

FINAL AGENDA

REGULAR COUNCIL MEETING
TUESDAY
JANUARY 19, 2016

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 Regular Meeting of November 3, 2015; Regular Meeting of November 17, 2015; and Regular Meeting of January 5, 2016.

5. PUBLIC PARTICIPATION

Public Participation enables the public to address the Council about an item that is not on the agenda. Comments relating to items that are on the agenda will be taken at the time that the item is discussed. If you wish to address the Council at tonight's meeting, please complete a comment card and submit it to the recording clerk as soon as possible. Your name will be called when it is your turn to speak. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a

representative who may have no more than fifteen minutes to speak.

6. PROCLAMATIONS AND RECOGNITIONS

None

7. APPOINTMENTS

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

None

8. LIQUOR LICENSE PUBLIC HEARINGS

None

9. CONSENT ITEMS

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

- A. Consideration and Approval of Purchase:** One (1) Lubrication and fuel service body to be installed on a City owned cab/chassis.

RECOMMENDED ACTION:

Approve the purchase of one (1) lubrication and fuel service body to be installed on city owned cab /chassis from Empire Truck and Trailer (quote JAK0206.6.15) in the amount of \$129,215.95 through the National IPA Co-Op Contract #120377 (National Intergovernmental Purchasing Alliance).

- B. Consideration and Approval of Contract:** Street Maintenance Program, Calendar Years 2016, 2017 & 2018 Professional Design Services. (Approve design services contract with consultant Plateau Engineering, Inc. for street maintenance program).

RECOMMENDED ACTION:

- 1) Approve the design services contract with Plateau Engineering, Inc., in the amount of \$284,462.74 with a contract time of 1090 days;
- 2) Approve change order authority in the amount of \$28,446.27 (10%) of the contract amount to cover potential costs associated with unanticipated items of work; and
- 3) Authorize the City Manager to execute the necessary documents.

10. ROUTINE ITEMS

- A. Consideration and Adoption of Ordinance No. 2016-02:** An ordinance authorizing the acquisition and dedication of rights of way and easements for the realignment and improvement of Industrial Drive. (***Dedication of right-of-way for improvements to Industrial Drive.***)

RECOMMENDED ACTION:

- 1) Read Ordinance No. 2016-02 by title only for the final time
- 2) City Clerk reads Ordinance No. 2016-02 by title only for the final time (if approved above)
- 3) Adopt Ordinance No. 2016-02 Read Ordinance

- B. Consideration and Adoption of Ordinance No. 2016-01:** An ordinance authorizing the acquisition of certain real property for use as a public right-of-way for a Roundabout at the Switzer Canyon Drive-Turquoise Drive intersection.

RECOMMENDED ACTION:

- 1) Read Ordinance No. 2016-01 by title only for the final time
- 2) City Clerk reads Ordinance No. 2016-01 by title only for the final time (if approved above)
- 3) Adopt Ordinance No. 2016-01

- C. Consideration and Approval:** Arizona State Forestry Grant Agreement Wildland Fire Hazard Fuel (WFHF) 15-202.

RECOMMENDED ACTION:

Approve the WFHF 15-202 grant award and agreement between the City of Flagstaff and the AZ State Forestry Division for grant funds in the amount of \$135,000 (with a city match of \$15,000).

- D. Consideration and Approval of Contract:** Flagstaff Watershed Protection Project (FWPP) Phase I and Phase II, Dry Lake Hills Preparation, Participating Agreement Supplemental Project Agreement (PA-SPA), with US Forest Service (Coconino National Forest).

RECOMMENDED ACTION:

Approve the FWPP Phase 1 and Phase II, Dry Lake Hills Preparation, PA-SPA between the City of Flagstaff and the US Forest Service (Coconino National Forest) in the amount of \$654,761.02.

RECESS

6:00 P.M. MEETING

RECONVENE**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**

None

15. REGULAR AGENDA**A. Parking Program**

- i. **Consideration and Adoption of Ordinance No. 2016-05** - An ordinance of the City Council of the City of Flagstaff, Arizona, amending Flagstaff City Code Title 9, TRANSPORTATION, Chapter 9-01, TRAFFIC CODE; creating the Office of Parking Manager; modifying the duties of the Traffic Engineer accordingly; modifying and adding traffic violations necessary for permit parking and pay-to-park programs; authorizing the Parking manager to implement the Comprehensive Parking Management Program for the downtown, southside and surrounding areas with the installation of parking meters, signage, and other improvements for permit parking and pay-to-park programs; and establishing a special revenue fund for revenues generated by implementation of the Comprehensive Parking Management Program.

RECOMMENDED ACTION:

At the Council Meeting of January 19, 2016

1) Read Ordinance No. 2016-05 by title only for the first time

2) City Clerk reads Ordinance No. 2016-05 by title only (if approved above)

At the Council Meeting of February 2, 2016

3) Read Ordinance No. 2016-05 by title only for the final time

4) City Clerk reads Ordinance No. 2016-05 by title only (if approved above)

5) Adopt Ordinance No. 2016-05

- ii. **Consideration and Adoption of Resolution No. 2016-01** - A resolution of the City Council of the City of Flagstaff, Arizona adopting the COMPREHENSIVE PARKING MANAGEMENT PROGRAM, NOVEMBER 2015 and declaring an effective date.

RECOMMENDED ACTION:

1) Read Resolution No. 2016-01 by title only

2) City Clerk reads Resolution No. 2016-01 by title only (if approved above)

3) Adopt Resolution No. 2016-01

- B. **Consideration and Adoption of Ordinance No. 2015-17:** An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, by deleting Chapter 6-03, *Animals*, in its entirety and adopting revised Chapter 6-03, *Animal Keeping*; providing for severability, authority for clerical corrections, and establishing an effective date. ***(Animal Keeping Code)***

RECOMMENDED ACTION:

At the January 19, 2016, Council Meeting:

- 1) Read Ordinance No. 2015-17 by title only for the first time
- 2) City Clerk reads Ordinance No. 2015-17 by title only (if approved above)

At the February 2, 2016, Council Meeting:

- 3) Read Ordinance No. 2015-17 by title only for the final time
- 4) City Clerk reads Ordinance No. 2015-17 by title only (if approved above)
- 5) Adopt Ordinance No. 2015-17

- C. **Consideration and Approval of Contract:** Intergovernmental Agreement between the State of Arizona (Department of Transportation) and the City of Flagstaff - Red Gap Ranch Longitudinal Waterline Along an Access Controlled Interstate Facility (Interstate 40). ***(IGA with ADOT to establish the permit process for Red Gap Ranch Pipeline in I-40)***

RECOMMENDED ACTION:

Authorize the City Manager to approve the Intergovernmental Agreement for the permit process between the State of Arizona (Department of Transportation) and the City of Flagstaff - Red Gap Ranch Longitudinal Waterline Along an Access Controlled Interstate Facility (Interstate 40).

D. **Marriott Project**

- i. **Consideration and Adoption of Ordinance No. 2016-03:** An ordinance of the Flagstaff City Council authorizing the acquisition of certain real property as a public right-of-way for the possible widening of Humphreys Street between Route 66 and Cherry Avenue. ***(In addition, a Development Agreement with additional terms of the purchase will be considered at second reading of the ordinance.)***

RECOMMENDED ACTION:

At the Council Meeting of January 19, 2016

- 1) Read Ordinance No. 2016-03 by title only for the first time
- 2) City Clerk reads Ordinance No. 2016-03 by title only (if approved above)

At the Council Meeting of February 2, 2016

- 3) Read Ordinance No. 2016-03 by title only for the final time
- 4) City Clerk reads Ordinance No. 2016-03 by title only (if approved above)
- 5) Adopt Ordinance No. 2016-03

- ii. **Consideration and Adoption of Ordinance No. 2016-04:** An ordinance of the City Council of the City of Flagstaff, abandoning whatever right, title or interest it has in an approximately 82 square foot portion of public right-of-way generally located at the northwest corner of Aspen Avenue and Beaver Street to FMH Enterprises, LLC.

RECOMMENDED ACTION:

At the Council Meeting of January 19, 2016

- 1) Read Ordinance No. 2016-04 by title only for the first time
- 2) City Clerk reads Ordinance No. 2016-04 by title only (if approved above)

At the Council Meeting of February 2, 2016

- 3) Read Ordinance No. 2016-04 by title only for the final time
- 4) City Clerk reads Ordinance No. 2016-04 by title only (if approved above)

5) Adopt Ordinance No. 2016-04 on February 2, 2016.

E. Cancellation of the February 9, 2016, Work Session.

**F. Discussion and Possible Action re: Current Issues Before the Arizona Legislature
(THIS IS A STANDING ITEM - AS OF PUBLICATION OF THIS AGENDA NO ISSUES
HAVE BEEN RAISED)**

16. DISCUSSION ITEMS

None

17. FUTURE AGENDA ITEM REQUESTS

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

A. Future Agenda Item Request (F.A.I.R.): A citizen petition to support a resolution condemning anti-Muslim, anti-refugee, and anti-immigrant speech from presidential candidate Donald Trump and others.

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

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 _____, 2016.

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: 01/15/2016
Meeting Date: 01/19/2016



TITLE

Consideration and Approval of Minutes: City Council Regular Meeting of November 3, 2015; Regular Meeting of November 17, 2015; and Regular Meeting of January 5, 2016.

RECOMMENDED ACTION:

Amend/approve the minutes of the City Council Regular Meeting of November 3, 2015; Regular Meeting of November 17, 2015; and Regular Meeting of January 5, 2016.

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: [11.03.2015.CCRM.Minutes](#)
 [11.17.2015.CCRM.Minutes](#)
 [01.05.2016.CCRM.Minutes](#)

MINUTES

1. **CALL TO ORDER**

Mayor Nabours called the meeting of November 3, 2015, to order at 4:02 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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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: City Manager Josh Copley and City Attorney Michelle D'Andrea.

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 Regular Meeting of October 20, 2015; and Special Meeting (Executive Session) of October 27, 2015.

Moved by Councilmember Scott Overton, **seconded by** Councilmember Karla Brewster to approve the minutes of the City Council Regular Meeting of October 20, 2015; and Special Meeting (Executive Session) of October 27, 2015.

Vote: 7 - 0 - Unanimously

5. PUBLIC PARTICIPATION

Public Participation enables the public to address the Council about an item that is not on the agenda. 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.

Heather Ainardi with the City's Convention and Visitor's Bureau (CVB) addressed the Council to inform them and the public that Governor Ducey signed a proclamation announcing that Flagstaff has been proclaimed Arizona's Winter Wonderland. She thanked City staff as well as the leadership for pushing it through with assistance from Richard Travis and Representative Thorpe. She then read the proclamation.

Richard Baron with the County Manager's Office introduced two fellows that were visiting from Indonesia and Malaysia. They each addressed the Council and briefly discussed the countries from which they come.

Mayor Nabours welcomed them both, stating that they were happy to have them.

6. PROCLAMATIONS AND RECOGNITIONS

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:** Northern Arizona Intergovernmental Public Transportation Authority (NAIPTA) Transit Advisory Committee (TAC) Citizen Appointment.

Moved by Councilmember Karla Brewster, **seconded by** Councilmember Eva Putzova to appoint Sherry Miller to the Northern Arizona Intergovernmental Public Transportation Authority (NAIPTA) Transit Advisory Committee (TAC), term to expire October 2018.

Vote: 7 - 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.

None

10. ROUTINE ITEMS**A. Consideration and Approval of Contract: State Lobbying Services (***Approve agreement with Triadvocates, LLC in the amount of \$45,000 annually, plus expenses.***)**

Stephanie Smith from the City Manager's Office addressed the Council, stating that this and the next item were contracts with the City's lobbyists to advocate and monitor the City's legislation, both statewide and federally. She said that the lobbyists receive direction from the Council through the adoption of their annual Legislative Priorities, and they are then responsible for ongoing communication as well as seeking direction from the City on important bills.

Ms. Smith then acknowledged Richard Travis with Triadvocates (state issues), who was present, and Bob Homes with Nexxus (federal issues), who was present telephonically. She also recognized Rick Compau with Purchasing for his leadership through the competitive process.

Ms. Smith then provided a PowerPoint presentation which addressed:

FEDERAL AND STATE LOBBYISTS SERVICES

Scope of Work

Compensation Solicitation Process

Recommendation

FEDERAL AND STATE LOBBYING SERVICES

Demonstrate knowledge of City's issues

Full scope of work is included in Packet

COMMUNICATION

COMPETITIVE PROCESS

EVALUATION CRITERIA

PROPOSALS RECEIVED

PAST ADDITIONAL EXPENSES

Councilmember Putzova said that both of the recommended lobbyists have been with the City for awhile, and asked how long. Ms. Smith explained that both of the individual assigned to the City have been with them for awhile. Both individuals were with different firms. Three fourths of the way through FY14 Richard Travis moved to Triadvocates and Bob Holmes moved to Nexxus.

Councilmember Putzova asked that staff speak to some of their successes.

Ms. Smith reviewed some successes at the federal level which were with the amount of leverage they have been able to get with the City's \$10 million bond for forest restoration. In three short years they have leveraged an additional \$2.5 million with \$2 million from federal resources, which allows the City's dollars to go further.

At the state level, besides becoming the Winter Wonderland of Arizona, Mr. Travis has had significant success talking about the need for a Veteran facility in Flagstaff before both the State and House of Representatives. Additionally, there has been significant progress with intergovernmental agreement in the recent year with ADOT (Arizona Department of Transportation) to help the City access right-of-way along I-40 for the Red Gap pipeline.

Other successes included: Amending two different trash bills, funding for segments of the Rio de Flag project, keeping the City fighting at the top of the line with the Corp of Engineers; Airport grant funding; forest health funding; East Flagstaff traffic interchange, BNSF project, \$4 million for the Innerbasin project.

Mayor Nabours said that sometimes it is not money, but having someone close to the ground in Phoenix and Washington to check on things and shepherd them through the process. He said that they are always well received at FAA when they travel to Washington.

Mayor Nabours asked if some cities have a staff person serve as their lobbyist. Ms. Smith said that it depends on the city or county. Some cities in Arizona hire their own staff person, similar to the County. Mr. Travis added that it depends on the size of the cities. The larger cities will have several designated lobbyists at the capital and also hire outside firms. The small cities do not have anyone at all and rely solely on the League. He said that most cities with a population between 50,000 and 100,000 contract for a lobbyists rather than hire an in-house one.

Councilmember Putzova asked who in staff was a registered lobbyist. Ms. Smith said that she could provide a list in a follow-up e-mail. She said that the City Manager staff and Leadership Team is listed on the Secretary of State's site. Ms. D'Andrea said that the City representatives in the contract were Mr. Copley, Ms. Watson and Ms. Goodrich; it would be good to add Stephanie Smith to the contract.

Moved by Councilmember Karla Brewster, **seconded by** Councilmember Coral Evans to approve the Contract with the Triadvocates, LLC to provide state lobbying services for the City of Flagstaff for an annual fee of \$45,000 plus applicable expenses billed at cost and authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

- B. Consideration and Approval of Contract:** Federal Lobbying Services (***Approve agreement with Nexxus Consulting, LLC in the amount of \$82,606 annually, plus expenses***).

See discussion in item 10-A above.

Moved by Councilmember Jeff Oravits, **seconded by** Councilmember Karla Brewster to approve the Contract with Nexxus Consulting, LLC to provide federal lobbying services for the City of Flagstaff for an annual fee of \$82,606 plus applicable expenses billed at cost and authorize the City Manager to execute the necessary documents, to include Stephanie Smith in the contract.

Vote: 7 - 0 - Unanimously

- C. Consideration of Meeting Cancellation:** November 24, 2015, Work Session due to Thanksgiving holiday.

Moved by Councilmember Jeff Oravits, **seconded by** Councilmember Coral Evans to cancel the November 24, 2015, Work Session due to the Thanksgiving holiday.

Vote: 7 - 0 - Unanimously

D. Presentation of City Manager Excellence Awards.

City Manager Josh Copley came forward to make presentations, thanking the Deputy City Managers and City Attorney for helping in the selection process for 91 nominations made this year. He said that the awards are based on the highest of the San Francisco Peaks--Fremont, Agassiz and Humphreys, and are selected based on the City's values of teamwork, accountability, community, quality, and leadership. The following awards were then presented:

FREMONT AWARD

Teamwork - Customer Service Committee (The active members of the team this past year include: Jason Cook, Tammy Bishop, Lianne Garcia, Karl Eberhard, Tanner Callan, Jennifer Caputo, Denise Thompson, Geneva Dawson, Lisa Deem, Paul Lasiewicki, Jessica Foos, Claire Harper, Tamara Lawless, Glorice Pavey and Crystal Warden)

Accountability - Robert Brown, Prosecution

Communication - Nathan Naloborski

Quality - Nick Jacobellis (Police)

AGASSIZ AWARD

Teamwork - Customer Service (Michele Bader, Kim Burns, Pam Caskey, Sandy Corder, Sharon Gonzales, Sabrina Schoenhard)

Accountability - Wildcat A+ Team (Ryan Roberts, Erin Young, Steve Camp, Mark Richardson, Troy Dagenhart, Mike Miller, Bill Case, Rick (Fredrick) Wright, Alicia Davia, Scott Gede, Rick Norman, Jeremy Meyers, Jesus Romero, Lisa Adams, Jolene Hayes, Robin Harrington and James Boyer)

Communications - Stacy Saltzburg (City Clerk's Office)

Quality - Becky Cardiff and Margo Neff

Leadership - Stephanie Smith

HUMPHREYS AWARD

Marianne Sullivan (Police Legal Advisor)

Mayor Nabours thanked everyone and invited them to attend a reception in the lobby to congratulate the winners.

RECESS

The 4:00 p.m. session of the November 3, 2016, Council Meeting recessed at 5:00 p.m.

6:00 P.M. MEETING

RECONVENE

Mayor Nabours reconvened the Regular Meeting of November 3, 2015, at 6:03 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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§38-431.03(A)(3).

11. 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: City Manager Josh Copley and City Attorney Michelle D'Andrea.

12. PUBLIC PARTICIPATION

The following individuals addressed the Council on the issues noted:

Al White, regarding proposed changes being considered to the Zoning Code with regard to ADA parking. He urged the Council to maintain the current standards.

Dick Monroe, regarding the golf course at Continental Country Club, asking the Council to consider them a partner and realize they are not making money on the course.

Chuck Crandall, regarding an incident that happened two years ago while walking downtown.

Gabor Kovacs, regarding prior votes on the issue of an Indigenous Peoples Day.

Rudy Preston, regarding the confusion of having a draft and final, as well as amended, agendas on the website. He also voiced concern with the agreement with Nestle Purina, stating that the agreement was taking away tax dollars from the schools. He requested a moratorium on any further such agreements.

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

None

14. PUBLIC HEARING ITEMS

None

15. REGULAR AGENDA

A. Discussion/Direction on 2016 Legislative Priorities and Communication and Engagement Strategies

Assistant to the City Manager Stephanie Smith reviewing the process for adoption of the annual legislative priorities and then reviewed the City's proposed resolutions to the League of Arizona Cities and Towns and those proposed by the League.

Councilmember Evans asked for more explanation on the Public Records Request item. Ms. Smith said that the bill would allow cities and towns to place reasonable balances on public records requests. Mayor Nabours noted that Flagstaff did not join on that bill, but it was introduced by the City of Yuma as they have one individual that submits very time-consuming requests monthly and they have had to hire additional staff to respond to them.

Richard Travis said that part of the discussion that should be had is the logistics. With filing deadlines, etc. simply asking a legislator to open or drop a bill, it would probably be too late. Their hope is to find out what the Council would like to see and then some prioritization of those matters. Then, if it is a bill they would like somewhere on that list, it is his job to get some of the mechanics take care of.

Councilmember Putzova asked for comment on some of the major bills that did not make it into law, and if there was any indicating that any of the same laws would be reintroduced. Mr. Travis said that some bills that may be seen again this session include: firearm legislation, sales tax reforms, waste management and trash, pension reform.

Brief discussion was held on firearm laws. Mayor Nabours said that was a good example; there was nothing about that on their guiding principles, yet the League took a strong position because of the costs and complications to each city/town chambers.

Ms. Smith said that staff would ask that the Council think about what is most important to Flagstaff and what state agency collaborations or projects are critical to Flagstaff.

Councilmember Putzova said that she would appreciate a discussion on what level they should focus on. She said that they can create a long list, but there are limited resources. Ms. Smith said that some of those things mentioned could align well with their guiding principles.

Ms. Smith said that on November 17, 2015, staff will be bringing back a resolution with a list included. Council worked some on the State side of priorities and then took a break from 7:55 p.m. to 8:06 p.m., returning to discussion of federal issues and priorities.

Councilmember Evans asked Mr. Holmes if he thought that the CDBG funding would be cut. Mr. Holmes said that he did not believe that it would; he thinks it will stay at status quo.

Discussion was held on transportation. Mr. Holmes said that the House is going to start debating its six-year authorization plan tomorrow. The Senate passed their bill at the end of July and they will see some movement on a lot of issues. He said that the 2016 calendar came out today showing a break from July 16 through Labor Day, so if issues are not resolved by June they become mixed into the political process.

Gabor Kovacs addressed the Council regarding past discussions of public safety being controlled federally, and the impact it would have on local control. He asked that the Council look into that issue.

Discussion was held on 2016 Tribal Relations priorities. Members agreed that they enjoyed meeting with the Hopi Council and would appreciate doing the same with the Navajo Tribe. Councilmember Evans said that she would like to see Flagstaff host the Summit in 2016. Councilmember Putzova asked that they be sensitive to the cultural context and proposed

that they do not call it "border town." She thought that all of the ideas were good and help build partnerships and interrelationships.

Councilmember Putzova said that there was a recent presentation from the Navajo Nation Human Rights Commission about some of the issues raised that she did not know tribal leaders were worried about. She thought that was a good lens to look through, and then also look at some of those issues they were not so happy about, specifically the predatory practices by car dealerships.

Ms. Smith said that she will take all of the feedback along with current issues and bring back some proposed language for their Guiding Principles.

Discussion was then held on communication and engagement strategies. Council agreed to have staff include a standing item on the agenda for "discussion of current items before the State Legislature.

Ms. Smith said that she would bring back the Guiding Principles and Priorities to the November 17, 2015, Council meeting and then they would discuss the upcoming federal lobbying trip at the December 9 budget retreat. She also reminded everyone that on December 10, 2015, they would be holding their Legislative Breakfast at the Aquaplex to meet with their state delegation.

Mayor Nabours then moved to discussion of Future Agenda Item Request issue regarding joining the lawsuit related to local control and plastic bags.

B. Discussion and Direction of Council Travel Policy and Use of Travel Funds

Executive Assistant to the Mayor and Council Meg Roederer provided a PowerPoint presentation which addressed the following:

EXECUTIVE SUMMARY

BACKGROUND

HOW FUNDS ARE USED

WHAT HAPPENS TO UNUSED FUNDS?

WHAT ACCOUNTSABILITY PROCEDURES SHOULD APPLY?

FINANCIAL IMPACT

OPTIONS AND ALTERNATIVES

Discussion was held on the ability of the Council to following either the current employee travel policy or develop their own. If they developed their own, they could designate what the process would look like and what would and would not be covered.

Discussion was held on what exactly the travel funds could be used for. Concern was voiced with it possibly becoming a "slush fund" to be used for whatever the Council wanted to use it for. It was noted that some of the funds in the past have been used for subscriptions. Vice Mayor Barotz said that she thought it was important to separate the nontravel-related items since some of them do not travel. She would like the public to know that she is not traveling around the country. She asked how Council can continue to grown and learn; she did not believe that conferences were the only way to do that.

Mayor Nabours said that he would assume there was an employee policy on a department or employee getting a subscription or books on tape, etc. Ms. Roederer said that there are budget line items fro training and also subscriptions. They could break those allocations out in the budget if they prefer.

Discussion was held on who would approve the requests since the City Manager was not the Council's supervisor. Councilmember Brewster said that he may not approve the request, but could still look at the request to ensure that it was meeting the policy.

Mayor Nabours said that he did not think they should be treated any differently than other employees. Every department has requests for subscriptions, etc. Those same rules should apply to the Council. It is simply the job of the City Manager to see if he would approve the request for any other employee.

Councilmember Oravits said that he believed they were trying to fix something that was not broken. He has heard that some on Council are interested in hiring interns. He would not support that, but he would support breaking the funds out into the appropriate categories in the budget.

Consensus of Council was to direct to staff to create a policy that was similar to the employee policy, to be brought back to Council for fine tuning.

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. Future Agenda Item Request (F.A.I.R.): A request by Councilmember Evans to place on a future Work Session agenda review of the Sustainability Commission and Task Force's Plan regarding Plastic Bags.

Councilmember Evans said that she was looking for support from three Councilmembers to review the Sustainability Commission and Task Force's plan. She said that they stopped the conversation because the week they were going to discuss it was the week the state decided to intervene. She would like to have a full discussion and report.

With three Councilmembers in support, this item will move to a future agenda for consideration.

Mayor Nabours then returned discussion back to the issue regarding the Council Travel Policy.

B. Future Agenda Item Request (F.A.I.R.): A request by Councilmember Evans to place on a future agenda discussion and possible action regarding the City joining the lawsuit and/or filing an amicus brief re plastic bags.

Councilmember Evans provided a memorandum from Tim Hogan regarding participation in the lawsuit through either intervention or an amicus curiae. She also shared with the Council an e-mail from Lauren Kuby, asking for support of the City in her lawsuit.

Councilmember Evans said that she was looking for support to move this discussion forward, noting that time was of the essence.

Gabor Kovacs, Flagstaff, addressed the Council stating that he would like the whole plastic bag issue dropped as it was frivolous. He said that he did agree in a lot of ways as it dealt with local control, but lawsuits take a lot of time and money and they need to focus on more

critical issues in the community.

Councilmember Putzova said that it had to be a private citizen defending the right of a city or cities to govern their affairs. She thought it was sad that they are never the ones that drive these issues, to protect their voters and stand for their charters.

With three Councilmembers in support, this item will be placed on a future agenda for consideration.

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

Councilmember Evans said that she would like to have a better understanding of the water rates and information on the reclaimed water going to the Continental Country Club. She would like to have the history behind it, how it was established, who paid for what, and who is now paying. Mr. Copley said that he would have staff prepare a CCR.

Councilmember Putzova asked for a FAIR or CCR on GPLET. She would like to have a public presentation on the arrangements of contracts they have with various businesses. She would like to elaborate on the written report that is available and maybe have a policy discussion.

Mayor Nabours noted that this year the Council would be collecting hams on behalf of the Family Food Center, in competition with the County (who is collecting turkeys). They would be collecting them on November 7 and 8 at "Stuffing the Truck" at the Safety on North 89.

19. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held November 3, 2015, adjourned at 8:56 p.m.

MAYOR

ATTEST:

CITY CLERK

CERTIFICATION

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 November 3, 2015. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 19th day of January, 2016.

CITY CLERK

MINUTES

1. **CALL TO ORDER**

Mayor Nabours called the Regular Meeting of November 17, 2015, to order at 4:01 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

ABSENT

MAYOR NABOURS

NONE

VICE MAYOR BAROTZ

COUNCILMEMBER BREWSTER, telephonically

COUNCILMEMBER EVANS

COUNCILMEMBER ORAVITS

COUNCILMEMBER OVERTON

COUNCILMEMBER PUTZOVA, telephonically

Others present: City Manager Josh Copley 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 Mission Statement of the City of Flagstaff.

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 Combined Special Meeting/Work Session of October 13, 2015.

Moved by Councilmember Jeff Oravits, **seconded by** Councilmember Scott Overton to approve the minutes of the City Council Combined Special Meeting/Work Session of October 13, 2015.

Vote: 7 - 0 - Unanimously

5. PUBLIC PARTICIPATION

Public Participation enables the public to address the Council about an item that is not on the agenda. 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).

None

8. LIQUOR LICENSE PUBLIC HEARINGS

- A. Consideration and Action on Liquor License Application:** Lauren Merrett, "The Mayor", 409 S. San Francisco St., Series 12 (restaurant), New License.

Mayor Nabours opened the public hearing; there being no public comment he closed the public hearing.

Vice Mayor Barotz asked if the restaurant will be participating in future Tequila Sunrise events. The applicant was not present to answer the question. Vice Mayor Barotz stated

that she will be voting no because she had questions for the applicant and neither they nor a representative was there.

Councilmember Evans stated that this is the first time in her time on Council that an applicant or representative was not present for questions.

Moved by Councilmember Jeff Oravits, **seconded by** Councilmember Scott Overton to forward the application with a recommendation for approval to the State.

Vote: 5 - 2

NAY: Vice Mayor Celia Barotz
Councilmember Coral Evans

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.

Moved by Vice Mayor Celia Barotz, **seconded by** Councilmember Jeff Oravits to approve Consent Items 9-A, B, C, and D as presented.

Vote: 7 - 0 - Unanimously

- A. **Consideration and Approval of Sole Source Purchase:** Utilities Industrial Grade Water Work Supplies (***Approve purchase from HD Supply, Inc. in an amount up to \$379,418.***)
Approve the purchase of utilities industrial grade water works supplies from HD Supply, Inc. per the attached list of items at the negotiated pricing.
- B. **Consideration and Approval of Cooperative Contract:** Involving Coconino Coalition for Children and Youth Program, Flagstaff Unified School District and the City of Flagstaff for the FACTS After School Program.
Approve the agreement with Flagstaff Unified School District and the Coconino Coalition for Children and Youth in the amount of \$247,319 for the FACTS Program and \$19,669 for the Coconino Coalition for Children and Youth Program for fiscal year 2016. Subject to annual budget appropriations and upon Council approved monetary contributions and mutual written agreement between the City and the Coalition and School District, this Agreement may be renewed for a maximum of four additional one year terms, subject to annual budget appropriations.
- C. **Consideration and Approval of Street Closure(s):** New Year's Eve
Approve the street closure at Aspen Avenue (between San Francisco Street and Beaver Street) and Leroux Street (between Route 66 and Birch Avenue) on December 31, 2015 at 8:00 pm to January 1, 2016 at 2:00 am.
- D. **Consideration and Approval of Street Closure(s):** Flagstaff Earth Day
Approve the street closure at Aspen Avenue between San Francisco Street and Leroux Street on Saturday, April 23, 2016 from 7:00 am - 5:30 pm.

10. ROUTINE ITEMS

- A. Consideration and Adoption of Resolution No. 2015-37:** A resolution of the City Council of the City of Flagstaff, Coconino County, Arizona, declaring official and adopting the results of the Special Election held on November 3, 2015. ***(Results for Election on Changes to City Charter)***

City Clerk Elizabeth Burke addressed Council and provided a recap of the election results from the November 3, 2015 election. Four of the seven questions passed and the results will be sent to the Governor for signature and approval. The changes to the Charter will become effective at the time of the Governor's signing.

Ms. Burke stated that 6,745 ballots were cast with 145 being rejected and 1,301 ballots returned undeliverable.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Karla Brewster to read Resolution 2015-37 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, COCONINO COUNTY, ARIZONA, DECLARING OFFICIAL AND ADOPTING THE RESULTS OF THE SPECIAL ELECTION HELD ON NOVEMBER 3, 2015.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Scott Overton to adopt Resolution 2015-37.

Vote: 7 - 0 - Unanimously

- B. Consideration and Approval of Contract:** An intergovernmental agreement with the Summit Fire District for management services. ***(Approve Intergovernmental agreement with Summit Fire District in the amount of \$72,900)***

Flagstaff Fire Chief Mark Gaillard addressed Council with a PowerPoint presentation that covered the following:

INTERGOVERNMENTAL AGREEMENT (IGA) FOR MANAGEMENT SERVICES
AN OPPORTUNITY TO INNOVATE
THE OPPORTUNITY
ELEMENTS OF THE IGA
COST RECOVERY
TAX PAYER COST AND TAX PAYER BENEFIT
COSTS VS. VALUE (2 YEAR IGA TERM)
ANTICIPATED FUTURE BENEFITS
SUMMARY

Councilmember Brewster asked if there will be a review of the pilot program after the initial two years to examine the estimated benefits and to see if the partnership was successful. Chief Gaillard stated that staff will be checking in with the City Council and the Summit Fire Board after one year to report on successes and challenges at that time. A similar review will be held at the two year period to determine the future course of the partnership. He

added that the nature of the current agreement is temporary and there will be things that need to be addressed moving forward after the initial two year term.

Councilmember Oravits asked if there was any place where a partnership like this had been done. Chief Gaillard stated that the City of Davis, California and the University of California, Davis have a similar agreement in place that provides for management services between departments. Additionally, there are several fire districts in Flagstaff for which the Fire Department provides fire contracts for. He added that there are other communities that have begun having similar discussions in an effort to curb some of the various financial constraints on each department.

Councilmember Oravits asked how practical it would be for the City to exit the agreement after the initial two year term. Chief Gaillard stated that if the City were to exit the agreement it could be done seamlessly without any major disruption to services.

Vice Mayor Barotz thanked Chief Gaillard for all of the information that has been provided over a number of meetings. She stated that she is having a difficult time identifying any downside to the partnership and asked for the Chief's perspective on possible negative issues. Chief Gaillard stated that he, too, does not see any downside other than the partnership not working and the consequence to the City in that event would be very little.

Mayor Nabours stated that he has concerns about the City providing a \$100,000 employee to Summit Fire for little to nothing in return. While he understands the consolidation of efforts and he respects the chiefs from both agencies he will not be supporting the agreement.

Vice Mayor Barotz stated that she has come to understand that much of the risk to firefighters across the country is the different procedures applied between agencies. The more standardized they are the more safe they become. With more standardization there is a decrease in risk. Summit Fire is so close to the City that it is not out of the question that both agencies respond to the same event. This is one small way to bring forward more standardization and decrease risk, even minimally, to the firefighters.

Councilmember Overton stated that he has given the partnership a great deal of thought. He feels that there is a responsibility of the Council to look at the Fire Department and make sure they are operating in a manner that works well and protects the organization and the community. This discussion has brought to light that the City is behind in professional development. If an agreement such as this one is not done the Council needs to do a better job at recognizing and addressing the shortcomings within the department. He feels that there are pros and cons to the proposed agreement. Regionalization, the desire for less bureaucracy and limited resources have made the agencies think creatively and he applauds the effort put into the development of the proposal. He has concerns with the financial piece and the political risk and will not be supporting the agreement. He is appreciative of the conversations and believes that they have identified the issues within the department that need greater support from the Council.

Councilmember Evans stated that she feels that the agreement represents a unique opportunity. As the partnership develops there will be things within the agreement that need to be adjusted or changed and having a two year initial term will allow adequate time to identify any issues. It gives great opportunity for training, management, and leadership for the City's Fire Department. She stated that it is a good opportunity and she looks forward to supporting it.

Councilmember Brewster stated that the leadership behind the partnership is innovative and visionary. Additionally, she is pleased to hear that after one year there will be a review of the contract. She will be in support of the agreement.

Councilmember Putzova stated that the Council must provide leadership development for employees and this agreement seems to be a great way to do that in addition to increasing safety and showing a true collaborative spirit in the community. The contract can be adjusted if there are any concerns down the road but she is very comfortable with the agreement moving forward.

Moved by Vice Mayor Celia Barotz, **seconded by** Councilmember Coral Evans to approve the Intergovernmental Agreement with Summit Fire District in the amount of \$72,900.

Vote: 4 - 3

NAY: Mayor Jerry Nabours
Councilmember Jeff Oravits
Councilmember Scott Overton

- C. Consideration and Adoption of Ordinance No. 2015-19:** An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, Section 3-10-001-0007 Cemetery to increase Cemetery fees by 10%. (***Cemetery fee increase***)

Mayor Nabours stated that a definition of resident is needed within the ordinance because there is currently no clarification on who constitutes a resident. Public Works Section Head Mike O'Connor stated that the cemetery currently defines a resident as someone who lived within the FMPO boundary. He stated that a definition could be added to the ordinance.

Moved by Councilmember Coral Evans, **seconded by** Vice Mayor Celia Barotz to read Ordinance 2015-19 for the first time by title only.

Vote: 5 - 2

NAY: Councilmember Jeff Oravits
Councilmember Scott Overton

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 3, BUSINESS REGULATIONS, CHAPTER 10, USER FEES, SECTION 3-10-001-0007, CEMETERY FEES; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE.

- D. Consideration and Approval:** 2016 Intergovernmental Relations Priorities.

Assistant to the City Manager Stephanie Smith addressed Council with a PowerPoint presentation that covered the following:

CITY OF FLAGSTAFF INTERGOVERNMENTAL RELATIONS 2016 PRIORITIES
OBJECTIVES
ADVOCACY STRATEGY
2016 GUIDING PRINCIPLES

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Karla Brewster to adopt option C for paragraph two with the deletion of the words "and restoration".

Vote: 3 - 4

AYE: Mayor Jerry Nabours
Councilmember Karla Brewster
Councilmember Jeff Oravits

Moved by Councilmember Scott Overton, **seconded by** Vice Mayor Celia Barotz to adopt option A for paragraph two as drafted.

Vote: 5 - 2

NAY: Mayor Jerry Nabours
Councilmember Karla Brewster

Vice Mayor Barotz asked, in regards to paragraph five, if the City will still participate in the League annual priority setting process. Ms. Smith stated that the process is the League's resolution process and that includes the City contributing recommendations for the resolutions. The City provides recommendations that are reviewed by policy sub-committees and depending on their recommendation they go to the full policy committee at the League level who vote on the recommendations during the annual conference. Vice Mayor Barotz asked for better clarification on what happens when recommendations get to the voting committee; she asked if the Mayor consults with the Council before he votes or if the Council is already aware of what is going into the process. Mayor Nabours stated that the League will have 15-20 proposed resolutions at the annual conference. The Mayor, as a representative of the City, is asked to vote on the resolutions. He stated that he would be happy to bring the list of resolutions to the Council for direction on how the City should vote; most resolutions are in line with the guiding principles and goals but sometimes there can be a subject of debate. Vice Mayor Barotz stated that she feels that discussion by the Council on the resolutions would be good.

Ms. Smith stated that during that process, before it gets to the final committee when the sub-committees meet, the City has representation as the recommending city in case of questions as to why Flagstaff City Council made a particular recommendation. Vice Mayor Barotz stated that her concern is with the City signing onto something that it did not propose. Ms. Smith explained that starting next spring there will be a designated section on the agenda for legislative issues where these types of items will be able to be discussed along with any other issues throughout the legislative session.

Councilmember Oravits asked about how priorities are determined. He asked if those items are always coming back to Council for direction or if staff is using discretion to determine what items are pursued. He asked about an item where local control is the goal but there are things within it that Council disagrees. He is concerned with giving too much discretion without a check. Ms. Smith stated that the purpose of the document is to clearly define and identify the Council's priorities and goals so that the City representatives have clear direction on how to proceed. It is a mixture of legislative priorities along with the goals established by Council back in December.

Triadvocates State Lobbyist Richard Travis addressed Council with two examples of how the priorities and goals help him represent the City. The first is if there is a proposed sweep to an aviation fund; he knows that is an issue that the City relies on and one he

would automatically pursue on the City's behalf even though that is not specifically addressed in the priorities. That action is always communicated with staff. The other example would be like the trash bills presented last year; he notified staff immediately but started to work on it knowing that it was an issue that would have a big impact on Flagstaff. Anything that is a close call they will immediately notify staff but it gets tough towards the end of session and that is when they really rely on the principles and goals established by the Council; if every issue takes a vote Flagstaff would miss the opportunity to weigh in.

Ms. Smith then reviewed the Federal Priorities, the only change was within the project related to the forest health priority; she brought attention to a sentence added to the end of the paragraph that is different than what was presented last week.

Ms. Smith then reviewed the State Priorities. There were three options presented under the priority to Advocate to Expand and Protect Local Control section.

Moved by Councilmember Jeff Oravits, **seconded by** Councilmember Scott Overton to adopt option A.

Councilmember Putzova stated that at the last meeting she had requested that additional language be added and she does not think that options B or C incorporated her intent.

Moved by Councilmember Eva Putzova, **seconded by** Vice Mayor Celia Barotz to amend the motion to add the following sentence to option A: Flagstaff may support legislation that will expand local control by local governments and shall support legislation that will restore local control by local governments and shall oppose legislation that will restrict local control by local governments.

Vote: 3 - 4

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

Mayor Nabours stated that the original motion is still open.

Moved by Councilmember Jeff Oravits, **seconded by** Councilmember Scott Overton to adopt option A.

Vote: 5 - 2

NAY: Vice Mayor Celia Barotz
Councilmember Eva Putzova

Ms. Smith then reviewed Statewide Issues related to Flagstaff and the Tribal Priorities.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Scott Overton to adopt the guiding principles, state and federal priorities and tribal priorities as amended.

Vote: 7 - 0 - Unanimously

RECESS

The 4:00 p.m. portion of the November 17, 2015, Regular Meeting recessed at 5:38 p.m.

6:00 P.M. MEETING**RECONVENE**

Mayor Nabours reconvened the Regular Meeting of November 17, 2015, at 6:04 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**ABSENT**

MAYOR NABOURS

NONE

VICE MAYOR BAROTZ

COUNCILMEMBER BREWSTER, telephonically

COUNCILMEMBER EVANS

COUNCILMEMBER ORAVITS

COUNCILMEMBER OVERTON

COUNCILMEMBER PUTZOVA, telephonically

Others present: City Manager Josh Copley and City Attorney Michelle D'Andrea.

12. PUBLIC PARTICIPATION

Chuck Crandall addressed Council in regards to his experience with the Flagstaff Police Department.

Merle Henderson addressed Council with regards to gun ownership rights.

Gabor Kovacs addressed Council with regards to gun ownership rights.

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

None

14. PUBLIC HEARING ITEMS**A. *McAllister Ranch Property for New Core Services Maintenance Facility:**

- i. **Public Hearing and Consideration of Annexation Ordinance No. 2015-20:** An annexation ordinance extending and increasing the corporate limits of the City of Flagstaff by annexing certain land totaling approximately 44.01 acres located at 3200 W. Route 66, and establishing city zoning for said land as Rural Residential, RR. (***Annexation of property for the new McAllister Ranch public works yard located on West Route 66***)

Mayor Nabours opened the public hearing on items Ai, Aii, and Aiii.

Planning and Development Manager Elaine Averitt provided a PowerPoint presentation that covered the following:

MCALLISTER RANCH PUBLIC WORKS YARD
MCALLISTER RANCH – PROPOSED PUBLIC WORKS YARD LOCATION AND
SURROUNDING USES
ANNEXATION REQUEST
ANNEXATION REQUEST – ZONING CLASSIFICATION
ANNEXATION REQUEST – FLAGSTAFF REGIONAL PLAN 2030 CONFORMANCE
CITY SYSTEM IMPACTS
ANNEXATION RECOMMENDATION
REGIONAL LAND USE PLAN AMENDMENT – EXISTING FUTURE GROWTH
ILLUSTRATION (MAP 21 & 22)
REGIONAL LAND USE PLAN AMENDMENT – PROPOSED FUTURE GROWTH
ILLUSTRATION (MAP 21 & 22)
APPLICABLE GENERAL PLAN GOALS & POLICIES
POLICY ANALYSIS
REGIONAL PLAN AMENDMENT REQUEST
REZONING REQUEST “DIRECT ORDINANCE WITH A SITE PLAN”
REZONING – SITE PLAN
MCALLISTER RANCH – ZONING STANDARDS COMPARISON
RESOURCES: FOREST & SLOPE
DESIGN REVIEW – APPLIED ONLY TO ADMINISTRATION BUILDING
PUBLIC INPUT
REZONING REQUEST/RECOMMENDATION

Mayor Nabours asked Public Works Director Erik Solberg if Public Works is comfortable and in agreement with the ten conditions recommended to be imposed. Mr. Solberg stated that they are comfortable with the conditions proposed.

Councilmember Oravits stated that at some point a traffic signal would be installed; he asked what the trigger point is for signal installation. Community Development Director Mark Landsiedel stated that there are multiple criteria associated with a new signal and staff will continue to monitor the intersection and come to Council when necessary.

Councilmember Oravits asked for information on the plan for protection of the historic buildings. Mr. Solberg explained that it would be part of the Master Plan brought back to the Planning and Zoning Commission. They do not want the buildings to come into disrepair and want to have a plan in place to show that element. That plan is still in development but it will be finalized and brought back to the Commission for approval.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Scott Overton to read Ordinance 2015-20 for the first time by title only.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, EXTENDING AND INCREASING THE CORPORATE LIMITS OF THE CITY OF FLAGSTAFF, COCONINO COUNTY, STATE OF ARIZONA, BY ANNEXING CERTAIN LAND TOTALING APPROXIMATELY 44.01 ACRES LOCATED AT 3200 W. ROUTE 66, AND ESTABLISHING CITY ZONING FOR SAID LAND AS RURAL RESIDENTIAL (RR); PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE.

- ii. **Public Hearing and Consideration of Resolution No. 2015-36:** A resolution amending the Flagstaff Regional Plan 2030 to change the area type designation of approximately 28.7 acres of real property located at 3200 W. Route 66 from Future Urban, Future Suburban, and Area in White to Existing Suburban. **(A minor Regional Plan amendment request related to the proposed McAllister Ranch Public Works Yard). *THIS ITEM WAS MOVED FROM 14 (A) iii.**

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Jeff Oravits moved that Council finds that this amendment to the Flagstaff Regional Plan 2030 meets the requirements of the Regional Plan and the City Subdivision Code and moves to read Resolution 2015-36 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL AMENDING THE FLAGSTAFF REGIONAL PLAN 2030 TO CHANGE THE AREA TYPE DESIGNATION OF APPROXIMATELY 28.7 ACRES OF REAL PROPERTY ON MAPS 21 AND 22 LOCATED AT 3200 W. ROUTE 66 FROM FUTURE URBAN, FUTURE SUBURBAN, AND AREA IN WHITE AREA TYPES TO EXISTING SUBURBAN AREA TYPE AND ESTABLISHING AN EFFECTIVE DATE.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Scott Overton to adopt Resolution 2015-36.

Vote: 7 - 0 - Unanimously

- iii. **Public Hearing and Consideration of Ordinance No. 2015-21:** A zoning map amendment/direct ordinance amending the Flagstaff Zoning Code to rezone approximately 48.81 acres of real property from Rural Residential (RR) to Public Facility (PF) located at 3200 West Route 66 on parcel numbers 112-01-001D and 112-01-002. **(Rezoning of property for the new McAllister Ranch public works yard located on West Route 66). *THIS ITEM WAS MOVED FROM 14 (A) ii**

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Karla Brewster moved that the findings on page two of the staff report of October 28, 2015 have been met and moved for the rezoning of this property with the ten conditions set forth in the Planning and Zoning recommendation and to read Ordinance 2015-21 for the first time by title only.

Vote: 7 - 0 - Unanimously

AN ORDINANCE AMENDING THE FLAGSTAFF ZONING MAP DESIGNATION OF APPROXIMATELY 48.81 ACRES OF REAL PROPERTY LOCATED AT 3200 W. ROUTE 66 ON PARCEL NUMBERS 112-01-001D AND 112-01-002 FROM RURAL RESIDENTIAL (RR) TO PUBLIC FACILITY (PF); PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE.

Mr. Solberg stated that a request for statement of qualifications for the design build of the new yard has been advertised and approximately 65 people attended the pre-statement of qualifications meeting; proposals will be opened on November 25, 2015.

Mayor Nabours took item 15A of the agenda next.

B. Public Hearing and Possible Action: Utilities Rate Study - Council vote regarding Consultant and Possible Alterations to Path Forward.

Utilities Engineering Manager Ryan Roberts provided a PowerPoint presentation that covered the following:

OVERVIEW OF RATE STUDY

Mr. Roberts introduced Chris Fischer with Willdan who continued the presentation.

RATE SETTING PROCESS
STEP 1 – REVENUE REQUIREMENTS ANALYSIS
STEP 2 – COST OF SERVICE ANALYSIS
WATER COST OF SERVICE PROCESS
ALLOCATION OF REQUIRED WATER RATE REVENUE
WATER DEMAND BREAKDOWN
SEWER COST OF SERVICE PROCESS
WASTEWATER COST ALLOCATION
WASTEWATER FLOW CHARACTERISTICS
RECLAIMED WATER COST OF SERVICE PROCESS

Mr. Roberts continued the presentation.

HISTORICAL CONTEXT ON CURRENT RATES

Councilmember Overton asked if there is any knowledge as to why the City moved to 75% in 1993. Mr. Hill stated that he has been doing some research and all he has been able to find is the language of the ordinance; he will continue to research further for notes and minutes to understand better.

Mr. Fisher continued the presentation.

BASIS FOR CURRENT RECOMMENDATIONS
NON-RESIDENTIAL RATES

Mr. Fisher stated that there is more to consider than with residential tier rates. There are a lot of studies that show what residential customers use water for and how much; analysis can be done to develop tiers because users use water at similar times and at similar rates. There is a wide spectrum of users within the non-residential users. Many other

communities have broken down the non-residential users into tiers to attempt to bring fairness to the rate structure. There are differing levels of conservation available to non-residential users.

COUNCIL DECISION POINTS WRAP UP AND SUMMARY

Vice Mayor Barotz asked for another review of the history. Mr. Roberts stated that the rate structure is a legacy structure that began in the 1980s and has been carried forward through many Councils and tweaked along the way. In 1985 the rate structure that occurred was to implement \$1.20 per thousand gallons for customers without a negotiated agreement.

In 1990 the water rate was modified to begin the use of customer classes and added tier block rates for residential customers. In 1993 the rates were modified to provide a rate based on a percentage of potable water. In 1995 the rates were modified to add on and off peak customer class; this was golf courses and it made a requirement to have an onsite storage area. It also added a declining block rate for off-peak users.

In 2002, rates were established for reclaimed water agreements and the rate was dependent on infrastructure investment. In 2006 the rates and structure were modified on the wastewater side that added a class for Joy Cone. In 2010 the structure was modified to lower the residential tiered rates, separate the energy costs and began to eliminate reclaimed water declining block rate. There was a four year time frame to reduce down to a one tier rate; a concession was made by the Council to keep one of the declining block tiers for usage over the threshold.

Vice Mayor Barotz indicated that the 2010 cost of service analysis was used in an effort to save money; she stated that costs are always going up and she is concerned that the figures used in 2010 may be inaccurate for today. Mr. Fisher explained that they examined the cost to provide the service using the most recent data available to determine what it is costing today to provide the water. That is then projected out 10 years to get the cost assumptions. What is used from the 2010 cost of service analysis is only the allocation model because the way the City delivers water is the same as it was in 2010.

Vice Mayor Barotz asked if there was any information on reclaimed water. Mr. Fisher stated that they did not look at the cost of service for reclaimed water; they looked at the current revenue needs associated with reclaimed water. Mr. Hill added that one of the policy questions needing Council direction is related to reclaimed water and moving forward.

Vice Mayor Barotz stated that she understands the allocation of expenses for running the wastewater treatment plant and how much of that cost is allocated to the reclaimed water users is zero. Mr. Hill explained that reclaim rates have historically been set by policy and not by cost of service. Discussions have not yet occurred to address it; the Council will have the opportunity to bring in cost of service to the discussion. Mr. Roberts stated that from an operational cost standpoint the cost is separated out from where the water enters the plant and where it exits.

Mayor Nabours stated that the Water Commission spent a lot of time deciding what should be a capital improvement or major repair or replacement and what that cost would be so Willdan would know how much money is needed to spend on the improvements. Mr. Roberts stated that staff started with a master plan and using that they did conditional

assessments on all of the parts and generated a list of capital improvements over a ten year period. They were presented to the Water Commission and it was vetted through them. In partnership with staff they were able to determine things that needed to be done in five years and also in ten years; that was turned over to the consultants for their process.

Mayor Nabours stated that the reason residential use is tiered is to discourage water use and encourage conservation; he asked if the same rationale applies to the commercial user. Mr. Roberts stated that it is a very difficult issue to tackle. For example, pet food users use water for their production and manufacturing, they do not use water for outside uses so there is not a lot of discretionary uses that can be reduced. Mr. Hill added that staff has never met with a hotel to do a water audit. One of the things staff would want to do is meet with the different customer classes to identify if opportunities for conservation exist. It would be important to better understand the different classes and their uses prior to making any changes in the rate structure for commercial users.

Vice Mayor Barotz stated that there have been comments that the potable water rate users subsidize the reclaimed water rates. Mr. Roberts stated that the statement was correct but it is not the case now. In 2010 the potable rates were subsidizing the reclaimed water rates.

The following individuals addressed Council in opposition to the proposed water rates:

- Tory Syracuse
- Rudy Preston
- Katie Nelson
- Jack Rathjen

The following individuals addressed Council in favor of the proposed water rates:

- Gaylord Stavely

The following comments were received:

- A closer look at the issues is needed.
- There are many concerns that have been raised about the study.
- Nothing is more useful than water.
- Water is an inexpensive commodity; it is the infrastructure that is costly.
- Letting utility rates lie for many years and then increasing them dramatically shocks the financial system and users. Slow and steady increases are what is needed.
- The rates are designed to keep the cost low to heavy users such as golf courses.
- It appears that there is a shifting of numbers, there has not been a rate increase but suddenly costs are being covered.
- The City upgraded the treatment plant for the reclaimed water users. Council should look at how much it cost to upgrade the plant and consider having the reclaimed users pay for those upgrades.
- Having reclaimed water rates go up three times in 10 years is punitive to the golf courses.
- Water is energy and just because the rates appeared to have gone down in 2010 it is only because the energy costs were separated out.

Mayor Nabours stated that he is not interested in a commercial rate structure but he would be supportive of staff conducting audits with commercial users to examine opportunities for conservation.

Vice Mayor Barotz stated that she is interested in looking at a proposal for commercial rates. There are many communities that use it and she would like to understand how it can

possibly work for Flagstaff. Councilmember Evans stated that she is also interested in getting more information about non-residential rates.

Councilmember Overton stated that he does not think tiered rates are the best application for non-residential users. He would be more interested in looking at alternative ways to promote conservation in commercial users. Councilmember Oravits indicated that he is not interested in commercial rates as well. Councilmember Brewster also stated that she would not be interested in looking at commercial rates because in so many cases businesses are in a situation that limit their conservation efforts.

Councilmember Putzova stated that she feels that the question should be what is the overall goal and is a non-residential tier a solution to the goal; a non-residential tier structure is how that can be studied and developed to make it completely acceptable to the customer. She feels that it should be studied as part of the package.

Mayor Nabours stated that there is not a majority in favor of a commercial tier structure but there is consensus to identify conservation efforts.

Mr. Hill indicated that staff needs Council direction on the three options presented during the presentation.

A majority of Council is in support of Option Two to slow down the process to allow for more discussion and public input.

Mayor Nabours then moved to section 17 of the agenda.

15. **REGULAR AGENDA**

- A. Consideration and Approval of Preliminary Plat:** Request from Mogollon Engineering and Surveying Inc., on behalf of True Life Communities PCAZ, for the subdivision of approximately 19.20 acres into 32-single-family residential lots located at 2705 E. Telluride Drive, within the Single-Family Residential (R1) Zone.

Planning Development Manager Tiffany Antol provided a PowerPoint presentation that covered the following:

COCONINO RIDGE AT PINE CANYON
PRELIMINARY PLAT – NEW PARCELS
NATURAL RESOURCE PROTECTION
SYSTEMS ANALYSIS
RECOMMENDATION

Moved by Councilmember Scott Overton, **seconded by** Councilmember Coral Evans to approve the preliminary plat with the condition that LID and detention is required for all lots in the subdivision including lots 1-14 and lot 32.

Vote: 7 - 0 - Unanimously

Mayor Nabours took item 15B of the agenda next.

- B. Consideration and Approval of Amendments to the Rules of Procedure:** Proposed Change to Rule 4.01, *Procedures for Preparation of Council Agenda*, and Rule 10.09, *Motion to Reconsider*, to require a vote of four councilmembers to move an item from Future Agenda Item Requests (FAIR) to a regular agenda.

The following individuals addressed Council in opposition of a change to require a vote of four councilmembers to put an item on a regular agenda:

- Lena Wallen
- Tory Syracuse
- Luann Meek
- Paul Deasy
- Ed Dunn
- Bruce Hagen
- Sallie Kladnik
- Alicyn Gitlin
- Jane O'Donnell
- Adam Shimoni
- Rudy Preston
- Katie Nelson
- Charlie Silver
- Richard Boothe

Gabor Kovacs addressed Council in favor of the proposed change.

The following comments were received.

- Efficiency is not enough of a reason to change the rule.
- By only requiring three votes issues of various concern are given the opportunity to be discussed.
- This item should go before the citizens for a vote.
- Flagstaff needs more civil discourse.
- Extra time on the job to hear the minority view is not too much to ask for.
- The minority position will be heard and will prevail; it is important that all voices are heard.
- All voices and opinions are needed for change.
- It is becoming more and more difficult to access the City Council.
- There are times when a majority of Council is not aware or educated about issues and having discussion and citizen comment can shape and or change the perspectives of Council.
- Democracy is not about efficiency, it is about representing and hearing the minority voice.
- If it is a value to a few on the Council, it is a value to many in the community.
- Every councilmember should have the ability to place an item on the agenda.
- Discussion creates compromise and bringing forward a full discussion brings everyone together.
- Citizens should have a say in how the Council Rules of Procedure are changed.
- The current system has not been abused or broken, there is no need for this change.
- Keep the process as it is now.

The following individuals submitted written comment cards in opposition of the proposed change:

- Michael Caulkins

- Jacquita Bailey
- Dawn Dyer
- Claire Herrica
- Shawn Newell
- Marilyn Weissman
- Rhea Nanni

Mayor Nabours stated that when he was elected in 2012 the rule was four councilmembers were required to advance something on the agenda. The Council agreed to change the requirement to three and that is the process now. What he has seen is that if there are not four councilmembers interested in seeing something move forward the likelihood of failure is high. Any single councilmember can ask for an item to be placed on an agenda as a Future Agenda Item Request (FAIR) item; at that time the councilmember can make their argument as to why it should be on an agenda and full staff resources dedicated it. He has seen the process done both ways and he prefers the requirement of four.

Vice Mayor Barotz stated that when she was elected in 2010 the rule of four was in place but that there was a different composition of the Council. The partisan divide of this Council is what is causing the concern with the change. She feels that the Council is incredibly partisan now and the value differences are great. When it was changed from four to three there was not the perception of wasting anyone's time.

Councilmember Brewster stated that she has been on the Council for a long time and can remember when only one Councilmember was needed to place an item on the agenda. She felt that this wasted a lot of staff and Council time on issues that were not important to many people in Flagstaff. She stated that the assumption of cutting out the minority voice is inaccurate because any councilmember can propose an item to come forward; they can discuss how the item benefits people in the community and why it needs to be discussed fully. She feels that no staff time should be expended unless there are four councilmembers in favor of the item moving forward for further discussion and action.

Councilmember Oravits stated that he did support the change from four to three when he was first on Council. He is seeing things move forward that have three votes. Council and staff spend a significant amount of time on the item and it fails. When there is clearly a majority of Council that oppose something and it goes forward anyways with staff dedicating time for an item that fails, it is frustrating. There have been comments that a vote of four will pre-determine the outcome of an item; he has seen things move onto an agenda with seven votes to ultimately fail at the end. There is some partisanship on this Council but concessions and compromises have been made to discuss issues and move things forward. He feels that the proposed process is fair and it provides opportunity for the public to speak and lobby the Council on issues that are important to them.

Councilmember Evans stated that she was on Council when only one councilmember was needed to put an item on the agenda and she supports that process. Each of the councilmembers were elected to represent the public and one councilmember cannot represent everyone so they rely on the other councilmembers to bring issues and items of concern and importance forward for discussion. When the Council moved from one to four there was a level of respect or courtesy of the other councilmembers to help get items on an agenda for discussion. When a councilmember first proposes an idea they have no staff resources and they have to rely on the special interest groups for information or do the research themselves. If it makes it to an agenda item then there is access to staff to get an unbiased approach to the information. The business is to listen to the citizens and one way

to do this is for Council to bring items forward for possible discussion. Sometimes an item gets on the agenda and it goes down in flames but the discussion was had and the community was able to weigh in. This also allows the community to pick up issues and run with them when the City is not able to or does not want to. She is in support of keeping the rule the way it is currently or lowering it further. She stated that she brings forward a lot of items but they are items that she is hearing about from her constituents. Other councilmembers bring items forward based on what they are hearing from their constituents.

Councilmember Putzova stated that each councilmember is elected by thousands of people and it is their responsibility to represent these people. Citizens already have the obstacle of needing 25 signatures in order to have an item considered by the Council. Councilmembers should have the ability to discuss items the public wants them to discuss. Not every single agenda item needs to lead to an action; sometimes just learning about things is important. The Council hears regular reports from community agencies where no action is taken so the same should apply to the citizens the Council represents.

Councilmember Evans requested a roll call vote on the item.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Scott Overton to amend the City Council Rules of Procedure rule 4.01 and rule 10.09 to require a vote of four councilmembers instead of three and that such change be effective immediately.

Vote: 4 - 3

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

A break was held from 7:40 p.m. through 7:52 p.m.

Mayor Nabours took item 14B of the agenda next.

16. DISCUSSION ITEMS

NONE

***ITEMS SHOWN ON THE ORIGINAL FINAL AGENDA HAVE BEEN MOVED TO 17**

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. Future Agenda Item Request (F.A.I.R.):** A request by Mayor Nabours to place on a future agenda discussion regarding Tequila Sunrise. ***THIS ITEM MOVED FROM 16-A**

Mayor Nabours stated that he would like to have all the interested parties at a work session to discuss and look at the options to put some good into the Tequila Sunrise event.

Councilmember Overton stated that while the City must be responsive to the event and the issues it creates, he wants to make sure that there is an understanding that it is not a City

event. He is not certain that the City is the right host agency for the meeting and questions the City's role since there is no direct effect by the City.

Councilmember Evans stated that she is interested in the conversation. She feels that people look to the City because they are responsible for actively managing the event with its resources. She would like to know the actual cost to the City to rearrange Police Department shifts to accommodate the event and how much it truly cost to be actively involved in the event. She feels that this information would be helpful to the discussion.

Councilmember Brewster stated that she is not sure how much the City can do since it is not a City function but is open to having the discussion.

Councilmember Oravits indicated that he is in favor of having the discussion.

A majority of Council is in favor of putting the item on a future agenda.

- B. Future Agenda Item Request (F.A.I.R.):** A request by Councilmember Putzova to place on a future agenda discussion and possible action regarding the Government Property Lease Excise Tax (GPLET) and similar tax incentives. ***THIS ITEM MOVED FROM 16-B**

Councilmember Putzova stated that she would like to have a work session to receive information and further discuss GPLETs and other tax incentives. She would like to understand the history of GPLETs in Flagstaff and the laws regarding the types of agreements the City can or cannot enter into.

A majority of Council is in favor of putting the item on a future agenda.

- C. Future Agenda Item Request (F.A.I.R.):** A citizen petition to adopt Tucson's Residential Permit Parking Program. ***THIS ITEM MOVED FROM 16-C**

Mayor Nabours asked Community Design and Redevelopment Manager Karl Eberhard if he has seen and is familiar with the petition. Mr. Eberhard stated that he is familiar with the petition and stated that staff will be presenting a parking program proposal to Council on December 1, 2015. The proposal can be adopted as submitted or it could be modified with elements from other proposals as well; it is really up to Council to determine the best program.

The following individuals addressed Council in favor of the parking program presented within the petition:

- Joan Martini
- Charlotte Welch
- Rod Horn
- Tory Syracuse

The following comments were received:

- A parking program should be managed by the City and not a third party.
- The petition plan would not require full time parking enforcement because residents can call in when there are issues.
- When free parking is no longer available people will turn to alternative transportation options.
- As a resident I would be willing to pay for a permit under the petition program

because it ensures parking in front of my property.

- The petition plan is similar to Tucson's parking plan and there are separate programs for separate uses. Residents would pay for their permit and the first guest would be free.
- The program is gradual so students and employees and other commuters have time to make other arrangements.
- I support the petition plan; it is about neighborhoods and quality of life.
- I have personal experience with Tucson's parking program and it works very well.
- Children need a safe place to play and having an established plan will help with that.

Written comment cards in support of the proposed parking program were submitted by the following individuals:

- Charlie Silver
- Cody Canning
- Jacquita Bailey

Written comment cards in opposition of permit parking were submitted by the following individuals:

- Shawn Browning
- Steven Pierce/Ester Calvert

Vice Mayor Barotz indicated that she was very appreciative of the comments but stated that she will not support moving the item forward because it shortcuts the process already in place. The Council will be talking about all the concerns that are being raised. By not moving this item forward independently does not mean it will not be considered as part of the greater discussion.

Councilmember Putzova stated that she feels that a separate discussion is not needed for the proposal and that it can be incorporated into the current conversation. She would like to make sure that residents have an opportunity to present the proposal as part of the discussion at the December 1st meeting.

Councilmember Brewster also stated that she would like to look and discuss Tucson's program, not in isolation but in conjunction with what staff will be presenting.

Councilmember Evans stated that she acknowledges the petition that was brought forward due to long standing frustration with parking. She asked that the proposal be incorporated with the Council discussion at the December 1, 2015 meeting.

Councilmembers Overton and Oravits agreed asking that the proposal be incorporated into the discussion on December 1st.

The consensus is for Mr. Eberhard to incorporate the citizen proposal with the others.

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

Councilmember Oravits asked if it would be possible to get the animal keeping ordinance back to Council prior to the new year.

The Council wished everyone a Happy Thanksgiving.

19. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held November 17, 2015, adjourned at 10:18 p.m.

MAYOR

ATTEST:

CITY CLERK**CERTIFICATION**

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 November 17, 2015. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 19th day of January, 2016.

CITY CLERK

MINUTES

1. **CALL TO ORDER**

Mayor Nabours called the Regular Meeting of January 5, 2016, to order at 4:00 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).

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: City Manager Josh Copley 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 Mission Statement of the City of Flagstaff.

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**

None

5. PUBLIC PARTICIPATION

Public Participation enables the public to address the Council about an item that is not on the agenda. 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.

Jeff Meilbeck, CEO and General Manager of NAIPTA, addressed Council to offer thanks to the Street Section and their work to keep the streets safe and clear during snow times. He stated that the bus system relies heavily on the work that is done by the snow plows and without them, they could not do their job.

Mayor Nabours reported that he had received a letter from Department of Housing and Urban Development (HUD) that indicates the City has complied with the eligibility and objective requirements of the CDBG program. He said that HUD was complimentary in the letter; it speaks well for Housing Manager Sarah Darr and her staff in the Housing Department.

Mayor Nabours also thanked Wildland Fire Manager Paul Summerfelt for the work he put into the memo provided to the Council regarding the thinning project on Observatory Mesa.

6. PROCLAMATIONS AND RECOGNITIONS

None

7. APPOINTMENTS

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

None

8. LIQUOR LICENSE PUBLIC HEARINGS**A. Consideration and Action on Liquor License Application:** Randy Nations, "Farley's Market", 5130 N. US Highway 89, Series 10 (beer and wine store), New License.

Mayor Nabours opened the public hearing; there being no public comment he closed the public hearing.

Moved by Councilmember Jeff Oravits, **seconded by** Councilmember Karla Brewster to forward the application with a recommendation for approval to the State.

Vote: 7 - 0 - Unanimously

9. CONSENT ITEMS

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

None

10. ROUTINE ITEMS

- A. Consideration and Adoption of Ordinance No. 2015-22:** An ordinance of the Mayor and Council of the City of Flagstaff amending qualifications for members who serve on certain Boards and Commissions. ***(Elimination of Specialty Appointments to Commissions)***

Senior Assistant City Attorney Anja Wendel stated that the second read of the ordinance includes an option for a definition of hospitality. Staff from the Legal and Finance Departments both agreed that the proposed definition is more clear.

Ruben Abeyta addressed Council in opposition of eliminating specialty appointments to the Tourism Commission. He stated that it is important to maintain the makeup of the commission with members who collect the BBB tax and have industry experience.

Moved by Vice Mayor Celia Barotz, **seconded by** Councilmember Putzova to read Ordinance 2015-22 by title only for the final time as amended.

Moved by Councilmember Jeff Oravits, **seconded by** Councilmember Coral Evans to amend the motion to allow four Hospitality members on the Tourism Commission.

Vote: 3 - 4

NAY: Mayor Jerry Nabours
Vice Mayor Celia Barotz
Councilmember Scott Overton
Councilmember Eva Putzova

Moved by Vice Mayor Celia Barotz, **seconded by** Councilmember Eva Putzova to read Ordinance 2015-22 by title only for the final time as amended.

Vote: 4 - 3

NAY: Councilmember Karla Brewster
Councilmember Coral Evans
Councilmember Jeff Oravits

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF FLAGSTAFF, COCONINO COUNTY, ARIZONA, AMENDING QUALIFICATIONS FOR MEMBERS WHO SERVE ON CERTAIN BOARDS AND COMMISSIONS, AND CONSOLIDATING AND HARMONIZING COMMISSION DUTIES, BY AMENDING TITLE II, BOARDS AND COMMISSIONS, BY AMENDING CHAPTER 2-03, PARKS AND RECREATION COMMISSION, CHAPTER 2-13, TOURISM COMMISSION; CHAPTER 2-14, BEAUTIFICATION AND PUBLIC ART COMMISSION; CHAPTER 2-19, HERITAGE

PRESERVATION COMMISSION; CHAPTER 2-20, OPEN SPACES COMMISSION; AND AMENDING TITLE III, BUSINESS REGULATIONS, BY AMENDING CHAPTER 3-06, HOSPITALITY INDUSTRY TAX REVENUES, AND INCLUDING A CLERICAL CORRECTION TO CONFORM WITH THE CURRENT TAX RATE; AND PROVIDING FOR SEVERABILITY, REPEAL OF CONFLICTING ORDINANCES, AND EFFECTIVE DATES

Moved by Vice Mayor Celia Barotz, **seconded by** Councilmember Eva Putzova to adopt Ordinance 2015-22 as amended.

Vote: 4 - 3

NAY: Councilmember Karla Brewster
Councilmember Coral Evans
Councilmember Jeff Oravits

RECESS

The 4:00 p.m. portion of the January 5, 2016, Regular Meeting recessed at 4:15 p.m.

6:00 P.M. MEETING

RECONVENE

Mayor Nabours reconvened the Regular Meeting of January 5, 2016, 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

ABSENT

COUNCILMEMBER PUTZOVA

Others present: City Manager Josh Copley and City Attorney Michelle D'Andrea.

12. PUBLIC PARTICIPATION

None

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. 2016-02:** An ordinance authorizing the acquisition and dedication of rights of way and easements for the realignment and improvement of Industrial Drive. *(Dedication of right-of-way for improvements to Industrial Drive).*

Sterling Solomon stated that there had been some issues between the utility and private property owner; those issues have been resolved and this ordinance is the last step in the process.

Moved by Councilmember Scott Overton, **seconded by** Councilmember Jeff Oravits to read Ordinance 2016-02 by title only for the first time.

Vote: 6 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, AUTHORIZING THE ACQUISITION AND DEDICATION OF CERTAIN REAL PROPERTY AS A PUBLIC RIGHT-OF-WAY AND ESTABLISHING AND PROVIDING FOR THE IMPROVEMENT OF INDUSTRIAL DRIVE.

- B. Consideration and Adoption of Ordinance No. 2016-01:** An ordinance authorizing the acquisition of certain real property for use as a public right-of-way for a Roundabout at the Switzer Canyon Drive-Turquoise Drive intersection.

Senior Project Manager Randy Whitaker addressed Council with a PowerPoint presentation that covered the following:

SWITZER CANYON/TURQUOISE INTERSECTION SAFETY IMPROVEMENTS
HISTORY
PROJECT ASSESSMENT
ROUNDBOUT
ROUNDBOUT ILLUSTRATION
AERIAL VIEW OF PROPOSED ROUNDBOUT
COST
CONCLUSION
RECITALS

Councilmember Oravits asked how much the installation of stop signs would be as well as the installation of a traffic signal. Mr. Whitaker indicated that he would have to report back to the

Council on that information as he does not have it readily available. Councilmember Oravits asked if any other options had been considered for the intersection. Community Development Director Mark Landsiedel stated that the topic came before Council some time ago to discuss the options available; at that time the Council chose to move forward with the roundabout option and that is the path staff has been moving on. The request before Council at this time is to make sure the property is acquired as required by the agreement between the City and the Arizona Department of Transportation.

Councilmember Oravits requested the information from the prior meeting to understand the various statistics that were offered along with the other options and background.

Mr. Whitaker stated that the grant amount has increased since the prior discussion by about \$100,000 and the required City funds have decreased. In applying the benefit cost ratio the roundabout is the alternative that best meets the safety concerns that exist. Mr. Landsiedel added that because of the geometrics of the location the roundabout is the best option.

Councilmember Brewster asked if going with any of the other options would involve increasing lane widths or add additional lanes. Mr. Whitaker stated that it would not require more land but the anticipated increase in traffic load will likely cause the City to have to make further improvements.

Todd and Pam Laflin addressed Council in opposition to the roundabout. They have concerns about safety and the devaluation of their property. They believe that the sounds and lights going into their house will increase and they fear that while severe accidents such as t-bone accidents will reduce, single vehicle accidents will increase.

Councilmember Oravits asked if there would be a retaining wall between the roundabout and the Laflin's house. Mr. Whitaker stated that the existing retaining wall is around four feet and will increase to about six feet and they estimate the retaining wall to the edge of the house to be about 24 feet after construction. Councilmember Oravits asked how far the wall is now to which Ms. Laflin answered approximately 34 feet.

Vice Mayor Barotz asked staff to respond to the comments offered on the challenges to the safety of the roundabouts. She would like to understand how the City will not be trading one safety issue for another. City Engineer Rick Barrett offered that the situation is that there is a one way stop on one street coupled with a constant moving intersection. It is a very difficult intersection to navigate safely with the current conditions. Additionally, there are a number of developments nearby that will add additional traffic to the intersection. A traffic control device warrant is directly tied to a delay in traffic which is happening on Turquoise; drivers get impatient with the increased delay which often results in an unsafe turn and subsequent accident. Some kind of traffic control and additional lanes are needed to decrease the delay and make the intersection safer. The severity of the accidents will be greatly reduced because the number of two vehicle accidents will reduce. Single vehicle accidents may occur but the severity is greatly reduced when there is only one vehicle involved. The overall safety rating of the intersection will be improved with a roundabout.

Councilmember Oravits asked about the pedestrian crossing options. Mr. Landsiedel offered that pedestrian refuges have been built into the design. Mr. Barrett stated that the design is such that it will filter pedestrian and bicycle traffic to an area that allows single lane crossing with refuge in between. The pedestrians can cross prior to the roundabout and cyclists can chose to enter as traffic or use the pedestrian crossing.

Mayor Nabours asked if the pedestrian refuges or center island can be reduced in size to get

the lanes further away from the houses. Mr. Barrett stated that he believes that the design team has done everything possible to mitigate this concern. In order for roundabouts to be effective they have to be big enough to accommodate larger vehicles and this is likely the smallest option available.

Vice Mayor Barotz stated that she is reluctant to revisit the design and she is trusting the expertise of the design team and roundabout professionals. Mr. Whitaker stated that the Traffic Engineer worked with the designer to make sure he was confident that the most safe and effective design was created. Mr. Barrett stated that he would like to assure the Council and the public that he and the Traffic Engineer are confident with the various analysis that have been done and they are confident that this is the best design possible for the roundabout. He added that as the acquisition process moves forward staff will look closely at the value of the property needed and offer fair appraisal of such.

Councilmember Oravits asked if there had been much dialogue with the parties involved with the acquisitions. Mr. Barrett stated that capital projects with property acquisitions associated with them have to go through enough of the design process to make sure adequate information is available with regards to exactly how much property is needed. This expertise is needed prior to conversations occurring and the proposed ordinance will be the first step in allowing staff to begin discussions with property owners. Mr. Whitaker added that as part of the grant process staff is not supposed to start discussions with property owners until the environmental assessments and 60% design is complete and that is where the project is at right now.

Mayor Nabours expressed concern with the language in the ordinance that authorizes City staff to take all steps necessary to acquire the property and asked what process is in place should the cost of acquiring the property be higher than what was communicated to the Council. Ms. D'Andrea explained that the reason the ordinance has that language is because the right of way consultants require that authorization before they go and talk to the property owners. It is a best practice that is used but not required in statute. The Council can set parameters for staff for the negotiations and staff can report back as needed. Mr. Whitaker added that the consultants will only take the negotiations to a point where they feel that they have reached an impasse with the property owner, at that time it is brought back to the City for further action.

Karl Jeffers addressed Council stating he is opposed to accepting federal money and would have liked to see the City install stop signs back in 2014 to evaluate the effects.

Moved by Vice Mayor Celia Barotz, **seconded by** Councilmember Scott Overton to read Ordinance 2016-01 by title only for the first time as amended (as referenced in the PowerPoint presentation).

Mayor Nabours stated that at some point he would like to see if there is a majority of Council who would like this to come back for an update on the details.

Councilmember Oravits stated that he will be voting against the ordinance. He feels that there are other priorities for which to utilize this or another grant. He is not in favor of going forward with eminent domain and he feels that there are too many questions that remain unanswered.

Mayor Nabours stated the he also has concerns and is generally not supportive of roundabouts but he feels that it is not Council's place to redesign the engineering; if staff feels that it is the best design for the location and situation then it is.

Vice Mayor added that there are a number of projects happening up on the mesa and bigger traffic impacts are coming. It is necessary to do something about the problem now because it will just get worse as time goes by.

Vote: 5 - 1

NAY: Councilmember Jeff Oravits

AN ORDINANCE OF THE FLAGSTAFF CITY COUNCIL AUTHORIZING THE ACQUISITION OF CERTAIN REAL PROPERTY AS A PUBLIC RIGHT-OF-WAY FOR CONSTRUCTION OF A ROUNDABOUT PROJECT AT THE INTERSECTION OF SWITZER CANYON DRIVE AND TURQUOISE DRIVE.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Jeff Oravits that before staff is authorized to spend any money outside the proposed budgeted amount they must return to Council for review and authorization.

Vote: 6 - 0 - Unanimously

C. Discussion and Possible Action re: Annual Legislative Issues *(THIS IS A STANDING ITEM - AS OF PUBLICATION OF THIS AGENDA NO ISSUES HAVE BEEN RAISED)*

No discussion.

16. DISCUSSION ITEMS

None

17. FUTURE AGENDA ITEM REQUESTS

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

None

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

Mr. Copley reminded the Council about the special meeting scheduled for Thursday, January 7, 2016 at 6:00 p.m. for the continuation of the public hearing for the Utility Rate Study.

He also reported that the Council budget retreat is scheduled for February 11 – 12, 2016 and he asked Council to consider cancelling the regular work session on February 9, 2016 and postpone those scheduled items to the work session of February 23, 2016.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Jeff Oravits to cancel the regular Work Session of February 9, 2016.

