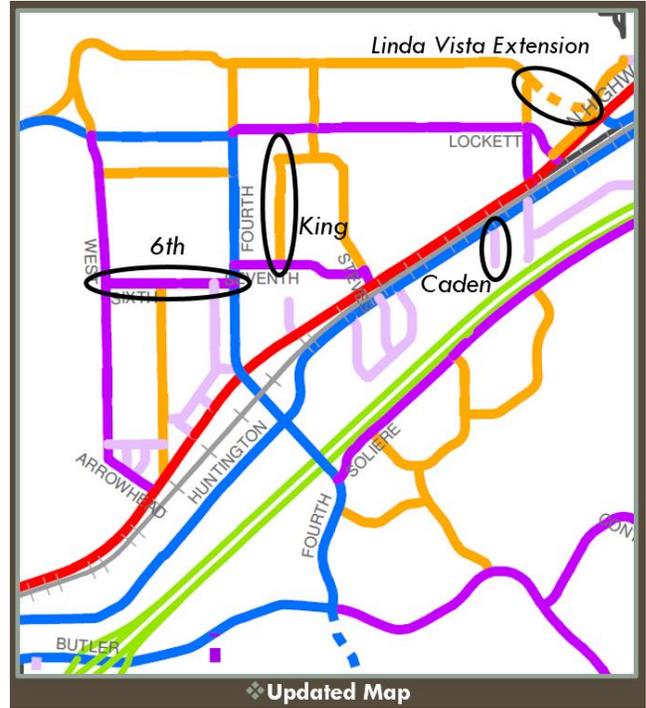
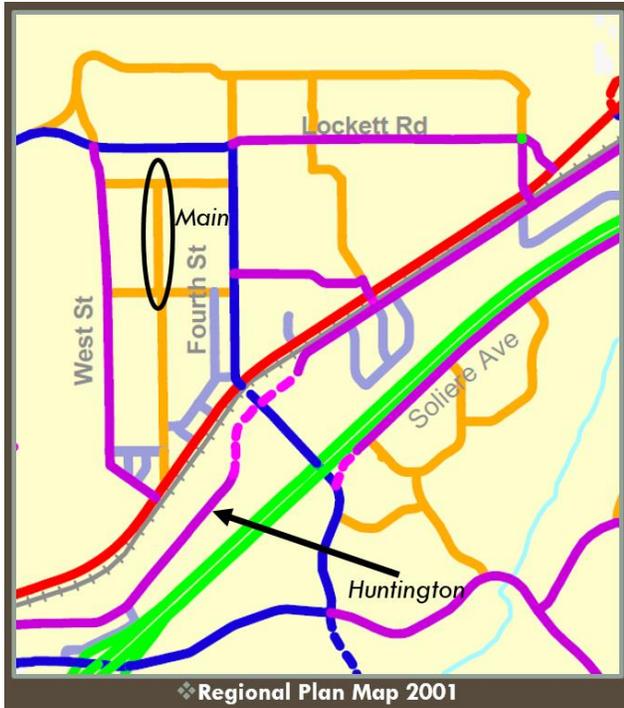
Appendix B

FUNCTIONAL CLASSIFICATION MAP CHANGES



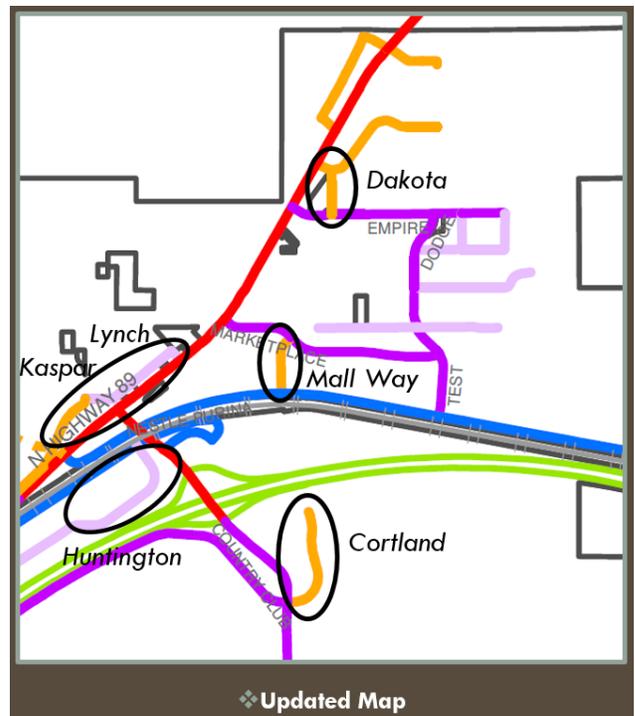
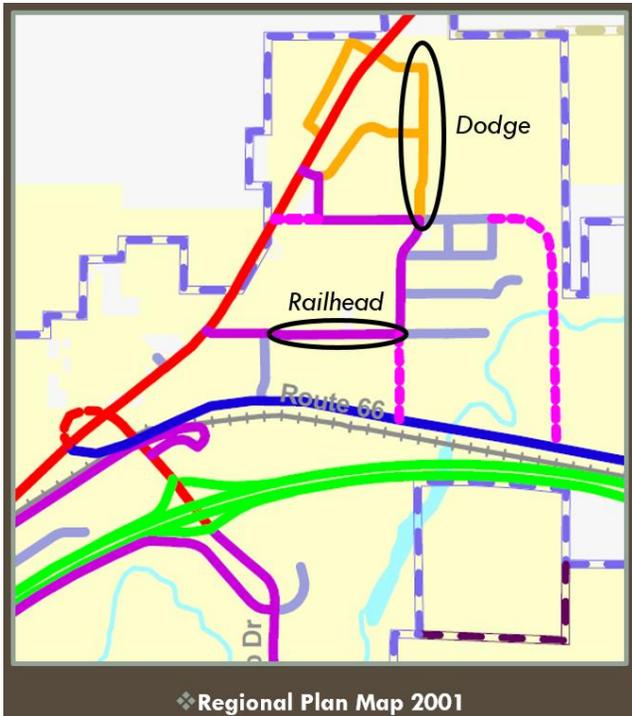
The following changes have been made in the downtown and McMillian Mesa areas of Flagstaff:

- Santa Fe Ave. changed from a major collector to a minor collector
- Elden St. changed from a minor collector to commercial local
- Terrace Ave. changed from minor collector to local
- George St. to David Dr. on Cherry Ave changed from minor collector to local
- Existing Ponderosa Pkwy, between Turquoise and the Catholic Church, changed from minor collector to major collector
- The future extension of Ponderosa Pkwy has been added as a future major collector
- Gemini, west of Cedar Ave., has been added as a minor collector
- Turquoise Dr., north of Juniper Ave., has changed from minor collector to local



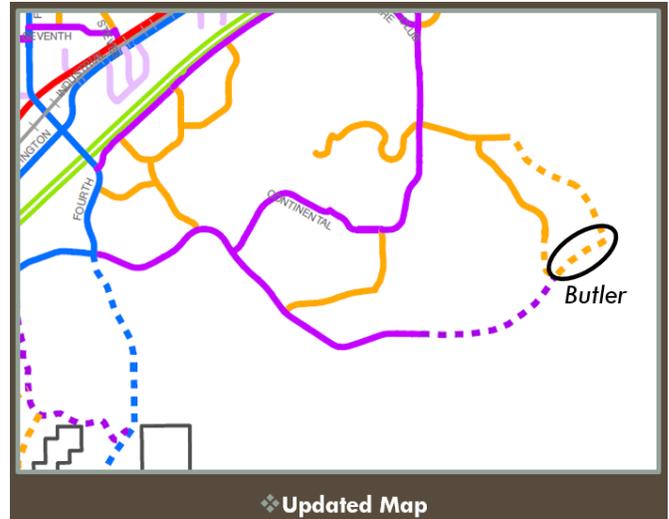
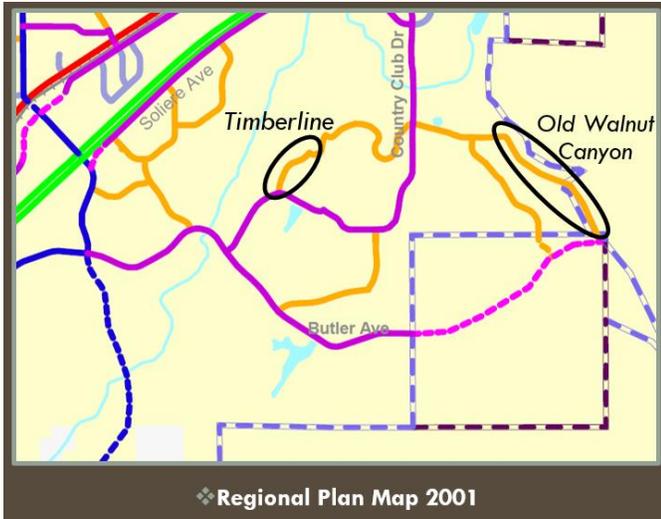
The following changes have been made in the Sunnyside and Foxglenn areas of Flagstaff:

