

**CITY OF KINGMAN  
MEETING OF THE COMMON COUNCIL  
Council Chambers  
310 N. 4th Street**

**5:30 P.M.**

**AGENDA**

**Tuesday, June 16, 2015**

**REGULAR MEETING**

**CALL TO ORDER & ROLL CALL**

**INVOCATION** will be given by Grif Vautier of Kingman Presbyterian Church

**PLEDGE OF ALLEGIANCE**

THE COUNCIL MAY GO INTO EXECUTIVE SESSION FOR LEGAL COUNSEL IN ACCORDANCE WITH A.R.S.38-431.03(A) 3 TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

**1. APPROVAL OF MINUTES**

- a. The Special Meeting minutes of September 12, 2014.**
- b. The Regular Meeting and Executive Session minutes of June 2, 2015.**
- c. The Special Meeting and Executive Session Minutes of June 4, 2015.**
- d. The Special Meeting and Executive Session Minutes of June 5, 2015.**

**2. CALL TO THE PUBLIC - COMMENTS FROM THE PUBLIC**

Those wishing to address the Council should fill out request forms in advance. Action taken as a result of public comments will be limited to directing staff to study the matter or rescheduling the matter for consideration and decision at a later time. Comments from the Public will be restricted to items not on the agenda with the exception of those on the Consent Agenda. There will be no comments allowed that advertise for a particular person or group. Comments should be limited to no longer than 3 minutes.

**3. CONSENT AGENDA**

All matters listed here are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired that item will be removed from the CONSENT AGENDA and will be considered separately.

**a. Arizona Criminal Justice Commission Grant Award DC-16-007**

On June 3, 2015 the Arizona Criminal Justice Commission (ACJC) awarded the Kingman Police Department, on behalf of the Mohave Area General Narcotics Enforcement Team (MAGNET), a grant in the amount of \$345,254.00 to fund our drug task force. Total grant funding is for \$258,940.00 with matching funds totaling \$86,314.00 required from MAGNET. Those matching funds will be paid from the MAGNET RICO account. **Staff recommends approval.**

**b. Resolution No. 4955 – Approving Water Service for an Unsubdivided Parcel at 2800 Hualapai Mountain Road for an Office Building (ENG15-034)**

On May 28, 2015 the Municipal Utility Commission reviewed a request from Doug Angle for water service to an unsubdivided parcel at 2800 Hualapai Mountain Road (Tax Parcel 321-06-084). This water service request is for development of a new office building on a 1.68 acre

commercial property. Resolution No. 4955 grants water service to the subject parcel with the following condition: (1) that any connection to the water or sewer system is made in accordance with the Utility Regulations and applicable building codes. The Commission voted 5-0 to recommend approval of water service to Tax Parcel 321-06-084. **Staff recommends approval of Resolution No. 4955.**

**c. Resolution No. 4954 – Sale of Real Property at 854 Berk Avenue**

This item was originally approved March 3, 2015, with Resolution No. 4936. Due to a clerical error, Resolution No. 4936 was assigned to two separate items. This item will re-approve the authorization for the sale of certain real property located at 854 Berk Avenue. The property was bid on through a sealed competitive bid process on February 23, 2015. **Staff recommends approval.**

**d. Authorizing the purchase of real property on Gates Avenue for drainage purposes, ENG15-018**

On March 17, 2015, Council approved Resolution 4936, which authorized staff to proceed with acquiring vacant property on Gates Avenue for drainage purposes. The property is owned by Gregory V. Davis and is identified as tax parcel 311-14-326. The property is 5,000 square feet in area and is a natural low point which ponds with storm runoff. Staff recommends proceeding with the Gates property acquisition. Upon Council approval, staff will open an escrow with one of the local title agencies to finalize this land purchase. **Staff recommends approval.**