Vote: 6 - 0 - Unanimously

Vice Mayor Barotz requested a Future Agenda Item Request to discuss traffic congestion in the context of winter snow play. There is a huge public safety issue with people parking along Highway 180 and sledding towards the road. She feels that the traffic issue needs to be revisited as the problem will continue to increase without some kind of action. She would like to have a discussion with the Forest Service about moving snow play south of the City. Mayor Nabours added that the County was discussing a possible snow play area at Fort Tuthill and suggested they be included in the discussion as well. Councilmember Evans stated that she also received a number of complaints about the conditions on Highway 180. It is a big issue that has a big, negative impact on the quality of life of those who live in those areas. It is a major safety issue and a trash issue; she is not looking for another update on the strategic plan but a solution on how to move traffic off Highway 180 to another area of town.

Vice Mayor Barotz requested information about the citizen commission that is referenced in the publicity pamphlet for the 2014 November election regarding the Flagstaff Road Repair and Street Safety Initiative. The material states that the citizen commission is charged with overseeing the expenditures of the project and she would like more information about if the commission is active and what their functions are.

19. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held January 5, 2016, adjourned at 7:25 p.m.

MAYOR

ATTEST:

CITY CLERK

CERTIFICATION

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 January 5, 2016. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 19th day of January, 2016.

CITY CLERK

CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Gregory Conlin, Public Works Manager - Fleet Services
Co-Submitter: Eileen Brown
Date: 01/13/2016
Meeting Date: 01/19/2016



TITLE:

Consideration and Approval of Purchase: One (1) Lubrication and fuel service body to be installed on a City owned cab/chassis.

RECOMMENDED ACTION:

Approve the purchase of one (1) lubrication and fuel service body to be installed on city owned cab /chassis from Empire Truck and Trailer (quote JAK0206.6.15) in the amount of \$129,215.95 through the National IPA Co-Op Contract #120377 (National Intergovernmental Purchasing Alliance).

Executive Summary:

Reason for Action: The existing fuel/lubrication truck (S7013) is 23 years old and has reached the end of its asset life. This unit has over 136,000 miles and over \$141,000 of life to date maintenance expense. Both the cab/chassis and fuel/lubrication tanks are in need of further investment including repairing a cracked frame and replacing rusted fluid tanks.

Financial Impact:

The quoted list price of the lubrication and fuel service body including installation on a currently City owned cab/chassis is \$129,215.95. Fleet Service Section budgeted \$207,100. for the replacement of this equipment (account 001-06-154-0552-3-4401).

Connection to Council Goal:

Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics and ensure that we are as prepared as possible for extreme weather events.

Has There Been Previous Council Decision on This:

No

Options and Alternatives:

Option 1. Authorize purchase of new lubrication and fuel/service body from Empire Truck and Trailer for the amount of \$129,215.95.

Option 2. Do not approve proposal and solicit a competitive bid for replacement fuel/service body through RFP process.

Option 3. Repair/replace truck frame, 2000 gallon fuel tank and failing lubrication tanks.

Background/History:

December 2014, Fleet Services sought approval from the Fleet Management Committee to retire S7013 (1993 International) and S7053 (1992 Ford 1.5 ton) with one (1) smaller service and fuel service truck. This request was approved and subsequently approved in the City's 2016 budget. The amount that was approved for this purchase was \$207,100. In our continuing efforts to down size the City's fleet, when it makes sense to re-purpose underutilized equipment, we do so. Fleet has negotiated the transfer of Solid Waste asset G8105 (2011 UD Nissan with less than 3000 miles) to Fleet. Fleet will use G8105's cab chassis instead of purchasing a new one for the new lubrication and fuel service body. This will result in a savings of \$77,884. This one (1) transaction will result in a net reduction to the City's fleet by two (2) vehicles. The collection body will be traded in to offset a future purchase pending for Solid Waste.

The City of Flagstaff will utilize the City of Tucson NIPA Co-Op contract #120377 with Empire Truck and Trailer.

Key Considerations:

Fleet Services current fuel/lubrication vehicle has become obsolete with some replacement parts no longer available. This proposal re-purposes a currently City owned cab/chassis with no further investment other than the service body and saves \$77,884. budgeted for this purchase. In addition Fleet Services will retire two vehicles (S7013, S7053). This will allow Fleet Service to provide better field service with one (1) multi-function vehicle.

Expanded Financial Considerations:

Approval of this proposal will result in saving \$77,884 in capital expenditures. In addition it will result in a reduction in ongoing operating expense by combining functions currently carried out by two (2) separate vehicles and re-purposing a 3rd vehicle currently underutilized in its current configuration.

Community Benefits and Considerations:

The replacement of Fleet Services lubrication and fuel service vehicle will ensure Fleet Services ability to provide both preventative and emergency maintenance in the field. In addition, Fleet Services will have a safe and reliable fuel delivery vehicle to provide additional support to those Sections that provide front line service to the citizens of Flagstaff.

Community Involvement:

Inform

Expanded Options and Alternatives:

Option 1. Authorize purchase of new service and lubrication body from Empire Truck and Trailer for the amount of \$129,215.95.

Option 2. Solicit competitive bid through RFP process.

Option 3. Repair/replace truck frame and refurbish or repair fuel and lubrication tanks. This option has many unknowns as Fleet has already had to fabricate parts that are no longer available new and used.

Attachments: Empire's Maintainer Lube Body Quote
 Contract
 Original Contract
 amendment extending date



EMPIRE TRUCK AND TRAILER

840 N. 43rd Avenue
Phoenix, AZ 85009
602-627-5721 / Phone
602-627-5719 / Fax
www.empirecat.com

Quote-Sales Order

Customer:

City of Flagstaff
419 N Mogollon
Flagstaff, AZ. 86001

Contact: Gregory Conlin
Phone: 928-774-6372
Fax: -
Cell: 928-814-8027
Email: gconlin@flagstaffaz.gov

Date: 11/05/15

Quote: JAK0206.6.15

Quote Expires: 12/05/15

Est. Delivery Date:

This Sale Is FOB: Phoenix, AZ

Stock #

Qty	Description	Unit Price	Extension
1	Maintainer Lube Body	119,380.80	119,380.80
	See Attached sheet for specs.		
	Price includes to install body on UD Chassis with old body already		
	removed by client. Can quote removal if needed.		
	Price does include shipping the chassis to Sheldon Iowa and back		
	to the City of Flagstaff with a completed unit		

Subtotal \$ 119,380.80

F.E.T \$ -

Trade-In Value \$ -

Sales Tax (8.05%) \$ 9,610.15

Doc Fee \$ 225.00

Prep Fee \$ -

License Fee \$ -

Down Payment \$ -

Total \$ 129,215.95

Date

Empire Truck and Trailer
Salesperson Don Miller Date

Empire Truck and Trailer
Approved Order requires approval by manager of selling firm. Date

CONTRACT AMENDMENT

CITY OF TUCSON DEPARTMENT OF PROCUREMENT
255 W. ALAMEDA, 6TH FLOOR, TUCSON, AZ 85701
P.O. BOX 27210, TUCSON, AZ 85726
(520) 837-4129
ISSUE DATE: OCTOBER 26, 2012

CONTRACT NO.: 120377
CONTRACT AMENDMENT NO.: TWO (2)
PAGE 1 of 1
SD
CONTRACT OFFICER: RAY VALDEZ

THIS CONTRACT IS AMENDED AS FOLLOWS:

HEAVY EQUIPMENT, PARTS, ACCESSORIES, SUPPLIES & RELATED SERVICES

The referenced contract has been amended to add the following changes to the Dealer Services Section of the contract:

SCOPE OF SERVICES, Page 4 of 13, Dealer Services, last paragraph shall be replaced with the following 2 paragraphs:

For additional dealer services, agencies should contact their local participating dealer for accessories, parts, services, and other non-CAT heavy equipment. Pricing for non-CAT accessories, parts or equipment are determined by each local participating dealer.

In the event a heavy-equipment solution is not offered by Caterpillar, the local participating dealer may offer non-CAT heavy equipment to help meet the heavy-equipment needs of the agency. By offering the non-Cat equipment, the local participating dealer shall assume and be responsible for all contractual obligations outlined in Contract #120377 for said items.

ALL OTHER PROVISIONS OF THE CONTRACT SHALL REMAIN IN THEIR ENTIRETY.

CONTRACTOR HEREBY ACKNOWLEDGES RECEIPT OF
AND UNDERSTANDING OF THE ABOVE AMENDMENT.


Signature _____ Date 11/1/2012

Jason Walker -- Governmental Sales

Typed Name and Title

Caterpillar

Company Name

100 NE Adams

Address


Walker_jason_c@cat.com

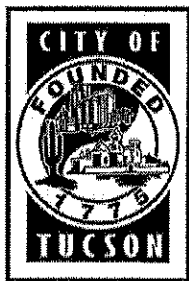
Email Address

Peoria Illinois 61629
City State Zip

THE ABOVE REFERENCED CONTRACT AMENDMENT

IS HEREBY EXECUTED THIS 2 DAY
OF Nov, 2012, AT TUCSON, ARIZONA.


As Director of Procurement and not personally



CITY OF TUCSON CONTRACT #120377

HEAVY EQUIPMENT, PARTS, ACCESSORIES, SUPPLIES AND RELATED SERVICES

THIS CONTRACT is made and entered into this 1st day of May, 2012, by and between the **CITY OF TUCSON**, hereinafter referred to as the "City", and **CATERPILLAR, INC.**, hereinafter referred to as the "Contractor" for **HEAVY EQUIPMENT, PARTS, ACCESSORIES, SUPPLIES AND RELATED SERVICES**.

For this Contract, the City, as the Principal Procurement Agency, has partnered with the National Intergovernmental Purchasing Alliance Company ("National IPA") to make the Contract available to other public agencies nationally, including state and local governmental entities, public and private primary, secondary and higher education entities, non-profit entities, and agencies for the public benefit ("Public Agencies"), through National IPA's cooperative purchasing program. The City is acting as the contracting agency for any other Public Agency that elects to utilize the resulting Master Agreement. Use of the Contract by any Public Agency is preceded by their registration with National IPA as a Participating Public Agency in National IPA's cooperative purchasing program.

SCOPE OF SERVICES

PRODUCT OFFERING

The products offered under this Contract are identified in **Attachment A: Caterpillar Equipment Discounts and Freight**. For more information on these specific products, go to www.cat.com.

Understanding that Cat Dealers have been developing and maintaining customers relationships at the local level for more than 80 years, it is Caterpillar's intent to continue to support this proven model. It will be the local Cat Dealer that will quote, deliver, and support the products in this contract.

On the www.Cat.com site, customers can find their local supporting Cat Dealer as well as price out a machine using the Build and Price function, locate used equipment, and review financing options. Through the local Cat Dealer, customers can also subscribe to a variety of equipment management solutions which include equipment security management, health monitoring as well as a full host of online technical service manuals and parts databases.

Cat Dealers have application specialists that can help an agency identify the best equipment option to fit the customer's application. Once a need has been identified, it would be in the customer's best interest to consult with the local Cat Dealer to develop the best possible solution. Should additional expertise be required, Caterpillar has additional resources within the enterprise that can also provide assistance to ensure the most favorable outcome.

Depending on Cat Dealer inventory, delivery can be as quick as a day, but depending on demand, orders from the factory may take as long as 180 days to deliver. In general Cat Dealers have been able to commit to a less than 90 day delivery timeframes.

Any questions with regards to a customer order will be addressed by the local supporting Cat Dealer. Should a US military equipment order be placed at the factory it will take precedence over

any other customer order which may delay the actual delivery of any non-military orders to the end user.

PRICING

Pricing under this contract is listed in **Attachment A, Caterpillar Equipment Discounts and Freights**. Caterpillar does not offer payment discounts and does not accept credit card. Any and all payment terms and/or the ability to accept credit card will be at the discretion of the local supporting Cat dealer.

Each Caterpillar machine model will be assigned by Caterpillar a specific discount off the manufacturers published list price for that particular machine and or piece of equipment. This discount will be extended to all additional options from the machine / option price list that are requested by the customer and become part of the final machine configuration. The published list price for the base machine and or any additional options included in the published machine / option price sheet will be considered the maximum allowable price for the specific final machine configuration. The associated discount will be considered the minimum discount that the local supporting Cat Dealer will be required to honor. In any communications / training that are provided to both customers and or dealers, Caterpillar will refer to this as the "Maximum Price / Minimum Discount" pricing model. The most current published pricing will be used in the quotation of equipment for this contract by the supporting Cat Dealers.

Any additional items such as prep, extended warranties, customer service agreements, pre-delivery and installation, will be priced at the supporting Cat Dealer's discretion.

Financing for users of new and used Caterpillar products is available through a variety of financial products including Installment Sales Contracts, Finance Lease and Off Balance Sheet Operating Lease contracts. We emphasize prompt and responsive service dedicated to meet customer requirements and offer various financing plans designed to increase the opportunity for sales of our products and generate financing income for our company. Financial Products activity is conducted primarily in the United States, with additional offices in Asia, Australia, Canada, Europe and Latin America.

In an effort to provide even more customer solutions, Caterpillar will be supporting a special Used Equipment program for customers that choose to purchase products using this contract. With the exception of vocational trucks and Cat work tools, Caterpillar will be extending a 20% discount off the original list price of used Caterpillar equipment that is currently in the Cat Dealer's rental fleet. At their discretion, Cat Dealers will have the ability to extend this program to customers for the purchase of vocational trucks and works tools. Please note that this used program is subject to availability.

Given the territory that Caterpillar is committed to supporting in conjunction with this proposal, Caterpillar cannot assign a fixed cost for the actual delivery of the equipment to the customer's site. Caterpillar, through the supporting local Cat Dealer will honor a freight charge that will be included as a separate line item on the customer's invoice. This charge will cover delivery of the machine to the supporting Cat Dealer's place of business. Customers will be held responsible for any additional freight and or delivery charges required to deliver the machine to the customer's requested final destination.

All freight will be charged to the customer and noted accordingly on the customers' invoice. For machines, freight has been calculated to take into account that which is required to deliver the base machine to the servicing dealer's location. Any additional consideration required to deliver the machine to the customer's location will be charged and noted on the customer invoice

accordingly. These base freight numbers take into consideration dealer location as well as factory location and or port of entry.

WARRANTY

Caterpillar will support the standard manufacturer's warranties for the products included herein.

Additional extended equipment protection plans can be customized to meet each customer's specific need. The following is an example of some of the options that would be available through the local supporting Cat Dealer.

140M2 Motor Grader

	<u>Months</u>	<u>Hours</u>
Premier	24 to 84	5000 to 7500
Powertrain & Hydraulics	24 to 84	5000 to 10000
Powertrain	24 to 84	5000 to 10000

Warranted claims will be presented by the customer to the supporting Cat Dealer and will be administered at the local level. The supporting Cat Dealer will then file a claim with Caterpillar to be reimbursed for all warranted services rendered to the customer.

For additional information on the systems and components covered under these plans as well as the definitions associated to the standard warranties being offered, please see **Attachment B: Warranties**.

Please note that all manufacturers' warranties and/or extended coverage plans do not cover the same components and/or systems that Caterpillar's protection plans cover. Repairs and/or replacement of components not covered by other manufacturers can present a significant cost to the overall ownership of a machine. The breadth of coverage provided through Caterpillar's coverage plans re-emphasizes the confidence Caterpillar has in its products as well as ensures the lowest total cost solution for our customers.

Since Cat Dealers are independently owned businesses, the actual costs associated to supporting such warranties can vary and cannot be quoted on a national scale by Caterpillar Inc. as fixed amounts. Such factors include but are not limited to the individual dealer's shop labor rates, transportation costs both for the machine as well as the technician and many others. It is recommended that warranty considerations be clearly stated and agreed to prior to any transaction as a result of this contract taking place.

DEALER SERVICES

Cat Dealers are independently owned and as such Caterpillar does not have the authority to dictate pricing. The discounts being supported by Caterpillar in this contract are the best discounts Caterpillar currently offers to Cat Dealers on a national scale. It is the intent that with the "Maximum Price / Minimum Discount" model, that all Cat Dealers will have the flexibility to extend the lowest price possible to the agencies who choose to use the contract. Manufacturer's incentives may be periodically provided and may be regionally based.

No additional volume rebate program is included in this proposal, however customers and their local Cat Dealer may enter into agreement for additional discounts and or other value added

provisions within the spirit of the "Maximum Price / Minimum Discount" model for volume purchases that are in line and conform to all the terms and conditions covered by the contract.

All participating Dealers employ trained, experienced technicians to support Caterpillar's full range of products. Dealer Technical Communicators (TC) provide additional support to field/shop technicians to aid in rapid product or applications resolution. Dealer TC's have a direct line of communication with Caterpillar Inc. through the Dealer Solution Network to expedite problem solving.

Caterpillar's North American dealer network currently employs over 30,000 employees of which approximately 60% are dedicated to the product support business. With over 468 service locations with over 8,000 service bays' and over 8,500 field service trucks, these highly skilled and trained Cat dealer technicians are in close proximity to provide unmatched service capabilities to meet your servicing requirements. As part of a commitment to servicing customers, Cat dealers invest nearly \$18 Million annually in technician, parts counter, and product support representative training. Over the last 85 years, our philosophy has been to provide our customers with a level of product support unequalled in our industry through a financially healthy and viable dealer network that is dedicated to the business of our customers.

Caterpillar's ability to meet 24-hour service needs is based on servicing dealer discretion at time of transaction. However, most dealers offer a 24-hour emergency service call-out option with a price based on local market rates.

For additional dealer services, participating agencies should contact their local dealer for accessories, parts, and services that are available. Pricing for non-CAT accessories or parts are determined by each local dealer.

ADDITIONAL REQUIREMENTS

1. **PRODUCTION REPORTS:** The Contractor must have the ability to furnish the agency ordering equipment and National IPA monthly progress reports confirming status of delivery dates as agreed upon. These reports shall consist of, but not limited to the following:
 - a. Copy of Contractor's order to the factory.
 - b. Copy of factory acknowledgment of order indicating scheduled date of production and shipment from factory.
 - c. Factory generated computer status reports.
 - d. Notification to the City of any changes in production or shipping dates.
 - e. Any special information the Contractor shall have that would affect the timely delivery of the vehicles ordered in accordance with original delivery date promise.

In lieu of written reports submitted to City of Tucson Fleet Services, the Contractor may provide access to an Internet based on-line order tracking system. Any on-line system provided must provide the information required above. The Contractor must provide all access codes necessary to view this information.

2. **DELIVERY AND DELIVERY DOCUMENTATION:** The following documents are due upon delivery of the completed vehicles to the City:
 - a. Invoice
 - b. Warranty document
 - c. Level 1 Inspection
 - d. Required manuals

The Contractor is required to supply a delivery ticket specifying the purchase order number of each vehicle.

Delivery to the City of Tucson: All deliveries shall be made Monday through Friday from 8:00 a.m. to 3:00 p.m. The Contractor shall be required to give the Operations/Fleet Services Department a minimum of 24-hour notification prior to delivery with the anticipated time of delivery and quantity of units to be delivered.

3. **VEHICLE INSPECTION:** The purchasing agency will assist the Contractor or the authorized dealer in arranging for inspection of each piece of equipment purchased. Each vehicle delivered shall be subject to a complete inspection by the purchasing agency's staff prior to acceptance. Inspection criteria shall include, but not be limited to, conformity to the specifications, mechanical integrity, quality, workmanship and materials. If delivered equipment is returned to the Contractor prior to acceptance for any reason, all corrections shall be made without any inconvenience to the City.
4. **TRAINING:** The Contractor shall provide, at no additional cost, training for each basic unit of equipment purchased. This training shall be adequate to the needs of the typical equipment operator and service technician in order to assure proper operation, utilization and maintenance of the equipment supplied. Any manuals necessary to perform the required training shall be furnished by the Contractor. The trainer shall be factory-trained and thoroughly knowledgeable in equipment operator and service technician functions.

Cat Dealers also support a variety of training options. Upon delivery of the machine, operators as well as technicians will be given basic equipment orientation, operating procedures, and any service maintenance information required to put the machine into service. Should an agency require additional training, such consideration can be included in the customer's equipment quotation and any related charges for such training be agreed

to by both parties. Caterpillar also offers a variety of operator training classes that provide certification to those agencies that require a higher level of operational expertise. For additional information on these and other training options, please visit Caterpillar's Operator Training Services site - <http://www.cat.com/cda/layout?m=38000&x=7>.

Caterpillar Inc. has taken a leadership position in the market due to the material it has developed through its Caterpillar Safety Services Division. Caterpillar believes in the importance of safety, which is why we strive to ensure our own employees arrive Safely Home. Everyone. Every Day.™ To support our customers with this same mission, Caterpillar Safety Services offers a variety of free, online safety resources including Toolbox Talks, Safety Videos, Checklists, Virtual Walk Arounds, and much more.

Customers can also conduct their own safety training through a variety of safety culture and compliance training products. The online shopping cart has over 100 options to choose from including MSHA Part 46, Forklift Safety, Personal Protective Equipment, Effective Communication, Supervisor Training and much more. Caterpillar Safety Services' consultants also perform instructor-led training on changing safety culture, Near Miss Reporting, Supervisor Training in Accident Reduction Techniques (START), MSHA Part 46, Aerial Work Platforms, Telehandler Operator Training, and more.

Caterpillar Safety Services also provides Safety Culture Solutions and Jobsite Safety Consulting to help customers develop a sustainable culture of safety excellence. Safety Culture Solutions are based off of Caterpillar Safety Services' Zero-Incident Performance (ZIP™) program, which encompasses engaging leadership, assessing the culture, building a plan, developing processes, implementing processes, and checking processes. Consultants facilitate effective working sessions for any stage of the ZIP™ program. Jobsite Safety Consulting consists of performing jobsite and program assessments. Prioritized recommendations for improvement are made and our services are available to develop new programs including Safety or Environmental Management Systems, Job Safety Analysis, Hazardous Material Management, Hazard Communication, and Ergonomics.

For additional information on the services offered by Caterpillar Safety Services please visit SAFETY.CAT.COM™.

8. **VEHICLE RECALL NOTICES:** In the event of any recall notice, technical service bulletin, or other important notification affecting a vehicle purchased from this contract, a notice shall be sent to the purchasing agency's representative. For the City of Tucson, all notices shall be sent to General Services, Fleet Services Division, 4004 S. Park Avenue, Building 1, Tucson, AZ 85714.

SPECIAL TERMS AND CONDITIONS

1. FEDERAL, STATE AND LOCAL TAXES, LICENSES AND PERMITS: The Supplier shall comply with all Federal, State, and local licenses and permits required for the operation of the business conducted by the Supplier as applicable to this Contract. The Supplier shall, at no expense to the City, National IPA, or other Participating Public Agencies, procure and keep in force during the entire period of the Agreement all such permits and licenses.

2. SUBCONTRACTORS: No subcontract shall be made by the contractor with any other party for furnishing any of the services herein contracted for without the advance written approval of the Department of Procurement. All subcontractors shall comply with Federal and State laws and regulations that are applicable to the services covered by the subcontractor and shall include all the terms and conditions set forth herein which shall apply with equal force to the subcontract, as if the subcontractor were the Contractor referred to herein. Contractor is responsible for contract performance whether or not subcontractors are used.

3. FOB DESTINATION FREIGHT PREPAID: Prices shall be FOB Destination Freight Prepaid to the delivery location designated. Contractor shall retain title and control of all goods until they are delivered and the Contract of coverage has been completed. All risk of transportation and all related charges shall be the responsibility of the Contractor. All claims for visible or concealed damage shall be filed by the Contractor. The City will assist the Contractor in arranging for inspection.

It is the City's intention that equipment shall be delivered F.O.B. Destination to all customers and freight prepaid to the City of Tucson. Orders for other agencies may be subject to freight charges.

4. INSURANCE: The Contractor agrees to:

A. Obtain insurance coverage of the types and amount required in this section and keep such insurance coverage in force throughout the life of this Contract. All policies will contain an endorsement providing that written notice be given to the City at least ten (10) calendar days prior to termination, cancellation, or reduction in coverage in any policy.

B. The Comprehensive General Liability Insurance and Comprehensive Automobile Liability Insurance policies will include the City as an additional insured with respect to liability arising out of the performance of this Contract. The Contractor agrees that the insurance hereunder will be primary and that any insurance carried by the City will be excess and not contributing.

C. Provide and maintain minimum insurance limits as applicable.

Coverage Afforded

Limits of Liability

Workmen's Compensation
Employer's Liability

Statute
\$100,000

Comprehensive General
Liability Insurance
Including:
(1) Products & Completed
Operations
(2) Blanket Contractual

\$1,000,000 Bodily Injury
Combined Single Limit
\$100,000 Property Damage

Comprehensive Automobile
Including:
(1) Non-Owned
(2) Leased

\$1,000,000 Bodily Injury Liability Insurance
Combined Single Limit
\$100,000 Property Damage

(3) Hired Vehicles

Contractor will present to the City written evidence (Certifications of Insurance) of compliance with Items A., B and C. above. Said evidence shall be to the City Procurement Director's satisfaction.

5. PAYMENTS: All payments made by the City of Tucson for goods or services will be made to the vendor named on the Offer and Acceptance form. If you do not wish payment to be made to that address, you must submit an attached sheet indicating the proper mailing address with this bid.

6. RIGHT TO TERMINATE FOR CHANGE IN OWNERSHIP OR MATERIAL RESTRUCTURE OF THE CONTRACTOR: In addition to the Termination of Contract clause in the Standard Terms and Conditions section of this solicitation and resulting contract, the City reserves the right to cancel the whole or part of this contract within 60 days written notice of the completion of any material change of ownership in the Contractor's company, including its sale, merger, consolidation or dissolution.

7. TERM AND RENEWAL: The term of the Contract shall commence upon award and shall remain in effect for a period of one (1) year, unless terminated, canceled or extended as otherwise provided herein. The Contractor agrees that the City of Tucson shall have the right, at its sole option, to renew the Contract for four (4) additional one-year periods or portions thereof. In the event that the City exercises such rights, all terms, conditions and provisions of the original Contract shall remain the same and apply during the renewal period with the possible exception of price and minor scope additions and/or deletions.

8. PRICE ADJUSTMENT: The Contractor may implement new published manufacturer price lists on the effective date of the price list. However, the Contractor must maintain the minimum discount offered for all items. The Contractor will provide the City updated published price lists with 30 days advance notification of the effective date. Upon receipt of the revised price list, the City will consider said documents to be those referenced upon their effective date until such time as the price list is replaced, The Contractor's most current published vendor price list will be used in the final determination of price at the time of the customer's quote.

STANDARD TERMS AND CONDITIONS

1. **ADVERTISING:** Contractor shall not advertise or publish information concerning this Contract without prior written consent of the City's Director of Procurement.
2. **AFFIRMATIVE ACTION:** Contractor shall abide by the provisions of the Tucson Procurement Code Chapter 28, Article XII.
3. **AMERICANS WITH DISABILITIES ACT:** The Contractor shall comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101, et seq.) and applicable Federal regulations under the Act.
4. **APPLICABLE LAW:** This Contract shall be governed, and the City and Contractor shall have all remedies afforded to each, by the Tucson Procurement Code and the law of the State of Arizona. State law claims shall be brought only in Pima County Superior Court.
5. **ASSIGNMENT-DELEGATION:** No right or interest in this Contract shall be assigned by the Contractor without prior written permission of the City, and no delegation of any duty of the Contractor shall be made without prior written permission of the City's Director of Procurement. The City shall not unreasonably withhold approval and shall notify the Contractor of the City's position by written notice.
6. **CERTIFICATION OF COMPLIANCE WITH A.R.S. SEC. 35-393 ET SEQ.:** By signing this contract, the Contractor certifies that it does not have scrutinized business operations in Iran as required by A.R.S. sec. 35-393 et seq. If the City determines that the Contractor has submitted a false certification, the City may impose remedies as provided in the Tucson Procurement Code up to and including termination of this contract.
7. **CHILD/SWEAT-FREE LABOR POLICY:** The Contractor shall comply with all applicable provisions of the United States Federal and State Child Labor and Worker's Right laws and agrees if called upon to affirm in writing, that they, and any subcontractor involved in the provision of goods to the City, are in compliance.
8. **CLEAN UP:** The Contractor shall at all times keep the contract area, including storage areas used by the Contractor, free from accumulation of waste material or rubbish and, prior to completion of the work, remove any rubbish from the premises and all tools, scaffolding, equipment and materials not property of the City. Upon completion of the repair, the Contractor shall leave the work and premises in clean, neat and workmanlike condition.
9. **COMMENCEMENT OF WORK:** The Contractor is cautioned not to commence any billable work or provide any material or service under this Contract until Contractor receives purchase order or is otherwise directed to do so, in writing, by the City.
10. **CONFIDENTIALITY OF RECORDS:** The Contractor shall establish and maintain procedures and controls that are acceptable to the City for the purpose of assuring that no information contained in its records or obtained from the City or from others in carrying out its functions under the Contract shall be used by or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the Contract. Persons requesting such information should be referred to the City. Information pertaining to individual persons shall not be divulged other than to employees or officers of Contractor as needed for the performance of duties under the Contract, unless otherwise agreed to in writing by the City.
11. **CONTRACT AMENDMENTS:** The Procurement Department has the authority, with the concurrence of the Contactor to:
 - A. Amend the contract or enter into supplemental verbal or written agreements;
 - B. Grant time extensions or contract renewals;
 - C. Otherwise modify the scope or terms and provisions of the contract.

This Contract shall only be modified per above with the approval of the Department of Procurement. Except in the case of a documented emergency, approval must be granted prior to performance. Any contract modification not explicitly approved by the Procurement Department through a written contract amendment or change order is performed at the sole risk of the Contractor and may not be eligible for payment by the City.

12. **CONTRACT:** The Contract shall be based upon the Request for Proposal issued by the City and the Offer submitted by the Contractor in response to the Request for Proposal. The offer shall substantially conform to the terms, conditions, specifications and other requirements set forth within the text of the Request for Proposal. The City reserves the right to clarify any contractual terms with the concurrence of the Contractor;

however, any substantial non-conformity in the offer, as determined by the City's Director of Procurement, shall be deemed non-responsive and the offer rejected. The Contract shall contain the entire agreement between the City of Tucson and the Contractor relating to this requirement and shall prevail over any and all previous agreements, contracts, proposals, negotiations, purchase orders, or master agreements in any form.

- 13. DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH:** Contractor shall deliver conforming materials in each installment or lot of this Contract and may not substitute nonconforming materials. Delivery of nonconforming materials, or default of any nature, may constitute breach of the Contract. Noncompliance may be deemed a cause for possible Contract termination.
- 14. DUPLEXED/RECYCLED PAPER:** In accordance with efficient resource procurement and utilization policies adopted by the City of Tucson, the Contractor shall ensure that, whenever practicable, all printed materials produced by the Contractor in the performance of this Contract are duplexed (two-sided copies), printed on recycled paper and labeled as such.
- 15. EXCLUSIVE POSSESSION:** All services, information, computer program elements, reports and other deliverables created under this Contract are the sole property of the City of Tucson and shall not be used or released by the Contractor or any other person except with prior written permission by the City.
- 16. 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) and that it requires the same compliance of all subcontractors under this Contract. Contractor acknowledges that pursuant to A.R.S. § 41-4401 and effective September 30, 2008, a breach of this warranty is a material breach of this Contract subject to penalties up to and including termination of this Contract. The City retains the legal right to audit the records of the Contractor and inspect the papers of any employee who works for the Contractor to ensure compliance with this warranty and the Contractor shall assist in any such audit. The Contractor shall include the requirements of this paragraph in each contract with subcontractors under this Contract.

If the Contractor or subcontractor warrants that it has complied with the employment verification provisions prescribed by sections 274(a) and 274(b) of the Federal Immigration and Nationality Act and the E-verify requirements prescribed by A.R.S. § 23-214(A), the Contractor or subcontractor shall be deemed to be in compliance with this provision. The City may request proof of such compliance at any time during the term of this Contract by the Contractor and any subcontractor.

- 17. FORCE MAJEURE:** Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of Force Majeure. The term "Force Majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Force Majeure shall not include late performance by a subcontractor unless the delay arises out of a Force Majeure occurrence in accordance with this Force Majeure term and condition.

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 of such delay, as soon as is practical, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be hand-delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by contract modification for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

- 18. GRATUITIES:** The City may, by written notice to the Contractor, terminate this Contract if it is found that gratuities, in the form of entertainment, gifts, meals or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor, to any officer or employee of the City amending, or the making of any determinations with respect to the performing of such Contract. In the event this Contract is terminated by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Contractor the amount of the gratuity.

- 19. HUMAN RELATIONS:** Contractor shall abide by the provisions of the Tucson City Code Chapter 28, Article XII.

- 20. INDEMNIFICATION:** To the fullest extent permitted by law, Contractor shall pay, defend, indemnify and hold harmless the City of Tucson, its agents, representatives, officers, directors, officials and employees ("Indemnitees") from and against all allegations, demands, proceedings, suits, actions, claims, damages,

losses, reasonable expenses, including but not limited to, reasonable attorney fees, court costs, and the cost of appellate proceedings, and all claim adjusting and handling expense, incurred or sustained by any Indemnitee and related to (i) injury to or death of, or property damage sustained by, any natural person who is an Indemnitee, or (ii) claims of patent or copyright infringement, to the extent caused by any actions, acts, errors, mistakes or omissions of Contractor relating to work, services and/or products provided in the performance of this Contract, including but not limited to, any Subcontractor retained by Contractor or anyone directly or indirectly employed by Contractor or such Subcontractor, and except to the extent that the injury to, death of, or property damage sustained by such person is attributable to the negligent acts or omissions or willful misconduct of the City or any of its affiliates or their respective employees, agents or subcontractors.

- 21. INDEPENDENT CONTRACTOR:** It is understood that each party shall act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other party for any purpose.

The Contractor shall not be entitled to compensation in the form of salaries, paid vacation or sick days by the City.

The City of Tucson will not provide any insurance coverage to the Contractor, including Worker's Compensation coverage. The Contractor is advised that taxes, social security payments, and other withholdings shall not be withheld from a City payment issued under this Contract and that Contractor should make arrangements to directly pay such expenses.

- 22. INSPECTION AND ACCEPTANCE:** All material or service is subject to final inspection and acceptance by the City. Material or service failing to conform to the specifications of this Contract shall be held at the Contractor's risk and may be returned to the Contractor. If returned, all costs are the responsibility of the Contractor. Noncompliance may be deemed a cause for possible Contract termination.

- 23. INTERPRETATION-PAROLE EVIDENCE:** This Contract is intended by the parties to be a final expression of their agreement and is intended also as a complete and exclusive statement of the terms of this agreement. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in the Contract. Acceptance or consent in the course of performance under this Contract shall not be relevant to determine the meaning of this Contract even though the accepting or consenting party has knowledge of the nature of the performance and the opportunity to object.

- 24. LICENSES:** Contractor shall maintain in current status all Federal, State, and local licenses and permits required for the operation of the business conducted by the Contractor as applicable to this Contract.

- 25. LIENS:** All materials, services, and other deliverables supplied to the City under this Contract shall be free of all liens other than the security interest. Security interest shall extinguish upon full payment made by the City. Upon the City's request, the Contractor shall provide a formal release of all liens.

- 26. NO REPLACEMENT OF DEFECTIVE TENDER:** Every tender of materials must fully comply with all provisions of this Contract. If a tender is made which does not fully comply, this shall conform to the termination clause set forth within this document.

- 27. NON-EXCLUSIVE CONTRACT:** Any contract resulting from this solicitation shall be awarded with the understanding and agreement that it is for the sole convenience of the City of Tucson. The City reserves the right to obtain like goods or services from another source when necessary.

- 28. OVERCHARGES BY ANTITRUST VIOLATIONS:** The City maintains that, in actual practice, overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, the Contractor hereby assigns to the City any and all claims for such overcharges as to the materials or services used to fulfill the Contract.

- 29. PAYMENT:** The City shall make every effort to process payment for the purchase of materials or services within twenty-one (21) calendar days after receipt of materials or services and a correct invoice.

- 30. PROTECTION OF GOVERNMENT PROPERTY:** The Contractor shall use reasonable care to avoid damaging existing buildings, equipment, and vegetation (such as trees, shrubs, and grass) on City property. If the Contractor fails to do so and damages such property, the Contractor shall replace or repair the damage at no expense to the City, as determined and approved by the City's Director of Procurement. If the Contractor fails or refuses to make such repair or replacement, the City will determine a cost and the Contractor shall be liable for the cost thereof, which may be deducted from the Contract price.

- 31. PROVISIONS REQUIRED BY LAW:** Each and every provision of law and any clause required by law to be in the Contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party the Contract shall be amended to make such insertion or correction.
- 32. RECORDS:** Internal control over all financial transactions related to this Contract shall be in accordance with sound fiscal policies. The City may, at reasonable times and places, audit the books and records of the Contractor and/or any subcontractors. Said audit shall be limited to this Contract.
- 33. RIGHT TO ASSURANCE:** Whenever one party to this Contract has reason to question, in good faith, the other party's intent to perform, the former party may demand that the other party give a written assurance of this intent to perform. In the event that a demand is made and no written assurance is given within five (5) days, the demanding party may treat this failure as the other party's intent not to perform and as a cause for possible Contract termination.
- 34. RIGHT TO INSPECT:** The City may, at reasonable times, and at the City's expense, inspect the place of business of a Contractor or subcontractor which is related to the performance of any Contract as awarded or to be awarded.
- 35. RIGHTS AND REMEDIES:** No provision in this document or in the Contractor's proposal shall be construed, expressly or by implication, as a waiver by either party of any existing or future right and/or remedy available by law in the event of any claim, default or breach of contract. The failure of either party to insist upon the strict performance of any term or condition of the Contract, to exercise or delay the exercise of any right or remedy provided in the Contract or by law, or to accept materials or services required by this Contract or by law shall not be deemed a waiver of any right of either party to insist upon the strict performance of the Contract.
- 36. SEVERABILITY:** The provisions of this Contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the Contract which may remain in effect without the valid provision or application.
- 37. SHIPMENT UNDER RESERVATION PROHIBITED:** No tender of a bill of lading shall operate as a tender of the materials. Non-compliance shall conform to the termination clause set forth within this document.
- 38. SUBCONTRACTS:** No subcontract shall be entered into by the Contractor with any other party to furnish any of the material/service specified herein without the advance written approval of the City's Director of Procurement. All subcontracts shall comply with Federal and State laws and regulations which are applicable to the services covered by the subcontract and shall include all the terms and conditions set forth herein which shall apply with equal force to the subcontract, as if the subcontractor were the Contractor referred to herein. The Contractor is responsible for contract performance whether or not subcontractors are used.
- 39. SUBSEQUENT EMPLOYMENT:** The City may terminate this Contract without penalty or further obligation pursuant to A.R.S. Section 38-511 if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract, on behalf of the City, is or becomes, at any time while the Contract or any extension of the Contract is in effect, an employee of, or a contractor to, any other party to this Contract with respect to the subject matter of the Contract. Termination shall be effective when written notice from the City's Director of Procurement is received by the parties to this Contract, unless the notice specifies a later time.
- 40. TERMINATION OF CONTRACT:** This Contract may be terminated at any time by mutual written consent, or by the City, with or without cause, upon giving thirty (30) days written notice. If this Contract is terminated, the City shall be liable only for payment under the payment provisions of this Contract for services rendered and product obligations incurred by the City before the effective date of termination.

The City reserves the right to terminate the whole or any part of this Contract due to the failure of the Contractor to carry out any term or condition of the Contract, which failure the contractor has not commenced to remedy within thirty days of receipt of notice of such failure, the City will issue a written ten (10) day notice of default to the Contractor for acting or failing to act as specified in any of the following:

In the reasonable opinion of the City, the Contractor provides personnel that do not meet the requirements of the Contract;

In the reasonable opinion of the City, the Contractor fails to perform adequately the stipulations, conditions or services/specifications required in this Contract;

In the reasonable opinion of the City, the Contractor attempts to impose personnel, materials, products or workmanship of an unacceptable quality;

The Contractor fails to furnish the required service and/or product within the time stipulated in the Contract;

In the reasonable opinion of the City, the Contractor fails to make progress in the performance of the requirements of the Contract;

The Contractor gives the City a positive indication that the Contractor will not or cannot perform to the requirements of the Contract.

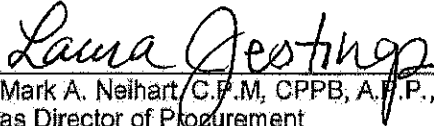
Each payment obligation of the City created by this Contract is conditioned upon the availability of City, State and Federal funds that are appropriated or allocated for the payment of such an obligation. If funds are not allocated by the City and available for the continued purchase of the services and/or materials provided under this Contract, this Contract may be terminated by the City at the end of the period for which funds are available. The City will notify the Contractor in the event that continued service will or may be affected by non-appropriation. No penalty shall accrue to the City in the event this provision is exercised, and the City shall not be obligated or liable for any future payments due or for any damages as a result of termination under this paragraph.

- 41. TITLE AND RISK OF LOSS:** The title and risk of loss of material or service shall not pass to the City until the City actually receives the material or service at the point of delivery, unless otherwise provided within this Contract.
- 42. WARRANTIES:** Contractor warrants that all material or service delivered under this Contract shall conform to the specifications of this Contract. Mere receipt of shipment of the material or service specified and any inspection incidental thereto by the City shall not alter or affect the obligations of the Contractor or the rights of the City under the foregoing warranties. Additional warranty requirements may be set forth in this document.

OFFER AND ACCEPTANCE

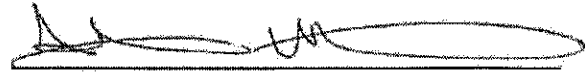
This Contract represents the entire agreement between the City of Tucson and the Contractor relating to this requirement and shall prevail over any and all previous verbal and written agreements.

CITY OF TUCSON:



Mark A. Neihart, C.F.M., CPPB, A.P.P., CPM
as Director of Procurement
and Not Personally

CATERPILLAR, INC

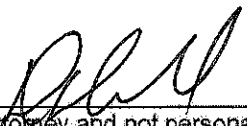


Steve Hinton
North American Marketing Manager
Caterpillar, Inc.
100 NE Adams
Peoria, IL 61629

Contract contact:

Jason Walker
Government Sales Consultant
309-675-4095
Walker_jason_c@cat.com

Approved as to form this 2nd day of May, 2012.



As Tucson City Attorney and not personally

**CITY OF TUCSON
CONTRACT 120377**

**ATTACHMENT A:
CATERPILLAR EQUIPMENT DISCOUNTS
AND FREIGHTS**

Caterpillar Equipment Discounts

Machines	New Equipment	Used Equipment
Track Type Tractors	Discount off List	Discount from original List
D3K	25.00%	20.0%
D4K	24.00%	20.0%
D5K	25.00%	20.0%
D6K	24.00%	20.0%
D6N	24.00%	20.0%
D6T	24.00%	20.0%
D7R	22.00%	20.0%
D7E	22.00%	20.0%
D8T	22.00%	20.0%
Motor Graders		
12M	33.00%	20.0%
120M	37.00%	20.0%
140M	33.00%	20.0%
140M2	33.00%	20.0%
160M	33.00%	20.0%
160M2	33.00%	20.0%
14M	23.00%	20.0%
Excavators		
300.9	17.50%	20.0%
301.5	17.50%	20.0%
301.8	17.50%	20.0%
302.5	17.50%	20.0%
303	17.50%	20.0%
303.5	17.50%	20.0%
304	17.50%	20.0%
305	17.50%	20.0%
305.5	17.50%	20.0%
307	17.50%	20.0%
308	17.50%	20.0%
311	24.00%	20.0%
312	21.00%	20.0%
314	25.00%	20.0%
315	25.00%	20.0%
319	22.00%	20.0%
320	18.00%	20.0%
321	18.00%	20.0%
324	18.00%	20.0%
325	18.00%	20.0%

328	18.00%	20.0%
329	18.00%	20.0%
330	18.00%	20.0%
336	18.00%	20.0%
345	12.00%	20.0%
349	12.00%	20.0%
Wheeled Excavators		
M313	35.00%	20.0%
M315	32.00%	20.0%
M316	35.00%	20.0%
M318	32.00%	20.0%
M322	35.00%	20.0%
M325	35.00%	20.0%
Backhoe Loaders		
414	21.00%	20.0%
416	21.00%	20.0%
420	21.00%	20.0%
430	21.00%	20.0%
450	21.00%	20.0%
Wheel Tractor Scrapers		
613	15.00%	20.0%
615	17.00%	20.0%
621	16.00%	20.0%
623	17.00%	20.0%
627	16.00%	20.0%
Towed Scrapers		
TS180	15.00%	20.0%
TS220	15.00%	20.0%
Articulated Trucks		
725	14.00%	20.0%
730	14.00%	20.0%
735	14.00%	20.0%
740	14.00%	20.0%
Landfill Compactors		
816	14.00%	20.0%
826	14.00%	20.0%
836	14.00%	20.0%
Wheel Dozers		
814	15.00%	20.0%
824	15.00%	20.0%
Wheel Loaders		
904	24.00%	20.0%

906	25.00%	20.0%
907	25.00%	20.0%
908	25.00%	20.0%
914	25.00%	20.0%
924	26.00%	20.0%
928	26.00%	20.0%
930	26.00%	20.0%
938	26.00%	20.0%
950	24.00%	20.0%
962	24.00%	20.0%
966	21.00%	20.0%
972	16.00%	20.0%
980	12.00%	20.0%
Integrated Tool Carriers		
IT14	26.00%	20.0%
IT38	26.00%	20.0%
IT62	21.00%	20.0%
Track Loaders		
953	20.00%	20.0%
963	23.00%	20.0%
973	23.00%	20.0%
Skid Steer Loaders		
216B2	16.00%	20.0%
216B3	16.00%	20.0%
226B2	16.00%	20.0%
226B3	16.00%	20.0%
232B2	16.00%	20.0%
236B2	16.00%	20.0%
236B3	16.00%	20.0%
242B2	16.00%	20.0%
242B3	16.00%	20.0%
246C	16.00%	20.0%
252B2	16.00%	20.0%
252B3	16.00%	20.0%
256C	16.00%	20.0%
262C	16.00%	20.0%
272C	16.00%	20.0%
Multi-Terrain Loaders		
227C	16.00%	20.0%
247B2	16.00%	20.0%
247B3	16.00%	20.0%
257B2	16.00%	20.0%
257B3	16.00%	20.0%
277C	16.00%	20.0%
287C	16.00%	20.0%
297C	16.00%	20.0%

Compact Track Loaders		
259B3	16.00%	20.0%
279C	16.00%	20.0%
289C	16.00%	20.0%
299C	16.00%	20.0%
Pavers		
AP500	16.00%	20.0%
AP555	16.00%	20.0%
AP600	16.00%	20.0%
AP655	16.00%	20.0%
AP800	16.00%	20.0%
AP1000	16.00%	20.0%
AP1055	16.00%	20.0%
Reclaimers		
RM300	14.00%	20.0%
RM500	14.00%	20.0%
Gold Planners		
PM102	14.00%	20.0%
PM200	14.00%	20.0%
PM201	16.00%	20.0%
Rollers		
CB14	16.00%	20.0%
CB22	16.00%	20.0%
CB24	16.00%	20.0%
CB32	16.00%	20.0%
CB34	16.00%	20.0%
CB44	16.00%	20.0%
CB54	16.00%	20.0%
CB64	16.00%	20.0%
CB434	16.00%	20.0%
CB534	16.00%	20.0%
CB564	16.00%	20.0%
CD54	16.00%	20.0%
CC24	16.00%	20.0%
CC34	16.00%	20.0%
CP44	14.00%	20.0%
CP56	14.00%	20.0%
CP64	14.00%	20.0%
CP76	14.00%	20.0%
CP323	14.00%	20.0%
CP433	14.00%	20.0%
CS44	14.00%	20.0%
CS54	14.00%	20.0%
CS56	14.00%	20.0%
CS64	14.00%	20.0%

CS74	14.00%	20.0%
CS76	14.00%	20.0%
CS323	14.00%	20.0%
CS423	14.00%	20.0%
CS433	14.00%	20.0%
PS150	16.00%	20.0%
PS360	16.00%	20.0%
Vocational Trucks		
CT660	23.00%	
CB22	16.00%	
Worktools	15.00%	

Caterpillar Equipment Freight Matrix

LANDSTAR - ELEVEN SHIPPING ZONES : Freight Rates: Based on a "Ship From" zone to Destination State Zone

Shipping Zones - Based on Destination States

Product:	NY, PA, NJ VT, NH, ME VA, WV, NC OH, IN, FL, GA WI, MN, CO, NM WA, OR CA, NV NE, KS TX, OK											
	DE, MD	RI, MA, CT	KY, TN	MI, IL	SC, AL	ND, SD	WY, UT	ID, MT	AZ	MO, IA, LA, AK, MS		
Asphalt Pavers												
Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
AP500	6	\$5,346	\$7,398	\$5,550	\$4,518	\$6,762	\$2,958	\$5,357	\$6,960	\$7,302	\$3,842	\$6,214
AP555	6	\$5,580	\$7,662	\$5,862	\$4,650	\$6,942	\$3,000	\$5,406	\$7,062	\$7,530	\$4,082	\$6,570
AP600	6	\$5,346	\$7,398	\$5,550	\$4,410	\$6,762	\$2,958	\$5,357	\$6,960	\$7,302	\$3,842	\$6,214
AP650	6	\$5,346	\$7,398	\$5,550	\$4,518	\$6,762	\$2,958	\$5,357	\$6,960	\$7,302	\$3,842	\$6,214
AP655	6	\$5,580	\$7,662	\$5,862	\$4,650	\$6,942	\$3,000	\$5,406	\$7,062	\$7,530	\$4,082	\$6,570
AP800	6	\$5,580	\$7,662	\$5,862	\$4,650	\$6,942	\$3,000	\$5,406	\$7,062	\$7,530	\$4,082	\$6,570
AP1000	6	\$5,580	\$7,662	\$5,862	\$4,650	\$6,942	\$3,000	\$5,406	\$7,062	\$7,530	\$4,082	\$6,570
AP1050	6	\$5,760	\$8,322	\$5,958	\$4,650	\$6,942	\$3,060	\$5,472	\$7,002	\$7,506	\$4,162	\$6,600
AP1055	6	\$5,760	\$8,546	\$6,054	\$4,746	\$6,990	\$3,222	\$5,538	\$7,002	\$7,506	\$4,152	\$6,642
Asphalt Compactors												
Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
CB14	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$1,645	\$2,771
CB22	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$1,645	\$2,771
CB24	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$1,645	\$2,771
CB32	6	\$3,210	\$4,426	\$2,818	\$2,767	\$3,583	\$1,933	\$2,681	\$3,427	\$3,943	\$1,466	\$2,424
CB34	6	\$3,210	\$4,426	\$2,818	\$2,767	\$3,583	\$1,933	\$2,681	\$3,427	\$3,943	\$1,466	\$2,424
CB54	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$1,645	\$2,771
CB64	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$1,645	\$2,771
CB434	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$1,645	\$2,771
CB534	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$1,645	\$2,771
CB564	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$1,645	\$2,771
CC24	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$1,645	\$2,771
CC34	6	\$3,210	\$4,426	\$2,818	\$2,767	\$3,583	\$1,933	\$2,681	\$3,427	\$3,943	\$1,466	\$2,424
CD54	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$1,645	\$2,771
Soil Compactors												
Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
CS44	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$1,645	\$2,771
CS54	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$1,645	\$2,771
NIPA Contract												

LANDSTAR® ELEVEN SHIPPING ZONES : Freight Rates: Based on a "Ship From" zone to Destination State Zone

Shipping Zones - Based on Destination States

Product:	NY, PA, NJ	VT, NH, ME	VA, WV, NC	OH, IN,	FL, GA	WI, MN,	CO, NM	WA, OR	CA, NV	NE, KS	TX, OK
	DE, MD	RI, MA, CT	KY, TN	MI, IL	SC, AL	ND, SD	WY, UT	ID, MT	AZ	MO, IA, LA, AK, MS	
CS56	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$2,771
CS64	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$2,771
CS74	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$2,771
CS76	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$2,771
CS323	6	\$3,210	\$4,426	\$2,818	\$2,767	\$3,583	\$1,933	\$2,681	\$3,427	\$3,943	\$2,424
CS423	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$2,771
CS433	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$2,771
CP56	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$2,771
CP64	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$2,771
CP76	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$2,771
CP323	6	\$3,210	\$4,426	\$2,818	\$2,767	\$3,583	\$1,933	\$2,681	\$3,427	\$3,943	\$2,424
CP433	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$2,771

Track Type Factors

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
D3K	5	\$3,312	\$4,500	\$2,558	\$3,794	\$1,142	\$5,676	\$6,060	\$8,083	\$7,879	\$4,978	\$2,810
	11	\$4,565	\$6,485	\$4,538	\$4,298	\$2,810	\$4,459	\$4,260	\$6,014	\$5,443	\$3,276	\$2,861
D4K	5	\$3,312	\$4,500	\$2,558	\$3,794	\$1,142	\$5,676	\$6,060	\$8,083	\$7,879	\$4,978	\$2,810
	11	\$4,565	\$6,485	\$4,538	\$4,298	\$2,810	\$4,459	\$4,260	\$6,014	\$5,443	\$3,276	\$2,861
D5K	5	\$3,312	\$4,500	\$2,558	\$3,794	\$1,142	\$5,676	\$6,060	\$8,083	\$7,879	\$4,978	\$2,810
	11	\$4,565	\$6,485	\$4,538	\$4,298	\$2,810	\$4,459	\$4,260	\$6,014	\$5,443	\$3,276	\$2,861
D6K	5	\$3,312	\$4,500	\$2,558	\$3,794	\$1,142	\$5,676	\$6,060	\$8,083	\$7,879	\$4,978	\$2,810
	11	\$4,565	\$6,485	\$4,538	\$4,298	\$2,810	\$4,459	\$4,260	\$6,014	\$5,443	\$3,276	\$2,861
D6N	5	\$3,312	\$4,500	\$2,558	\$3,794	\$1,142	\$5,676	\$6,060	\$8,083	\$7,879	\$4,978	\$2,810
	11	\$4,565	\$6,485	\$4,538	\$4,298	\$2,810	\$4,459	\$4,260	\$6,014	\$5,443	\$3,276	\$2,861
D6T	4	\$4,266	\$5,760	\$4,170	\$2,430	\$5,040	\$4,038	\$6,192	\$8,454	\$8,082	\$2,640	\$4,920
D7R	4	\$5,490	\$7,440	\$5,400	\$2,862	\$6,600	\$5,040	\$7,182	\$10,998	\$10,470	\$3,432	\$6,448
D7E	4	\$5,490	\$7,440	\$5,400	\$2,862	\$6,600	\$5,040	\$7,182	\$10,998	\$10,470	\$3,432	\$6,448
D8T	4	\$6,792	\$9,180	\$6,690	\$3,510	\$8,280	\$6,030	\$8,682	\$14,040	\$15,750	\$4,782	\$7,800

Integrated Technologies

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
IT14	3	\$2,122	\$3,394	\$2,327	\$1,958	\$2,462	\$4,166	\$5,678	\$7,597	\$7,231	\$3,720	\$3,796
IT38	3	\$2,696	\$4,361	\$2,886	\$2,832	\$3,178	\$5,597	\$7,663	\$10,036	\$9,338	\$5,341	\$5,665
IT62	3	\$3,101	\$5,015	\$3,319	\$3,257	\$3,654	\$6,436	\$8,813	\$11,541	\$10,739	\$6,142	\$6,515

Net Freight Rates

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
IT14	3	\$2,122	\$3,394	\$2,327	\$1,958	\$2,462	\$4,166	\$5,678	\$7,597	\$7,231	\$3,720	\$3,796
IT38	3	\$2,696	\$4,361	\$2,886	\$2,832	\$3,178	\$5,597	\$7,663	\$10,036	\$9,338	\$5,341	\$5,665
IT62	3	\$3,101	\$5,015	\$3,319	\$3,257	\$3,654	\$6,436	\$8,813	\$11,541	\$10,739	\$6,142	\$6,515

LANDSTA-- ELEVEN SHIPPING ZONES : Freight Rates: Based on a "Ship From" zone to Destination State Zone

Shipping Zones - Based on Destination States

Product:	Unit	Ship From	NY, PA, NJ	VT, NH, ME	VA, WV, NC	OH, IN,	FL, GA	WI, MN,	CO, NM	WA, OR	CA, NV	NE, KS	TX, OK
			DE, MD	RI, MA, CT	KY, TN	MI, IL	SC, AL	ND, SD	WY, UT	ID, MT	AZ	MO, IA, LA, AK, MS	
M313	5		\$4,583	\$6,726	\$3,116	\$5,453	\$1,944	\$7,884	\$8,651	\$14,604	\$12,650	\$6,071	\$6,230
	11		\$8,066	\$10,122	\$4,218	\$6,353	\$4,944	\$6,006	\$6,048	\$10,991	\$8,321	\$4,666	\$2,976
M315	5		\$4,639	\$6,809	\$3,154	\$5,520	\$1,968	\$7,980	\$8,758	\$14,784	\$12,806	\$6,145	\$6,307
	11		\$8,171	\$8,939	\$4,272	\$6,436	\$5,008	\$6,084	\$6,126	\$11,134	\$8,429	\$4,727	\$3,013
M316	5		\$4,651	\$6,826	\$3,161	\$5,533	\$1,973	\$7,999	\$8,778	\$14,820	\$12,838	\$6,160	\$6,323
	11		\$8,213	\$10,306	\$4,294	\$6,468	\$5,033	\$6,115	\$6,534	\$11,190	\$8,472	\$4,752	\$3,030
M318	5		\$4,786	\$7,025	\$3,253	\$5,695	\$2,030	\$8,233	\$9,035	\$15,253	\$13,212	\$6,340	\$6,506
	11		\$8,443	\$10,595	\$4,416	\$6,650	\$5,174	\$6,287	\$6,330	\$11,504	\$8,710	\$4,884	\$3,114
M322	5		\$4,843	\$7,108	\$3,293	\$5,762	\$2,054	\$8,330	\$9,142	\$15,433	\$13,368	\$6,415	\$6,583
	11		\$8,548	\$10,727	\$4,470	\$6,732	\$5,239	\$6,365	\$6,409	\$11,647	\$8,818	\$4,093	\$3,394
M325	5		\$4,843	\$7,108	\$3,293	\$5,762	\$2,054	\$8,330	\$9,142	\$15,433	\$13,368	\$6,415	\$6,583
	11		\$8,548	\$10,727	\$4,470	\$6,732	\$5,239	\$6,365	\$6,409	\$11,647	\$8,818	\$4,093	\$3,394

Gold Planners

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
PM102	6	\$8,190	\$10,710	\$7,386	\$5,789	\$9,952	\$4,056	\$6,660	\$9,244	\$10,343	\$3,398	\$6,536
PM200	6	\$8,190	\$10,710	\$7,386	\$5,789	\$9,952	\$4,056	\$6,660	\$9,244	\$10,343	\$3,398	\$6,536
PM201	6	\$8,190	\$10,710	\$7,386	\$5,789	\$9,952	\$4,056	\$6,660	\$9,244	\$10,343	\$3,398	\$6,536

Pneumatic Compactors

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
PS150	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$1,645	\$2,771
PS360	6	\$3,644	\$4,993	\$3,209	\$3,074	\$4,111	\$2,148	\$3,034	\$3,917	\$4,492	\$1,645	\$2,771

Roller Mixers

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
RM300	6	\$5,380	\$7,034	\$4,850	\$3,802	\$6,535	\$2,663	\$4,375	\$6,071	\$6,792	\$2,218	\$4,294
RM500	6	\$5,674	\$7,444	\$5,118	\$2,074	\$6,894	\$2,809	\$4,812	\$6,403	\$7,165	\$2,339	\$4,529

Towed Scrapers

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
TS180	4	\$2,939	\$3,828	\$3,476	\$1,801	\$4,339	\$1,974	\$4,059	\$4,963	\$5,194	\$2,213	\$3,712
TS220	4	\$2,939	\$3,828	\$3,476	\$1,801	\$4,339	\$1,974	\$4,059	\$4,963	\$5,194	\$2,213	\$3,712

Motor Graders

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
12	4	\$3,564	\$5,219	\$3,006	\$1,968	\$4,762	\$3,702	\$5,026	\$7,913	\$7,894	\$2,113	\$3,948
NJPA Contract	4	\$4,310	\$6,313	\$3,636	\$2,380	\$5,760	\$4,478	\$6,079	\$9,572	\$9,548	\$2,556	\$4,774

LANDSTAR - ELEVEN SHIPPING ZONES : Freight Rates: Based on a "Ship From" zone to Destination State Zone

Shipping Zones - Based on Destination States

Product:		NV, PA, NJ	VT, NH, ME	VA, WV, NC	OH, IN,	FL, GA	WI, MN,	CO, NM	WA, OR	CA, NV	NE, KS	TX, OK
		DE, MD	RI, MA, CT	KY, TN	MI, IL	SC, AL	ND, SD	WY, UT	ID, MT	AZ	MO, IA, LA, AK, MS	
120	4	\$3,449	\$5,051	\$2,909	\$1,904	\$4,608	\$3,582	\$4,864	\$7,657	\$7,639	\$2,045	\$3,820
140	4	\$3,564	\$5,219	\$3,006	\$1,968	\$4,762	\$3,702	\$5,026	\$7,913	\$7,894	\$2,113	\$3,948
160	4	\$3,576	\$5,243	\$3,054	\$1,992	\$4,795	\$3,720	\$5,046	\$7,924	\$7,932	\$2,140	\$3,966

Skid Steer Loaders

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
216	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
226	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
232	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
236	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
242	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
246	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
248	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
252	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
256	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
262	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
268	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
272	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426

Multi-Terrain Loaders

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
227	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
247	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
257	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
267	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
277	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
287	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
297	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426

Compact Track Loaders

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
259	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
279	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
289	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
299	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426

Hydraulic Excavators

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
NJP Antrom	Ship From	1	2	3	4	5	6	7	8	9	10	11

LANDSTAK - ELEVEN SHIPPING ZONES : Freight Rates: Based on a "Ship From" zone to Destination State Zone

Shipping Zones - Based on Destination States

Product:	NY, PA, NJ	VT, NH, ME	VA, WV, NC	OH, IN,	FL, GA	WI, MN,	CO, NM	WA, OR	CA, NV	NE, KS	TX, OK
	DE, MD	RI, MA, CT	KY, TN	MI, IL	SC, AL	ND, SD	WY, UT	ID, MT	AZ	MO, IA, LA, AK, MS	
300.9	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$8,984	\$7,219	\$4,723	\$2,426
	11	\$4,042	\$5,828	\$4,253	\$3,887	\$2,510	\$4,069	\$5,414	\$4,939	\$2,976	\$2,561
301.4	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$8,984	\$7,219	\$4,723	\$2,426
	11	\$4,042	\$5,828	\$4,253	\$3,887	\$2,510	\$4,069	\$5,414	\$4,939	\$2,976	\$2,561
301.5	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$8,984	\$7,219	\$4,723	\$2,426
	11	\$4,042	\$5,828	\$4,253	\$3,887	\$2,510	\$4,069	\$5,414	\$4,939	\$2,976	\$2,561
301.8	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$8,984	\$7,219	\$4,723	\$2,426
	11	\$4,042	\$5,828	\$4,265	\$3,887	\$2,510	\$4,069	\$5,414	\$4,939	\$2,976	\$2,561
302.5	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$8,984	\$7,219	\$4,723	\$2,426
	11	\$4,042	\$5,828	\$4,265	\$3,887	\$2,510	\$4,069	\$5,414	\$4,939	\$2,976	\$2,561
303	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$8,984	\$7,219	\$4,723	\$2,426
	11	\$4,042	\$5,828	\$4,265	\$3,887	\$2,510	\$4,069	\$5,414	\$4,939	\$2,976	\$2,561
303.5	5	\$3,031	\$4,085	\$2,382	\$3,578	\$1,022	\$5,190	\$8,984	\$7,219	\$4,723	\$2,426
	11	\$4,042	\$5,828	\$4,265	\$3,887	\$2,510	\$4,069	\$5,414	\$4,939	\$2,976	\$2,561
304	5	\$3,312	\$4,500	\$2,558	\$3,794	\$1,142	\$5,676	\$8,083	\$7,879	\$4,978	\$2,810
	11	\$4,565	\$6,485	\$4,538	\$4,298	\$2,810	\$4,459	\$6,014	\$5,443	\$3,276	\$2,861
305	5	\$3,312	\$4,500	\$2,558	\$3,794	\$1,142	\$5,676	\$8,083	\$7,879	\$4,978	\$2,810
	11	\$4,565	\$6,485	\$4,538	\$4,298	\$2,810	\$4,459	\$6,014	\$5,443	\$3,276	\$2,861
305.5	5	\$3,312	\$4,500	\$2,558	\$3,794	\$1,142	\$5,676	\$8,083	\$7,879	\$4,978	\$2,810
	11	\$4,565	\$6,485	\$4,538	\$4,298	\$2,810	\$4,459	\$6,014	\$5,443	\$3,276	\$2,861
307	5	\$3,312	\$4,500	\$2,558	\$3,794	\$1,142	\$5,676	\$8,083	\$7,879	\$4,978	\$2,810
	11	\$4,565	\$6,485	\$4,538	\$4,298	\$2,810	\$4,459	\$6,014	\$5,443	\$3,276	\$2,861
308	5	\$3,312	\$4,500	\$2,558	\$3,794	\$1,142	\$5,676	\$8,083	\$7,879	\$4,978	\$2,810
	11	\$4,565	\$6,485	\$4,538	\$4,298	\$2,810	\$4,459	\$6,014	\$5,443	\$3,276	\$2,861
311	5	\$3,312	\$4,500	\$2,558	\$3,794	\$1,142	\$5,676	\$8,083	\$7,879	\$4,978	\$2,810
	11	\$4,565	\$6,485	\$4,538	\$4,298	\$2,810	\$4,459	\$6,014	\$5,443	\$3,276	\$2,861
312	5	\$3,312	\$4,500	\$2,558	\$3,794	\$1,142	\$5,676	\$8,083	\$7,879	\$4,978	\$2,810
	11	\$4,565	\$6,485	\$4,538	\$4,298	\$2,810	\$4,459	\$6,014	\$5,443	\$3,276	\$2,861
314	5	\$3,312	\$4,500	\$2,558	\$3,794	\$1,142	\$5,676	\$8,083	\$7,879	\$4,978	\$2,810
	11	\$4,565	\$6,485	\$4,538	\$4,298	\$2,810	\$4,459	\$6,014	\$5,443	\$3,276	\$2,861
315	5	\$3,312	\$4,500	\$2,558	\$3,794	\$1,142	\$5,676	\$8,083	\$7,879	\$4,978	\$2,810
	11	\$4,565	\$6,485	\$4,538	\$4,298	\$2,810	\$4,459	\$6,014	\$5,443	\$3,276	\$2,861
318	5	\$4,968	\$6,750	\$3,838	\$5,692	\$1,714	\$8,514	\$12,125	\$11,819	\$7,466	\$4,216
NJPA Contract	11	\$6,847	\$9,727	\$6,808	\$6,448	\$4,216	\$6,689	\$9,022	\$8,165	\$4,914	\$4,291

LANDSTA-- ELEVEN SHIPPING ZONES : Freight Rates: Based on a "Ship From" Zone to Destination State Zone

Shipping Zones - Based on Destination States

Product:	NY, PA, NJ	VT, NH, ME	VA, WV, NC	OH, IN,	FL, GA	WI, MN,	CO, NM	WA, OR	CA, NV	NE, KS	TX, OK
	DE, MD	RI, MA, CT	KY, TN	MI, IL	SC, AL	ND, SD	WY, UT	ID, MT	AZ	MO, IA, LA, AK, MS	
319	\$4,968	\$6,750	\$3,838	\$5,692	\$1,714	\$8,514	\$9,090	\$12,125	\$11,819	\$7,466	\$4,216
11	\$6,847	\$9,727	\$6,808	\$6,448	\$4,216	\$6,689	\$6,390	\$9,022	\$8,165	\$4,914	\$4,291
320	\$4,968	\$6,750	\$3,838	\$5,692	\$1,714	\$8,514	\$9,090	\$12,125	\$11,819	\$7,466	\$4,216
11	\$6,847	\$9,727	\$6,808	\$6,448	\$4,216	\$6,689	\$6,390	\$9,022	\$8,165	\$4,914	\$4,291
321	\$4,968	\$6,750	\$3,838	\$5,692	\$1,714	\$8,514	\$9,090	\$12,125	\$11,819	\$7,466	\$4,216
11	\$6,847	\$9,727	\$6,808	\$6,448	\$4,216	\$6,689	\$6,390	\$9,022	\$8,165	\$4,914	\$4,291
322	\$3,312	\$4,500	\$2,558	\$3,794	\$1,142	\$5,676	\$6,060	\$8,083	\$7,879	\$4,978	\$2,810
11	\$4,565	\$6,485	\$4,538	\$4,298	\$2,810	\$4,459	\$4,260	\$6,014	\$5,443	\$3,276	\$2,861
324	\$3,312	\$4,500	\$2,558	\$3,794	\$1,142	\$5,676	\$6,060	\$8,083	\$7,879	\$4,978	\$2,810
11	\$4,565	\$6,485	\$4,538	\$4,298	\$2,810	\$4,459	\$4,260	\$6,014	\$5,443	\$3,276	\$2,861
325	\$5,910	\$8,644	\$4,925	\$3,694	\$7,831	\$5,730	\$8,182	\$12,865	\$12,853	\$3,694	\$6,482
328	\$5,910	\$8,644	\$4,925	\$3,694	\$7,831	\$5,730	\$8,182	\$12,865	\$12,853	\$3,694	\$6,482
329	\$5,910	\$8,644	\$4,925	\$3,694	\$7,831	\$5,730	\$8,182	\$12,865	\$12,853	\$3,694	\$6,482
330	\$6,612	\$9,671	\$5,510	\$4,140	\$8,762	\$6,289	\$9,155	\$14,395	\$14,382	\$4,133	\$7,253
336	\$6,612	\$9,671	\$5,510	\$4,140	\$8,762	\$6,289	\$9,155	\$14,395	\$14,382	\$4,133	\$7,253
345	\$7,934	\$11,605	\$6,612	\$4,968	\$10,514	\$7,547	\$10,986	\$17,274	\$17,258	\$4,960	\$8,704
349	\$7,934	\$11,605	\$6,612	\$4,968	\$10,514	\$7,547	\$10,986	\$17,274	\$17,258	\$4,960	\$8,704

Backhoe Loaders

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
414	3	\$3,031	\$4,085	\$2,382	\$3,578	\$2,426	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
416	3	\$3,031	\$4,085	\$2,382	\$3,578	\$2,426	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
420	3	\$3,031	\$4,085	\$2,382	\$3,578	\$2,426	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
430	3	\$3,031	\$4,085	\$2,382	\$3,578	\$2,426	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426
450	3	\$3,031	\$4,085	\$2,382	\$3,578	\$2,426	\$5,190	\$5,526	\$8,984	\$7,219	\$4,723	\$2,426

Wheel Tractor Scrapers

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
613	4	\$2,472	\$3,698	\$2,040	\$1,460	\$3,190	\$2,602	\$3,571	\$4,843	\$5,052	\$1,950	\$2,878
615	4	\$4,639	\$6,792	\$4,256	\$2,488	\$6,545	\$4,558	\$6,574	\$10,020	\$10,214	\$3,320	\$5,594
621	4	\$6,304	\$9,229	\$5,784	\$3,953	\$8,893	\$6,192	\$8,933	\$13,616	\$13,880	\$4,513	\$7,602
623	4	\$7,006	\$10,255	\$6,427	\$4,392	\$9,882	\$6,881	\$9,926	\$15,130	\$15,424	\$5,014	\$8,447
627	4	\$7,006	\$10,255	\$6,427	\$4,392	\$9,882	\$6,881	\$9,926	\$15,130	\$15,424	\$5,014	\$8,447

Articulated Trucks

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
NJ	1											
NP	1											
AN	1											
ON	1											
TR	1											
SH	1											
IP	1											
OM	1											
TA	1											
CK	1											
ES	1											
SE	1											
AL	1											
LA	1											
AK	1											
MS	1											

LANDSTAK - ELEVEN SHIPPING ZONES : Freight Rates: Based on a "Ship From" zone to Destination State Zone

Shipping Zones - Based on Destination States

Product:	NY, PA, NJ	VT, NH, ME	VA, WV, NC	OH, IN,	FL, GA	WI, MN,	CO, NM	WA, OR	CA, NV	NE, KS	TX, OK
	DE, MD	RI, MA, CT	KY, TN	MI, IL	SC, AL	ND, SD	WY, UT	ID, MT	AZ	MO, IA, LA, AK, MS	
725	5	\$4,843	\$7,108	\$3,293	\$5,762	\$2,054	\$8,330	\$9,142	\$15,433	\$13,368	\$6,415 \$6,583
	11	\$8,548	\$10,727	\$4,470	\$6,732	\$5,239	\$6,365	\$6,409	\$11,647	\$8,818	\$4,093 \$3,394
730	5	\$4,843	\$7,108	\$3,293	\$5,762	\$2,054	\$8,330	\$9,142	\$15,433	\$1,368	\$6,415 \$6,583
	11	\$8,548	\$10,727	\$4,470	\$6,732	\$5,239	\$6,365	\$6,409	\$11,647	\$8,818	\$4,093 \$3,394
735	5	\$5,578	\$8,188	\$3,792	\$6,637	\$2,366	\$9,595	\$10,530	\$17,778	\$15,406	\$7,390 \$7,584
	11	\$10,328	\$12,961	\$5,402	\$8,134	\$6,331	\$7,691	\$7,744	\$14,074	\$10,654	\$5,975 \$3,810
740	5	\$5,748	\$8,436	\$3,907	\$6,839	\$3,658	\$9,887	\$10,850	\$18,318	\$15,868	\$7,613 \$7,814
	11	\$10,643	\$13,356	\$5,566	\$8,382	\$6,523	\$7,925	\$7,980	\$15,366	\$13,140	\$7,290 \$3,926

Wheel Dozers

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
814	4	\$5,340	\$7,414	\$4,646	\$2,716	\$7,145	\$4,974	\$7,176	\$10,938	\$11,150	\$3,625	\$6,107
824	4	\$7,236	\$13,853	\$8,682	\$5,933	\$13,284	\$9,250	\$13,344	\$17,959	\$18,306	\$6,774	\$11,354
824(B)	4	\$2,184	\$3,277	\$1,800	\$1,301	\$2,808	\$2,328	\$3,173	\$4,217	\$4,426	\$1,770	\$2,562

Landfill Compactors

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
816	4	\$5,340	\$7,414	\$4,646	\$2,716	\$7,145	\$4,974	\$7,176	\$10,938	\$11,150	\$3,625	\$6,107
826	4	\$7,236	\$13,853	\$8,682	\$5,933	\$13,284	\$9,250	\$13,344	\$17,959	\$18,306	\$6,774	\$11,354
826(B)	4	\$2,184	\$3,277	\$1,800	\$1,301	\$2,808	\$2,328	\$3,173	\$4,217	\$4,426	\$1,770	\$2,562
836	4	\$15,150	\$20,477	\$12,833	\$8,770	\$19,732	\$13,739	\$18,187	\$25,250	\$25,738	\$10,012	\$15,481
836(B)	4	\$2,184	\$3,277	\$1,800	\$1,301	\$2,808	\$2,328	\$3,173	\$4,217	\$4,426	\$1,770	\$2,562

Wheel Loaders

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
904	1	\$1,607	\$4,015	\$1,607	\$3,158	\$1,607	\$5,109	\$7,635	\$10,363	\$9,559	\$4,274	\$6,233
904	9	\$4,565	\$6,485	\$4,538	\$4,298	\$9,559	\$4,459	\$4,260	\$6,014	\$5,443	\$3,276	\$2,861
904	11	\$3,980	\$5,389	\$2,081	\$3,134	\$2,376	\$3,354	\$3,612	\$5,424	\$4,862	\$2,606	\$1,699
906	1	\$1,607	\$4,015	\$1,607	\$3,158	\$1,607	\$5,109	\$7,635	\$10,363	\$9,559	\$4,274	\$6,233
906	9	\$4,565	\$6,485	\$4,538	\$4,298	\$9,559	\$4,459	\$4,260	\$6,014	\$5,443	\$3,276	\$2,861
906	11	\$3,980	\$5,389	\$2,081	\$3,134	\$2,376	\$3,354	\$3,612	\$5,424	\$4,862	\$2,606	\$1,699
907	1	\$1,607	\$4,015	\$1,607	\$3,158	\$1,607	\$5,109	\$7,635	\$10,363	\$9,559	\$4,274	\$6,233
907	9	\$4,565	\$6,485	\$4,538	\$4,298	\$9,559	\$4,459	\$4,260	\$6,014	\$5,443	\$3,276	\$2,861
907	11	\$3,980	\$5,389	\$2,081	\$3,134	\$2,376	\$3,354	\$3,612	\$5,424	\$4,862	\$2,606	\$1,699
908	1	\$1,607	\$4,015	\$1,607	\$3,158	\$1,607	\$5,109	\$7,635	\$10,363	\$9,559	\$4,274	\$6,233
908	9	\$4,565	\$6,485	\$4,538	\$4,298	\$9,559	\$4,459	\$4,260	\$6,014	\$5,443	\$3,276	\$2,861
908	11	\$3,980	\$5,389	\$2,081	\$3,134	\$2,376	\$3,354	\$3,612	\$5,424	\$4,862	\$2,606	\$1,699
NJP	Contract	11	\$5,389	\$2,081	\$3,134	\$2,376	\$3,354	\$3,612	\$5,424	\$4,862	\$2,606	\$1,699

LANDSTAR - ELEVEN SHIPPING ZONES : Freight Rates: Based on a "Ship From" Zone to Destination State Zone

Shipping Zones - Based on Destination States

Product:	NY, PA, NJ	VT, NH, ME	VA, WV, NC	OH, IN,	FL, GA	WI, MN,	CO, NM	WA, OR	CA, NV	NE, KS	TX, OK	
	DE, MD	RI, MA, CT	KY, TN	MI, IL	SC, AL	ND, SD	WY, UT	ID, MT	AZ	MO, IA, LA, AK, MS		
	1	\$2,853	\$4,015	\$2,789	\$3,158	\$2,789	\$5,109	\$7,635	\$10,363	\$9,559	\$4,274	\$6,233
	9	\$4,565	\$6,485	\$4,538	\$4,298	\$9,559	\$4,459	\$4,260	\$6,014	\$5,443	\$3,276	\$2,861
	11	\$3,980	\$5,389	\$2,081	\$3,134	\$2,376	\$3,354	\$3,612	\$5,424	\$4,862	\$2,606	\$1,699
	3	\$2,696	\$4,361	\$2,886	\$2,832	\$3,178	\$5,597	\$7,663	\$10,036	\$9,338	\$5,341	\$5,665
	3	\$2,696	\$4,361	\$2,886	\$2,832	\$3,178	\$5,597	\$7,663	\$10,036	\$9,338	\$5,341	\$5,665
	3	\$2,696	\$4,361	\$2,886	\$2,832	\$3,178	\$5,597	\$7,663	\$10,036	\$9,338	\$5,341	\$5,665
	3	\$2,696	\$4,361	\$2,886	\$2,832	\$3,178	\$5,597	\$7,663	\$10,036	\$9,338	\$5,341	\$5,665
	4	\$3,445	\$5,044	\$3,161	\$1,847	\$4,860	\$3,384	\$4,882	\$7,441	\$7,585	\$2,466	\$4,154
950	4	\$3,502	\$5,128	\$3,214	\$1,878	\$4,942	\$3,440	\$4,963	\$7,565	\$7,711	\$2,507	\$4,223
962	4	\$3,502	\$5,128	\$3,214	\$1,878	\$4,942	\$3,440	\$4,963	\$7,565	\$7,711	\$2,507	\$4,223
966	4	\$3,686	\$5,497	\$3,445	\$2,014	\$5,298	\$3,689	\$5,321	\$8,111	\$8,267	\$2,687	\$4,529
972	4	\$4,226	\$6,186	\$3,877	\$2,266	\$5,962	\$4,152	\$5,988	\$9,128	\$9,304	\$3,025	\$5,096
980	4	\$10,420	\$15,326	\$8,072	\$8,836	\$9,197	\$5,656	\$7,459	\$16,340	\$17,464	\$4,386	\$8,654
Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
953	5	\$2,546	\$3,820	\$1,654	\$2,558	\$1,200	\$4,184	\$4,699	\$7,031	\$6,403	\$2,923	\$3,230
963	11	\$3,980	\$5,389	\$2,081	\$3,134	\$2,376	\$3,354	\$3,612	\$5,424	\$4,862	\$2,606	\$1,699
	5	\$3,395	\$4,982	\$2,191	\$3,838	\$1,440	\$5,546	\$6,088	\$10,277	\$8,902	\$4,271	\$4,385
	11	\$6,286	\$7,888	\$3,124	\$4,703	\$3,660	\$4,446	\$4,477	\$8,136	\$6,158	\$3,454	\$2,202
973	5	\$3,858	\$4,944	\$2,623	\$4,591	\$1,637	\$6,637	\$7,284	\$12,296	\$10,651	\$5,111	\$5,246
	11	\$7,145	\$8,965	\$3,736	\$5,627	\$4,379	\$5,320	\$5,357	\$9,734	\$7,369	\$4,133	\$2,635

Unit	Ship From	1	2	3	4	5	6	7	8	9	10	11
CT660	5	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500

Caterpillar Generator Discounts

All Discounts listed are for "Standby Ratings Only unless otherwise stated".