- Main St. changed from minor collector to local
- Huntington Dr. changed from major collector to minor arterial
- 6th Ave. changed from minor collector to major collector
- King St. changed from local to minor collector
- Caden Ct. changed from local to commercial local
- The future extension of Linda Vista Dr. has been added as a future minor collector



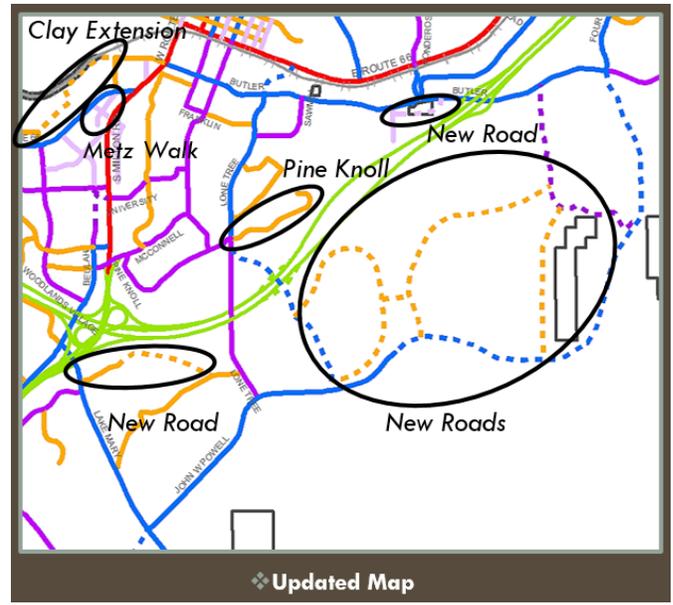
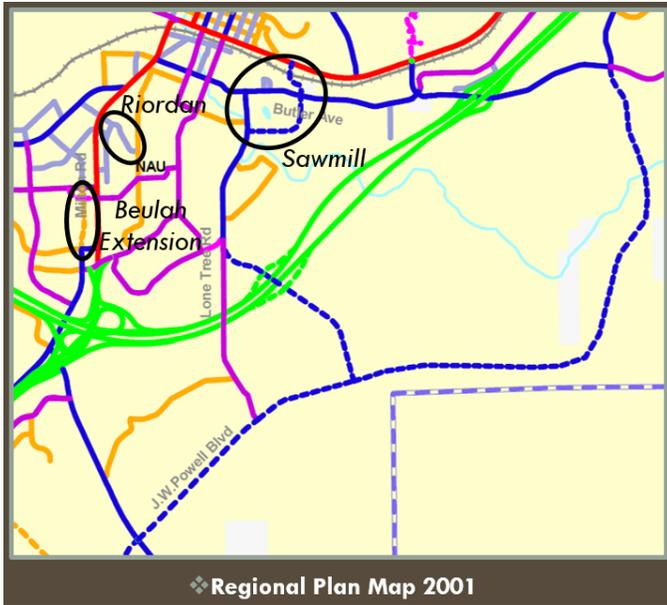
The following changes have been made in the mall and Smokerise areas of Flagstaff:

- Railhead Ave. changed from major collector to commercial local
- Dodge Ave. changed from minor collector to local
- A small section of Huntington Dr. (near Country Club Dr.) changed from local to commercial local
- Kaspar Dr. changed from local to minor collector
- Lynch Ave. changed from local to commercial local
- Mall Way changed from commercial local to minor collector
- Dakota St. changed from major collector to minor collector
- Cortland Blvd changed from commercial local to minor collector and was extended to the end of the cul-de-sac



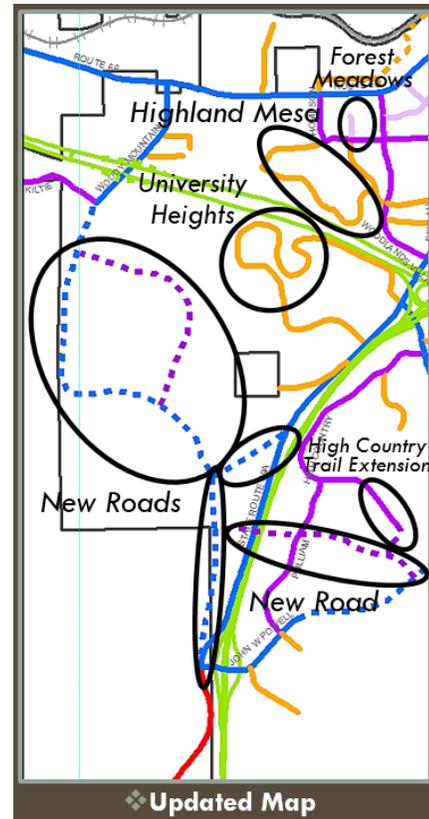
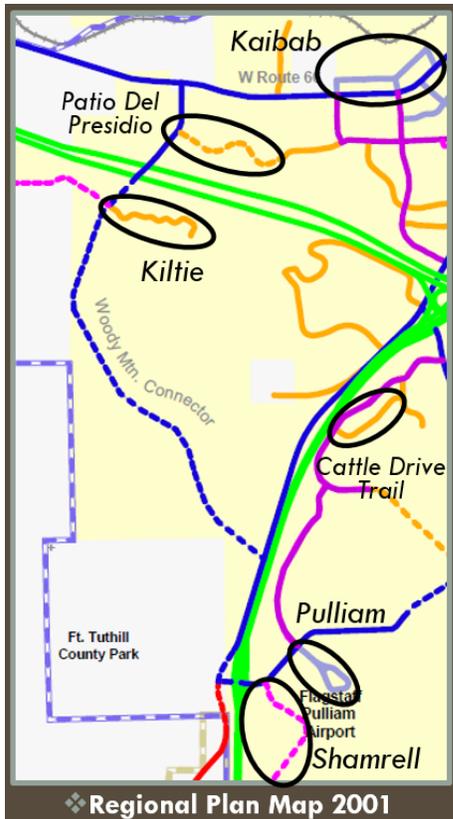
The following changes have been made in the Country Club area of Flagstaff:

- Timberline Rd. changed from minor collector to local
- Old Walnut Canyon Rd. changed from an existing road to a future road
- Butler Ave., from Walnut Hills Dr. to Old Walnut Canyon Rd., changed from future major collector to future minor collector



The following changes have been made in the Northern Arizona University area of Flagstaff:

- Riordan Rd., from Riordan Ranch St. to Knoles Dr., changed from commercial local to local
- The future extension of Beulah Blvd changed from a future minor collector to a future major collector
- Sawmill Rd. changed from a future minor arterial to a major collector
- The future extension of Clay Ave. has been added as a future minor collector
- Metz Walk changed from local to commercial local
- Pine Knoll Dr., east of Lone Tree Rd., changed from local to minor collector
- The future extension of Anita Ave. has been added as a future minor collector
- The future connector, connecting Babbitt Dr. and Butler Ave., has been added as a future commercial local
- Proposed new roadways in the Juniper Point development have been added as future minor collectors
- Harold Ranch Rd. changed from local to future major collector



The following changes have been made in the University Heights area of Flagstaff:

- Kiltie Ln. changed from minor collector to local
- Patio Del Presidio changed from future minor collector to minor collector and now stops at Mission Timber Cir.
- Presidio Dr. was added as a minor collector
- Kaibab Ln. was changed from commercial local to minor collector
- Cattle Drive Tr. changed from minor collector to local
- Shamrell Blvd changed from future major collector to minor collector
- Pulliam Dr. changed from commercial local to minor collector
- Forest Meadows St., north of University Ave., changed from local to commercial local
- Highland Mesa Rd. changed from local to minor collector
- University Heights, north of Andrea Dr., changed from local to minor collector
- Proposed roadways near the future Woody Mountain connector have been added as future major collectors
- Beulah Blvd realignment has been added as a future minor arterial
- Proposed overpass/underpass has been added to connect Beulah Realignment to John W. Powell as a future major collector
- High Country Tr. connection has been added as a future major collector

CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Patrick Staskey, Fire Marshal
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Adoption of Ordinance No. 2015-15: An ordinance of the Flagstaff City Council adopting amendments to the Flagstaff City Code, Title 5, *Fire Code*, to be consistent with Arizona Revised Statutes. **(Fireworks Regulations)**

RECOMMENDED ACTION:

- 1) Read Ordinance No. 2015-15 by title only for the final time
- 2) City Clerk reads Ordinance No. 2015-15 by title only for the final time (if approved above)
- 3) Adopt Ordinance No. 2015-15

Executive Summary:

The state law that legalizes the sale and use of consumer fireworks (ARS 36-1601) has been updated . This ordinance amends City Code to be consistent with the Arizona Revised Statutes. The recent revisions to A.R.S. limits the ability of municipalities to regulate use and sale. **Sale** of consumer fireworks is legal two times per calendar year: May 20 through July 6 and December 10 through January 3. **Use** of consumer fireworks is legal two times per calendar year: June 24 through July 6 and December 24 through January 3.

Municipalities do have the ability to suspend sale and use if local federal forest restrictions are at Stage 1 or higher. In addition, municipalities may prohibit use of permissible consumer fireworks on public property and within one hundred (100) feet of any hospital or public school. The amendment also limits the ability of municipalities to require warning signs at sale locations.

Financial Impact:

No cost to the City

Connection to Council Goal and/or Regional Plan:

Provide sustainable and equitable public facilities, services and infrastructure systems in an efficient manner to serve all population areas and demographics.

Has There Been Previous Council Decision on This:

The fireworks provisions of the City Code were previously amended by Ordinance No. 2010-38, adopted by City Council on November 2, 2010. Discussion and first reading of this ordinance occurred on July 7, 2015.

Options and Alternatives:

- 1) Amend the City Code as recommended.
- 2) Not amend the City Code. If the City Code is not amended, the Code provisions regarding consumer fireworks will be inconsistent with current state law.

Community Involvement:

Inform

Attachments: [Ord. 2015-15](#)

ORDINANCE NO. 2015-15

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, AMENDING FLAGSTAFF CITY CODE TITLE 5, *FIRE CODE*, BY AMENDING SECTION 5-02-002, *REGULATIONS FOR THE USE OF CONSUMER FIREWORKS*, THEREOF

RECITALS:

WHEREAS, the sale and use of fireworks within the City of Flagstaff is an important issue of concern related to public health and safety; and

WHEREAS, the Arizona State Legislature recently enacted H.B. 2008, which amends A.R.S. §36-1601 pertaining to the sale and use of permissible consumer fireworks; and

WHEREAS, the City of Flagstaff wishes to amend its City Code to be consistent with A.R.S. §36-1601, as amended.

ENACTMENTS:

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

SECTION 1: That Flagstaff City Code Title 5, *Fire Code*, is hereby amended as follows:

Sections:

5-02-002-0001	Definitions
5-02-002-0002	Consumer fireworks prohibited; exceptions
5-02-002-0003	Sale of Fireworks
5-02-002-0004	Posting of signs by persons engaged in the sale of fireworks; civil penalty
5-02-002-0005	Authority to enforce violations of this article; means of enforcement
5-02-002-0006	Liability for emergency responses related to use of fireworks; definitions
5-02-002-0007	Penalty
5-02-002-0001	Definitions

The following words, terms and phrases, when used in this article, have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Consumer firework means those fireworks defined by Arizona Revised Statutes Section 36-1601.

Display firework means those fireworks defined by Arizona Revised Statutes Section 36-1601.

Fireworks means any combustible or explosive composition, substance or combination of substances, or any article prepared for the purpose of producing a visible or audible effect by combustion, explosion, deflagration or detonation, that is a consumer firework, display firework or ~~permissible consumer firework~~ as defined by Arizona Revised Statute Section 36-1601.

Novelty items means federally deregulated novelty items that are known as snappers, snap caps, party poppers, glow worms, snakes, toy smoke devices, sparklers, and certain toys as defined in Arizona Revised Statute 36-1601.

Permissible consumer fireworks means those fireworks as defined by Arizona Revised Statute Section 36-1601 ~~that may be sold within the City even where the use of those items has been prohibited.~~

Supervised public display means a monitored performance of display fireworks open to the public and authorized by permit by the Fire Department.

5-02-002-0002 Consumer fireworks prohibited; exceptions

- A. The use, discharge or ignition of PERMISSIBLE consumer fireworks within the City of Flagstaff is prohibited, **EXCEPT AS PROVIDED IN THIS SECTION.**
- B. **THE USE OF PERMISSIBLE CONSUMER FIREWORKS IS PROHIBITED WITHIN THE CITY LIMITS OF FLAGSTAFF EXCEPT FROM JUNE 24 THROUGH JULY 6 AND DECEMBER 24 THROUGH JANUARY 3 EACH YEAR. THE USE OF PERMISSIBLE CONSUMER FIREWORKS IS ALSO PROHIBITED WHEN A FEDERAL OR STATE AGENCY IMPLEMENTS STAGE ONE OR HIGHER FIRE RESTRICTIONS IN ANY PORTION OF COCONINO COUNTY IN EFFECT FOR ANY ONE OR MORE OF THE DAYS LISTED IN THIS SUBSECTION.**
- C. **THE USE OF PERMISSIBLE CONSUMER FIREWORKS IS PROHIBITED WITHIN A ONE HUNDRED (100) FOOT RADIUS OF THE BORDER OF PRESERVATION LANDS GREATER THAN FIFTEEN THOUSAND (15,000) ACRES THAT ARE OWNED BY THE CITY OF FLAGSTAFF.**
- D. **THE USE OF PERMISSIBLE CONSUMER FIREWORKS IS PROHIBITED ON PUBLIC PROPERTY AND WITHIN ONE HUNDRED (100) FEET OF ANY HOSPITAL OR PUBLIC SCHOOL.**
- ~~B.E.~~ Nothing in this section or article shall be construed to prohibit the use, discharge or ignition of novelty items or the occurrence of a supervised public display of fireworks.
- ~~C.F.~~ Permits may be granted by the Fire Department for conducting a properly supervised public display of fireworks. Every such SUPERVISED public display of fireworks shall be of such character and so located, discharged or fired, only after proper inspection and in a manner that does not endanger persons, animals, or property. A permit shall not be issued, and may be revoked, during time periods of High Fire Danger warnings. ~~The Fire Department has authority to impose conditions on any permits granted.~~ **NO SUCH PERMIT SHALL BE ISSUED UNLESS REVIEWED AND APPROVED BY THE FIRE CHIEF WHO HAS AUTHORITY TO AND MAY IMPOSE REASONABLE CONDITIONS ON ANY PERMITS GRANTED.**

- D.G.** Failure to comply with any permit requirements issued by the Fire Department is a criminal offense constituting a class three misdemeanor.
- E. H.** Fireworks may not be combined, altered or manipulated in any way outside of the intended use that, in the opinion of the Fire Department, increases the potential for fire damage or personal injury.

5-02-002-0003 Sale of Fireworks

- A. No person shall sell or permit or authorize the sale of permissible consumer fireworks to a person who is under sixteen years of age.
- B. No person shall sell or permit or authorize the sale of permissible consumer fireworks in conflict with state law.
- C. THE SALE OF PERMISSIBLE CONSUMER FIREWORKS IS PROHIBITED WITHIN THE CORPORATE LIMITS OF THE TOWN EXCEPT FROM MAY 20 THROUGH JULY 6 AND DECEMBER 10 THROUGH JANUARY 3 EACH YEAR. THE SALE OF PERMISSIBLE CONSUMER FIREWORKS IS ALSO PROHIBITED WHEN A FEDERAL OR STATE AGENCY IMPLEMENTS STAGE ONE OR HIGHER FIRE RESTRICTIONS IN ANY PORTION OF COCONINO COUNTY IN EFFECT FOR ANY ONE OR MORE OF THE DAYS LISTED IN THIS SUBSECTION.**
- C.D.** No person shall furnish permissible consumer fireworks to a person who is under sixteen years of age.
- D.E.** No person who is under sixteen years of age shall possess permissible consumer fireworks.
- E. F.** Permits and fees shall be required for the construction, erection, or operation of a business that sells consumer fireworks.