**e. Mohave County Jail Costs IGA FY15-16**

Staff has submitted the Mohave County Jail Costs IGA dated July 1, 2014, email correspondence with Mohave County, and Mohave County Board of Supervisors May 5, 2015 agenda item and meeting minutes regarding the FY15-16 booking and per diem fees for city inmates. The booking fee has been reduced from \$62.00 to \$61.00. The per day fee has been reduced from \$69.50 to \$66.64. **Staff recommends approval.**

**f. Resolution 4956 Authorizing an Intergovernmental Agreement between the Arizona Department of Revenue (ADOR) and the City of Kingman for ADOR administration, billing, collection, auditing and licensing of transaction privilege taxes, use taxes or other taxes imposed by the City or State**

The Arizona Department of Revenue has prepared a revised intergovernmental agreement to renew authorization for the Department of Revenue to act on behalf of the City of Kingman in regard to joint taxpayer audits and the uniform method of administration, collection, audit and licensing of transaction privilege taxes, use taxes or other taxes imposed by the City of Kingman or State of Arizona. With the modification of ARS §42-6001 as it relates to the Local Transaction Privilege Tax administration, there are significant improvements in the State collection program as a result of the simplification process. The intergovernmental agreement includes revisions to 1) address confidentiality, 2) provide clear direction regarding the sharing of general taxpayer license information, legal interpretations and

written guidance, and rate and fee tables, 3) identify exact data fields to provide to the DOR and detailed reports that will be provided to the cities, 4) provide guidance for handling voluntary disclosure by taxpayers, and 5) provide a formal review process using the new "State and Local Uniformity Group" made up of four city and four DOR tax experts who will work together to iron out any problems or conflicts between the cities and the State. The terms of the intergovernmental agreement run on an annual basis from July 1, 2015 through June 30, 2016 and will renew automatically each year. **Staff recommends approval.**

**g. National League of Cities Service Line Program**

At the June 2, 2015 Regular Meeting of the Common Council, Utility Service Partners presented information on the National League of Cities Service Line Program, which provides citizens with the opportunity to purchase insurance to cover water and sewer line repairs that are the responsibility of the property owner. Staff has worked with Utility Service Partners to draft a contract to allow the City to participate in this program. **Staff recommends approval.**

**4. EXECUTIVE SESSION**

THE COUNCIL MAY GO INTO EXECUTIVE SESSION FOR LEGAL COUNSEL IN ACCORDANCE WITH A.R.S.38-431.03(A)(1). THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

**a. Review and discussion of the draft contract for the City Magistrate position.**

**b. Discussion and/or action concerning the contract for the City Magistrate position.**

**5. OLD BUSINESS**

**a. Ratification of City Magistrate Employment Agreement**

On June 5, 2015, Council appointed three Council members and HR Director to negotiate terms and conditions of an employment agreement with Jeffrey Singer for City Magistrate. Attached is the agreed upon contract with City Magistrate Jeffrey R. Singer. Highlights of the contract include: effective June 29, 2015; two year contract; annual base salary of \$111,936.

**b. Swearing in ceremony for new city magistrate**

Pending approval of the proposed contract for new City Magistrate Jeffrey R. Singer, retiring Magistrate Kathy McCoy will swear in Judge Singer to his new position before the Mayor and Council.

**6. NEW BUSINESS**

**a. Discussion and direction concerning possible consolidation and extension of repayment of WIFA loans for infrastructure improvements**

Upgrades to the Downtown and Hilltop Wastewater Treatment Plants were completed in 2011 and 2012. The primary funding source for each of these projects was through loans obtained from the Water Infrastructure Finance Authority (WIFA), \$14,439,487 for the Downtown plant and \$33,783,632 for the Hilltop plant. Both loans are on a 20-year repayment schedule. The combined interest rate and administrative fee for the Downtown plant's loan is 3.185% and Hilltop plant's loan is 3.60%. The Downtown plant's outstanding loan balance is \$13,125,155 and has 16 years remaining on it. The Hilltop plant's outstanding loan balance is \$27,924,337 and has 14 years remaining on it. There has been some inquiry

into the possibility of consolidating and extending these loans if additional funding from WIFA is needed for infrastructure improvements. **Staff is looking for direction on whether or not to research the inquiry of consolidation and extension of repayment of the WIFA loans if additional funding is needed for infrastructure improvements.**