Contract Discount

60 HZ, 13 - 30 kW (Reference the "PSNA-EPG-F_PE400CNN" Caterpillar Price List)

D13-4 (3 phase)	50%
D20-6 (3 phase)	50%
D25-8 (3 phase)	50%
D30-10 (3 phase)	50%
D13-4S (1 phase)	50%
D20-6S (1 phase)	50%
D25-8S (1 phase)	50%
D30-10S (1 phase)	50%

60 HZ, 40 - 175 kW (Reference the "PSNA-EPG-F_1100CNN" Caterpillar Price List)

D40-6 (3 phase)	50%
D50-6 (3 phase)	50%
D60-6 (3 phase)	50%
D80-6 (3 phase)	50%
D100-6 (3 phase)	50%
D125-6 (3 phase)	50%
D150-8 (3 phase)	50%
D175-2 (3 phase)	50%
D40-6S (1 phase)	50%
D50-6S (1 phase)	50%
D60-8S (1 phase)	50%
D80-2S (1 phase)	50%
D100-6S (1 phase)	50%

C9, 60 HZ, 250 - 300 kW (EPA Tier 3 & CARB Emissions Certified)

(Reference the "PSNA-EPG-F_C9PKGG" Caterpillar Price List)

200 kW (480 or 240 Volt)*	38%
250 kW (480 or 240 Volt)*	32%
300 kW (480 or 240 Volt)*	32%

*Other Voltages available, but may affect generator output

200 kW (600 Volt)	38%
250 kW (600 Volt)	32%
300 kW (600 Volt)	31%

C15, 60 HZ, 350 - 550 kW (EPA & CARB Emissions Certified (NonRoad); EPA Emissions Certified for Stationary Use)

(Reference the "PSNA-EPG-F_C15PKGG" Caterpillar Price List)

Dealer chooses "For Use with Sound Attenuated Enclosures & Open Packages" or "For Use with Weather Protective Enclosures"

350 kW (480 or 240 Volt)*	34%
400 kW (480 or 240 Volt)*	32%
455 kW Prime Power 600 Volt* Tier 4i	17%
455 kW Prime Power 480 Volt* Tier 4i	17%
455 kW Prime Power 208 Volt* Tier 4i	17%
450 kW (480 or 240 Volt)*	32%
500 kW (480 or 240 Volt)*	32%
550 kW - ESP ** (480 or 240 Volt)*	31%

*Other Voltages available, but may affect generator output

**Emergency Standby Rating ONLY (ESP); maximum 200 hours/year

350 kW (600 Volt)	34%
400 kW (600 Volt)	32%
450 kW (600 Volt)	32%
500 kW (600 Volt)	32%
550 kW - ESP** (600 Volt)	31%

**Emergency Standby Rating ONLY (ESP); maximum 200 hours/year

C18, 60 HZ, 550 - 600 kW (EPA Tier 2 & CARB Emissions Certified (Nonroad); EPA Tier 2 Emissions Certified for Stationary Use)

(Reference the "PSNA-EPG-F_C18PKGG" Caterpillar Price List)

550 kW (480 or 240 Volt)*	25%
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600 kW (480 or 240 Volt)*	25%
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*Other Voltages available, but may affect generator output

550 kW (600 Volt)	25%
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600 kW (600 Volt)	25%
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C27, 60 HZ, 650 - 800 kW (EPA Tier 2 & CARB Emissions Certified (Nonroad); EPA Tier 2 Emissions Certified for Stationary Use)

(Reference the "PSNA-EPG-F_C27PKGG" Caterpillar Price List)

650 kW (480 or 240 Volt)*	34%
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700 kW (480 or 240 Volt)*	34%
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725 kW Std Prime Power 480 Volt* Tier 4i	17%
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725 kW HD Prime Power 480 Volt* Tier 4i	17%
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750 kW (480 or 240 Volt)*	34%
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800 kW (480 or 240 Volt)*	34%
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*Other Voltages available, but may affect generator output

C32, 60 HZ, 900 - 1000 kW

(Reference the "PSNA-EPG-F_C32PGAG" Caterpillar Price List)

1000 kW (480 or 240 Volt)*	38%
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C32, 60 HZ, 900 - 1000 kW (EPA Tier 2 & CARB Emissions Certified (Nonroad); EPA Tier 2 Emissions Certified for Stationary Use)

1000 kW (480 or 240 Volt)*	38%
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*Other Voltages available, but may affect generator output

3512C, 60 HZ, 1500 kW (EPA Tier 2 & CARB Emissions Certified (Nonroad); EPA Tier 2 Emissions Certified for Stationary Use)

(Reference the "PSNA-EPG-F_3512PGAG" Caterpillar Price List)

480 V, Standby Rating Only - 1500 kW	34%
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12470 V, Standby Rating Only - 1500 kW	34%
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3516C, 60 HZ, 2000 kW (EPA Tier 2 & CARB Emissions Certified (Nonroad); EPA Tier 2 Emissions Certified for Stationary Use)

(Reference the "PSNA-EPG-F_3516PGAL" Caterpillar Price List)

480 V, Standby Rating Only - 2000 kW	34%
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12470 V, Standby Rating Only - 2000 kW	34%
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3516B, 60 HZ, 2250 kW (EPA Tier 1)

(Reference the "PSNA-EPG-F_3516PGDL" Caterpillar Price List)

Low/Med Voltage - Standby Rating Only - 2250 kW	33%
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High Voltage - Standby Rating Only - 2250 kW	33%
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3516C HD, 60 HZ, 2500 kW (EPA Tier 2 & CARB Emissions Certified (Nonroad); EPA Tier 2 Emissions Certified for Stationary Use)

(Reference the "PSNA-EPG-F_3516PGDL" Caterpillar Price List)

Low/Med Voltage - Standby Rating Only - 2500 kW	31%
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High Voltage - Standby Rating Only - 2500 kW	31%
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G3520, 60 HZ, 2055 and 1900 eKW

(Reference the "PSNA-EPG-F_G3520CPGL" Caterpillar Price List)

Low/Med Voltage - 2055 eKW	17%
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Low/Med Voltage - 1900 eKW	17%
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High Voltage - 2055 eKW	17%
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High Voltage - 1900 eKW	17%
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C175, 60 HZ, 3000 kW (EPA Tier 2 for Mobile and Stationary Use)

(Reference the "PSNA-EPG-F_C175-16EL" Caterpillar Price List)

3000 kW (with Fan Rating)	27%
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3100 kW (without Fan Rating)	27%
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Natural Gas (Optional LP Vapor) Olympian Generator Sets, 25 - 300 kW (EPA Tier 4 & CARB Emissions Certified)

(Reference the "PSNA-EPG-F_GASOLYGN" Caterpillar Price List)

All Ratings from 25 - 300 kW	43%
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XQ20N, 60 HZ, 20 kW (EPA Tier 4 & CARB Emissions Certified (Nonroad))

(Reference the "PSNA-EPG-F_XQ20N" Caterpillar Price List)

20 kW* (3 or 1 phase)	45%
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*There are several voltage options available

XQ30N, 60 HZ, 30 kW (EPA Tier 4 & CARB Emissions Certified (Nonroad))

(Reference the "PSNA-EPG-F_XQ30N" Caterpillar Price List)

30 kW* (3 or 1 phase) 45%

*There are several voltage options available

XQ45N, 60 HZ, 45 kW (EPA Tier 3 & CARB Emissions Certified (Nonroad))

(Reference the "PSNA-EPG-F_XQ45N" Caterpillar Price List)

45 kW* (3 or 1 phase) 45%

*There are several voltage options available

XQ60N, 60 HZ, 60 kW (EPA Tier 3 & CARB Emissions Certified (Nonroad))

(Reference the "PSNA-EPG-F_XQ60N" Caterpillar Price List)

60 kW* (3 or 1 phase) 45%

*There are several voltage options available

XQ80N, 60 HZ, 80 kW (EPA Tier 3 & CARB Emissions Certified (Nonroad))

(Reference the "PSNA-EPG-F_XQ80N" Caterpillar Price List)

80 kW* (3 phase) 45%

*There are several voltage options available

XQ100N, 60 HZ, 100 kW (EPA Tier 3 & CARB Emissions Certified (Nonroad))

(Reference the "PSNA-EPG-F_XQ100N" Caterpillar Price List)

100 kW* (3 phase) 45%

*There are several voltage options available

UPS (Uninterruptible Power Supply)

60 HZ, 40 - 130 kVA (Reference the "UPSB130G" Caterpillar Price List)

UPSB040 (40kVA) 20%

UPSB050 (50 kVA) 20%

UPSB060 (60 kVA) 20%

UPSB080 (80 kVA) 20%

UPSB100 (100 kVA) 20%

UPSB130 (130 kva) 20%

Voltage Indicators / Optional Transformers - 480V / 480V Standard

480V / 208V (40 / 50 kVA) 20%

480V / 208V (60 / 80 kVA) 20%

480V / 208V (100 / 130 kVA) 20%

208V / 208V (40 / 50 kVA) 20%

208V / 208V (60 / 80 kVA) 20%

208V / 208V (100 / 130 kVA) 20%

600V / 208V (40 / 50 kVA) 20%

600V / 208V (60 / 80 kVA) 20%

600V / 208V (100 / 130 kVA) 20%

600V / 600V (40 / 50 kVA) 20%

600V / 600V (60 / 80 kVA) 20%

600V / 600V (100 / 130 kVA) 20%

Input Options - Single Input Standard

Dual Input 20%

BATTERY CABINET OPTIONS - One (1) Battery Cabinet, Adjacent or Remote

Battery Cabinet Adjacent

150 Adjacent Battery Cabinet 20%

300 Adjacent Battery Cabinet 20%

400 Adjacent Battery Cabinet 20%

490 Adjacent Battery Cabinet 20%

Battery Cabinet Remote

150 Remote Battery Cabinet 20%

300 Remote Battery Cabinet 20%

400 Remote Battery Cabinet 20%

490 Remote Battery Cabinet 20%

Battery Disconnect

175A Battery Disconnect 20%

250A Battery Disconnect 20%

400A Battery Disconnect 20%

AUXILIARY CABINET OPTIONS

Cable Connection Cabinet

Top Entry Cabinet	20%
Bottom Entry Cabinet	20%

Adjacent Maintenance Bypass Cabinet

Dealer chooses one (1) Maint Bypass, or wall Maint Bypass

Maintenance Bypass - 480V/480V (40/50 kVA)	20%
Maintenance Bypass - 480V/480V (60/80 kVA)	20%
Maintenance Bypass - 480V/480V (100/130 kVA)	20%
Maintenance Bypass - 480V/208V (40/50 kVA)	20%
Maintenance Bypass - 480V/208V (60/80 kVA)	20%
Maintenance Bypass - 480V/208V (100/130 kVA)	20%
Maintenance Bypass - 208V/208V (40/50 kVA)	20%
Maintenance Bypass - 208V/208V (60/80 kVA)	20%
Maintenance Bypass - 208V/208V (100/130 kVA)	20%
Maintenance Bypass - 600V/208V (40/50 kVA)	20%
Maintenance Bypass - 600V/208V (60/80 kVA)	20%
Maintenance Bypass - 600V/208V (100/130 kVA)	20%
Maintenance Bypass - 600V/600V (40/50 kVA)	20%
Maintenance Bypass - 600V/600V (60/80 kVA)	20%
Maintenance Bypass - 600V/600V (100/130 kVA)	20%

Wall Mount Maintenance Bypass Cabinet

Maintenance Bypass - 480V/480V (40/50kVA)	20%
Maintenance Bypass - 480V/480V (60/80kVA)	20%
Maintenance Bypass - 480V/480V (100/130kVA)	20%
Maintenance Bypass - 480V/208V (40/50 kVA)	20%
Maintenance Bypass - 480V/208V (60/80 kVA)	20%
Maintenance Bypass - 480V/208V (100/130 kVA)	20%
Maintenance Bypass - 208V/208V	20%

Distribution Cabinet

480V Adjacent Distribution Cabinet	20%
208V Adjacent Distribution Cabinet	20%

Distribution Cabinet Breakers

Four 225A CB Panel A	20%
Four 225A CB Panel B	20%
42 Pole Panelboard A	20%
42 Pole Panelboard B	20%

PARALLELING OPTIONS

Paralleling

Paralleling	20%
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Paralleling System Bypass Cabinet

28" 160kVA Paralleling System Bypass Cabinet	20%
28" 320kVA Paralleling System Bypass Cabinet	20%
42" 160kVA Paralleling System Bypass Cabinet	20%
42" 320kVA Paralleling System Bypass Cabinet	20%
42" 520kVA Paralleling System Bypass Cabinet	20%

Paralleling System Bypass Cabinet Breakers

4 UPS Paralleling (40/50/60/80 kVA)	20%
3 UPS Paralleling (100/130 kVA)	20%
3 UPS Paralleling (40/50/60/80 kVA)	20%
3 UPS Paralleling (100/130 kVA)	20%
4 UPS Paralleling (40/50/60/80 kVA)	20%
4 UPS Paralleling (100/130 kVA)	20%

COMMUNICATIONS

External Sync

External Sync Box	20%
External Sync Card	20%

Additional Communications Protocol

Alarm Relay Card	20%
Environment Sensor for Network Management C	20%
Remote Summary Alarm Panel	20%

MOUNTING**Seismic Kit**

UPS Cabinet & 26/32W Battery Cabinet	20%
UPS Cabinet & 48W Battery Cabinet	20%
Adjacent Auxiliary Cabinet	20%

Flywheel Options**(Reference the "UPS300AG" Caterpillar Price List)**

UP0150A - UPS 150 480V 60HZ	20%
UP0300A - UPS 300 480V 60HZ	20%
UP300EA - UPS 300 480V 60HZ	20%
UP0600A - UPS 600 480V 60HZ	20%
UP0900A - UPS 900 480V 60HZ	20%
UP1200Z - UPS 1200 480V 60HZ	20%
UPEXP02 - UPS Module Power Stage Expansio	20%

ATS (AUTOMATIC TRANSFER SWITCHES)

ATC-40-2, NEMA1	20%
ATC-40-3, NEMA1	20%
ATC-40-4, NEMA1	20%
ATC-80-2, NEMA1	20%
ATC-80-3, NEMA1	20%
ATC-80-4, NEMA1	20%
ATC-100-2, NEMA1	20%
ATC-100-3, NEMA1	20%
ATC-100-4, NEMA1	20%
ATC-150-2, NEMA1	20%
ATC-150-3, NEMA1	20%
ATC-150-4, NEMA1	20%
ATC-200-2, NEMA1	20%
ATC-200-3, NEMA1	20%
ATC-200-4, NEMA1	20%
ATC-225-2, NEMA1	20%
ATC-225-3, NEMA1	20%
ATC-225-4, NEMA1	20%
ATC-260-2, NEMA1	20%
ATC-260-3, NEMA1	20%
ATC-260-4, NEMA1	20%
ATC-400-2, NEMA1	20%
ATC-400-3, NEMA1	20%
ATC-400-4, NEMA1	20%
CTG-600-2, NEMA1	20%
CTG-600-3, NEMA1	20%
CTG-600-4, NEMA1	20%
CTG-800-2, NEMA1	20%
CTG-800-3, NEMA1	20%
CTG-800-4, NEMA1	20%
CTG-1000-2, NEMA1	20%
CTG-1000-3, NEMA1	20%
CTG-1000-4, NEMA1	20%
CTG-1200-2, NEMA1	20%
CTG-1200-3, NEMA1	20%
CTG-1200-4, NEMA1	20%
CTG-1600-3, NEMA1	20%
CTG-1600-4, NEMA1	20%
CTG-2000-3, NEMA1	20%
CTG-2000-4, NEMA1	20%
CTG-2600-3, NEMA1	20%
CTG-2600-4, NEMA1	20%
CTG-3000-3, NEMA1	20%
CTG-3000-4, NEMA1	20%
ATC-40-2, NEMA3	20%
ATC-40-3, NEMA3	20%

ATC-40-4, NEMA3	20%
ATC-80-2, NEMA3	20%
ATC-80-3, NEMA3	20%
ATC-80-4, NEMA3	20%
ATC-100-2, NEMA3	20%
ATC-100-3, NEMA3	20%
ATC-100-4, NEMA3	20%
ATC-150-2, NEMA3	20%
ATC-150-3, NEMA3	20%
ATC-150-4, NEMA3	20%
ATC-200-2, NEMA3	20%
ATC-200-3, NEMA3	20%
ATC-200-4, NEMA3	20%
ATC-225-2, NEMA3	20%
ATC-225-3, NEMA3	20%
ATC-225-4, NEMA3	20%
ATC-260-2, NEMA3	20%
ATC-260-3, NEMA3	20%
ATC-260-4, NEMA3	20%
ATC-400-2, NEMA3	20%
ATC-400-3, NEMA3	20%
ATC-400-4, NEMA3	20%
CTG-600-2, NEMA3	20%
CTG-600-3, NEMA3	20%
CTG-600-4, NEMA3	20%
CTG-800-2, NEMA3	20%
CTG-800-3, NEMA3	20%
CTG-800-4, NEMA3	20%
CTG-1000-2, NEMA3	20%
CTG-1000-3, NEMA3	20%
CTG-1000-4, NEMA3	20%
CTG-1200-2, NEMA3	20%
CTG-1200-3, NEMA3	20%
CTG-1200-4, NEMA3	20%
CTG-1600-3, NEMA3	20%
CTG-1600-4, NEMA3	20%
CTG-2000-3, NEMA3	20%
CTG-2000-4, NEMA3	20%
CTG-2600-3, NEMA3	20%
CTG-2600-4, NEMA3	20%
CTG-3000-3, NEMA3	20%
CTG-3000-4, NEMA3	20%

Delayed Transition	20%
ATCD-40-2, NEMA1	20%
ATCD-40-3, NEMA1	20%
ATCD-40-4, NEMA1	20%
ATCD-80-2, NEMA1	20%
ATCD-80-3, NEMA1	20%
ATCD-80-4, NEMA1	20%
ATCD-100-2, NEMA1	20%
ATCD-100-3, NEMA1	20%
ATCD-100-4, NEMA1	20%
ATCD-150-2, NEMA1	20%
ATCD-150-3, NEMA1	20%
ATCD-150-4, NEMA1	20%
ATCD-225-2, NEMA1	20%
ATCD-225-3, NEMA1	20%
ATCD-225-4, NEMA1	20%
ATCD-260-2, NEMA1	20%
ATCD-260-3, NEMA1	20%
ATCD-260-4, NEMA1	20%
ATCD-400-2, NEMA1	20%
ATCD-400-3, NEMA1	20%
ATCD-400-4, NEMA1	20%

ATCD-600-2, NEMA1	20%
ATCD-600-3, NEMA1	20%
ATCD-600-4, NEMA1	20%
ATCD-800-2, NEMA1	20%
ATCD-800-3, NEMA1	20%
ATCD-800-4, NEMA1	20%
ATCD-1000-2, NEMA1	20%
ATCD-1000-3, NEMA1	20%
ATCD-1000-4, NEMA1	20%
ATCD-1200-2, NEMA1	20%
ATCD-1200-3, NEMA1	20%
ATCD-1200-4, NEMA1	20%
CTGD-1600-3, NEMA1	20%
CTGD-1600-4, NEMA1	20%
CTGD-2000-3, NEMA1	20%
CTGD-2000-4, NEMA1	20%
CTGD-2600-3, NEMA1	20%
CTGD-2600-4, NEMA1	20%
CTGD-3000-3, NEMA1	20%
CTGD-3000-4, NEMA1	20%
ATCD-40-2, NEMA3	20%
ATCD-40-3, NEMA3	20%
ATCD-40-4, NEMA3	20%
ATCD-80-2, NEMA3	20%
ATCD-80-3, NEMA3	20%
ATCD-80-4, NEMA3	20%
ATCD-100-2, NEMA3	20%
ATCD-100-3, NEMA3	20%
ATCD-100-4, NEMA3	20%
ATCD-150-2, NEMA3	20%
ATCD-150-3, NEMA3	20%
ATCD-150-4, NEMA3	20%
ATCD-225-2, NEMA3	20%
ATCD-225-3, NEMA3	20%
ATCD-225-4, NEMA3	20%
ATCD-260-2, NEMA3	20%
ATCD-260-3, NEMA3	20%
ATCD-260-4, NEMA3	20%
ATCD-400-2, NEMA3	20%
ATCD-400-3, NEMA3	20%
ATCD-400-4, NEMA3	20%
ATCD-600-2, NEMA3	20%
ATCD-600-3, NEMA3	20%
ATCD-600-4, NEMA3	20%
ATCD-800-2, NEMA3	20%
ATCD-800-3, NEMA3	20%
ATCD-800-4, NEMA3	20%
ATCD-1000-2, NEMA3	20%
ATCD-1000-3, NEMA3	20%
ATCD-1000-4, NEMA3	20%
ATCD-1200-2, NEMA3	20%
ATCD-1200-3, NEMA3	20%
ATCD-1200-4, NEMA3	20%
CTGD-1600-3, NEMA3	20%
CTGD-1600-4, NEMA3	20%
CTGD-2000-3, NEMA3	20%
CTGD-2000-4, NEMA3	20%
CTGD-2600-3, NEMA3	20%
CTGD-2600-4, NEMA3	20%
CTGD-3000-3, NEMA3	20%
CTGD-3000-4, NEMA3	20%
MCCB ATC	20%
ATV-40-2, NEMA1	20%

ATV-40-3, NEMA1	20%
ATV-40-4, NEMA1	20%
ATV-70-2, NEMA1	20%
ATV-70-3, NEMA1	20%
ATV-70-4, NEMA1	20%
ATV-100-2, NEMA1	20%
ATV-100-3, NEMA1	20%
ATV-100-4, NEMA1	20%
ATV-150-2, NEMA1	20%
ATV-150-3, NEMA1	20%
ATV-150-4, NEMA1	20%
ATV-200-2, NEMA1	20%
ATV-200-3, NEMA1	20%
ATV-200-4, NEMA1	20%
ATV-225-2, NEMA1	20%
ATV-225-3, NEMA1	20%
ATV-225-4, NEMA1	20%
ATV-300-2, NEMA1	20%
ATV-300-3, NEMA1	20%
ATV-300-4, NEMA1	20%
ATV-400-2, NEMA1	20%
ATV-400-3, NEMA1	20%
ATV-400-4, NEMA1	20%
ATV-600-2, NEMA1	20%
ATV-600-3, NEMA1	20%
ATV-600-4, NEMA1	20%
ATV-800-2, NEMA1	20%
ATV-800-3, NEMA1	20%
ATV-800-4, NEMA1	20%
ATV-1000-2, NEMA1	20%
ATV-1000-3, NEMA1	20%
ATV-1000-4, NEMA1	20%
ATV-40-2, NEMA3	20%
ATV-40-3, NEMA3	20%
ATV-40-4, NEMA3	20%
ATV-70-2, NEMA3	20%
ATV-70-3, NEMA3	20%
ATV-70-4, NEMA3	20%
ATV-100-2, NEMA3	20%
ATV-100-3, NEMA3	20%
ATV-100-4, NEMA3	20%
ATV-150-2, NEMA3	20%
ATV-150-3, NEMA3	20%
ATV-150-4, NEMA3	20%
ATV-200-2, NEMA3	20%
ATV-200-3, NEMA3	20%
ATV-200-4, NEMA3	20%
ATV-225-2, NEMA3	20%
ATV-225-3, NEMA3	20%
ATV-225-4, NEMA3	20%
ATV-300-2, NEMA3	20%
ATV-300-3, NEMA3	20%
ATV-300-4, NEMA3	20%
ATV-400-2, NEMA3	20%
ATV-400-3, NEMA3	20%
ATV-400-4, NEMA3	20%
ATV-600-2, NEMA3	20%
ATV-600-3, NEMA3	20%
ATV-600-4, NEMA3	20%
ATV-800-2, NEMA3	20%
ATV-800-3, NEMA3	20%
ATV-800-4, NEMA3	20%
ATV-1000-2, NEMA3	20%
ATV-1000-3, NEMA3	20%

ATV-1000-4, NEMA3	20%
	20%
Bypass Isolation	20%
BIC-100-2, NEMA1	20%
BIC-100-3, NEMA1	20%
BIC-100-4, NEMA1	20%
BIC-150-2, NEMA1	20%
BIC-150-3, NEMA1	20%
BIC-150-4, NEMA1	20%
BIC-225-2, NEMA1	20%
BIC-225-3, NEMA1	20%
BIC-225-4, NEMA1	20%
BIC-260-2, NEMA1	20%
BIC-260-3, NEMA1	20%
BIC-260-4, NEMA1	20%
BIC-400-2, NEMA1	20%
BIC-400-3, NEMA1	20%
BIC-400-4, NEMA1	20%
BIC-600-3, NEMA1	20%
BIC-600-4, NEMA1	20%
BIC-800-3, NEMA1	20%
BIC-800-4, NEMA1	20%
BIC-1000-3, NEMA1	20%
BIC-1000-4, NEMA1	20%
BIC-1200-3, NEMA1	20%
BIC-1200-4, NEMA1	20%
CBTS-1600-3, NEMA1	20%
CBTS-1600-4, NEMA1	20%
CBTS-2000-3, NEMA1	20%
CBTS-2000-4, NEMA1	20%
CBTS-3000-3, NEMA1	20%
CBTS-3000-4, NEMA1	20%
CBTS-4000-3, NEMA1	20%
CBTS-4000-4, NEMA1	20%
	20%
Bypass Isolation Delayed Transition	20%
BICD-100-2, NEMA1	20%
BICD-100-3, NEMA1	20%
BICD-100-4, NEMA1	20%
BICD-150-2, NEMA1	20%
BICD-150-3, NEMA1	20%
BICD-150-4, NEMA1	20%
BICD-225-2, NEMA1	20%
BICD-225-3, NEMA1	20%
BICD-225-4, NEMA1	20%
BICD-260-2, NEMA1	20%
BICD-260-3, NEMA1	20%
BICD-260-4, NEMA1	20%
BICD-400-2, NEMA1	20%
BICD-400-3, NEMA1	20%
BICD-400-4, NEMA1	20%
BICD-600-2, NEMA1	20%
BICD-600-3, NEMA1	20%
BICD-600-4, NEMA1	20%
BICD-800-3, NEMA1	20%
BICD-800-4, NEMA1	20%
BICD-1000-3, NEMA1	20%
BICD-1000-4, NEMA1	20%
BICD-1200-3, NEMA1	20%
BICD-1200-4, NEMA1	20%
CBTSD-1600-3, NEMA1	20%
CBTSD-1600-4, NEMA1	20%
CBTSD-2000-3, NEMA1	20%
CBTSD-2000-4, NEMA1	20%
CBTSD-3000-3, NEMA1	20%

CBTSD-3000-4, NEMA1	20%
CBTSD-4000-3, NEMA1	20%
CBTSD-4000-4, NEMA1	20%
	20%
Open Transition - Residential	20%
CTX-40-2, NEMA1	20%
CTX-40-3, NEMA1	20%
CTX-40-4, NEMA1	20%
CTX-80-2, NEMA1	20%
CTX-80-3, NEMA1	20%
CTX-80-4, NEMA1	20%
CTX-100-2, NEMA1	20%
CTX-100-3, NEMA1	20%
CTX-100-4, NEMA1	20%
CTX-150-2, NEMA1	20%
CTX-150-3, NEMA1	20%
CTX-150-4, NEMA1	20%
CTX-200-2, NEMA1	20%
CTX-200-3, NEMA1	20%
CTX-200-4, NEMA1	20%
CTX-225-2, NEMA1	20%
CTX-225-3, NEMA1	20%
CTX-225-4, NEMA1	20%
CTX-300-2, NEMA1	20%
CTX-300-3, NEMA1	20%
CTX-300-4, NEMA1	20%
CTX-400-2, NEMA1	20%
CTX-400-3, NEMA1	20%
CTX-400-4, NEMA1	20%
	20%
CTX-40-2, NEMA3	20%
CTX-40-3, NEMA3	20%
CTX-40-4, NEMA3	20%
CTX-80-2, NEMA3	20%
CTX-80-3, NEMA3	20%
CTX-80-4, NEMA3	20%
CTX-100-2, NEMA3	20%
CTX-100-3, NEMA3	20%
CTX-100-4, NEMA3	20%
CTX-150-2, NEMA3	20%
CTX-150-3, NEMA3	20%
CTX-150-4, NEMA3	20%
CTX-200-2, NEMA3	20%
CTX-200-3, NEMA3	20%
CTX-200-4, NEMA3	20%
CTX-225-2, NEMA3	20%
CTX-225-3, NEMA3	20%
CTX-225-4, NEMA3	20%
CTX-300-2, NEMA3	20%
CTX-300-3, NEMA3	20%
CTX-300-4, NEMA3	20%
CTX-400-2, NEMA3	20%
CTX-400-3, NEMA3	20%
CTX-400-4, NEMA3	20%

**CITY OF TUCSON
CONTRACT 120377**

**ATTACHMENT B:
WARRANTIES**

THE RIGHT MACHINERY
THE RIGHT PLAN



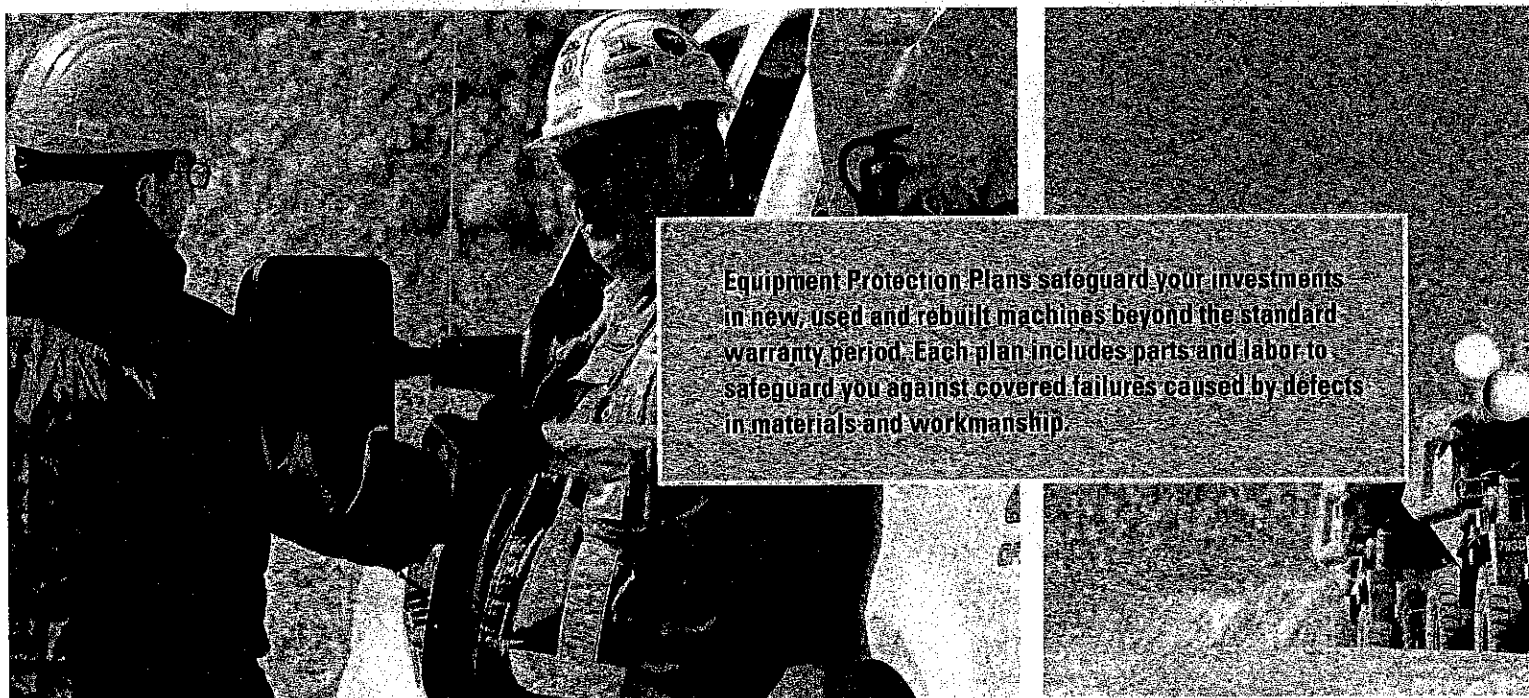
Cat® Equipment Protection Plans

CAT®

CONTROL YOUR COSTS MINIMIZE YOUR RISKS

You expect high performance from your people and your machines. If you're like a lot of equipment owners, you've also become something of an expert in risk management. You know that unexpected repairs can mean downtime—and put a crimp in your cash flow.

Your original Caterpillar warranty provides months of worry-free operation. But your machines are designed for years of productivity. Fortunately, the cost of unexpected repairs can be controlled—with a Cat® Equipment Protection Plan.



Three levels of protection are available: Powertrain, Powertrain+ Hydraulics and the most comprehensive coverage option, Premier.* You can further tailor these plans to your specific needs by selecting from a wide variety of years/hours combinations. You'll find an extensive list of many included components in the back of this document.

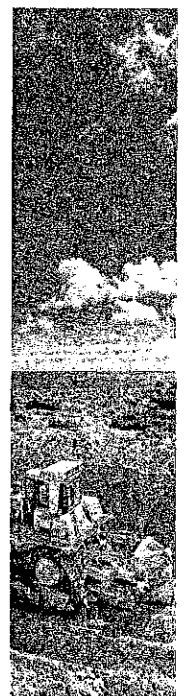
Equipment Protection Plan benefits

- Provides the highest level of repair cost control available
- Tailored coverage to meet your needs
- Safeguards your investment beyond the standard warranty period
- Backed by the global resources of Caterpillar

*Product availability varies by region.

Equipment Protection Plans are available for many Cat products, including:
 New equipment • Used equipment • Certified Rebuild products • Certified
 Powertrain Rebuild products • Hydraulic hammers • Telehandlers

Also available for machine control and guidance technology, including:
 AccuGrade™ Grade Control System • CAES • AQUILA™ Drill and Dragline
 Systems • MineStar™ System components

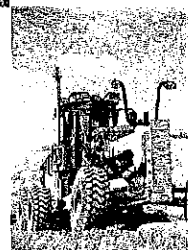


What your Cat dealer does

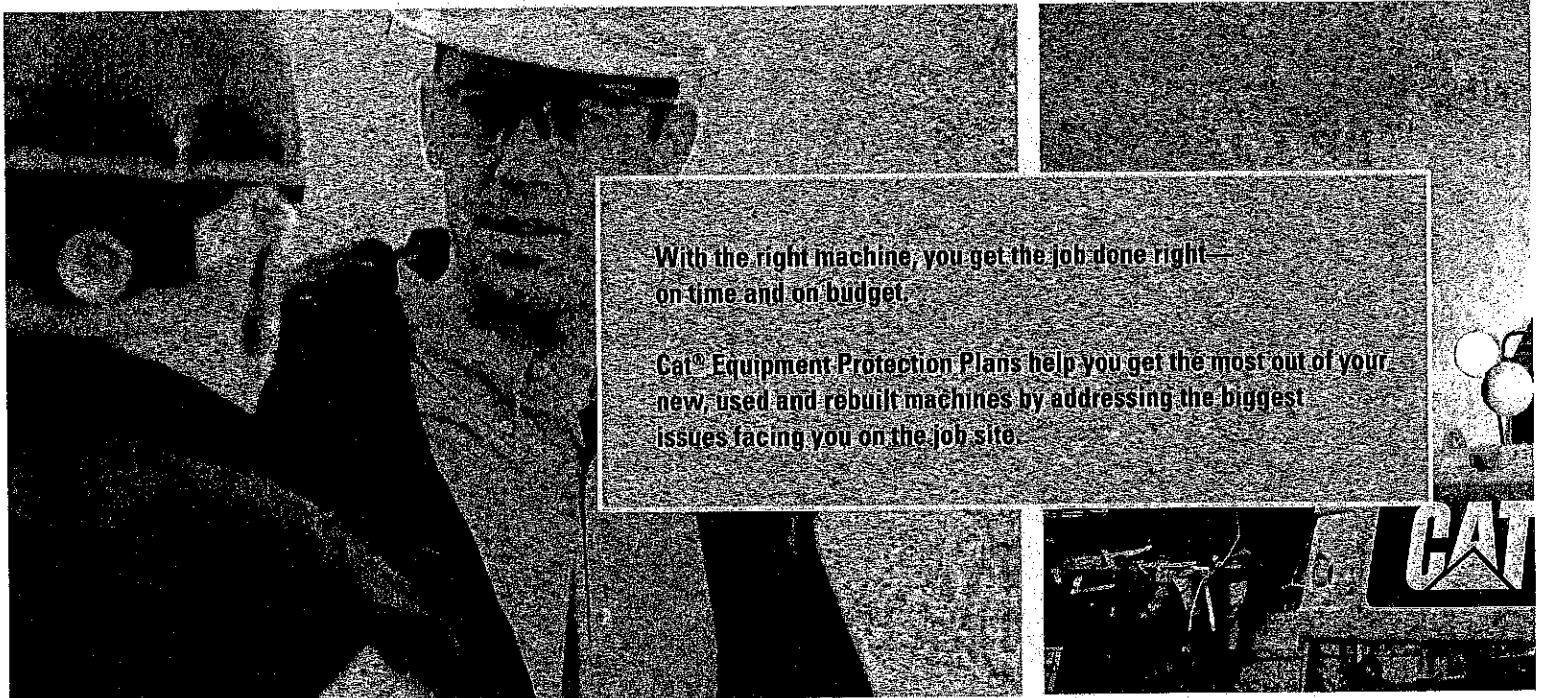
- Performs necessary inspections to confirm eligibility
- Installs parts approved by Caterpillar on covered repairs
- Validates your enrollment in the program

What you do

- Operate equipment according to the Cat Operation & Maintenance Manual (OMM)
- Have recommended preventive maintenance performed at intervals specified in the OMM
- Upon request, provide proof of preventive maintenance compliance (receipts, copies of work orders, invoices)
- Promptly provide the machine for repair in the event of a covered failure



YOU KNOW WHAT IT MEANS TO HAVE THE RIGHT MACHINE FOR THE JOB

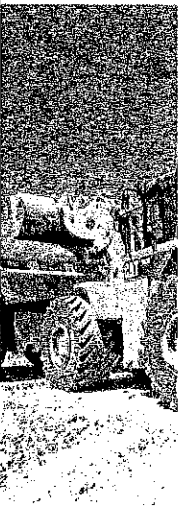
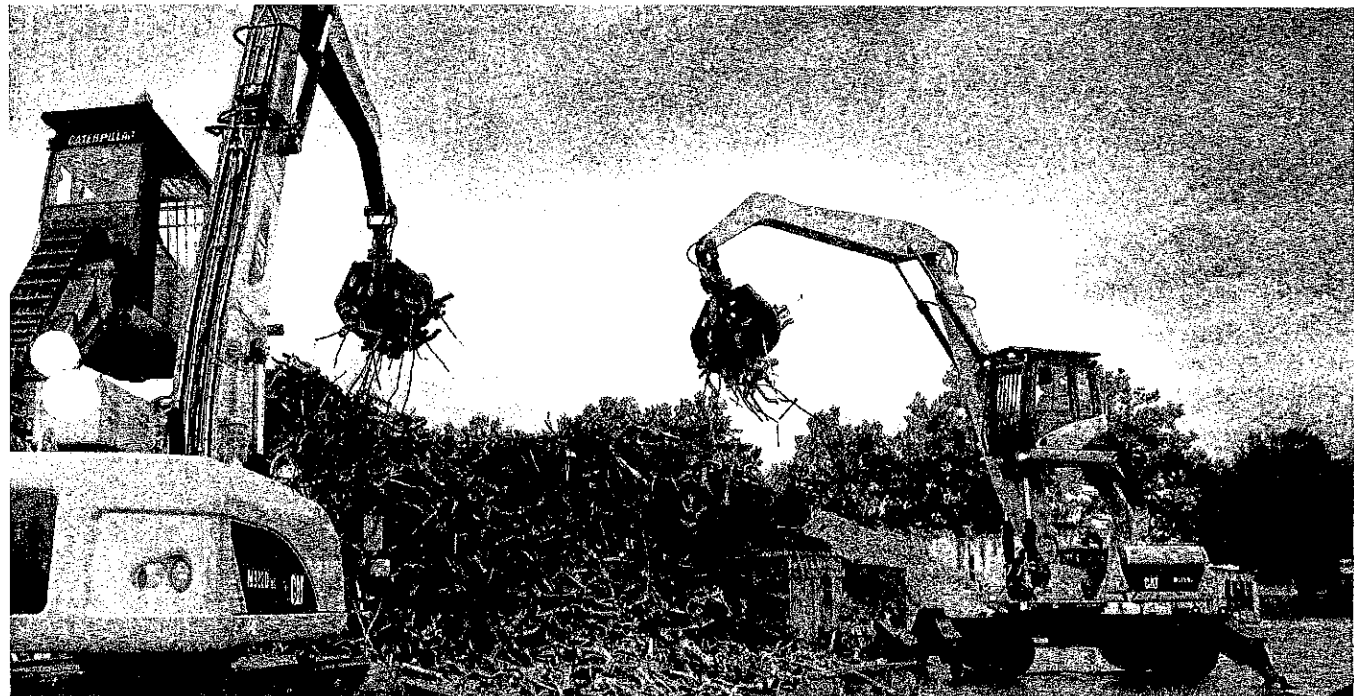
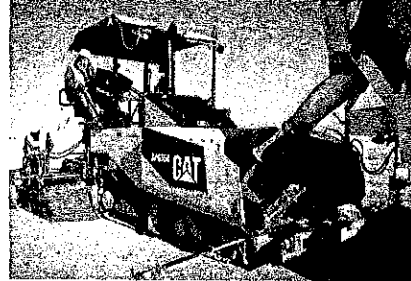
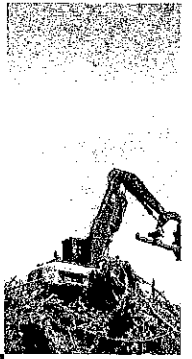


Control your costs

An unexpected equipment failure can play havoc on your schedule. With an Equipment Protection Plan, trained dealer technicians bring your machine back to the correct operating specifications using genuine Cat parts. And when it comes time to sell, you have documented repair records and possibly a transferable plan—increasing the chances of getting top dollar for your equipment.

Maximize your productivity

Cat technicians are preventive maintenance experts, and they can help with unforeseen repairs as well. A Cat Equipment Protection Plan helps you understand and lock in costs up front, which lets you focus on managing your business, not your repairs.



Get the expertise you need

An experienced crew of mechanics is central to keeping your business running efficiently. But when you're running lean, you may not have all the people you need on staff. Fortunately, your Cat® dealer has invested heavily in training and proper tooling. An Equipment Protection Plan is one more way to ensure you are getting the most from your machine.

Focus on safety

Our technicians have the experience, training and tooling to complete repairs effectively and safely. When your machine returns to the job, you can be confident that correct operation specifications have been restored.

Keep pace with regulations

In a highly regulated environment, it's important to have a business partner who understands how to support your business. Cat Equipment Protection Plans ensure you retain affordable access to Cat dealer expertise.

COVERED COMPONENTS

PREMIER POWERTRAIN+HYDRAULICS POWERTRAIN

■ PREMIER

Our most comprehensive coverage option, Premier coverage includes Powertrain+Hydraulics components, as well as additional electrical and structural components.

Engine & Accessories

Engine - Internal Components	
Oil Cooler	
Radiator	
Exhaust / Muffler	
Manifolds	
Fan Motor	
Water Pump	
Fuel Injection Pumps	
Injectors	
Lift / Transfer Pump	
Senders / Solenoids / Sensors	
Thermostat	
Flywheel & Torque Converter	
Engine Oil Filter Mount	
Turbocharger	
Starter	
Alternator	
AC Compressor / Condenser	
Electronic Control Modules	
Governor / Speed Controls & Linkages	
Fuel Lines	
Fuel Tank & Assoc. Parts	
Water Piping	
Oil Hoses / Lines (non-hydrostatic)	
Cylinder Block	
Piston	
Piston Rings	
Piston & Connecting Rod	
Crankshaft, Main Bearings & Rod	
Bearings	
Camshaft & Camshaft Bearings	
Timing / Accessory Gears	
Timing Chain / Belt	
Cylinder Head	
Inlet / Exhaust Valve	
Valve Cover & Base	
Valve Spring & Guide	
Rocker Arm	

Engine & Accessories (Continues)

Rocker Shaft Assembly	
Push Rod	
Balancer	
Fuel Pump / Governor Drive	
Oil Pump	
Oil Pan Group	
Fan & Fan Drive	

Transmission

Transmissions	
Transmission Oil Lines	
Hydraulic Controls	
Transmission Oil Filter Base	
Transmission Gears	
Final Drives / Planetary	
Drive Shafts	
Transfer Case	
Wet Brake Assemblies	
Hydrostatic Pumps & Drive Motors	
Linkage / lines Connected to Hystat Pump	
Drive (pilot / eh) Control Valves	
Senders / Sensors	
Powertrain Transmission Lines / Hoses	
Transmission Oil Tank	
Drive Train Oil Lines	
Bevel and Transfer Case	

Drive Line/Drive Axle

Axles	
Axle Seals	
Final Drive & Wheel	
Final Drive Case / Bore	
Final Drive Chain	
Final Drive Gears	
Axle Shaft	
Drive Axle Oil Pump	
Universal Joint	



POWERTRAIN+HYDRAULICS

Coverage includes powertrain components, as well as specified hydraulic system parts and components. Hydraulic components are associated with steering and implement control.

Steering

Steering Clutch	
Steering Clutch & Brake Control Valve	
Steering Gear & Valve	
Power Steering Logic Module	
Steering Linkage	
Steering Column	
Steering Console	
Tie Rod	

Hydraulic Systems

Hydraulic / Steering Hoses & Lines	
Hydraulic Cylinders	
Hydraulic Valves & Controls	
Hydraulic Accumulators	
Hydraulic Oil Coolers	
Hoses and Lines	
Hydraulic Swivels	
Hydraulic Oil Filter Mount	
Hydraulic Oil Temperature Sensor	
Hydraulic Oil Filter Base	
Hydraulic Tanks	

Suspension

Automatic Grade Control	
Axle Spring	
Bogie Suspension	
Cross Slope Control	
Equalizer Bar	
Equalizer Bar Center Pin Support	
Equalizer Bar Support	
Stabilizer	
Suspension Control	
Suspension Control Valve	
Suspension Cylinder	

POWERTRAIN

Powertrain components produce, transmit or control engine horsepower for moving the machine. Coverage includes several major powertrain component categories.

Braking System

Brake Master Cylinder	
Vacuum Pump	
Wheel Cylinder	
Brake Caliper, Head Assembly	
Control Valves	
Brake Lines	
Accumulator	

Electrical & Interior

Gauges/Indicators/Instruments	
Wiring harnesses	
Switches	
Relays / Circuit breakers	
Generator	
Alternator/Generator Battery Charger	
Main Power Relay	
Start Switch	
Fuse / Circuit Breaker Panel	
Circuit Board	

Frames & Linkages

Chassis/Implement Frames	
Weldment	
Carbody	
Main Frame	

Undercarriage

Track Roller Frame	
Track Adjuster	
Recoil Spring	

CAT® EQUIPMENT PROTECTION PLAN: EXCLUSIONS

If a component is not listed, it may not be included in the plan.

Other exclusions include:

- > Improper or abusive use of the machine
- > Lubricating oil, antifreeze, filters, consumables and other maintenance items replaced during the covered component repair, unless such items are rendered unusable by a covered component failure
- > Failures caused by normal wear out
- > Freight charges for parts shipments
- > Travel time and mileage involved in getting to a job site
- > Hauling costs and/or retrieval costs
- > Overtime labor costs
- > Repair costs resulting from the failure of any non-covered components
- > Downtime loss
- > Equipment rental charges
- > Any incidental / consequential damages or costs incurred as a result of a covered component failure
- > Modifications unless approved by Caterpillar

Examples of covered and excluded components or items are listed here. The actual dealer contract will govern. For a complete list of included components and more information on Cat Equipment Protection Plans, contact your dealer.



MAKE THE BEST DECISIONS FOR YOUR BUSINESS

Finance it right

Get the Cat equipment you need using flexible, highly competitive financial solutions from Cat Financial. Ask your dealer for more information about this trusted specialist in equipment financing today.

Plan your maintenance

Cat Customer Support Agreements guarantee timely, expert maintenance that detects problems early, reduces repairs and downtime and maximizes equipment life.

Get affordable parts, service, rentals and more

A Cat AccessAccount™ can pay for Equipment Protection Plans as well as parts, service and rental charges. With Cat AccessAccount, you have the flexibility to pay over time and keep your cash when you need it. Ask your dealer today about your financing options.

Count on The Cat Rental Store™

Count on the Cat Rental Store for all your equipment rental needs. From concrete saws to heavy construction equipment, the Cat Rental Store offers daily, weekly and monthly rentals, competitive rates, on-site delivery and fast, knowledgeable service.

Certified Used. Certified confidence.

To be good enough to qualify as Cat Certified Used equipment, every used machine has to pass Caterpillar's rigorous and detailed inspection program. Certified Used equipment comes with a minimum of a six-month Powertrain Equipment Protection Plan.

Learn more

Contact your local Cat dealer today or visit cat.com/epp.

The information contained herein is provided solely for general information purposes and is not intended to be a solicitation or an offer to sell any product or service, nor is the information a complete description of all the terms, conditions and exclusions applicable to the products and services described. For complete descriptions of the terms, conditions and exclusions of the Equipment Protection Plan, or other products and services, please contact your Cat dealer. The products and services referred to herein may not be available in all jurisdictions.

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CAT®

Effective with sales to the first user on or after July 1, 2011

CATERPILLAR LIMITED WARRANTY

New Vocational On-Highway Trucks

USA & Canada

Caterpillar Inc. or any of its subsidiaries ("Caterpillar") warrants new vocational on-highway trucks sold by it and operating within the geographic area serviced by authorized USA and Canada Cat Dealers to be free from defects in material and workmanship.

In other areas, different warranties apply. Copies of applicable warranties may be obtained by writing Caterpillar Inc., 100 N.E. Adams St., Peoria, IL USA 61629.

This warranty is subject to the following:

Warranty Period

The standard warranty period for the basic vehicle is 12 months from new vehicle delivery date, regardless of distance traveled. Exceptions are listed in Limitations. Components given additional warranty coverage and the warranty period are listed in the table *Warranty Coverage Schedule Table*.

This warranty is automatically transferable to subsequent owners at no charge. Visit your local Dealer for name and address change information.

Caterpillar Responsibilities

If a defect in material or workmanship is found during the warranty period, as applicable, Caterpillar will, during normal working hours and at a place of business of a Cat dealer or other source approved by Caterpillar:

- Provide (at Caterpillar's choice) new, remanufactured, or Caterpillar approved repaired parts or assembled components needed to correct the defect.

Note: New, remanufactured, or Caterpillar approved repaired parts or assembled components provided under the terms of this warranty are warranted for the remainder of the warranty period applicable to the product in which installed as if such parts were original components of that product. Items replaced under this warranty become the property of Caterpillar.

- Replace lubricating oil, filters, coolant, and other service items made unusable by the defect.
- If the defective part or assembled component was installed by Caterpillar, a Cat dealer, or other authorized source, provide reasonable or customary labor needed to correct the defect, including labor for removal and installation when necessary to make the repair.
- During the first 90 days from delivery to the first user, perform: 1) Correction of loose fasteners, squeaks, rattles and unusual noises. 2) Reasonable or customary towing to the nearest authorized repair facility, if the vehicle is inoperable or continued operation would result in additional damage. 3) Adjustments (e.g., headlights, brake/clutch adjustments, steering system adjustments, coolant levels).
- For CT11/CT13 engine failures: Provide reasonable or customary towing to the nearest authorized repair facility, if the vehicle is inoperable or continued operation would result in additional damage.

User Responsibilities

The user is responsible for:

- Providing proof of the delivery date to the first user.

- Labor costs, except as stated under "Caterpillar Responsibilities."
- Travel expenses not covered under "Caterpillar Responsibilities."
- Premium or overtime labor costs.
- Parts shipping charges in excess of those that are usual and customary.
- Local taxes, if applicable.
- Costs to investigate complaints, unless the problem is caused by a defect in Caterpillar material or workmanship.
- Giving timely notice of a warrantable failure and promptly making the product available for repair.
- Allowing Caterpillar access to all electronically stored data.
- After the first 90 days from delivery to the first user, perform: 1) Correction of loose fasteners, squeaks, rattles and unusual noises. 2) Reasonable or customary towing to the nearest authorized repair facility, if the vehicle is inoperable or continued operation would result in additional damage, except warrantable CT11/CT13 engine failures. 3) Adjustments (e.g., headlights, brake/clutch adjustments, steering system adjustments, coolant levels).
- Performing all required maintenance (including tune-ups, tire balancing and use of proper fuel, oil, lubricants, and coolant) and replacing normal wear and tear items including brake/clutch lining, windshield wiper blades and other similar parts required to keep vehicle in good working condition.

Limitations

Caterpillar is not responsible for:

- Failures resulting from any use or installation that Caterpillar judges improper.
- Failures resulting from attachments, accessory items, and parts not sold or approved by Caterpillar.
- Failures resulting from abuse, neglect, improper maintenance, improper operation, improper repair, or an accident.
- Failures resulting from unauthorized alterations or modifications or that occur on a vehicle where the odometer reading has been altered.
- Failures resulting from user's delay in making the product available after being notified of a potential product problem.
- Failures resulting from unauthorized repair or adjustment, and unauthorized fuel-setting changes.
- Failures of or resulting from the following components/items: 1) Those warranted separately by their respective manufacturers (e.g., tires & tubes, transmissions, radios, lubricants, etc.), including the Cat CX-31 transmission, which is covered under the terms of a separate Caterpillar warranty. 2) Bodies, equipment, and accessories installed after delivery to the first user by other than authorized Caterpillar employees and Cat Dealers. 3) Front and rear axle alignment.
- Fade, runs, mismatch or damage to paint, trim items, upholstery, chrome, polished surfaces, etc., resulting from environmental causes, improper polishes, cleaners or washing solutions, or chemical and industrial fallout

(continued on the reverse side.....)

Warranty Coverage Schedule Table		
Items Covered	Months	Miles/Km(000)
Basic Vehicle Coverage		
Basic Vehicle Warranty	12	Unlimited
Towing (Vehicles with CT11/13 engine failures only)	24	Unlimited
Components		
Frame Side Rails	60	Unlimited
Cab/Cowl Structure	60	Unlimited
Cab/Cowl Perforation Corrosion	60	Unlimited
Brightwork, Chassis Paint and Corrosion (other than cab)	6	Unlimited
Cab Paint and Paint Adhesion	12	100/160
Engine		
Fire Trucks, Ambulances, Emergency Rescue application only	60	100/160
Engine (CT11/CT13)		
Non Rescue Applications		
Engine (CT11/CT13)	24	Unlimited
Engine (CT11/CT13) Injection Nozzles	24	150/240
Engine (CT11/CT13) Major Components	60	500/800
Drivetrain		
Rear Axle Weight Ratings greater than 52,000-lb	12	Unlimited
Front Axle Assembly	12	Unlimited
Rear Axle and Differential	12	Unlimited
Transmission		
Rear Axle Weight Ratings of 52,000-lb and Less	36	300/480
Front Axle Assembly	36	300/480
Rear Axle and Differential	36	300/480
Transmission		
Drivetrain Components-As Warranted By Suppliers		
The drivetrain supplier may offer additional warranty coverage beyond 36 months/300,000 miles (480,000 Km) as part of their standard warranty.		
For information regarding additional supplier coverages, please refer to specific policies from supplier warranty statements. You may acquire these materials from the supplier direct or your local Cat Dealer.		
Engine Major Components: Cylinder block, main bearing bolts, cylinder head casting and capscrews, crankshaft, camshaft, cam follower assembly, connecting rods/caps/bolts, intake manifold castings, gear train gear(s).		

NOTE: Any failures resulting from improper installation or connections by a third party with the truck components are not the responsibility of Caterpillar.

NEITHER THE FOREGOING EXPRESS WARRANTY NOR ANY OTHER WARRANTY BY CATERPILLAR, EXPRESS OR IMPLIED, IS APPLICABLE TO ANY ITEM CATERPILLAR SELLS THAT IS WARRANTED DIRECTLY TO THE USER BY ITS MANUFACTURER.

THIS WARRANTY IS EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY FOR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, EXCEPT CATERPILLAR EMISSION-RELATED COMPONENT WARRANTIES FOR NEW ENGINES, WHERE APPLICABLE. REMEDIES UNDER THIS WARRANTY ARE LIMITED TO THE PROVISION OF MATERIAL AND SERVICES, AS SPECIFIED HEREIN. CATERPILLAR IS NOT RESPONSIBLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

CATERPILLAR EXCLUDES ALL LIABILITY FOR OR ARISING FROM ANY NEGLIGENCE ON ITS PART OR ON THE PART OF ANY OF ITS EMPLOYEES, AGENTS, OR REPRESENTATIVES IN RESPECT OF THE MANUFACTURE OR SUPPLY OF GOODS OR THE PROVISION OF SERVICES RELATING TO THE GOODS.

IF OTHERWISE APPLICABLE, THE VIENNA CONVENTION ON CONTRACTS FOR INTERNATIONAL SALE OF GOODS IS EXCLUDED IN ITS ENTIRETY.

This warranty covers every major component of the products. Claims under this warranty should be submitted to a place of business of a Cat dealer or other source approved by Caterpillar. For further information concerning either the location to submit claims or Caterpillar as the issuer of this warranty, write Caterpillar Inc., 100 N. E. Adams St., Peoria, IL USA 61629.

Effective with sales to the first user on or after June 1, 2010

CATERPILLAR LIMITED WARRANTY

Rubber Track Used on Multi Terrain Loaders, Compact Track Loaders, and Mini Hydraulic Excavators
Worldwide

Caterpillar Inc. or any of its subsidiaries ("Caterpillar") warrants new rubber tracks sold by it for use on Compact Construction Equipment Multi Terrain Loaders, Compact Track Loaders and Mini Hydraulic Excavators to be free from defects in material and workmanship. The warranty is subject to the following:

Warranty Period

The standard warranty period for new rubber track used on Multi Terrain Loaders, and Mini Hydraulic Excavators is 12 months, or 1500 operating hours, whichever occurs first, starting from the date of delivery to the first user.

The standard warranty period for new rubber track used on Compact Track Loaders is 12 months or 1000 operating hours, whichever occurs first, starting from the date of delivery to the first user.

Caterpillar Responsibilities

If a disabling defect in material or workmanship is found during the warranty period, Caterpillar will, during normal working hours and at a place of business of a Caterpillar dealer or other source approved by Caterpillar:

- At Caterpillar's choice, repair or provide an allowance toward the purchase of a new rubber track. Such allowance will be based on accrued hours. Allowance will be calculated as follows:

User Allowance for Multi Terrain Loaders and Mini Hydraulic Excavators:

$$\frac{\text{Track hours}}{1500 \text{ hours}} \times 100 = \text{User Cost (\%)}$$

User Allowance for Compact Track Loaders:

$$\frac{\text{Track hours}}{1000 \text{ hours}} \times 100 = \text{User Cost (\%)}$$

- Provide reasonable and customary labor required to correct the defect, including track removal and installation, if required.

User Responsibilities

The user is responsible for:

- Providing proof of the delivery date to the first user.
- All cost associated with transporting the product to and from the place of business of a Caterpillar dealer or other source approved by Caterpillar.

- Labor costs, except as stated under "Caterpillar Responsibilities."

- Local taxes, if applicable.

- Any remaining costs of a new rubber track after the calculation of the "User Allowance" as stated under "Caterpillar Responsibilities."

- Parts shipping charges in excess of those that are usual and customary.

- Costs to investigate complaints, unless the problem is caused by a defect in material or workmanship

- Giving timely notice of a warrantable failure and promptly making the product available for repair.

Limitations

Caterpillar is not responsible for:

- Failures resulting from any use or installation that Caterpillar judges improper.
- Failures resulting from abuse, neglect, or improper repair.
- Failures resulting from user's delay in making the product available after being notified of a potential product problem.
- Failures resulting from unauthorized repair or adjustments and unauthorized fuel setting changes.
- Failures resulting from attachments, accessory items, and parts not sold or approved by Caterpillar.

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For products operating outside of Australia, Fiji, Nauru, New Caledonia, New Zealand, Papua New Guinea, the Solomon Islands, and Tahiti, the following is applicable:

NEITHER THE FOREGOING EXPRESS WARRANTY NOR ANY OTHER WARRANTY BY CATERPILLAR, EXPRESS OR IMPLIED, IS APPLICABLE TO ANY ITEM CATERPILLAR SELLS, WHICH IS WARRANTED DIRECTLY TO THE USER BY ITS MANUFACTURER.

THIS WARRANTY IS EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. REMEDIES UNDER THIS WARRANTY ARE LIMITED TO THE PROVISION OF MATERIAL AND SERVICES, AS SPECIFIED HEREIN.

CATERPILLAR IS NOT RESPONSIBLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

CATERPILLAR EXCLUDES ALL LIABILITY FOR OR ARISING FROM ANY NEGLIGENCE ON ITS PART OR ON THE PART OF ANY OF ITS EMPLOYEES, AGENTS, OR REPRESENTATIVES IN RESPECT OF THE MANUFACTURE OR SUPPLY OF GOODS OR THE PROVISION OF SERVICES RELATING TO THE GOODS.

IF OTHERWISE APPLICABLE, THE VIENNA CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS IS EXCLUDED IN ITS ENTIRETY.

For products operating in Australia, Fiji, Nauru, New Caledonia, New Zealand, Papua New Guinea, the Solomon Islands, and Tahiti, the following is applicable:

THIS WARRANTY IS IN ADDITION TO WARRANTIES AND CONDITIONS IMPLIED BY STATUTE AND OTHER STATUTORY RIGHTS AND OBLIGATIONS THAT BY ANY APPLICABLE LAW CANNOT BE EXCLUDED, RESTRICTED OR MODIFIED ("MANDATORY RIGHTS"). ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED (BY STATUTE OR OTHERWISE), ARE EXCLUDED.

NEITHER THIS WARRANTY NOR ANY OTHER CONDITION OR WARRANTY BY CATERPILLAR, EXPRESS OR IMPLIED (SUBJECT ONLY TO THE MANDATORY RIGHTS), IS APPLICABLE TO ANY ITEM CATERPILLAR SELLS THAT IS WARRANTED DIRECTLY TO THE USER BY ITS MANUFACTURER.

TO THE EXTENT PERMITTED UNDER THE MANDATORY RIGHTS, IF CATERPILLAR IS THE SUPPLIER TO THE USER, CATERPILLAR'S LIABILITY SHALL BE LIMITED AT ITS OPTION TO (a) IN THE CASE OF SERVICES, THE SUPPLY OF THE SERVICES AGAIN OR THE PAYMENT OF THE COST OF HAVING THE SERVICES SUPPLIED AGAIN AND (b) IN THE CASE OF GOODS, THE REPAIR OR REPLACEMENT OF THE GOODS, THE SUPPLY OF EQUIVALENT GOODS, THE PAYMENT OF THE COST OF SUCH REPAIR OR REPLACEMENT OR THE ACQUISITION OF EQUIVALENT GOODS.

CATERPILLAR EXCLUDES ALL LIABILITY FOR OR ARISING FROM ANY NEGLIGENCE ON ITS PART OR ON THE PART OF ANY OF ITS EMPLOYEES, AGENTS OR REPRESENTATIVES IN RESPECT OF THE MANUFACTURE OR SUPPLY OF GOODS OR THE PROVISION OF SERVICES RELATING TO THE GOODS.

CATERPILLAR IS NOT LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES UNLESS IMPOSED UNDER MANDATORY RIGHTS.

IF OTHERWISE APPLICABLE, THE VIENNA CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS IS EXCLUDED IN ITS ENTIRETY.

This warranty covers every major component of the products. Claims under this warranty should be submitted to a place of business of a Caterpillar dealer or other source approved by Caterpillar. For further information concerning either the location to submit claims or Caterpillar as the issuer of this warranty, write Caterpillar Inc., 100 N. E. Adams St., Peoria, IL USA 61629.

Effective with sales to the first user on or after August 15, 2010

CATERPILLAR LIMITED WARRANTY

New, Classic™ Parts, and Remanufactured Parts and Assembled Components, Cat Reman® Replacement Engines (for Cat® Machines), and Attachments Not Installed Prior to Delivery

Worldwide

Caterpillar Inc., or any of its subsidiaries ("Caterpillar"), warrants the following products (and every major component thereof) sold by it to be free from defects in material and workmanship:

- New and remanufactured parts and assembled components (see exceptions below).
- Cat Reman® engines used as replacements in Cat® machines.

- Caterpillar Large Mining (LM) Series Ground Engaging Tools, which consist of Mining Series Adapters (MSA), Mining Series Retention (MSR), and Mining Series Tips (MST) products.

- Classic™ Parts used in authorized models.
- Attachments not installed prior to delivery.

An additional warranty against breakage is applicable to certain Caterpillar brand Ground Engaging Tools. Also, an additional warranty against wear is applicable to all landfill compactor tips. Refer to the applicable warranty statement for coverage detail.

This warranty does not apply to Cat batteries and new and remanufactured parts and assembled components sold for use in on-highway vehicle applications, petroleum applications, and gas compression applications. These products are covered by other Caterpillar warranties.

This warranty is subject to the following:

Warranty Period

The warranty period is as specified:

- For new and remanufactured parts and assembled components installed in 3500 and 3600 Family engines used in locomotive applications: 12 months, starting from the date the product is installed or 15 months from the date of sale to the first user, whichever occurs first.
- For all other products and applications: 6 months starting from date of sale to the first user.

Caterpillar Responsibilities

If a defect in material or workmanship is found during the warranty period, Caterpillar will, during normal working hours and at a place of business of a Cat dealer or other source approved by Caterpillar:

- Provide (at Caterpillar's choice) new, Classic Parts, and remanufactured or Caterpillar approved repaired parts, assembled components, Cat Reman engines or attachments needed to correct the defect.

Note: New, remanufactured, or Caterpillar approved repaired parts or assembled components provided under the terms of this warranty are warranted for the remainder of the warranty period applicable to the product in which installed as if such parts were original components of that product. Items replaced under this warranty become the property of Caterpillar.

- Replace lubricating oil, filters, antifreeze, and other service items made unusable by the defect.
- In the case of assembled components, provide reasonable and customary repair labor needed to correct the defect, excluding assembled component removal and installation labor.

- In the case of Cat Reman replacement engines (for Cat machines), provide reasonable and customary repair labor needed to correct the defect, excluding engine removal and installation labor.

User Responsibilities

The user is responsible for:

- Providing proof of sale date to the first user.
- Labor costs, except as stated under "Caterpillar Responsibilities."
- Transportation costs.
- Premium or overtime labor costs.
- Parts shipping charges in excess of those that are usual and customary.
- Local taxes, if applicable.
- Costs to investigate complaints, unless the problem is caused by a defect in Caterpillar material or workmanship.
- Giving timely notice of a warrantable failure and promptly making the product available for repair.
- Performance of the required maintenance (including use of proper fuel, oil, lubricants, and coolant) and replacement of items due to normal wear and tear.
- Allowing Caterpillar access to all electronically stored data.

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Limitations

Caterpillar is not responsible for:

- Failures resulting from any use or installation that Caterpillar judges improper.
- Failures resulting from attachments, accessory items, and parts not sold by Caterpillar.

- Failures resulting from abuse, neglect, and/or improper repair, including installation of parts and assembled components in contaminated systems.
- Failure resulting from Classic Parts being used in non-authorized models.

- Failures resulting from user's delay in making the product available after being notified of a potential product problem.
- Failures resulting from unauthorized repair or adjustments and unauthorized fuel-setting changes.

For products operating outside of Australia, Fiji, Nauru, New Caledonia, New Zealand, Papua New Guinea, the Solomon Islands, and Tahiti, the following is applicable:

NEITHER THE FOREGOING EXPRESS WARRANTY NOR ANY OTHER WARRANTY BY CATERPILLAR, EXPRESS OR IMPLIED, IS APPLICABLE TO ANY ITEM CATERPILLAR SELLS THAT IS WARRANTED DIRECTLY TO THE USER BY ITS MANUFACTURER.

THIS WARRANTY IS EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, EXCEPT CATERPILLAR EMISSION-RELATED COMPONENT WARRANTIES FOR NEW ENGINES, WHERE APPLICABLE. REMEDIES UNDER THIS WARRANTY ARE LIMITED TO THE PROVISION OF MATERIAL AND SERVICES, AS SPECIFIED HEREIN.

CATERPILLAR IS NOT RESPONSIBLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

CATERPILLAR EXCLUDES ALL LIABILITY FOR ARISING FROM ANY NEGLIGENCE ON ITS PART OR ON THE PART OF ANY OF ITS EMPLOYEES, AGENTS, OR REPRESENTATIVES IN RESPECT OF THE MANUFACTURE OR SUPPLY OF GOODS OR THE PROVISION OF SERVICES RELATING TO THE GOODS.

IF OTHERWISE APPLICABLE, THE VIENNA CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS IS EXCLUDED IN ITS ENTIRETY.

For personal or family use engines operating in the USA, its territories, and its possessions, some states do not allow limitations on how long an implied warranty may last nor allow the exclusion or limitation of incidental or consequential damages. Therefore, the previously expressed exclusion may not apply to you.

This warranty gives you specific legal rights and you may also have other rights, which vary by jurisdiction. To find the location of the nearest Cat dealer or other authorized repair facility call (800) 447-4986. If you have questions concerning this warranty or its applications, call or write:

In USA and Canada: Caterpillar Inc. Engine Division, P.O. Box 610, Mossville, IL 61552-0610, and Attention: Customer Service Manager, Telephone (800) 447-4986. Outside the USA and Canada: contact your Cat dealer.

For products operating in Australia, Fiji, Nauru, New Caledonia, New Zealand, Papua New Guinea, the Solomon Islands, and Tahiti, the following is applicable:

THIS WARRANTY IS IN ADDITION TO WARRANTIES AND CONDITIONS IMPLIED BY STATUTE AND OTHER STATUTORY RIGHTS AND OBLIGATIONS THAT BY ANY APPLICABLE LAW CANNOT BE EXCLUDED, RESTRICTED, OR MODIFIED ("MANDATORY RIGHTS"). ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED (BY STATUTE OR OTHERWISE), ARE EXCLUDED.

NEITHER THIS WARRANTY NOR ANY OTHER CONDITION OR WARRANTY BY CATERPILLAR, EXPRESS OR IMPLIED (SUBJECT ONLY TO THE MANDATORY RIGHTS), IS APPLICABLE TO ANY ITEM CATERPILLAR SELLS THAT IS WARRANTED DIRECTLY TO THE USER BY ITS MANUFACTURER.

TO THE EXTENT PERMITTED UNDER THE MANDATORY RIGHTS, IF CATERPILLAR IS THE SUPPLIER TO THE USER, CATERPILLAR'S LIABILITY SHALL BE LIMITED AT ITS OPTION TO (a) IN THE CASE OF SERVICES, THE SUPPLY OF THE SERVICES AGAIN OR THE PAYMENT OF THE COST OF HAVING THE SERVICES SUPPLIED AGAIN AND (b) IN THE CASE OF GOODS, THE REPAIR OR REPLACEMENT OF THE GOODS, THE SUPPLY OF EQUIVALENT GOODS, THE PAYMENT OF THE COST OF SUCH REPAIR OR REPLACEMENT OR THE ACQUISITION OF EQUIVALENT GOODS.

CATERPILLAR EXCLUDES ALL LIABILITY FOR ARISING FROM ANY NEGLIGENCE ON ITS PART OR ON THE PART OF ANY OF ITS EMPLOYEES, AGENTS, OR REPRESENTATIVES IN RESPECT OF THE MANUFACTURE OR SUPPLY OF GOODS OR THE PROVISION OF SERVICES RELATING TO THE GOODS.

CATERPILLAR IS NOT LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES UNLESS IMPOSED UNDER MANDATORY RIGHTS.

IF OTHERWISE APPLICABLE, THE VIENNA CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS IS EXCLUDED IN ITS ENTIRETY.

This warranty covers every major component of the products. Claims under this warranty should be submitted to a place of business of a Cat dealer or other source approved by Caterpillar. For further information concerning either the location to submit claims or Caterpillar as the issuer of this warranty, write Caterpillar Inc., 100 N. E. Adams St., Peoria, IL USA 61629.

Effective with sales to the first user on or after May 1, 2010

CATERPILLAR LIMITED WARRANTY

Caterpillar Work Tools

Worldwide

Caterpillar Inc. or any of its subsidiaries ("Caterpillar") warrants new Work Tools sold by it to be free from defects in material and workmanship.

An additional warranty against breakage may apply to certain Caterpillar Ground Engaging Tools ("GET"). Also, an additional warranty against wear is applicable to certain weld-on landfill compactor tips. Refer to the applicable warranty statements for coverage detail.

This warranty is subject to the following:

Warranty Period

For tools used solely in snow applications, the warranty period is 24 months.

For work tool line's quick connect/disconnect components sold on serialized tools for compact wheel loaders, mini hydraulic excavators, skid steer loaders, multi terrain loaders, and compact track loaders, the warranty period is 3 months after the date of delivery to the first user.

For all other tools, the warranty period is 12 months starting from date of delivery or sale to the first user.

Note: Hammer tool points, compacting plates, shear cutting knives, and crusher and pulverize knives and teeth are not warranted.

Caterpillar Responsibilities

If a defect in material or workmanship is found during the warranty period, Caterpillar will, during normal working hours and through a place of business of a Caterpillar dealer or other source approved by Caterpillar:

- Provide (at Caterpillar's choice) new, remanufactured or Caterpillar-approved repaired parts or assembled components needed to correct the defect.

Note: New, remanufactured, or Caterpillar approved repaired parts or assembled components provided under the terms of this warranty are warranted for the remainder of the warranty period applicable to the product in which installed as if such parts were original components of that product. Items replaced under this warranty become the property of Caterpillar.

- Replace lubricating oil, filters, coolant, and other service items made unusable by the defect.

- Provide reasonable and customary labor needed to correct the defect, including labor for removal and installation when necessary to make the repair.

User Responsibilities

The user is responsible for:

- Providing proof of the delivery date or sale date to the first user.

- Labor costs, except as stated under "Caterpillar Responsibilities."

- Travel or transporting costs, except as stated under "Caterpillar Responsibilities."

- Premium or overtime labor costs.

- Parts shipping charges in excess of those that are usual and customary.

- Local taxes, if applicable.

- Costs to investigate complaints, unless the problem is caused by a defect in Caterpillar material or workmanship.

- Giving timely notice of a warrantable failure and promptly making the product available for repair.

- Performance of the required maintenance (including use of proper fuel, oil, lubricants, and coolant) and items replaced due to normal wear and tear.

- Allowing Caterpillar access to all electronically stored data.

Limitations

Caterpillar is not responsible for:

- Failures resulting from any use or installation that Caterpillar judges improper.

- Failures resulting from attachments, accessory items, and parts not sold or approved by Caterpillar.

- Failures resulting from abuse, neglect, and/or improper repair.

- Failures resulting from user's delay in making the product available after being notified of a potential product problem.

- Failures resulting from unauthorized repair or adjustments and unauthorized fuel-setting changes.

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For products operating outside of Australia, Fiji, Nauru, New Caledonia, New Zealand, Papua New Guinea, the Solomon Islands, and Tahiti, the following is applicable:

NEITHER THE FOREGOING EXPRESS WARRANTY NOR ANY OTHER WARRANTY BY CATERPILLAR, EXPRESS OR IMPLIED, IS APPLICABLE TO ANY ITEM CATERPILLAR SELLS THAT IS WARRANTED DIRECTLY TO THE USER BY ITS MANUFACTURER.