5-02-002-0004 Posting of signs by persons engaged in the sale of consumer fireworks; civil penalty

- A. Prior to the sale of permissible consumer fireworks, every person engaged in such sales shall prominently display signs ~~indicating the following:~~ **THAT ARE EIGHT AND ONE HALF INCHES BY ELEVEN INCHES IN SIZE, THAT ARE ON CARDSTOCK PAPER IN LANDSCAPE ORIENTATION AND THAT CONTAIN THE FOLLOWING LANGUAGE ON A CONTRASTING BACKGROUND:**

**STATE OF ARIZONA
CONSUMER FIREWORKS REGULATIONS
ARIZONA REVISED STATUTES SECTION 36-1601, ET AL.**

**THE USE OF PERMISSIBLE CONSUMER FIREWORKS
AS DEFINED UNDER STATE LAW IS ALLOWED:**

JUNE 24 - JULY 6 AND DECEMBER 24 - JANUARY 3

**THE SALE OF PERMISSIBLE CONSUMER FIREWORKS
AS DEFINED UNDER STATE LAW IS ALLOWED:**

MAY 20 - JULY 6 AND DECEMBER 10 - JANUARY 3

ALL OTHER FIREWORKS ARE PROHIBITED, EXCEPT AS AUTHORIZED BY LOCAL FIRE DEPARTMENT PERMIT. THE SALE AND USE OF NOVELTIES KNOWN AS SNAPPERS (POP-ITS), PARTY POPPERS, GLOW WORMS, SNAKES, TOY SMOKE DEVICES AND SPARKLERS ARE PERMITTED AT ALL TIMES. PERMISSIBLE CONSUMER FIREWORKS MAY NOT BE SOLD TO PERSONS UNDER SIXTEEN YEARS OF AGE.

CHECK WITH YOUR LOCAL FIRE DEPARTMENT FOR ADDITIONAL REGULATIONS AND DATES BEFORE USING.

- ~~1. The use of fireworks, except novelty items as defined by City Code, including permissible consumer fireworks is prohibited.~~
 - ~~2. Consumer fireworks authorized for sale under state law may not be sold to persons under the age of 16.~~
- ~~B. Signs required under this section shall be placed at each cash register and in each area where consumer fireworks are displayed for sale.~~
- ~~C. The Fire Department shall develop regulations concerning the size and color of the required signs and shall develop a model sign. The required sign regulations and model sign shall be posted on the City's website and filed with the City Clerk's office.~~
- ~~D. Any person engaged in the sale of consumer fireworks shall provide a written notice to each individual who purchases consumer fireworks. Such notice shall inform the purchaser that the use, discharge, or ignition of consumer fireworks within the City of Flagstaff is prohibited. The notice shall also inform the purchaser of the key requirements and prohibitions contained in this ordinance. The Fire Department shall develop regulations concerning the size and content of the required notice and shall develop a model notice.~~
- ~~E. Any person engaged in the sale of consumer fireworks shall require each purchaser of consumer fireworks to sign a registry indicating the name, address and age of the purchaser.~~
- FB.** Failure to comply with subparts ~~A, B, D and E~~ of this section is a criminal offense constituting a class three misdemeanor.

5-02-002-0005 Authority to enforce violations of this article; means of enforcement

- A.** A City police officer, or the City attorney may issue criminal complaints to enforce this article.

- B. Any person authorized pursuant to this section to issue a civil complaint may also issue a notice of violation specifying actions to be taken and the time in which they are to be taken to avoid issuance of a civil or criminal complaint.
- C. A City fire official may issue Fire Code or permit violations to enforce this article.

5-02-002-0006 Liability for emergency responses related to use of fireworks; definitions

- A. A person who uses, discharges or ignites permissible consumer fireworks, fireworks or anything that is designed or intended to rise into the air and explode or to detonate in the air or to fly above the ground, is liable for the expenses of any emergency response that is required by such use, discharge or ignition. The fact that a person is convicted or found responsible for a violation(s) of this article is prima facie evidence of liability under this section.
- B. The expenses of an emergency response are a charge against the person liable for those expenses pursuant to subpart A of this section. The charge constitutes a debt of that person and may be collected proportionately by the public agencies, for-profit entities or not-for-profit entities that incurred the expenses. The person's liability for the expense of an emergency response shall be the amount set forth in existing City ordinances for a single incident. The liability imposed under this section is in addition to and not in limitation of any other liability that may be imposed.
- C. For the purposes of this section:
 - 1. "Expenses of an emergency response" means reasonable costs directly incurred by public agencies, for-profit entities or not-for-profit entities that make an appropriate emergency response to an incident.
 - 2. "Reasonable costs" includes the costs of providing police, fire fighting, rescue and emergency medical services at the scene of an incident and the salaries of the persons who respond to the incident.

5-02-002-0007 Penalty

The penalty for violating any prohibition or requirement imposed by this article is a class three misdemeanor unless another penalty is specifically provided for.

SECTION 2: That the City Clerk be authorized to correct typographical and grammatical errors, as well as errors of wording and punctuation, as necessary; and that the City Clerk be authorized to make formatting changes needed for purposes of clarity and form, if required, to be consistent with the Flagstaff City Code.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 21st day of July, 2015.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Shannon Anderson, Human Resources Manager
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Adoption of Ordinance No. 2015-14: Amending the Employee Handbook of Regulations and Flagstaff City Code by adopting amendments relating to Retiree Insurance relating to eligibility.

RECOMMENDED ACTION:

- 1) Read Ordinance No. 2015-14 for the final time
- 2) City Clerk reads Ordinance No. 2015-14 for the final time (if approved above)
- 3) Adopt Ordinance No. 2015-14

Executive Summary:

The amendments to the Employee Handbook of Regulations and Flagstaff City Code relating to Retiree Insurance include:

- Clarifying the definition of NAPEBT;
- Clarifying the definition of continuous years of service; and
- Aligning the eligibility for retiree insurance with the other Northern Arizona Public Employee Benefit Trust employers to be five (5) years of continuous service with one or more of the NAPEBT employers for those employees hired on or after July 1, 2015.

Financial Impact:

Limited financial impact. The retiree pays 100% of the premium minus any subsidy the employee receives from ASRS or PSPRS. There is no direct cost to the City. However, the retiree contributions do not fully support the claims exposure and this generates a GASB liability for each of the NAPEBT employers and it is noted on the City's CAFR's.

Connection to Council Goal and/or Regional Plan:

3) Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics

Has There Been Previous Council Decision on This:

Discussion and first reading of this ordinance occurred on July 7, 2015.

Options and Alternatives:

Option 1) Support the changes requested by the Northern Arizona Public Employees Benefit Trust Trustees.

Option 2) Request other changes to be incorporated into the ordinance.

Option 3) Maintain the current ordinance as written and do not adopt any changes.

Background/History:

An employee of Coconino Community College presented information to the Northern Arizona Public Employee Benefit Trust (NAPEBT) during the NAPEBT meeting on January 24, 2014. This employee expressed he was negatively impacted by the difference in retiree insurance language between two different NAPEBT employers. As a result of this conversation there was another action item later in the same meeting where the NAPEBT Trustees voted on a recommendation to change retiree insurance eligibility to "five consecutive years of service with a single NAPEBT employer in order to be eligible for retiree health care under NAPEBT." (Note: Coconino Community College and Coconino County both required an employee to work for them for 10 years in order to be eligible for retirement. The City and FUSD both had no years of service requirement for employees to be eligible for retirement. The Board's discussion was to meet in the middle, so the Trustees agreed to 5 years of service.)

This information was presented to the City's Employee Advisory Committee (EAC) on April 9, 2014 and the EAC suggested the five years of service may be served with any NAPEBT employers. The information was presented to the City's Leadership Team on May 7, 2014 and Leadership suggested the exclusion of employees who medically retired. Leadership's suggestion was shared with the EAC on May 14, 2014 and it was approved.

This information was taken back to the NAPEBT board in July 2014 and the NAPEBT Trustees approved the five years of service with any NAPEBT employer rather than the single employee initially recommended in January 2014.

Human Resources created a redline version of the Retiree Insurance policy included in the Employee Handbook of Regulations and visited with the EAC on May 27, 2015 and the Leadership Team on July 3, 2015 and both groups unanimously approved the policy changes.