**b. Golf Course Manager Agreement**

The term of the current Golf Course Manager Agreement ends December 31, 2015. After lengthy discussion at the May 20th meeting of the Golf Course Advisory Commission, the commission voted 5 in favor of renegotiating the Golf Course Manager Agreement with the current Golf Course Manager Levi Pitts of Cerbat Golf L.L.C. One commissioner cast an opposing vote. The current term of the Golf Course Manager Agreement ends December 31, 2015. **Council discretion.**

**c. Discussion and/or action regarding possibly changing the date of or cancelling the second Regular Council Meeting in August**

The second Regular Council Meeting for the month of August is currently scheduled to take place August 18<sup>th</sup>. The League of Cities and Towns Annual Conference is scheduled to take place Tuesday, August 18<sup>th</sup> through Friday, August 21<sup>st</sup> in Tucson, Arizona. Given that the majority of the Council is scheduled to attend this conference beginning August 19<sup>th</sup>, staff has requested an item for the Council to discuss and possibly take action regarding changing the date of or cancelling the second Regular Meeting of August 18, 2015. **Council discretion.**

**d. Consideration of the City Council Initiating a C-3 Planned Development District Zoning for the 151-Acres of City Owned Property in the Kingman Crossing Area that is Designated "Regional Commercial"**

With the adoption of Resolution 4949 on May 5, 2015, the 151.32-acres of the Kingman Crossing area owned by the City is designated "Regional Commercial" on the Projected Land Use Map of the Kingman General Plan Update 2013. The property can be rezoned to a zoning district that is in conformance with the General Plan. A compatible zoning district for a Regional Commercial Zoning District is Commercial: Service Business (C-3). However, as was discussed in the General Plan Amendment public meetings and other discussions with the land owner on the north side of the future Kingman Crossing Traffic Interchange, some uses permitted in the C-3 Zoning District are not desirable. Therefore, a Planned Development District, which permits a change in the permitted, conditionally permitted uses, and minimum development standards, can be adopted to establish a desirable zoning district. Staff and Council will discuss stipulations for the development of the property. If the City Council desires to initiate rezoning of its Kingman Crossing property, direction on what zoning district and/or planned development district is desired needs to be made. If initiated at this meeting, the Planning and Zoning Commission can hold its public hearing on July 14, 2015, and the City Council can hold its public hearing on August 4, 2015. **Staff recommends initiation of the C-3 PDD zoning district and rezoning of the Kingman Crossing property.**

**e. Adopt Public Notice for Public Hearing on July 21, 2015 to Amend the City of Kingman Tax Code by Removing the Sunset Date on the Increased Taxation Rate of 0.50% on All Categories**

On May 7, 2013, Council adopted Ordinance 1751R which increased the taxation rate on all categories by 0.50% effective July 1, 2013 through June 30, 2016. The purpose of the temporary TPT increase was to supplement funding for necessary public safety equipment and fleet replacement, public safety facilities, street improvements and maintaining a general fund balance of 25% of its operating expenditures. Some of these items are ongoing and need funding to complete and other items, such as general fund expenditures, have become a priority. During budget work sessions there was much discussion surrounding the 0.50% TPT tax increase and removing the June 30, 2016 sunset date. Since there was not a consensus during budget work sessions on moving forward with a public hearing process to remove the sunset date, staff is looking for direction from Council on how to proceed. It should be noted that if Council directs staff to move forward with a public hearing process, as other revenue sources are implemented, the 0.50% TPT increase can be revised or removed in its entirety. **Staff is looking for direction from Council on whether to proceed with a public hearing process to amend the City of Kingman tax code or to allow the temporary 0.50% TPT increase to expire on June 30, 2016.**