THIS WARRANTY IS EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, EXCEPT CATERPILLAR EMISSION-RELATED COMPONENTS WARRANTIES FOR NEW ENGINES, WHERE APPLICABLE. REMEDIES UNDER THIS WARRANTY ARE LIMITED TO THE PROVISION OF MATERIAL AND SERVICES, AS SPECIFIED HEREIN.

CATERPILLAR IS NOT RESPONSIBLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

CATERPILLAR EXCLUDES ALL LIABILITY FOR OR ARISING FROM ANY NEGLIGENCE ON ITS PART OR ON THE PART OF ANY OF ITS EMPLOYEES, AGENTS, OR REPRESENTATIVES IN RESPECT OF THE MANUFACTURE OR SUPPLY OF GOODS OR THE PROVISION OF SERVICES RELATING TO THE GOODS.

IF OTHERWISE APPLICABLE, THE VIENNA CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS IS EXCLUDED IN ITS ENTIRETY.

This warranty gives you specific legal rights and you may also have other rights, which vary by jurisdiction. To find the location of the nearest Caterpillar dealer or other authorized repair facility, call (800) 447-4986. If you have questions concerning this warranty or its applications, call or write:

In USA and Canada: Caterpillar Inc., Engine Division, P. O. Box 610, Mossville, IL 61552-0610, Attention: Customer Service Manager, Telephone (800) 447-4986. Outside the USA and Canada: Contact your Caterpillar dealer.

For products operating in Australia, Fiji, Nauru, New Caledonia, New Zealand, Papua New Guinea, the Solomon Islands, and Tahiti, the following is applicable:

THIS WARRANTY IS IN ADDITION TO WARRANTIES AND CONDITIONS IMPLIED BY STATUTE AND OTHER STATUTORY RIGHTS AND OBLIGATIONS THAT BY ANY APPLICABLE LAW CANNOT BE EXCLUDED, RESTRICTED OR MODIFIED ("MANDATORY RIGHTS"). ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED (BY STATUTE OR OTHERWISE), ARE EXCLUDED.

NEITHER THIS WARRANTY NOR ANY OTHER CONDITION OR WARRANTY BY CATERPILLAR, EXPRESS OR IMPLIED (SUBJECT ONLY TO THE MANDATORY RIGHTS), IS APPLICABLE TO ANY ITEM CATERPILLAR SELLS THAT IS WARRANTED DIRECTLY TO THE USER BY ITS MANUFACTURER.

TO THE EXTENT PERMITTED UNDER THE MANDATORY RIGHTS, IF CATERPILLAR IS THE SUPPLIER TO THE USER, CATERPILLAR'S LIABILITY SHALL BE LIMITED AT ITS OPTION TO (a) IN THE CASE OF SERVICES, THE SUPPLY OF THE SERVICES AGAIN OR THE PAYMENT OF THE COST OF HAVING THE SERVICES SUPPLIED AGAIN AND (b) IN THE CASE OF GOODS, THE REPAIR OR REPLACEMENT OF THE GOODS, THE SUPPLY OF EQUIVALENT GOODS, THE PAYMENT OF THE COST OF SUCH REPAIR OR REPLACEMENT OR THE ACQUISITION OF EQUIVALENT GOODS.

CATERPILLAR EXCLUDES ALL LIABILITY FOR OR ARISING FROM ANY NEGLIGENCE ON ITS PART OR ON THE PART OF ANY OF ITS EMPLOYEES, AGENTS, OR REPRESENTATIVES IN RESPECT OF THE MANUFACTURE OR SUPPLY OF GOODS OR THE PROVISION OF SERVICES RELATING TO THE GOODS.

CATERPILLAR IS NOT LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES UNLESS IMPOSED UNDER MANDATORY RIGHTS.

IF OTHERWISE APPLICABLE, THE VIENNA CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS IS EXCLUDED IN ITS ENTIRETY.

This warranty covers every major component of the products. Claims under this warranty should be submitted to a place of business of a Caterpillar dealer or other source approved by Caterpillar. For further information concerning either the location to submit claims or Caterpillar as the issuer of this warranty, write Caterpillar Inc., 100 N. E. Adams St., Peoria, IL USA 61629.

Effective with sales to the first user on or after November 1, 2010

CATERPILLAR LIMITED WARRANTY

For Selected Machine Models Designated by Caterpillar With 12 Month/Unlimited Hour Warranty

Worldwide

Caterpillar Inc. or any of its subsidiaries ("Caterpillar") warrants the following products sold by it to be free from defects in material and workmanship:

This warranty does not apply to new replacement engines.

This warranty does not apply to selected models or new replacement engines designated by Caterpillar in India and China.

(In other areas different warranties may apply. Copies of applicable warranties may be obtained by writing to Caterpillar Inc., 100 N.E. Adams St., Peoria, IL 61629.)

• New earthmoving, construction, material handling, forestry product, paving product, compact wheel loader, mini hydraulic excavator, skid steer loader, multi terrain loader, and compact track loader machines designated by Caterpillar as having 12 -months/unlimited hour warranty. See your Cat dealer for a complete listing of covered models.

• Attachments/work tools installed on such machines prior to delivery (unless covered by the Cat Work Tool warranty statement or another manufacturer's warranty). Hammer tool points and compacting plates used on hydraulic hammers are not warranted.

An additional warranty against breakage is applicable to certain Cat ground engaging tools. An additional warranty against wear is applicable to all landfill compactor tips when used in residential waste landfills. Refer to the applicable warranty statements for coverage detail.

This warranty does not apply to Cat batteries, Mobil-trac belts, rubber tracks used on multi terrain loaders, compact track loaders, and mini hydraulic excavators, or Cat Work Tools, which are covered by other Caterpillar warranties.

This warranty is subject to the following:

Warranty Period

For new machines and work tools/attachments the warranty period is 12-months/unlimited hours, starting from date of delivery to the first user.

Note: For hydraulic line's quick connect/disconnect components sold on compact wheel loaders, mini hydraulic excavators, skid steer loaders, multi terrain loaders, and compact track loader machines, the warranty period is 50 hours starting from the date of delivery to the first user.

Caterpillar Responsibilities

If a defect in material or workmanship is found during the warranty period, Caterpillar will, during normal working hours and at a place of business of a Cat dealer or other source approved by Caterpillar:

• Provide (at Caterpillar's choice) new, remanufactured, or Caterpillar approved repaired parts or assembled components needed to correct the defect.

Note: New, remanufactured, or Caterpillar approved replacement parts provided under the terms of this warranty are warranted for the remainder of the warranty period applicable to the product in which installed as if such parts were original components of that product. Items replaced under this warranty become the property of Caterpillar.

• Replace lubricating oil, filters, antifreeze, and other service items made unusable by the defect.

• Provide reasonable and customary labor needed to correct the defect, except in the case of a new replacement engine originally installed by other than a Cat dealer or source approved by Caterpillar. In this

case, labor is limited to repair only, and removal and installation is the user's responsibility.

User Responsibilities

The user is responsible for:

- Providing proof of delivery date to the first user.
- Labor costs, except as stated under "Caterpillar Responsibilities."
- Transportation costs, except as stated under "Caterpillar Responsibilities."
- Premium or overtime labor costs.
- Parts shipping charges in excess of those, that are considered usual and customary.
- Local taxes, if applicable.
- Costs to investigate complaints, unless the problem is caused by a defect in Caterpillar material or workmanship.
- Giving timely notice of a warrantable failure and promptly making the product available for repair.
- Performance of the required maintenance (including use of proper fuel, oil, lubricants, and coolant) and items replaced due to normal wear and tear.
- Allowing Caterpillar access to all electronically stored data.

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Limitations

Caterpillar is not responsible for:

- Failures resulting from any use or installation that Caterpillar judges improper.
- Failures resulting from attachments, accessory items, and parts not sold or approved by Caterpillar.
- Failures resulting from abuse, neglect, and/or improper repair.
- Failures resulting from user's delay in making the product available after being notified of a potential product problem.
- Failures resulting from unauthorized repair or adjustments, and unauthorized fuel setting changes.

For products operating outside of Australia, Fiji, Nauru, New Caledonia, New Zealand, Papua New Guinea, the Solomon Islands, and Tahiti, the following is applicable:

NEITHER THE FOREGOING EXPRESS WARRANTY NOR ANY OTHER WARRANTY BY CATERPILLAR, EXPRESS OR IMPLIED, IS APPLICABLE TO ANY ITEM CATERPILLAR SELLS THAT IS WARRANTED DIRECTLY TO THE USER BY ITS MANUFACTURER.

THIS WARRANTY IS EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, EXCEPT CATERPILLAR EMISSION-RELATED COMPONENTS WARRANTY FOR NEW ENGINES, WHERE APPLICABLE. REMEDIES UNDER THIS WARRANTY ARE LIMITED TO THE PROVISION OF MATERIAL AND SERVICES, AS SPECIFIED HEREIN.

CATERPILLAR IS NOT RESPONSIBLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

CATERPILLAR EXCLUDES ALL LIABILITY FOR OR ARISING FROM ANY NEGLIGENCE ON ITS PART OR ON THE PART OF ANY OF ITS EMPLOYEES, AGENTS, OR REPRESENTATIVES IN RESPECT OF THE MANUFACTURE OR SUPPLY OF GOODS OR THE PROVISION OF SERVICES RELATING TO THE GOODS.

IF OTHERWISE APPLICABLE, THE VIENNA CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS IS EXCLUDED IN ITS ENTIRETY.

For products operating in Australia, Fiji, Nauru, New Caledonia, New Zealand, Papua New Guinea, the Solomon Islands, and Tahiti, the following is applicable:

THIS WARRANTY IS IN ADDITION TO WARRANTIES AND CONDITIONS IMPLIED BY STATUTE AND OTHER STATUTORY RIGHTS AND OBLIGATIONS THAT BY ANY APPLICABLE LAW CANNOT BE EXCLUDED, RESTRICTED OR MODIFIED ("MANDATORY RIGHTS"). ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED (BY STATUTE OR OTHERWISE), ARE EXCLUDED.

NEITHER THIS WARRANTY NOR ANY OTHER CONDITION OR WARRANTY BY CATERPILLAR, EXPRESS OR IMPLIED (SUBJECT ONLY TO THE MANDATORY RIGHTS), IS APPLICABLE TO ANY ITEM CATERPILLAR SELLS THAT IS WARRANTED DIRECTLY TO THE USER BY ITS MANUFACTURER.

TO THE EXTENT PERMITTED UNDER THE MANDATORY RIGHTS, IF CATERPILLAR IS THE SUPPLIER TO THE USER, CATERPILLAR'S LIABILITY SHALL BE LIMITED AT ITS OPTION TO (a) IN THE CASE OF SERVICES, THE SUPPLY OF THE SERVICES AGAIN OR THE PAYMENT OF THE COST OF HAVING THE SERVICES SUPPLIED AGAIN, AND (b) IN THE CASE OF GOODS, THE REPAIR OR REPLACEMENT OF THE GOODS, THE SUPPLY OF EQUIVALENT GOODS, THE PAYMENT OF THE COST OF SUCH REPAIR OR REPLACEMENT OR THE ACQUISITION OF EQUIVALENT GOODS.

CATERPILLAR EXCLUDES ALL LIABILITY FOR OR ARISING FROM ANY NEGLIGENCE ON ITS PART OR ON THE PART OF ANY OF ITS EMPLOYEES, AGENTS OR REPRESENTATIVES IN RESPECT OF THE MANUFACTURE OR SUPPLY OF GOODS OR THE PROVISION OF SERVICES RELATING TO THE GOODS.

CATERPILLAR IS NOT LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES UNLESS IMPOSED UNDER MANDATORY RIGHTS.

IF OTHERWISE APPLICABLE, THE VIENNA CONVENTION (CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS) IS EXCLUDED IN ITS ENTIRETY.

This warranty covers every major component of the products. Claims under this warranty should be submitted to a place of business of a Cat dealer or other source approved by Caterpillar. For further information concerning either the location to submit claims or Caterpillar as the issuer of this warranty, write Caterpillar Inc., 100 N. E. Adams St., Peoria, IL USA 61629.

Effective with sales to the first user on or after December 1, 2010

CATERPILLAR LIMITED WARRANTY

Industrial, Petroleum, Locomotive, and Agriculture Engine Products and Electric Power Generation Products

Worldwide

Caterpillar Inc. or any of its subsidiaries ("Caterpillar") warrants new and remanufactured engines and electric power generation products sold by it (including any products of other manufacturers packaged and sold by Caterpillar), to be free from defects in material and workmanship.

This warranty does not apply to Caterpillar Motoren (CM) product; engines sold for use in on-highway vehicle or marine applications; engines in machines manufactured by or for Caterpillar; 3500 and 3600 Family engines used in locomotive applications; 3000 Family engines, C0.5 through C4.4 and ACERT (C6.6, C7, C7.1, C8, C9.3, C11, C13, C15, C18, C27, and C32) engines used in industrial applications; or Cat batteries. These products are covered by other Caterpillar warranties.

This warranty is subject to the following:

Warranty Period

- For new industrial engines, engines in a petroleum applications or Petroleum Power Systems, or engines in a Locomotive application, or Uninterruptible Power Supply (UPS) systems, the warranty period is 12 months after date of delivery to the first user.
- For Mobile Agricultural applications the warranty period is 24 months after date of delivery to the first user.
- For controls only (EPI/C), configurable, and custom switchgear products, as well as automatic transfer switch products, the warranty period is 24 months after date of delivery to the first user.
- For electric power generation products in prime or continuous applications the warranty period is 12 months. For standby applications the warranty period is 24 months/1000 hours. For emergency standby applications the warranty period is 24 months/400 hours. All terms begin after date of delivery to the first user.

- For all Remanufactured Generator (GenEnds) products in prime or continuous applications the warranty period is 12 months. For standby applications the warranty period is 24 months/1000 hours. For emergency standby applications the warranty period is 24 months/400 hours. All terms begin after date of delivery to the first user.

- For all Remanufactured engines, the warranty period is 6 months (12 months for mobile agricultural and standby electric power generation applications) after date of delivery to the first user.

Caterpillar Responsibilities

If a defect in material or workmanship is found during the warranty period, Caterpillar will, during normal working hours and at a place of business of a Cat dealer or other source approved by Caterpillar:

- Provide (at Caterpillar's choice) new, Remanufactured, or Caterpillar approved repaired parts or assembled components needed to correct the defect.

Note: New, remanufactured, or Caterpillar approved repaired parts or assembled components provided under the terms of this warranty are warranted for the remainder of the warranty period applicable to the product in which installed as if such parts were original components of that product. Items replaced under this warranty become the property of Caterpillar.

- Replace lubricating oil, filters, coolant, and other service items made unusable by the defect.

- Provide reasonable and customary labor needed to correct the defect, including labor to disconnect the product from and reconnect the product to its attached equipment, mounting, and support systems, if required.

For new 3114, 3116, and 3126 engines and electric power generation products (including any new products of other

manufacturers packaged and sold by Caterpillar):

- Provide travel labor, up to four hours round trip, if in the opinion of Caterpillar, the product cannot reasonably be transported to a place of business of a Cat dealer or other source approved by Caterpillar (travel labor in excess of four hours round trip, and any meals, mileage, lodging, etc. is the user's responsibility).

For all other products:

- Provide reasonable travel expenses for authorized mechanics, including meals, mileage, and lodging, when Caterpillar chooses to make the repair on-site.

User Responsibilities

The user is responsible for:

- Providing proof of the delivery date to the first user.
- Labor costs, except as stated under "Caterpillar Responsibilities," including costs beyond those required to disconnect the product from and reconnect the product to its attached equipment, mounting, and support systems.
- Travel or transporting costs, except as stated under "Caterpillar Responsibilities."
- Premium or overtime labor costs.
- Parts shipping charges in excess of those that are usual and customary.
- Local taxes, if applicable.
- Costs to investigate complaints, unless the problem is caused by a defect in Caterpillar material or workmanship.
- Giving timely notice of a warrantable failure and promptly making the product available for repair.

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- Performance of the required maintenance (including use of proper fuel, oil, lubricants, and coolant) and items replaced due to normal wear and tear.
- Allowing Caterpillar access to all electronically stored data.

Limitations

Caterpillar is not responsible for:

- Failures resulting from any use or installation that Caterpillar judges improper.

- Failures resulting from attachments, accessory items, and parts not sold or approved by Caterpillar.
- Failures resulting from abuse, neglect, and/or improper repair.
- Failures resulting from user's delay in making the product available after being notified of a potential product problem.
- Failures resulting from unauthorized repairs or adjustments, and unauthorized fuel setting changes.

- Damage to parts, fixtures, housings, attachments, and accessory items that are not part of the engine or electric power generation product (including any products of other manufacturers packaged and sold by Caterpillar).
- Repair of components sold by Caterpillar that is warranted directly to the user by their respective manufacturer. Depending on type of application, certain exclusions may apply. Consult your Cat dealer for more information.

For products operating outside of Australia, Fiji, Nauru, New Caledonia, New Zealand, Papua New Guinea, the Solomon Islands and Tahiti, the following is applicable:

NEITHER THE FOREGOING EXPRESS WARRANTY NOR ANY OTHER WARRANTY BY CATERPILLAR, EXPRESS OR IMPLIED, IS APPLICABLE TO ANY ITEM CATERPILLAR SELLS THAT IS WARRANTED DIRECTLY TO THE USER BY ITS MANUFACTURER.

THIS WARRANTY IS EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, EXCEPT CATERPILLAR EMISSION-RELATED COMPONENTS WARRANTIES FOR NEW ENGINES, WHERE APPLICABLE. REMEDIES UNDER THIS WARRANTY ARE LIMITED TO THE PROVISION OF MATERIAL AND SERVICES, AS SPECIFIED HEREIN.

CATERPILLAR IS NOT RESPONSIBLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES. CATERPILLAR EXCLUDES ALL LIABILITY FOR OR ARISING FROM ANY NEGLIGENCE ON ITS PART OR ON THE PART OF ANY OF ITS EMPLOYEES, AGENTS OR REPRESENTATIVES IN RESPECT OF THE MANUFACTURE OR SUPPLY OF GOODS OR THE PROVISION OF SERVICES RELATING TO THE GOODS.

IF OTHERWISE APPLICABLE, THE VIENNA CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS IS EXCLUDED IN ITS ENTIRETY.

For personal or family use engines or electric power generation products, operating in the USA, its territories and possessions, some states do not allow limitations on how long an implied warranty may last nor allow the exclusion or limitation of incidental or consequential damages. Therefore, the previously expressed exclusion may not apply to you. This warranty gives you specific legal rights and you may also have other rights, which vary by jurisdiction. To find the location of the nearest Cat dealer or other authorized repair facility, call (800) 447-4986. If you have questions concerning this warranty or its applications, call or write:

In USA and Canada: Caterpillar Inc., Engine Division, P. O. Box 610, Mossville, IL 61552-0610, Attention: Customer Service Manager, Telephone (800) 447-4986. Outside the USA and Canada: Contact your Cat dealer.

For products operating in Australia, Fiji, Nauru, New Caledonia, New Zealand, Papua New Guinea, the Solomon Islands and Tahiti, the following is applicable:

THIS WARRANTY IS IN ADDITION TO WARRANTIES AND CONDITIONS IMPLIED BY STATUTE AND OTHER STATUTORY RIGHTS AND OBLIGATIONS THAT BY ANY APPLICABLE LAW CANNOT BE EXCLUDED, RESTRICTED OR MODIFIED ("MANDATORY RIGHTS"). ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED (BY STATUTE OR OTHERWISE), ARE EXCLUDED.

NEITHER THIS WARRANTY NOR ANY OTHER CONDITION OR WARRANTY BY CATERPILLAR, EXPRESS OR IMPLIED (SUBJECT ONLY TO THE MANDATORY RIGHTS), IS APPLICABLE TO ANY ITEM CATERPILLAR SELLS THAT IS WARRANTED DIRECTLY TO THE USER BY ITS MANUFACTURER.

TO THE EXTENT PERMITTED UNDER THE MANDATORY RIGHTS, IF CATERPILLAR IS THE SUPPLIER TO THE USER, CATERPILLAR'S LIABILITY SHALL BE LIMITED AT ITS OPTION TO (a) IN THE CASE OF SERVICES, THE SUPPLY OF THE SERVICES AGAIN OR THE PAYMENT OF THE COST OF HAVING THE SERVICES SUPPLIED AGAIN, AND (b) IN THE CASE OF GOODS, THE REPAIR OR REPLACEMENT OF THE GOODS, THE SUPPLY OF EQUIVALENT GOODS, THE PAYMENT OF THE COST OF SUCH REPAIR OR REPLACEMENT OR THE ACQUISITION OF EQUIVALENT GOODS.

CATERPILLAR EXCLUDES ALL LIABILITY FOR OR ARISING FROM ANY NEGLIGENCE ON ITS PART OR ON THE PART OF ANY OF ITS EMPLOYEES, AGENTS OR REPRESENTATIVES IN RESPECT OF THE MANUFACTURE OR SUPPLY OF GOODS OR THE PROVISION OF SERVICES RELATING TO THE GOODS.

CATERPILLAR IS NOT LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES UNLESS IMPOSED UNDER MANDATORY RIGHTS.

IF OTHERWISE APPLICABLE, THE VIENNA CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS IS EXCLUDED IN ITS ENTIRETY.

This warranty covers every major component of the products. Claims under this warranty should be submitted to a place of business of a Cat dealer or other source approved by Caterpillar. For further information concerning either the location to submit claims or Caterpillar as the issuer of this warranty, write Caterpillar Inc., 100 N. E. Adams St., Peoria, IL USA 61629.

CONTRACT AMENDMENT

CITY OF TUCSON DEPARTMENT OF PROCUREMENT
255 W. ALAMEDA, 6TH FLOOR, TUCSON, AZ 85701
P.O. BOX 27210, TUCSON, AZ 85726
(520) 837-4129
ISSUE DATE: APRIL 8, 2015

CONTRACT NO.: 120377
CONTRACT AMENDMENT NO.: EIGHT (8)
PAGE 1 of 1
CQ
CONTRACT OFFICER: RAY VALDEZ

THIS CONTRACT IS AMENDED AS FOLLOWS:

HEAVY EQUIPMENT, PARTS, ACCESSORIES, SUPPLIES AND RELATED SERVICES

1. Pursuant to Contract No. 120377, Special Terms and Conditions, Term and Renewal, the City is hereby exercising its option to renew the contract for the period of May 1, 2015 through April 30, 2016.
2. The referenced contract has been amended to include the attached 2015 discount pricing structure and model changes for Caterpillar Equipment and Generators.
3. Caterpillar Telescopic Handlers have been added to the equipment line. A discount structure for the telescopic handlers has been added to the discount pricing structure.
4. Caterpillar Safety Services have been added as a value-added service, with a 15% discount.
5. The Caterpillar freight matrix shall be replaced with a dealer quote for shipping charges. Participating agencies shall receive a quote for shipping charges. Upon delivery of equipment, dealers shall provide participating agencies with a copy of the actual shipping charges. If actual shipping charges turn out to be lower than the quoted shipping charge, the difference shall be credited to the participating agency.

ALL OTHER PROVISIONS OF THE CONTRACT SHALL REMAIN IN THEIR ENTIRETY.

CONTRACTOR HEREBY ACKNOWLEDGES RECEIPT OF
AND UNDERSTANDING OF THE ABOVE AMENDMENT.

 09 APR 15
Signature Date

Mike Hynes, Governmental Account Manager
Typed Name and Title


Caterpillar Inc.
Company Name

100 NE Adams St, AB1345, Peoria, IL, 61629
Address

Hynes_mike_J@cat.com
Email Address

Peoria Illinois 61629
City State Zip

THE ABOVE REFERENCED CONTRACT AMENDMENT
IS HEREBY EXECUTED THIS 13th DAY
OF April, 2015, AT TUCSON, ARIZONA.


As Director of Procurement and not personally

2015 Caterpillar Coop Contract Discounts V3

Machines	New Equipment	Used Equipment
2015	Discount off List	Discount from original List
Pavers		
AP255	16.00%	20.0%
AP500	16.00%	20.0%
AP555	16.00%	20.0%
AP600	16.00%	20.0%
AP655	16.00%	20.0%
AP1000	16.00%	20.0%
AP1055	16.00%	20.0%
Rollers		
CB14	16.00%	20.0%
CB22	16.00%	20.0%
CB24	16.00%	20.0%
CB32	16.00%	20.0%
CB34/CB34XW	16.00%	20.0%
CB44	16.00%	20.0%
CB54	16.00%	20.0%
CB64	16.00%	20.0%
CC24	16.00%	20.0%
CC34	16.00%	20.0%
CD44	16.00%	20.0%
CD54	16.00%	20.0%
CP34	14.00%	20.0%
CP44	14.00%	20.0%
CP54	14.00%	20.0%
CP56	14.00%	20.0%
CP68	14.00%	20.0%
CP74	14.00%	20.0%
CS34	14.00%	20.0%
CS44	14.00%	20.0%
CS54	14.00%	20.0%
CS64	14.00%	20.0%
CS68	14.00%	20.0%
CS78	14.00%	20.0%
CW14	16.00%	20.0%
CW34	16.00%	20.0%
Vocational Trucks		
CT660	23.00%	
CT681	23.00%	

2015 Caterpillar Coop Contract Discounts V3

Track Type Tractors		
D3	25.00%	20.0%
D4	24.00%	20.0%
D5	25.00%	20.0%
D6	24.00%	20.0%
D7	22.00%	20.0%
D8	22.00%	20.0%
D9	10.00%	20.0%
Integrated Tool Carriers		
IT62	21.00%	20.0%
Cold Planners		
PM102	14.00%	20.0%
PM200	14.00%	20.0%
PM201	18.00%	20.0%
Reclaimers		
RM300	14.00%	20.0%
RM500	14.00%	20.0%
Wheeled Excavators		
M313	35.00%	20.0%
M314	18.00%	20.0%
M315	32.00%	20.0%
M316	35.00%	20.0%
M318	32.00%	20.0%
M320	21.00%	20.0%
M322	35.00%	20.0%
Motor Graders		
12	33.00%	20.0%
120	37.00%	20.0%
140	33.00%	20.0%
160	33.00%	20.0%
14	23.00%	20.0%
Skid Steer Loaders		
226	16.00%	20.0%
232	16.00%	20.0%
236	16.00%	20.0%
242	16.00%	20.0%
246	16.00%	20.0%
262	16.00%	20.0%
272	16.00%	20.0%

2015 Caterpillar Coop Contract Discounts V3

Multi-Terrain Loaders		
247	16.00%	20.0%
257	16.00%	20.0%
277	16.00%	20.0%
287	16.00%	20.0%
297	16.00%	20.0%
Compact Track Loaders		
239	16.00%	20.0%
249	16.00%	20.0%
259	16.00%	20.0%
279	16.00%	20.0%
289	16.00%	20.0%
299	16.00%	20.0%
Excavators		
300.9	17.50%	20.0%
301.4	17.50%	20.0%
301.7	17.50%	20.0%
302.4	17.50%	20.0%
302.7	17.50%	20.0%
303	17.50%	20.0%
303.5	17.50%	20.0%
304	17.50%	20.0%
305	17.50%	20.0%
305.5	17.50%	20.0%
308	17.50%	20.0%
311	24.00%	20.0%
312	21.00%	20.0%
313	21.00%	20.0%
314	25.00%	20.0%
316	25.00%	20.0%
318	22.00%	20.0%
319	22.00%	20.0%
320	18.00%	20.0%
321	18.00%	20.0%
323	18.00%	20.0%
324	18.00%	20.0%
325	18.00%	20.0%
328	18.00%	20.0%
329	18.00%	20.0%
335	18.00%	20.0%
336	18.00%	20.0%
345	12.00%	20.0%
349	12.00%	20.0%
352	12.00%	20.0%

2015 Caterpillar Coop Contract Discounts V3

Backhoe Loaders		
416	21.00%	20.0%
420	21.00%	20.0%
430	21.00%	20.0%
450	21.00%	20.0%
Wheel Tractor Scrapers		
621	16.00%	20.0%
623	17.00%	20.0%
627	16.00%	20.0%
Articulated Trucks		
725	14.00%	20.0%
730	14.00%	20.0%
735	14.00%	20.0%
740	14.00%	20.0%
745	14.00%	20.0%
Landfill Compactors		
815	14.00%	20.0%
816	14.00%	20.0%
825	14.00%	20.0%
826	14.00%	20.0%
836	14.00%	20.0%
Wheel Dozers		
814	15.00%	20.0%
824	15.00%	20.0%
Wheel Loaders		
906	25.00%	20.0%
907	25.00%	20.0%
908	25.00%	20.0%
910	25.00%	20.0%
914	25.00%	20.0%
924	26.00%	20.0%
930	26.00%	20.0%
938	26.00%	20.0%
950	24.00%	20.0%
962	24.00%	20.0%
966	21.00%	20.0%
972	16.00%	20.0%
980	12.00%	20.0%
982	12.00%	20.0%
Track Loaders		
953	20.00%	20.0%
963	23.00%	20.0%
973	23.00%	20.0%

2015 Caterpillar Coop Contract Discounts V3

Telehandlers		
TH255	12.00%	20.0%
TH406	12.00%	20.0%
TH407	12.00%	20.0%
TH514	12.00%	20.0%
TL642	12.00%	20.0%
TL943	12.00%	20.0%
TL1055	12.00%	20.0%
TL1255	12.00%	20.0%
Worktools	15.00%	
Caterpillar Safety Services	15.00%	N/A

CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Erik Solberg, Public Works Director
Date: 01/13/2016
Meeting Date: 01/19/2016



TITLE:

Consideration and Approval of Contract: Street Maintenance Program, Calendar Years 2016, 2017 & 2018 Professional Design Services. (Approve design services contract with consultant Plateau Engineering, Inc. for street maintenance program).

RECOMMENDED ACTION:

- 1) Approve the design services contract with Plateau Engineering, Inc., in the amount of \$284,462.74 with a contract time of 1090 days;
- 2) Approve change order authority in the amount of \$28,446.27 (10%) of the contract amount to cover potential costs associated with unanticipated items of work; and
- 3) Authorize the City Manager to execute the necessary documents.

Executive Summary:

The yearly Street Maintenance program consists of surface treatments that are applied to the existing flexible pavement (asphalt) infrastructure throughout the city. The projects are programmed with the aid of a consulting engineer and staff to identify the appropriate streets for the various surface applications. The consultant is responsible for reviewing the programmed roadway sections identified by staff and develop construction plans and specifications for the City's Construction Manager At Risk (CMAR) contractor.

The consultant for the identified overlay segments will verify roadway lengths, widths, existing utility hardware (surface inspection), identify areas of patching and review all of the adjacent concrete for compliance to the Department Of Justice (DOJ) ADA standards. Additionally, the consultant will verify the pavements areas of the programmed chip seal segments. Following the collection of the field data, the consultant will develop the corresponding plans and specifications and aid staff with bidding documentation.

The selected consultant is experienced in developing the City's street maintenance projects.

Financial Impact:

The Street Maintenance Program is funded annually by the Street Improvement Program budget in account no. 040-06-162-3073-06, (\$2,196,000 for FY16); Road Repair & Street Safety (Proposition 406) in account no. 046-06-163-3321-6, (\$3,130,000 remaining budget balance for FY16) as well as other accounts as specific needs are identified. For any given fiscal year, consultant fees as well as internal labor costs will be charged against the total available budget with the remaining balance allocated towards physical improvements.

Connection to Council Goal and/or Regional Plan:

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

- Maintain existing infrastructure by investing in ongoing maintenance and operations to get closer to target condition

Has There Been Previous Council Decision on This:

No

Options and Alternatives:

- 1.) Approve the Professional Services contract as presented. This will allow timely completion of the design portion of the yearly street maintenance projects.
- 2.) Reject approval of the contract and direct staff to re-solicit design phase services for the annual street maintenance project. This would have a negative effect and delay construction of the street maintenance program by one calendar year.

Background/History:

The City has established an annual program to maintain existing street pavements as well as the recent voter approved Road Repair & Street Safety Initiative. These programs provides three major services: structural upgrades, ADA compliance and pavement preservation. The pavement preservation program preservation in the form of chip seal coating and micro sealing of existing pavements. Seal coating is applied to provide protection of the asphaltic concrete pavement from the adverse effects of weather, sun and traffic. The streets selected for these treatments include new pavement surfaces that have not been sealed and older pavements that have lost their seal coat to wear and tear.

The overlay streets are selected after evaluation of the street condition using pavement management software owned by the City. One half of the City street pavements are evaluated and ranked each year. Each street pavement is assigned an overall condition index (OCI) based on the type of severity of the distress observed. It is anticipated that City staff will continue to conduct the street observations and rankings under the terms of the contract and provide OCI data to the consultant for his use in preparation of the contract documents.

On October 29, 2015, the City of Flagstaff received two Statement of Qualifications (SOQs) from firms wishing to provide professional services for design of the project. A selection committee of five staff members independently reviewed and evaluated those SOQs. Based on the evaluation score results (below), the evaluation committee members determined that the firm of Plateau Engineering, Inc. was the most qualified among those submitting SOQs to provide the desired professional services. Staff has successfully negotiated a time and materials price proposal with the consultant. Upon receiving approval from City Council and execution of the agreement, a Notice to Proceed with the work will be issued.

EVALUATION SCORE

FIRM NAME	Total
Plateau Engineering, Inc.	504
The WLB Group	392

Key Considerations:

The goal of the Street Maintenance Program is to use the available funds in the most efficient manner to lengthen the service life of the City street pavements and avoid costly pavement reconstruction. The ADA improvements provide improved access for the disabled citizens and visitors along existing streets and provide compliance with Federal requirements.

The consultant is required to coordinate work with all franchise utilities.

Expanded Financial Considerations:

The Street Maintenance Program as well as the Road Repair & Street Safety Initiative is funded annually. (account number 040-06-162-3073-6 & 046-06-163-3321-6), as well as other accounts as specific needs are identified. For any given fiscal year, consultant fees as well as internal labor costs will be charged against the total available budget with the remaining balance allocated toward physical improvements. An annual breakdown of the consultant's fee proposal is shown below.

Calendar Year	Fiscal Year	Estimated Fee	Estimated Construction Budget
2016	2015/2016	\$101,557,45	\$5,326,000 (Budgeted)
2017	2016/2017	\$ 89,173,31	\$4,700,000 (5 year plan estimate)
2018	2017/2018	\$ 93,731,97	\$4,750,000 (5 year plan estimate)

Community Benefits and Considerations:

The Street Maintenance Program provides surface treatments as required to preserve and maintain pavement condition of the entire network of City streets. The ADA improvements provide improved access for disabled citizens and visitors along existing streets and provide compliance with Federal requirements.

Community Involvement:

Inform - The Public Works Division routinely prepares weekly news releases that are distributed to the local media outlets describing the location of the street construction and any traffic restrictions planned for the work. The contractor distributes written notices to all adjacent businesses and residents affected by the work in advance of the construction.

Expanded Options and Alternatives:

- 1.) Approve the Professional Services contract as presented. This will allow timely completion of the design portion of the yearly street maintenance projects.
- 2.) Reject approval of the contract and direct staff to re-solicit design phase services for the annual street maintenance project. This would have a negative effect and delay construction of the street maintenance program by one calendar year.

Attachments: Contract

**CONTRACT FOR
PROFESSIONAL DESIGN SERVICES**

Contract No. 2016-14

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 Plateau Engineering, Inc., an 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:

STREET MAINTENANCE PROGRAM 2016, 2017 AND 2018 PROFESSIONAL DESIGN SERVICES

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 Patrick Brown, C.P.M., Senior Procurement Specialist 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 in force for an initial term of three (3) consecutive years.

8. Renewal: This Contract may be renewed for up to two (2) additional one (1) 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:

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

To Contractor:

Jim Hall, P.E., R.L.S.
President
323 N. San Francisco Street, Suite 201
Flagstaff, Arizona 86001
jdhall@plateng.com

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.

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

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

1.0 GENERAL

1.1 DESCRIPTION

Every year, the City of Flagstaff implements a comprehensive annual street maintenance program. The program consists of asphalt pavement overlay, application of chip seal and micro seal surface treatments, concrete work for ADA compliance, utility adjustments and upgrades, pavement marking and related miscellaneous work. Funding for the overlay portion of the Street Maintenance Program is to be provided by the 2014 voter approved sales tax increase. Funding for the chip seal portion of the Street Maintenance Program is to be provided by the budgeted fiscal year general funds as well as other accounts (i.e. Airport).

Areas selected for improvement rotate on an annual basis. Overlay work ~~is~~ has historically been programmed for either the west half or east half of the City streets while surface treatments are selected within a specific quadrant of the City. Switzer Mesa and Route 66 define the boundaries for definition of the annual scope of work. The City of Flagstaff may explore programming future projects differently.

The scope of services will consist of the design and preparation of a complete set of construction plans, contract documents, construction specifications, special provisions, cost estimates, bid schedule, video logs of all streets to receive treatment, and engineering data for construction of the proposed improvements. In order to avoid conflicts with other current or planned projects, it is expected that preparation of this information will require considerable coordination with City divisions including streets, traffic, survey, utilities and private development as well as the franchise utilities.

Street condition ratings, as determined utilizing Cartegraph Pavement View Plus software will form the basis for determination of street improvement selections. These ratings will be conducted by City staff and provided to the consultant. Final definition of the annual program will be determined by the consultant based upon budgetary considerations, cost estimates prepared for treatment of selected streets and definition of conflicts with other projects. It is expected that no less than three scope/cost iterations will be required in order to fully define the contracted improvement program.

1.2 DEFINITIONS

ADOT	Arizona Department of Transportation
COF	City of Flagstaff
PM	Project Manager – The individual, assigned to the project by the COF, who is responsible for the overall coordination with the COF and the consultant. All matters concerning the project, including submittals, telephone conversations, meetings and written correspondence shall be directed to this person.
CA	Contract Administrator
MAG	Maricopa Association of Governments

1.3 CONSTRUCTION COST

The annual construction budget for the calendar years under the terms of this agreement is anticipated to range from approximately \$4,000,000 to \$10,000,000. These budgeted amounts include professional services, internal staff costs and other internal costs. The project manager will provide to the consultant, on an annual basis, the total amount available for construction work for use in preparation of the contract documents.

1.4 LENGTH OF SERVICES

The length of services shall be determined by the number of calendar days from issuance of a formal Notice to Proceed through July 30, 2018. Although the term of the contract is for three calendar year programs, individual milestones will be established on an annual basis for each individual program.

1.5 PROJECT SCHEDULE

The consultant shall provide a preliminary project schedule within ten calendar days of Notice to Proceed for review by the City. For each program year, the schedule shall show significant milestone dates and include time for City and other agency reviews. The schedule shall show pre-final plans, specifications and pricing documents for the City's CMAR contractor no later than February 28 of each calendar year the contract remains in effect. The schedule shall be updated as necessary if events occur which significantly delay or alter progress of the work.

2.0 APPLICABLE STANDARDS

The following standards shall be followed through the design and construction of the improvements, as applicable.

- 2.1 City of Flagstaff Engineering Design and Construction Standards & Specifications, most recent edition.
- 2.2 Maricopa Association of Governments (MAG) Uniform Standard Specifications and Details for Public Works Construction, most recent edition.
- 2.3 Arizona Department of Transportation (ADOT) Standard Specifications for Road and Bridge Construction, most recent edition.
- 2.4 The Americans with Disabilities Act (ADA).

3.0 WORK PERFORMED BY CONSULTANT

The consultant shall be responsible for the work outlined in this section. The work shall conform to the standards, criteria and requirements of this Scope of Services.

3.1 PROJECT DEVELOPMENT

The work consists of the development of a complete, set of construction plans, construction specifications, contract documents, special provisions, cost estimates, bid schedule, video logs of all streets to receive treatment, and engineering data for the proposed work. The consultant shall review and verify all preliminary data supplied by the COF and supplement the data as necessary to complete the work. Preliminary plans and contract documents shall be submitted to the City at the 30%, 60%, pre-final and final stages of project development for review by the City and other agencies. Review comments and contract document modifications received by the consultant at each submittal stage shall be incorporated into the subsequent stage of project development. Minimum requirements for each submittal are outlined below.

3.1.1 30% SUBMITTAL

Plan submittal shall include draft cover sheet, key maps with proposed improvements, preliminary improvement schedule and a preliminary cost estimate. All quantities used to develop a preliminary cost estimate shall be field verified. Proposed surface treatments for individual street segments will be provided to the consultant based upon street ratings conducted by the City.

Preliminary plans shall be submitted by the consultant to all franchise utilities and City divisions for review. Review at this stage of project development shall consist primarily of identification of conflicts with other planned or current construction work anticipated within the project area. Upon identification of any anticipated conflicts, street treatments shall be revised, deleted or relocated to resolve the conflicts. These modifications shall be incorporated into subsequent plan submittals.

3.1.2 60% SUBMITTAL

Plan submittal shall include draft cover sheet, key maps with revised improvement identifications, revised improvement schedule, general notes and details, cost estimate and draft specifications.

60% plans shall be submitted to the franchise utilities and City divisions for review. At this stage of project development, identification of utility adjustments required, survey monuments to be re-set, pavement marking revisions required, and traffic signal loop detectors required shall be determined for incorporation into the 90% submittal. The City's project manager shall distribute copies of the plans to the relevant City personnel for collection of this data and provide results to the consultant. The consultant shall determine the required ADA compliance quantities for overlay streets and incorporate this information in the 60% submittal. All quantities used to develop a preliminary cost estimate shall be field verified.. Cost estimates shall be reviewed at this stage and any changes to the scope of work required by budgetary constraints shall be made and incorporated into the subsequent submittal.

3.1.3 Pre-final SUBMITTAL

At this stage of project development, it is anticipated that the contract documents will be essentially complete. Submittal shall include finished cover sheet, completed key maps with treatment identifications, improvement schedules and quantities, general notes and details, cost estimate, contract documents and construction specifications.

Pre-final plans shall be submitted to the franchise utilities and City divisions for review. Review comments from City staff shall be solicited and compiled by the City's project manager and provided to the consultant. Based upon this review, contract documents and cost estimates shall be revised for final submittal.

Copies shall also be submitted to ADOT together with a right-of-way permit application if necessary for work in or adjacent to ADOT roads. Permit shall be secured by consultant for inclusion in the final submittal.

3.1.4 FINAL SUBMITTAL

The consultant shall provide to the City a complete reproducible bid ready package of plans (mylar), contract documents and construction specifications, and cost estimate sealed by a Registered Professional Engineer. The final submittal shall incorporate all revisions identified in the **Pre-final** review. The consultant shall provide two cover sheets for City signatures. Plan cover sheet shall have signature acknowledgements of franchise utility personnel and include an ADOT permit number if required.

4.0 MATERIALS FURNISHED BY THE CITY OF FLAGSTAFF

The following materials will be furnished to the consultant by the City for his use in preparation of the contract documents.

Street condition ratings including Overall Condition Index (OCI)

Initial improvement schedule for selected street segments

Digital file of City street map

Digital files of previous two years street maintenance program plans and specifications

Valve and manhole adjustment data

Survey monument adjustment data

Pavement marking revisions

Historical cost estimating data

Budget criteria

Assistance with ADA determinations

Striping revision(s) when applicable

5.0 ADMINISTRATION

5.1 CITY OF FLAGSTAFF

The City of Flagstaff will administer the Consultant Services Agreement. All contractual payments and changes will be reviewed by the City's Project Manager. Contract award, change orders, and final payments are subject to City Council approval.

5.2 PROJECT MANAGEMENT

The project manager (PM) will:

1. Conduct ongoing reviews of the Consultant's progress in performing the work and will furnish technical comments in a timely manner.
2. Review the Consultant's billings.
3. Review and evaluate the Consultant's requests for extension of time and change orders and recommend appropriate action.
4. Coordinate the distribution of public information.
5. Review the data (including documentation of prior rights, cost estimates and plans) necessary for COF to prepare and execute all utility or railroad agreements.
6. Review and evaluate any Consultant requests for changes in project personnel from those specified in the Consultant's Technical Proposal.
7. Review the Consultant's Quality Control Program and the Consultant's conformance to their QC/QA Program when submittal of a QC/QA plan is required.
8. Submit the information necessary for acquisition of rights-of-way and easements by the City of Flagstaff.
9. Prepare the necessary data for project clearance letters.
10. Provide the point of contact for all questions, requests, and submittals.

5.3 CONSULTANT

The consultant shall:

1. Establish, furnish and maintain suitable office facilities to serve as the Project Office for the duration of the project in the location specified in the Consultant's technical proposal.
2. Maintain an adequate staff of qualified support personnel to perform the work necessary to complete the project.

3. Establish internal accounting methods and procedures for documenting and monitoring project costs.
4. Establish and maintain contract administration procedures, which will include Change Orders, Time Extensions and Subcontracts.

5.4 CONSULTANTS RESPONSIBILITY

1. The Consultant has total responsibility for the accuracy and completeness of the contract documents and related design prepared under this project and shall check all such material accordingly. The plans will be reviewed for conformity with City of Flagstaff standards, procedures, and the terms of the contract, as well as coordination with adjacent construction. Review by COF does not necessarily include detailed review or checking of design of major components and related details or the accuracy with which such designs are depicted on the plans. The responsibility for accuracy, completeness, construct-ability and economy of such items remains solely that of the Consultant.
2. The Consultant may be required to meet with COF staff and provide written progress reports that describe the work performed on each task. The dates and times of these meetings will be established by COF.
3. Within ten (10) calendar days after receipt of the Notice to Proceed, the Consultant shall provide a schedule of calendar deadlines.
4. Due to the nature and scope of the required services, it may be desirable for the Consultant to subcontract portions of the work; however, the subcontracting firms must be approved in writing prior to initiation of any work. The volume of work performed by the subcontractors shall not exceed thirty percent (30%) of the total contract value.
5. The Consultant shall furnish copies of all written correspondence between the Consultant and any party pertaining specifically to this project to COF for their records within one (1) week of the receipt or mailing of said correspondence. The Consultant is responsible for recording and distributing the minutes of all meetings pertaining to this project.
6. The Consultant has total responsibility for the accuracy and completeness of the plans and related designs prepared accordingly. The Consultant shall have a QC/QA Plan in effect during the entire time work is being performed under this contract. The Plan shall establish a process whereby calculations are independently checked, plans checked, corrected and back-checked. All plans, calculations and documents submitted for review shall be clearly marked as being fully checked by a qualified individual other than the originator, and having the originator and checker identified. The criteria for acceptance shall be a product of neat appearance, well-organized, accurate and complete, technically and grammatically correct and checked in accordance with the approved QC/QA plan.

When required, the Consultant's QC/QA Plan shall be submitted to COF within fifteen (15) working days of receipt of written Notice to Proceed.

7. The Consultant's work shall be performed and/or directed by the key personnel identified in the technical/fee proposal presentations by the Consultants. Any changes in the indicate key personnel or the Consultant's officer-in-charge of the work, as identified in the Consultant's proposal, shall be subject to review and written approval by COF.

8. The plans, designs, calculations, reports and other documents furnished under this Scope of Work shall conform to the "standards of the industry" quality as acceptable to COF. The criteria for acceptance shall be a product of neat appearance, well-organized, accurate and complete, technically and grammatically correct, checked in accordance with the approved QC/QA Program, and having the maker and checker identified.

FEE SCHEDULE



December 15, 2015

Mr. Erik Solberg
City of Flagstaff
211 W. Aspen Avenue
Flagstaff, Arizona 86001

RE: STREET MAINTENANCE PROGRAM 2016, 2017, 2018
FEE PROPOSAL

Dear Mr. Solberg:

Plateau Engineering is pleased to be working with you on the Street Maintenance Program 2016, 2017, 2018. We have reviewed the draft Agreement for Consulting Services and Scope of Services included with the City of Flagstaff RSOQ for this project. We do not have any comments or concerns with the Agreement. Our Project Approach and Scope are outlined in the October 28, 2015 Plateau response to the RSOQ.

We have developed a fee proposal for this multi-year program based on projected construction amounts given to us by the City of Flagstaff and historical information on design fees over the past 12 years. Our proposed fee is:

Year	Proposed Fee	Construction Budget
Year 2016:	\$101,557.45	\$5.41 million
Year 2017:	\$89,173.31	\$4.70 million
Year 2018:	<u>\$93,731.97</u>	\$ 4.75 million
TOTAL:	\$284,462.74	

We will complete the work on a Time and Materials Not to Exceed basis of \$284,462.74. A spreadsheet is attached to this fee proposal that indicates how we arrived at this fee.

We look forward to getting started on the 2016 program. If you have any questions, or if I can provide any further information, please don't hesitate to contact me.

Sincerely,

James D. Hall
President

323 N. San Francisco Street, Suite 201 • Flagstaff, Arizona 86001 • (928) 556-0311 • Fax (928) 213-9614

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 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.
Contract No. 2016-14
Purchasing Section
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: David McIntire, Community Investment Director
Co-Submitter: Charity Lee, Real Estate Manager
Date: 01/13/2016
Meeting Date: 01/19/2016



TITLE:

Consideration and Adoption of Ordinance No. 2016-02: An ordinance authorizing the acquisition and dedication of rights of way and easements for the realignment and improvement of Industrial Drive.
(Dedication of right-of-way for improvements to Industrial Drive).

RECOMMENDED ACTION:

- 1) Read Ordinance No. 2016-02 by title only for the final time
- 2) City Clerk reads Ordinance No. 2016-02 by title only for the final time (if approved above)
- 3) Adopt Ordinance No. 2016-02 Read Ordinance

Executive Summary:

Ordinance No. 2016-02 authorizes the purchase and dedication of rights-of-way and easements for the realignment and improvement of Industrial Drive from Nestle Purina Drive to the underpass of the US Interstate 40 Interchange. This is phase 2 of the improvements and realignment and includes utility relocation, drainage improvements, edge improvements and paving among others. There are two owners who have land necessary for the improvements. The acquisition from Nestle Purina was authorized in a development agreement and has been completed and recorded. The easements from Property Development Group, LLC were provided in 2015, a purchase contract was executed for the rights-of way, and the capital improvements work was accomplished. However, due to scheduling issues and compensation concerns between Property Development Group, LLC and Arizona Public Service the actual acquisition was delayed through mutual agreement. After the issues were resolved escrow was opened and it was determined that the previous authorizations had not extended to the rights-of-way needed from Property Development Group, LLC. Ordinance 2016-02 allows for the voluntary purchase of the rights needed. As mentioned the work has already been accomplished. Please see attached recorded survey for a description of the specific easements and rights-of way.

Financial Impact:

The purchase contract is for \$13,242 for all required properties. This is approximately \$4.00 per square foot for the rights-of way. Not approving the ordinance could result in expenses related to addressing the areas where improvements have been made.

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 PF.2 - 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:

Council has approved the capital improvements plan as a part of the budget which authorized this project. Additionally, Section 9 of the First Amendment to the Development Agreement with Nestle Purina, approved and recorded in 2008, provides for the acquisition of parts of the required rights of way and easements for the realignment of Industrial Drive. Additionally, discussion and first reading of this ordinance was held at the January 5, 2016, Council meeting.

Options and Alternatives:

1) Approve Ordinance 2016-02 which authorizes the necessary acquisitions. Pro: This allows for the acquisitions required for a budgeted capital improvements project and addresses the issue that in this situation the improvements have already been made. Cons: No cons.

2) Not approve Ordinance 2016-02 and not authorize the necessary acquisitions. Pro: No positives are currently clear for this course of action. Cons: Eliminates the ability to receive the land necessary for the approved capital project and generates an issue regarding land rights and improvements.

Community Involvement:

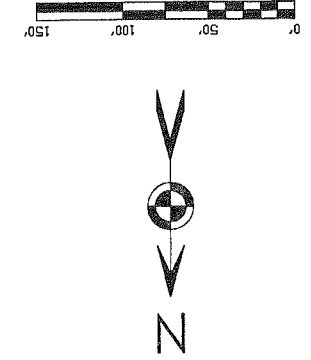
Inform

Attachments: Recorded survey
 Ordinance 2016-02

ACCEPTED
CITY OF FLAGSTAFF
ENGINEERING DIV.
DATE 10/08/73
INT DC

[illegible][illegible]

P.O.B. NOTE:
THE POINT OF BEGINNING SHOWN HEREON IS REFERENCED IN INSTRUMENT NO. 3510853 AS "THE NORTHWESTERLY CORNER OF SAID INSTRUMENT 328327," SAID POINT BEING LIES ALONG THE EASTERLY RIGHT-OF-WAY LINE OF U.S. HIGHWAY 89, ALSO KNOWN AS THE CONTINENTAL DRIVE OVERPASS".



A portion of Highway Easement recorded
as Tract #2 Docket 232, Page 734.

EXCEPTION PARCEL NO. 1
as recorded in Instrument No. 3510883

EXCEPTION PARCEL NO. 2
as recorded in Instrument No. 3510883

NESTLE PURINA DRIVE

Instrument No. 3263227 (R1)

ARCEL 8
421 Acres

ARCEL 5

211

471-

80

1

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SHS

V L L V

ORDINANCE NO. 2016-02

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, AUTHORIZING THE ACQUISITION AND DEDICATION OF CERTAIN REAL PROPERTY AS A PUBLIC RIGHT-OF-WAY AND ESTABLISHING AND PROVIDING FOR THE IMPROVEMENT OF INDUSTRIAL DRIVE.

WHEREAS, the City of Flagstaff has an interest in planning, developing, and maintaining an adequate infrastructure system, including a surface transportation system to meet the needs of the community; and

WHEREAS, the City Council is generally authorized pursuant to the general powers enumerated in A.R.S. § 9-240 to establish and maintain right-of-way including roads and streets within the City; and

WHEREAS, the City Council is more specifically authorized by the City Charter Article I, Section 3; and Article VIII, Section 10(4) to acquire, establish, dedicate and maintain right of way for roads and streets within the City; and

WHEREAS, the City has identified the real property described in Exhibit "A" as an appropriate component of the City's surface transportation system; and

WHEREAS, the City Council now desires to provide for the acquisition, dedication, establishment and maintenance of the real property described in Exhibit "A" as public right-of-way;

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

SECTION 1. The City is hereby authorized to acquire, dedicate, establish and maintain the real property more specifically described in Exhibit "A" as public right-of-way and easements, said right-of-way and easements being more specifically described in Exhibit "A", attached hereto and incorporated herein by reference.

SECTION 2. That the Mayor, City Manager, the City Attorney, the City Clerk, the Finance Director, or other employees or agents as deemed necessary are hereby authorized and directed to take all steps and execute all documents necessary to carry out the purpose and intent of this Ordinance.

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 City Clerk is hereby authorized to correct typographical and grammatical errors, as well as errors of wording and punctuation, as necessary related to this ordinance as amended herein, and to make formatting changes needed for purposes of clarity and form, or consistency, within thirty (30) days following adoption by the City Council.

SECTION 6. Effective Date.

This ordinance shall become effective thirty (30) days following adoption by the City Council.

PASSED AND ADOPTED by the Council and approved by the Mayor of the City of Flagstaff, this 19 day of January, 2016.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

CITY OF FLAGSTAFF
STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Randy Whitaker, Project Manager
Date: 01/13/2016
Meeting Date: 01/19/2016



TITLE:

Consideration and Adoption of Ordinance No. 2016-01: An ordinance authorizing the acquisition of certain real property for use as a public right-of-way for a Roundabout at the Switzer Canyon Drive-Turquoise Drive intersection.

RECOMMENDED ACTION:

- 1) Read Ordinance No. 2016-01 by title only for the final time
- 2) City Clerk reads Ordinance No. 2016-01 by title only for the final time (if approved above)
- 3) Adopt Ordinance No. 2016-01

Executive Summary:

This property acquisition is for a Highway Safety Improvement Program (HSIP) grant project so the property acquisition must be in compliance with Federal Highway Administration (FHWA) process and regulations. The project is at the point in the process where the City can proceed with the necessary property acquisition. The ordinance is the first step. It authorizes the acquisition of the property, up to and including condemnation, if necessary. We will next obtain Title Reports, Appraisals, Legal Descriptions and negotiate with the property owners. The construction of the roundabout is scheduled to begin Spring of 2017.

Financial Impact:

There is approximately 6,637 square-feet of fee title property that will need to be acquired from four (4) separate parcels. See attachment for parcel number, address and ownership. Appraisals have not been obtained but the Project Assessment used \$7.00 per square foot for a total of \$46,459. Other costs associated with the property acquisition, such as hiring a right-of-way consultant, title reports, appraisals and legal descriptions add \$102,555 for a total of \$149,014. There is \$177,000 in the FY15/16 Transportation Tax, Traffic Signal Program budget (account 040-05-112-3055-6-4432) that will be used for the property acquisition.

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

Has There Been Previous Council Decision on This:

Yes – Original IGA/JPA was approved on June 14, 2011 and Amendment One on June 11, 2012. Additionally, discussion and first reading of this ordinance was held at the January 5, 2016, Council meeting.

Options and Alternatives:

- 1) Approve the ordinance
- 2) Reject the ordinance - If the property is not obtained and the project is not completed the City would have to reimburse FHWA for any costs already occurred.

Background/History:

The original project scope in 2011 was to do an assessment and construct either a roundabout or a signal at the Lone Tree / Zuni and the Switzer Canyon / Turquoise intersections. After the Project Assessment was completed in 2013 the estimated cost of a roundabout at each intersection allowed only one of the intersections to be constructed. The Switzer Canyon / Turquoise intersection is being constructed due to a greater benefit / cost ratio.

The roundabout design is 60% complete and the environmental clearances have been obtained. At this point the City can proceed with the property acquisition necessary for the project. There is \$177,000 in the FY15/16 Transportation Tax, Traffic Signal Program budget that will be used for the property acquisition.

This is a federal funded grant project so the property acquisition must be in compliance with federal regulations. Given the strict federal regulations the City has entered into an agreement with a consultant, Tierra Right-of-Way, to obtain the property. The City will also need to enter into other agreements with companies for the Title Reports, Appraisals and Legal Descriptions. Tierra right-of way will provide total services to acquire the property with minimal direction from the City but if an impasse is reached with any of the property owners the City will need to start condemnation action. The condemnation process is not in Tierra's scope of work.

Key Considerations:

The 2013 grant eligibility letter and the 2011 IGA/JPA between the City and ADOT does not reflect the current project estimate. The City will be submitting a revised grant eligibility request to ADOT and in the near future Staff will be presenting for Council approval an amended IGA/JPA.

Expanded Financial Considerations:

The project is not a "percentage based" or "matching fund" basis but the total project cost minus a fixed grant amount was used to determine the City's contribution.

Below is the different phases of the project and cost for each phase:

Alternative Assessment	\$126,927	Completed 2013
Design	\$372,164	
Property	\$149,014	
Construction	\$1,742,747	
Total	\$2,390,852	

The past and estimated future total project cost is \$2,390,852. The Grant's share is \$1,795,000 and the City's share is \$595,852. The City's share has been and will continue to be funded by Transportation Tax, Traffic Signal Program FY15-18.

Community Benefits and Considerations:

The ADOT 2008 "Safety Component of the FMPO RTP Update" found an abnormally high pattern of angle crashes at the Switzer / Turquoise intersection. The report points to inadequate traffic control as a probable contributing cause. A roundabout is an effective means of reducing the number of and the severity of angle crashes.

Community Involvement:

Inform

Although there has been no formal public involvement process, this project has been approved by the Flagstaff Metropolitan Planning Organization for inclusion in the Transportation Improvement Program.

Attachments: Ordinance 2016-01
 Ex. A. map

ORDINANCE NO. 2016-01

AN ORDINANCE OF THE FLAGSTAFF CITY COUNCIL AUTHORIZING THE ACQUISITION OF CERTAIN REAL PROPERTY AS A PUBLIC RIGHT-OF-WAY FOR CONSTRUCTION OF A ROUNDABOUT PROJECT AT THE INTERSECTION OF SWITZER CANYON DRIVE AND TURQUOISE DRIVE.

RECITALS:

WHEREAS, the City of Flagstaff and the Arizona Department of Transportation entered into an Intergovernmental Agreement to study the intersection of Switzer Canyon Drive and Turquoise Drive on June 14, 2011; and

WHEREAS, the City Council amended the Intergovernmental Agreement on June 11, 2012; and

WHEREAS, the City has identified the real property identified in Exhibit "A" as an appropriate component of the City's surface transportation system, and, more specifically, the real property is required for the roundabout construction at Switzer Canyon Drive and Turquoise Drive; and

WHEREAS, the City of Flagstaff ("City") has an interest in planning, developing, and maintaining an adequate infrastructure system, including a surface transportation system to meet the needs of the community; and

WHEREAS, Article VII, Section 5 of the Flagstaff City Charter requires the City to acquire real property by ordinance.

ENACTMENTS:

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

SECTION 1: That the City requires the property specifically described in Exhibit "A" for public right-of-way for the roundabout located at Switzer Canyon Drive and Turquoise Drive;

SECTION 2: That City staff is hereby authorized to acquire the property described in Exhibit "A" for use as right-of-way. Staff may exercise the City's right to condemn property for public use to acquire this property.

SECTION 3: That the City Manager, the City Attorney, the City Clerk, the Finance Director, the Assistant to the City Manager for Real Estate, or their delegates or agents, are hereby authorized and directed to take all steps and execute all documents necessary to carry out the purpose and intent of this Ordinance.

SECTION 4: That if any section, subsection, sentence, clause, phrase or portion of this Ordinance or any part of the City 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: That 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 _____, 2016.

MAYOR

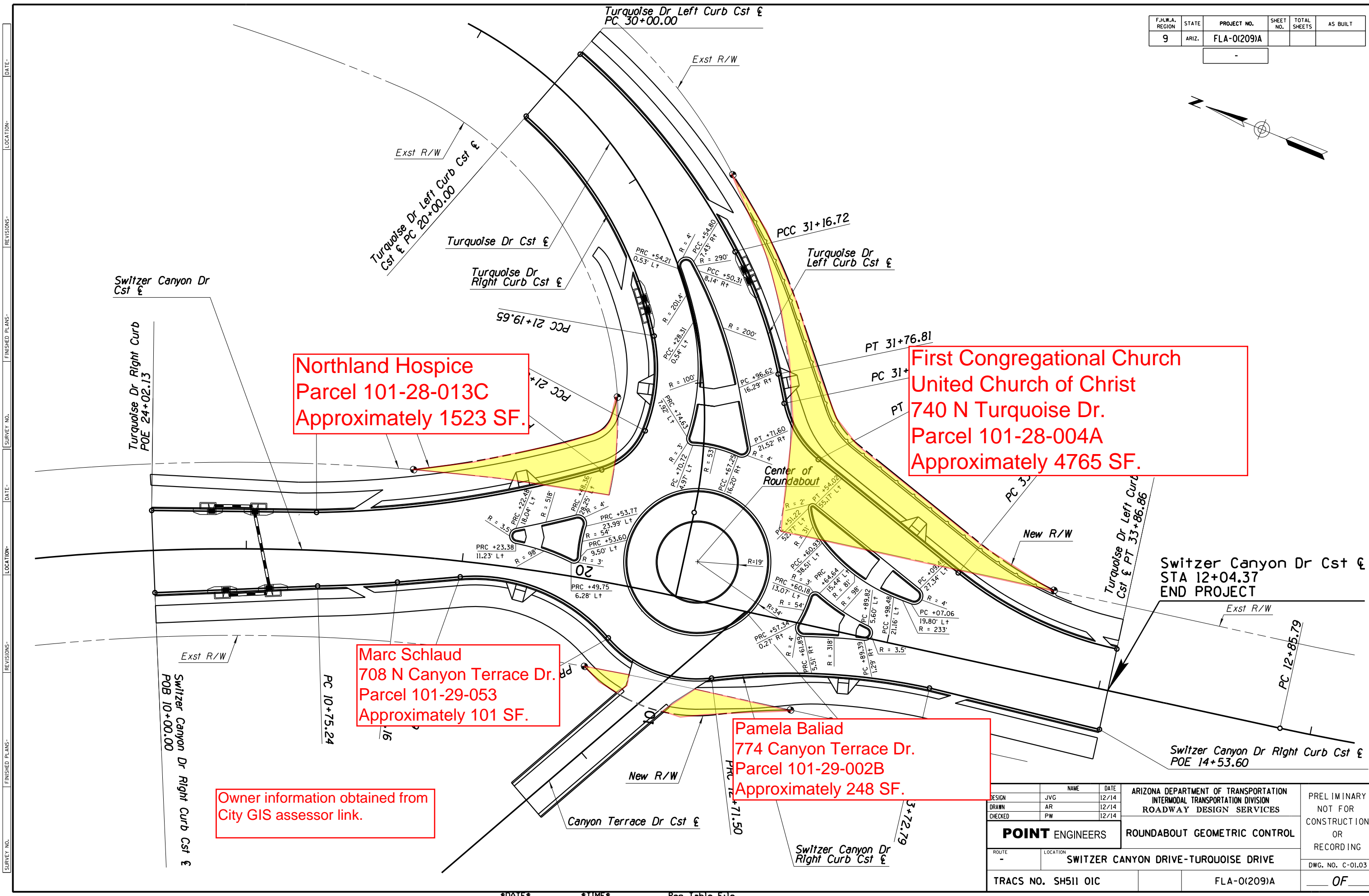
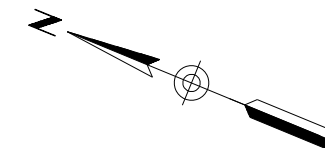
ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

F.H.W.A. REGION	STATE	PROJECT NO.	SHEET NO.	TOTAL SHEETS	AS BUILT
9	ARIZ.	FLA-0(209)A			



Owner information obtained from
City GIS assessor link.

Northland Hospice
Parcel 101-28-013C
Approximately 1523 SF.

First Congregational Church
United Church of Christ
740 N Turquoise Dr.
Parcel 101-28-004A
Approximately 4765 SF.

Marc Schlaud
708 N Canyon Terrace Dr.
Parcel 101-29-053
Approximately 101 SF.

Pamela Baliad
774 Canyon Terrace Dr.
Parcel 101-29-002B
Approximately 248 SF.

DESIGN	JVG	DATE	12/14	ARIZONA DEPARTMENT OF TRANSPORTATION INTERMODAL TRANSPORTATION DIVISION ROADWAY DESIGN SERVICES	PRELIMINARY NOT FOR CONSTRUCTION OR RECORDING
DRAWN	AR	DATE	12/14		
CHECKED	PW	DATE	12/14		
POINT ENGINEERS				ROUNDAABOUT GEOMETRIC CONTROL	
ROUTE	-	LOCATION	SWITZER CANYON DRIVE-TURQUOISE DRIVE		
TRACS NO. SH511 OIC				FLA-0(209)A	DWG. NO. C-01.03 OF

CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Paul Summerfelt, Wildland Fire Manager
Date: 01/13/2016
Meeting Date: 01/19/2016



TITLE:

Consideration and Approval: Arizona State Forestry Grant Agreement Wildland Fire Hazard Fuel (WFHF) 15-202.

RECOMMENDED ACTION:

Approve the WFHF 15-202 grant award and agreement between the City of Flagstaff and the AZ State Forestry Division for grant funds in the amount of \$135,000 (with a city match of \$15,000).

Executive Summary:

Acceptance of this grant award will facilitate needed initial forest treatments (selective thinning and debris disposal) on 200 acres of the City-owned Observatory Mesa Natural Area (OMNA).

Financial Impact:

This is a 90% State(\$135,000) -10% City (\$15,000) grant award. Acceptance of this award will save the City substantial Flagstaff Watershed Protection Project (FWPP) bond funds that would otherwise be required to complete this needed forest treatment work. The budget appropriation for this grant is part of the FWPP budget in account 407-09-3277-1-4290 with FY2016 budget of \$2,906,000.

Connection to Council Goal and/or Regional Plan:

This grant award, and the leverage it provides to further the FWPP, meets the following -

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 collaborative 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/award. Council was, however, engaged in the bond issue when it was approved to be presented to the voters (summer 2012), has approved other grant awards and contracts related to FWPP, and has been kept updated on issues throughout the overall effort.

Options and Alternatives:

Three exist:

- 1) Approve the grant award, permitting forest treatment work to proceed as planned. This permits full-use of the grant funds and saves bond funds.
- 2) Pass on the award and fund the effort entirely from bond funds. This increases city costs and reduces bond funds for other FWPP required work or area.
- 3) Reject the need for forest treatments on the OMNA. This leaves the site vulnerable to damage/loss and voter desire/direction as identified in the passage of the bond (74% approval) unfulfilled.

Background/History:

Damage and loss of our forests from destructive wildfire and insect infestations are ever-present threats to our community. Areas that have undergone proactive forest treatments (ie – thinning, debris disposal, and/or prescribed/managed fire) are not only healthier and more resilient to damaging agents, they also provide a barrier to the spread of these agents once they do become established. Such treated areas enhance public safety, ensure infrastructure protection, and safe-guard community well-being. Within our community and immediate area, the Woody Fire (2005), Hardy Fire (2010), and Slide Fire (2014) dramatically demonstrate the value of these treatments: the Schultz Fire (2010) shows what can happen when such treatments are not in-place.

Key Considerations:

The OMNA and the forest treatments that are planned, and that have occurred, were presented during the bond campaign leading-up to the election, as part of the overall goal, area, and effort that would occur with passage of the measure. Regardless of location or casual factor, insect infestations are always difficult to manage. Wildfires on Observatory mesa are a challenge due to access, lack of on-site water supply, adjacent neighborhoods, and other factors. Completion of forest treatments have proven highly effective in reducing occurrence and severity of these events.

Expanded Financial Considerations:

We anticipate a total cost to conduct this operation – from site set-up to final debris disposal following cutting – to be \$750/acre. This grant will provide funding for \$675/acre (90%). The remaining \$75/acre will be from FWPP bond funds.

Community Benefits and Considerations:

Multiple partners have been engaged in the FWPP effort since its inception, and these partnership efforts have continued throughout planned and completed work on the OMNA. Working with City Staff, the AZ State Forestry Division was the principle author of the OMNA Forest Stewardship Plan. AZ Game & Fish Department, US Fish & Wildlife Service, and NAU's Ecological Restoration Institute provided input and review. The Nature Conservancy, Greater Flagstaff Forests Partnership, US Forest Service, private consultants, and NAU's School of Forestry have all been elsewhere on the OMNA during-and-following other forest treatments providing feedback. Completion of the forest treatment work funded by this grant

award will protect adjacent neighborhoods, recreational opportunities, and wildlife habitat, while promoting forest resiliency and sustainability.

Community Involvement:

Inform - Following the 50 campaign events leading up to the bond election (Nov 2012), we have continued to work at keeping the community informed of what we are doing, and why. The Project website (www.flagstaffwatershedprotection.org) is one way: numerous news stories have also been crafted and/or otherwise reported. Impromptu and announced field trips have been conducted, most recently during the Festival of Science: OMNA stakeholder members, city staff, and Council members have also been provided tours. City staff has interacted with numerous individuals hiking, running, or biking through the area, as well as with other community members interested in the work. The OMNA Stakeholder Group and the Friends of the Rio have been briefed. Information boards have established, and continue to be maintained, where the Urban Trail crosses the site and where roads enter the parcel.

Consult - We've worked with both AZ Game & Fish and US Fish & Wildlife Service to protect habitat, with adjacent neighborhoods regarding access, the US Forest Service regarding transportation routes, Kinder Morgan/EI Paso Natural Gas and the Snowbowl regarding pipeline crossings, and AZ State Forestry regarding plans.

Involve - Following treatment work on other OMNA sites, both the public and the Winter Wood For Warmth program have been engaged in removing firewood for use and distribution to area/regional residents. A few individuals who have raised issues about the work have been engaged directly by staff from NAU's Ecological Restoration Institute to provide context and a more complete understanding of the need, and the work, itself. Other City Staff, including those from Sustainability and Stormwater, have also been engaged. Community members have also been hired as seasonal Fire Dept crew members and have been engaged in conducting some of the work itself. Collaborate

Empower - The planned forest treatments are part of a larger effort underway in our area and throughout northern AZ. We and our many partners have been engaged for nearly two decades in this work, on various jurisdictions and site conditions, and have utilized a variety of prescriptions and approaches to ensure we have a full-suite of treatments across the greater landscape. The work to be funded by this award is based upon credible and proven science-based forest restoration and hazard fuel management standards and knowledge. It adheres to guidelines established in the Greater Flagstaff Area Community Wildfire Protection Plan (City & County - 2005), is consistent with forest treatments designed and implemented by the Greater Flagstaff Forests Partnership (1999-present) and the City of Flagstaff Wildland Fire Management program (1998-present), meets the goals of the State of AZ 20-Year Strategy (2007), is consistent with the required actions identified in both the initial and final Observatory Mesa Forest Stewardship Plan (2013 and 2015, respectfully) and both the Four Forests Restoration Initiative's and the Flagstaff Watershed Protection Project's Final Records of Decision (USFS - 2015). Further, it meets grant requirements for post-treatment conditions.

Attachments: [WFHF 15-202 Agreement](#)

Arizona State Forestry Grant Agreement No. WFHF 15-202
Cooperative Forestry Hazardous Fuels Program

This grant agreement (“Agreement”) is entered into by and between the (“Grantee”) Arizona State Forestry Division (“State Forestry” or “State”) and (“Sub-grantee”), **City of Flagstaff – Fire Department (DUNS #08-830-2625)**, 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.

Subaward of Federal Award # **15DG-11031600-080**, dated **08/06/2015**
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 **December 31, 2017** unless otherwise terminated or modified pursuant to the terms herein.

V. COMPENSATION AND MATCHING INVESTMENT

Grant funds may be utilized for up to **90%** of the total cost of this program.
A contribution by the Sub-grantee for an additional **Cost Share Match of 10%** 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 \$135,000.00**

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) guidance in Subparts A through F of 2 CFR Part 200 as adopted and supplemented by the USDA in 2 CFR Part 400. All Federal and Sub-grantee matching/cost-share contributions are subject to applicable guidance. 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) guidance including 2 CFR 200, Subpart F. Sub-grantees are subject to audit if their share of federal financial assistance is \$750,000 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 State, Federal, and local laws including Office of Management and Budget (OMB) guidance in subparts A through F of 2 CFR Part 200, Subpart D as adopted and supplemented by the USDA in 2 CFR Part 400. 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:

Paul Summerfelt
Wildland Fire Management Officer
211 West Aspen Ave
Flagstaff, AZ 86001
(928) 213-2500
PSummerfelt@flagstaffaz.gov

Principal Arizona State Forestry Contact:

Robert Elliott
Grants Specialist
1110 West Washington Suite 100
Phoenix, AZ 85007
(602) 826-6803
robertelliott@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>
<u>Glen Buettner</u> Program Coordinator Arizona State Forestry 1110 West Washington, Suite 100 Phoenix, AZ 85007 (602) 771-1410 glenbuettner@azsf.gov	<u>Paul Summerfelt</u> Wildland Fire Management Officer City of Flagstaff – Fire Department 211 West Aspen Ave Flagstaff, AZ 86001 (928) 213-2500 PSummerfelt@flagstaffaz.gov

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> Arizona State Forestry 1110 West Washington, Suite 100 Phoenix, AZ 85007	<u>ACCEPTED BY SUB-GRANTEE</u> City of Flagstaff – Fire Department 211 West Aspen Ave Flagstaff, AZ 86001
--	---

Signature

Arizona State Forester

Date: _____

Date: _____

Signature

Print or Type Name

Date: _____

ATTACHMENT A

**Project Application
(Cover Sheet)**

FOR OFFICIAL USE ONLY

2015 Arizona Wildland Fire Hazardous Fuels Project Application

Grant Dollars Requested: **\$135,000**Proposed Matching Share: **\$15,000**Total Project: **\$150,000**

Applicant Information			
1	Applicant / Organization:	City of Flagstaff Fire Department	
	Organization Type:	Municipal government	DUNS#:88302625
	Contact Person:	Paul Summerfelt	
	Address:	211 W. Aspen	
	City/Zip Code:	Flagstaff AZ 86001	
	Phone (Work/Cell):	928-213-2509	
	Email:	psummerfelt@flagstaffaz.gov	
	Fax:	928-213-2599	

Project Summary			
2	PROJECT NAME:	Observatory Mesa Forest Protection	
	County:	Coconino	Congressional District: 1
	Latitude (decimal degrees):	35.1547 N	Longitude (decimal degrees): 111.6747 W
	Number of Communities directly affected by this project:		1
	Community Names:	City of Flagstaff (Neighborhoods include Westridge, Northridge, Coconino Estates, Kinlani Dorm, Rockridge, and Kittridge)	
	Planned duration of this project? (check one): <input type="checkbox"/> 1 Yr <input checked="" type="checkbox"/> 2 Yrs		
	Is this a new project? (check one): <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
	Land ownership of project area – private, state, tribal, etc (list all that apply). <i>Work on federal lands cannot be funded:</i> City of Flagstaff Open Space (purchased in 2013)		
	Number of acres to be treated: 200	Estimated cost per acre (including match): \$800	
	Number of residences affected: 1,000		
Is this project adjacent to a National Forest or BLM Lands? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes – please describe: Coconino National Forest - Flagstaff Ranger District			
Which of the communities affected by this project are on Arizona's Communities-At-Risk list? Flagstaff			
Which of the communities affected by this project are currently FIREWISE USA recognized? Several neighborhoods in the City of Flagstaff: (Flagstaff & Greater Flagstaff Forests Partnership also designated a Learning Hub by the Fire Adapted Communities program)			

	<div data-bbox="180 107 1523 205" data-label="Section-Header"> <h2 style="text-align: center;">Project Overview and Area Description</h2> </div> <div data-bbox="180 205 1523 1255"> <p>Provide a brief overview of the project and the project area(s). For each area include planned treatment acres. A map of the specific project location, treatment areas, and adjacent projects is strongly encouraged. 2500 characters max</p> <p>The City's Observatory Mesa Open Space is a highly vulnerable, heavily stocked ponderosa pine forest, with interlocking canopies and a density range of between 120-200+ Basal Area/acre. Located on the western edge of the City, and overlooking at-risk neighborhoods which are immediately next to the Open Space area or within easy ember transport distance, the predominate wind direction and historical fire spread would move a fire from the Open Space area into adjacent residential areas quickly. (We experience a minimum of 30 critical fire weather days each year: defined as Relative Humidity below 5%, ground winds in excess of 20 mph, and temperatures in excess of 80 degrees). We've been engaged with hazardous fuel work in these adjacent neighborhoods for several years, and continue to partner with these property owners. Several schools, scattered businesses, a City Park, Lowell Observatory, the Museum of Northern AZ, one church, and the Flagstaff Medical Center and associated medical facilities are all within the zone of concern. The Observatory Mesa Open Space is also part of the Flagstaff Watershed Protection Project area, and extremely popular with recreationists which generates an elevated fire threat.</p> <p>Funds would permit 200 acres of hazardous fuel mitigation work to occur within the Open Space area. The completed area would average no more than 80 Basal Area/acre, with openings and tree groups/clumps interspersed throughout. Forest treatment activity in the general Flagstaff area (selective thinning and debris disposal) averages \$750/acre. TOTAL Project Cost: {200 acres x \$750/acre} = \$150,000, with the City fully prepared to meet the 10% match requirement (\$15,000).</p> <p>NOTE: Although not part of this request, the City also intends to conduct on-going and periodic broadcast burns throughout the treated area to replicate natural, low-intensity fire in the area and thus extend the effectiveness of the grant-funded treatment.</p> </div> <div data-bbox="180 1255 1523 1314"> <p>Map of proposed project area attached? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> </div>
<div data-bbox="126 1591 155 1625" data-label="Text"> <p>4</p> </div>	<div data-bbox="180 1331 1523 1440" data-label="Section-Header"> <h2 style="text-align: center;">Capacity</h2> <p style="text-align: center;">All information for the project must fit into the allotted character space provided below.</p> </div> <div data-bbox="180 1440 1523 1913"> <p>Briefly describe the applicant (and partner) capacity and expertise to complete this project as proposed. Describe who will be managing the project, doing the work, completing reports, etc. 1000 characters max</p> <p>The City's Wildland Fire Management Division will manage all aspect of this award. Our focus is on achieving all three aspects of the National Cohesive Strategy – Landscapes, Communities, and Response. Established in 1997, we have successfully managed over \$2M in grants and contracts, and have a proven track record of completing hazard fuel mitigation work within the area. Our Community Wildfire Protection Plan is science-based and socially-supported (adopted in 2005, revised in 2012). We manage an innovative Wildland Urban Interface Code, adopted in 2008, employ a full-time staff of four professional foresters, employ a seasonal work force of 10, and, since 2001, have benefitted from over 24,000 hours of volunteer labor by community members. We helped form, and remain engaged with the Greater Flagstaff Forests Partnership, are an active participant with the Four Forests Restoration Initiative, and also manage the \$10M voter-approved Flagstaff Watershed Protection Project.</p> </div>

5	Total Project Budget (by expense type)				
	Budget Detail (Provide additional detail in Block #8)	Grant Share (\$ Amount Requested)	Match (contributor breakdown in block #6)		TOTAL
			Dollars	In-Kind	
	Administrative Labor:	\$0	\$0	\$0	\$ 0
	Project Labor:	\$8,210	\$15,000	\$0	\$23,210
	Fringe Benefits:	\$0	\$0	\$0	\$ 0
	Project Related Travel:	\$0	\$0	\$0	\$ 0
	Non-capital Equipment:	\$0	\$0	\$0	\$ 0
	Supplies:	\$5,000	\$0	\$0	\$5,000
	Contractual:	\$110,000	\$0	\$0	\$110,000
	Other:	\$11,790	\$0	\$0	\$11,790
	TOTAL:	\$135,000	\$15,000	\$ 0	\$150,000

6	Match Breakdown (by Contributor)						
	(Applications will be disqualified if sufficient match is not identified; federal dollars DO NOT qualify) Please specify each match contributor and the dollar amount of each contribution. DO NOT show grant requested funds in this table.						
	Contributors: (Please specify)	City					TOTAL
	Dollars (Hard Match):	\$15,000	\$0	\$0	\$0	\$0	\$15,000
	Volunteers & In-Kind (Soft Match):	\$0	\$0	\$0	\$0	\$0	\$ 0
	TOTAL:	\$15,000	\$ 0	\$ 0	\$ 0	\$ 0	\$15,000

7		Project Collaboration	
		All information for the project must fit into the allotted character space provided below.	
7	Has this Project or Project Area been identified as a priority by an adjacent National Forest or the Bureau of Land Management? If this project complements a particular project on federal lands – please specify:	250 characters max Yes. Greater Flagstaff Community Wildfire Protection Plan, Greater Flagstaff Forests Partnership Area-of-Interest, Flagstaff Watershed Protection Project, and Four Forests Restoration Initiative.	
	If you are collaborating with an adjacent National Forest or the Bureau of Land Management (BLM), who is your primary contact:	50 characters max Mike Elson, Flagstaff District Ranger	
	Provide an overview of the collaboration with others in the planning of this project. Also specify the private, local, tribal, county, state, federal and/or non-governmental 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.) Letters of support are encouraged.	450 characters max The NAU Ecological Restoration Institute, AZ Game & Fish Dept, US Fish & Wildlife Service, AZ State Forestry, Westridge Property Owners Association, and the City's Open Space Commission have assisted with planning the project. In addition, Greater Flagstaff Forests Partnership has assisted with planning and will also be engaged in monitoring and documenting outcomes. The USFS will include results in the annual CLFRP reporting as well.	