There have been several questions brought up by the City Council after the first reading of Ordinance 2014-15 on July 7, 2015 and Human Resources has made some additional revisions to the policy. These revisions clarify what exceptions apply to the five years of continuous service.

Key Considerations:

City Retiree Data

There are currently 88 City retirees on the NAPEBT Retiree Insurance and out of these 88 employees 3 of them appear to have less than 5 years of service. These retiree's date of retirement were between 1997 and 2006.

NAPEBT IGA

The City has signed and entered into an IGA and Declaration of Trust (Amendment No. 2), dated 2006, for the purpose of jointly purchasing health insurance, etc. 3.1.

The IGA provides that the Trustees shall:

- "use the premiums, contributions, or other amounts received by the Trust to purchase and maintain in force such policy or policies of insurance as the Trustees in their sole discretion shall determine to be in the best interest of the Participants and the Employees..." 5.8.1

- “apply for any insurance in its name as policyholder or in the names of the Participants and to use the Trust Funds to pay for and accept and hold as part of the Fund the policy or policies so acquired.” * * * Trustees may enter into agreements with any insurer of any policy or policies concerning waiting periods, eligibility of Employees, definition of full-time employment “ 5.8.2

There are several more provisions giving broad powers to the Trustees.

State Retirement

Ordinance 2014-15 on Retiree Insurance does not impact or affect an employee's retirement benefits under the Arizona State Retirement or Public Safety Personnel Retirement systems. Below is information about the eligibility for State retirement:

ASRS Eligibility:

Normal Retirement for members who began contributing to ASRS prior to July 1, 2011 is the earliest date of one of the following: Age 65 with any amount of credited service, Age 62 with 10 or more years of credited service or 80 points which is a combination of age and years of credited service (e.g. age 49 + years of credited service 31 = 80 points)

Normal Retirement for members who began contributing to ASRS on or after July 1, 2011 is the earliest date of one of the following: Age 65 with any amount of credit service, Age 62 with 10 or more years of credited service, Age 60 with 25 or more years of credited service, or Age 55 with 30 or more years or credited service.

Early retirement applies to members at Age 50 with at least 5 years of credited service and the member will receive a reduced monthly benefit.

PSPRS Eligibility:

Tier 1: Employees who became members of PSPRS prior to January 1, 2012. Members are eligible to apply for normal pension benefits at 20 years of service or have 15 years of service and be at least age 62.

Tier 2: Employees who became members of PSPRS on or after January 1, 2012. Members are eligible to apply for normal pension benefits at 25 years of service and be at least age 52.5.

Community Involvement:

Inform.

Attachments: [Ordinance 2015-14](#)

ORDINANCE NO. 2015-14

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF RELATING TO RETIREE INSURANCE, AMENDING THE EMPLOYEE HANDBOOK OF REGULATIONS AND FLAGSTAFF CITY CODE, PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City desires to provide retirees insurance consistent with policy established by the Northern Arizona Public Employees Benefit Trust (“NAPEBT”);

ENACTMENTS:

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. In General.

The Flagstaff City Code, Title 1, *Administrative*, Chapter 14, *Personnel System*, Section 1-14-001-0001 *Personnel System Adopted*, is hereby amended by adopting those changes to the Employee Handbook of Regulations, herein referred to as “2015 Addendum 7 of the Flagstaff Employee Handbook of Regulations,” as follows (additions shown in underlined capitalized text, deletions shown as stricken, and paragraphs E and F renumbered as B.2 and B.3 respectively):

1-70-030. RETIREE INSURANCE

The City will provide medical and dental insurance for eligible City retirees under certain terms and conditions, all of which are subject to change in part or in whole depending on policy changes made by the Northern Arizona Public Employees Benefit Trust (NAPEBT) or the City policy.

A. DEFINITIONS:

“NAPEBT EMPLOYER” MEANS ANY EMPLOYER MEMBER OF THE NORTHERN ARIZONA PUBLIC EMPLOYEES BENEFIT TRUST.

“CONTINUOUSLY” MEANS WITHOUT INTERRUPTION IN EMPLOYMENT.

B. ELIGIBILITY:

A-1. To be eligible, an employee must retire from City service, ~~and~~ apply for and receive retirement benefits from either the Arizona State Retirement System or the Public Safety Personnel Retirement System AND:

a. IF THE EMPLOYEE WAS HIRED PRIOR TO JULY 1, 2015, MUST HAVE WORKED FOR THE CITY OF FLAGSTAFF FOR AT LEAST ONE (1) PAY PERIOD.

b. IF THE EMPLOYEE WAS HIRED ON OR AFTER JULY 1, 2015, MUST HAVE WORKED A MINIMUM OF FIVE (5) YEARS CONTINUOUSLY WITH ONE OR MORE NAPEBT EMPLOYERS DURING THE FIVE (5) YEARS IMMEDIATELY PRECEDING RETIREMENT, SUBJECT TO THE FOLLOWING EXCEPTIONS:

(1) WHEN TRANSITIONING FROM ONE NAPEBT EMPLOYER TO ANOTHER, AN INTERRUPTION IN EMPLOYMENT IS PERMISSIBLE IF REQUIRED BY THE NEW EMPLOYER FOR OPERATIONAL REASONS, SUCH AS NEW HIRE ORIENTATION; OR

(2) WHEN THE EMPLOYEE'S EMPLOYMENT IS INTERRUPTED DUE TO A REDUCTION IN FORCE THE FIVE (5) YEARS OF SERVICE MAY BE CUMULATIVE; OR

(3) WHEN THE EMPLOYEE TAKES A MEDICAL RETIREMENT UNDER THE PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM ("PSPRS") OR QUALIFIES FOR A LONG TERM DISABILITY AT THE TIME OF RETIREMENT UNDER THE ARIZONA STATE RETIREMENT SYSTEM ("ASRS"); OR

(4) WHEN THE EMPLOYEE RETIRES FROM PSPRS AND IS REHIRED INTO AN ASRS POSITION AN INTERRUPTION OF SIXTY (60) DAYS IS PERMISSIBLE.

E-2. Retirees can maintain their coverage under the provisions of this program until the retiree reaches age sixty-five (65) and/or becomes entitled to Medicare.

F-3. Dependent coverage is available subject to the limitations outlined in the City's group health insurance policy. Dependents cannot continue in this insurance program when the retiree is no longer eligible, but will be eligible to continue benefits under the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA). The domestic partner will not be eligible to continue benefits under COBRA unless the employee elects continuation for himself/herself or the domestic partner is a qualified tax code dependent.

C. PROCEDURES:

B-1. The retirees will pay the entire premium amount; there will be no City contribution. The premium rates will be reviewed annually.

C-2. Those eligible employees retiring will have thirty (30) days after their last working day to enroll in the insurance program. If they fail to do so within this thirty (30) day period they will be unable to join at a later date.

D-3. Payments will be made directly to the City of Flagstaff through its Finance Section on a monthly basis by the due date of the statement, which is approximately the 20th of each month. It is the responsibility of the retirees to make the payments. Participants who fail to pay are subject to cancellation.

SECTION 2. Penalties.

Any person found in violation of any provision of the Flagstaff Employee Handbook of Regulations may be subject to discipline, as set forth in such Handbook.

SECTION 3. Repeal of Conflicting Ordinances.

All ordinances and parts of ordinances in conflict with the provisions of this ordinance or any part of the code adopted herein by reference are hereby repealed.

SECTION 4. Severability.

If any section, subsection, sentence, clause, phrase or portion of this ordinance or any part of the code adopted herein by reference is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 5. Clerical Corrections.

The Human Resources Director is hereby authorized to correct typographical and grammatical errors, as well as errors of wording and punctuation, as necessary, related to the City of Flagstaff Employee Handbook of Regulations as amended herein, and to make formatting changes needed for purposes of clarity and form, or consistency.

SECTION 6. Effective Date.

This ordinance shall become effective thirty (30) days following adoption by the City Council.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this _____ day of _____, 2015.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

ATTORNEY

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Kevin Treadway, Police Chief
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Adoption of Resolution No. 2015-30: A resolution supporting the Stepping Up initiative which aims to reduce the number of people with mental illness in jails.