7. **REPORTS**

a. **Historical Preservation Commission report to Council on member's attendance to State Annual Historic Preservation Conference, May 12-16, 2015 in Flagstaff, AZ.**

From May 12th through the 16th, 2015, Historical Preservation Commission members D'Arcy Wagner and Angele Florisi attended the State Historic Preservation Office's annual preservation conference in Flagstaff, Arizona. These commissioners attended various workshops which provided a wealth of information about local government preservation and redevelopment methods and strategies. Commissioners wish to report to Council on the education they received during this valuable conference.

b. **Board, Commission and Committee Reports by Council Liaisons**

8. **ANNOUNCEMENTS BY MAYOR, COUNCIL MEMBERS, CITY MANAGER**

*Limited to announcements, availability/attendance at conferences and seminars, requests for agenda items for future meetings.*

**If needed.**

9. **EXECUTIVE SESSION**

THE COUNCIL MAY GO INTO EXECUTIVE SESSION IN ACCORDANCE WITH A.R.S.38-431.03(A)(4) TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

**Discussion and guidance provided to staff for contract negotiations with Kingman Visitor Center Inc.**

**ADJOURNMENT**

Posted \_\_\_\_\_ by \_\_\_\_\_

**CITY OF KINGMAN  
MEETING OF THE COMMON COUNCIL  
Council Chambers  
310 N. 4<sup>th</sup> Street**

**3:30 P.M.**

**MINUTES**

**Friday, September 12, 2014**

**SPECIAL MEETING**

<b>Members</b>	<b>Officers</b>	<b>Visitors Signing in</b>
<b>Janet Watson-Mayor</b>	<b>John Dougherty, City Manager</b>	<b>See attached</b>
<b>Carole Young-Vice Mayor</b>	<b>Rusty Cooper, Deputy Chief of Police</b>	
<b>Richard Anderson</b>	<b>Carl Cooper, City Attorney</b>	
<b>Larry Carver</b>	<b>Chuck Osterman, Fire Chief</b>	
<b>Mark Wimpee, Sr. - EXCUSED</b>	<b>Greg Henry, City Engineer</b>	
<b>Jen Miles</b>	<b>Linda Semm, Human Resources</b>	
<b>Erin Cochran - EXCUSED</b>	<b>Mike Meersman, Parks and Recreation Director</b>	
	<b>Coral Loyd, Financial Services Director</b>	
	<b>Gary Jeppson, Development Services Director</b>	
	<b>Rob Owen, Public Works Director</b>	
	<b>Sydney Muhle, City Clerk and Recording Secretary</b>	

**CALL TO ORDER & ROLL CALL**

Mayor Watson called the meeting to order at 3:29 P.M. and roll call was taken. All councilmembers were present except for Councilmember Wimpee, Sr. and Councilmember Cochran who were excused.

THE COUNCIL MAY GO INTO EXECUTIVE SESSION FOR LEGAL COUNSEL IN ACCORDANCE WITH A.R.S.38-431.03(A) (1) TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

**Resolution No. 4910– Canvass of the August 26, 2014, Primary Election**

Arizona Revised Statutes require the governing body to canvass this type of election within 6-20 days of the election. Election materials will be available in the Council Chambers prior to the meeting for inspection by the Council and/or public. **Staff recommends approval of Resolution No. 4910.**

Councilmember Anderson made a MOTION to APPROVE Resolution No. 4910. Vice

Mayor Young SECONDED and it was APPROVED by a vote of 5-0.

Councilmember Anderson made a MOTION to ADJOURN. Vice Mayor Young SECONDED and it was APPROVED by a vote of 5-0.