Scope of Work

All information for the project must fit into the allotted character space provided below.

Provide a brief scope of work which clearly describes how grant funds will be spent. (This should be more specific than the Project Overview.) Break out by task and tie into total project budget (Box 5). Include any additional information regarding special budget detail in this section. 4000 characters max

General resource-management planning and community outreach efforts for the entire Observatory Mesa Open Space area have been underway for the past year as part of our overall program. These efforts will continue in-advance of any grant-funded forest treatments. Once we receive notification of an award from this grant opportunity, Wildland Fire Management (WFM) staff will prepare necessary informational packets, present to the City Council, and obtain the necessary approvals to execute the Grant Agreement (common process with other grant awards).

Grant funds will be spent on selective thinning (ie – tree cutting) and debris disposal activities (pile burning and/or chipping). As shown in Block 5, the intent is that:

- A) Project set-up (boundaries, tree marking, access, etc), contract solicitation, negotiation, award and administration, public outreach (ie – signage, field tours, etc), reporting, issuance of payments, and final debris disposal work will be conducted/coordinated by WFM staff, and
- B) Cutting, wood removal, initial debris disposal (ie – pile creation), and road closure or rehabilitation will be carried out by one-or-more 3rd party contracts. NOTE - working with the City's Purchasing Dept, both local and regional logging/tree service companies will be afforded the opportunity to bid on this project).

Cutting operations will follow a written prescriptive guideline (developed with input from entities identified in Block 7), with a post-cutting target of not-to-exceed 80 Basal Area/acre, interspersed with open areas and trees in a clumpy-groupy pattern throughout the area. This mimics historical patterns of ponderosa pine forests in our area, and allows the remaining trees/forest to withstand what otherwise might be damaging fire, as well as other disruptive agents (drought, insects). Ladder fuels will be isolated and/or removed, and important wildlife habitat areas, identified by our partners, will be protected.

Post-cutting debris disposal operations will occur by chipping and hauling and/or piling and burning on-site. Thereafter, broadcast burning operations (not a part of this grant request, and to be funded by future City budgets) will occur on a repeated 7-15 year cycle in order to keep fuels in a managed state, extend the effectiveness and life-cycle of the grant-funded treatment, and provide the ecological beneficial effects of frequent, low-intensity fire.

Throughout the duration of the grant, a Quarterly Report will be prepared that chronicles the story and our status at that moment-in-time: progress made, challenges, remaining deliverables, actions planned, etc. This, along with a Financial Statement requesting reimbursement for applicable expenses incurred in conducting grant funded operations will be developed in cooperation with the City's Finance Dept, and submitted to the State for processing.

NOTE: Block 5 – Other (\$11,790) represents the City's established indirect rate for FY15 (7.86%).

8

9	Project Timeline <small>All information for the project must fit into the allotted character space provided below.</small>
	<p>Provide a <u>timeline</u> for the entire project. Include milestones; begin/end dates, planned quarterly accomplishments, etc. 900 characters max</p> <p>All managed by FFD staff: Summer-Fall 2015 – Finalize general resource-management planning and continue public outreach efforts (separate from, and not part of the grant request); GRANT FUNDS: Winter 2016 – Upon award of the grant, initiate and complete specific project set-up; Spring 2016 – Develop, solicit, and award 3rd party contract(s); Summer 2016 – Initiate cutting operations with 3rd-party contractor(s); Fall-Winter 2016 – Complete 3rd party cutting operations, initial debris disposal operations, and road closure/rehabilitation efforts; Fall 2016 - Winter 2017 – Complete final debris disposal operations, and close-out grant.</p>

10	Community Wildfire Protection Plan
	<p>Is this Project within an approved CWPP which follows the Healthy Forest Restoration Act guidelines: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In Development</p>
	<p>If CWPP “In development” – please describe the status and expected completion date: 100 characters max NA - Already completed</p>
	<p>CWPP Name: Greater Flagstaff Area CWPP</p>
	<p>Is the project area identified as a priority within the CWPP: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>If yes, please explain (attach brief/relevant CWPP maps or documentation <u>that identifies this project</u>): 270 characters max The CWPP (2005) and the Update (2012) are found at www.gffp.org. The 200-acre area to be treated with the grant award is within the CWPP’s Analysis Area/WUI Zone, is a HIGH Threat, and proposed treatments are consistent with the CWPP’s recommended guidelines.</p>

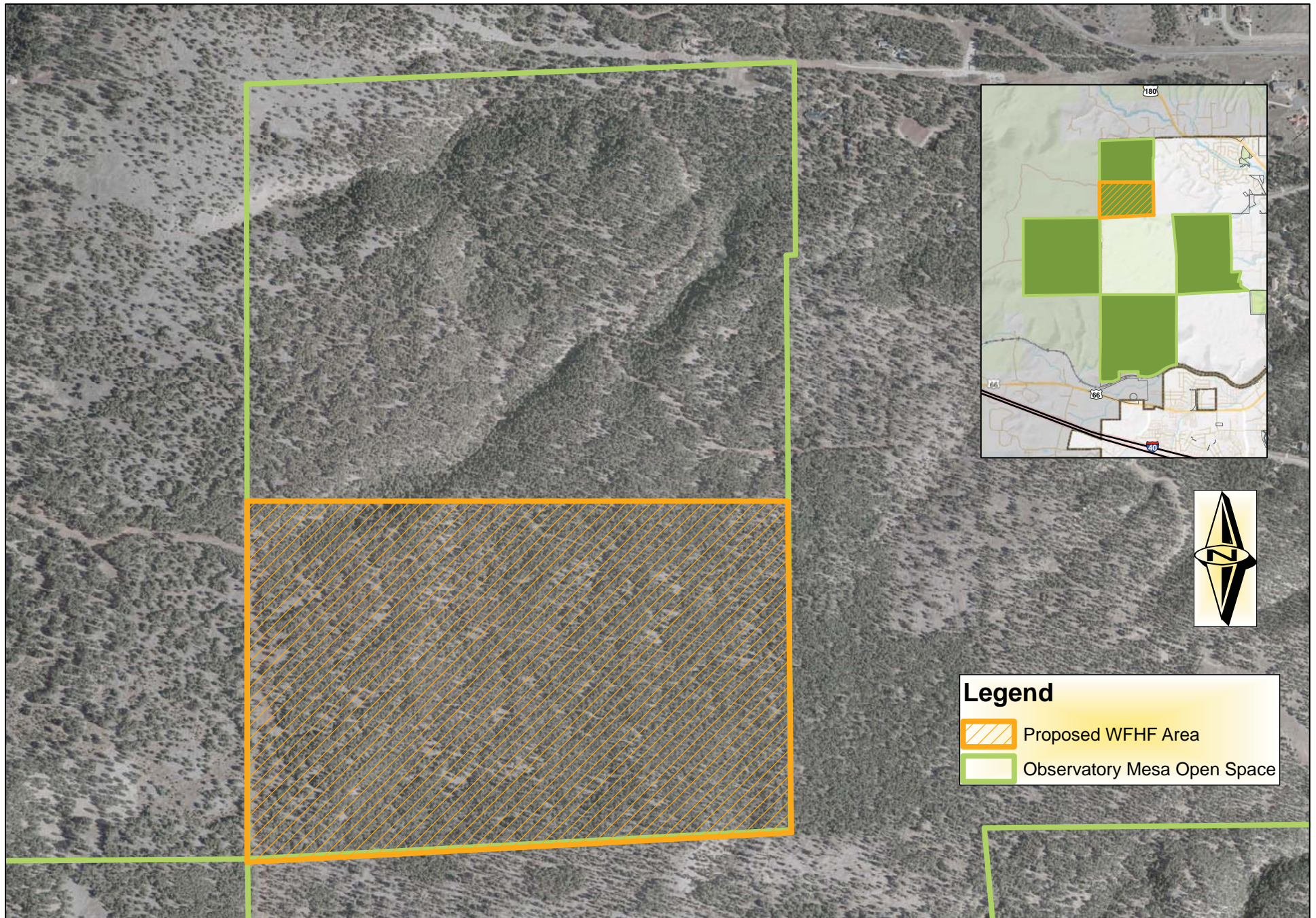
11	Project Longevity / Maintenance
	<p>Clearly explain how this project will remain effective over time without additional grant support. 430 characters max</p> <p>Cutting operations will ensure ladder fuels are removed and long-term continuous-canopy separation. Broadcast burn operations will occur on a repeated and routine basis. On-going outreach efforts, both off-and-on site, will ensure continued community understanding and support. Photo points will be established to document change over time. City funds will be used to undertake efforts beyond the grant funded work.</p>

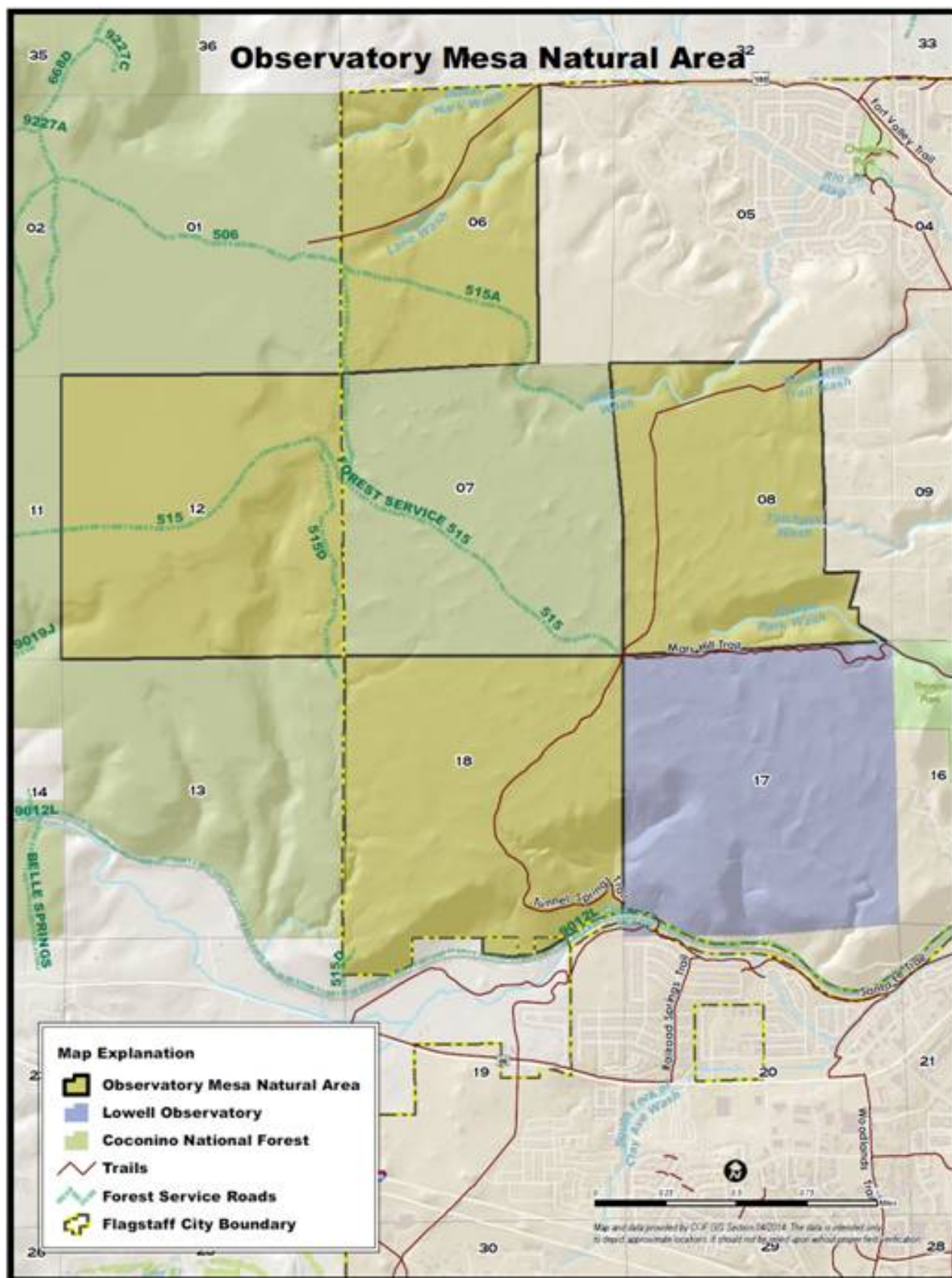
Permitted Attachments:

Check all that apply

- ☒ **Project Maps** (Maximum of 5 pages – 8 ½ x 11)
- ☒ **CWPP Priority Documentation** (Maximum of 5 pages 8 ½ x 11)
- ☒ **Letters of Support** (Maximum of 5)

Section 6 Observatory Mesa Open Space





Greater Flagstaff Area CWPP

City of Flagstaff Fire Dept FY15 WFHF Project

Observatory Mesa Forest Protection

The entire 2,200 acre Observatory Mesa Open Space parcel, including the 200-acre project site identified in this grant request is included in the CWPP as follows:

- 1) Identified within the *Wildland Urban Interface Zone* – P. 17;
- 2) Included in the State acreage breakout (Table 6 – P. 18) NOTE – at time the Plan was prepared, this entire parcel was owned by the State: it was purchased by the City in 2013;
- 3) Identified as *Intermediate-High Thin & Burn* for Potential Treatment Type (P.47);
- 4) Shown as moving FROM (Pre-Treatment) *Passive-Active Fire Behavior* TO (Post-Treatment) *Surface-Passive Fire Behavior* (P. 54).

The 137-page CWPP contains other information, references, maps, tables, and recommendations which both ascribe Wildfire Threat to the site, and support the proposed treatments.

COMMUNITY WILDFIRE PROTECTION PLAN

*for
Flagstaff and Surrounding Communities
in the Coconino and Kaibab National Forests
of Coconino County, Arizona*

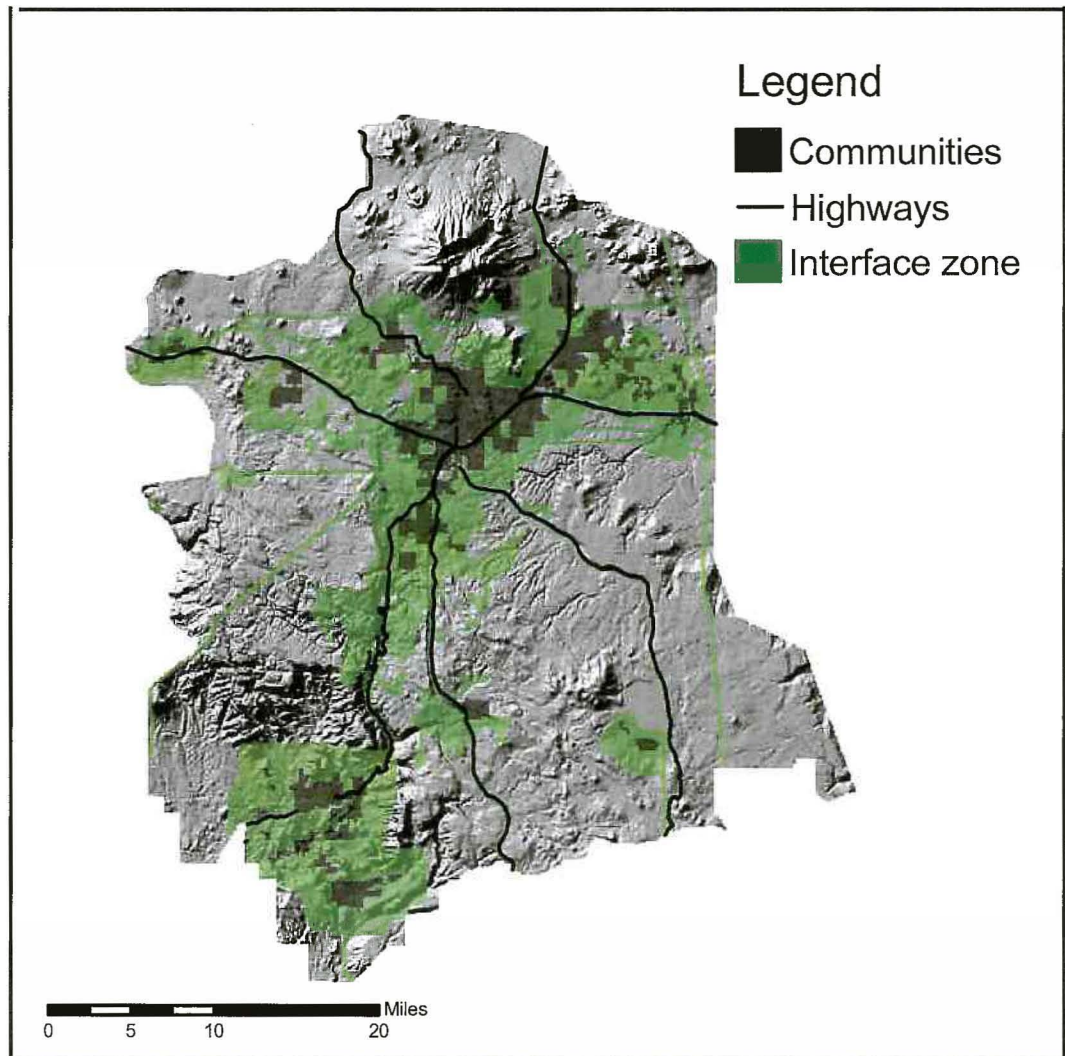
January 2005

A collaborative planning and implementation effort coordinated by:

*Greater Flagstaff Forests Partnership
&
Ponderosa Fire Advisory Council*



MAP 5



CWPP FOR FLAGSTAFF & SURROUNDING COMMUNITIES

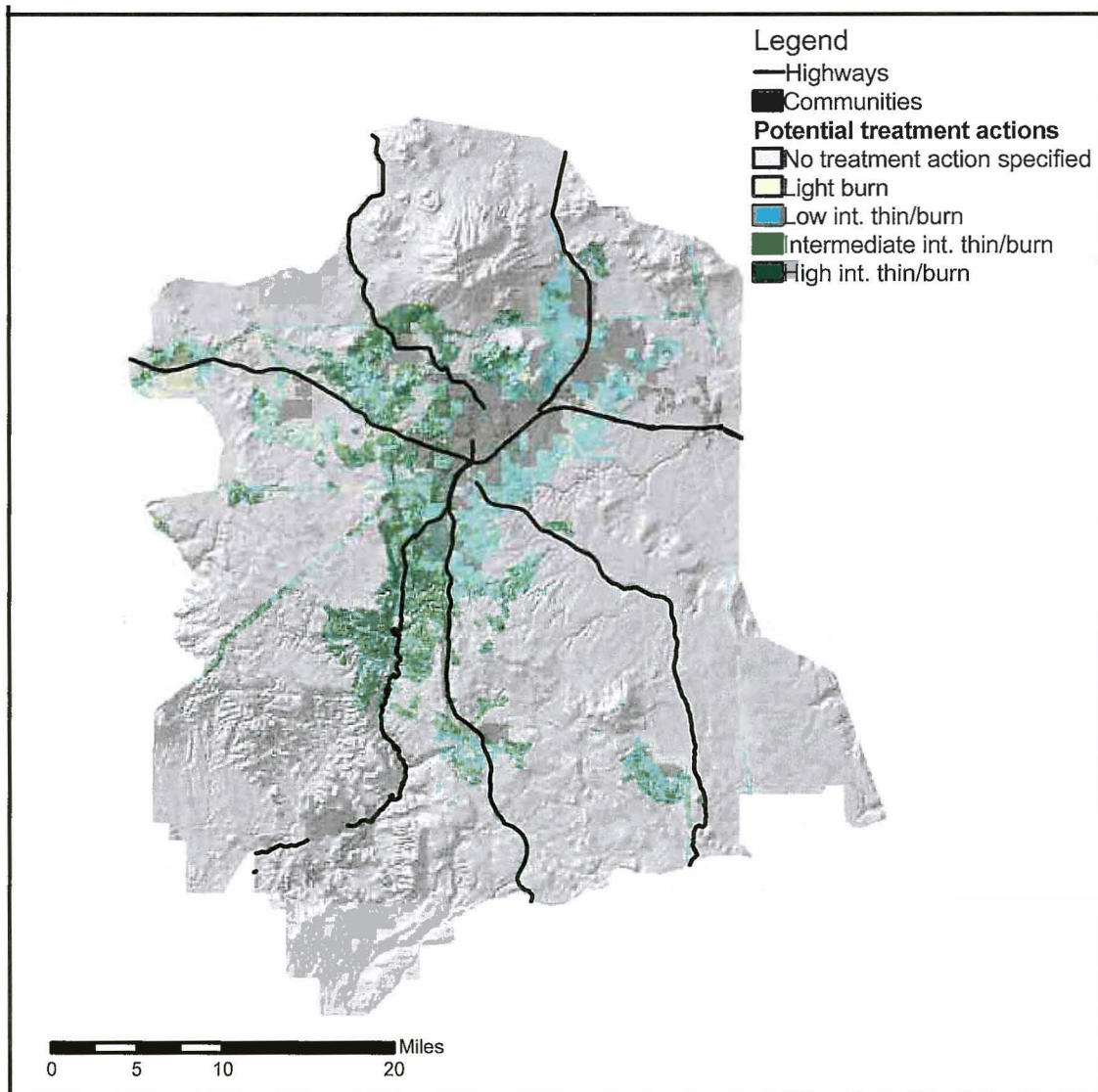
WILDLAND/URBAN INTERFACE ZONE

Table 6
Ownership/Jurisdiction – *Wildland/Urban Interface* zone

Ownership/Jurisdiction	Acres	% of Total
Federal:		
Flagstaff Monuments	146	.1%
Coconino National Forest	215,166	76.7%
Kaibab National Forest	8,633	3.1%
State:		
Land Department	15,665	5.6%
Camp Navajo (Division of Military & Emergency Affairs)	8,963	3.0%
Private/Other (includes local government)	32,082	11.5%
TOTAL	280,655	100%

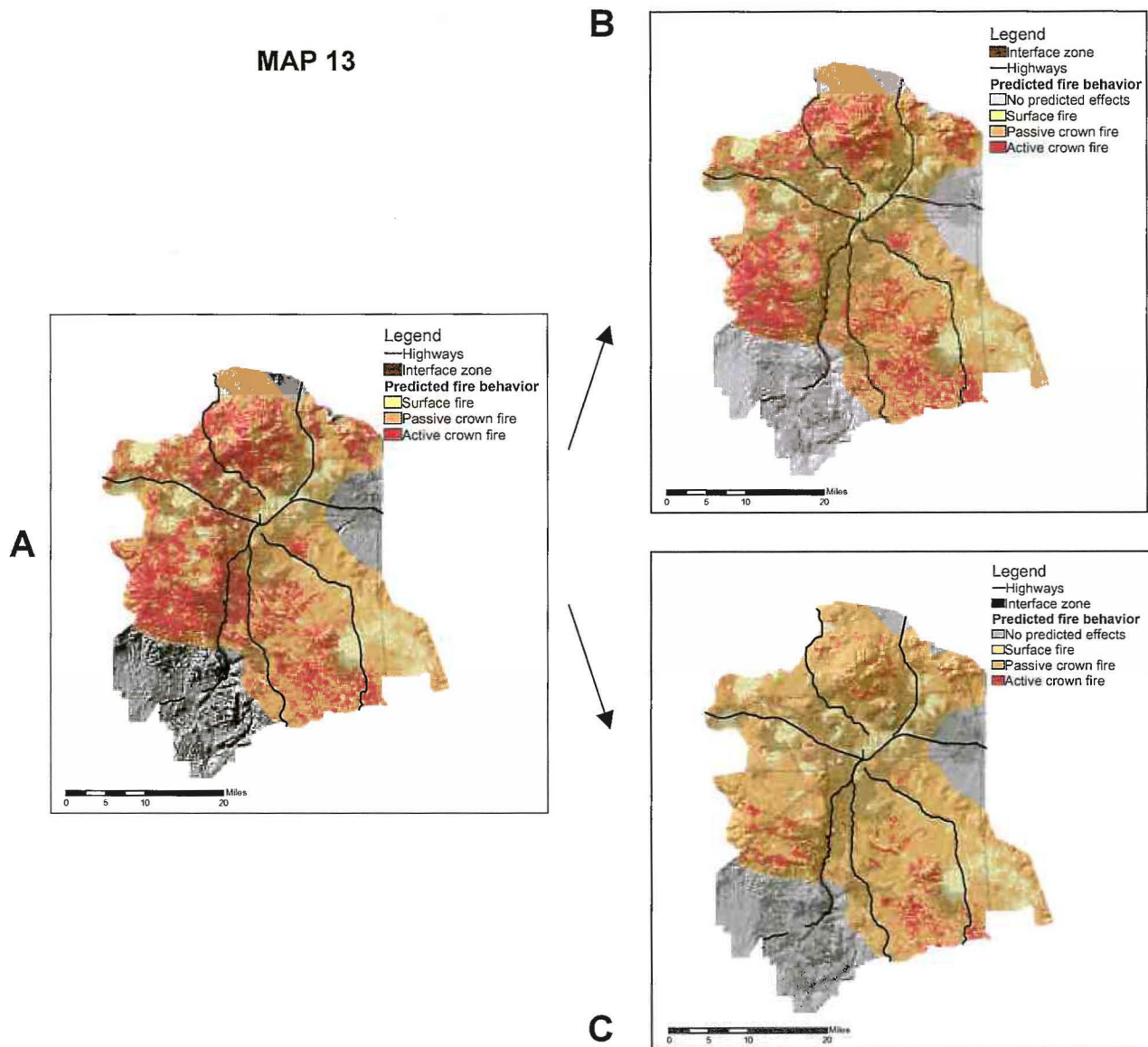
We recognize that several smaller clusters of homes exist outside the identified at-risk communities and designated *Wildland/Urban Interface* zone but within the overall *Analysis Area*. Their exclusion in no way diminishes the need for those owners to undertake appropriate mitigation efforts or cooperative ventures between themselves and the adjacent landowner and/or jurisdictional authority. However, to include every parcel of private land within the *Wildland/Urban Interface* is to enlarge it beyond realistic treatment capabilities.

MAP 11A



CWPP FOR FLAGSTAFF & SURROUNDING COMMUNITIES
WILDLAND/URBAN INTERFACE - POTENTIAL TREATMENT TYPE
(Requires Site-Specific Analysis and Refinement)

MAP 13



CWPP FOR FLAGSTAFF & SURROUNDING COMMUNITIES

COMPARISON OF PRE-TREATMENT AND POST-TREATMENT FIRE BEHAVIOR

Map A shows predicted fire behavior under current conditions. Map B shows predicted fire behavior if all potential treatment actions were to be implemented within the *Wildland/Urban Interface* zone. Map C shows predicted fire behavior if all potential treatment actions were to be implemented within the *Analysis Area*.



FLAGSTAFF FIRE DEPARTMENT

211 W Aspen Avenue
Flagstaff AZ 86001

Phone 928-213-2500
Fax 928-213-2599

17 March 2015

Grants Manager
2015 Arizona WFHF Project Grant Program
1110 West Washington, Suite 100
Phoenix, AZ 85007

SUBJECT: Submittal - WFHF FY15 Grant Application

Dear Sir or Madam:

Attached is the City of Flagstaff Fire Department's application for the FY15 AZ *Wildland Fire Hazardous Fuels* Grant Program. Our total request is \$150,000: Grant funds @ \$135,000 (90%) with a City match @ \$15,000 (10%). The funds will be used to treat 200-acres within the City-owned Observatory Mesa Open Space parcel.

We recognize that wildfire is our #1 fire threat, and have, for the past 18 years, worked diligently to reduce that risk. In so doing, we've achieved great success and enjoy wide-spread community support as demonstrated by the Nov 2012 passage of the \$10 million Flagstaff Watershed Protection Project, with a nearly 74% voter approval.

Funds provided by the WFHF FY15 program will allow us to expand our effort and impact onto untreated lands. In turn, this will serve to expand community protection as well as protect the investment of treatments on adjacent sites (private, city, and federal). Grant funds are extremely important to our effort to protect and restore our forests, thereby ensuring their long-term sustainability. We have demonstrated a professional and credible job managing past awards from a variety of sources, and look forward to doing so again.

Thank you for the opportunity to apply. If you have any questions, do not hesitate to contact me.

Sincerely,

Paul Summerfelt
Wildland Fire Management Officer
(928)-213-2509
psummerfelt@flagstaffaz.gov



GREATER
FLAGSTAFF
FORESTS
PARTNERSHIP

March 19, 2015

Mr. Glen Buettner
Grants Program Manager
AZ State Forestry Division
1110 West Washington, Suite 100
Phoenix AZ 85007

Re: Support for City of Flagstaff Fire Dept's 2015 WFHF Grant request

Dear Mr. Buettner,

The Greater Flagstaff Forests Partnership (GFFP) appreciates the opportunity to provide enthusiastic support for City of Flagstaff Fire Department's 2015 WFHF Grant request. As a long-standing GFFP Partner, we have had a successful association of collaborating with Flagstaff Fire Department and look forward to extending this relationship and effort into treatments on Observatory Mesa.

We understand the intent of the grant is to reduce fire risk and realize Observatory Mesa's dense forests are in need of the treatments proposed in the grant's application. We are a strong supporter of the treatments that Flagstaff Fire Department has done in the Flagstaff area, which have proved exceedingly effective in changing fire behavior in treated areas as well as mitigating fire events. In addition, we realize this parcel is part of the collaboratively developed and supported Flagstaff Watershed Protection Project, which has been prioritized for treatment by both the City and the U.S. Forest Service.

We strongly urge your support for this application and we respectfully request this project receive its full allocation.

Sincerely,

Anne Mottek Lucas

GFFP Board of Directors

(928) 310-8102; mottekconsulting@infomagic.net

119 E. Terrace Ave., Suite F

Flagstaff, AZ 86001

admin@gffp.org

www.gffp.org

ATTACHMENT B
(Cover Sheet)

Detailed Project Plan – Subject to State Approval
(Include specific planned accomplishments, detailed project budget, and time line)

SCOPE:

Narrative Overview - Flagstaff sits within the largest continuous ponderosa pine forest in the world. A 2003 report identified Flagstaff as the #1 Wildfire Threatened community within AZ. In 2012, City voters approved a \$10 million bond to plan and conduct forest treatments in two key community watersheds. The *Flagstaff Watershed Protection Project* (FWPP) is designed to treat upwards of 10,000 acres, primarily outside the City but on the Coconino National Forest. The work to be undertaken by this grant directly compliments FWPP, by enlarging the overall treated area.

In late 2013, the City purchased roughly 2,200 acres of State Trust Land as Open Space. Located on Observatory Mesa, the four adjacent parcels are on the west side of town. The vulnerability of wildfire damage for this site is well-known and understood, as is the need to conduct forest treatments to reduce those threats. We take our commitment to protecting our community from wildfire very seriously.

Project Tasks/Components –

- a) Planning and Oversight: Paul Summerfelt, Wildland Fire Management Officer (WFM) Division of the Flagstaff Fire Dept (FFD), one other WFM FTE staff, and our winter seasonal crew (5 members) will be responsible for all phases of, to include project boundary marking, stakeholder notification, prescription development, tree marking, temporary road layout, pipeline easement crossing permits, contract solicitation, vendor selection, and contract oversight/invoice approvals, debris disposal (pile burning), and reporting for all grant-funded operations. (NOTE - staff and students from Northern AZ University's School of Forestry and/or Ecological Restoration Institute and members of the Greater Flagstaff Forests Partnership may be engaged in planning and monitoring, but their involvement, if it occurs at all, is outside this grant process.)
- b) Financial Management: Stacey Brechler-Knaggs, City of Flagstaff Grants Manager, will coordinate adherence to all grant agreement provisions and all reimbursable invoicing processes.
- c) Field Treatment Work: Cutting, processing and transporting/removal of wood products, and debris piling will be accomplished by a single vendor, selected via the City's Procurement process. If there is sufficient non-merchantable woody debris (ie – firewood) remaining on-site following completion of vendor work, volunteers would be utilized to clean-up and remove this material. Pile burning will be completed by FFD crews once it has cured sufficiently to allow for efficient consumption (to be completed NLT Dec 2017).

Outcomes - Specifically, we will complete 200 acres of selective tree thinning and debris disposal. The overall goal is to reduce/eliminate excessive and overly-dense natural fuels, to a basal (BA) over the entire site to a range of 60-80, thereby lowering the risk of future wildfire hazard fuels and insect infestations. To facilitate this work, we will conduct an active and on-going outreach effort toward adjacent neighborhoods and individual stakeholders, all interested in the long-term management of these parcels.

SCHEDULE:

Project Deliverables -

<u>CY</u>	<u>Qtr</u>	<u>Activity</u>	<u>Reporting</u>
2015:	4th	<ul style="list-style-type: none"> • Notify adjacent neighborhoods and interested stakeholders of planned activities. 	<ul style="list-style-type: none"> • Qtr report to ASF
2016	1st	<ul style="list-style-type: none"> • Develop contract solicitation package (RFP). • Develop operational plans, in preparation of the initiation of forest treatments. 	<ul style="list-style-type: none"> • Qtr report to ASF
	2 nd	<ul style="list-style-type: none"> • Notify potential vendors and solicit bids; • Select a vendor; and • Provide project status update and outlook to stakeholders. 	<ul style="list-style-type: none"> • Qtr report to ASF
	3rd	<ul style="list-style-type: none"> • Initiate treatments and continue operations as wx and fire conditions permit; • Monitor on-going & completed work; and • Provide project status update and outlook to stakeholders. 	<ul style="list-style-type: none"> • Qtr report to ASF
	4 th	<ul style="list-style-type: none"> • Complete all vendor cutting, processing, wood removal, and debris piling operations, and • Include area in annual ADEQ Burn Registry (piles) 	<ul style="list-style-type: none"> • Qtr report to ASF
2017	1 st & 2 nd	<ul style="list-style-type: none"> • No fieldwork due to access issues during winter months; and • Provide project status update and outlook to stakeholders. 	<ul style="list-style-type: none"> • Qtr report to ASF
	3 rd	<ul style="list-style-type: none"> • As needed, remove any excess/remaining wood products, and rehab temporary roads; and • Provide project status update and outlook to stakeholders. 	<ul style="list-style-type: none"> • Qtr report to ASF
	4 th	<ul style="list-style-type: none"> • Burn debris piles as weather permits; and • Close-out project. 	<ul style="list-style-type: none"> • Final Report to ASF

Project Support -

<u>Fiscal Year</u>	<u>Qtr</u>	<u>Activity</u>
2016	2nd	• Brief City Council and key cooperators/partners.
	3rd	• Publicize via Dept's Web Page and Social Media networks.
	4th	• Conduct public field tour; and • Publicize via Dept's Web Page and Social Media networks.
2017	3rd	• Brief City Council and key cooperators/partners; • Publicize via Dept's Web Page and Social Media networks; • Engage volunteers where applicable; and • Host field tour of project sites for key partners and community residents
	4th	• Publicize via Dept's Web Page and Social Media networks.

BUDGET:

Summary - Total project is for \$150,000, with 90% (\$135,000) coming from this grant; the remaining required match (\$15,000) will be provided by a "hard" match from the City as shown below:

TOTAL PROJECT EXPENSES

<u>DETAIL</u>	<u>GRANT \$</u>	<u>MATCH</u>		<u>TOTAL</u>
		<i><u>Hard \$</u></i>	<i><u>In-Kind \$</u></i>	
Labor	\$9,069.00	\$15,000.00	\$00.00	\$24,069.00
Contractual	\$115,000.00	\$0	\$0	\$115,000.00
Supplies	\$0	\$0	\$0	\$0
In-Direct	\$10,931.00	\$0	\$0	\$10,931.00
TOTAL	\$135,000.00	\$15,000.00	\$00.00	\$150,000.00

Labor – Based on other similar projects in our area, we anticipate *Planning & Oversight* work as detailed above, to include follow-on pile burning, as follows –

Grant - 605 hrs of seasonal crew @ \$15/hr/member = \$9,069.00 (±)

Match- 375 hrs of FTE @ \$40/hr ave (ea) = \$15,000.00

Contractual – Based upon other similar projects in our area, compounded by access issues on the parcel itself, we anticipate a cost of \$550.00/acre to cut, process, remove wood, pile debris, and rehab temporary roads.

Supplies – None.

Indirect – For Financial management/oversight: See attached spreadsheet showing calculation. (7.86% City FY15 Indirect Rate (FY15 was when grant application was submitted)).

MATCH SOURCES

<u>Who</u>	<u>City*</u>	<u>Others</u>	<u>TOTAL</u>
Hard \$	\$ 15,000.00	\$ 0.00	\$ 15,000.00
Soft (In-Kind) \$	\$ 00.00	\$ 00.00	\$ 00.00
TOTAL	\$ 15,000.00	\$ 00.00	\$ 15,000.00

* City WFM FTE staff as detailed above

CONCLUSION: Completion of the forest treatments detailed in this plan will reduce the threat of future wildfire damage, improve forest health, boost our FireWise program, protect key infrastructure, neighborhoods, and natural resources, and enhance collaborative efforts with our many partners.

For more information on our program, visit www.flagstaffaz.gov/wildlandfire

For more information on the FWPP, visit www.flagstaffwatershedprotection.org

Arizona State Forestry – Project Budget Worksheet

Project: Observatory Mesa Forest Protection

Total Project Budget (by expense type)				
Budget Detail	Grant Share (\$ Amount Requested)	Match		TOTAL
		Dollars	In-Kind	
Administrative Labor:	\$0	\$0	\$0	\$ 0
Project Labor:	\$9,069	\$15,000	\$0	\$24,069
Fringe Benefits:	\$0	\$0	\$0	\$ 0
Travel:	\$0	\$0	\$0	\$ 0
Equipment:	\$0	\$0	\$0	\$ 0
Supplies:	\$0	\$0	\$0	\$ 0
Contractual:	\$115,000	\$0	\$0	\$115,000
Other:	\$10,931	\$0	\$0	\$10,931
TOTAL:	\$135,000	\$15,000	\$ 0	\$150,000

Budget Narrative			
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).			
Summary - Total project is for \$150,000, with 90% (\$135,000) coming from this grant; the remaining required match (\$15,000) will be provided by a “hard” match from the City (Wildland Fire Management FTE Staff).			
Project Labor – Based on other similar projects in our area, we anticipate Planning & Oversight work as detailed above, to include follow-on pile burning, as follows :			
Grant Share - 605 hrs of seasonal crew @ \$15/hr/crew member = \$9,069.00			
Match - 375 hrs of WFM FTE staff @ \$40/hr (ave) = \$15,000.00			
Contractual – Based upon other similar projects in our area, compounded by access issues on the parcel itself, we anticipate a cost of \$575.00/acre to cut, process and transport/remove wood products, pile debris (for later burning by FFD crews), and rehab/decommission temporary roads.			
Indirect – For Financial management/ oversight: See attached spreadsheet showing calculation.			
MATCH SOURCES			
Who	City*	Others	TOTAL
Hard \$	\$ 15,000.00	\$ 0.00	\$ 15,000.00
(In-Kind) \$	\$ 00.00	\$ 00.00	\$ 00.00
TOTAL	\$ 15,000.00	\$ 00.00	\$ 15,000.00
* City WFM FTE staff as detailed above			

Grant Name: Az State Forestry - 2015 Wildland Fire Hazard Fuels Grant**Grant Number: WFHF 15-202****Funding Allocations**

State Percentage

90.00%

Indirect Cost Rate Allowed

7.86%

FY 2015

When the PROJECT amount is known:**Project Information**

Total Project Cost (Direct only)

139,069.00

Total Indirect Allowed

10,931.00

Total with Indirect

150,000.00

Rounding

Federal Funding

135,000.00

0

0=Dollars, 2=cents

State Funding

-

0

0=Dollars, 2=cents

City Match

15,000.00

150,000.00**When the grant AWARD is know:**

(Put in the Primary Funding Source.)

Grant Award Amount

135,000.00

Funding Agency

1

1=Federal, 2=State

Total Project w/ Indirect

150,000.00

0

0=Dollars, 2=cents

Total Project Direct Cost

139,069.00

Total Indirect Cost

10,931.00

Rounding

Federal Funding

135,000.00

0

0=Dollars, 2=cents

State Funding

-

0

0=Dollars, 2=cents

City Match

15,000.00

150,000.00

Subrecipient: City of Flagstaff Fire Department

- ☒ Has a current Negotiated Indirect Cost Rate Agreement (NICRA) with a federal agency.
- ☐ Has submitted a proposal for a NICRA and is awaiting approval.
- ☐ Does not have, and has never had, a NICRA. Subrecipient is requesting to use De minimis rate as allowed in 2 CFR 200.414

Details

Type of Rate: Agreed rate with Federal Aviation Administration (FAA).
Agreement dated: June 6, 2014

Indirect Rate % : 7.86

Rate is applied to base of: Total direct costs include all actual costs not classified as indirect costs.

Term of Rate: FY 2015 (July 1, 2014 - June 30, 2015). Sub grantee has requested to use this rate throughout term of grant, though actual FY 2016 Rate is higher.

Other Information:

Subrecipient understands they must comply with Indirect Guidelines in Code of Federal Regulations 2CFR200. For full information on 2CFR200: http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

Inclusion of this as part of the award indicates agreement by subrecipient

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 grant in accordance with all applicable Federal and State laws. Sub-grantee is subject to the OMB requirements and guidance in subparts A through F of 2 CFR 200 as adopted and supplemented by USDA in 2 CFR part 400.

CFR (Code of Federal Regulations) – <http://www.ecfr.gov>. 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 2 CFR 200.307 ; 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 2 CFR part 180, grantees and sub grantees 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 2 CFR part 180, 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 SAM Exclusions: System for Award Management (SAM) – www.sam.gov
- (b) Collecting a certification from that person
- (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 AND SYSTEM FOR AWARD MANAGEMENT REGISTRATION REQUIREMENT (SAM)

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>).

Sub-grantee shall maintain current information in the System for Award Management (SAM) until receipt of final payment. This requires review and update to the information at least annually after the initial registration, and more frequently if required by changes in information or award term(s). For purposes of this award, System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a Cooperative. Additional information about registration procedures may be found at the SAM Internet site at www.sam.gov .

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, per 2 CFR 415.2.

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 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)".

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)."

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 I06(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.

GOVERNING LAW

This AGREEMENT is made under, and is to be construed in accordance with, the laws of the State of Arizona.

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 (2CFR200, subpart E)

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 (2CFR200, subpart E)

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: _____

(Attach additional pages as needed)

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:

Item	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.

Organization Name

PR/Award Number or Project Name

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.

Organization Name

Name of Authorized Official

Signature

Date

CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Paul Summerfelt, Wildland Fire Manager
Date: 01/13/2016
Meeting Date: 01/19/2016



TITLE:

Consideration and Approval of Contract: Flagstaff Watershed Protection Project (FWPP) Phase I and Phase II, Dry Lake Hills Preparation, Participating Agreement Supplemental Project Agreement (PA-SPA), with US Forest Service (Coconino National Forest).

RECOMMENDED ACTION:

Approve the FWPP Phase 1 and Phase II, Dry Lake Hills Preparation, PA-SPA between the City of Flagstaff and the US Forest Service (Coconino National Forest) in the amount of \$654,761.02.

Executive Summary:

Approval of this PA-SPA will permit the project to continue moving forward this winter/spring, leading to implementation of planned and approved forest treatments by the summer of 2016. Specifically, this PA-SPA will enable boundary location, mapping, tree marking, inventory, contract development, etc., all necessary prior to field work commencing.

Financial Impact:

Payment will be from the FWPP bond, invoiced to the City by the US Forest Service (Coconino National Forest) on a quarterly basis, and will not exceed the amount identified in the PA-SPA (\$654,761.02). The budget for this contract will be covered by the budget appropriation in account number 407-09-425-3277-1-4290 with a total FY2016 budget of \$2,906,532.

Connection to Council Goal and/or Regional Plan:

This PAYMENT meets the following -

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 collaborative 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

Has There Been Previous Council Decision on This:

Not on this specific PA-SPA. Council was, however, engaged in the bond issue when it was approved to be presented to the voters (summer 2012), has approved other Agreements with the US Forest Service (Coconino National Forest) related to FWPP, and has been kept updated on issues throughout the overall effort.

Options and Alternatives:

Two exist:

1) APPROVE the PA-SPA, thereby permitting field preparation to continue and implementation of needed and identified forest treatments as detailed in the Environmental Impact Statement (EIS) and Final Record of Decision (FROD) to proceed on schedule.

2) REJECT the PA-SPA, and attempt to redefine the City's role and/or expenditures necessary, thereby delaying the field preparation and implementation of forest treatments.

Background/History:

Damage and loss of our forests from destructive wildfire and insect infestations are ever-present threats to our community. Areas that have undergone proactive forest treatments (ie – thinning, debris disposal, and/or prescribed/managed fire) are not only healthier and more resilient to damaging agents, they also provide a barrier to the spread of these agents once they do become established. Such treated areas enhance public safety, ensure infrastructure protection, and safe-guard community well-being. Within our community and immediate area, the Woody Fire (2005), Hardy Fire (2010), and Slide Fire (2014) dramatically demonstrate the value of these treatments: the Schultz Fire (2010) shows what can happen when such treatments are not in-place. The citizens voted in Nov 2012 (74% approval) to fund such activities on US Forest Service (Coconino National Forest) lands in the Dry Lake Hills and Mormon Mountain areas.

Key Considerations:

The Dry Lake Hills area and the forest treatments that are planned were part of the package provided to voters during the bond campaign leading-up to the election. Once the measure was passed, it was further refined and presented to the citizens during the extensive environmental analysis period leading up to the signing of the Final Record of Decision. In addition, the potential financial impact to the community of not acting was presented in the FWPP Cost Avoidance Study prepared by the Northern AZ University's Rural Policy Institute. Regardless of location or casual factor, insect infestations are always difficult to manage, and wildfires in the Dry Lake Hills area can be extremely challenging due to access constraints, lack of water supply, presence of adjacent neighborhoods, and other factors. This was borne home during the very destructive 2010 Schultz Fire (and subsequent floods), located literally one ridgeline to the east of this project area. Completion of forest treatments have proven highly effective in reducing occurrence and severity of these events.

Expanded Financial Considerations:

As indicated earlier, this PA-SPA identifies a not-to-exceed amount. The US Forest Service (Coconino National Forest) is not charging for any overhead charges, defined by the Federal Government as "any general operating costs that cannot be easily broken out and attributed to a specific project". Further, the cost identified does not include any on-going Forest support for the project (ex: staff time engaged in planning or public outreach), and is wholly confined to that required to get areas ready for actual implementation work (ie - cutting).

Community Benefits and Considerations:

Multiple partners have been engaged in the FWPP effort since its inception, and these partnership efforts have continued throughout the public outreach and planning effort within the Dry Lake Hills area. Completion of the forest treatment work funded by this Agreement will protect adjacent neighborhoods, recreational opportunities, and wildlife habitat, while promoting forest resiliency and sustainability.

Community Involvement:

Inform – Following the 50 campaign events leading up to the bond election (Nov 2012), we have continued to work at keeping the community informed of what we are doing, and why. The Project website (www.flagstaffwatershedprotection.org) is one way: numerous news stories have also been crafted and/or otherwise reported. Impromptu and announced field trips have been conducted. Adjacent neighborhoods have been contacted. US Forest Service and City staff have interacted with numerous user groups and interested individuals in the area for the past year. Public outreach has been spearheaded by the FWPP Communications Team (a joint US Forest Service, City, County, and Greater Flagstaff Forests Partnership effort). Staff from NAU's Ecological Restoration Institute has also been involved throughout, as have Friends of the Rio. Information boards have been established, and continue to be maintained, at key trail junctions (within Brookbank Meadows and at the Schultz/Elden Parking area).

Consult – Planning efforts, under the leadership of the US Forest Service (Coconino National Forest), have engaged City Staff, AZ Game & Fish Department, and US Fish & Wildlife Service. Staff from NAU's Ecological Restoration Institute has also been involved throughout.

Involve – Adjacent neighbors have provided input which has resulted in numerous changes to the project design.

The public may be allowed to remove wood products if areas are suitable for such purposes and any remains on site. We will continue to engage the public through future open house type events, field trips, etc. Community members will continue to be hired as seasonal Fire Dept crew members who will be engaged in direct field implementation efforts.

Empower – The planned forest treatments are part of a larger effort underway in our area and throughout northern AZ. We and our many partners have been engaged for nearly two decades in this work, on various jurisdictions and site conditions, and have utilized a variety of prescriptions and approaches to ensure we have a full-suite of treatments across the greater landscape. The work to be funded by this award is based upon credible and proven science-based forest restoration and hazard fuel management standards and knowledge. In addition to the project's Final Record of Decision (USFS - 2015), it adheres to guidelines established in the Greater Flagstaff Area Community Wildfire Protection Plan (City & County - 2005), is consistent with forest treatment goals implemented by the Greater Flagstaff Forests Partnership (1999-present) and the City of Flagstaff Wildland Fire Management program (1998-present), and meets the goals of the State of AZ 20-Year Strategy (2007) and the Four Forests Restoration Initiative. Perhaps the greatest demonstration of empowerment is the public's overwhelming approval (74%) of the bond itself.

FS Agreement No. 16-PA-11030408-003
Cooperator Agreement No. _____

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

This Supplemental Project Agreement (SPA) is hereby made and entered into by and between The City of Flagstaff, hereinafter referred to as “City,” and the USDA, Forest Service, Coconino National Forest, hereinafter referred to as the “U.S. Forest Service,” as specified under the provisions of Master Participating Agreement #13-PA-110320-013 AND INCLUDING THE AUTHORITY TO COLLECT FUNDS UNDER THE COOPERATIVE FUNDS ACT OF JUNE 30, 1914 (U.S.C. 498 AS AMENDED BY PUB. L. 104-127).

Title: Flagstaff Watershed Protection Project, Phases I and II - Dry Lake Hills Preparation

I. GENERAL PROJECT DESCRIPTION

The purpose of this agreement is to document the voluntary contribution of funds from the City to the U.S. Forest Service to implement the initial stages of the Flagstaff Watershed Protection Project (FWPP). Funds collected under this agreement will be used to implement all of Phase I and part of Phase II preparation activities, which will occur in the Dry Lake Hills portion of the larger FWPP project area (see Maps, Attachment A). Preparation activities include boundary and unit layout, marking, and cruising, and will be implemented in preparation for fuels reduction treatments in the same area.

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

II. RESPONSIBILITIES:

A. The City shall:

1. Upon presentation of quarterly Bills for Collection and associated expenditure reports, reimburse the U.S. Forest Service funds not to exceed the agreed amount shown in the attached Financial Plan (Attachment B).
2. Perform in accordance with the attached Financial Plan (Attachment B).

B. The U.S. Forest Service shall:

1. REIMBURSABLE BILLING. The maximum total cost liability to The City for this agreement is **\$654,761.02**. The U.S. Forest Service shall bill The City quarterly for



funds sufficient to cover the costs for the specific payment period. All reimbursement billings must be completed within the same fiscal year as U.S. Forest Service expenditures. **Overhead costs shall not be assessed due to the mutual benefit of this project.** Overhead costs are those that have been incurred for common U.S. Forest Service objectives and cannot be readily identified with a particular final cost objective.

Billings must be sent to:

Stacey Brechler-Knaggs, Grants Manager
City of Flagstaff
211 Aspen
Flagstaff, AZ 86001
Email: sknaggs@flagstaffaz.gov

The U.S. Forest Service is required to issue bills for expenditures incurred under reimbursable agreements at the end of or prior to the end of each fiscal year. Therefore, an out-of-cycle bill may be received by The City.

If payment is not received to the satisfaction of the U.S. Forest Service by the date specified on the Bill for Collection (Form FS-6500-89), the U.S. Forest Service shall exercise its rights regarding the collection of debts owed to the United States.

2. SPECIAL BILLING REQUIREMENTS – FINANCIAL DOCUMENTATION.

Reimbursable billings shall be issued at the prescribed frequency based on expenditures recorded in the U.S. Forest Service accounting system for work performed. Bills for Collection reflect an aggregate amount for the billing period. The U.S. Forest Service Transaction Register listing itemized expenses will be provided upon request at the end of a project or annually for long-term agreements. Provision of the Transaction Register or other supporting documentation accompanying individual bills will be limited to agreements over \$2,500, and only when The City requirements are clearly defined within this clause.

The special billing requirements are: **provide Transaction Registers to account for all salary, supply, and travel reimbursement requests.**

3. SPECIAL BILLING REQUIREMENTS – PROGRAM DOCUMENTATION. The U.S. Forest Service Program Manager shall provide The City with a written report that meets The City's specific documentation requirements: written description of activities and accomplishments for the billing period, including both quantitative and qualitative measures.

4. Use funds from The City to complete all preparation work for Phase I and part of preparation work for Phase II of FWPP as described above.



III. CONTACTS & TIME LIMITS:

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

Principal Cooperator Contacts:

Cooperator Program Contact	Cooperator Administrative Contact
Paul Summerfelt, Wildland Fire Mgmt. Officer City of Flagstaff 211 W. Aspen Flagstaff, AZ 86001 Phone: 928-213-02509 FAX: 928-213-2599 Email: psummerfelt@flagstaffaz.gov	Stacey Brechler-Knaggs, Grants Manager City of Flagstaff 211 W. Aspen Flagstaff, AZ 86001 Phone: 928-213-2227 FAX: 928-779-7656 Email: sknaggs@flagstaffaz.gov

Principal U.S. Forest Service Contacts:

U.S. Forest Service Program Manager Contact	U.S. Forest Service Administrative Contact
Jessica Richardson, District Environmental Coord. Coconino National Forest, Flagstaff Ranger District 5075 N. Highway 89 Flagstaff, AZ 86004 Phone: 928.-527-8219 FAX: 928-527-8288 Email: jessicalrichardson@fs.fed.us	Emily Stoddard, Grants Mgmt Specialist Coconino National Forest, Supervisor's Ofc. 1824 S. Thompson St. Flagstaff, AZ 86001 Phone: 928-527-3477 FAX: 928-527-3620 Email: emilystoddard@fs.fed.us

- A. TERMINATION FOR COLLECTION AGREEMENTS. Either party, in writing, may terminate this agreement in whole, or in part, at any time before the date of expiration. The U.S. Forest Service shall not incur any new obligations for the terminated portion of this agreement after the effective date of termination and shall cancel as many obligations as possible. Full credit must be allowed for U.S. Forest Service expenses and all non-cancelable obligations properly incurred up to the effective date of termination. Excess funds must be refunded within 60 days after the effective termination date.
- B. COMMENCEMENT/EXPIRATION DATE. This agreement is executed as of the date of the last signature and is effective through **May 1, 2017**, at which time it will expire. The expiration date is the final date for completion of all work activities under this agreement.
- C. SYSTEM FOR AWARD MANAGEMENT REGISTRATION REQUIREMENT (SAM). City shall maintain current information in the System for Award Management (SAM) until receipt of final payment. This requires review and update to the information at least annually after the initial registration, and more frequently if required by changes in information or agreement term(s). For purposes of this agreement, System for Award Management (SAM) means the Federal repository into



which an entity must provide information required for the conduct of business as a Cooperative. Additional information about registration procedures may be found at the SAM Internet site at www.sam.gov.

- D. AVAILABILITY FOR CONSULTATION. Both parties will make themselves available at mutually agreeable times, for continuing consultation to discuss the conditions covered by this agreement and agree to actions essential to fulfill its purposes.

IV. APPROVAL

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

GERALD R. NABOURS, Mayor
City of Flagstaff

Date

Attest:

ELIZABETH A. BURKE, City Clerk
City of Flagstaff

Date

Approved as to form:

MICHELLE D'ANDREA, City Attorney
City of Flagstaff

Date

LAURA JO WEST, Forest Supervisor
U.S. Forest Service, Coconino National Forest

Date



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

EMILY STODDARD
U.S. Forest Service Grants Management Specialist

Date

Burden Statement

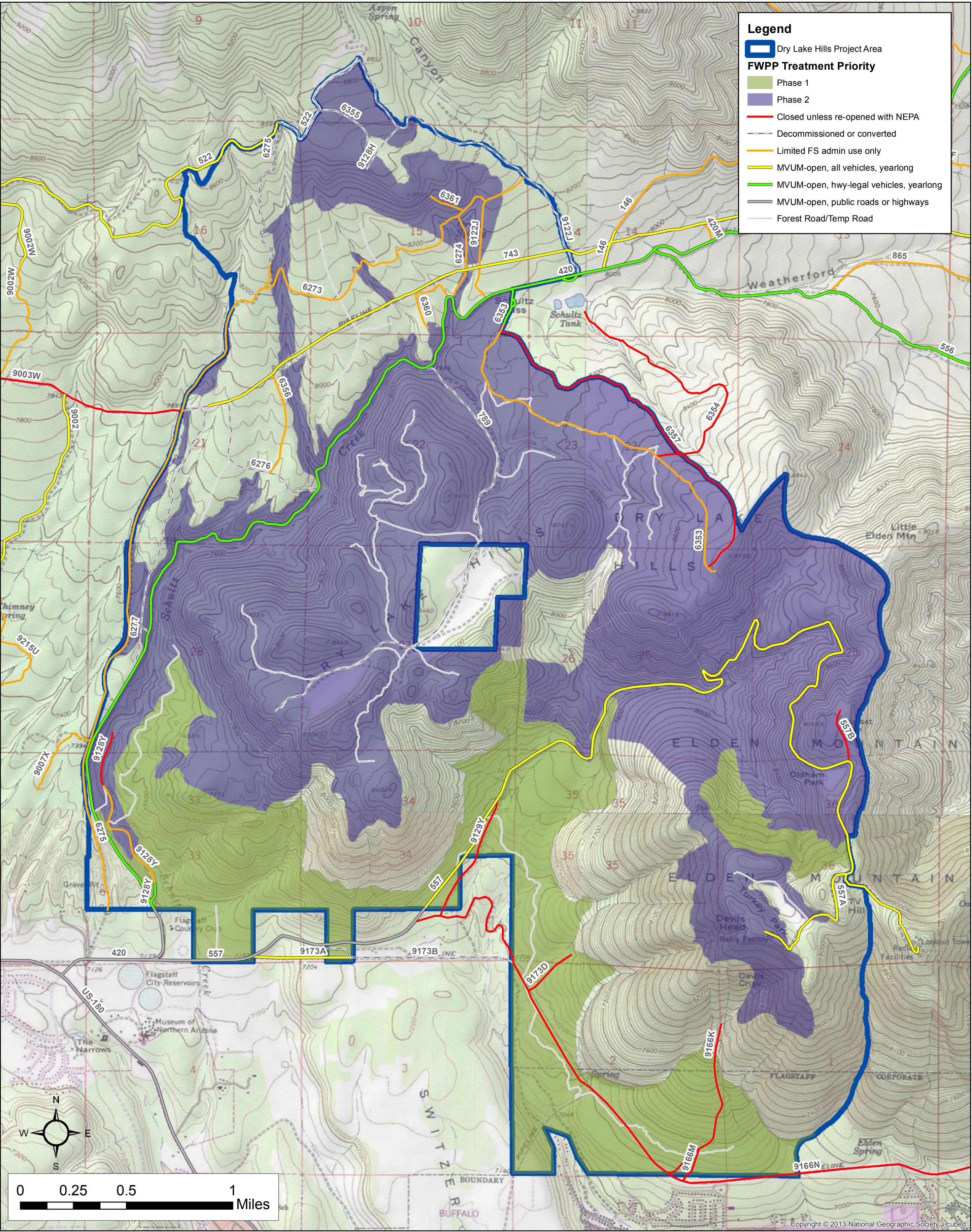
According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0217. The time required to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

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

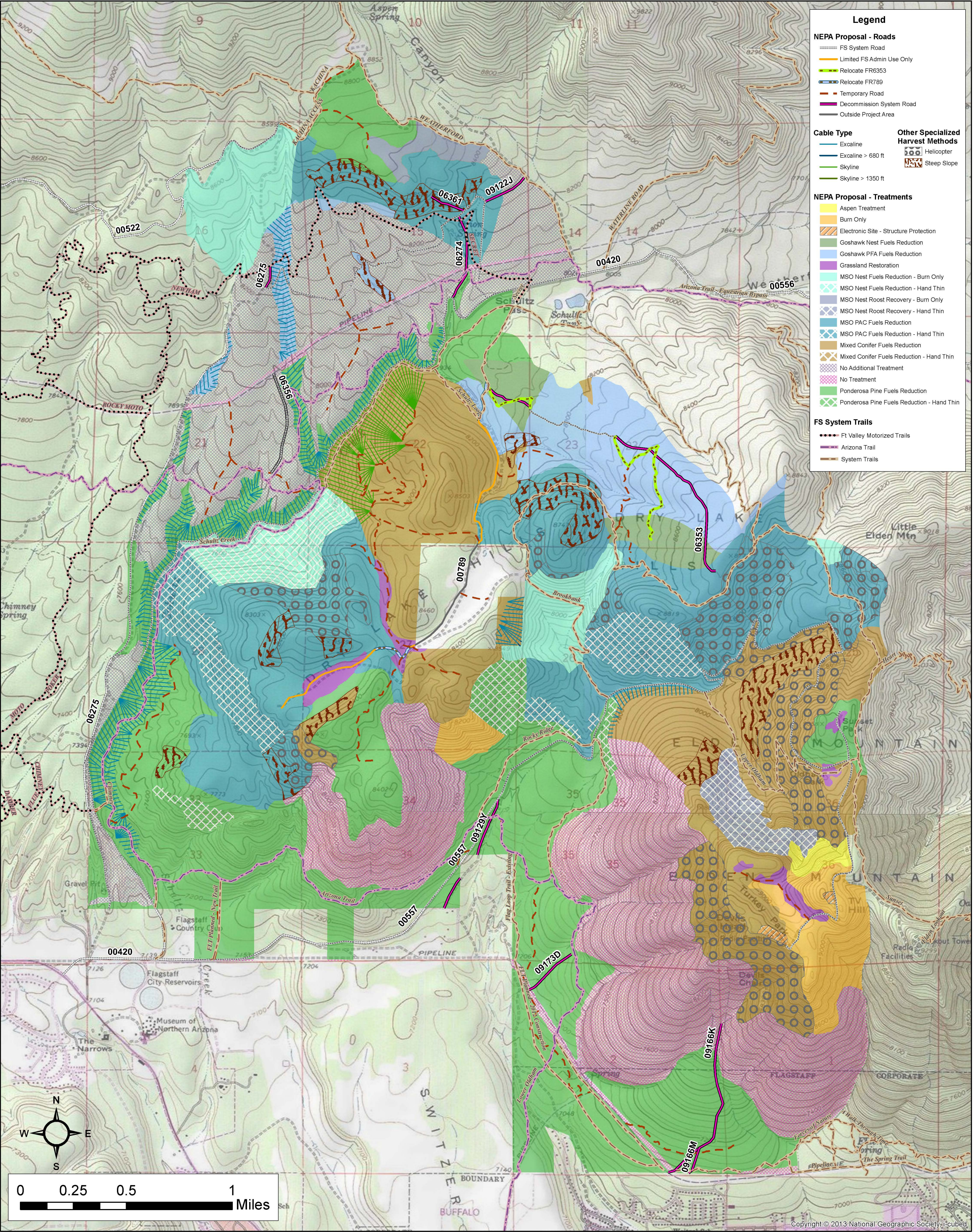
To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call toll free (866) 632-9992 (voice). TDD users can contact USDA through local relay or the Federal relay at (800) 877-8339 (TDD) or (866) 377-8642 (relay voice).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

Flagstaff Watershed Protection Project - Dry Lake Hills

Proposed Treatment Priority



Flagstaff Watershed Protection Project - Dry Lake Hills
Blended Decision - Proposed Treatments, Harvest Methods, Roads and Trails



Attachment B

U.S. Forest Service

OMB 0596-0217
FS-1500-18Forest Service Agreement # **16-PA-11030408-003**Cooperator Agreement # **Collection Agreement Financial Plan**

Cooperator and FS Contributions

COST ELEMENTS and related data				Cooperator Contribution	FS Non-Cash Contribution	
Line Item Cost Subtotals				Subtotal	Subtotal	Combined Subtotals
PERSONNEL						
Resource Specialists (List all personnel):	# of Days	\$/Day				
Timber Marker 1	260.00	\$119.42		\$31,049.20		\$31,049.20
Timber Marker 2	102.00	\$136.22		\$13,894.44		\$13,894.44
Timber Marker 3	101.00	\$136.22		\$13,758.22		\$13,758.22
Timber Marker 4	101.00	\$136.22		\$13,758.22		\$13,758.22
Timber Marker 5	101.00	\$136.22		\$13,758.22		\$13,758.22
Timber Marker 6	101.00	\$136.22		\$13,758.22		\$13,758.22
Timber Marker 7	101.00	\$136.22		\$13,758.22		\$13,758.22
Timber Marker 8	101.00	\$136.22		\$13,758.22		\$13,758.22
Timber Marker 9	101.00	\$136.22		\$13,758.22		\$13,758.22
Timber Marker 10	101.00	\$136.22		\$13,758.22		\$13,758.22
Marking Crew Foreman	220.00	\$199.13		\$43,808.60		\$43,808.60
Presale Forester	50.00	\$300.10		\$15,005.00		\$15,005.00
Forestry Technician/Presale	120.00	\$136.22		\$16,346.40		\$16,346.40
Forestry Technician 1	180.00	\$206.09		\$37,096.20		\$37,096.20
Forestry Technician 2	220.00	\$195.84		\$43,084.80		\$43,084.80
Forestry Technician 3	220.00	\$249.43		\$54,874.60		\$54,874.60
Forestry Technician 4	180.00	\$178.70		\$32,166.00		\$32,166.00
Forestry Technician 5	50.00	\$260.78		\$13,039.00		\$13,039.00
Forestry Technician 6	100.00	\$230.77		\$23,077.00		\$23,077.00
Timber contract administration	50.00	\$288.66		\$14,433.00		\$14,433.00
Small Sales Forester	10.00	\$246.44		\$2,464.40		\$2,464.40
Supervisory Forestry	50.00	\$366.75		\$18,337.50		\$18,337.50
Silviculturalist	75.00	\$391.30		\$29,347.50		\$29,347.50
Forester/Silviculturalist	75.00	\$248.48		\$18,636.00		\$18,636.00
Forestry Techician/Silviculturalist	20.00	\$203.13		\$4,062.60		\$4,062.60
Resource Information Specialist	10.00	\$326.95		\$3,269.50		\$3,269.50
Resource Assistant	50.00	\$163.96		\$8,198.00		\$8,198.00
					\$0.00	\$0.00
Subtotal, Personnel:	2,850.00			\$532,255.50	\$0.00	\$532,255.50
TRAVEL						
Explanation of trips:	Vehicle Mileage or Maintenance Cost/Month	# of Miles	# of Months			
From Where/To Where/For Whom						
Rig #4125 - mileage	\$0.37	1,000.00		\$370.00		\$370.00
Rig #4125 - maintenance	\$163.00		2.00	\$326.00		\$326.00
Rig #4126 - mileage	\$0.37	2,000.00		\$740.00		\$740.00
Rig #4126 - maintenance	\$163.00		4.00	\$652.00		\$652.00
Rig #4961 - mileage	\$0.37	9,000.00		\$3,330.00		\$3,330.00
Rig #4961 - maintenance	\$184.00		11.00	\$2,024.00		\$2,024.00
Rig #5186 - mileage	\$0.37	1,456.00		\$538.72		\$538.72
Rig #5186 - maintenance	\$182.00		2.00	\$364.00		\$364.00
Rig #5206 - mileage	\$0.63	10,000.00		\$6,300.00		\$6,300.00
Rig #5206 - maintenance	\$185.00		11.00	\$2,035.00		\$2,035.00
Rig #5208 - mileage	\$0.24	9,000.00		\$2,160.00		\$2,160.00
Rig #5208 - maintenance	\$196.00		11.00	\$2,156.00		\$2,156.00

Rig #5212 - mileage	\$0.37	1,000.00		\$370.00		\$370.00
Rig #5212 - maintenance	\$182.00		2.00	\$364.00		\$364.00
Rig #5253 - mileage	\$0.41	10,000.00		\$4,100.00		\$4,100.00
Rig #5253 - maintenance	\$187.00		11.00	\$2,057.00		\$2,057.00
Rig #8068 - mileage	\$0.37	1,000.00		\$370.00		\$370.00
Rig #8068 - maintenance	\$163.00		2.00	\$326.00		\$326.00
					\$0.00	\$0.00
Subtotal, Travel:	\$1,608.50	44,456	56.00	\$28,582.72	\$0.00	\$28,582.72
EQUIPMENT						
Name and Type of Equipment:	Unit Cost	Quantity				
				\$0.00		\$0.00
					\$0.00	\$0.00
Subtotal, Equipment:	\$0.00	0		\$0.00	\$0.00	\$0.00
SUPPLIES						
Name and Type of Supplies:	Unit Cost	Quantity				
Marking Paint - Phase I, mechanical thinning (per gallon)	\$42.00	1,570.00		\$65,940.00		\$65,940.00
Marking Paint - Phase II, mechanical thinning (per gallon)	\$42.00	572.00		\$24,024.00		\$24,024.00
Marking Paint - Phase I - hand thinning (per gallon)	\$6.20	51.00		\$316.20		\$316.20
Marking Paint - Phase II - hand thinning (per gallon)	\$6.20	23.00		\$142.60		\$142.60
Set of timber materials (spray pump parts, flagging, personal protection equipment) and field equipment	\$500.00	1.00		\$500.00		\$500.00
Field Data Recorder	\$3,000.00	1.00		\$3,000.00		\$3,000.00
					\$0.00	\$0.00
Subtotal, Supplies:				\$93,922.80	\$0.00	\$93,922.80

CONTRACTUAL				
Describe Contracts that will most likely result from this project:				
				\$0.00
				\$0.00
Subtotal, Contractual:		\$0.00	\$0.00	\$0.00
OTHER				
Describe Other Costs of the Project:				
				\$0.00
				\$0.00
Subtotal, Other:		\$0.00	\$0.00	\$0.00
TOTAL DIRECT CHARGES		\$654,761.02	\$0.00	\$654,761.02
OVERHEAD ASSESSMENT (if applicable, see FSH 1909.13)	Insert Rate Here:	0.0%		
			\$0.00	
Total Party Costs		\$654,761.02	\$0.00	\$654,761.02
COST ELEMENTS SUBJECT TO NATIONAL PASS-THROUGH RATES			Cooperator Contribution	
TOTAL CHARGES			\$0.00	
OVERHEAD ASSESSMENT (if applicable, see FSH 1909.13)	Insert Rate Here:	0.0%		
				\$0.00
Total Pass-Through Costs			\$0.00	
TOTAL PROJECT COSTS				\$654,761.02

Burden Statement

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0217. The time required to complete this information collection is estimated to average 45 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

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DRY LAKE HILLS SPA & PROJECT UPDATE

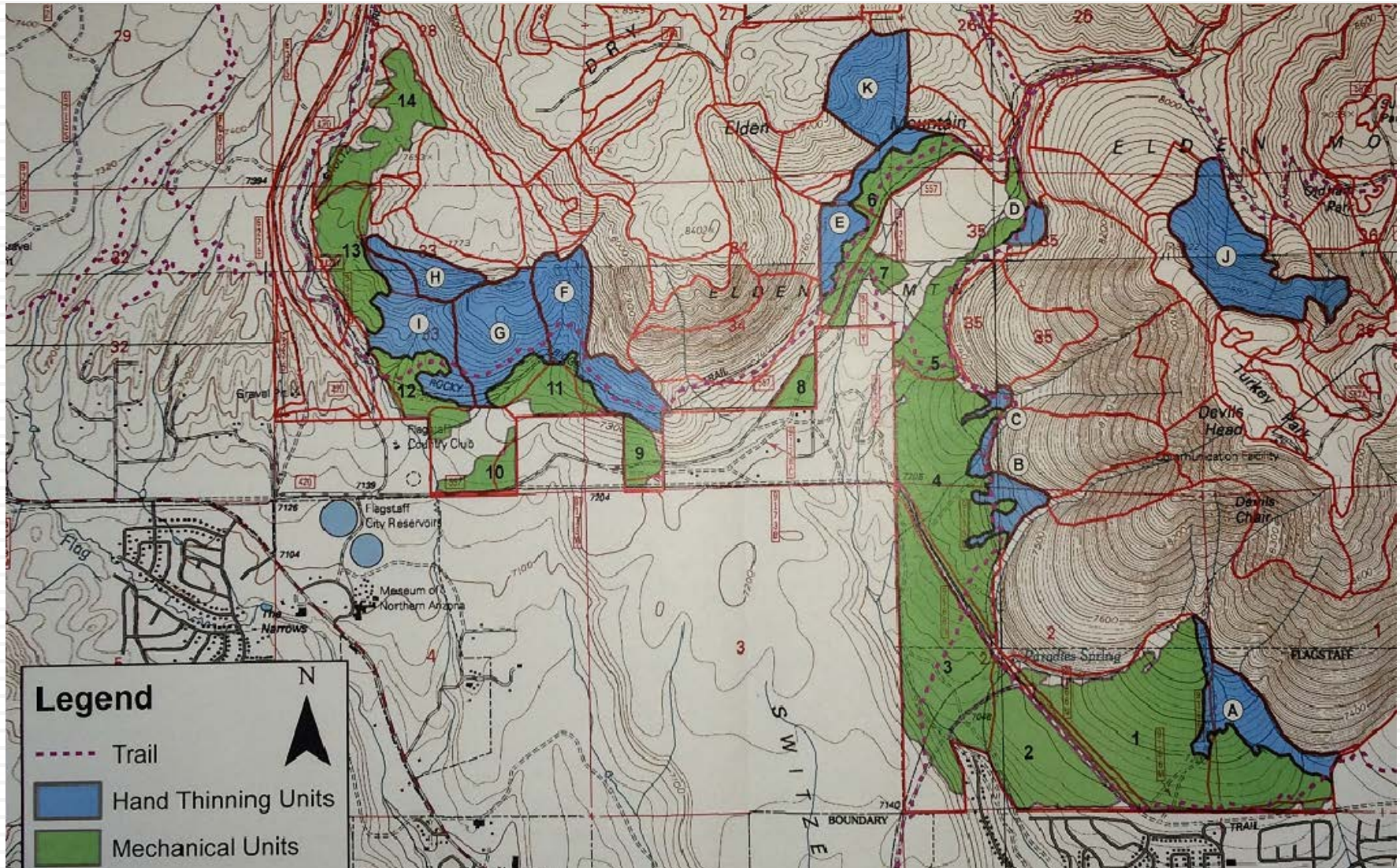


Flagstaff Watershed Protection Project

SPA: DLH Preparation Phase I & II

- \$654,761.02 (NTE) for required preparation work (tree marking, inventory, mapping, etc) throughout entire DLH area;
- No general administrative costs included;
- Schedule is to begin cutting Phase I by summer 2016: \approx 390 acres of hand thinning and 690 acres of mechanical harvesting;
- Phase II cutting will be initiated in 2017/18: \approx 3,800 acres involving all treatment methods.