RECOMMENDED ACTION:

- 1) Direct City Clerk to read Resolution No. 2015-30 by title only
- 2) City Clerk reads Resolution No. 2015-30 by title only (if approved above)
- 3) Adopt Resolution No. 2015-30

Executive Summary:

On May 9, 2015, the Coconino County Board of Supervisors voted unanimously to pass a resolution supporting the Stepping Up initiative. This was part of a national effort in coordination with the National Association of Counties (NACo) to curb mental illness in our jails. The City of Flagstaff contracts with the Coconino County Sheriffs Office for jail services.

The Flagstaff Police Department has a long history of working in partnership with mental health providers in our community. Additionally, our officers receive advanced training on identifying mental illness, and communicating effectively with those with mental illness. Working diligently with our partners to de-criminalize those suffering from metal illness is an ongoing effort. Within the past few months, members of the Flagstaff Police Department have received training in CIT (our Crisis Intervention Team training) as well as mental health first aid. Administrative staff on the Flagstaff Police Department meet regularly with members from the Guidance Center, CCSO, Northern Arizona Regional Behavioral Health Administration (NARBHA), the Mental Health Court, and others to ensure individuals we contact are connected to the most appropriate services in our community. We also collaborate continually with the Coconino County Criminal Justice Coordinating Council, who has worked hard this past year to improve services to the mentally ill in our community.

Through our current initiatives, policies and practices and our identified future goals and objectives, the Flagstaff Police Department strongly endorses this Resolution and its intent.

Financial Impact:

None.

Connection to Council Goal and/or Regional Plan:

COUNCIL GOALS:

The following Council goals apply to the support of this resolution.

3) Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics.

8) Improve effectiveness of notification, communication, and engagement with residents, neighborhoods and businesses and about City services, programs, policies, projects and developments.

By supporting the intent of this resolution, we continue to insure those in need of assistance are connected to the most appropriate services in our community.

Has There Been Previous Council Decision on This:

No previous decision has been made on this, although a short presentation was made to Council by Sheriff Bill Pribil at the June 22, 2015 Joint Council / Board of Supervisors work session.

Options and Alternatives:

Adoption of this resolution provides Council the opportunity to formally endorse many of the initiatives already in place to ensure we decriminalize as much as possible the issue of mental illness.

By not adopting the resolution, there will be no negative impact on our initiatives or practices, and we will continue to partner with our community to offer the best resources possible.

Community Involvement:

Involve

Attachments: Resolution

RESOLUTION NO. 2015-30

A RESOLUTION OF THE COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA SUPPORTING THE *STEPPING UP* INITIATIVE WHICH AIMS TO REDUCE THE NUMBER OF PEOPLE WITH MENTAL ILLNESS IN JAILS

RECITALS:

WHEREAS, counties routinely provide treatment services to the estimated two million people across the country with serious mental illnesses booked into jail each year; and

WHEREAS, prevalence rates of serious mental illnesses in jails are three to six times higher than for the general population; and

WHEREAS, almost three-quarters of adults with serious mental illnesses in jails have co-occurring substance use disorders; and

WHEREAS, adults with mental illnesses tend to stay longer in jail and upon release are at a higher risk of recidivism than people without these disorders; and

WHEREAS, county jails spend two to three times more on adults with mental illnesses that require interventions compared to those without these treatment needs; and

WHEREAS, without the appropriate treatment and services, people with mental illnesses continue to cycle through the criminal justice system, often resulting in tragic outcomes for these individuals and their families; and

WHEREAS, the City of Flagstaff takes pride in its responsibility to protect and enhance the health, welfare and safety of its residents in efficient and cost-effective ways; and

WHEREAS, the City of Flagstaff , in partnership with Coconino County and the Northern Arizona Regional Behavioral Health Authority, has developed community specific programs which help people stay out of jail by offering mental health and substance use disorder treatment; and

WHEREAS, through the *Stepping Up* initiative, the National Association of Counties, the Council of State Governments Justice Center and the American Psychiatric Foundation, Coconino County is encouraging public, private and nonprofit partners to reduce the number of people with mental illnesses in jails.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED THAT the City of Flagstaff does hereby sign on to the Call to Action to reduce the number of people with mental illnesses in the county jail, supports a national initiative and encourage all city officials, employees and residents to participate in *Stepping Up*.

PASSED AND ADOPTED by the City Council and approved by the Mayor of the City of Flagstaff this 21st day of July, 2015.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Matthew Morales, Project Manager
Date: 07/14/2015
Meeting Date: 07/21/2015



TITLE:

Consideration and Approval of Contract: Intergovernmental Agreement with the Arizona Board of Regents for and on behalf of Northern Arizona University for Testing Paper Millings (***Approve IGA with NAU for testing paper millings for use at the Cinder Lake Landfill***).

RECOMMENDED ACTION:

Approve the Intergovernmental Agreement (IGA) with the Arizona Board of Regents for a total project cost of \$47,358.43, of which the City will cost share \$23,878.54 and NAU's share will be \$23,479.89.

Executive Summary:

The City is seeking assistance from Northern Arizona University (NAU) College of Engineering, Forestry, and Natural Sciences (CEFNS) to determine the structural and physical properties of alternative materials incorporated with elastic polymer-based admixtures to determine if we can seek approval from the Arizona Department of Environmental Quality to use paper millings as an alternative cell liner.

Financial Impact:

Initial projections indicate that savings over time could be as much as \$8 million over the life of the landfill. This project is budgeted for FY16 in the Solid Waste Fund 211-06-165-0631-0-4433.

Connection to Council Goal and/or Regional Plan:

COUNCIL GOALS:

- 1) Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics
- 2) Address key issues and processes related to the implementation of the Regional Plan

REGIONAL PLAN:

Policy PF.2 Provide sustainable and equitable public facilities, services, and infrastructure system in an efficient manner to serve all population areas and demographics

Has There Been Previous Council Decision on This:

On May 19, 2015 Council approved the construction of a 10 acre storage cell located in Cell E. The cell will allow the facility to store as much as 688,000 cubic yards of paper millings over the next 20 years.

Options and Alternatives:

Option 1-Approve the IGA

Option 2-Not approve the IGA and direct staff to solicit competitive bids from qualified contractors

Option 3-Not approve the IGA and continue operations as is

Background/History:

The landfill does not have enough soil to last over the entirety of its operation. Nor does it have enough soil needed for the landfill cap. The current deficit is over 1.5 million cubic yards. In an effort to minimize the deficit, the landfill currently accepts paper millings from SCA Tissue (Located on Butler Avenue), and uses the material as an approved source of alternative daily cover. Paper millings are used in other states as landfill caps. In 2012 the City of Flagstaff partnered with NAU CEFNS Design 4 Practice Program (Capstone) in successfully developing a mix design for the implementation of paper millings as a component of a landfill cap. NAU CEFNS demonstrated that the material (when mixed with other products such as fly ash) can be approved as a cap when we close the Cinder Lake Landfill.

Subsequent to the landfill cap design, staff determined the next step was to test the viability of using polymers in the same mixtures. As an admixture, the polymer(s) may have the structural rigidity to withstand continuous static and dynamic loading for years to come making the material suitable as a liner for future landfill cells. In several years, as we move into the 'Non-Grandfathered and Expansion Areas' we will have to construct new cells with approved liners.

Standard landfill cell liners are constructed with 3 feet of clay or claylike material (bentonite) with a 10 to the minus 7 permeability and a synthetic membrane over the top. There is also a foot of sand placed over the membrane to keep it from being punctured as waste is introduced into the cell. In addition to being soil deficient, we have none of this material onsite so the clay or claylike material and sand would have to be purchased and imported at great expense to the City. Our hope is the testing will show the product we produce can replace all or part of the standard liner process.

Key Considerations:

Staff is proposing this IGA to serve the following functions:

1. Continue partnership opportunities between NAU and the City
2. Assist with exploration of innovative research with positive technological impacts for the solid waste industry
3. Provide mechanisms for cost sharing between NAU and the City

The proposed project includes testing in a laboratory environment over a two year period. Once viable mixtures of paper millings, fly ash, and polymers are established, the City will propose that field testing be conducted at Cinder Lake Landfill. If no conclusions are reached in the two year period, staff may propose to extend the IGA for an additional year.

If field testing proves successful, then staff will submit a proposal to the ADEQ for approval to use paper millings and other additives as a landfill cap and liner.