**ADJOURNMENT --- 3:31 P.M.**

ATTEST:

APPROVED:

\_\_\_\_\_  
Sydney Muhle  
City Clerk

\_\_\_\_\_  
Janet Watson  
Mayor

STATE OF ARIZONA)  
COUNTY OF MOHAVE)ss:  
CITY OF KINGMAN)

**CERTIFICATE OF COUNCIL MINUTES**

I, Sydney Muhle, City Clerk and Recording Secretary of the City of Kingman, Arizona, hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Special Meeting of the Common Council of the City of Kingman held on September 12, 2014.

Dated this 16<sup>th</sup> day of June, 2015.

\_\_\_\_\_  
Sydney Muhle, City Clerk and Recording Secretary

**CITY OF KINGMAN  
MEETING OF THE COMMON COUNCIL  
Council Chambers  
310 N. 4<sup>th</sup> Street**

5:30 P.M.

**MINUTES**

Tuesday, June 2, 2015

**REGULAR MEETING**

<b>Members</b>	<b>Officers</b>	<b>Visitors Signing in</b>
<b>Richard Anderson – Mayor - EXCUSED</b>	<b>John Dougherty, City Manager</b>	<b>See attached list</b>
<b>Mark Wimpee, Sr. – Vice-Mayor</b>	<b>Jackie Walker, Human Resources Director</b>	
<b>Mark Abram</b>	<b>Carl Cooper, City Attorney</b>	
<b>Larry Carver</b>	<b>Jake Rhoades, Fire Chief</b>	
<b>Jen Miles - EXCUSED</b>	<b>Greg Henry, City Engineer</b>	
<b>Stuart Yocum</b>	<b>Robert DeVries, Chief of Police</b>	
<b>Carole Young</b>	<b>Mike Meersman, Parks and Recreation Director</b>	
	<b>Tina Moline, Finance Director</b>	
	<b>Gary Jeppson, Development Services Director</b>	
	<b>Rob Owen, Public Works Director</b>	
	<b>Joe Clos, Information Services Director</b>	
	<b>Sydney Muhle, City Clerk</b>	
	<b>Erin Roper, Deputy City Clerk and Recording Secretary</b>	

**CALL TO ORDER & ROLL CALL**

Vice-Mayor Wimpee, Sr. called the meeting to order at 5:30 P.M. and roll call was taken. All councilmembers were present except for Mayor Anderson and Councilmember Miles who were excused. The invocation was given by Pete Ernst of Manzanita Baptist Church after which the Pledge of Allegiance was said in unison.

THE COUNCIL MAY GO INTO EXECUTIVE SESSION FOR LEGAL COUNSEL IN ACCORDANCE WITH A.R.S.38-431.03(A)3 TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

**1. APPROVAL OF MINUTES**

**a. The Workshop Meeting minutes of April 23, 2015.**

Councilmember Abram stated he would abstain from voting as he was not present for the entire meeting.

Councilmember Young made a MOTION to APPROVE the Workshop Meeting minutes of April 23, 2015. Councilmember Yocum SECONDED and it was APPROVED by a vote of 4-0 with Councilmember Abram ABSTAINING.

**b. The Special Meeting minutes of May 19, 2015.**

Councilmember Abram made a MOTION to APPROVE the Special Meeting minutes of May 19, 2015. Councilmember Young SECONDED and it was APPROVED by a vote of 5-0.

**c. The Regular Meeting and Executive Session minutes of May 19, 2015.**

Councilmember Young made a MOTION to APPROVE the Regular Meeting and Executive Session minutes of May 19, 2015. Councilmember Abram SECONDED and it was APPROVED by a vote of 5-0.

**2. CALL TO THE PUBLIC - COMMENTS FROM THE PUBLIC**

Those wishing to address the Council should fill out request forms in advance. Action taken as a result of public comments will be limited to directing staff to study the matter or rescheduling the matter for consideration and decision at a later time. Comments from the Public will be restricted to items not on the agenda with the exception of those on the Consent Agenda. There will be no comments allowed that advertise for a particular person or group. Comments should be limited to no longer than 3 minutes.