Location: Phase I only



Project Update: Key Benchmarks

□ Leverage funds: \$2.57M

- ❖ Three years (2-13-15),
- ❖ \$1.82M has been from USFS

□ CY15:

- ❖ Completed 16-of-23 plus 9 others,
- ❖ Of 7 not yet completed, 4 underway and 3 moved to FY16

□ To-date, across all jurisdictions:

- ❖ 1,710 acres of cutting (hand thinning & mechanical harvesting),
- ❖ 215 acres of broadcast prescribed fire

Project Update: Public Outreach

□ FWPP Communications Team

□ Developing plan

❖ Strategic

- Identifying and engaging key community networks and influential persons (ex: Yes on 405 committee members, Education centers, Environmental groups, arts community, others),
- Semi-annual media updates
- Community Forest & Watershed Academy,
- Business constituents (ex: beersheds, bedsheds, others)

Project Update: Public Outreach

❖ Tactical

➤ Website updates, Flickr photo account, YouTube, etc

➤ Media

➤ Planned

<u>EVENTS</u>
<ul style="list-style-type: none">• Wildfire Preparedness Day• Harvesting Method Workshop• Firewise Community Landscape Contest• Festival of Science• Other
<u>FIELD TRIPS</u>
<ul style="list-style-type: none">• Elden Schulz Pass area• Mtn Shadows area• Observatory Mesa• Other

Questions?

Working to Prevent



Working to Create



www.flagstaffwatershedprotection.org



CITY OF FLAGSTAFF
STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Karl Eberhard, Comm Design & Redevelopment Mgr
Date: 01/13/2016
Meeting Date: 01/19/2016



TITLE:

Consideration and Adoption of Ordinance No. 2016-05 - An ordinance of the City Council of the City of Flagstaff, Arizona, amending Flagstaff City Code Title 9, TRANSPORTATION, Chapter 9-01, TRAFFIC CODE; creating the Office of Parking Manager; modifying the duties of the Traffic Engineer accordingly; modifying and adding traffic violations necessary for permit parking and pay-to-park programs; authorizing the Parking manager to implement the Comprehensive Parking Management Program for the downtown, southside and surrounding areas with the installation of parking meters, signage, and other improvements for permit parking and pay-to-park programs; and establishing a special revenue fund for revenues generated by implementation of the Comprehensive Parking Management Program.

RECOMMENDED ACTION:

At the Council Meeting of January 19, 2016

- 1) Read Ordinance No. 2016-05 by title only for the first time
- 2) City Clerk reads Ordinance No. 2016-05 by title only (if approved above)

At the Council Meeting of February 2, 2016

- 3) Read Ordinance No. 2016-05 by title only for the final time
- 4) City Clerk reads Ordinance No. 2016-05 by title only (if approved above)
- 5) Adopt Ordinance No. 2016-05

Executive Summary:

Adoption of this ordinance would modify City Code as needed and desired to implement the Comprehensive Parking Management Program and would establish a special revenue fund for the Comprehensive Parking Management Program. Changes to the City Code include creating the office of Parking Manager and modifying the duties of the Traffic Engineer accordingly, modifying and adding traffic violations necessary for permit parking and pay-to-park programs, and authorizing the Parking Manager to install parking meters, signage, and other improvements for permit parking and pay-to-park programs. The special revenue fund would be for revenues and expenses within the downtown, southside, and surrounding impacted areas, and, expenditures would be further restricted to certain physical and operational parking related costs. If the City Council also adopts the Comprehensive Parking Management Program (Resolution 2016-1), then City staff, working with the stakeholders, would begin implementation of the program including the development of Administrative Guidelines and initiating an educational outreach program designed to inform the general users of the new programs and requirements. Subject to budget approval, City staff would procure and install the program components, most immediately including pay-to-park kiosks, permits, signage, minor improvements to parking facilities, and acquiring additional employee parking. Again subject to budget approval, additional enforcement staff would be hired and in the near future, a parking Manager would be hired.

Financial Impact:

Adoption of this ordinance is not expected to have financial implications in and of itself. However, if the City Council also adopts the Comprehensive Parking Management Program (Resolution 2016-1), and once all the program components are in place, the parking program is self-funding with an anticipated annual income of \$1,000,000 and anticipated annual expenses of \$600,000, leaving an annual balance of \$400,000 to be held in reserve for the construction of new parking facilities (all figures being approximate projections). The start-up costs are approximately \$350,000 which is proposed to be put forth by the City and re-paid from the parking income over the first two years of operations. None of these expenses are currently budgeted. However, if the Council adopts this ordinance and the Comprehensive Parking Management Program (Resolution 2016-1), the revenues and expenses will be expressed in the next City Budget (the process for which is just now getting started).

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.

Has There Been Previous Council Decision on This:

There have been several actions by the City Council related to parking and parking management over the last twenty-five years. These have included various code provisions for parking and parking meters, conditional adoption of a parking management plans, installation and removal of parking meters, and many more actions too numerous to list and not necessarily foundational to the decision currently before the City Council.

Most recently, in December of 2015, the City Council considered the draft Comprehensive Parking Management Program and considered concepts for this ordinance at a work session and provided no direction for changes.

Options and Alternatives:

1. Adopt ordinance as proposed.
2. Adopt an amended version of the ordinance keeping in mind that amendments must be carefully drafted to maintain compatibility with the proposed Comprehensive Parking Management Program.
3. Do not adopt ordinance as proposed in which event the Comprehensive Parking Management Program cannot be implemented.

Background/History:

Historically, three general areas in Flagstaff have experienced notable parking issues. The north Downtown area has experienced issues with parking shortages and parking turn-over. The North End neighborhood has experienced issues with spill-over parking from north Downtown. And, in recent years, the Southside has also experienced issues resulting from spill-over parking and due to the successful ongoing Southside redevelopment, new parking issues are emerging.

Discussions of addressing parking issues in north Downtown date back to the 1950s and five parking studies have been commissioned since the 1980s. In 2008 there was a partially successful effort to formulate a solution to the parking and other issues of downtown. However, that limited success was conditioned on resolving the remaining parts - notably including the development of more comprehensive solutions and achieving accord between, and buy-in from, all of the stakeholders. In addressing the unresolved parts, the follow-up work resulted in the formation of the Flagstaff Downtown Business Improvement and Revitalization District, however without addressing the parking issues. In 2011 there

was an effort to solve some of the early renditions of parking issues in the Southside.

Certainly since 2008 the parking problems are well understood and agreed upon. Looking from the highest elevation, we need to manage our existing parking and we need to construct new parking facilities.

The impetus of the current consideration of our parking system is spill-over parking in the Southside, notably in the residential areas. Upon tackling this issue it quickly becomes clear that the issues and solutions are interconnected with the north Downtown and thus with the North End Neighborhood. And, we can reasonably anticipate that solutions for these areas will impact other adjacent neighborhoods such as La Plaza Vieja and Townsite. Thus the current Comprehensive Parking Management Program is a holistic solution to the known and anticipated parking problems.

A distinguishing feature of the current effort relates back to the 2008 City Council direction - Not only are the parking issues addressed comprehensively, there is accord and buy-in from the stakeholders. While there may still be individuals that have concerns, the eleven stakeholder groups have all indicated support for the current approach. Each recognizes the need to address the parking issues now, the need to do so in a balanced way (compromise), and the need to start accumulating funds for constructing new parking facilities.

Detailed background information relative to the current effort is included in the Comprehensive Parking Management Program (Resolution 2016-1) and is not duplicated here for brevity.

Key Considerations:

If adopted, this ordinance would create the office of Parking Manager and modify the duties of the Traffic Engineer accordingly. Currently all parking is under the authority of the Traffic Engineer (within the Engineering Section). This ordinance would place authority for public parking in the general areas with pay-to-park requirements and permit parking under the Parking Manager (within the Economic Vitality Division). The authorities relative to public parking include the establishing, changing, suspending, or removing Administrative Guidelines (procedures, protocols, and requirements not established by the adopted Comprehensive Parking Management Program), parking rates, and physical parking facilities including associated signs, markings, equipment, and other improvements. Private parking and parking associated with municipal facilities are not included in the authority of the Parking Manager. Notably, it will be necessary for the Parking Manager and the Traffic Engineer to coordinate their efforts as the operations of these systems are inter-related.

The adoption of this ordinance establishes separate accounting for the income and expenses of the Comprehensive Parking Management Program and establishes expenditure limits so that the funds are used solely for parking purposes. This is how the BBB Funds are managed and limited.

Expanded Financial Considerations:

Details of the financial implications are included in the pro forma from the Comprehensive Parking Management Program (attached) and thus are not duplicated here for brevity. Notably the pro forma information in the document is illustrative and it is anticipated that final numbers will differ from the illustrations. It is anticipated that the annual revenues will exceed the expenses and that these revenues would remain in the fund balance of the parking fund until sufficient for parking construction.

If the City Council also adopts the Comprehensive Parking Management Program (Resolution 2016-1), the expenses will be included in the next City Budget through the budget process that is currently just getting started.

Community Benefits and Considerations:

Addressing the parking issues enhances the economic vitality of the north Downtown and for the commercial portions of Southside. It will also enhance the property values in the surrounding residential districts. Currently, unmanaged parking is negatively impacting these properties and having an active plan and effort that leads to constructing parking will further alleviate the negative impacts.

Managing our existing parking supply will allow us to use our resources more efficiently, ultimately reducing expenditures for constructing parking. Notably, an over-supply of parking is also harmful to the economic vitality of a community. The highest benefit is achieved through parking management.

Traditionally, the cost of public parking has been borne by the general tax payers of the City. If adopted, this program would establish that users will pay for the use of public parking spaces in high parking demand areas.

Community Involvement:

Consult
Involve
Collaborate
Empower

The Comprehensive Parking Management Program has been significantly vetted with the community in general but specifically balancing the desires and needs of eleven identified key stakeholder groups. The stakeholders, users, and editor have variously worked on the development of this plan over the last eight years. The code changes proposed in this ordinance reflect specific desires and needs that staff heard during the vetting process.

Attachments: Ord. 2016-05
 Pro Forma
 PowerPoint

ORDINANCE NO. 2016-05

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF FLAGSTAFF, COCONINO COUNTY, ARIZONA, AMENDING CERTAIN TRAFFIC AND PARKING REGULATIONS BY AMENDING THE FLAGSTAFF CITY CODE TITLE 9, *TRANSPORTATION*, BY AMENDING CHAPTER 9-01, *TRAFFIC CODE*; SECTION 9-01-001-0001, *TRAFFIC LAWS ADOPTED*; SECTION 9-01-001-0003, *STOPPING, STANDING AND PARKING RESTRICTIONS*; SECTION 9-01-001-0007, *OFFICE OF TRAFFIC ENGINEER CREATED*; 9-01-001-0008, *MUNICIPAL PARKING LOTS*; BY ADDING SECTION 9-01-001-0014, *OFFICE OF THE PARKING MANAGER CREATED*; AND BY ADDING SECTION 9-01-001-0015, *COMPREHENSIVE PARKING MANAGEMENT PROGRAM SPECIAL REVENUE FUND*, AND PROVIDING FOR SEVERABILITY, REPEAL OF CONFLICTING ORDINANCES, AND EFFECTIVE DATES

RECITALS:

WHEREAS, the City Council is authorized pursuant to the general powers enumerated in A.R.S. § 9-240 to control and regulate right-of-way including roads and streets within the City; and

WHEREAS, the City Council is more specifically authorized by the City Charter Article I, Section 3; and Article VIII, Section 10(4) to regulate streets used by the public within the City; and

WHEREAS, the City has identified issues related to parking in the downtown area, the southside area, and areas surrounding downtown and southside; and

WHEREAS, the City of Flagstaff has an interest in regulating parking within the downtown area, southside area and those areas surrounding downtown and southside in order to meet the needs of the community; and

WHEREAS, the City has created a Comprehensive Parking Management Program to manage and regulate parking within the downtown area, southside area and those areas surrounding downtown and southside, which will require amendments and additions to Title 9 of the Flagstaff City Code; and

WHEREAS, the City of Flagstaff has an interest in establishing a special revenue fund for revenues generated by the implementation of the Comprehensive Parking Management Program; and

WHEREAS, the City now desires to implement the Comprehensive Parking Management Program and create the Office of the Parking Manager and authorize the Parking Manager to manage and regulate parking within the downtown area, southside area and those areas surrounding downtown and southside; and

WHEREAS, the City now desires to establish a special revenue fund for revenues generated by implementation of the Comprehensive Parking Management Program.

ENACTMENTS:

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

SECTION 1. That City Code, Title 9, Transportation, heading index under Chapter 9-01, "Traffic Code", is hereby amended by adding the following:

9-01-001-0014 OFFICE OF PARKING MANAGER CREATED

9-01-001-0015 COMPREHENSIVE PARKING MANAGEMENT PROGRAM SPECIAL REVENUE FUND CREATED

SECTION 2. That certain Sections of the City Code, Title 9, Transportation, Chapter 9-01, "Traffic Code", is further amended as follows:

9-01-001-0001 TRAFFIC LAWS ADOPTED

- B. Definitions: Whenever any words and phrases used in this chapter are not defined herein but are defined in the state laws regulating the operation of vehicles, the definitions therein shall be deemed to apply to such words and phrases used herein.

In this chapter, unless the context otherwise requires:

- (1) "Alley" and "alleyways" mean lanes or passageways for use as a means of access to the rear of lots or buildings. Alleys and alleyways are not in any way to be considered thoroughfares.
- (2) "COMPREHENSIVE PARKING MANAGEMENT PROGRAM" MEANS THE PLAN ADOPTED BY RESOLUTION 2016-01, AND ALL ATTACHMENTS THERETO, BY THE CITY COUNCIL TO MANAGE THE HIGH PARKING DEMAND AREAS ONLY OF THE DOWNTOWN AREA, SOUTHSIDE AREA, AND THOSE SURROUNDING AREAS IMPACTED BY THE DEMAND IN DOWNTOWN AND SOUTHSIDE AREAS.
- ~~(2)~~(3) "Loading zone" means a space adjacent to a curb reserved for the exclusive use of vehicles during the loading or unloading of passengers or materials.
- (4) "PUBLIC PARKING" MEANS PARKING SPACES WITHIN THE RIGHT-OF-WAY AND PARKING SPACES WITHIN PARKING LOTS OWNED, LEASED, OR OTHERWISE UNDER THE CONTROL OF THE CITY OUTSIDE OF THE RIGHT-OF-WAY BUT NOT ASSOCIATED WITH A PARTICULAR FACILITY SUCH AS A BUILDING, PARK, OR TRAIL HEAD.
- (5) "PARKING METERS" MEANS ANY PAY-TO-PARK EQUIPMENT LEASED OR OWNED BY THE CITY, INCLUDING BUT NOT LIMITED TO MECHANICAL DEVICES, KIOSKS, OR OTHER MULTI-SPACE METERING EQUIPMENT, WHICH MAY OR MAY NOT BE ADJACENT TO THE PARKING SPACE, THAT ACCEPTS PAYMENT FOR THE USE OF PARKING SPACES.

- (6) "PARKING PERMIT" MEANS ANY VALID PERMIT ISSUED TO AN EMPLOYEE, RESIDENT, GUEST, OR OTHERWISE AS AUTHORIZED BY THE CITY OF FLAGSTAFF. IN THE EVENT THAT SAID PERMIT IS A DIGITAL REGISTRY OF THE LICENSE PLATES OF VEHICLES PERMITTED TO PARK IN PARKING-PERMIT-REQUIRED AREAS THE LICENSE PLATE ITSELF IS THE PARKING PERMIT FOR THE PURPOSES OF THIS CHAPTER.
- (7) "PARKING-PERMIT-REQUIRED AREAS" MEANS ANY AREAS THAT ARE DESIGNATED OR MARKED BY SIGNS INDICATING THE AREAS ARE SUBJECT TO PARKING RESTRICTIONS.
- (8) "PAY-TO-PARK AREAS" MEANS ANY AREAS WHERE A TIME PERIOD MUST BE PURCHASED AT A PARKING METER BY A PERSON FOR A VEHICLE TO REMAIN WITHIN A PARKING SPACE.

9-01-001-0003 STOPPING, STANDING AND PARKING RESTRICTIONS

- A. Applicability: The provisions of this chapter prohibiting the standing, stopping or parking of a vehicle shall apply at all times or at those times herein specified or as indicated on official signs or parking meters, except when it is necessary to stop a vehicle to avoid conflict with other traffic or in compliance with directions of a police officer or official traffic-control devices.

ANY STOPPING, STANDING, OR PARKING RESTRICTIONS PROVIDED IN THIS CHAPTER SHALL NOT APPLY TO ANY POLICE OFFICER, PEACE OFFICER, OR PARKING ENFORCEMENT AGENT WHEN SUCH STOPPING, STANDING, OR PARKING IS FOR THE PURPOSE OF ACTUAL PERFORMANCE OF LAW ENFORCEMENT DUTY.

The provisions of this chapter imposing a time limit on parking shall not relieve any person from the duty to observe other and more restrictive provisions prohibiting or limiting the standing, stopping or parking of vehicles in specified places or at specified times.

E ~~Parking Meters:~~

- ~~1. Establishment: The Council may, by official action, establish portions of streets as parking meter zones, which zones shall become effective on the installation of metering devices.~~
- ~~2. Authority to Install Meters: The superintendent of streets is hereby authorized and directed to install meters in all parking meter zones hereby established or hereinafter established by the Council for the purpose of and in such numbers and at such places as may be necessary to the regulation, control and inspection of the parking of vehicles therein.~~
- ~~3. Location: Parking meters installed in parking meter zones shall be installed upon the curb immediately adjacent to individual parking spaces or at every other space or centrally located on the curb. Each parking meter shall be so constructed and adjusted as to show when properly operated a signal indicating that the space which that meter controls is or is not legally in use.~~

- ~~4. Legal Parking Fees: Parking meters, when installed and properly operated, shall be so adjusted as to show a legal parking period. Only the amount and form of legal tender as indicated on the meters may be inserted in the meters.~~
- ~~5. Collections: It shall be the duty of the Chief of Police to designate some person or persons to make regular collections of the legal tender deposited in the parking meters and deliver it to the City Treasurer for accounting and depositing.~~

~~(Amended, Ord. No. 2007-42, 11/20/2007)~~

FE. Violations:

1. VIOLATION OF ANY PROVISION OF THIS CHAPTER WHICH REGULATES THE TIME, PLACE, OR METHOD OF PARKING SHALL BE A VIOLATION SUBJECT TO CIVIL PENALTY NOT TO EXCEED THE AMOUNTS PRESCRIBED UNDER PARAGRAPH (H) OF THIS SECTION. A SEPARATE FEE SCHEDULE FOR FINES IN LESSER AMOUNTS SHALL ALSO BE ADOPTED BY THE CITY COUNCIL BY RESOLUTION.
- 4.2. Separate and Distinct Violations: Violations of this chapter regulating the time, place or method of parking which are continuous in nature shall constitute a separate and distinct violation for each full hour thereof.
- 2.3. Parking Prohibited:
 - a. A person shall not stop, stand or park a vehicle in any of the following places:
 - (1) On a sidewalk.
 - (2) In front of a public or private driveway, except that this subsection does not apply to a vehicle or the driver of a vehicle engaged in the official delivery of the United States mail if the driver does not leave the vehicle and the vehicle is stopped only momentarily.
 - (3) Within an intersection.
 - (4) Within fifteen feet of a fire hydrant.
 - (5) On a crosswalk.
 - (6) Within twenty feet of a crosswalk at an intersection.
 - (7) Within thirty feet of the approach to any flashing beacon, stop sign, yield sign or traffic control signal located at the side of a roadway.
 - (8) At any place where official signs prohibit standing or stopping.

- b. A person who stops or parks a vehicle on a roadway where there are adjacent curbs shall stop or park the vehicle with its right-hand CURB SIDE wheels parallel to and within eighteen inches of the right-hand curb, OR WITHIN EIGHTEEN INCHES OF THE LEFT-HAND, OR RIGHT- HAND CURB IF THE ROADWAY IS A ONE-WAY ROADWAY.

(Ord. 2012-02, Amended, 03/06/2012)

- 34. Limited Time Parking Areas: It is unlawful to park any vehicle in violation of any restriction so signed or marked.

5. PAY-TO-PARK AREAS:

- A. OPERATIONAL PROCEDURE TO BE FOLLOWED: IMMEDIATELY AFTER PARKING A VEHICLE WITHIN A PAY-TO-PARK PARKING SPACE, THE A PERSON IN THE VEHICLE SHALL PURCHASE A TIME PERIOD FOR THE VEHICLE TO REMAIN WITHIN SAID PARKING SPACE. TO PURCHASE A TIME PERIOD A PERSON MUST DEPOSIT AN ACCEPTABLE FORM OF PAYMENT IN THE NEAREST PARKING METER AS INDICATED ON THE PARKING METER AND FOLLOW OPERATIONAL PROCEDURES IN ACCORDANCE WITH THE INSTRUCTIONS POSTED ON THE PARKING METER. THE VEHICLE MAY REMAIN WITHIN SAID PARKING SPACE ONLY FOR THE TIME PERIOD(S) PURCHASED. FAILURE TO DEPOSIT PAYMENT OR FOLLOW THE OPERATIONAL PROCEDURES SHALL CONSTITUTE A VIOLATION OF THIS CHAPTER.
- B. OVERTIME PARKING VIOLATIONS: IT IS UNLAWFUL FOR ANY PERSON TO CAUSE, ALLOW, PERMIT OR SUFFER ANY VEHICLE REGISTERED IN THE NAME OF, OR OPERATED BY SUCH PERSON TO REMAIN PARKED WITHIN IN ANY PAY-TO-PARK PARKING SPACE BEYOND THE TIME FOR WHICH PAYMENT HAS BEEN MADE. ANY PERSON WHO CAUSES A VEHICLE TO REMAIN WITH THE A PAY-TO-PARK PARKING SPACE OVERTIME, OR FOR MORE TIME THAN PURCHASED SHALL BE IN VIOLATION OF THIS CHAPTER AND SUBJECT TO THE PENALTIES PRESCRIBED IN PARAGRAPH (H) BELOW.
- C. OTHER PARKING METER VIOLATIONS: THE FOLLOWING SHALL CONSTITUTE VIOLATIONS RELATING TO PARKING METERS:
 - (1) TO DEFACE, DAMAGE, TAMPER WITH, OPEN OR WILLFULLY BREAK, DESTROY OR ATTEMPT IN ANY MANNER TO IMPAIR THE FUNCTION OF ANY PARKING METER.
 - (2) TO DEPOSIT OR CAUSE TO BE DEPOSITED IN ANY PARKING METER ANY SLUGS, DEVICES, OR OTHER SUBSTITUTES FOR LAWFUL PAYMENT AS INDICATED ON THE PARKING METER.

- (3) TO MAKE USE OF OR OPERATE ANY PARKING METER FOR THE PURPOSE OF ADVERTISING OR SOLICITATION OF BUSINESS, EITHER DIRECTLY OR INDIRECTLY.
- (4) TO PERMIT, CAUSE, OR ALLOW A BICYCLE, NEWS RACK, ANIMAL, OR ANY OTHER THING TO BE ATTACHED TO OR TO BE LEANED AGAINST A PARKING METER.
- (5) TO PERMIT, CAUSE OR ALLOW ANY SIGN, SYMBOL, STICKER, GRAFFITI OR SIMILAR WRITINGS, PHOTOS OR ARTWORK TO BE WRITTEN, ETCHED, ATTACHED, HUNG OR POSTED IN ANY MANNER ON A PARKING METER WITHOUT THE EXPRESS WRITTEN CONSENT OF THE CITY.

6. PARKING-PERMIT-REQUIRED AREAS:

- A. IT IS UNLAWFUL TO PARK ANY VEHICLE IN VIOLATION OF ANY PARKING RESTRICTION AS INDICATED AND MARKED WITH SIGNAGE.
- B. OTHER PARKING PERMIT VIOLATIONS: THE FOLLOWING SHALL CONSTITUTE VIOLATIONS RELATING TO PERMIT PARKING:
 - (1) TO FALSELY REPRESENT ONESELF AS ELIGIBLE FOR A PARKING PERMIT OR TO FURNISH FALSE INFORMATION IN AN APPLICATION FOR A PARKING PERMIT.
 - (2) TO ASSIGN OR TRANSFER A PARKING PERMIT, WITH OR WITHOUT CONSIDERATION, MONETARY OR OTHERWISE.
 - (3) TO COPY, PRODUCE, OR CREATE A FACSIMILE OF OR COUNTERFEIT OF A PARKING PERMIT, OR TO DISPLAY A FACSIMILE OR COUNTERFEIT PARKING PERMIT FOR PURPOSES OF PARKING IN PARKING-PERMIT-REQUIRED AREAS.
 - (4) TO USE, OR TO ALLOW THE USE OF A PARKING PERMIT FOR A VEHICLE OTHER THAN THE SPECIFIC VEHICLE FOR WHICH THE PERMIT WAS ISSUED.

~~4.7.~~ Seasonal Parking Restriction:

~~5.8.~~ Reparking Prohibited:

~~6.9.~~ Parking Within Lines or Markings:

~~7.10.~~ Large Vehicle Parking Prohibited:

~~8. Expired Meter Parking Prohibited: It is unlawful for any person to cause, allow, permit or suffer any vehicle registered in his/her name, or operated or controlled by him/her to be upon any street in a parking space controlled by a parking meter~~

~~at any time during which the meter is showing a signal indicating that the time has expired and that such space is illegally in use at such times as restricted parking is in effect.~~

9. ~~Slugs Prohibited: It is unlawful to deposit or cause to be deposited in any parking meter any slug, device or substitute for the legal tender required by said meter.~~
10. ~~Damaging Meters Prohibited: It is unlawful for any unauthorized person to open, or for any person to deface, injure, tamper with or willfully break, destroy or impair the usefulness of any parking meter installed pursuant to this section, or to hitch any animal thereto.~~

(Amended, Ord. No. 2007-42, 11/20/2007)

- GF. Notice of Violation:
 HG. Response to Notice of Violation, Review and Hearing:
 IH. Penalties and Enforcement:
 JI. Immobilizing and Impounding of Vehicles:
 KJ. Immobilized and Impounded Vehicles--Release:
 LK. Impounded Vehicles--Record:

9-01-001-0007 OFFICE OF TRAFFIC ENGINEER CREATED

A. GENEREAL POWERS:

1. ~~General Powers,~~ Duties: The office of Traffic Engineer is hereby established with the Engineering Division. The duties of the Traffic Engineer shall be to regulate traffic under the provisions of this chapter and the traffic ordinances of the City. It shall be the duty of the Traffic Engineer to establish, change, remove, or prohibit as conditions may require, boulevard stops, rights of way at intersections, speed limits, school crossings, pedestrian and bicycle lanes and routes, parking, and parking time limits, safety and loading zone, U-turns, left and right hand turns, traffic lanes, public carrier stands, construction traffic control and other necessities of traffic subject to the approval of the City Engineer and City Manager; and to order installation of traffic-control devices to implement such regulations.
2. LIMITED SCOPE OF AUTHORITY: THE REGULATION OF PARKING AND PARKING TIME LIMITS, SAFETY AND LOADING ZONES, AND PUBLIC CARRIER STANDS SHALL BE THE DUTY OF THE TRAFFIC ENGINEER ONLY IN THOSE AREAS OF THE CITY THAT ARE NOT UNDER THE AUTHORITY OF THE PARKING MANAGER AS DETERMINED BY THE CITY COUNCIL AND UNDER THE PROVISIONS OF THIS CHAPTER AND THE ORDINANCES OF THE CITY.

9-01-001-0008 MUNICIPAL PARKING LOTS

- A. EXCEPT FOR PUBLIC PARKING UNDER THE AUTHORITY OF THE PARKING MANAGER AS DETERMINED BY THE CITY COUNCIL AND UNDER THE PROVISIONS OF THIS CHAPTER AND THE ORDINANCES OF THE CITY, municipal parking lots now or hereafter acquired or established by the City shall be under the

supervision and regulation of the Traffic Engineer, pursuant to Section 9-01-001-0007 of the Flagstaff City Code. Regulation by the Traffic Engineer of traffic and public parking at Flagstaff Pulliam Airport shall be subject to the approval of the Airport Manager and Public Works Director.

9-01-001-0014 OFFICE OF PARKING MANAGER CREATED

- A. THE OFFICE OF PARKING MANAGER IS HEREBY ESTABLISHED WITHIN THE ECONOMIC VITALITY DIVISION.
- B. GENERAL POWERS:
 - 1. DUTIES: THE PARKING MANAGER, OR HIS OR HER DESIGNEE, SHALL REGULATE AND MANAGE ALL PUBLIC PARKING AS AUTHORIZED BY THE CITY COUNCIL THROUGH THE COMPREHENSIVE PARKING MANAGEMENT PROGRAM ADOPTED BY RESOLUTION 2016-01 AND ALL ATTACHEMENTS THERETO, BY THE CITY COUNCIL AND OTHER PROVISIONS OF THIS CODE, INCLUDING BUT NOT LIMITED TO ESTABLISHING, CHANGING, SUSPENDING OR REMOVING:
 - A. ADMINISTRATIVE GUIDELINES, INCLUDING PERMIT PARKING, TIME-LIMITED PARKING, OR PAY-TO-PARK REQUIREMENTS AND PROGRAMS, AND OTHER PROCEDURES, PROTOCOLS, OR REQUIREMENTS AS MAY BE DEEMED NECESSARY AND DESIRABLE TO IMPLEMENT THE COMPREHENSIVE PARKING MANAGEMENT PROGRAM. CURRENT ADMINISTRATIVE GUIDELINES SHALL BE FILED WITH THE CITY CLERK.
 - B. PAY-TO-PARK RATES, INCLUDING PARKING PERMIT FEES. CURRENT PARKING RATE SCHEDULES SHALL BE FILED WITH THE CITY CLERK.
 - C. PARKING LOTS OR SPACES, SAFETY AND LOADING ZONES, AND OTHER PARKING AREAS, FACILITIES, MARKINGS AND SIGNS, OR EQUIPMENT, INCLUDING PARKING METERS OR OTHER PAY-TO-PARK EQUIPMENT.
 - 2. LIMITED SCOPE OF AUTHORITY:
 - A. THE DUTIES OF THE PARKING MANAGER SHALL INCLUDE ONLY THOSE AREAS OF THE CITY WITH PAY-TO-PARK REQUIREMENTS OR PERMIT-PARKING PROGRAMS. UNLESS MUTUALLY DEFINED OTHERWISE BY THE TRAFFIC ENGINEER AND THE PARKING MANAGER, SAID AREA IS FORMALLY DEFINED BY A RECTANGULAR BOUNDARY THAT ENCOMPASSES ALL AREAS WITH PAY-TO-PARK REQUIREMENTS OR PERMIT-PARKING PROGRAMS. UPON RECOMMENDATION OF THE PARKING MANAGER, IMPLEMENTATION OF NEW OR ADDITIONAL PAY-TO-PARK REQUIREMENTS OR PERMIT-PARKING PROGRAMS OUTSIDE OF SAID AREA SHALL BE DETERMINED BY THE CITY COUNCIL IN ITS SOLE DISCRETION.

- B. THE COMPREHENSIVE PARKING MANAGEMENT PROGRAM ADOPTED BY RESOLUTION 2016-01, AND ALL ATTACHMENTS THERETO, BY THE CITY COUNCIL WHICH ADDRESSES THE HIGH PARKING DEMAND AREAS ONLY OF THE DOWNTOWN AREAS, SOUTHSIDE AREA, AND THOSE SURROUNDING AREAS IMPACTED BY THE DEMAND IN DOWNTOWN AND SOUTHSIDE AREAS.
- C. PARKING MANAGEMENT IN AND AROUND OTHER HIGH PARKING DEMAND AREAS IN FLAGSTAFF MAY BE ADDED TO THE DUTIES OF THE PARKING MANAGER BY CITY COUNCIL ADOPTION OF A REVISED COMPREHENSIVE PARKING MANAGEMENT PROGRAM.
- C. APPEAL PROCEDURE: DECISIONS OF THE PARKING MANAGER MAY BE APPEALED BY ANY AGGRIEVED PARTY THROUGH EITHER OR BOTH OF THE FOLLOWING STEPS:
 - 1. ADMINISTRATIVE REVIEW: THE AGGRIEVED PARTY MAY APPEAL A DECISION OF THE PARKING MANAGER TO THE CITY MANAGER BY WRITTEN REQUEST WITHIN TEN (10) DAYS FOLLOWING THE ACTUAL DATE THE DECISION WAS RENDERED. THE CITY MANAGER SHALL REVIEW THE PARKING MANAGER'S DECISION AND MAKE A DETERMINATION SUPPORTING, OVERRIDING, OR MODIFYING THAT DECISION WITHIN TEN (10) WORKING DAYS OF RECEIPT OF THE REQUEST.
 - 2. APPEAL TO THE CITY COUNCIL: DECISIONS OF EITHER THE PARKING MANAGER OR CITY MANAGER IN THE ADMINISTRATIVE REVIEW MAY BE APPEALED TO THE CITY COUNCIL BY PRESENTATION OF A WRITTEN REQUEST FOR SUCH AN APPEAL TO THE OFFICE OF THE CITY CLERK, WITHIN TEN (10) DAYS FOLLOWING THE ACTUAL DATE THE DECISION WAS RENDERED.
 - 3. APPEAL OF A REGULATION SHALL NOT STAY THE ENFORCEMENT OF VIOLATION NOTICES ISSUED PRIOR TO THE DATE OF ANY CHANGE IN THE REGULATION.
- D. THE PARKING MANAGER SHALL REPORT PERIODICALLY TO THE CITY COUNCIL ON THE PARKING MANAGEMENT ACTIVITIES OF THE OFFICE AND MAKE RECOMMENDATIONS REGARDING ADDITIONAL AREA THAT MAY, IN THE CITY COUNCIL'S DISCRETION, BECOME SUBJECT TO PAY-TO-PARK REQUIREMENTS OR PERMIT-PARKING PROGRAMS.
- E. THE COMPREHENSIVE PARKING MANAGEMENT PROGRAM ADOPTED BY RESOLUTION 2016-01 ADDRESSES THE HIGH PARKING DEMAND AREAS OF DOWNTOWN AND SOUTHSIDE AND THE SURROUNDING AREAS IMPACTED BY THE DEMAND IN DOWNTOWN AND SOUTHSIDE. MANAGING PARKING IN AND AROUND OTHER HIGH PARKING DEMAND AREAS MAY BE ADDED TO THE COMPREHENSIVE PARKING MANAGEMENT PROGRAM BY CITY COUNCIL ADOPTION OF A REVISED COMPREHENSIVE PARKING MANAGEMENT PROGRAM

AND THERE SHALL BE SEPARATE ACCOUNTING FOR EACH SUCH AREA THAT MAY BE ADDED.

9-01-001-0015 COMPREHENSIVE PARKING MANAGEMENT PROGRAM SPECIAL REVENUE FUND CREATED

- A. THERE SHALL BE A SEPARATE ACCOUNTING FOR ALL FUNDS COLLECTED PURSUANT TO THE COMPREHENSIVE PARKING MANAGEMENT PROGRAM. THE USE OF SAID FUNDS SHALL BE RESTRICTED TO:
1. AREAS OF THE CITY UNDER THE AUTHORITY OF THE PARKING MANAGER (AREAS OF THE CITY WITH PAY-TO-PARK REQUIREMENTS OR PERMIT-PARKING PROGRAMS), AND
 2. PROGRAMS IDENTIFIED IN THE COMPREHENSIVE PARKING MANAGEMENT PROGRAM, INCLUDING CAPITAL DEVELOPMENT OR IMPROVEMENT OF PARKING FACILITIES, LAND ACQUISITION FOR PARKING, PARKING SYSTEM MANAGEMENT AND OPERATIONAL EXPENSES, AND DEBT.
 3. UNTIL 450 NEW PUBLIC PARKING SPACES HAVE BEEN ADDED TO SERVE THE DOWNTOWN AREA, TWENTY PERCENT (20%) OF THE ANNUAL REVENUES IN THE SPECIAL REVENUE FUND SHALL BE USED ONLY FOR THE ACQUISITION AND/OR DEVELOPMENT OF NEW PUBLIC PARKING SPACES SERVING THE DOWNTOWN AREA, SPECIFICALLY ANY EXPENSES DIRECTLY RELATED TO THE ACQUISITION AND DEVELOPMENT OF PUBLIC PARKING FACILITIES TO SERVE THE DOWNTOWN AREA AND SHALL NOT BE DIVERTED OR APPROPRIATED TO ANY OTHER FUND INCLUDING BUT NOT LIMITED TO THE GENERAL FUND.
 4. PROMOTING THE USE OF ALTERNATIVE MODES OF TRANSPORTATION AND OTHER PARKING DEMAND REDUCTION EXPENSES.
- B. AT LEAST 60 DAYS PRIOR TO CONSIDERATION OF ANY CHANGE TO ANY PROVISION OF THIS SECTION (9-01-001-0015), NOTICE OF A PUBLIC MEETING TO CONSIDER A PROPOSED CHANGE SHALL BE MAILED BY FIRST CLASS MAIL TO ANY PERSON WHO HAS REGISTERED WITH THE CITY CLERK'S OFFICE TO RECEIVE SUCH NOTICE, AT THE LAST KNOWN ADDRESS ON FILE WITH THE CITY CLERK'S OFFICE.

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 City Clerk is hereby authorized to correct typographical and grammatical errors, as well as errors of wording and punctuation, as necessary related to this ordinance as amended herein, and to make formatting changes needed for purposes of clarity and form, or consistency, within thirty (30) days following adoption by the City Council.

SECTION 6. Effective Date.

This ordinance shall become effective thirty (30) days following adoption by the City Council.

PASSED AND ADOPTED by the Council of the City of Flagstaff, this 2nd day of February, 2016.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

ATTACHMENT 1 - PRO FORMA

Basis Data:

Notes:

	Total (Est.)	Emp. Permits	Metered Spaces
Inventory of Pay-to-park Spaces:			
On-street			
North Downtown	392	0	392
Southside	223	0	223
Off-street			
Leroux Parking Lot	8	0	8
Beaver Street Parking Lot	22	10	12
Phoenix Avenue Lot	148	70	78
Total:	793	80	713
Inventory of Time-limited Spaces:			
Southside	154		
Inventory of Resident Parking Spaces:			
	Total (Est.)	Control Sought Percent	Count
Zone 1 - Southside	234	90%	211
Zone 2 - La Plaza Vieja	290	50%	145
Zone 3 - Townsite	928	25%	232
Zone 4 - North End	667	25%	167
Zone 5 - Cherry Hill			0
Zone 6 - Sawmill			0
Total:	2119		754
Total Spaces in Area:	3066		
Total Spaces under Management:			1701

2009 Parking Study Data

2009 Parking Study Data

2009 Parking Study Data

2009 Parking Study Data

2009 Parking Study Data

Guess (Control Sought -

Based on Expected Impacts)

2009 Parking Study Data - Less Above

(Rough - 7.25 Spaces per Block Face)

(Rough - 7.25 Spaces per Block Face)

(Rough - 7.25 Spaces per Block Face)

(Not a part, but Reserved)

(Not a part, but Reserved)

ATTACHMENT 1 - PRO FORMA

Income Projections:			Notes:
Guest Permit Income:			
Occupancy Rate:	5%		
Daily Cost:	\$5.00		Proposed
Annual Program Income:	\$68,834		
Employee Permit Income:			
Occupancy Rate:	90%		Guess (Based on Bldg Pro Forma)
Permit Cost:			
Daily	\$3.00		Proposed
Monthly	\$65		
Annually	\$780		
Annual Program Income:	\$56,160		
Meter Income:			
Occupancy Rate:	15%		2009 Parking Study Recommendation
Average Hourly Cost:	\$1.00		2009 Parking Study Recommendation
Annual Program Income:	\$936,882		
Total Annual Income:	\$1,061,876		

ATTACHMENT 1 - PRO FORMA

Start-up Expense Projections:

Notes:

	QTY	Unit Cost	
Capital Expenses:			
Residential Permit Parking Program:			
Signage:	104	\$1,250	\$130,060
Permits:	754	\$5	\$3,772
Temporary Curbs:			\$20,000
Total:			\$153,832
Employee Permit Parking Program:			
Signage:	18	\$1,250	\$22,500
Permits:	80	\$5	\$400
Total:			\$22,900
Time-limited Parking			
Signage:	21	\$1,250	\$26,552
Total:			\$26,552
Pay-to-park Kiosks			
Kiosks	88	\$9,000	Lease
Total:			\$0
Compliance Equipment:			
Cell Phones, Printers, Uniforms, Etc.:	6	\$1,500	\$9,000
Total:			\$9,000
Sub-total Capital Expenses:			\$212,284
First Year Operating Expenses:			
Compliance Staff:			
On-street Staff:	3	\$45,000	\$135,000
Total:			\$135,000
Sub-total First Year Operating Expenses:			\$135,000
Total Start-up Expenses:			\$347,284

ATTACHMENT 1 - PRO FORMA

Ongoing Expense Projections:

Notes:

Annual Expenses:

Compliance Staff:			
On-street Staff:	6	\$45,000	\$270,000
Management Staff:	1	\$65,000	\$65,000
Kiosk Purchase/Lease			
Payment:	12	\$10,000	\$120,000
Kiosk Internet Back-of-house	12	\$4,000	\$48,000
Maintenance:		2.50%	\$19,761
Program Capital Reserve:		10.00%	\$79,044.83
Total:			\$601,806

(1) per 300 Spaces
Currently (1) Existing FTE

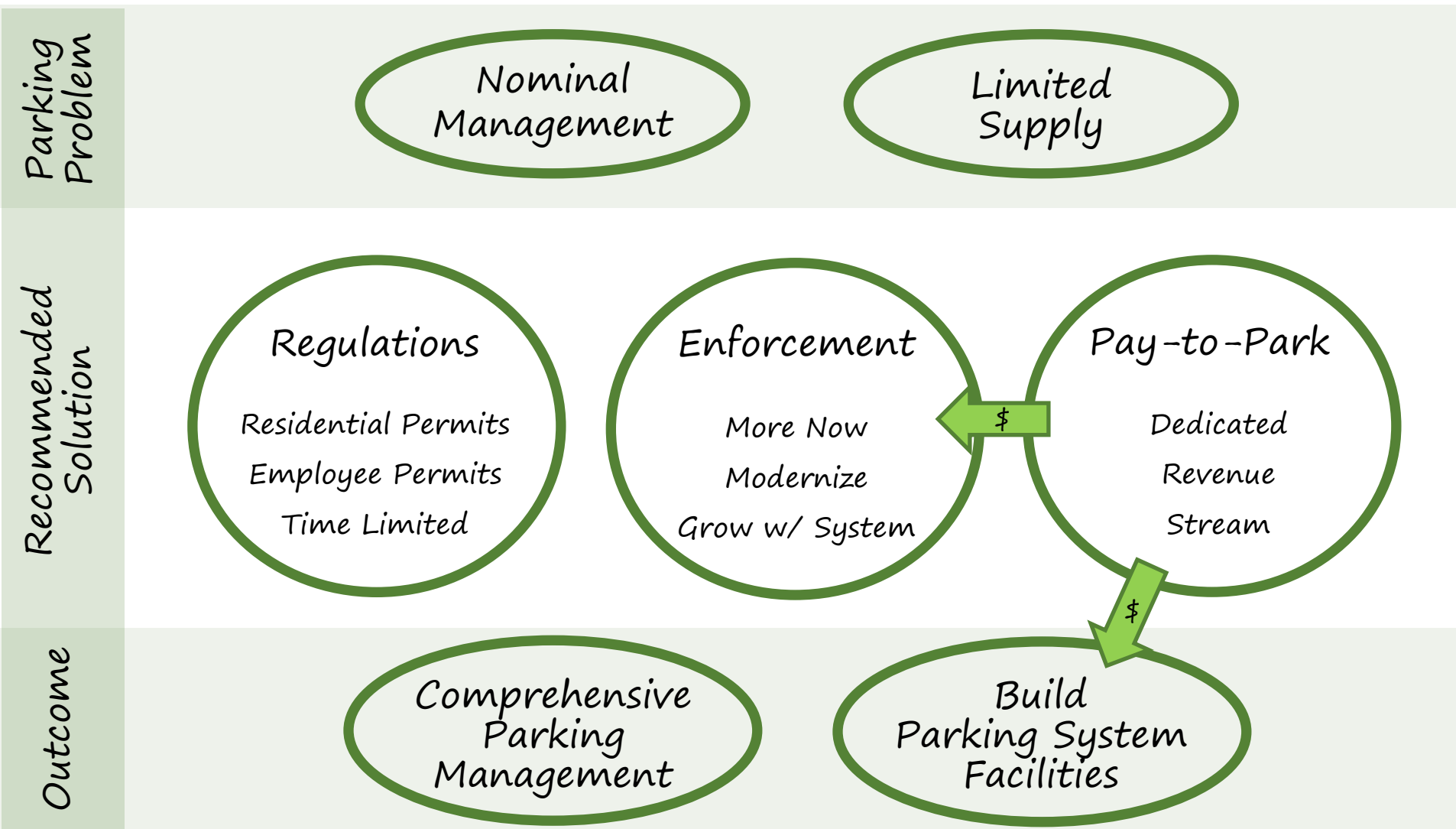
Available to Construct Parking:	\$460,070
--	------------------

ATTACHMENT 1 - PRO FORMA

Options:

Notes:

	Revised Numbers	Change
1. Omit Southside Meters:		
Total Start-up Expenses:	\$347,284	\$0
Annual Expenses:	\$533,372	-\$68,434
Annual Income:	\$768,854	-\$293,022
Available to Construct Parking:	\$235,483	-\$224,588
2. Meters on One Side of Street Only:		
Total Start-up Expenses:	\$347,284	\$0
Annual Expenses:	\$492,556	-\$109,250
Annual Income:	\$1,061,876	\$0
Available to Construct Parking:	\$569,320	\$109,250
3. Both Option 1 and 2:		
Total Start-up Expenses:	\$347,284	\$0
Annual Expenses:	\$458,186	-\$143,620
Annual Income:	\$768,854	-\$293,022
Available to Construct Parking:	\$310,669	-\$149,402



CITY OF FLAGSTAFF
STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Karl Eberhard, Comm Design & Redevelopment Mgr
Date: 01/13/2016
Meeting Date: 01/19/2016



TITLE:

Consideration and Adoption of Resolution No. 2016-01 - A resolution of the City Council of the City of Flagstaff, Arizona adopting the COMPREHENSIVE PARKING MANAGEMENT PROGRAM, NOVEMBER 2015 and declaring an effective date.

RECOMMENDED ACTION:

- 1) Read Resolution No. 2016-01 by title only
- 2) City Clerk reads Resolution No. 2016-01 by title only (if approved above)
- 3) Adopt Resolution No. 2016-01

Executive Summary:

Adoption of this resolution would adopt the Comprehensive Parking Management Program. If the City Council also modifies Title 9 of the City Code (Ordinance 2016-5), then City staff, working with the stakeholders, would begin implementation of the program including the development of Administrative Guidelines and initiating an educational outreach program designed to inform the general users of the new programs and requirements. Subject to budget approval, City staff would procure and install the program components, most immediately including pay-to-park kiosks, permits, signage, minor improvements to parking facilities, and acquiring additional employee parking. Again subject to budget approval, additional enforcement staff would be hired and in the near future, a parking Manager would be hired.

Financial Impact:

If the City Council also modifies Title 9 of the City Code (Ordinance 2016-5), and once all the program components are in place, the parking program is self-funding with an anticipated annual income of \$1,000,000 and anticipated annual expenses of \$600,000, leaving an annual balance of \$400,000 to be held in reserve for the construction of new parking facilities (all figures being approximate projections). The start-up costs are approximately \$350,000 which is proposed to be put forth by the City and re-paid from the parking income over the first two years of operations. None of these expenses are currently budgeted. However, if the Council adopts this ordinance and the Comprehensive Parking Management Program (Resolution 2016-1), the revenues and expenses will be expressed in the next City Budget (the process for which is just now getting started).

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) Foster relationships and maintain economic development commitment to partners

REGIONAL PLAN:

Addressed in the attached Memo prepared by the Comprehensive Planning Office.

Has There Been Previous Council Decision on This:

There have been several actions by the City Council related to parking and parking management over the last twenty-five years. These have included various code provisions for parking and parking meters, conditional adoption of a parking management plans, installation and removal of parking meters, and many more actions too numerous to list and not necessarily foundational to the decision currently before the City Council.

Most recently, in December of 2015, the City Council considered the draft Comprehensive Parking Management Program and considered concepts for this ordinance at a work session and provided not direction for changes.

Options and Alternatives:

- 1. Adopt Resolution No. 2016-01 and all attachments.
- 2. Amend Resolution No. 2016-01 and all attachments.
- 3. Do not adopt Resolution No. 2016-01 and all attachments.

Background/History:

Historically, three general areas in Flagstaff have experienced notable parking issues. The north Downtown area has experienced issues with parking shortages and parking turn-over. The North End neighborhood has experienced issues with spill-over parking from north Downtown. And, in recent years, the Southside has also experienced issues resulting from spill-over parking and due to the successful ongoing Southside redevelopment, new parking issues are emerging.

Discussions of addressing parking issues in north Downtown date back to the 1950s and five parking studies have been commissioned since the 1980s. In 2008 there was a partially successful effort to formulate a solution to the parking and other issues of downtown. However, that limited success was conditioned on resolving the remaining parts - notably including the development of more comprehensive solutions and achieving accord between, and buy-in from, all of the stakeholders. In addressing the unresolved parts, the follow-up work resulted in the formation of the Flagstaff Downtown Business Improvement and Revitalization District, however without addressing the parking issues. In 2011 there was an effort to solve some of the early renditions of parking issues in the Southside.

Certainly since 2008 the parking problems are well understood and agreed upon. Looking from the highest elevation, we need to manage our existing parking and we need to construct new parking facilities.

The impetus of the current consideration of our parking system is spill-over parking in the Southside, notably in the residential areas. Upon tackling this issue it quickly becomes clear that the issues and solutions are interconnected with the north Downtown and thus with the North End Neighborhood. And,

we can reasonably anticipate that solutions for these areas will impact other adjacent neighborhoods such as La Plaza Vieja and Townsite. Thus the current Comprehensive Parking Management Program is a holistic solution to the known and anticipated parking problems.

A distinguishing feature of the current effort relates back to the 2008 City Council direction - Not only are the parking issues addressed comprehensively, there is accord and buy-in from the stakeholders. While there may still be individuals that have concerns, the eleven stakeholder groups have all indicated support for the current approach. Each recognizes the need to address the parking issues now, the need to do so in a balanced way (compromise), and the need to start accumulating funds for constructing new parking facilities.

Detailed background information relative to the current effort is included in the Comprehensive Parking Management Program that would be adopted by this resolution and is not duplicated here for brevity.

Key Considerations:

There are numerous key considerations that the City Council would want to consider in adopting the Comprehensive Parking Management Program. It represents a significant departure from current policy and practice in a number of areas and ways.

The reader is referred to the attached Comprehensive Parking Management Program document, the "Background" section in particular, as it highlights many of the key considerations. And, staff has assembled a listing of some parking policies that are imbedded into the Comprehensive Parking Management Program. They are as follows:

1. **Our parking solution is comprehensive.** The parking needs are considered over the broad area experiencing (or expected to experience) parking issues and the unique solutions needed in each area are coordinated into a single balanced holistic plan.
 - a. **No stakeholder or stakeholder group has an advantage over another stakeholder or stakeholder group.** The parking plan is inclusive of all stakeholders and customers and balances needs and resources fairly.
 - b. **Streets are a public resource, and the public is a stakeholder.** Being inclusive and fair, and balancing needs and resources with the public is necessary.
 - c. **Management best practices, pro forma results, and logistics are a part of comprehensive planning.** This assures that the plan is not only viable, but also sustainable, and that long term goals can be achieved.
2. **Parking management is necessary.** More so when the parking supply is insufficient, parking is a limited resource and limited resources require management to allow for the efficient use of them, providing the maximum benefit for the most people.
3. **Our parking will be managed using availability, cost, demand reduction, regulations, and enforcement.** These are the major tools of parking management and all will be used.
 - a. **Increasing the parking supply is necessary.** With sufficient supply, in the right places, all parking customers can be accommodated.
 - b. **We will charge parking customers for parking.** Charging for parking (pay-to-park) serves to make space available for priority parking customers, reduces the public subsidy of parking, and funds the implementation of all of the other parking management tools.
 - c. **Changes in transportation choices is a desirable outcome.** To avoid parking management, or because facilities and services are provided for alternative transportation, people choosing alternate modes of transportation reduces parking demand.
 - d. **Investment in alternative transportation reduces the parking demand.** Funds would be used not only for automobile accommodation but also for pedestrian, bicycle, and transit services and facilities.
 - e. **Regulating and enforcing parking is necessary.** Short of having an excessive parking supply, without employing these tools, people will park where it's advantageous to them, and the system will not be used efficiently or fairly.

4. **Our parking system will be financially self-sufficient.** This policy has been previously provided as direction from the City Council.
- a. **The City will fund modest start-up costs, which will be re-paid over the first two years of operations.** This is proposed.
 - b. **Pay-to-park will be the primary ongoing funding mechanism.** For various reasons, ticket revenue, permit fees, and City subsidies are not available to fund the system and thus by process of elimination, pay-to-park is the primary funding mechanism.
 - c. **The parking program shall be implemented within a special revenue fund with monies restricted to parking operations and development.** This is proposed.
5. **The plan, our parking solution, will be implemented in phases.** In order to construct even minor new facilities, and certainly for significant new facilities, funds need to be saved from the net proceeds of pay-to-park revenues over operational costs.

Working with the stakeholders and coordinating with other City Divisions, the development of the details of the parking program would be performed by Economic Vitality staff (If the City Council also modifies Title 9 of the City Code (Ordinance 2016-5). This would include the development procedures, protocols, and requirements not specified in the Comprehensive Parking Management Program document but necessary or appropriate to implement and administer the program. As proposed, these detailed matters would not be brought before the City Council for approval, though an informational presentation is likely.

Expanded Financial Considerations:

Details of the financial implications are included in the Comprehensive Parking Management Program (attached) and thus are not duplicated here for brevity. Notably the pro forma information in the document is illustrative and it is anticipated that final numbers will differ from the illustrations. It is anticipated that the annual revenues will exceed the expenses and that these revenues would remain in the fund balance of the parking fund until sufficient for parking construction.

If the City Council adopts the Comprehensive Parking Management Program by adopting this resolution, the expenses will be included in the next City Budget through the budget process that is currently just getting started.

Community Benefits and Considerations:

Addressing the parking issues enhances the economic vitality of the north Downtown and for the commercial portions of Southside. It will also enhance the property values in the residential districts. Currently, unmanaged parking is negatively impacting these properties and having an active plan and effort that leads to constructing parking will further alleviate the negative impacts.

Managing our existing parking supply will allow us to use our resources more efficiently, ultimately reducing expenditures for constructing parking. Notably, an over-supply of parking is also harmful to the economic vitality of a community. The highest benefit is achieved through parking management.

Traditionally, the cost of public parking has been borne by the general tax payers of the City. If adopted, this program would establish that users will pay for the use of public parking spaces in high parking demand areas.

Community Involvement:

Consult
Involve
Collaborate
Empower

The Comprehensive Parking Management Program has been significantly vetted with the community in general but specifically balancing the desires and needs of eleven identified key stakeholder groups. The

stakeholders, users, and editor have variously worked on the development of this plan over the last eight years.

Attachments: Res. 2016-01
 Planning Memo

RESOLUTION NO. 2016-01

**A RESOLUTION OF THE CITY OF FLAGSTAFF, ARIZONA ADOPTING THE
COMPREHENSIVE PARKING MANAGEMENT PROGRAM, NOVEMBER 15**

RECITALS:

WHEREAS, the City has identified issues related to parking in the downtown area, the southside area, and areas surrounding downtown and southside; and

WHEREAS, the City of Flagstaff has an interest in managing parking within the downtown area, southside area and those areas surrounding downtown and southside in order to meet the needs of the community; and

WHEREAS, the City has created a Comprehensive Parking Management Program to manage and regulate parking within the downtown area, southside area and those areas surrounding downtown and southside, which will require amendments and additions to Title 9 of the Flagstaff City Code; and

WHEREAS, the City now desires to implement the Comprehensive Parking Management Program and authorize a Parking Manager to manage and regulate parking within the downtown area, southside area and those areas surrounding downtown and southside.

ENACTMENTS:

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

SECTION 1. That attached Exhibit A, the *COMPREHENSIVE PARKING MANAGEMENT PROGRAM, NOVEMBER 2015*, is hereby adopted.

SECTION 2 That City staff is hereby authorized to take the measures and actions as outlined in the *COMPREHENSIVE PARKING MANAGEMENT PROGRAM, NOVEMBER 2015* attached hereto which are necessary and appropriate to carry out the terms, provisions and intents of this Resolution.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 19th day of January, 2016.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

Exhibit A



City of Flagstaff

Comprehensive
Parking Management Program

Karl Eberhard, Community Design & Redevelopment Manager

With Parking Core Planning Team:

Josh Copley, City Manager
Jerene Watson, Deputy City Manager
Barbara Goodrich, Deputy City Manager
Heidi Hansen, Economic Vitality Director
Mark Landsiedel, Community Development Director
David McIntire, Community Investment Director
Daniel Folke, Planning Director
Rick Barrett, City Engineer
Sterling Solomon, Deputy City Attorney
Jeff Meilbeck, CEO & GM, NAIPTA
Terry Madeksza, FDBA
Richard Payne, NAU

November 2015

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Attachment 2 – Regional Plan Analysis	

BACKGROUND

Flagstaff desires a comprehensive public parking and parking management program that includes sufficient facilities, appropriate regulations, effective operational systems, necessary equipment, and a sustainable independent funding source. Facilities would include additional on-street parking, additional off-street parking, and a comprehensive way-finding signage program. In addition to parking facilities, multi-modal facilities such as park-n-ride lots and sufficient pedestrian, transit, and bicycle facilities are a part of the vision. Regulations would be in place to protect parking for residents and employees, to support turn-over in the commercial areas, and to promote multi-modal transportation options. At the same time, the regulations minimize negative impacts on patrons and visitors and do not discriminate against customers or types of customers, including students. The system would be operated and equipped to support the above goals in ways that are efficient and customer service oriented. This may include technological payment and enforcement tools, ambassadors, courtesy tickets, and possibly contract parking management. This comprehensive parking and management program is not subsidized.

Defining the Problem: The impetus of the current consideration of our parking system is spill-over parking in the Southside, notably in the residential areas. But in looking into this issue and talking with stakeholders, it becomes clear that the spill-over parking is also occurring in the Southside commercial areas, the Phoenix Avenue parking lot, and in certain areas north of the railroad tracks. Introducing parking management in the Southside would have a predictable impact of pushing the spill-over parking into other neighborhoods such as La Plaza Vieja, Townsite, and the North End. All of these potentially impacted areas are not currently managed by parking staff. The other area potentially impacted is the north Downtown, which besides (or perhaps because of) being short on parking spaces, already has a significant problem with parking turn-over. Notably, the extent of the potential new spill-over is unpredictable because it involves finding the geographic and programmatic extent of parking management that causes changes in parking and/or transportation behaviors.

Stakeholders and Customers: In defining the problem and then developing this recommended plan, outreach has included neighborhood groups such as the Southside Community Association and Good Neighbor Coalition, the North End Neighborhood, the La Plaza Vieja Neighborhood, the Townsite Neighborhood, the Flagstaff Downtown Business Improvement and Revitalization District (FDBIRD), and the Flagstaff Downtown Business Alliance (FDBA). Representatives of NAU, NAIPTA, and the Student Housing Working Groups also contributed. City Staff participation included representatives of the Economic Vitality Division, Police Division, Courts Division, Traffic Program, Streets Section, Legal Department, and the Planning and Development Services Section. This outreach, conducted via one-on-one meetings, presentations and discussions with organized groups, and open houses, identified residents, business patrons, visitors, employees, business and property owners, and students as customers of our parking system.

Core Tenets: In July of 2015, the City Council provided clear direction that the residents should not be required to pay for parking permits and that the system should be financially self-sufficient. From that starting point, a core parking planning group consisting of NAU, NAIPTA, and FDBA representatives, City staff, and the City Manager's Office established some core tenets for the development of the plan:

1. Parking is a public resource.
2. Limited resources require management.
3. People park where it's advantageous.
4. All parking is paid for ... by someone.
5. No one should have an advantage over another.

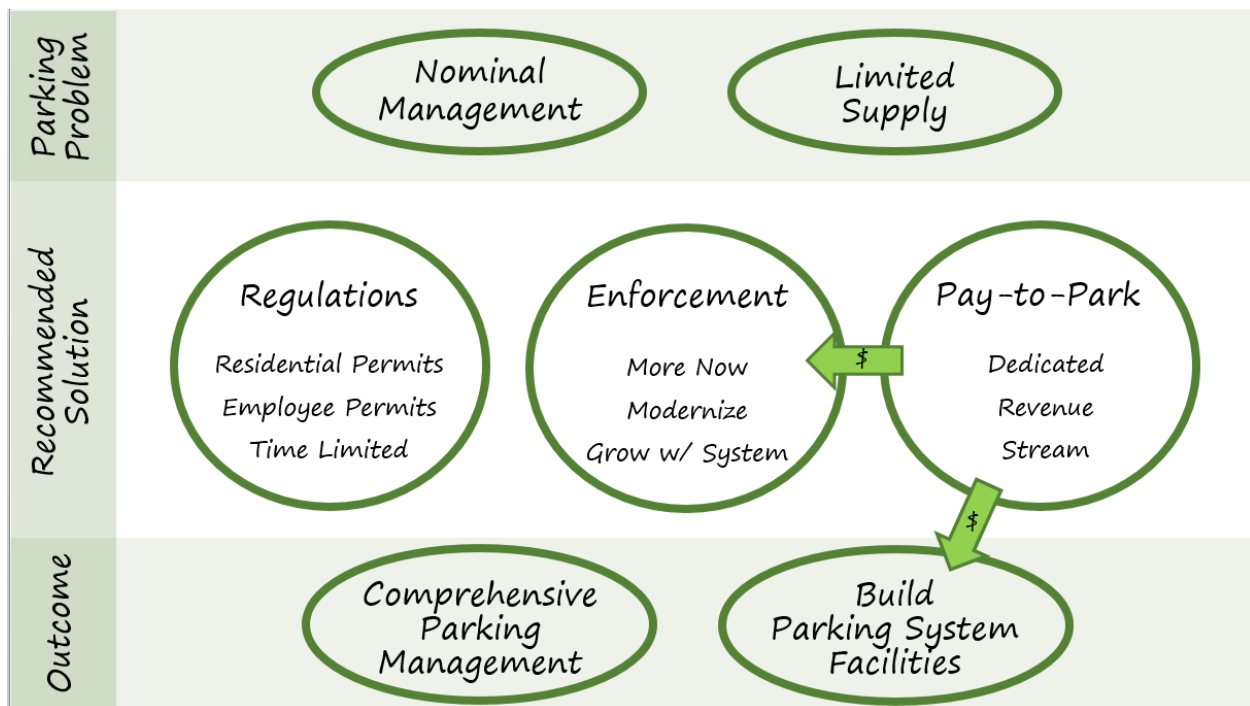
Mission: Based on the problems identified, stakeholder input, customer understanding, and core tenets, the parking planning group developed a mission statement as follows:

“Create a fair and balanced parking system providing the most benefit for all.”

Meeting Needs: Importantly, the group also recognized that while the needs of all stakeholders and customers can be considered and addressed in a comprehensive parking management plan, not all parking *desires* can be met – Inherently, some degree of inconvenience results from managing parking. Between the various categories of stakeholders, and even within the various stakeholder groups, perspectives on the necessary scope of parking management, the types of solutions, and potential implementation strategies, vary tremendously. The core planning group recognized that a plan guided by the mission, a balanced plan, would likely not meet all of the expectations of all individuals.

RECOMMENDED PROGRAM

The following graphic provides an at-a-glance overview of the recommended comprehensive parking management program:



Currently, the City of Flagstaff has several thousand parking spaces in the area north of the Northern Arizona University campus, and we currently manage about 400 spaces, only in north Downtown, about half of the time, and with one parking staff member. When this assessment was compared to the vision of sufficient facilities, appropriate regulations, effective operational systems, necessary equipment, and a sustainable independent funding source, the core planning group and stakeholders alike recognized that getting to the ultimate parking management program was going to require proceeding in steps, or phases. This becomes more apparent when the immediacy of addressing spill-over parking in the Southside is compared to the necessary actions to put the ultimate parking management program in place. As well, starting with a humble parking management system combined with the urgency of getting started, suggests that the first phases should be simple strategies that can be expanded and grown into the ultimate public parking management system.

The comprehensive plan thus has been divided into three basic phases. The following graphic provides an at-a-glance overview of the phases:

Comprehensive Parking Management	Phase 1	Phase 2	Future Phases
Facilities	Existing On-street Spaces Existing Parking Lots Add Signage / Markings Southside Temp. Curbs Private Lots (Wkd/Evg)	Temp. Employee Parking Way-finding Signage New On-street Spaces Southside Missing Curbs Stripe North End Spaces	New Parking Lots / Garages Ped/Bike/Transit Facilities Park-n-ride
Regulations	Residential Parking Permits Employee Parking Permits Time-limited Parking Pay-to-park Overnight Winter Parking	Adjust – Lessons Learned OOPS Tickets	Promote Alt. Modes Loading / Delivery
Operations	City Management Add Staff (2 FTE) Add Staff (1 per 300)	Parking Office or Explore Privatization	Add Maintenance Staff
Equipment	Pay-to-park Kiosks Hand-held Machines Boots	License Plate Readers	Support Vehicles
Funding	Seed Money - Start-up Permit Revenue Pay-to-park Kiosks		Residential Permit Revenue

PHASE 1

The first phase includes items that can be accomplished in the relative short-term and that lead into the following phases. It consists of four basic parts including a Residential Permit Parking Program, an Employee Permit Parking Program, additional Time-Limited Parking, and the installation of pay-to-park kiosks. Each of these parts is detailed (in outline format) in the following pages.

PHASE 1 - Part 1 - RESIDENTIAL PERMIT PARKING PROGRAM (On-street)

1. Areas Served – Citywide - On Block-by-block basis.
 - a. Property owner requested, by petition, 51% (Number of water meters)
 - b. Occupancy thresholds (need) required and tested by City
2. Program –
 - a. Property owner request specifies one of the following options:
 - i. Option 1 - Time limited parking in entire area served and permits exempt permit holder from time limit.
 - ii. Option 2 – Open parking ½ of each side of street, and resident only (permit required) on remainder of the street.
 - iii. Option 3 - Time limited parking ½ of each side of street, and resident only (permit required) on remainder of the street.
 - b. Permits:
 - i. One Free Property Owner Permit per water meter (Linked to vehicle)
 1. No residential / non-residential distinction
 2. No consideration of number of units
 3. No consideration of on-site parking
 - ii. Purchased Guest / Contractor Permit - Woosh! Service (Online and mobile payment)
 - c. Disabled Parking Provisions – Program to provide exempt parking where needed.
3. Capital Improvements –
 - a. Minor (Signage, Permits, and Curb Markings).

- b. Southside – Install temporary curbs where curbs are missing to prevent parking in front yards and to define legal on-street parking (Note that installing permanent curbs is proposed as a part of Phase 2).
- 4. Compliance (Enforcement) - Add one civilian PD staff at this time and add one civilian PD staff per every 300 spaces added to the program.
- 5. Financial Implications -
 - a. Expenses
 - i. Start-up - \$155,000
 - ii. First Year Operating - \$60,000
 - iii. Ongoing - \$267,000
 - b. Revenues - \$69,000

PHASE 1 - Part 2 - EMPLOYEE PERMIT PARKING PROGRAM (Off-street)

- 1. Areas Served –
 - a. Citywide - Off-street Public Parking Facilities
 - b. Initially:
 - i. Phoenix Avenue Parking Lot Only
 - ii. Remote On-street Metered Spaces
- 2. Program -
 - a. Pay-to-park (See Part 4) in entire area served.
 - b. Permits exempt permit holder from time limit.
 - c. Permits – Purchased, first come, first serve

3. Capital Improvements – Minor (Signage, Permits, and Curb Markings)
4. Compliance (Enforcement) - Add one civilian PD staff per every 300 spaces added to the program.
5. Financial Implications -
 - a. Expenses
 - i. Start-up - \$23,000
 - ii. First Year Operating - \$6,400
 - iii. Ongoing - \$28,000
 - b. Revenues - \$56,000

A Note on Employee Parking

Employees currently park on the street, either in the commercial areas or the surrounding residential areas. The Phoenix Avenue Parking Lot was built to accommodate employees but is typically filled with spill-over parking similar to that experienced in the rest of Southside.

While this plan (If adopted) would make employee parking in the commercial areas expensive, other free on-street parking would remain available, albeit less convenient. Notably, the plan would restore the availability of the Phoenix Avenue Parking Lot to employees and accommodate some additional employee parking in metered on-street spaces. In a short time frame, the revenue from the pay-to-park system will provide for acquiring, leasing, additional employee parking. Additional employee parking opportunities may include park-n-ride solutions in cooperation with the County and/or NAIPTA. As well, FDBIRD is eligible for deeply discounted Eco-passes from NAITPA to serve employees.

PHASE 1 - Part 3 – ADDITIONAL TIME-LIMITED PARKING AREA (On-street / No Permits)

1. Areas Served – Side streets: Beaver and SF Streets
2. Program
 - a. Time limited parking in entire area served.
 - b. Per neighborhood needs (Weekdays/Weekend nights)
3. Capital Improvements – Minor (Signage and curb markings)
4. Compliance (Enforcement) - Add one civilian PD staff at this time and add one civilian PD staff per every 300 spaces added to the program.
5. Financial Implications -
 - a. Expenses
 - i. Start-up - \$26,500
 - ii. First Year Operating - \$12,500
 - iii. Ongoing - \$44,000
 - b. Revenues - \$0

PHASE 1 - Part 4 – PAY-TO-PARK KIOSKS

1. Areas Served –

- a. FDBIRD (North Downtown)
- b. Southside (Beaver and SF Streets, and Franklin Avenue)
- c. Phoenix Avenue Lot

2. Program –

- a. Cost of parking varied by location, time of day, day of week, and special events.
- b. Woosh! Service (Online and mobile payment).

3. Capital Improvements –

- a. Minor (Signage and curb markings)
- b. Kiosk type meters
 - i. Small footprint, one per block face (two per block), solar/battery power
 - ii. Pay by Plate
 - iii. Payment
 - 1. Card, Online, Mobile, and Merchant Coupons
 - 2. *Cashless* – No bills, no coins
 - 3. Networked – Pay anywhere
 - iv. Messaging (Instructions, Events, Closures, etc.)
 - v. Multi-lingual
 - vi. System changes and expansions, including courtesy tickets
- c. Internet Back-of-house - Collections

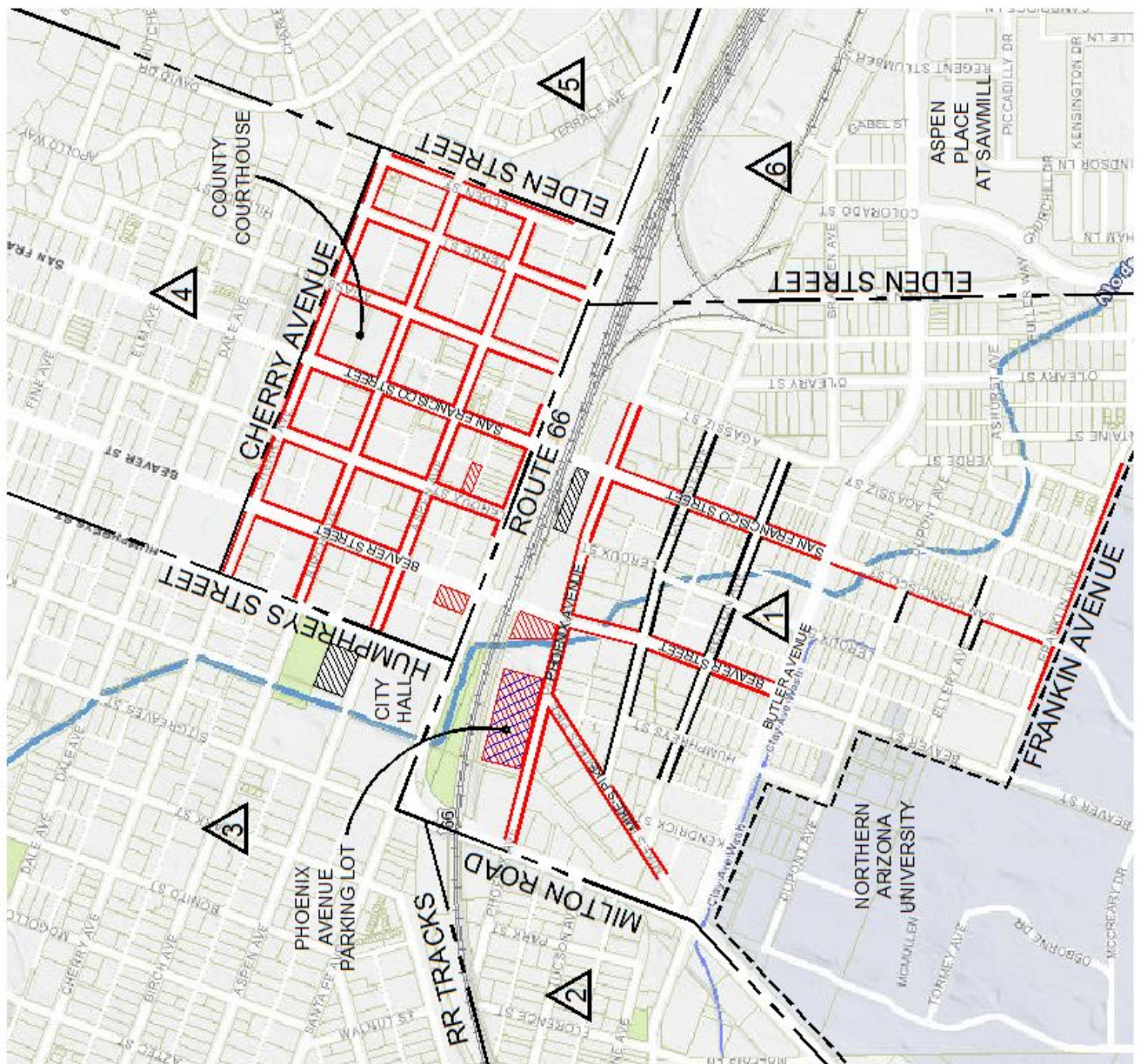
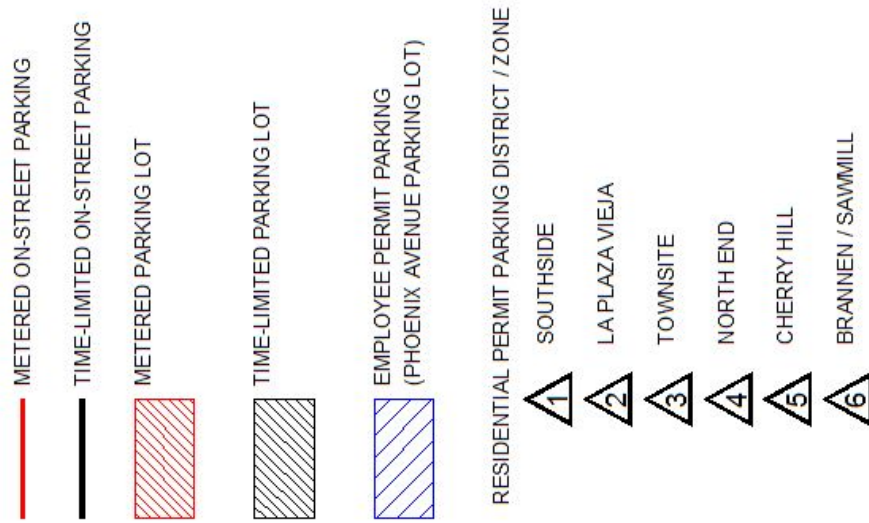
4. Compliance (Enforcement) – Existing and new (included above) staff

5. Financial Implications -

a. Expenses

- i. Start-up - \$0 (Lease-to-own)
- ii. First Year Operating - \$57,000
- iii. Ongoing - \$252,000

b. Revenues - \$937,000



PHASE 1 – IMPLEMENTATION

Upon City Council direction to proceed, staff anticipates a three step implementation process with some portions being put in place in as little as three months and other portions taking as long as a year.

During this time, the public outreach process will continue. Outreach to date has included neighborhood and stakeholder groups and focused on overall concerns, ideas for solutions, and seeking general consensus on the concept plan described herein. Moving forward we will still continue to seek neighborhood and stakeholder group input on the details, but a major focus of this outreach will be customer oriented. Residents, business patrons, visitors, employees, business and property owners, and students will need to be informed of the coming implementation of the new parking policy and the details that they will need to know in order to effectively utilize the new parking opportunities.

The three anticipated implementation steps are as follows:

1. *Final Details and Procedures.* First, working with the various stakeholders, staff will document detailed and final regulations and procedures related to program and permit mechanics, petitions, cost of permits, and similar intricate matters. As previously presented, these will have an overall theme of simplicity and low-cost implementation. This work will be finalized in conjunction with the City Attorney's Office to determine the best format and mechanisms for implementation. Some items do not require ordinances while others require codification. In that case, appropriate ordinances would be brought back to the City Council for consideration.

Depending mostly on the codification needs, this step may take three to six months.

2. *Permit Parking and Time-limited Parking.* With the final details and procedures developed, implementing the Residential Permit Parking Program, the Employee Permit Parking Program, and the additional Time-Limited Parking areas will proceed quickly. Knowing that blocks will have to organize and complete petitions, and also anticipating an initial "rush" of requests for residential parking control, Residential Permit Parking Program may take three or more months. The Employee Permit Parking Program and additional Time-Limited Parking portions will take less than a month after documenting the program details.