Expanded Financial Considerations:

Implementation of paper millings as an alternative cap has demonstrated a potential savings of \$8 million over 20 years. If proper admixtures can be established, the cost savings for future operations is likely to be even greater. The overall cost for this project is expected to be \$47,358.43, of which \$23,878.54 has been requested from the City. NAU has committed to the balance (\$23,479.89).

Community Benefits and Considerations:

Cinder Lake Landfill serves the citizens of Flagstaff and many portions of Coconino County. Although no immediate benefits are expected to be realized by the community, this project has the potential to assist in maintaining affordable solid waste disposal options in the future.

Community Involvement:

Inform

Expanded Options and Alternatives:

Option 1-Approve the IGA

Option 2-Not approve the IGA and direct staff to solicit competitive bids from qualified contractors

Option 3-Not approve the IGA and continue operations as is

Attachments: IGA with NAU for Testing Paper Millings
 Scope of Work
 Budget
 Map

INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE CITY OF FLAGSTAFF
AND
THE ARIZONA BOARD OF REGENTS FOR AND ON BEHALF OF
NORTHERN ARIZONA UNIVERSITY
FOR TESTING PAPER MILLINGS

This Intergovernmental Agreement (“Agreement”) is entered into this 13th day of July, 2015, between the City of Flagstaff (“City”) and the Arizona Board of Regents for and on behalf of Northern Arizona University (“University”),” for the provision of contracted services pursuant to A.R.S. 11-952 et seq. The City and the University may be referred to in this Agreement collectively as the “Parties” and singularly as a “Party.”

RECITALS

WHEREAS, In 2012 the City of Flagstaff partnered with Northern Arizona University’s (“NAU”), a public institution of higher education under the laws of the State of Arizona, College of Engineering, Forestry, and Natural Sciences (“CEFNS”) Capstone Design Four Practice (Capstone) in successfully developing a mix design for the implementation of paper pulp millings (“PPS”) as a component of a landfill cap; and

WHEREAS, The City is seeking further to assistance from CEFNS to determine the structural and physical properties of alternative materials incorporated with elastic polymer-based admixtures and CEFNS desires to perform such services upon and subject to the terms and conditions hereinafter set forth; and

WHEREAS, the Parties wish to strengthen the partnership that has already been established between the City and the University; and

WHEREAS, this project will benefit the City by allowing the City to explore alternative methods of landfill construction, while providing sustainable and financially viable means of disposal, thereby saving the City costs and extending the life of the landfill.

NOW THEREFORE, the Parties agree as follows:

1. Purpose.

The purpose of this Agreement is to provide the terms and conditions by which the University will provide the testing of paper millings for use as a cap at the City's landfill.

2. Scope.

The Parties agree that the University shall perform the activities as described in the Scope of Work ("Scope of Work"), attached hereto as EXHIBIT A.

3. Term.

The term of this Agreement shall begin on July 13, 2015 and end on July 12, 2017, unless earlier terminated as provided herein.

4. Termination.

Either Party may terminate this Agreement by providing the other Party thirty (30) days written notice of its intent to terminate.

5. Mutual Indemnification.

To the extent permitted by A.R.S. 41-621 and 35-154, law, each Party (as "Indemnitor") agrees to indemnify, defend and hold harmless the other Party (as "Indemnitee") from and against any and all claims, losses, liability, costs or expenses arising out of this Agreement, but only to the extent that such claims are caused by the negligent, reckless, or intentional acts or omissions of the Indemnitor, its officers, officials, agents, employees, or volunteers during the performance of this Agreement..

6. Insurance.

Each Party shall determine for itself an appropriate level of insurance coverage and maintain such coverage. Nothing in this Agreement shall be construed as a waiver of any limitation on liability that may apply to a Party.

7. Costs.

In accordance with the attached budget (Exhibit B,) the City shall provide funding to the University in the amount of \$23,878.54 for performance of Exhibit A.

7.1 Invoicing. NAU shall submit invoices on a quarterly basis to:

City of Flagstaff Cinder Lake Landfill
Attn: Matt Morales, Project Manager
211 West Aspen Avenue

Flagstaff, AZ 86001
O: 928-213-2123
F: 928-527-4678
Email: mmorales@flagstaffaz.gov

8. Special Provisions.

8.1. Obligations of the City:

8.1.1. The City will, upon receipt of invoices from the University, pay to the University, the amounts expended for the services provided by the University, in accordance with Exhibit B.

8.2. Obligations of the University:

8.2.1. Reporting Requirements. Reports by the University shall include:

Progress Reports. The University shall provide quarterly programmatic reports to the City within five (5) working days of the last day of the month in which services are provided. The University shall use the form provided by the City to submit quarterly programmatic reports. If the scope of the project has been fully completed and implemented, and there will be no further updates, then the quarterly programmatic report for the quarter in which the project was completed will be sufficient as the final report. The report should be marked as final and should be inclusive of all necessary and pertinent information regarding the project

9. Non-discrimination.

The Parties agree to comply with Executive Order 2009-09 and all applicable state and federal laws, rules, regulations and executive orders governing equal employment opportunity, immigration, nondiscrimination, including the Americans with Disabilities Act, and affirmative action.

10. Cancellation for Conflict of Interest.

The Parties agree that this Agreement may be cancelled for conflict of interest in accordance with A.R.S. § 38-511.

11. Cancellation for Nonappropriations.

The continuation of this Agreement beyond the initial fiscal year is dependent on and subject to the appropriation and availability of funding by the State of Arizona for each Party in each subsequent fiscal year. If sufficient funding is not made available to allow a Party to

continue meeting its contractual obligations under this Agreement, that Party shall so notify the other Party and either Party may cancel this Agreement and have no further obligation to the other Party. In the alternative, the Parties may by mutual written agreement, modify this Agreement to reduce the level of services or other consideration provided.

12. Inspection and Audit.

To the extent required by [A.R.S. §35-214](#), all books, accounts, reports, files and other records relating to this Agreement shall be subject at all reasonable times to inspection and audit by the Arizona Board of Regents, the University, the City of Flagstaff, or the Auditor General of the State of Arizona, or their agents for five (5) years after completion of this Agreement. Such records shall be produced at Northern Arizona University, or such other location as designated by the University, upon reasonable notice to the City, or at the City upon reasonable notice to the University.

13. Independent Parties.

Personnel of the other party to the Agreement will not for any purpose be considered employees or agents of NAU and that the other party assumes full responsibility for the actions of its personnel while performing services under the agreement, and shall be solely responsible for their supervision, daily direction and control, payment of salary (including withholding income taxes and social security), worker's compensation and disability benefits.

14. Applicable Law.

This Agreement shall be governed and interpreted by the laws of the State of Arizona.

15. Arbitration.

With regard to disputes arising out of or relating to this Agreement, the Parties agree to use arbitration in accordance with A.R.S 12-1518 and 12-133.

16. Entire Agreement.

This Agreement embodies the entire understanding of the parties and supersedes any other agreement or understanding between the parties relating to the subject matter. The parties agree that should any part of this Agreement be held to be invalid or void, the remainder of the Agreement shall remain in full force and effect and shall be binding upon the parties.

17. Waivers.

No waiver, amendment, or modification of this Agreement shall be valid or binding unless written and signed by the parties. Waiver by either party of any breach or default of any clause of this Agreement by the other party shall not operate as a waiver of any previous or future default or breach of the same or different clause of this Agreement.

18. Assignment.

Neither party may assign any rights hereunder without the express, written, prior consent of both parties.

19. Notices.

All notices under this Agreement given by either party to the other shall be in writing and shall be sent by U.S. Postal Service, first class, facsimile, or e-mail. Addresses are as follows:

For the University:

Office of Grant and Contract Services
Northern Arizona University
1298 S. Knoles Dr.
ARD Bldg. 56, Ste. 240
Flagstaff, Arizona 86011-4130

Attn: Jackie Hinton
e-mail: jackie.hinton@nau.edu
Phone: (928) 523-5529
Fax: (928) 523-1075

For the City:

City of Flagstaff
Cinder Lake Landfill
211 West Aspen Avenue
Flagstaff, AZ 86001

Attn: Matt Morales, Project Manager
e-mail: mmorales@flagstaffaz.gov
Phone: (928) 213-2123
Fax: (928) 527-4678

20. Arizona Public Records.

The Parties acknowledge that the University and the City are public entities subject to the provisions of the Arizona Public Records Laws, A.R.S. § 39-121. et seq.