Steven Robinson stated he lived in Golden Valley and wanted to address Ordinance 1797. Mr. Robinson stated he grew up in a household of smokers and saw the negative impacts it had on his parents; however, Ordinance 1797 destroyed people's freedom, especially vapor product users. Mr. Robinson stated he did not want the police trying to find a reason to pull a car over because they thought people were smoking in the vehicle. Mr. Robinson asked the Council to re-consider Ordinance 1797.

Pat McBrayer stated he had concerns about individual property rights. Mr. McBrayer stated he owned 617 Hall Street and was cited for a public nuisance because he did not have an eight foot sight-restricting fence around his property. Mr. McBrayer stated the fence was not required when he was initially cited. Mr. McBrayer stated he tried to arrange an appointment with the City Manager, Mayor and Chief of Police, but was unsuccessful. Mr. McBrayer stated he wanted the issue placed on a Common Council meeting agenda so it could be discussed in a public forum. Mr. McBrayer stated the pocket park at the corner of Stockton Hill Road and Johnson Avenue was full of weeds.

Vice-Mayor Wimpee, Sr. directed City Manager John Dougherty to set up a meeting with Mr. McBrayer.

**3. CONSENT AGENDA**

All matters listed here are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired that item will be removed from the CONSENT AGENDA and will be considered separately.

**a. Liquor License Application**

Applicant Andrea Dahlman Lewkowitz of Safeway, Inc. has applied for acquisition of control of a Series 9 Liquor License for a grocery store located at 3970 Stockton Hill Road. **Staff**

**recommends approval.**

**b. Liquor License Application**

Applicant Andrea Dahlman Lewkowitz of Safeway, Inc. #2017 has applied for acquisition of control of a Series 9 Liquor License for a grocery store located at 3125 Stockton Hill Road. **Staff recommends approval.**

**c. Recommendation from the Tourism Development Commission (TDC) for the quarterly payment to Kingman Visitor Center, Inc. for tourism services**

The tourism funding agreement between the City of Kingman and the Kingman Visitor Center, Inc. specifies that a quarterly payment be made in the amount of \$51,250 upon submission and acceptance of the tourism quarterly report. The most recent quarterly report was submitted and accepted by TDC at the May 26, 2015 special meeting and is attached for review. **Staff supports the TDC recommendation for Council approval of the quarterly payment to Kingman Visitor Center, Inc. for tourism related services.**

Councilmember Abram made a MOTION to APPROVE the Consent Agenda as presented. Councilmember Young SECONDED and it was APPROVED by a vote of 5-0.

**4. OLD BUSINESS**

**a. Consideration of an application from Shawn Walsh for up to \$35,000 from the Tourism Development Commission to fund fireworks and fire protection for a Fourth of July Celebration.**

Shawn Walsh of the Community Improvement Foundation approached the City Council on May 19, 2015 concerning funding for a fireworks celebration at the Sand Drags Tracks located west of Route 66 and north of Grace Neal Parkway on July 4, 2015. Mr. Walsh was invited to submit an application to the Tourism Development Commission (TDC). Mr. Walsh prepared an application to the TDC for \$35,000 (\$25,000 for fireworks and \$10,000 for fire protection from Northern Arizona Consolidated Fire District). Mr. Walsh was not certain the fire protection would cost \$10,000 and stated he would not seek funding beyond the actual cost. A special meeting of the TDC Commission was held on May 26, 2015. The TDC believed a fireworks celebration for the 4th of July was very appropriate, but did not believe tourism monies should be used to fund fireworks because fireworks do not bring tourists to town (put "heads in beds"). The TDC voted 4 to 0 to recommend the TDC monies not be used to fund the fireworks program this year. The TDC believed the fireworks should be funded from the General Fund of the City. **The Tourism Development Commission unanimously voted (4 to 0) to recommend not funding the \$35,000 application (\$25,000 for fireworks and \$10,000 for fire protection) from Shawn Walsh.**

Vice-Mayor Wimpee, Sr. stated Shawn Walsh received a \$5,000 private donation and was now requesting \$30,000.