And, once pay-to-park kiosks are installed, we should anticipate a shift in parking habits that are likely to expand spill-over parking into surrounding areas. We should therefore anticipate a second “rush” of requests for residential parking control.

3. Pay-to-park Kiosks. The process of installing pay-to-park kiosks will start immediately but will require more time to implement. It involves determining the exact installation locations of approximately ninety meters based on sidewalks space, the direction of travel of parkers, solar access and many other factors. The manufacturer will assist us with this work. The City can, with City Council support, lease these units based on a national purchasing agreement. While this will greatly speed up the procurement process, there are still various time-consuming needs associated with the purchase. And, the installation of meters, specifically the locations, requires City Council approval. We anticipate that this step will take six to twelve months.

Phase one, described above, implements parking policies and practices that can be readily achieved and at relatively lesser cost. The following phases would address items that have a higher cost and require the funding generated by implementing phase one. Phase two addresses follow-up items, lesser capital investments, and a re-evaluation of the management structure. Phase three addresses significant capital investments that will require years of saving the necessary funding.

PHASE 2

The first part of the second phase includes matters of follow up after implementing the first phase. Phase one includes some fundamental changes to our parking system and policies and that being the case, we anticipate that there may be lessons learned and a need of minor adjustments accordingly. These may be as minor as changing the permit design, adding staff, or adding cash acceptance to the pay-to-park kiosks. We may also find that accelerating items planned for later phases is appropriate. We believe that significant changes will not be necessary as the issues have been thoroughly considered, but such a need is not impossible.

The second part of this phase includes items of notable capital investment that require funding, budgeting, planning, and procurement. These include installing missing curbs and other features of the street in areas like the Southside where there are a number of streets that need this attention. This part would include the development and installation of a comprehensive way-finding signage program that instructs patrons and visitors as to where and how to park in the commercial areas. Less costly, there remain opportunities to add parking spaces by re-striping streets, some of which have transportation impacts. In the second phase, the development of additional employee parking would be a priority.

We believe that phase one can be implemented using our existing management structure and staff. However, very soon the management of the parking will grow including such things as customer service associated with the pay-to-park kiosks, potentially extensive residential parking controls, and planning large capital projects such as parking facilities. And as the system grows, considering the creation of a separate “parking office” will be an appropriate discussion as a part of phase two. If the City Council so desires, we can also discuss out-sourcing the parking operations.

PHASE 3

The third phase is a future phase, or several phases, that include building larger capital investments such as parking lots and/or garages, designing and installing multi-modal facilities, and technological upgrades such as license plate readers.

THE ROLE OF THE PAY-TO-PARK STRATEGY

The pay-to-park strategy immediately serves at least four roles.

1. *Changes Behavior.* If parking controls are introduced only in the Southside, we anticipate that the spill-over parking occurring there will migrate to the surrounding areas. In that case, the problem is only relocated and changes to parking and/or transportation behaviors do not occur.
2. *Pays for Itself.* The income derived from the pay-to-park system can fund the start-up and operations of the program. This includes the costs of operating the pay-to-park system and the residential and employee permit parking programs. A key to the successful management of parking is enforcement and as described herein, this parking management plan, if implemented, would increase our enforcement efforts from one staff member covering roughly four hundred parking spaces to six staff members covering roughly seventeen hundred parking spaces.
3. *Generates Revenue to Build Facilities.* Solving the long-term parking issue requires the addition of new parking facilities. Although some needs are as simple, such as completing the installation of missing curbs in the Southside, others are ambitious, such as building new parking structures. The pay-to-park system as described herein produces revenue that is proposed to be used for that purpose (Phase 3).
4. *Creates Capacity.* In the short-term, charging for parking will create turn-over of parking spaces, thus increasing the availability of existing parking inventory. And, by passing some of those costs on to the direct beneficiary, such as we do when we charge passengers \$1.25 to ride the City bus, we are using quasi – market mechanisms to provide and manage public services. Reducing the parking subsidy¹ puts other modes such as bicycle, walking and transit on a more level and more honest playing field with the private automobile. This approach will also move people to other modes and further increase the availability of existing parking inventory.

¹ 1. As established, parking is not free: Parking has a cost and parking has a value. Someone pays for it and someone benefits from it.

Notably, all stakeholders seem to agree that it is important to formally dedicate the revenues to parking management (including operations), parking development, and alternative transportation and to prohibit their use for other purposes. A portion of the dedicated funds being further dedicated solely to the construction of parking in north Downtown is also desired.

OTHER STAKEHOLDER INPUT

This plan was developed with considerable public outreach and input from no less than eleven diverse stakeholder groups and with a variety of customers in mind. Most input received was incorporated into the plan and is not otherwise addressed in the plan document.

While they have been considered and conceptualized, for brevity and clarity, most procedural details have not been documented at this time. With City Council direction to proceed, the operational details will be further developed and finalized prior to implementation. Many of these details are important for success. For example, the northern part of Southside needs controls at different times of day and different days of the week than needed in the southern part. Also, consideration needs to be given to special circumstances such as the disabled or the elderly if resident parking occurs on only one side of street.

ATTACHMENT 1 - PRO FORMA

Basis Data:				Notes:
	Total (Est.)	Emp. Permits	Metered Spaces	
Inventory of Pay-to-park Spaces:				
On-street				
North Downtown	392	0	392	2009 Parking Study Data
Southside	223	0	223	2009 Parking Study Data
Off-street				
Leroux Parking Lot	8	0	8	2009 Parking Study Data
Beaver Street Parking Lot	22	10	12	2009 Parking Study Data
Phoenix Avenue Lot	148	70	78	2009 Parking Study Data
Total:	793	80	713	
Inventory of Time-limited Spaces:				
Southside	154			
Inventory of Resident Parking Spaces:				
	Total (Est.)	Control Sought Percent	Count	
Zone 1 - Southside	234	90%	211	Guess (Control Sought - Based on Expected Impacts) 2009 Parking Study Data - Less Above (Rough - 7.25 Spaces per Block Face) (Rough - 7.25 Spaces per Block Face) (Rough - 7.25 Spaces per Block Face) (Not a part, but Reserved) (Not a part, but Reserved)
Zone 2 - La Plaza Vieja	290	50%	145	
Zone 3 - Townsite	928	25%	232	
Zone 4 - North End	667	25%	167	
Zone 5 - Cherry Hill			0	
Zone 6 - Sawmill			0	
Total:	2119		754	
Total Spaces in Area:	3066			
Total Spaces under Management:			1701	

ATTACHMENT 1 - PRO FORMA

Income Projections:		Notes:
Guest Permit Income:		
Occupancy Rate:	5%	Proposed
Daily Cost:	\$5.00	
Annual Program Income:	\$68,834	
Employee Permit Income:		
Occupancy Rate:	90%	Guess (Based on Bldg Pro Forma)
Permit Cost:		Proposed
Daily	\$3.00	
Monthly	\$65	
Annually	\$780	
Annual Program Income:	\$56,160	
Meter Income:		
Occupancy Rate:	15%	2009 Parking Study Recommendation
Average Hourly Cost:	\$1.00	2009 Parking Study Recommendation
Annual Program Income:	\$936,882	
Total Annual Income:	\$1,061,876	

ATTACHMENT 1 - PRO FORMA

Start-up Expense Projections:				Notes:
	QTY	Unit Cost		
Capital Expenses:				
Residential Permit Parking Program:				
Signage:	104	\$1,250	\$130,060	per Block Face
Permits:	754	\$5	\$3,772	Each
Temporary Curbs:			\$20,000	
Total:			\$153,832	
Employee Permit Parking Program:				
Signage:	18	\$1,250	\$22,500	per Block Face
Permits:	80	\$5	\$400	Each
Total:			\$22,900	
Time-limited Parking				
Signage:	21	\$1,250	\$26,552	per Block Face
Total:			\$26,552	
Pay-to-park Kiosks				
Kiosks	88	\$9,000	Lease	per Block Face plus (3) for Parking Lot
Total:			\$0	
Compliance Equipment:				
Cell Phones, Printers, Uniforms, Etc.:	6	\$1,500	\$9,000	(1) per 300 Spaces
Total:			\$9,000	
Sub-total Capital Expenses:			\$212,284	
First Year Operating Expenses:				
Compliance Staff:				
On-street Staff:	3	\$45,000	\$135,000	Currently (1) Existing FTE
Total:			\$135,000	
Sub-total First Year Operating Expenses:			\$135,000	
Total Start-up Expenses:			\$347,284	

ATTACHMENT 1 - PRO FORMA

Ongoing Expense Projections:

Notes:

Annual Expenses:

Compliance Staff:

On-street Staff: 6 \$45,000 \$270,000

Management Staff: 1 \$65,000 \$65,000

Kiosk Purchase/Lease

Payment: 12 \$10,000 \$120,000

Kiosk Internet Back-of-house 12 \$4,000 \$48,000

Maintenance: 2.50% \$19,761

Program Capital Reserve: 10.00% \$79,044.83

Total: \$601,806

Available to Construct Parking:

\$460,070

(1) per 300 Spaces
Currently (1) Existing FTE

ATTACHMENT 1 - PRO FORMA

Options:

Notes:

	Revised Numbers	Change
1. Omit Southside Meters:		
Total Start-up Expenses:	\$347,284	\$0
Annual Expenses:	\$533,372	-\$68,434
Annual Income:	\$768,854	-\$293,022
Available to Construct Parking:	\$235,483	-\$224,588
2. Meters on One Side of Street Only:		
Total Start-up Expenses:	\$347,284	\$0
Annual Expenses:	\$492,556	-\$109,250
Annual Income:	\$1,061,876	\$0
Available to Construct Parking:	\$569,320	\$109,250
3. Both Option 1 and 2:		
Total Start-up Expenses:	\$347,284	\$0
Annual Expenses:	\$458,186	-\$143,620
Annual Income:	\$768,854	-\$293,022
Available to Construct Parking:	\$310,669	-\$149,402



COMMUNITY DEVELOPMENT

MEMORANDUM

Date: November 12, 2015

To: Karl Eberhard, Community Design and Redevelopment Manager

From: Sara Dechter, AICP, Comprehensive Planning Manager

Subject: Regional Plan Analysis of the Proposed Comprehensive Parking Management Program

The Community Investment staff is proposing a Comprehensive Parking Management Program for the Southside and surrounding residential and commercial areas that has goals of sufficient facilities, appropriate regulations, effective operational systems, necessary equipment and a sustainable independent funding source. The Flagstaff Regional Plan 2030 (Regional Plan) calls for a downtown parking strategy in Policy 12.2 and a residential parking permit system in Policy 12.11. The proposed strategy attempts to balance and reconcile the needs of the community in achieving both of these policies.

Origins of parking policies in the Regional Plan: The availability of parking was a frequent topic in the discussions that led up to the Public Hearings for the Regional Plan. In the first public hearing draft only Policy LU.12.2, 12.3 and 12.6, and T.3.4 were included that directly related to parking. Then Vice-Mayor Evans noted the lack of policies related to parking issues impacting the urban residential areas and the item was added to the list of possible changes to be considered as part of the Council retreat about the Regional Plan. Policy LU.12.11 was created at that meeting and made available for public review on December 17, 2013. The policy was part of public comment at the adoption hearing, and the City Council added a phrase about

“considering the needs of residents, public events and enterprises in and around the impacted areas” as a result.

Regional Plan Consistency Analysis: The Comprehensive Parking Management Program, as proposed, is consistent with the five main parking policies of the Regional Plan (LU.12.2, 12.3, 12.6, and 12.11 and T.3.4). It addresses the elements of on and off-street parking, public lots and garages, shared parking lots for employees working downtown, and increases enforcement. Balancing all the needs of the residents, events and businesses in this area is not a task with a “right” answer. There are many ways the goals could be achieved that would be consistent with the regional plan. The task of determining consistency is based on the balance of interests between the general public (who absorbs some of the costs), the residents (who want to maintain their neighborhood character and quality of life), the businesses (that want to grow and provide employment), and the events (that generate tourism and support a vibrant downtown). In addition, the strategy of using public funding to initiate a self-sufficient funding mechanism is in line with the reinvestment goals (LU.1).

On-street parking is a part of Complete Streets design principles (T.1.2) because it creates a transition from the pedestrian environment and the road. It is an essential element of urban commercial districts and neighborhoods (T.1.3). An example of how this works is the parking on the north side of route 66. Without the row of on street parking, the speed and volume of traffic on route 66 would negatively impact the comfort of pedestrians and the foot traffic to businesses along that route. Parking is part of the public right of way that serves multiple community purposes. As a public facility, Goal PF.2 is an important consideration in the strategy's plan consistency. The phasing of the program and the period of adaptive management is intended to ensure that the system is working towards sustainable and equitable use of public facilities that are efficient and effective. It will also give staff a chance to evaluate how the system is serving all populations equitably. Some of the alternative strategies proposed but not carried forward failed this test of Plan consistency, because they disproportionately favored one interest group over others in allocation of a public resource.

Promoting multimodal transportation is about moving people rather than vehicles. It is about creating a balanced, multimodal, regional transportation system (T.1.1) that makes the best use of existing infrastructure (T.1.7), with convenient transfer from one mode to another (T.1.4), promotes environmental sensibility (T.3), safety (T.2), economic development, and enhances quality of life for all users (T.4). It isn't about the supply of parking but rather the way that the existing parking supply is managed. Parking is not free, the city or owning entity has to pay for parking to be built, maintained, and managed. One parking space in a parking garage averages \$30,000 – that's more than the cost of a fully built out bus shelter. A single bus shelter can serve dozens if not hundreds of patrons in a single day and a reserved parking space can only

serve one. Allowing one group (be it the general public, residents, businesses, or events) an unlimited use of the public asset while prohibiting other groups from using that same asset does not create an environment that supports multimodal transportation and it creates costs that limit funding for multimodal projects.

Parking is not explicitly addressed as an element of the Neighborhood, Housing and Urban Conservation goals and policies. However, the proposed parking strategy supports the preservation of neighborhood character in that it increases enforcement, which can preserve the character of streets and neighborhoods. One of the problems currently seen in neighborhoods, especially streets without curb, gutter, and sidewalks, is cars parking beyond the right of way in ways that impact pedestrian and bicycle access and damage private property. A residential parking permit program would also allow residents the ability to have exceptions to the 2 hour parking limits. The strategy gives property owners a fair and public process to petition the City for involvement in the program but also the freedom to not participate. This empowers the neighborhood residents and property owners to determine needs in a manner consistent with their values and quality of life in a way that a threshold-based program could not.

In summary, I have found that the proposed Comprehensive Parking Management Program is consistent with the Flagstaff Regional Plan 2030 goals and policies. It is consistent with or helps to implement policies in the Growth and Land Use, Transportation and Public Facilities chapters and there are no policies with which it conflicts.

Regional Plan Goals and Policies Cited in this Memo

Goal LU.1. Invest in existing neighborhoods and activity centers for the purpose of developing complete, and connected places.

Goal LU.12. Accommodate pedestrians, bicyclists, transit riders, and private cars to supplement downtown's status as the best-served and most accessible location in the region.

Policy LU.12.2. Create a downtown parking strategy plan that continues to utilize and improve upon on-street parking, public parking lots and garages, and shared private parking spaces, with clear signage for wayfinding and to inform the public of all parking options.

Policy LU.12.3. Locate public and private parking facilities, lots, and garages carefully, screening parking from streets, squares, and plazas.

Policy LU.12.6. Revise parking regulations to encourage shared parking between various uses within existing structures.

Policy LU.12.11. Develop a residential parking program to address the impacts of on-street parking on public streets in the downtown and surrounding areas, while considering the needs of residents, public events, and enterprises in and around the impacted areas.

Policy T.1.1. Integrate a balanced, multimodal, regional transportation system.

Policy T.1.2. Apply Complete Street Guidelines to accommodate all appropriate modes of travel in transportation improvement projects.

Policy T.1.3. Transportation systems are consistent with the place type and needs of people.

Policy T.1.4. Provide a continuous transportation system with convenient transfer from one mode to another.

Policy T.1.7. Coordinate transportation and other public infrastructure investments efficiently to achieve land use and economic goals.

Goal T.2. Improve transportation safety and efficiency for all modes.

Goal T.3. Provide transportation infrastructure that is conducive to conservation, preservation, and development goals to avoid, minimize, or mitigate impacts on the natural and built environment.

Policy T.3.4. Actively manage parking, including cost and supply, to support land use, transportation, and economic development goals.

Goal T.4. Promote transportation infrastructure and services that enhance the quality of life of the communities within the region.

Goal PF.2. Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics.



COMMUNITY DEVELOPMENT

MEMORANDUM

Date: November 12, 2015

To: Karl Eberhard, Community Design and Redevelopment Manager
From: Sara Dechter, AICP, Comprehensive Planning Manager

Subject: Regional Plan Analysis of the Proposed Comprehensive
Parking Management Program

The Community Investment staff is proposing a Comprehensive Parking Management Program for the Southside and surrounding residential and commercial areas that has goals of sufficient facilities, appropriate regulations, effective operational systems, necessary equipment and a sustainable independent funding source. The Flagstaff Regional Plan 2030 (Regional Plan) calls for a downtown parking strategy in Policy 12.2 and a residential parking permit system in Policy 12.11. The proposed strategy attempts to balance and reconcile the needs of the community in achieving both of these policies.

Origins of parking policies in the Regional Plan: The availability of parking was a frequent topic in the discussions that led up to the Public Hearings for the Regional Plan. In the first public hearing draft only Policy LU.12.2, 12.3 and 12.6, and T.3.4 were included that directly related to parking. Then Vice-Mayor Evans noted the lack of policies related to parking issues impacting the urban residential areas and the item was added to the list of possible changes to be considered as part of the Council retreat about the Regional Plan. Policy LU.12.11 was created at that meeting and made available for public review on December 17, 2013. The policy was part of public comment at the adoption hearing, and the City Council added a phrase about "considering the needs of residents, public events and enterprises in and around the impacted areas" as a result.

Regional Plan Consistency Analysis: The Comprehensive Parking Management Program, as proposed, is consistent with the five main parking

policies of the Regional Plan (LU.12.2, 12.3, 12.6, and 12.11 and T.3.4). It addresses the elements of on and off-street parking, public lots and garages, shared parking lots for employees working downtown, and increases enforcement. Balancing all the needs of the residents, events and businesses in this area is not a task with a “right” answer. There are many ways the goals could be achieved that would be consistent with the regional plan. The task of determining consistency is based on the balance of interests between the general public (who absorbs some of the costs), the residents (who want to maintain their neighborhood character and quality of life), the businesses (that want to grow and provide employment), and the events (that generate tourism and support a vibrant downtown). In addition, the strategy of using public funding to initiate a self-sufficient funding mechanism is in line with the reinvestment goals (LU.1).

On-street parking is a part of Complete Streets design principles (T.1.2) because it creates a transition from the pedestrian environment and the road. It is an essential element of urban commercial districts and neighborhoods (T.1.3). An example of how this works is the parking on the north side of route 66. Without the row of on street parking, the speed and volume of traffic on route 66 would negatively impact the comfort of pedestrians and the foot traffic to businesses along that route. Parking is part of the public right of way that serves multiple community purposes. As a public facility, Goal PF.2 is an important consideration in the strategy’s plan consistency. The phasing of the program and the period of adaptive management is intended to ensure that the system is working towards sustainable and equitable use of public facilities that are efficient and effective. It will also give staff a chance to evaluate how the system is serving all populations equitably. Some of the alternative strategies proposed but not carried forward failed this test of Plan consistency, because they disproportionately favored one interest group over others in allocation of a public resource.

Promoting multimodal transportation is about moving people rather than vehicles. It is about creating a balanced, multimodal, regional transportation system (T.1.1) that makes the best use of existing infrastructure (T.1.7), with convenient transfer from one mode to another (T.1.4), promotes environmental sensibility (T.3), safety (T.2), economic development, and enhances quality of life for all users (T.4). It isn’t about the supply of parking but rather the way that the existing parking supply is managed. Parking is not free, the city or owning entity has to pay for parking to be built, maintained, and managed. One parking space in a parking garage averages \$30,000 – that’s more than the cost of a fully built out bus shelter. A single bus shelter can serve dozens if not hundreds of patrons in a single day and a reserved parking space can only serve one. Allowing one group (be it the general public, residents, businesses, or events) an unlimited use of the public asset while prohibiting other groups from using that same asset does not create an environment that supports multimodal transportation and it creates costs that limit funding for multimodal projects.

Parking is not explicitly addressed as an element of the Neighborhood, Housing and Urban Conservation goals and policies. However, the proposed parking strategy supports the preservation of neighborhood character in that it increases enforcement, which can preserve the character of streets and neighborhoods. One of the problems currently seen in neighborhoods, especially streets without curb, gutter, and sidewalks, is cars parking beyond the right of way in ways that impact pedestrian and bicycle access and damage private property. A residential parking permit program would also allow residents the ability to have exceptions to the 2 hour parking limits. The strategy gives property owners a fair and public process to petition the City for involvement in the program but also the freedom to not participate. This empowers the neighborhood residents and property owners to determine needs in a manner consistent with their values and quality of life in a way that a threshold-based program could not.

In summary, I have found that the proposed Comprehensive Parking Management Program is consistent with the Flagstaff Regional Plan 2030 goals and policies. It is consistent with or helps to implement policies in the Growth and Land Use, Transportation and Public Facilities chapters and there are no policies with which it conflicts.

Regional Plan Goals and Policies Cited in this Memo

Goal LU.1. Invest in existing neighborhoods and activity centers for the purpose of developing complete, and connected places.

Goal LU.12. Accommodate pedestrians, bicyclists, transit riders, and private cars to supplement downtown's status as the best-served and most accessible location in the region.

Policy LU.12.2. Create a downtown parking strategy plan that continues to utilize and improve upon on-street parking, public parking lots and garages, and shared private parking spaces, with clear signage for wayfinding and to inform the public of all parking options.

Policy LU.12.3. Locate public and private parking facilities, lots, and garages carefully, screening parking from streets, squares, and plazas.

Policy LU.12.6. Revise parking regulations to encourage shared parking between various uses within existing structures.

Policy LU.12.11. Develop a residential parking program to address the impacts of on-street parking on public streets in the downtown and surrounding areas, while considering the needs of residents, public events, and enterprises in and around the impacted areas.

Policy T.1.1. Integrate a balanced, multimodal, regional transportation system.

Policy T.1.2. Apply Complete Street Guidelines to accommodate all appropriate modes of travel in transportation improvement projects.

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Goal T.4. Promote transportation infrastructure and services that enhance the quality of life of the communities within the region.

Goal PF.2. Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics.

CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: McKenzie Jones, Sustainability Specialist
Date: 01/13/2016
Meeting Date: 01/19/2016



TITLE:

Consideration and Adoption of Ordinance No. 2015-17: An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, by deleting Chapter 6-03, *Animals*, in its entirety and adopting revised Chapter 6-03, *Animal Keeping*; providing for severability, authority for clerical corrections, and establishing an effective date. (***Animal Keeping Code***)

RECOMMENDED ACTION:

At the January 19, 2016, Council Meeting:

- 1) Read Ordinance No. 2015-17 by title only for the first time
- 2) City Clerk reads Ordinance No. 2015-17 by title only (if approved above)

At the February 2, 2016, Council Meeting:

- 3) Read Ordinance No. 2015-17 by title only for the final time
- 4) City Clerk reads Ordinance No. 2015-17 by title only (if approved above)
- 5) Adopt Ordinance No. 2015-17

Executive Summary:

For many city residents, raising animals for food, fiber, and labor is the most affordable way to obtain nutritious, locally grown food. The recession has highlighted the need for policies that reduce pressures on residents, especially those who may supplement grocery bills by raising or growing their own food supply. Urban agriculture is an effective way to achieve this goal. The proposed changes to the City's livestock animal keeping regulations diminish obstacles to self-sufficiency while strengthening restrictions on noise, runoff, and smells associated with keeping livestock animals. The purpose of these changes is to clarify the existing code and modify it to meet the community's needs. Specific options related to miniature pigs, small animal slaughter, and bee keeping certification are provided for Council review in sections 6-03-001-0001, 6-03-001-0003A.12, and 6-03-001-0004F.

Financial Impact:

There are no financial implications to adopting ordinance 2015-17.

Connection to Council Goal and/or Regional Plan:

COUNCIL GOALS:

10) Decrease the number of working poor.

REGIONAL PLAN:

Goal E&C.2. Reduce greenhouse gas emissions.

Goal E&C.3. Strengthen community and natural environment resiliency efforts through climate adaptation efforts.

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

Goal LU.3. Continue to enhance the region's unique sense of place within the urban, suburban, and rural context.

Policy LU.3.5. Allow and encourage urban agriculture.

Has There Been Previous Council Decision on This:

No.

Options and Alternatives:

Option A: Adopt Ordinance 2015-17 as submitted and authorize changes to the City of Flagstaff's livestock animal keeping regulations.

Option B: Recommend changes to Ordinance 2015-17.

Option C: Not adopt Ordinance 2015-17 and leave the existing code as is.

Background/History:

Throughout the Regional Plan and Zoning Code revision processes, City staff received feedback that residents feel the existing animal keeping regulations are unclear and too restrictive. The current code does not provide clear guidance about the number or type of animals allowed in the city. Additionally, it requires that individuals keeping livestock animals obtain approval from the Chief of Police. In response to these issues, staff drafted proposed edits to the animal keeping regulations.

Key Considerations:

The purpose of these changes is to clarify the existing code and modify it to meet the community's needs.

Expanded Financial Considerations:

There are no financial implications to adopting ordinance 2015-17.

Community Benefits and Considerations:

Many city residents, raising animals for food, fiber, and labor is the most affordable way to obtain nutritious, locally grown food. Keeping livestock animals and bees can provide a host of benefits to the individual and community. For example, five laying hens, each of which will lay 250 to 280 eggs per year, can provide enough eggs to satisfy a family of five's annual egg consumption. In addition, five chickens can eat the kitchen waste of a family of four, decreasing 1,900 pounds of waste sent to the landfill annually. Beekeeping has an even broader impact on our local environment. Over the past 50 years, domesticated bee populations have decreased by 50%, yet bees are invaluable in our food production due to the pollination activities they provide where one beehive can produce enough honey for 54 residents all year.

The recession has highlighted the need for policies that reduce economic pressures, especially for lower income families, and urban agriculture is an effective tool to support this goal. The proposed changes to the City's livestock animal keeping regulations diminish obstacles to self-sufficiency while strengthening restrictions on noise, runoff, and smells associated with keeping livestock animals. Additionally, the proposed changes affirm that residential bees benefit our community in a variety of ways while providing a healthy source of food.

Community Involvement:

Involve: Throughout this process, the community was consulted in shaping the changes proposed in this ordinance. Staff sought direction from neighborhood associations, realtors, HOAs, and various community groups, such as Flagstaff Foodlink, Flagstaff Liberty Alliance, Southside Neighborhood Association, and the City of Flagstaff Sustainability Commission. Additionally, expert guidance was provided by individuals from the Arizona Farm Bureau, Arizona State Department of Agriculture, Northern Arizona Organic Beekeepers Association, and Arizona State Beekeepers Association, as well as local backyard farmers. Public input was sought through an open house at the downtown library on July 20, 2015, which was publicized through social media, radio interviews, community calendars, and the Arizona Daily Sun, and was attended by 26 members of the public.

Expanded Options and Alternatives:

Option A: Adopt Ordinance 2015-17 as submitted and authorize changes to the City of Flagstaff's livestock animal keeping regulations.

Option B: Recommend changes to Ordinance 2015-17.

Option C: Not adopt Ordinance 2015-17 and leave the existing code as is.

Attachments: [Ord. 2015.17](#)

ORDINANCE NO. 2015-17

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, BY DELETING TITLE 6, *POLICE REGULATIONS*, CHAPTER 6-03, *ANIMALS*, IN ITS ENTIRETY AND ADOPTING REVISED CHAPTER 6-03, *ANIMAL KEEPING*; PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

RECITALS:

WHEREAS, the City Council of the City of Flagstaff believes it is in the best interest of the City to allow City residents to keep certain animals as a healthy and affordable source of food, fiber, and labor;

WHEREAS, the City Council has determined that Chapter 6-03 of the City Code regarding animal keeping should be amended to clarify the rules and regulations related to the keeping of animals within the City; and

WHEREAS, the City Council intends, by adopting the proposed amendments, to protect and promote the public health, safety, convenience, and general welfare of the citizens of the City of Flagstaff.

ENACTMENTS:

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

SECTION 1. In General.

The Flagstaff City Code, Title 6, *Police Regulations*, Chapter 3, *Animals*, is hereby deleted in its entirety and replaced with revised Chapter 6-03, *Animal Keeping*, as set forth below:

Chapter 6-03 ANIMAL KEEPING

SECTIONS:

6-03-001-0001	PURPOSE
6-03-001-0002	DEFINITIONS
6-03-001-0003	KEEPING OF LIVESTOCK
6-03-001-0004	BEE KEEPING
6-03-001-0005	VIOLATION

SECTION 6-03-001-0001 PURPOSE:

The purpose of this Chapter is to ensure that the keeping, raising, and maintenance of livestock animals within the City does not create an adverse impact on adjacent properties by reason of dust, fumes, noise, odor, insect or vermin infestations, or visual blight, and to maintain the

animal welfare and public health, safety, and well-being. This chapter does not pertain to domestic pets such as dogs, cats, and **[Option 1]** miniature pigs.

SECTION 6-03-001-0002 DEFINITIONS:

For the purposes of this Chapter, the following terms, phrases and words and their derivations will have the meaning given as set forth below when not inconsistent with the context.

Beehive: A structure for housing honey bees.

Bee Colony: The hive and its equipment and appurtenances including honey bees, comb, honey, pollen and brood.

Equine: Horse or other member of the horse family including mules and donkeys.

Flyway Barrier: A solid wall, fence, dense vegetation, or combination of these materials at least six feet high that extends at least 10 feet beyond the hives on each end of a bee colony.

Poultry: A domesticated bird that is used to produce meat or eggs, including but not limited to, chickens, ducks, pigeons, and quail.

Livestock: Domesticated animals commonly raised to produce commodities such as food, fiber, and labor.

Large Livestock: Equine, cattle, swine, donkeys, mules, llamas, ostriches, goats, sheep, alpaca, and other similarly sized animals.

Small Livestock: Rabbits, chickens, miniature, dwarf or pygmy goats that are dehorned and neutered, and other similarly sized animals.

Pasture: Open, uncultivated land used for the grazing of livestock.

Shelter: A structure or environment, adequate to the species of animal, which provides protection from adverse weather conditions and predators.

Nuisance: Anything offensive or obnoxious to the health and welfare of the inhabitants of the City; or any act or thing repugnant to, or creating a hazard to, or having a detrimental effect on the property of another person or to the community.

SECTION 6-03-001-0003 KEEPING OF LIVESTOCK

The following standards apply to the keeping of livestock animals within city limits.

A. GENERAL RULES AND RESTRICTIONS

1. The number of animals permitted in each Zone is established in Table 6-03-003.A (Number of Animals Permitted by Zoning Designation) below.
2. The principal use of the property on which livestock animals are kept must be residential or educational.

3. No livestock may be kept in the front yard setback area.
4. Offspring of animals maintained on the same property that are less than four months old or that have not been weaned, whichever is longer, will not be subject to the maximum number of animals permitted per lot size established by this Chapter.
5. All animals and the pens, stalls, stables, yards, shelters, cages, and premises where they are held or kept, shall be maintained in such a manner so as to not become a public health nuisance. Livestock shelters and runs must be clean and sanitary, generally free of fecal and other matter that may attract flies, rodents, or cause an offensive odor that may disturb the comfort of any person. Nothing in this Subsection shall be deemed to prohibit the use of animal manure or droppings to fertilize any farm, garden, lawn or ranch in such a manner and for such purposes as are compatible with customary methods of good horticulture.
6. Feed troughs shall be provided for the feeding of vegetables, meat scraps, or garbage, and such feeding shall be done exclusively from containers or on an impervious platform. Food for feeding livestock shall be stored in rodent and predator resistant containers.
7. Watering troughs or tanks shall be provided, which shall be equipped with adequate facilities for draining the overflow, so as to prevent the ponding of water, the breeding of flies, mosquitoes or other insects, or any additional health hazards.
8. Shelter and fencing (e.g. barn, coop, corral, pens, stables, etc.) shall be provided to sufficiently contain the animals and keep them from roaming off the property.
9. Shelters must be covered, predator-resistant, properly ventilated, and designed to be easily accessed, cleaned and maintained.
10. Shelters must be maintained to reduce the risk of fire in accordance with the City of Flagstaff Fire Code.
11. No incineration of animal refuse shall be permitted on the premises.
12. **Option 1:** Slaughter of animals is prohibited in all residential zones and in zones where residential uses are allowed. **Option 2:** Only chickens, domestic fowl, or rabbits can be slaughtered in residential zones. Slaughter shall not occur in view from any public area or any adjacent property owned by another. Slaughter shall be done in a humane and sanitary manner.
13. All animal-keeping facilities must be designed in a manner such that water runoff does not become a health hazard or nuisance to uses on other properties, and is contained and disposed of and does not contribute to the pollution of local groundwater or the flooding of adjacent properties.
14. No person shall keep or harbor any animal which by frequent or habitual howling, yelping, barking, crowing or the making of any other noise, day or night, unreasonably disturbs the peace and quiet of any person or persons.

B. RULES AND RESTRICTIONS – LARGE LIVESTOCK

1. Shelters for large livestock must be located:
 - a. No less than 75 feet from any dwelling unit.
 - b. No less than ten feet from any property line.
2. At least 10,000 square feet of pasture must be made available for each large livestock animal.
3. No pigsty shall be built or maintained on marshy ground or land subject to overflow, or within 150 feet of any watercourse or other source of water supply, or within 300 feet of a dwelling unit on an adjoining property.

C. RULES AND RESTRICTIONS – SMALL LIVESTOCK

1. Male miniature goats must be neutered by four months of age.
2. Shelters and fenced enclosures for housing, keeping or caring for small livestock must:
 - a. Be located no less than ten feet from any property line.
 - b. Have a minimum of four square feet of indoor space per poultry or rabbit.
 - c. Have a minimum of ten square feet of permeable outdoor space per poultry or rabbit.
 - d. Have a minimum of 130 square feet of permeable space per miniature goat.
3. Turkeys, peafowl, geese, and all other similarly noisy birds are prohibited in all zones within the City.
4. Male poultry over the age of four months shall not be permitted within the City.

Table 6-03-001-0003.A Number of Animals Permitted by Zoning Designation

Type of Animal	Zones in which Specific Animals are Permitted	Maximum Number of Animals Permitted per Lot Size						
		≤19,999 sq ft	20,000 – 29,999 sq ft	30,000 – 39,999 sq ft	40,000 – 79,999 sq ft	80,000 – 119,999 sq ft	120,000 – 159,999 sq ft	≥160,000 sq ft
Large Livestock								
Equine, Cattle, Swine, Llamas, Alpacas, Goats, Sheep, Other Large Livestock Not Prohibited By This Chapter	ER and RR	0	0	0	4	5	6	7
Small Livestock								
Goats (miniature, pygmy, dwarf)	All zones*	2	2	2	4	4	4	4
Ducks, Rabbits, Chickens	All zones*	5	10	15	20	25	25	25
Bees								
Bee Colonies	All zones*	2	4	6	8	8	8	8

* The principal use of the property must be residential or educational.

SECTION 6-03-001-0004 BEE KEEPING

The following standards apply to provide for the safe and orderly keeping of bees.

- A. Bee keeping is allowed in all zones. The principal use of the property on which beehives are kept must be residential or educational.
- B. Beehives shall only be located in rear yards and shall be placed a minimum of 10 feet from any property line, except that in the Rural Residential (RR) Zone beehives also may be placed in the interior side yards. In all zones the entrance to the beehive shall face away from the property line closest to the hive.
- C. A flyway barrier shall be established and maintained so that all bees are forced to fly at an elevation of at least six feet above ground level in the vicinity of the beehive. Any fence, wall, or natural barrier proposed as a flyway barrier shall comply with the provisions of City Code Title 10, Zoning Code, Division 10-50.50 (Fences and Screening), as well as the following:
 1. Be a minimum of six feet tall;
 2. Be solid such that bees cannot fly through it;

3. Be placed parallel to the property line; and
 4. Extend a minimum of five feet beyond the beehive(s) in each direction.
- D. A convenient source of water shall be made available for the bees at all times of the year so that bees are less likely to congregate at swimming pools, pet watering bowls, bird baths, or other water sources.
- E. In any instance in which a colony exhibits unusually defensive characteristics by stinging or attempting to sting without provocation or exhibits an unusual disposition toward swarming, beekeepers shall promptly re-queen the colony with another marked queen. Queens shall be selected with a gentle disposition from stock bred for gentleness and non-swarming characteristics. Must be able to produce proof of a receipt from a queen breeder.
- F. **ADDITIONAL OPTIONAL REQUIREMENT:**

Notification Process: Prior to keeping bees, a person must:

1. Prepare a notice stating intent to keep bees and the type of bees kept utilizing City approved template;
2. Mail notice to property owners within 300 feet of the site at least two weeks prior to commencing bee keeping; and
3. Submit a written declaration to the City of compliance with the notification requirements.

If a person who resides within 300 feet of the hives has an allergy to the sting of bees and submits medical documentation of the allergy to the City and a written request that the hives be removed, the bee colonies must be removed.

SECTION 6-03-001-0005 VIOLATION

- A. It shall be unlawful for any person to cause, facilitate, or aid or abet a violation of any provision of this Chapter or to fail to perform any act or duty required by this Chapter in connection with the keeping of animals.
- B. Any person found responsible for violating any provision of this Chapter will be deemed guilty of a misdemeanor and shall be subject to a fine of no less than \$100 for every offense. Recurring violations will be subject to larger fines. Any violation that is continuing in nature shall constitute a separate offense on each successive date the violation continues.
- C. Civil actions or proceedings to enforce the requirements of this Chapter will be commenced and prosecuted in compliance with City Code Title 1, Administration, Chapter [1-15](#), Municipal Court, Section [1-15-001-0011](#), Civil Enforcement Procedures.

SECTION 2. 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 3. Clerical Corrections

The City Clerk is hereby authorized to correct typographical and grammatical errors, as well as errors of wording and punctuation, as necessary related to this ordinance as amended herein, and to make formatting changes needed for purposes of clarity and form, or consistency, within thirty (30) days following adoption by the City Council.

SECTION 4. 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:

CITY ATTORNEY

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Brad Hill, Utilities Director
Co-Submitter: Stephanie Smith
Co-Submitter: Sterling Solomon, Deputy City Attorney
Date: 01/13/2016
Meeting Date: 01/19/2016



TITLE:

Consideration and Approval of Contract: Intergovernmental Agreement between the State of Arizona (Department of Transportation) and the City of Flagstaff - Red Gap Ranch Longitudinal Waterline Along an Access Controlled Interstate Facility (Interstate 40). *(IGA with ADOT to establish the permit process for Red Gap Ranch Pipeline in I-40)*

RECOMMENDED ACTION:

Authorize the City Manager to approve the Intergovernmental Agreement for the permit process between the State of Arizona (Department of Transportation) and the City of Flagstaff - Red Gap Ranch Longitudinal Waterline Along an Access Controlled Interstate Facility (Interstate 40).

Executive Summary:

The purpose of this Intergovernmental Agreement is to establish the process and requirements necessary to obtain permits from Arizona Department of Transportation which would allow the City to place a waterline in the right-of-way of Interstate 40. This Intergovernmental Agreement is the culmination of six years of negotiations between the City and Arizona Department of Transportation. The Agreement has been reviewed by the State Engineer's Office and Office of the Attorney General.

In 2004, Flagstaff voters approved a \$15 million bond for Water Rights Acquisition and/or Water Development to provide for anticipated and demonstrated future water needs of the city in response to years of declining surface water supplies from drought. Subsequently in 2005, the City Council approved the purchase of Red Gap Ranch 40 miles east of Flagstaff for the purpose of developing a well field, pipeline and booster stations in order to provide for a long-term water supply to residences and businesses. In 2008, the City contracted with JACOBS Engineering to conduct a pipeline feasibility study to select the most feasible alignment for a pipeline and define a conceptual design and facility location. The first phase of that analysis was completed in 2009. After evaluating multiple alternative alignments, the frontage along Interstate 40 was selected as the preferred alignment. City staff subsequently started discussions with Arizona Department of Transportation and Federal Highway Administration in early 2010 about the use of the right-of-way along Interstate 40 as a proposed location for a pipeline. This Agreement simply establishes a process of how the City can obtain a series of permits necessary for the installation, construction, operation and maintenance of a 30-inch waterline along and within the existing ADOT controlled access right-of-way of Interstate 40.

Financial Impact:

This Intergovernmental Agreement has no financial impact.

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:

WR.3 Satisfy current and future human water demands and the needs of the natural environment through sustainable and renewable water resources and strategic conservation measures.

WR.4 Logically enhance and extend the City's public water, wastewater and reclaimed water services including their treatment, distribution and collection systems in both urbanized and newly developed areas of the City to provide an efficient delivery of services

Has There Been Previous Council Decision on This:

Yes. In 2004, City Council referred a ballot measure to Flagstaff voters for Water Rights Acquisition and/or Water Development to provide for anticipated and demonstrated future water needs of the city in response to years of declining surface water supplies from drought. This ballot measure passed and authorized \$15 million. In 2005, the City Council approved the purchase of Red Gap Ranch 40 miles east of Flagstaff. In addition, securing access in the right-of-way of Interstate 40 for Red Gap Ranch Pipeline has been one of the City Council's top legislative priorities each year since 2012. In 2008, the City contracted with JACOBS Engineering to conduct a pipeline feasibility study to select the most feasible alignment for a pipeline and define a conceptual design and facility location.

Options and Alternatives:

- 1. Authorize the City Manager to approve the Intergovernmental Agreement between the State of Arizona (Department of Transportation) and the City of Flagstaff.
- 2. Do not authorize the City Manager to approve the Intergovernmental Agreement between the State of Arizona (Department of Transportation) and the City of Flagstaff which would prevent the City from planning for the use of Red Gap Ranch as a long-term, future water supply.
- 3. Amend the Intergovernmental Agreement between the State of Arizona (Department of Transportation) and the City of Flagstaff and authorize the City Manager to approve (this option would require additional negotiations with the Arizona Department of Transportation and the Office of the Arizona Attorney General.

Community Involvement:

Empower – Flagstaff voters approved a \$15 million bond for Water Rights Acquisition and/or Water Development

Attachments: Red Gap IGA for permitting process
 PowerPoint

INTER GOVERNMENTAL AGREEMENT
BETWEEN
THE STATE OF ARIZONA
AND
THE CITY OF FLAGSTAFF

RED GAP RANCH
LONGITUDINAL WATERLINE ALONG AN ACCESS CONTROLLED INTERSTATE FACILITY

This Intergovernmental Agreement (“Agreement”) is entered into this ____ day of _____, 2016, by and between the Arizona Department of Transportation (“ADOT”) and the City of Flagstaff (“Flagstaff”) (collectively the “Parties”), in order to establish a process whereby the City of Flagstaff can obtain an ADOT issued encroachment permit or series of permits (the “Permit”) for the installation, construction, operation and maintenance a 30-inch water line, with a maximum design pressure of 300 psi, to run partially along and within the existing ADOT controlled access right-of-way of I-40 from Mile Post 217 to Mile Post 238 (the “Project”) as more particularly described below.

Recitals:

1. WHEREAS, ADOT is empowered by Arizona Revised Statutes, Section 11-952 and Section 28-401 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of ADOT; and
2. WHEREAS, Flagstaff is authorized by Arizona Revised Statutes, Section 11-952 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of Flagstaff; and
3. WHEREAS the ADOT Director has determined that, pursuant to Arizona Administrative Code, R17-3-502, the Project is an encroachment qualified for an ADOT encroachment permit, provided Flagstaff meets all relevant requirements for such a permit; and
4. WHEREAS, the Parties will in good faith use their best efforts to complete all of the terms and conditions of this Agreement.

Agreement:

Now therefore, the Parties agree:

1. Flagstaff must design, construct, operate and maintain the Project with primary consideration given to the safety of highway users and the integrity of the highway.
2. The Project may not adversely affect the safety, design, construction, operation, maintenance or stability of the highway.
3. The Project may not interfere with or impair the future expansion or improvement of the highway.
4. Neither the State, nor any of its departments, officers, agents or employees will be liable for any claims, demands, costs or expenses, including attorney's fees and costs, for any loss, claim, damages, or injury

to any person or entity, or to property, including third parties' persons or property, arising out of or related to Flagstaff's use of the right-of-way, unless caused by the willful, reckless or negligent act of the State, its departments, officers, agents or employees. As a condition of the Permit Flagstaff will be required to agree to indemnify ADOT for any such losses, unless caused by the willful, reckless or negligent act of the State, its departments, officers, agents or employees.

5. ADOT will not incur any costs for the project, whether those costs are foreseen or unforeseen. The project will be fully funded by Flagstaff, which will reimburse ADOT for any expenses or costs associated with the project.
6. The Project has no prior right to be within the right-of-way. Any realignment of the water line, for whatever reason, will be at Flagstaff's sole and exclusive cost and risk.
7. ADOT may, at any time in the sole discretion of the Director, require Flagstaff to realign portions of the water line if the Director determines that a relocation of the Project is necessary for a transportation purpose.
8. Nothing in this IGA may limit the Director's jurisdiction or control over the highway.
9. Flagstaff will be responsible for providing adequate insurance or other assurances as reasonably determined by ADOT in its sole discretion.
10. Prior to submitting an application for the ADOT encroachment permit, Flagstaff will prepare and submit to ADOT the following for ADOT's approval in its reasonable discretion.
 - a. a draft catastrophic feasibility study to ADOT for review and approval.
 - b. a draft maintenance plan to ADOT for review and approval.
 - c. a draft emergency response plan to ADOT for review and approval.
 - d. a draft NEPA document to be submitted by ADOT to FHWA. The NEPA document will address the full Project including but not limited to a change of access control limits and construction of a new access control fence to ADOT specifications.
 - e. draft construction plans (meaning 30%, 60% and 95% plans) to ADOT for review and approval, which plans will include designed mitigation measures satisfactory to ADOT.
 - f. such other plans, reports or other submittals as may be required by ADOT.
 - g. ADOT applications for encroachment permits to perform pre-construction activities such as design, surveys, testing, and other preconstruction activities. Either Flagstaff or its consultants will submit said applications to ADOT, and ADOT will issue the permits provided Flagstaff complies with all relevant ADOT requirements for such permits.
11. After ADOT reviews the submittal required by paragraph 10 and has determined the final technical requirements:
 - a. Flagstaff will submit final versions of the submittals required by paragraph 10 with its application for an ADOT encroachment permit.

- b. Flagstaff (and to the extent necessary its consultants and contractors) will submit to ADOT an application for a permit to construct, operate and maintain the Project, and ADOT will issue the permits provided Flagstaff complies with all relevant ADOT requirements for such permits.
 - c. The location of the Project (including the water line and associated improvements) within the right-of-way will be determined by the Parties during the design process. ADOT retains sole discretion over the location of the Project within the right-of-way.
12. Flagstaff will prepare a schedule for all activities to be undertaken pursuant to this Agreement for ADOT's approval in its reasonable discretion. The parties expect that the schedule for various activities contemplated expressly or implicitly by this Agreement will be determined and adjusted from time to time as the process of design, surveys, testing other preconstruction activities, construction, operation and maintenance evolves.
13. ADOT will:
- a. Coordinate with Flagstaff to attend comment review meeting with Flagstaff when the submittals are at the 30%, 60%, 90%, 100% design stages.
 - b. Represent 30% but not more than 40% of the selection committee for a Construction Manager at Risk (CMAR) contactor if ADOT chooses to participate in the committee.
 - c. Pursuant to the State's procurement standards, hire a consulting engineering company which specializes in waterline and pump station design to review and comment on documentation, and participate in any review meetings, submitted through this Agreement at Flagstaff's cost, and allow Flagstaff to review the consulting engineering company's proposed scope and fee and the reasonable discretion to provide input on and/or reject the same if in Flagstaff's determination such scope and fee are excessive. If Flagstaff rejects the consulting engineering company's proposed scope of work and fee, the agreement shall terminate. Any payment obligation incurred prior to such termination shall survive said termination.
 - d. Pursuant to the State's procurement standards hire a consulting engineering company which specializes in waterline and pump station design to monitor construction that takes place in ADOT's right-of-way at Flagstaff's cost, and allow Flagstaff to review the consulting engineering company's proposed scope and fee and the reasonable discretion to provide input on and/or reject the same if in Flagstaff's determination such scope and fee are excessive. If Flagstaff rejects the consulting engineering company's proposed scope of work and fee, the agreement shall terminate. Any payment obligation incurred prior to such termination shall survive said termination.
 - e. Submit invoices for the consultants listed above to Flagstaff for payment.
 - f. Submit to Flagstaff staff time invoices for all time spent by ADOT staff on in-house design review and coordination as set forth above.
14. Flagstaff shall pay all invoices from ADOT as set forth above no later than thirty (30) days after delivery of said invoice to Flagstaff. In the event that Flagstaff fails to pay said invoice within thirty (30) days after delivery, ADOT may give written notice of non-payment via certified mail (with the U.S. Postal Service at 211 W. Aspen, Flagstaff, Arizona 86001) AND via email to the Flagstaff Utilities

Director. Flagstaff shall have fifteen (15) days from the Flagstaff Utilities Director's receipt of written notice of non-payment from ADOT to cure said non-payment.

15. If Flagstaff ceases operation or maintenance of the Project within the right-of-way for a period of two years, ADOT will cancel the encroachment agreement(s) for the Project. Flagstaff will be required to remove all structures and facilities related to the Project within ADOT's right of way, including the waterline and restore the ADOT right-of-way to its condition prior to construction of the Project.
16. The Project may remain within ADOT right of way so long as Flagstaff complies with all permit requirements as determined by ADOT, provided ADOT does not need the City to relocate the Project, either within or outside of the ADOT right of way, for a transportation purpose, in which case ADOT can revoke the permit. The decision whether to revoke a permit is in the sole discretion of ADOT. ADOT will make reasonable efforts to allow the City to relocate the Project, in whole or in part, within the existing right of way or any new right of way acquired by ADOT for the transportation project. It is understood that ADOT must have a transportation purpose to acquire new right of way resulting in relocation of the Project.
17. This Agreement shall remain in full force and effect 10 years from the effective date or completion of the project, whichever occurs first. The parties may extend this agreement for an additional 5 years by mutual agreement.
18. This Agreement may be amended upon mutual written consent of both Parties.

CITY OF FLAGSTAFF, an Arizona
municipal corporation

STATE OF ARIZONA
Department of Transportation

By: _____
JOSH COPLEY, City Manager

By: _____
DALLAS HAMMIT, P.E.
State Engineer

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

By: _____
City Attorney

Intergovernmental Agreement

between the
Arizona Department of Transportation
and the
City of Flagstaff
for a
Red Gap Ranch Waterline
along the
Interstate 40 Right-of-Way



City Council Meeting
January 19, 2014



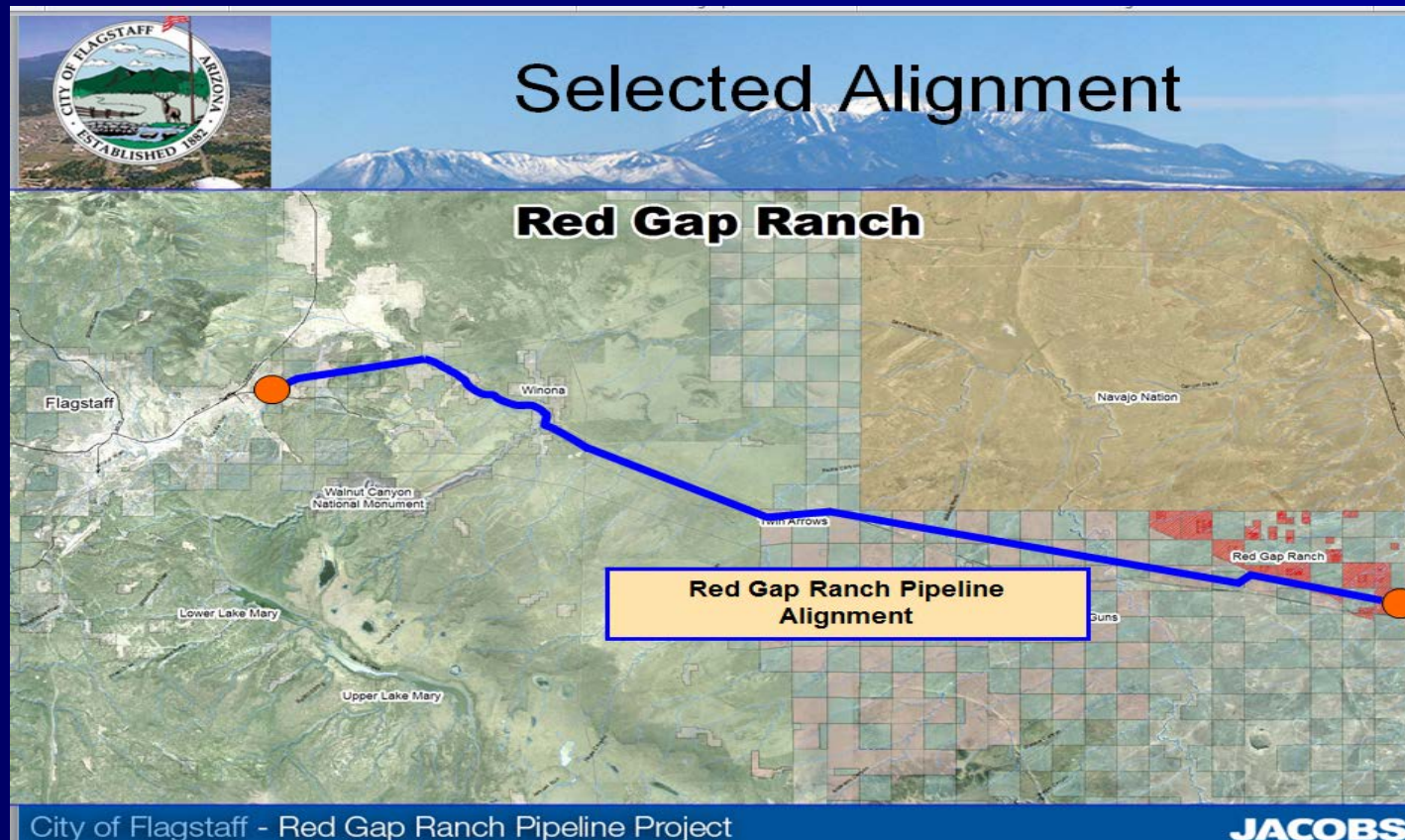
How we got here?

2002 Flagstaff experienced impacts from drought

2004 Flagstaff voters approved a \$15M bond for Water Rights Acquisition and/or Water Development

2005 City Council authorized the purchase of Red Gap Ranch, 8,500 acres located 40 miles east of Flagstaff for the purpose of developing as a long-term water supply

- 2008 City contracted with JACOBS Engineering to conduct a feasibility study to select the most appropriate alignment for a pipeline and define a conceptual design and facility
- 2009 JACOBS completed Phase 1 & selected I-40 / APS alignments
- 2010 City, ADOT & FHWA started discussions to obtain access to I-40 ROW



Intergovernmental Agreement

- **PURPOSE of IGA** is to establish a *process and the requirements* necessary to obtain an Encroachment Permit to place a waterline within Interstate 40 right-of-way
- *This IGA does **not authorize** the design or construction of the RGR waterline*
- **ADOT acknowledges RGR waterline** qualifies for an Encroachment Permit
- All **costs will be the responsibility** of the City of Flagstaff
- Allows for **realignment of a portion of the RGR waterline** due to I-40 expansion in the future



Intergovernmental Agreement

- Requires ADOT participation in identifying types of plans City must submit (e.g., catastrophic feasibility, maintenance, emergency response, NEPA, construction)
- ADOT will coordinate with the City on waterline design 30% to 100%
- Allows RGR waterline to remain within the I-40 ROW as long as the City complies with all permit requirements
- Term of Agreement: 10 year term, with additional 5-year option or when Encroachment Permit is issued
- JACOBS Engineering will be able to complete the feasibility study started in 2008



CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Dan Folke, Planning Director
Co-Submitter: Mark Landsiedel, Community Development Director
Date: 01/13/2016
Meeting Date: 01/19/2016



TITLE:

Consideration and Adoption of Ordinance No. 2016-03: An ordinance of the Flagstaff City Council authorizing the acquisition of certain real property as a public right-of-way for the possible widening of Humphreys Street between Route 66 and Cherry Avenue. ***(In addition, a Development Agreement with additional terms of the purchase will be considered at second reading of the ordinance.)***

RECOMMENDED ACTION:

At the Council Meeting of January 19, 2016

- 1) Read Ordinance No. 2016-03 by title only for the first time
- 2) City Clerk reads Ordinance No. 2016-03 by title only (if approved above)

At the Council Meeting of February 2, 2016

- 3) Read Ordinance No. 2016-03 by title only for the final time
- 4) City Clerk reads Ordinance No. 2016-03 by title only (if approved above)
- 5) Adopt Ordinance No. 2016-03

Executive Summary:

Ordinance 2016-03 authorizes the City to purchase 2,209 square feet of land adjacent to Humphreys Street right-of-way for possible future expansion of the roadway for a net purchase price of \$150,000. The purchase will include two 8 foot wide strips along the frontage of 100 Humphreys Street (existing Budget Rental) and 175 W. Aspen Avenue (former Wespac office building). Widening Humphreys Street to allow for a dual left turn lane from Route 66 onto Humphreys was identified as an important transportation improvement in the Flagstaff Metropolitan Planning Organization Urban Mobility Study.

The hotel project has a City staff approved site plan which includes the necessary setbacks for the future roadway project. The property has existing entitlement rights to allow construction of the project with only a staff approval. In addition, the properties are in building and civil plan review for the construction of a Marriott Residence Inn. The north parcel will be the site of the hotel, while the south parcel will be developed as surface parking. In addition to the proposed purchase, Ordinance 2016-04 to abandon 82 square feet of public right-of-way at the southeast corner of the project to accommodate moving the hotel to the east, out of the proposed purchase area, and a Development Agreement with additional terms are proposed.

Financial Impact:

The Development Agreement anticipates two property transactions. The first is the purchase of 2,209 square feet of real property from the developer for \$155,600. The second transaction is the developer's purchase of 82 square feet of public right-of-way for \$5,600. Thus, the net purchase price from the City is \$150,000. Funds for this acquisition are not in the adopted FY 15/16 budget, but may be allocated from the general fund reserve. As with all new construction, the project will generate construction sales tax revenues. The estimated value of construction of the hotel is \$8,500,000. Required fees for plan review and building permits will be collected per the adopted fee schedule.

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
- 6) Provide a well-managed transportation system.

REGIONAL PLAN:

Goal LU.1. Invest in existing neighborhoods and activity centers for the purpose of developing complete, and connected places.

Goal LU.7. Provide for public services and infrastructure.

Goal LU.9. Focus reinvestment, partnerships, regulations, and incentives on developing or redeveloping urban areas.

Goal LU.11. Prioritize the continual reinvigoration of downtown Flagstaff, whose strategic location, walkable blocks, and historic buildings will continue to be a vibrant destination for all.

Goal LU.12. Accommodate pedestrians, bicyclists, transit riders, and private cars to supplement downtown's status as the best-served and most accessible location in the region.

Goal T.4. Promote transportation infrastructure and services that enhance the quality of life of the communities within the region.

Goal T.1. Improve mobility and access throughout the region.

Has There Been Previous Council Decision on This:

No.

Options and Alternatives:

If City Council decides not to acquire the right-of-way at this time, it can be considered for acquisition by the project sponsor at a future date. Staff believes the acquisition will cost more in the future and the DA limits additional payment to the hotel to costs associated with additional acquisition of right-of-way. However, waiting to purchase the right-of-way may provide more assurances as to the project sponsor and a funding source to design and construct the roadway.

Should the proposed purchase and abandonment not be approved, the Developer has proposed an alternate site plan which would move the building to the west, closer to Humphreys Street and out of the Beaver/Aspen right-of-way. While the proposed project can be constructed without the acquisition of the right-of-way, it cannot proceed as designed without the approval of Ordinance 2016-04 to abandon 82 square feet of right-of-way. If the right-of-way is not abandoned, the building must be relocated to the west, into the area identified as needed for the Humphreys expansion. Should Council decide not to purchase the right-of-way, staff strongly supports proceeding with the abandonment to ensure future acquisition is still feasible. Staff believes it also makes sense to allow the ADA ramp to be constructed within the Aspen Avenue right-of-way so that it will not need to be relocated in the future. This can be accomplished with an administrative encroachment permit.

Background/History:

In conjunction with the Ordinance to purchase, a Development Agreement (DA) has been prepared with additional terms of the purchase. The DA waives the requirement of a surface parking lot screen wall along Humphreys due to the anticipated road widening, allows surface parking to encroach into the future right-of-way until the time of the roadway project, vests the approved site plan for two years, establishes a net purchase price of \$150,000 and provides financial assistance to relocate an ADA accessible ramp from the Humphreys Street future right-of-way to Aspen Avenue. Also, the DA limits additional compensation to the developer from revenue based compensation or for impacts created by the roadway widening to compensation for additional right-of-way only, and acknowledges potential developer participation in a future parking structure on the south parcel which may be achieved through a public/private partnership. In addition to the request to purchase property from the developer, a second Ordinance to abandon right-of-way at the corner of Aspen Avenue and Beaver Street is proposed. (Ordinance 2016-04)

Humphreys Street is currently Arizona Department of Transportation jurisdiction. However, staff believes partnerships will be required to complete important improvements to the Regional Transportation system. At the recent Flagstaff Metropolitan Planning Organization (FMPO) and Northern Arizona Intergovernmental Public Transportation Authority (NAIPTA) advance, there were many partners at the table with a discussion on how to complete necessary projects. Staff believes this is the type of transportation improvement that requires a partnership between the City, ADOT and the FMPO. In addition, staff believes it is good planning to purchase the property now, as a future acquisition will most certainly have an increased purchase price as the value of land in the downtown continues to increase.

Community Involvement:

Adoption of an Ordinance requires a public hearing that provides an opportunity to inform the public and receive public comment.

Attachments: Draft Marriott DA V1
 Ordinance 2016-03
 Valuation
 PowerPoint

When recorded, mail to:

City Clerk
City of Flagstaff
211 West Aspen Avenue
Flagstaff, Arizona 86001

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT is made as of this [REDACTED] day of [REDACTED], 2016, between the City of Flagstaff (the "City"), a municipal corporation organized and existing under the laws of the State of Arizona, and FMH Enterprises, LLC (the "Developer"), an Arizona limited liability company.

RECITALS

- A. Developer is the escrow owner of approximately 1.4 acres of real property located at 100 N. Humphreys St. and 175 W. Aspen Ave., parcel numbers 100-21-007A, 100-19-011A, 100-19-012, 100-19-013A, and 100-19-019, within the City's corporate limits, more specifically described in **Exhibit A** (the "Property").
- B. Developer proposes to develop an extended-stay hotel on the Property as more specifically described in the approved site plan containing City Staff conditions dated December 8, 2015 (the "Project" or the "Site Plan").
- C. The City is interested in obtaining a portion of the Property for possible future right-of-way purposes because the Arizona Department of Transportation indicates a possible widening of Humphreys Street to relieve traffic congestion in this area in its Urban Mobility Study.
- D. The Property is currently zoned Central Business (CB) and Downtown Overlay (DO) Zone and no zone change is needed for development of the property.
- E. The City believes that development of the Property pursuant to this Agreement will result in planning and economic benefits to the City and its residents, and will not be detrimental to the public health, safety or welfare, or materially injurious to the properties in the vicinity.
- F. The City has an interest in ensuring that the development of the Property complies with the City's standards for development and engineering improvements and all other City standards, and Developer desires assurances from the City that this long-term Project will be developed within a stable regulatory environment.

- G. Developer acknowledges that this development will be beneficial and advantageous to Developer. Developer agrees it will not be compensated for any lost revenue caused by the sale of a portion of the Property to the City (see paragraph 4.1.1) and that the compensation provided herein by the City for said portion is sufficient and appropriate.
- H. The City and Developer are entering into this Agreement pursuant to Arizona Revised Statutes § 9-500.05.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises and agreements set forth herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and in order to fulfill the foregoing objectives, the Parties agree as follows:

1. **Definitions.** The following terms, whenever capitalized in this Agreement, shall have the meanings set forth below, except where the context clearly indicates otherwise:
- 1.1. “**Agreement**” shall mean this Development Agreement between the City and Developer.
 - 1.2. “**A.R.S.**” shall mean Arizona Revised Statutes.
 - 1.3. “**City**” shall mean and refer to the City of Flagstaff, an Arizona municipal corporation.
 - 1.4. “**Construction Permits**” shall mean any permit issued by the City or other jurisdiction that is required in order to begin construction on the Project, including but not limited to public improvements, grading, electrical, gas, plumbing, or mechanical.
 - 1.5. “**Developer**” shall mean and refer to FMH Enterprises, LLC, an Arizona limited liability company, and any successor and/or assignee of FMH Enterprises, LLC pursuant to Section 6.21 of this Agreement.
 - 1.6. “**Effective Date**” shall mean the date this Agreement becomes effective as set forth in Section 6.9 of this Agreement.
 - 1.7. “**Parties**” shall mean a collective reference to the City and Developer, and its successors and/or assigns.

- 1.8. **“Roadway Improvements”** shall mean improvements to public roadway segments and intersections.
- 1.9. **“Site”** shall have the same meaning as the term Property.
- 1.10.
- 1.11. **“Zoning Code”** shall mean the City’s Zoning Code.

2. Applicable Regulations & Development Standards.

- 2.1. Screen Walls. The City will not require a screen wall along the Humphreys Street surface parking. Developer must construct a screen wall along the south side of Aspen Avenue along the surface parking. The screen wall may be constructed immediately adjacent to the public right-of-way. If it is necessary to meet parking requirements, the screen wall may encroach partially into the City’s right-of-way. City staff will determine the appropriate amount of encroachment that may be permitted. So long as the City owns the right-of-way, the City shall provide an encroachment permit in its standard form for the screen wall. The City shall not revoke the permit without six-month’s notice and adequate consideration, which may include the cost to remove or relocate the screen wall.
- 2.2. Regulation Timeframe. All aspects of the Project, including public improvements, shall be governed by the City’s codes in existence as of the Agreement’s Effective Date, including the Zoning Code, ordinances, regulations, rules, guidelines and policies; provided, however, that Developer obtains grading permits for one or more components of the Project within two (2) years following City’s approval of this Agreement. If Developer fails to obtain any grading or Construction Permits at the expiration of this two (2) year period, the Project shall be subject to the City’s codes, ordinances, regulations, rules, guidelines, and policies in effect at the time Developer applies for such Construction Permits.
- 2.3. Permits & Building Fees. Developer agrees and understands that all building permits, development fees, and other fees normally applicable to construction within the City at the time of application shall apply to the Project. Denial of a Developer’s permit application for failure to meet the City’s criteria for such permit shall not be deemed a breach by the City of this Agreement.
 - 2.3.1. Out-Sourcing. City agrees to out-source review of permits if it cannot meet the City’s established timeframes.
 - 2.3.2. No Breach. Failure to meet established timeframes is not a material breach of this agreement, but may be cured pursuant to Section 6.8.

3. Water Requirements. The water meter for the Project must be sized according to AWWA Manual M22 and in accordance with City Code.

4. **Road Improvement Requirements.** The City and Developer understand that the Arizona Department of Transportation may eventually widen Humphreys Street to relieve traffic congestion. The Developer agrees, as described below, to sell a portion of its Property to the City in anticipation of that project.
- 4.1. **General Roadway Improvements.** The Developer is not required to provide a Traffic Impact Analysis (“TIA”) to determine the necessary traffic mitigation for the Project. Instead, the Parties agree that Developer’s traffic mitigation will be accomplished as described in this Section.
- 4.1.1. **Sale of a Portion of the Property.** Developer agrees to sell to the City and the City agrees to purchase the portion of the Property described in **Exhibits B1 and B2** (the “Humphreys Right-of-Way”) for a full purchase price of one hundred and fifty-five thousand six-hundred dollars (\$155,600.00). The City may deduct from the full-purchase price the value of the property that the City may abandon as discussed in Section 5.2 below. The value of the abandoned property is five thousand six hundred dollars (\$5,600.00). Sale of the Humphreys Right-of-Way must be completed before Developer will be granted its certificate of occupancy for the Project. Developer agrees this is adequate consideration for the Humphrey’s Right-of-Way and will not require additional funds from the City or any other government entity that undertakes the widening of Humphreys Street for any reason, so long as no additional real property is needed from Developer on the site covered by this Agreement for the widening project. If, however, the widening project commences, the City will ensure that an appropriate screen wall along Humphreys is installed and that paving needed for the south parking lot is matched-up with the current paving. Such installation and match-up of paving shall permit Developer to maintain the parking layout attached hereto as Exhibit C.
- 4.1.2. **Use of the Property Prior to Widening of Humphrey Street.** The City shall provide an encroachment permit in its standard form to Developer to use the portion of the Humphreys Right-of-Way that is located south of Aspen Avenue for parking until the Humphreys widening project commences. The City shall not revoke the permit without six-month’s notice and adequate consideration, which may include the City’s acknowledgement that the remaining amount of parking, after any revocation, is allowed as a legal nonconforming use and no further parking is required.
- 4.1.3. **Conformance with City Parking Requirements.** In the event that Humphreys Street is widened, the City will not require Developer to construct additional parking spaces to conform to regular City parking requirements due to spaces lost as a result of the Humphreys widening project.

- 4.1.4. Location of ADA Ramp. The ADA ramp which is located on the site plan alongside Humphreys Street will be relocated to City right-of-way on Aspen Avenue promptly after the Developer obtains a building permit. The City shall provide an encroachment permit for City right-of-way in its standard form to Developer for placement of the ADA ramp in City right-of-way and agrees to not revoke the permit without six-month's notice and adequate consideration, which may include the cost of removing and relocating the ADA ramp to a different location that is mutually agreeable to the Parties. The Developer will be responsible for maintenance of the ADA ramp.
- 4.1.5. Payment for Relocation of ADA Ramp and Relocation of Facilities. The City shall provide the necessary funds, including those for design, construction, and permitting, to relocate any impediments to placing the ADA ramp on Aspen Avenue, including the signal-light electrical box and fire hydrant located on the northeast corner of Humphreys Street and Aspen Avenue. The City will convert one on-street parking space to sidewalk and the space will match the brick-paved sidewalk area. The City will be responsible for paying Developer for the cost of relocating all impediments as a result of relocating the ADA ramp and converting one on-street parking space to sidewalk. All work will be performed by the Developer or its designee. All bids for design, construction or any other work covered by this Section shall be approved by the City Engineer. The City will pay within thirty (30) days of invoice. The Developer is responsible for the costs to construct the ADA ramp.
- 4.1.6. Limitation on Transfer of Humphreys Right-of-Way. The City agrees that, after purchase from Developer, it will not transfer ownership of any portion of the Humphreys Right-of-Way until the Humphreys widening project becomes imminent.

5. Future Considerations.

- 5.1. Garage. The City and Developer presently believe that a parking structure on the portion of the Property located south of Aspen Avenue could be a benefit to the City and to Developer. Therefore, when said parking structure is being earnestly considered then Developer agrees to explore use of the parcel as a parking structure with terms and conditions acceptable to the Parties.
- 5.2. Abandonment. Staff will propose to the City Council that the City abandon right-of-way to the Developer for the southeast corner of the building to match the southwest corner of the building, as depicted on the Site Plan. The abandonment will be considered by Council at the same time as consideration of this Agreement.

6. General Provisions.

- 6.1. **Agreement Recordation.** In accordance with A.R.S. § 9-500.05(D), this Agreement shall be recorded in its entirety in the official records of the Coconino County Recorder, State of Arizona, no later than ten (10) days from the date of its execution by the City.
- 6.2. **Amendment.** This Agreement may be amended at any time by written amendment executed by both Parties; all amendments shall be recorded in the official records of Coconino County, Arizona, within ten (10) days following the execution thereof.
- 6.3. **Authorization.** The Parties to this Agreement represent and warrant that the persons executing this Agreement on their behalves have full authority to bind the respective Parties.
- 6.4. **Cancellation.** This Agreement is subject to the cancelation provisions of A.R.S. § 38-511.
- 6.5. **Captions.** The captions used herein are for convenience only, are not part of this Agreement, and do not in any way limit or amplify the terms and provisions hereof.
- 6.6. **Construction of Agreement.** This Agreement has been arrived at by negotiation and shall not be construed against either Party.
- 6.7. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall constitute an original, but all of which together shall constitute but one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and such signature pages all attached to a single instrument so that the signatures of all Parties may be physically attached to a single document.
- 6.8. **Default & Remedies.** A party hereunder shall be deemed to be in default under this Agreement if such party breaches any obligation required to be performed by the respective party hereunder within any time period required for such performance and such breach or default continues for a period of forty-five (45) days after written notice thereof from the party not in default hereunder. For purposes of determining default and termination, the Developer's obligations set forth in the Agreement are severable, and each individual obligation shall terminate upon its completion.
- 6.8.1. **Developer's Remedies.** In the event that the City is in default under this Agreement and fails to cure any such default within the time period required therefore as set forth in Section 6.8 above, then, in that event, in addition to all other legal and equitable remedies which Developer may have, Developer may: a) terminate this Agreement by written notice

delivered to the City; b) seek specific performance by the City; or c) seek recovery of money damages from the City.

- 6.8.2. **City's Remedies.** In the event that Developer is in default under this Agreement, and Developer thereafter fails to cure any such default within the time period described in Section 6.8 above, then, in that event, in addition to all other legal and equitable remedies which the City may have, the City may: a) terminate this Agreement by written notice delivered to Developer; b) seek specific performance by the Developer; or c) seek recovery of money damages from the Developer.
- 6.8.3. **Development Rights in the Event of Termination.** With the exception of a termination that occurs under Section 6.8.1 above, upon the termination of this Agreement as provided herein, Developer shall have no further rights to develop the Property pursuant to this Agreement.
- 6.8.4. **Litigation and Attorneys' Fees.** Except as otherwise agreed by the Parties, any litigation brought by either party against the other to enforce the provisions of this Agreement must be filed in the Coconino County Superior Court. 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 shall be entitled to its costs including reasonable attorneys' fees and court costs from the non-prevailing party.
- 6.9. **Effective Date of the Agreement.** This Agreement shall be effective upon the latter of the execution of the Parties hereto, recordation in accordance with Section 6.1, and upon expiration of thirty (30) days following the approval hereof by the City. However, in the event that the approval is delayed in its effect by judicial challenge, or by referendum or injunction, the effective date of this Agreement shall be delayed until resolution or termination of such judicial challenge, referendum or injunction. In the event of judicial challenge, referendum or injunction by any person or entity resulting in a delay in the effect of this Agreement that extends for a period of more than one hundred eighty (180) days following its approval by the City Council, this Agreement shall be terminable by Developer upon written notice to the City in accordance with this Agreement at any time within an additional sixty (60) days. Upon termination, this Agreement shall be of no further force or effect, and neither party shall have any further obligation hereunder. Any delay relative to the effective date of this Agreement by judicial challenge, referendum or injunction filed by parties acting independently of and not under the control of the City shall not be deemed a default hereunder by the City.
- 6.10. **Entire Agreement.** This Agreement, along with the site plan approval, right-of-way abandonment ordinance, and Humphreys Right-of-Way acquisition ordinance, constitutes the entire agreement between the Parties hereto pertaining to the subject matter hereof, and all prior and contemporaneous agreements,

representations, negotiations, and understandings of the Parties hereto, oral or written, are hereby superseded and merged herein. The foregoing sentence shall in no way affect the validity of any instruments executed by the Parties in the form of the exhibits attached to this Agreement.

- 6.11. **Further Acts.** Each of the Parties hereto shall execute and deliver such documents and perform such acts as are reasonably necessary, from time to time, to carry out the matters contemplated by this Agreement. The City Manager or his designee is authorized to perform such acts on behalf of the City.
- 6.12. **Governing Law.** This Agreement shall be governed by and construed under the laws of the State of Arizona and shall be deemed made and entered into in Coconino County.
- 6.13. **Incorporation of Recitals and Exhibits.** The Recitals set forth above, and the Exhibits referenced within the Agreement and attached below, are incorporated into this Agreement.
- 6.14. **Modification.** No modification of this Agreement shall be deemed effective unless in writing, signed by the Parties hereto, and recorded as required by Section 6.1.
- 6.15. **Negotiation of Partnership.** The Parties specifically acknowledge that the Project will be developed as private property, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants, and conditions contained in this Agreement. None of the terms or provisions of this Agreement shall be deemed to create a partnership between or among the Parties, nor shall it cause them to be considered a joint venture or members of any joint enterprise.
- 6.16. **No Personal Liability.** No current or former member, official, or employee of the City or Developer, when acting within the scope of their official capacity, shall be personally liable: (a) in the event of any default or breach by the City or Developer, as applicable; (b) for any amount which may become due to the non-breaching party or its successor and/or assign; or (c) pursuant to any obligation of the City or Developer, as applicable, under the terms of this Agreement.
- 6.17. **No Third Party Beneficiaries.** The City and Developer acknowledge and agree that the terms, provisions, and conditions hereof are for the sole benefit of, and may be enforceable solely by, the City and Developer; and none of these terms, provisions, conditions, and obligations are for the benefit of or may be enforced by any third party.
- 6.18. **Notices.** Unless otherwise specifically provided herein, all notices, demands, or other communications given hereunder shall be in writing and shall be deemed to have been duly delivered upon personal delivery or as of the third business day

after mailing by the United States mail, postage prepaid, by registered or certified mail, return receipt requested, addressed as follows:

To City: City of Flagstaff
Attn: City Manager
211 West Aspen Avenue
Flagstaff, AZ 86001

Copy To: City of Flagstaff
Attn: City Attorney
211 West Aspen Avenue
Flagstaff, AZ 86001

To Developer: FMH Enterprises, LLC
Attn: Steven D. Shumway, President/CEO
P.O. Box 250
Show Low, AZ 85902

Copy To: FMH Enterprises, LLC
Attn: Shane J. Shumway, Executive V.P.
P.O. Box 250
Show Low, AZ 85902

Notice of address may be changed by either party by giving notice to the other party in writing of change of address.