The undersigned have read the foregoing Agreement and, as duly authorized signatories of their respective entities, hereby agree to be bound by its requirements, terms and conditions.

**The Arizona Board of Regents for and on
Behalf of Northern Arizona University**

City of Flagstaff

By: _____
Wilma G. Ennenga
Assistant Vice President for Res. Admin.

By: _____
Jeff Meilbeck
Interim City Manager

Date: _____

Date: _____

Attest:

City Clerk

Approved as to form:

City Attorney

Pursuant to [A.R.S. § 11-952](#), the foregoing agreement has been submitted to Counsel to the Arizona Board of Regents for and on behalf of Northern Arizona University. The undersigned has determined that said agreement is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the Board of Regents for and on behalf of Northern Arizona University.

NORTHERN ARIZONA UNIVERSITY
OFFICE OF GENERAL COUNSEL

By _____

General Counsel

Exhibit A

Intergovernmental Agreement for testing paper millings

Scope of Work

Phase I-Testing structural and other properties of paper millings with polymer-based admixtures

Overview

In 2012 the City of Flagstaff partnered with Northern Arizona University (NAU) College of Engineering, Forestry, and Natural Sciences (CEFNS) Capstone Design 4 Practice (Capstone) in successfully developing a mix design for the implementation of paper millings (PPS) as a component of a landfill cap. The City is seeking further to assistance from CEFNS to determine the structural and physical properties of alternative materials incorporated with elastic polymer-based admixtures.

Incorporating polymers in alternative materials such as PPS may have the potential to mimic impermeable properties exhibited by a typical Flexible Membrane Liner (FML). If the project were to successfully mimic a hydraulic barrier, this project is likely to become part of a long-term effort that could be noteworthy in both academia and the solid waste industry.

The 2012 report indicates the optimal PPS mixtures (by weight) for a hydraulic barrier included the following:

Mixture 1) 50% PPS and 50% Coal Ash

Mixture 2) 43.3%PPS, 43.3% Coal Ash, and 13% Wood Ash

Mixture 3) 48% PPS, 48% Coal Ash, and 4% Wood Ash

Mixture 2 exhibited the optimal values for gas permeability, liquid permeability, unconfined compression, shear strength, plasticity, PPS volume, and material costs.

The City is proposing that additional testing be completed on Mixture 2 with different concentrations of polymer. This will provide additional enhancements to both the hydraulic barrier on the landfill cap and liner.

Subsequent to testing, an optimal mixture will be evaluated in the lab for its ability to withstand leachate interaction. This work will likely be explored in future phases with other NAU departments.

Scope of Work

The three mixtures from the 2012 study shall be re-tested in accordance with the methods as described by the American Society of Testing and Materials (ASTM):

- Structural Atterberg Limits
 - Water Content (ASTM 2216 “Water Content of Soil & Rock by mass”)

- Proctor Compaction Tests (ASTM D698 “Laboratory Compaction Characteristics of Soil Using Standard Effort”)
- Consolidation (ASTM D2435/D2435M-11 “One-Dimensional Consolidation Properties of Soils Using Incremental Loading”)
- Specific Gravity (ASTM D854-10 “Specific Gravity of Soils by Water Pycnometer”)
- Porosity (ASTM D7263-09 “Laboratory Determination of Density (Unit Weight) of Soil Specimens”)
- California Bearing Ratio (ASTM D1883-07e2 “CBR of Laboratory-Compacted Soils” and ASTM D4429-09a “CBR of Soils in Place”)
- Shear Strength (ASTM D5321 Standard Test Method for Determining the Shear Strength of Soil-Geosynthetic and Geosynthetic-Geosynthetic Interfaces by Direct Shear)
- Other tests
 - Gas Permeability (method described in the 2012 report)
 - Liquid Permeability (method described in the 2012 report)
 - Organic Content (ASTM 2974-14 Standard Test Methods for Moisture, Ash, and Organic Matter)

Subsequent to testing the three mixtures, results will be compared with the 2012 findings. The optimal mixture will be blended with a range of polymers (provided by the City of Flagstaff). The test ranges should be established in 0.5% increments, from a minimum of 0.5% to a maximum of 5% by weight (10 total).

Expected Benefits

- The project will allow the City of Flagstaff to explore the resources already located on-site for their use as an alternative cap and liner.
- The project strengthens a partnership that has already been established between NAU CENS and the City of Flagstaff.
- The findings could provide motivation for the solid waste industry to propose solutions to otherwise expensive means of constructing landfills.
- The ability for NAU-CENS to work with the City on this project in an iterative fashion provides both organizations the opportunity to explore landfill design variations with sound methodologies.

Objectives

1. Evaluate alternative methods of landfill construction, while providing sustainable and financially viable means of disposal
2. Model the structural characteristics of the alternative cap material

Budget

NAU CENS requests the amount of \$23,878.54 from the City of Flagstaff to complete Phase I of testing.

Organization: ABOR for and on behalf of Northern Arizona University						Start:		
		Acad. Salary Base	Person Months			Total Funds Requested	NAU Committed Cost Share	TOTAL PROJECT COSTS
A. Senior Key Personnel			CAL	ACAD	SUM			
Wilbert Odem		117,415	0.45	0.00	0.00		6,025.24	6,025.24
Co-PI			0.00	0.00	0.00	-	-	-
TOTAL Senior/Key Personnel Salaries						-	6,025.24	6,025.24
A. Sr. Personnel Fringe Benefits								
Senior Personnel		Fringe Benefit Rate						
Wilbert Odem, PI		31.9%			-	1,922.05	1,922.05	
		0.0%			0.0%	-	-	
TOTAL Sr. Personnel Salaries & Fringe Benefits						-	7,947.30	7,947.30
B. Other Personnel		Annual Salary	CAL	ACAD	SUM			
Graduate Teaching Assistant Gary Slim		33,000	0.00	0.00	0.00			
			0.00	0.00	3.00	11,289.47		11,289.47
Graduate Teaching Assistant TBN		28,500	0.00	0.00	0.00	-	-	-
			0.00	0.00	0.00	-	-	-
Undergraduate Student TBN		20,800	0.00	0.00	0.00	-	-	-
			0.00	0.00	0.00	-	-	-
TOTAL Other Personnel Wages						11,289.47	-	11,289.47
B. Other Personnel Fringe Benefits					ACAD	SUM		
Grad. Research Asst. Gary Slim					0.50%	8.15%	920.09	920.09
Tuition Remission 9,126							-	-
Health Insurance 2,640							-	-
Graduate Teaching Asst. TBN					0.50%	8.15%	-	-
Tuition Remission 9,126							-	-
Health Insurance 2,640							-	-
Undergraduate Students					0.50%	8.15%	-	-
TOTAL Other & Fringe Benefits						12,209.57	-	12,209.57
TOTAL SALARIES & WAGES & BENEFITS						12,209.57	7,947.30	20,156.86
F. Other Direct Costs								
Materials and Supplies					-	3,500.00	3,500.00	
Publication Costs/Documentation/Dissemination					-	-	-	
Consultant Services					-	-	-	
ADP/Computer Services					-	-	-	
Subawards/Consortium/Contractual Costs					-	-	-	
Other								
Geotech Lab Use						7,500.00	7,500.00	
TOTAL Other Direct Costs						3,500.00	7,500.00	11,000.00
TOTAL DIRECT COSTS						15,709.57	15,447.30	31,156.86
G.								
H. INDIRECT COSTS (F&A)					52%	52%		
TOTAL F&A Costs						8,168.97	8,032.59	16,201.57
TOTAL DIRECT and F&A COSTS						23,878.54	23,479.89	47,358.43

Cost Share

PI Salary & ERE \$7,947.30 Bero Approved
 Geotec Labor Use \$7,500.00 Bero Approved
 Indirect Costs 8,032.59 Foregone F&A

0

\$44,000 for 9 mos. during the academic year

REMOVE SOIL AND ROCK FROM THIS PIT

HAUL ROAD ROUTE SHOWING LOCATION FOR PLACEMENT OF SOIL

PLACEMENT OF SOIL WITHIN LIMITS SHOWN CITY WILL PROVIDE STAKING FOR ROUGH GRADE WORK

EXISTING PAPER MILLINGS STOCKPILE

EXISTING 25' LITTER FENCES

PLACEMENT OF SOIL HERE CITY WILL PROVIDE STAKING FOR ROUGH GRADE WORK

CURRENT MSW PLACEMENT AREA