Mr. Walsh stated he was still trying to raise money and the success of the event would depend on the City's willingness to provide funds. Mr. Walsh stated the TDC did not feel the fireworks classified as a tourism event because the display would not bring people into the hotels. Mr. Walsh stated he agreed the fireworks should not be funded with tourism dollars.

Mr. Dougherty stated the staff had many concerns about the fireworks including the short amount

of time for planning, lack of insurance, and the fact that Mr. Walsh was asking for \$7,500 upfront before the contractor would provide the insurance information. Mr. Dougherty stated Mohave County and the Northern Arizona Consolidated Fire District (NACFD) were requesting information from Mr. Walsh and it was not being provided.

Mr. Walsh stated he spoke with NACFD and the department emailed him the Mohave County permit yesterday with the Fire Chief's signature on it. Mr. Walsh stated he could not give Mohave County the information they needed until he had the insurance, but the company would not provide the insurance until he confirmed funding. Mr. Walsh stated the deciding factor was whether the City would supply the funds.

Tom Spear, the Vice-Chair of the TDC, stated the TDC budget was used in the past as a way to collect donations to fund fireworks, but fully funding the fireworks display from the TDC budget was not compatible with the commission's goals.

Krystal Burge, Chair of the TDC, stated Mr. Walsh already received \$5,000 in donations from various businesses and hopefully this would help the City move forward with supplying the remaining balance.

Kingman resident Harley Petit stated the City had forgone fireworks in the past and it would not be the end of the world if there were no fireworks this year. Mr. Petit stated it would be better to use the \$35,000 for something else, such as infrastructure, than a single event.

Councilmember Young stated the money originated from the 2.5% bed tax and it was required to be spent on tourism. Councilmember Young stated the money could not be spent on other items such as infrastructure.

Councilmember Abram stated planning for a fireworks show should have started in January. Councilmember Abram agreed it would not be the end of the world if there were no fireworks this year and there were other options available for Fourth of July celebrations.

Councilmember Young asked what liability the City could face if it provided funding for the fireworks.

City Attorney Carl Cooper stated there was increased liability because the City was currently being sued and it knew hosting a fireworks display was a dangerous activity. Mr. Cooper stated other factors that increased liability included the rushed timeframe and Mr. Walsh's inexperience with coordinating this type of event as well as the gift clause and procurement clause issues.

Vice-Mayor Wimpee, Sr. stated he supported Mr. Walsh as he had everything ready for the fireworks display.

Councilmember Abram made a MOTION to DENY the application from Shawn Walsh for up to \$35,000 from the Tourism Development Commission to fund fireworks and fire protection for a Fourth of July Celebration. Councilmember Carver SECONDED and it was APPROVED by a vote of 4-1 with Vice-Mayor Wimpee, Sr. voting NAY.

**b. City funded events for the Fourth of July celebration**

The City Manager will again voice staff's concerns over the last minute plans to have fireworks and the still lacking proof of insurance naming the City as co-insured, with the limits necessary to protect the City as best as possible. The City Manager has been working with Dora Manley on the block party concept including discussions about the city paying for hot dogs to be given away for free, Coca-Cola setting up a vendor booth to sell soft drinks, and the insurance covered by the Kingman Area Chamber of Commerce. As part of the on-going efforts to promote the City in our competition to win the ABC Competition, staff talked about handing out free sparklers and having participants walk up Fourth Street to City Hall and filming it from above. Ms. Manley has been working on securing a DJ for musical entertainment. This is a back-up plan if the fireworks do not happen, but again it needs to be coordinated and advertised and if the City waits too long it will not be possible. **Staff does not recommend approval of the request for fireworks and has some reservations about sparklers.**