6.19. **Severability.** In the event that any phrase, clause, sentence, paragraph, section, article, or other portion of this Agreement shall become illegal, null or void or against public policy, for any reason, or shall be held by any court of competent jurisdiction to be illegal, null or void or against public policy, the remaining portions of this Agreement shall not be affected thereby and shall remain in force and effect, to the extent that the intent of the Parties to develop the Project is still viable.

6.20. **Successors and Assigns.** All of the covenants and conditions set forth herein shall be binding upon the successors in interest of Developer. Obligations accruing after a transfer of ownership will not be deemed to be an obligation of the transferor, though no transfer will relieve a transferor of any obligation that accrued prior to the transfer.

6.20.1. **Assignment.** Developer's rights and obligations hereunder may only be assigned to a person or entity that has acquired the Property or a portion thereof and only by a written instrument, recorded in the Official Records of Coconino County, Arizona, expressly assigning such rights and

obligations. Such assignment must be approved by the City before the assignment is valid, which approval shall not be unreasonably withheld.

6.20.2. **Lender Provisions.** Further, Developer or any persons or entities benefited by this Agreement may collectively assign all or a part of its rights and obligations under this Agreement to any lender from which such Developer or other benefited person or entity has borrowed funds for developing, constructing improvements, and/or operation of the improvements on the Property (the “Lender”). If the Lender requests a collateral assignment of this Agreement as part of its collateral for its loan to Developer, the City agrees that such collateral assignments are permissible without consent of the City. In the event of default by Developer, the City shall provide notice of such default at the same time notice is provided to Developer to any Lender previously identified in writing to the City. If a Lender is permitted under the terms of its agreement with Developer to cure the default or to assume Developer’s position with respect to this Agreement, the City agrees to recognize the rights of Lender and to otherwise permit Lender to assume such rights and obligations of Developer under this Agreement. Nothing contained in this Agreement shall be deemed to prohibit, restrict or limit in any way the right of a Lender to take title to all or a portion of the Property, pursuant to a foreclosure proceeding, trustee’s sale, or deed in lieu of foreclosure. The City shall, at any time upon request by Developer or Lender, provide to any Lender an estoppel certificate, acknowledgement of collateral assignment, or other document evidencing that this Agreement is in full force and effect, that it has not been amended or modified (or, if appropriate, specifying such amendment or modification) and that no default by Developer exists hereunder (or, if appropriate, specifying the nature and duration of any existing default) and certifying to such other matters reasonably requested by Developer or Lender. Upon request by a Lender, the City will enter into separate assumption or similar agreement with such Lender consistent with the provisions of this Section.

6.21. **Term.** The term of this Agreement shall commence on the effective date of this Agreement as defined in Section 6.9 and shall automatically terminate at complete build out of the Project unless previously terminated pursuant to the terms of this Agreement.

6.22. **Waiver.** No waiver by either party of a breach of any of the terms, covenants, and conditions of this Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, covenant, or condition herein contained.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and on its behalf by its Mayor and its seal to be hereunder duly affixed and attested by its City Clerk, and Developer has signed the same on or as of the day and year first above written.

City of Flagstaff, a municipal corporation

FMH Enterprises, LLC, an Arizona limited liability company

Gerald W. Nabours, Mayor

Attest:

City Clerk

Approved as to form and authority:

City Attorney

List of Exhibits

Exhibit A: Legal Description of the Property

Exhibit B1: Legal Description of the Humphreys Right-of-Way

Exhibit B2: Map Depicting Humphreys Right-of-Way

Exhibit C: Revised parking layout after potential widening of Humphreys.

EXHIBIT A

Legal Description of the following properties:

100-21-007A, 100-19-011A, 100-19-012, 100-19-013A, 100-19-019

FLAGSTAFF TOWNSITE Block: 1-A Lot: 13, Subdivision: FLAGSTAFF TOWNSITE Block: 1A Lot: 14 THRU:- Lot: 18 , , , , Sixteenth: SE Quarter: SE Section: 16 Township: 21N Range: 07E, and

FLAGSTAFF TOWNSITE Block: 2-A Lot: 2 THRU:- Lot: 4
LOT 1 LESS:112 SF PER 1644/334., , Sixteenth: SE Quarter: SE Section: 16 Township: 21N Range: 07E, and

FLAGSTAFF TOWNSITE Block: 2-A Lot: 5 THRU:- Lot: 9 , , , , Sixteenth: SE Quarter: SE Section: 16
Township: 21N Range: 07E, and

FLAGSTAFF TOWNSITE Block: 2-A Lot: 10 AND:- Lot: 11 LOT 12 BLK LESS:31 SF PER 1632/887, Sixteenth:
SE Quarter: SE Section: 16 Township: 21N Range: 07E, and

FLAGSTAFF TOWNSITE Block: 2-A Lot: 26 AND:- Lot: 27 , Sixteenth: SE Quarter: SE Section: 16 Township:
21N Range: 07E

EXHIBIT B1

The following is a description of a parcel of land, being a portion of Lot 12 of Block 2A of The Townsite of Flagstaff, File 1 Map 1 and Book 1 Page 16, Coconino County Records, situate in the SE¼ section 16, Township 21 North, Range 7 East, G.& S.R.M., Flagstaff, Coconino County, Arizona being more particularly described as follows:

The westerly 8 feet of said Lot 12

Said parcel of land contain 1,105 sq. ft. of land more or less as shown on Exhibit B which by this reference is made a part hereof

Right-of-Way Dedication



Expires: 3/31/16

Mogollon Engineering and Surveying, Inc.

411 W. Santa Fe Ave. Flagstaff, AZ 86001- P.O.-Box 1952 Flagstaff, AZ 86002-mogollon99@aol.com- 928-214-0214

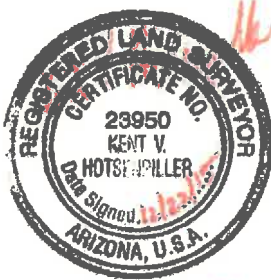
EXHIBIT B1

The following is a description of a parcel of land, being a portion of Lot 13 of Block 1A of The Townsite of Flagstaff, File 1 Map 1 and Book 1 Page 16, Coconino County Records, situate in the SE¼ section 16, Township 21 North, Range 7 East, G.& S.R.M., Flagstaff, Coconino County, Arizona being more particularly described as follows:

The westerly 8 feet of said Lot 13

Said parcel of land contain 1,104 sq. ft. of land more or less as shown on Exhibit B which by this reference is made a part hereof

Right-of-Way Dedication



Expires: 3/31/16

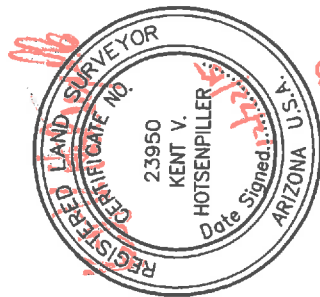
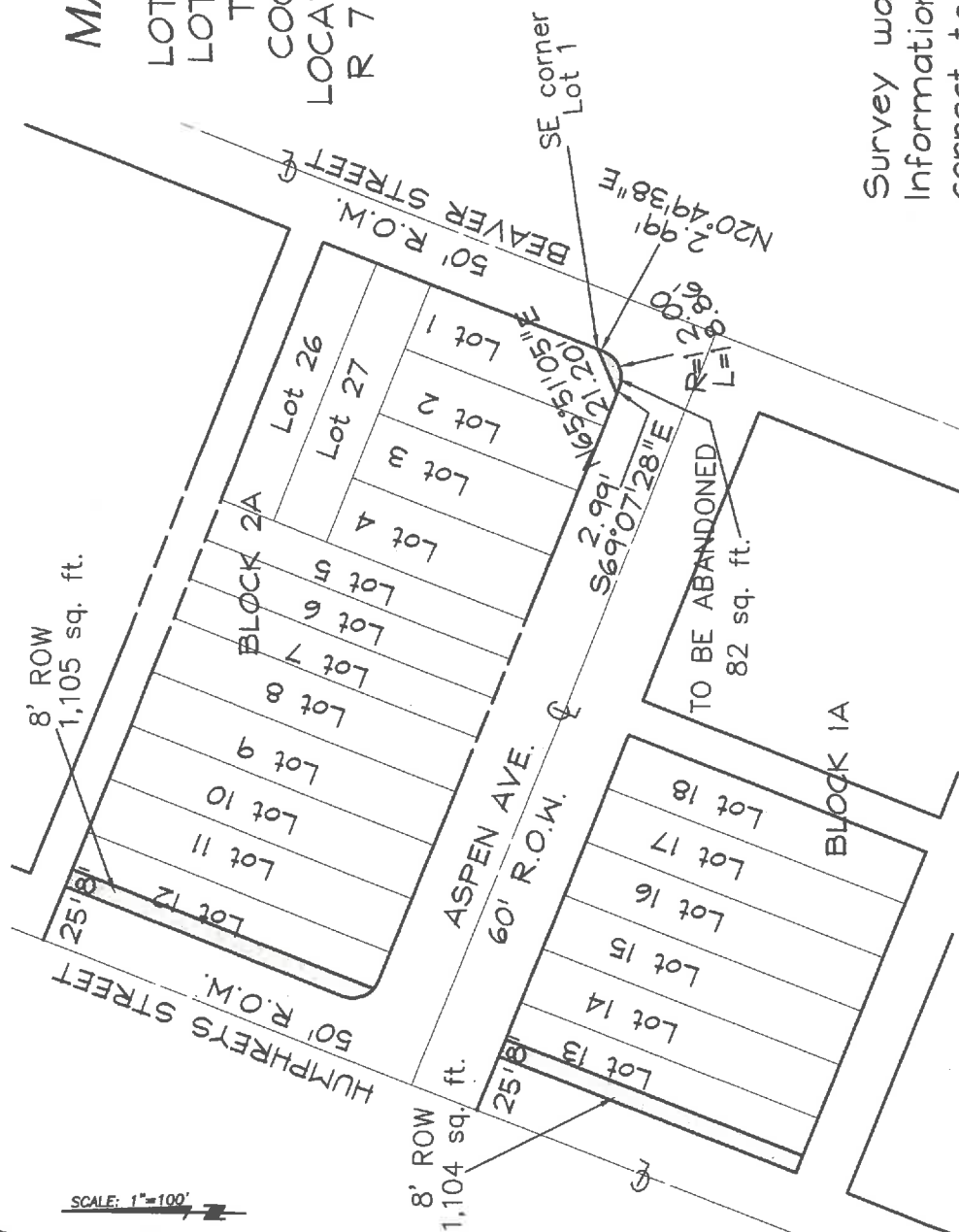
Mogollon Engineering and Surveying, Inc.

411 W. Santa Fe Ave. Flagstaff, AZ 86001- P.O.-Box 1952 Flagstaff, AZ 86002-mogollon99@aol.com- 928-214-0214

FOR

MARRIOTT RESIDENCE INN

LOT 1 AND 12 BLOCK 2A AND
LOT 13 BLOCK 1A, FLAGSTAFF
TOWNSITE, FILE 1 MAP 1,
COCONINO COUNTY RECORDS
LOCATED IN SECTION 16, T 21 N,
R 7 E, FLAGSTAFF, COCONINO
COUNTY, ARIZONA



Expires on 3/31/18

Survey was performed in June of 2015. Information shown hereon is true and correct to the best of my knowledge.

HORIZONTAL SCALE: 1" = 80'

VERTICAL SCALE:

DESIGNED/DRAWN BY:

PROJECT NO. 14138

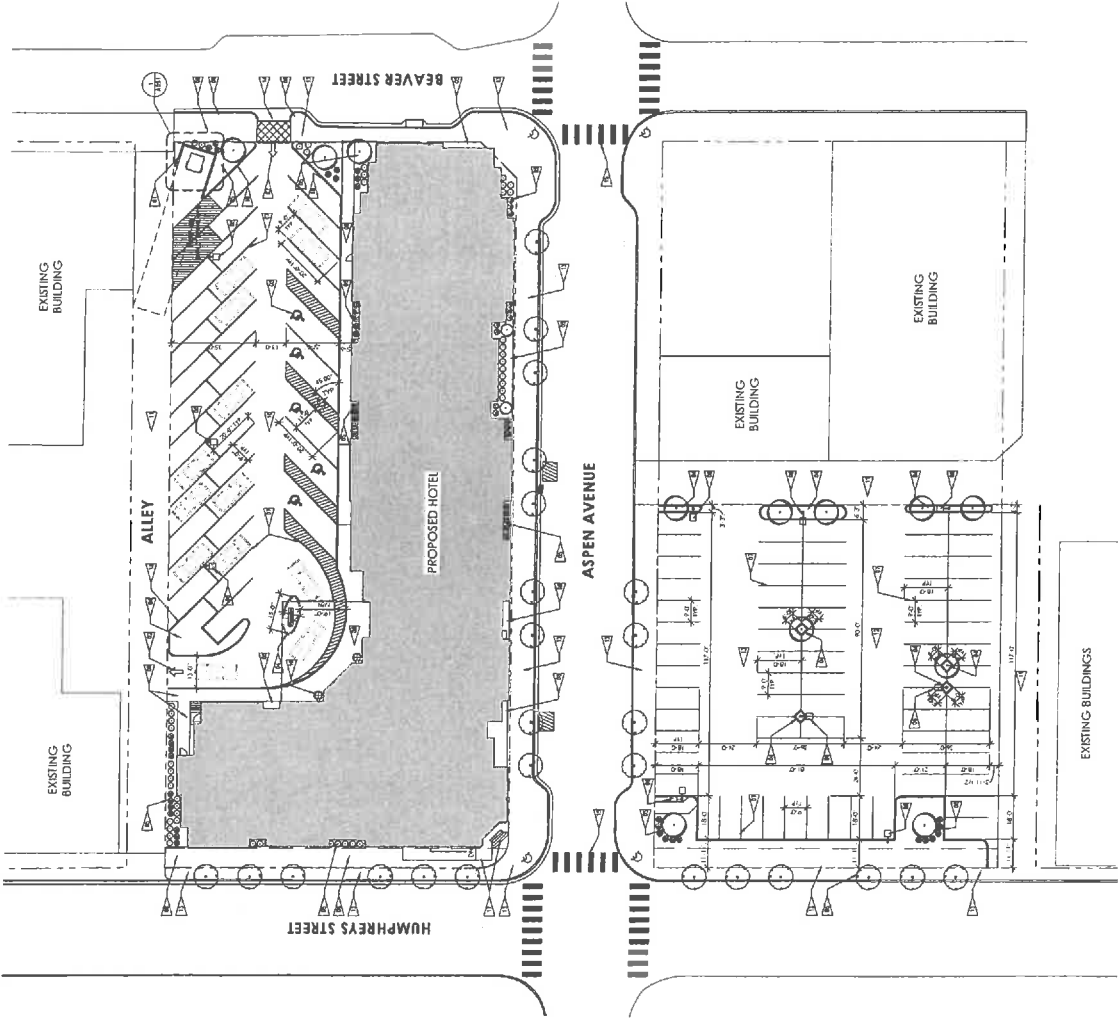
DATE: 12/21/15

Mogollon-3c
ENGINEERING
& SURVEYING

411 W. Santa Fe Avenue
Flagstaff, Az. 86001
Phone: 928-214-0214 • Magallan@aol.com

EXHIBIT B

MARRIOTT RESIDENCE INN
DEDICATION AND ABANDONMENT



1 ARCHITECTURAL SITE PLAN (alternate)
SCALE: 1" = 20'



CITY SITE PLAN SUBMITTAL

ARCHITECTURAL SITE PLAN (ALTERNATE)
A0500
PROJECT NAME
SHEET NO.
DATE

RESIDENCE INN
87 WASHINGTON
100 NORTH HUMPHREYS STREET
FLAGSTAFF, AZ 86901

WMH ENTERPRISES, INC.
P.O. BOX 250
SHOWLOW, AZ 85902

RECHARDSON
DESIGN
PARTNERS
LLC
100 NORTH HUMPHREYS STREET
FLAGSTAFF, AZ 86901

SITE GENERAL NOTES

1. ALL NEW CONCRETE SHALL BE 4000 PSI COMPRESSIVE STRENGTH, 3" MIN. THICK, AND SHALL BE FINISHED WITH A BROOM OR TYPICAL FINISH. ALL NEW CONCRETE SHALL BE CURING COVERED WITH A MINIMUM OF 2" OF MOISTURE CURING COMPOUND OR EQUIVALENT.
2. ALL NEW CONCRETE SHALL BE 4000 PSI COMPRESSIVE STRENGTH, 3" MIN. THICK, AND SHALL BE FINISHED WITH A BROOM OR TYPICAL FINISH. ALL NEW CONCRETE SHALL BE CURING COVERED WITH A MINIMUM OF 2" OF MOISTURE CURING COMPOUND OR EQUIVALENT.
3. ALL NEW CONCRETE SHALL BE 4000 PSI COMPRESSIVE STRENGTH, 3" MIN. THICK, AND SHALL BE FINISHED WITH A BROOM OR TYPICAL FINISH. ALL NEW CONCRETE SHALL BE CURING COVERED WITH A MINIMUM OF 2" OF MOISTURE CURING COMPOUND OR EQUIVALENT.
4. ALL NEW CONCRETE SHALL BE 4000 PSI COMPRESSIVE STRENGTH, 3" MIN. THICK, AND SHALL BE FINISHED WITH A BROOM OR TYPICAL FINISH. ALL NEW CONCRETE SHALL BE CURING COVERED WITH A MINIMUM OF 2" OF MOISTURE CURING COMPOUND OR EQUIVALENT.
5. ALL NEW CONCRETE SHALL BE 4000 PSI COMPRESSIVE STRENGTH, 3" MIN. THICK, AND SHALL BE FINISHED WITH A BROOM OR TYPICAL FINISH. ALL NEW CONCRETE SHALL BE CURING COVERED WITH A MINIMUM OF 2" OF MOISTURE CURING COMPOUND OR EQUIVALENT.

PROJECT DATA

PROJECT SITE DATA
OWNER: WMH ENTERPRISES, INC.
PROJECT NO.: 100 NORTH HUMPHREYS STREET
PROJECT ADDRESS: 100 NORTH HUMPHREYS STREET
PROJECT CITY: FLAGSTAFF, AZ 86901
PROJECT STATE: ARIZONA
PROJECT ZIP: 86901
PROJECT PHONE: (928) 779-1234
PROJECT FAX: (928) 779-1235
PROJECT EMAIL: info@wmh.com
PROJECT WEBSITE: www.wmh.com
PROJECT CONTACT: JIMMY W. HARRIS
PROJECT CONTACT PHONE: (928) 779-1234
PROJECT CONTACT FAX: (928) 779-1235
PROJECT CONTACT EMAIL: jimmy.harris@wmh.com

SHEET NOTES

1. ALL NEW CONCRETE SHALL BE 4000 PSI COMPRESSIVE STRENGTH, 3" MIN. THICK, AND SHALL BE FINISHED WITH A BROOM OR TYPICAL FINISH. ALL NEW CONCRETE SHALL BE CURING COVERED WITH A MINIMUM OF 2" OF MOISTURE CURING COMPOUND OR EQUIVALENT.
2. ALL NEW CONCRETE SHALL BE 4000 PSI COMPRESSIVE STRENGTH, 3" MIN. THICK, AND SHALL BE FINISHED WITH A BROOM OR TYPICAL FINISH. ALL NEW CONCRETE SHALL BE CURING COVERED WITH A MINIMUM OF 2" OF MOISTURE CURING COMPOUND OR EQUIVALENT.
3. ALL NEW CONCRETE SHALL BE 4000 PSI COMPRESSIVE STRENGTH, 3" MIN. THICK, AND SHALL BE FINISHED WITH A BROOM OR TYPICAL FINISH. ALL NEW CONCRETE SHALL BE CURING COVERED WITH A MINIMUM OF 2" OF MOISTURE CURING COMPOUND OR EQUIVALENT.
4. ALL NEW CONCRETE SHALL BE 4000 PSI COMPRESSIVE STRENGTH, 3" MIN. THICK, AND SHALL BE FINISHED WITH A BROOM OR TYPICAL FINISH. ALL NEW CONCRETE SHALL BE CURING COVERED WITH A MINIMUM OF 2" OF MOISTURE CURING COMPOUND OR EQUIVALENT.
5. ALL NEW CONCRETE SHALL BE 4000 PSI COMPRESSIVE STRENGTH, 3" MIN. THICK, AND SHALL BE FINISHED WITH A BROOM OR TYPICAL FINISH. ALL NEW CONCRETE SHALL BE CURING COVERED WITH A MINIMUM OF 2" OF MOISTURE CURING COMPOUND OR EQUIVALENT.

ORDINANCE NO. 2016-03

**AN ORDINANCE OF THE FLAGSTAFF CITY COUNCIL AUTHORIZING
THE ACQUISITION OF CERTAIN REAL PROPERTY AS A PUBLIC RIGHT-
OF-WAY FOR THE POSSIBLE WIDENING OF HUMPHREYS STREET
BETWEEN ROUTE 66 AND CHERRY AVENUE**

RECITALS:

WHEREAS, FMH Enterprises, LLC, an Arizona limited liability corporation, is developing approximately 1.5 acres of real property located at 175 W. Aspen Avenue and 100 N. Humphreys Street; and

WHEREAS, the parcels abut Humphreys Street; and

WHEREAS, the Arizona Department of Transportation in its Urban Mobility Study indicates that Humphreys Street may be widened in the future; and

WHEREAS, the City of Flagstaff ("City") has an interest in obtaining the property necessary for the widening of Humphreys at this time before the property is developed, rather than allowing the value to escalate in the post-development condition; and

WHEREAS, the property that may be needed for an expansion of Humphreys Street (the "Future Humphreys Street Right-of-Way") is described in Exhibit "A"; and

WHEREAS, the Developer and the City have reached agreement as to the price of the Future Humphreys Street Right-of-Way; and

WHEREAS, the City has an interest in planning, developing, and maintaining an adequate infrastructure system, including a surface transportation system to meet the needs of the community; and

WHEREAS, Article VII, Section 5, of the Flagstaff City Charter requires the City to acquire real property by ordinance.

ENACTMENTS:

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

SECTION 1: That the City wishes to acquire the property specifically described in Exhibit "A";

SECTION 2: That City staff is hereby authorized to acquire the property described in Exhibit "A," which may potentially be used as right-of-way.

SECTION 3: That the City Council will review and may adopt a development agreement that will set forth additional terms and conditions of the property acquisition.

SECTION 4: That the City Manager, the City Attorney, the City Clerk, the Management Services Director, the Assistant to the City Manager for Real Estate, or their designees or agents, are hereby authorized and directed to take all steps and execute all documents necessary to carry out the purpose and intent of this Ordinance.

SECTION 5: That if any section, subsection, sentence, clause, phrase or portion of this Ordinance or any part of the City 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 6: That 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 _____, 2016.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

Marriot Development, Right of Way- Value Estimation

Subject Properties		Lot Size	Improvement Value Per Assessor as of		% of ROW to			
APN	Address	SF	TY 2016 NOV	SF of easement	land sf	Location	Flood pla	Property Use
10021007A	175 W Aspen Ave.	21344	\$ 163,171.00	1105	5%	Corner	yes	Commercial
10019013A	100 N Humphreys St.	10454	\$ 92,947.00	1104	11%	Corner	Yes	Commercial
Total				2209				

Comps		Lot Size	Improvement Value Per Assessor as of			Estimated Land Value: Abstracting	price/sf for				
APN	Address	SF	TY 2016 NOV	Sales Price	Date Sold	Improvement from	land	location	Shape	Flood plane	Property Use
10021007A	175 W Aspen Ave	21344	\$ 163,171.00	\$ 1,700,000.00	under contract	\$ 1,536,829.00	\$ 72.00	corner lot	rectangle	yes	Commercial
10019008A	111 N. Leroux St.	14375	\$ 269,994.00	\$ 860,000.00	4/1/2014	\$ 590,006.00	\$ 41.04	interior lot	rectangle	yes	Commercial
10041002	43 S. San Francisco St.	6970	\$ 302,858.00	\$ 802,500.00	8/1/2015	\$ 499,642.00	\$ 71.69	corner lot	rectangle	yes/partial	Commercial
Median							\$ 71.69				

There were two sales of improved commercial properties which occurred in downtown Flagstaff from 2014-2015 these properties were similar in use, location and size to the subject properties. The developer also provided the purchase contract for parcel 10021007 which I also used in determining the price per square footage.

To determine the price per square foot of the land only, I abstracted the improvement values from the sales price of the comparable properties. Lot 10019008A is an interior lot compared to the subject properties which are located on the corner, in the heart of the City of Flagstaff. Parcel number 10041002 is also a corner lot sale which I felt was a better comparable than the interior lot. The median price per square foot was \$71.69. The value of \$70/sq. ft. was used in determining the value of the Right-of- Way of 2209 sq. ft. to give us a price of \$155,600. And \$68/sq. ft. was used for the 83 sq. ft. of Right- of-Way abandonment. These values are within the range of the estimated price per square foot that was determined by the Abstraction Method.

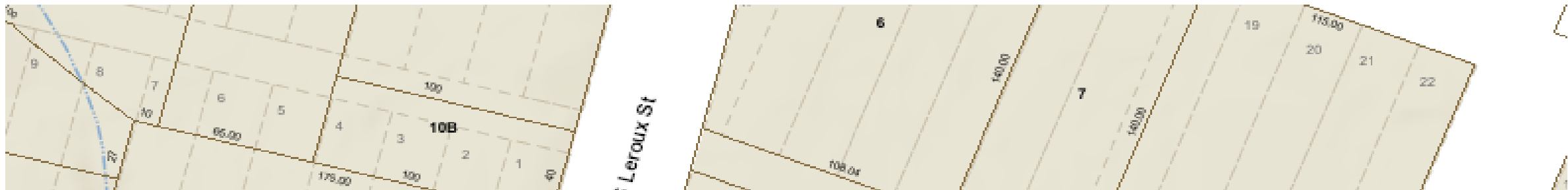
Map of Comparable Properties

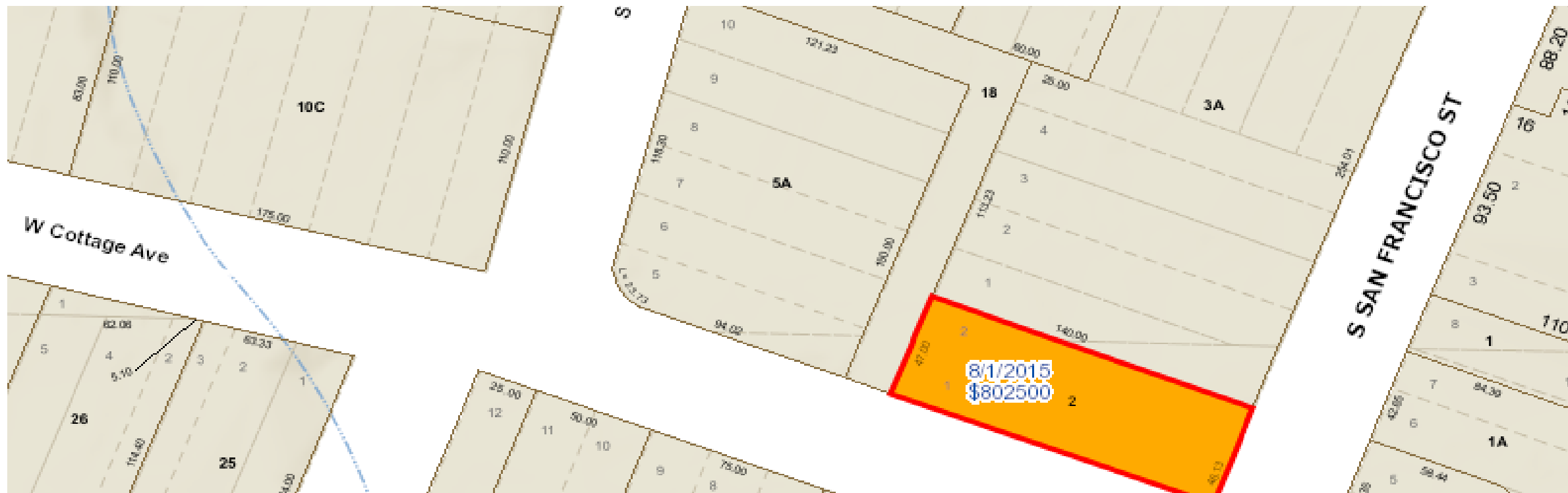
10021007A outlined in red, under contract for \$1,700,000

10019008A highlighted in yellow sold for \$860,000



10041002 highlighted in yellow sold for \$802,500







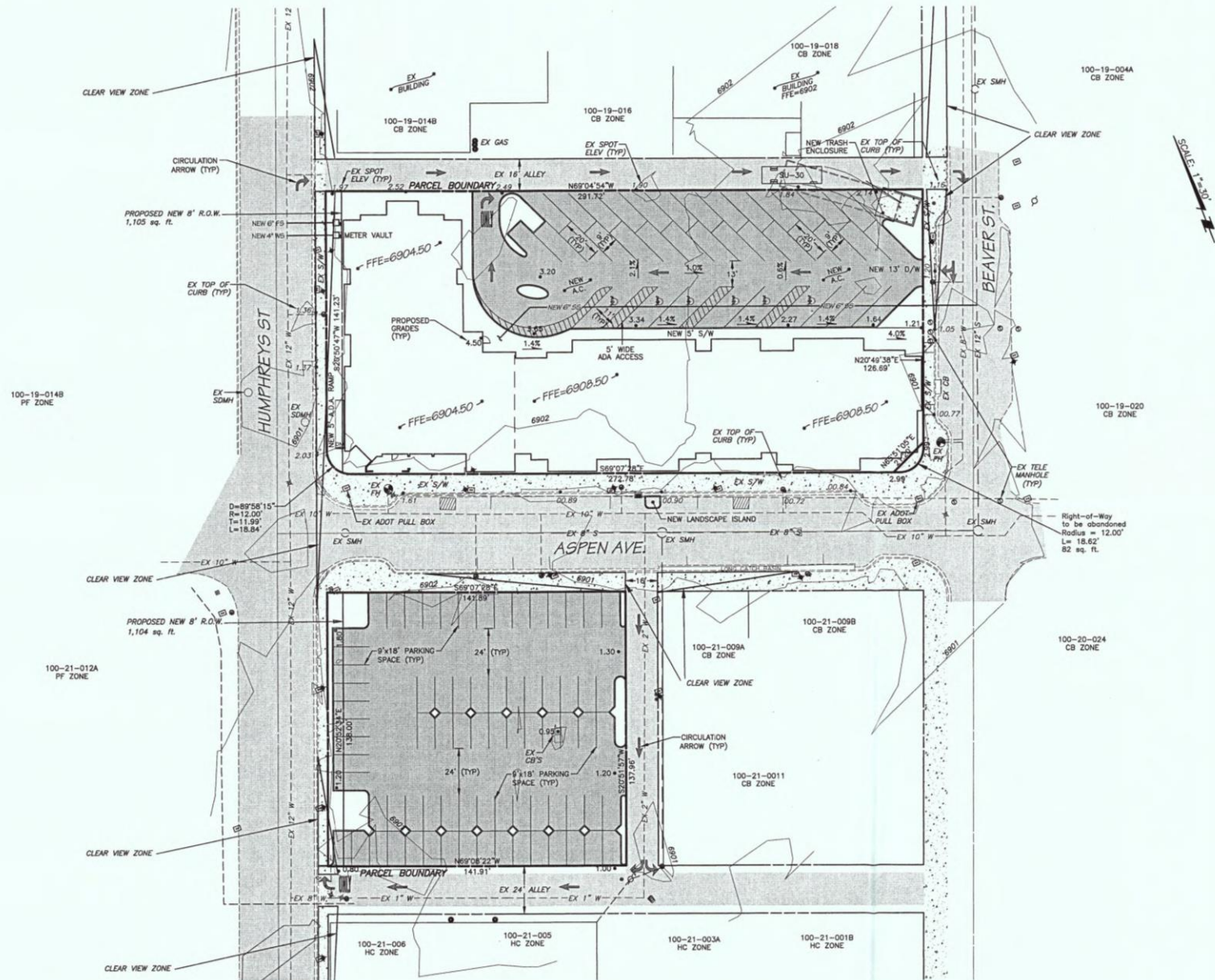
January 19, 2016

City Council Regular Meeting

Marriott Residence Inn

Ordinances & Development Agreement

Approved Site Plan



Items For Consideration

- Ordinance 2016-03: authorizes purchase of 2,209 SF for future right-of-way
- Ordinance 2016-04: abandons 82 SF of public right-of-way at the NW corner of Aspen Avenue and Beaver Street
- Development Agreement: with FMH Enterprises, LLC; establishes purchase price of ROW transactions, allows for encroachments into public ROW & potential future partnership to construct parking structure

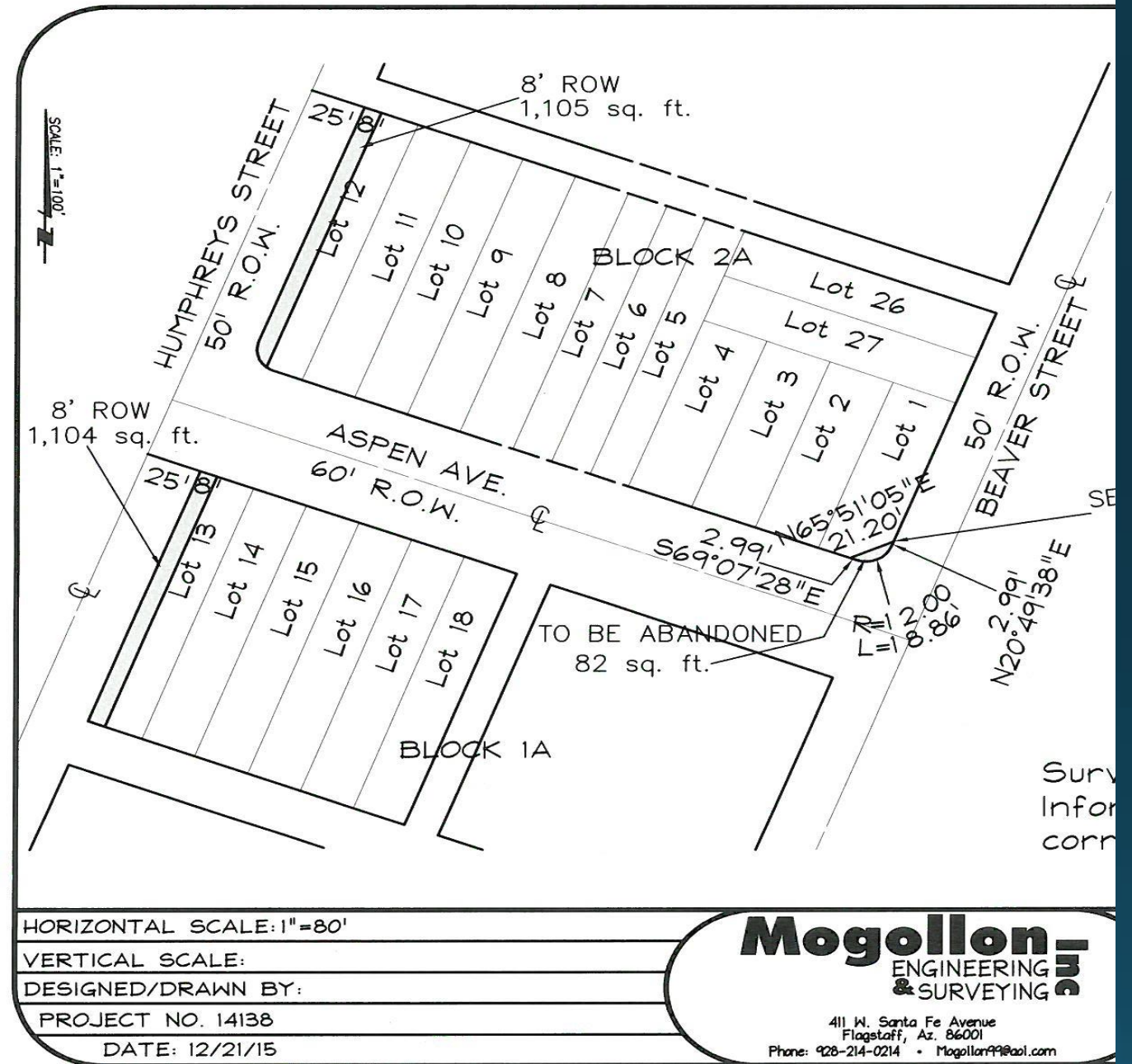
Approved Site Plan

- Hotel is a permitted use in Central Business zoning district
 - No entitlement decision
- Site Plan approved December 8, 2015
 - Includes an 8 foot setback along Humphreys Street
 - Requires encroachment/abandonment of public ROW at Aspen/Beaver
 - Does not require purchase of Humphreys ROW

Exaction vs. Acquisition

- Traffic Statement: < 100 peak hour trips - TIA not required
- Exactions must have nexus to a project impact and be proportionate to the impact
- No exaction or dedication without an identified impact
- City Code Section 10-30.50.070(A): City Engineer may impose special requirements to assure future right-of-way needs
- Imposed 8 foot setback along Humphreys Street
- Willing seller per the DA terms

Proposed ROW Transactions



Development Agreement Terms

City purchase of 2,209 SF	\$155,600
---------------------------	-----------

FMH Enterprises, LLC purchase of 82 SF	\$5,600
--	---------

City net purchase price:	\$150,000
--------------------------	-----------

- Market value determined by comparable sales
- Prepared by City Real Estate Manager
- Offer below determined market value

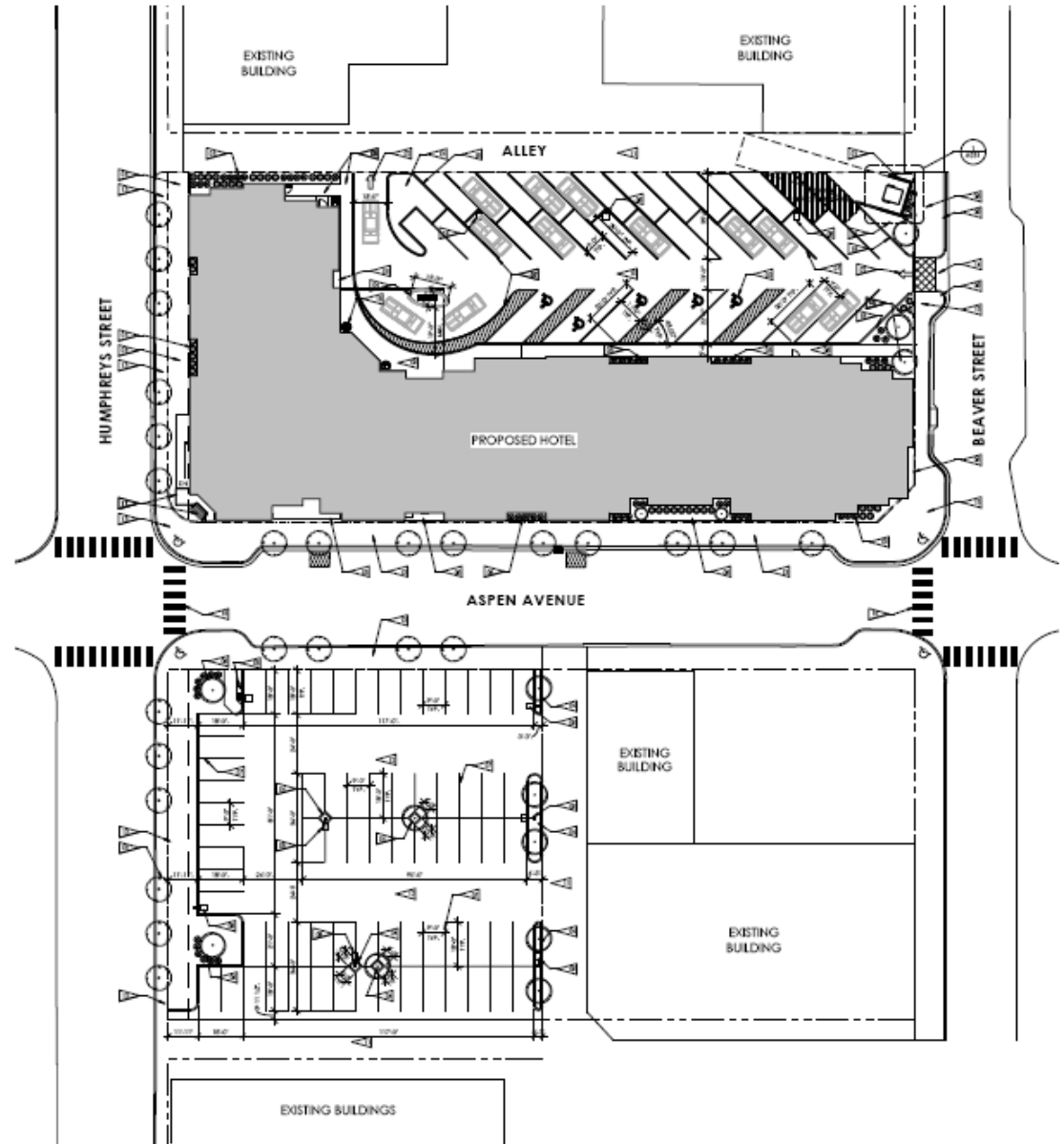
Development Agreement Terms

- No screen wall along Humphreys Street
- Parking allowed within purchased area until roadway widening
- Screen wall constructed at time of parking reconfiguration
- Vests site plan approval for two years
- Allows ADA ramp to encroach into Aspen Avenue ROW
- City participates in ADA relocation costs
- Developer agrees to explore use of parcel for parking structure
- City abandons 82 SF at NW corner of Aspen & Beaver

ADA Ramp Relocation to Aspen

- Due to desired acquisition for Humphreys ROW
- Allow ADA ramp to encroach into Aspen Avenue
- City pay for costs associated with relocation
- Move traffic control box, fire hydrant and parking space
- Estimated City share: \$60,000 - \$80,000

Approved Site Plan Plan Reconfigured



Why widen Humphreys Street?

- Urban Mobility Study recommended dual left/right turns from Route 66/Humphreys
- FRP 2030: Humphreys is identified as a Regional Travel Corridor (freeway or major arterial)
- Humphreys Street is a major arterial in Engineering Standards
- Concept widens Humphreys to 4 lanes from W 66 to Birch/Cherry Avenue

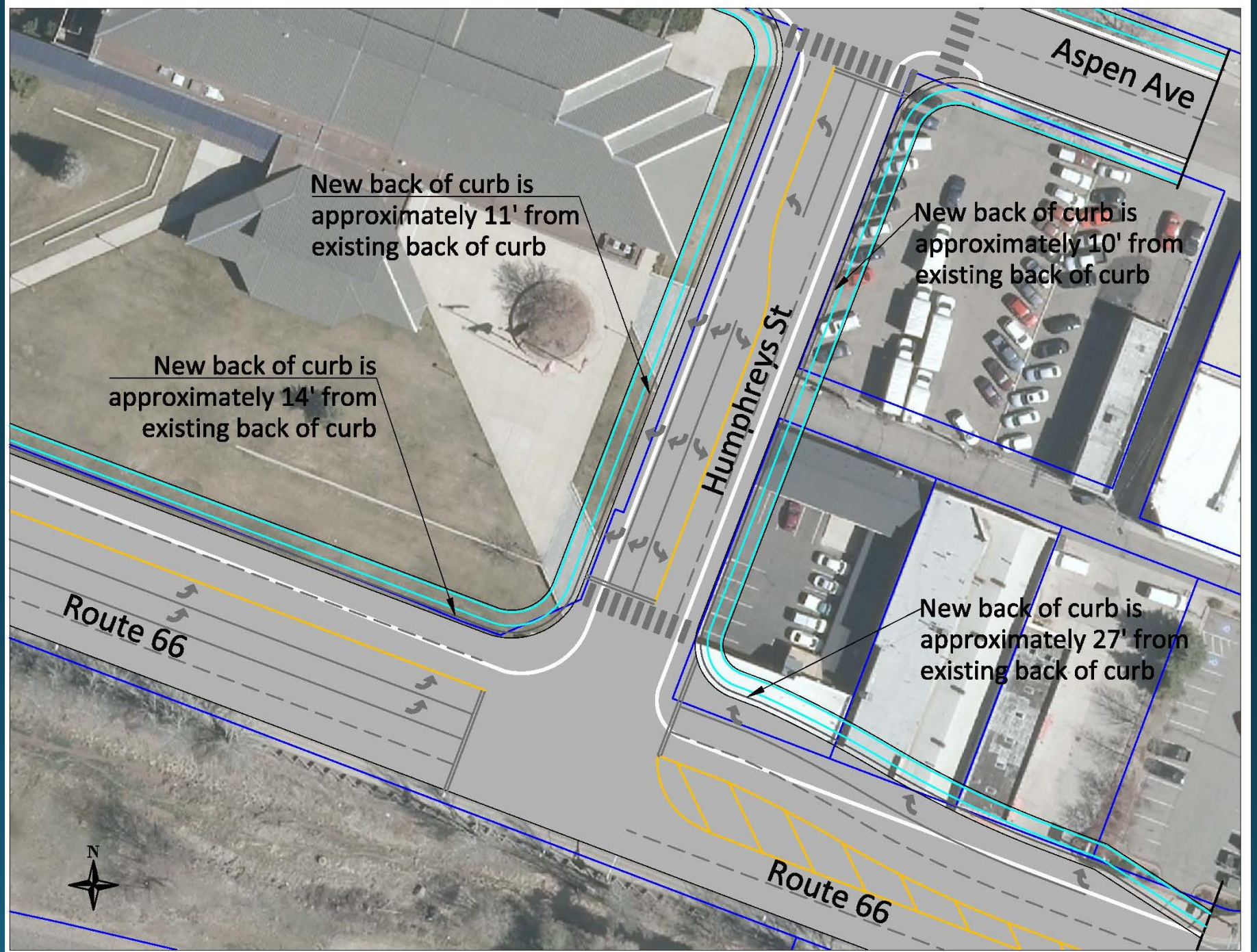
Why purchase right-of-way now?

- Successful roadway widening will require partnership with ADOT
- Dedication of acquired right-of-way could be local contribution
- Land costs will continue to rise
- Willing seller
- Acquisition post hotel construction may include severance damages
- Lessen impact to Wheeler Park
- May not be feasible without 8 feet on east side of Humphreys

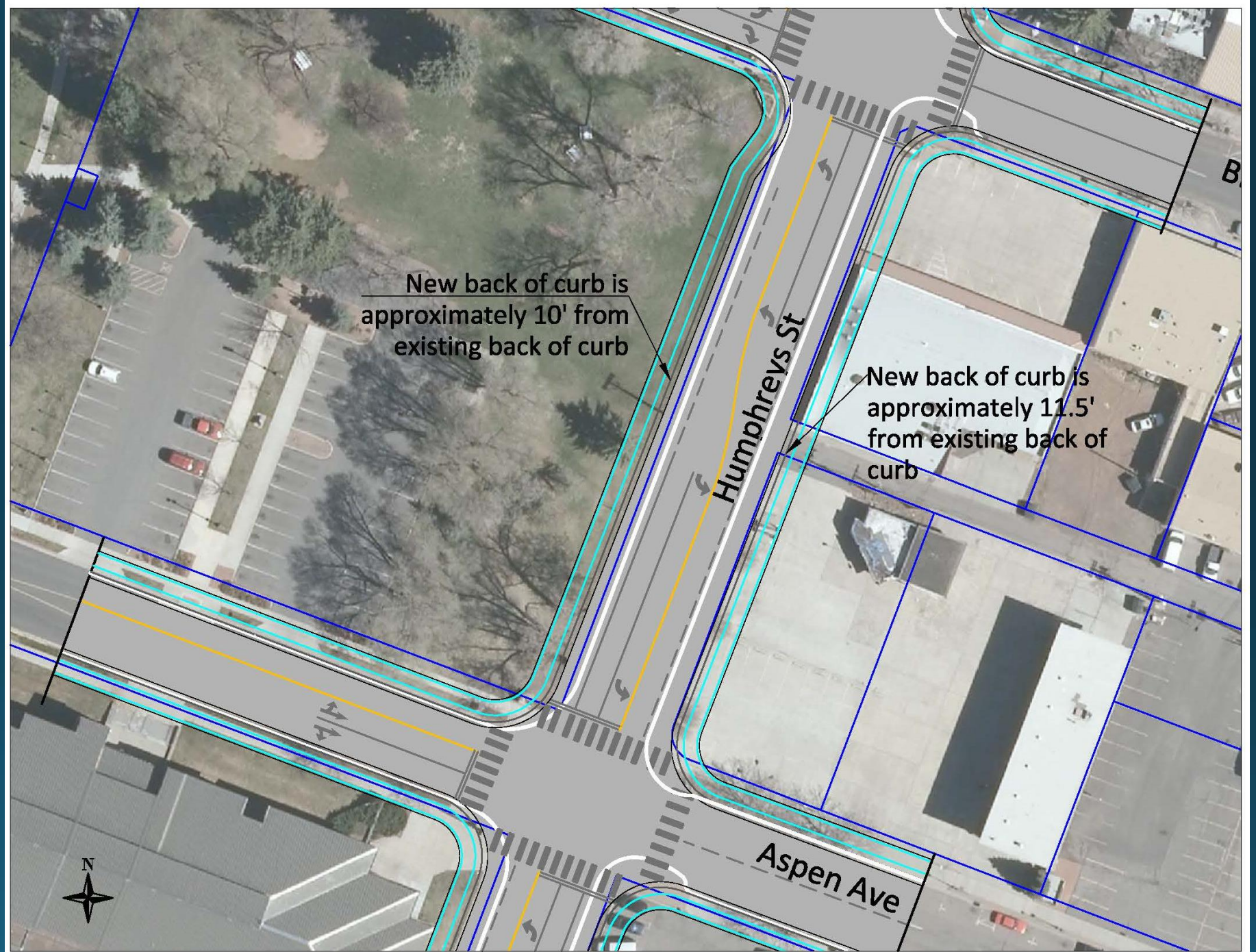
Building Department Fees Marriott Residence Inn

- Plan Review \$38,000
- Building Permit \$59,000
- Include purchase and capital expenditures in 2017 Budget

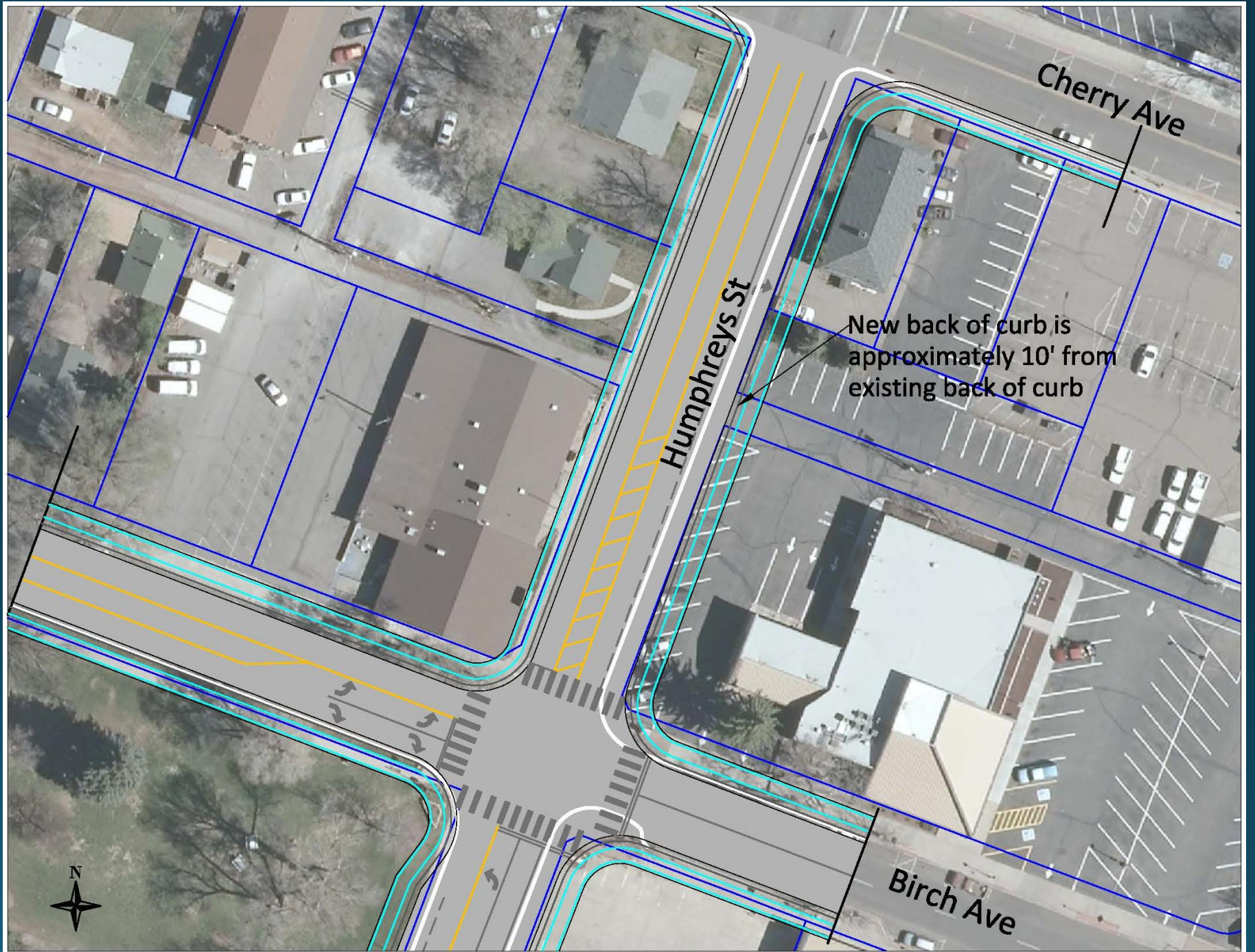
Humphreys & Route 66

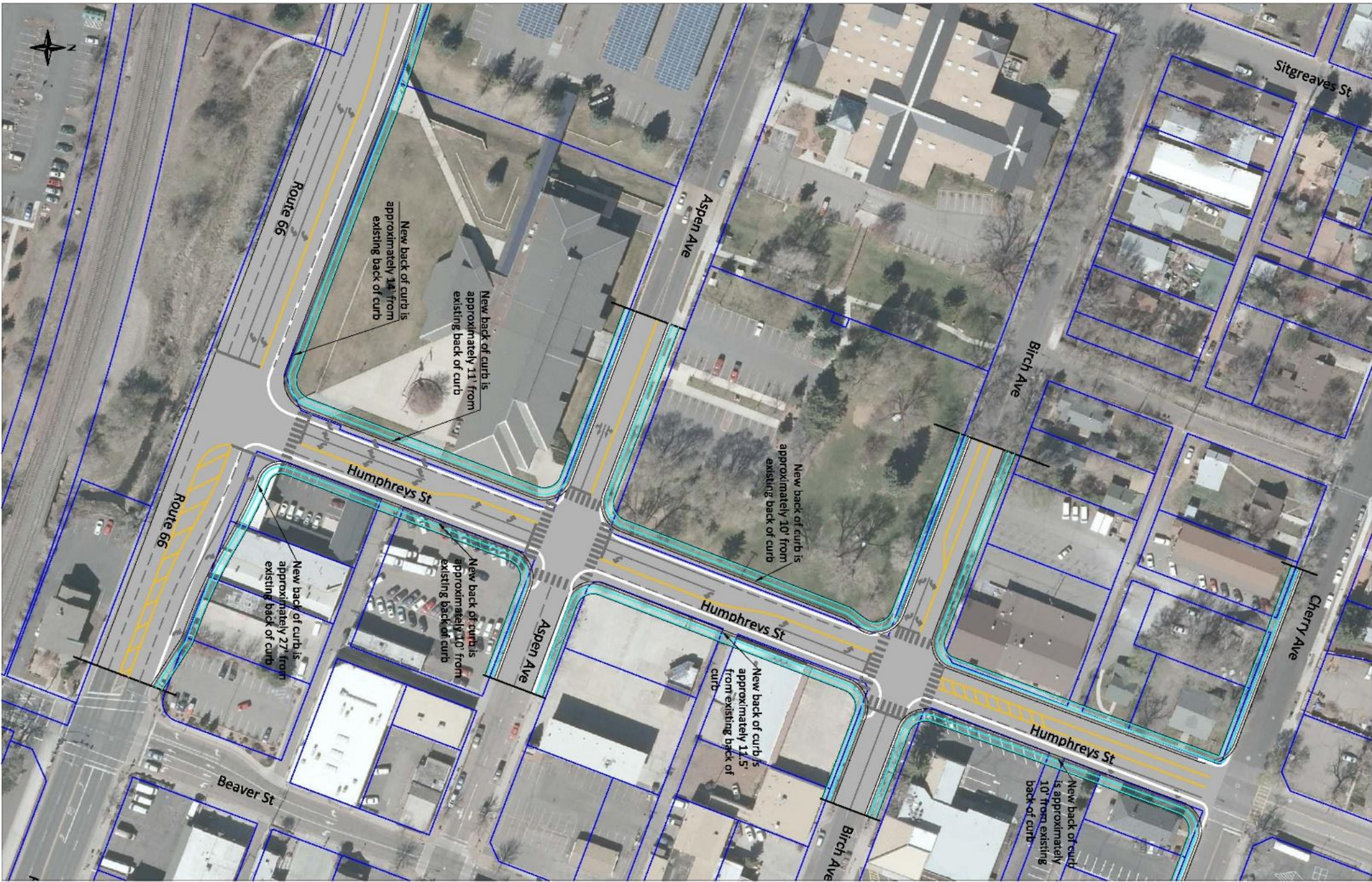


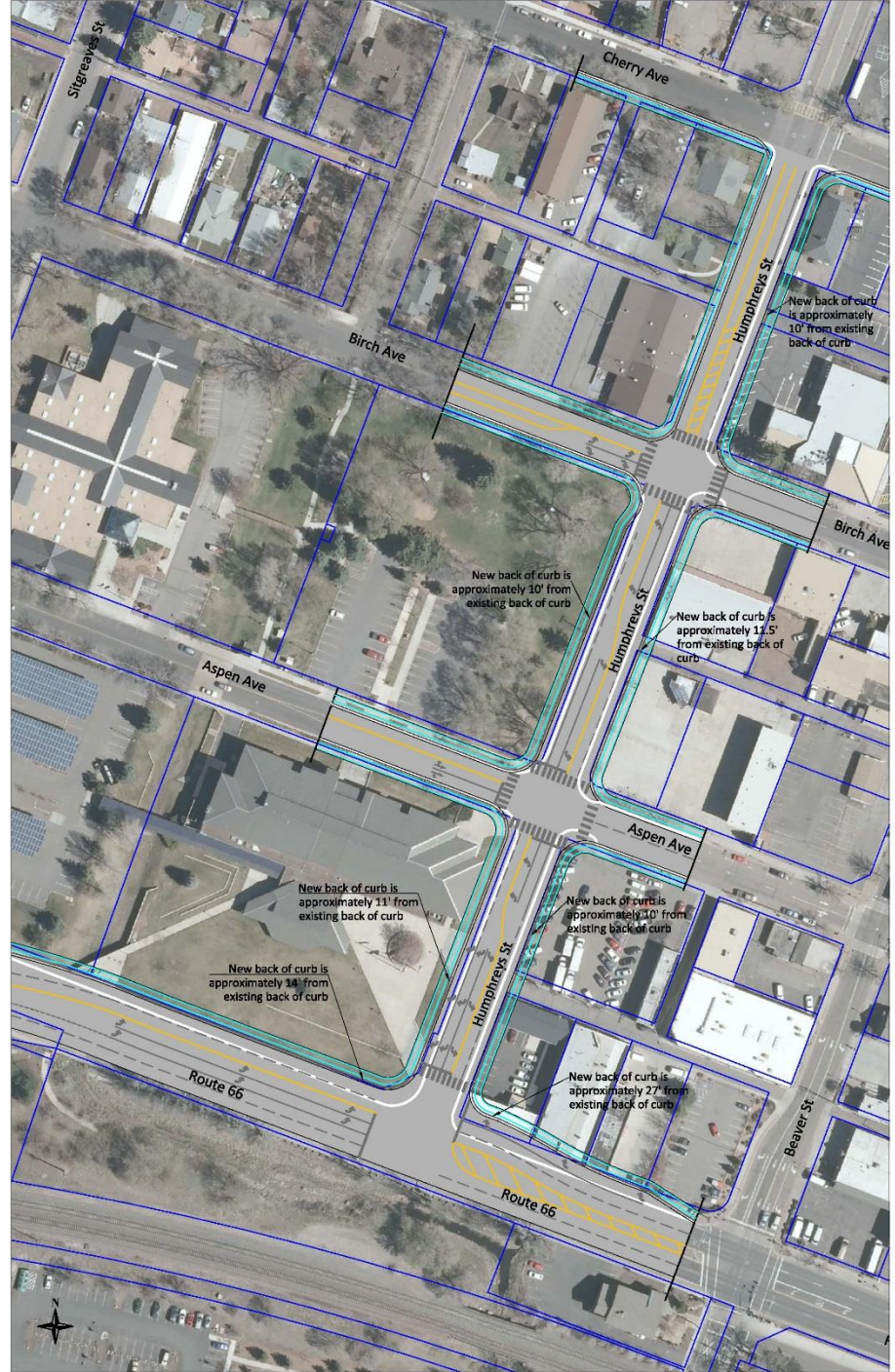
Humphreys & Aspen



Humphreys & Birch







Options

1. Decide to purchase Humphreys ROW and abandon public ROW to accommodate future roadway expansion; proceed with first and second reading of Ordinances and approval of Development Agreement, Jan. 19 & Feb. 2
2. Decide not to purchase Humphreys ROW; approve ROW abandonment to allow for future consideration of ROW acquisition; consider amended Development Agreement

....Additional questions ??

Good Evening...



CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Dan Folke, Planning Director
Co-Submitter: Mark Landsiedel, Community Development Director
Date: 01/13/2016
Meeting Date: 01/19/2016



TITLE:

Consideration and Adoption of Ordinance No. 2016-04: An ordinance of the City Council of the City of Flagstaff, abandoning whatever right, title or interest it has in an approximately 82 square foot portion of public right-of-way generally located at the northwest corner of Aspen Avenue and Beaver Street to FMH Enterprises, LLC.

RECOMMENDED ACTION:

At the Council Meeting of January 19, 2016

- 1) Read Ordinance No. 2016-04 by title only for the first time
- 2) City Clerk reads Ordinance No. 2016-04 by title only (if approved above)

At the Council Meeting of February 2, 2016

- 3) Read Ordinance No. 2016-04 by title only for the final time
- 4) City Clerk reads Ordinance No. 2016-04 by title only (if approved above)
- 5) Adopt Ordinance No. 2016-04 on February 2, 2016.

Executive Summary:

During site plan review of the proposed Marriott Residence Inn, City staff recognized the need for proper placement of the hotel and other improvements to allow for a future roadway expansion along Humphreys Street. Staff determined acquisition of 8 feet for future right-of-way was desirable. This in turn moved the building to the east which results in an encroachment into public right-of-way at the southeast corner of the project, as shown on the attached site plan. Staff recommends 82 feet of right-of-way be abandoned as shown on Ordinance Exhibit B. Staff finds the abandonment of 82 square feet of right-of-way will not have an adverse impact on the City or its operations and protects the City's interests. The property must be purchased at fair market value, which has been determined by the City's Real Estate Manager at \$5,600.

Financial Impact:

The applicant has prepared the required sketch and legal description of the right-of-way to be abandoned. No expenditure is required for the abandonment. Under the terms of the associated Development Agreement the abandoned right-of-way will be purchased for \$5,600.

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
- 6) Relieve traffic congestion throughout Flagstaff

REGIONAL PLAN:

Goal LU.1. Invest in existing neighborhoods and activity centers for the purpose of developing complete, and connected places.

Goal LU.7. Provide for public services and infrastructure.

Goal LU.9. Focus reinvestment, partnerships, regulations, and incentives on developing or redeveloping urban areas.

Goal LU.11. Prioritize the continual reinvigoration of downtown Flagstaff, whose strategic location, walkable blocks, and historic buildings will continue to be a vibrant destination for all.

Goal LU.12. Accommodate pedestrians, bicyclists, transit riders, and private cars to supplement downtown's status as the best-served and most accessible location in the region.

Goal T.4. Promote transportation infrastructure and services that enhance the quality of life of the communities within the region.

Goal T.1. Improve mobility and access throughout the region.

Has There Been Previous Council Decision on This:

No.

Options and Alternatives:

If the City Council decides not to abandon the right-of-way the hotel will need to be relocated to the west which places it into the property identified as desired future right-of-way. The benefit of approving the abandonment is it allows for acquisition of the desired right-of-way along Humphreys Street at current market value and without permanent constructed improvements. If the abandonment is not approved and the hotel is moved to the west, future acquisition will be more costly and may not be feasible.

Community Involvement:

Adoption of an Ordinance requires a public hearing which provides an opportunity for the community to become informed and they may provide public comment on the proposed abandonment.

Attachments: Ord 2016-04

ORDINANCE NO. 2016-04

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF,
ABANDONING WHATEVER RIGHT, TITLE OR INTEREST IT HAS IN AN
APPROXIMATELY 82 SQUARE FOOT PORTION OF PUBLIC RIGHT-OF-WAY
GENERALLY LOCATED AT THE NORTHWEST CORNER OF ASPEN AVENUE
AND BEAVER STREET TO FMH ENTERPRISES, LLC**

RECITALS:

WHEREAS, A.R.S. Sec. 28-7201 *et seq.* provides that a city may dispose of a roadway or a portion thereof when said property or portion thereof is no longer necessary for public use; and

WHEREAS, the City Council has considered the proposed abandonment of the portion of roadway legally described and depicted in Exhibit "A" attached hereto (the "Abandoned Parcel"); and

WHEREAS, the City Council finds that the Abandoned Parcel is no longer necessary for public use as a roadway; and

WHEREAS, pursuant to A.R.S. Sec. 28-7205, title to the Abandoned Parcel will vest in the owner of the land abutting the Abandoned Parcel, FMH Enterprises, LLC;

WHEREAS, as compensation for the Abandoned Parcel, FMH Enterprises, LLC has agreed to either deduct the assessed value of the Abandoned Parcel from the purchase price of property along Humphreys Street that is being sold to the City or, if the City does not purchase the property along Humphreys Street, make payment to the City in the amount of the assessed value;

WHEREAS, the City Council finds that consideration and other public benefit commensurate with the value of the Abandoned Parcel, giving due consideration to its degree of fragmentation and marketability, has been provided to the City by the owner of the abutting property, FMH Enterprises, LLC.

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

SECTION 1. That subject to the reservations below, the Abandoned Parcel is abandoned as a public right-of-way and whatever title the City of Flagstaff has in the Abandoned Parcel vests in the abutting property owner, FMH Enterprises, LLC.

SECTION 2. That all of the following interests are reserved to the City of Flagstaff and excluded from this abandonment:

2.1 Those easements, if any, running over, on or through the Abandoned Parcel as of the effective date of this abandonment.

2.2 Such rights and interests, if any, as are required to be reserved by A.R.S. Sec. 28-7210 and A.R.S. Sec. 28-7215.

SECTION 3. The City Clerk is hereby directed to cause this Ordinance to be recorded in the Office of the Coconino County Recorder, but in no event earlier than thirty (30) days following the date that this Ordinance is passed and adopted. The abandonment described in this Ordinance will become effective when the Ordinance is recorded.

SECTION 4: That the City Manager, the City Attorney, the City Clerk, the Finance Director, the Assistant to the City Manager for Real Estate, or their designees or agents, are hereby authorized and directed to take all steps and execute all documents necessary to carry out the purpose and intent of this Ordinance.

SECTION 5: That if any section, subsection, sentence, clause, phrase or portion of this Ordinance or any part of the City 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.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this _____ day of January, 2016.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

EXHIBIT A

The following is a description of a parcel of land, being a portion of Lot 1 of Block 2A of The Townsite of Flagstaff, File 1 Map 1 and Book 1 Page 16, Coconino County Records, situate in the SE¼ section 16, Township 21 North, Range 7 East, G.& S.R.M., Flagstaff, Coconino County, Arizona being more particularly described as follows:

Beginning at the southeast corner of said Lot 1, Block 2A;

Thence South 20°49'38" West a distance of 2.99 feet to the beginning of a curve, concave to the northwest, having a radius of 12.00 feet;

Thence southerly and westerly along said curve a distance of 18.86 feet through a central angle of 90°02'54";

Thence North 69°07'28" West a distance of 2.99 feet to a south corner of said Lot 1;

Thence North 65°51'05" East along the existing Right-of-Way a distance of 21.20 feet to the Point of Beginning.

Said parcel of land contain 82 sq. ft. of land more or less as shown on Exhibit B which by this reference is made a part hereof

Right-of-Way Abandonment



Expires: 2/31/18

Mogollon Engineering and Surveying, Inc.

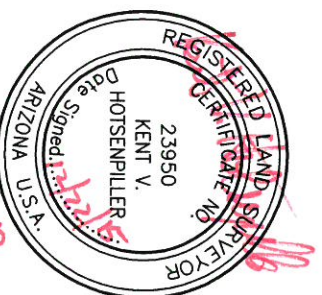
411 W. Santa Fe Ave. Flagstaff, AZ 86001- P.O.-Box 1952 Flagstaff, AZ 86002-mogollon99@aol.com- 928-214-0214

RIGHT-OF-WAY MAP

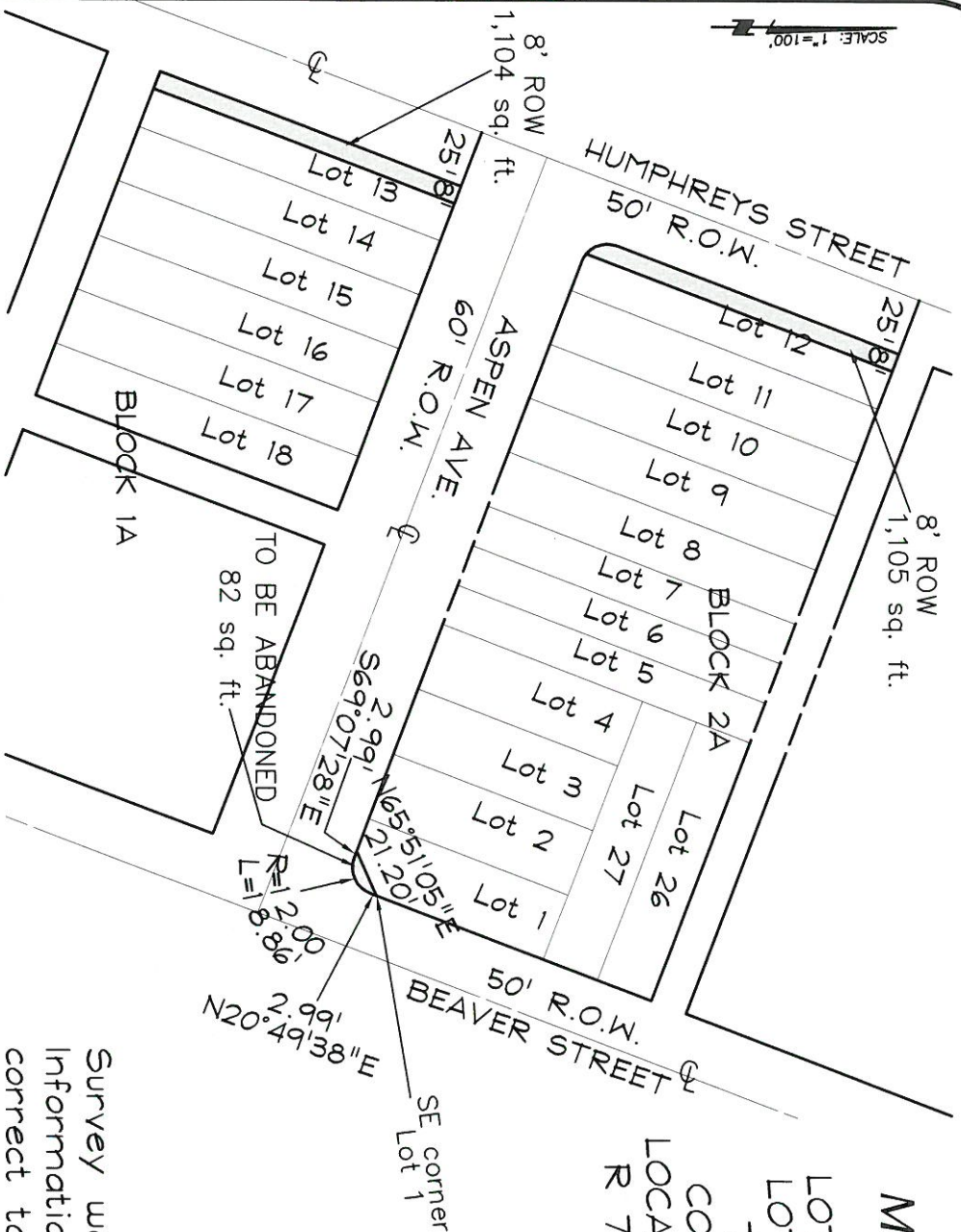
FOR MARRIOTT RESIDENCE INN

LOT 1 AND 12 BLOCK 2A AND
LOT 13 BLOCK 1A, FLAGSTAFF
TOWNSITE, FILE 1 MAP 1,
COCONINO COUNTY RECORDS
LOCATED IN SECTION 16, T 21 N,
R 7 E, FLAGSTAFF, COCONINO
COUNTY, ARIZONA

Survey was performed in June of 2015.
Information shown hereon is true and
correct to the best of my knowledge.



Expires on 3/31/18



HORIZONTAL SCALE: 1"=80'

VERTICAL SCALE:

DESIGNED/DRAWN BY:

PROJECT NO. 14138

DATE: 12/21/15

Mogollon
ENGINEERING
& SURVEYING

411 W. Santa Fe Avenue
Flagstaff, Az. 86001
Phone: 928-214-0214 • MogollonProfessional.com

EXHIBIT B

MARRIOTT RESIDENCE INN

DEDICATION AND ABANDONMENT

**CITY OF FLAGSTAFF
STAFF SUMMARY REPORT**

To: The Honorable Mayor and Council
From: Elizabeth A. Burke, City Clerk
Date: 01/13/2016
Meeting Date: 01/19/2016



TITLE

Future Agenda Item Request (F.A.I.R.): A citizen petition to support a resolution condemning anti-Muslim, anti-refugee, and anti-immigrant speech from presidential candidate Donald Trump and others.

RECOMMENDED ACTION:

Council direction

EXECUTIVE SUMMARY:

Rule 11.05, Citizen Petitions, of the City of Flagstaff City Council Rules of Procedure outlines the process for citizens to submit petitions to the Council as referenced in Flagstaff City Charter Article II Section 17. The attached petition, entitled **Political Rhetoric**, was submitted to the City Manager's Office on December 31, 2015, and is requesting support for a petition similar to what they provided.

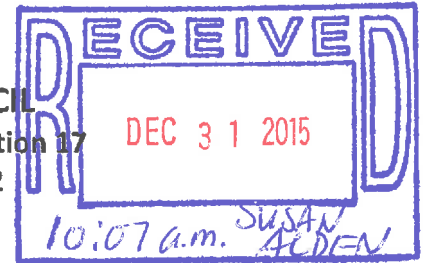
While the voters in Flagstaff approved an amendment to the City Charter requiring the signatures of at least 25 residents on these petitions, those changes have not yet been signed by the Governor and, therefore, are not in effect.

INFORMATION:

Petition and related documents attached.

Attachments: Citizen Petition - Political Rhetoric

PETITION TO FLAGSTAFF CITY COUNCIL
Pursuant to Flagstaff City Charter Article II Section 17
and Flagstaff City Code Title I Chapter 12



Pursuant to the Flagstaff City Charter and the City Code, any citizen (resident) of the City may present a written petition to the City Manager, which shall be presented to the City Council.

Title of Issue: Political Rhetoric

Action Requested: Support for the attached petition

Printed Name of Submitter: Edwin Victor Smith
(Submitter must also sign below and complete information)

Contact Information: 480 510 4639 / smivic@gmail.com
(Phone Number and/or e-mail address)

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
12/30/15	Edwin Victor Smith	6033 SCUPRITE TH FLAGSTAFF 86005	EOSmith
12/31/15	RICHARD L Hummel	4790 ELVES CHASM TRL FLAGSTAFF, AZ 86005	Richard L Hummel

RECEIVED BY CITY OF FLAGSTAFF

DATE RECEIVED	BY	COUNCIL MEETING DATE
12.31.15	SA - RB	1-19-16

Condemning anti-Muslim and anti-refugee speech from electoral candidates for the 2016 election

WHEREAS, America values tolerance of religious freedoms; and

WHEREAS, Flagstaff strives to be a forward-thinking, university-based city whose values as a welcoming, compassionate community has led to a diverse population ; and

WHEREAS, These diverse peoples have helped to strengthen the City of Flagstaff; and

WHEREAS, anti-Muslim and anti-refugee speech from electoral candidates conflicts with the values of America and the City of Flagstaff and has done harm to our country by inciting and encouraging fear, persecution, and attacks on persons and property; and therefore be it

RESOLVED, the City of Flagstaff condemns anti-Muslim and anti-refugee speech from all electoral candidates and condemns unjust violence.

— Modeled on Resolution 15-2233 adopted by a resolution adopted on 12/16/2015 by St. Paul, Mn City Council (attached)

— Untruthful and inflammatory rhetoric from some presidential candidates has unfairly threatened the security of the 8 million American Muslims.:

— Hate crimes against them have tripled since since the rhetoric of attack has dominated, and includes both personal and property attacks
(http://www.huffingtonpost.com/entry/hate-crimes-against-muslims-have-tripled-since-attacks-in-paris-san-bernardino_567428bbe4b0b958f6564f3d)

— Free speech is a constitutional right. The current rhetoric of attack is an irresponsible use of that right.



City of Saint Paul

City Hall and Court House
15 West Kellogg Boulevard
Phone: 651-266-8560

Legislation Text

File #: RES 15-2233

Condemning anti-Muslim, anti-refugee, and anti-immigrant speech from presidential candidate Donald Trump and others

WHEREAS, the City of Saint Paul strives to be the most livable city in America for all people; and

WHEREAS, immigrants and refugees from all over the world are valued members of our community and have helped strengthen the City of Saint Paul; and

WHEREAS, the City of Saint Paul passed Resolution 15-2071, Supporting the State of Minnesota and the United States of America accepting and welcoming properly screened immigrants and refugees regardless of their race, gender, sexual orientation, religion, or country of origin; and

WHEREAS, anti-Muslim, anti-refugee, and anti-immigrant speech from presidential candidate Donald Trump conflicts with the values of the City of Saint Paul and does harm to our community by inciting and encouraging fear and racism; and therefore be it

RESOLVED, the City of Saint Paul condemns anti-Muslim, anti-refugee, and anti-immigrant speech from presidential candidate Donald Trump and others.