Mr. Dougherty stated he was working with Dora Manley on plans for a block party. Mr. Dougherty stated the roads would be blocked at Spring Street, Third Street, Fifth Street, Fourth Street and Beale Street. Mr. Dougherty stated there would be a stage with flags, musical entertainment, and free food and drink. Mr. Dougherty stated the total cost would be approximately \$3,000. Mr. Dougherty stated at 8:30 P.M. people would receive sparklers and march up Fourth Street to the City Complex. Mr. Dougherty stated the procession would be taped and submitted to the America's Best Communities (ABC) Competition. Mr. Dougherty stated there would also be speeches, including a tape of John Wayne's famous speech on America.

Mr. Cooper stated he did not recommend handing out sparklers due to the risk of burns.

Councilmember Young asked if the funds would come from the TDC budget.

Mr. Dougherty stated they would not and staff would have to find the money somewhere in the budget.

Councilmember Abram stated the block party was a great idea, but he would rather give out glow sticks instead of sparklers. Councilmember Abram stated he did not think the City should give sparklers to small children and he could probably find a corporate sponsor to donate glow sticks and mini flags.

Councilmember Carver asked what the real expense to the City would be due to the fact that scheduling additional emergency responders would result in overtime (OT).

Chief of Police Robert DeVries stated the Kingman Police Department did not plan for additional staff on the Fourth of July and it would be a challenge to schedule enough people; however, the department would support the Council's decision. Chief DeVries stated he did not know what the total OT cost would be.

Fire Chief Jake Rhoades stated he agreed with Chief DeVries. Chief Rhoades stated in addition to his own staff he could try to arrange support with the City's mutual aid partners.

Mr. Dougherty stated the money for the OT would be covered in the regular OT budget.

Councilmember Young made a MOTION to APPROVE the block party plans with the

substitution of glow sticks for sparklers. Councilmember Abram SECONDED.

Mr. Dougherty asked what the Council was willing to spend.

Councilmember Abram stated he was confident he could get a corporate sponsor to donate the glow sticks.

Councilmember Young AMENDED the MOTION to include a maximum budget of \$3,000. Councilmember Abram SECONDED and it was APPROVED by a vote of 4-1 with Councilmember Carver voting NAY.

Mr. Dougherty stated the Kingman Area Chamber of Commerce was paying for the insurance for the event.

5. **NEW BUSINESS**

**a. Discussion and Possible Action on the National League of Cities Service Line Program**

Ashley Shiwarski, Business Development and Inside Sales Manager for Utility Service Partners, will give a presentation on the program including how it will benefit residents and provide some revenue to the City. This program is backed by the National League of Cities and the Arizona League of Cities and Towns. This company would like City backing to send solicitation letters to residents for insurance against utility infrastructure breakage that is the property owner's responsibility. **Council discretion.**

Ashley Shiwarski stated the program addressed the public policy issue of aging infrastructure, specifically the homeowner's responsibilities. Ms. Shiwarski stated the average age of a house in the United States was 40 years old and the average sewer line only lasted 40 years. Shiwarski stated the typical cost to replace a line on private property was \$2,000-\$3,000 and to repair one in the public street was \$5,000-\$7,000. Ms. Shiwarski stated Utility Service Partners handled every aspect of the program and there was no cost to the City to participate. Ms. Shiwarski stated the best aspect of the program was that it raised awareness as to what homeowners were responsible for as they often believed the City would fix any issues with water and sewer lines. Ms. Shiwarski stated for a few dollars per month the homeowner could call to report a claim at any time or day of the year. Ms. Shiwarski stated the company would dispatch a local licensed contractor to repair the issues. Ms. Shiwarski stated the company only used local contractors in order to keep money in the community as well as the fact that local contractors would know the local codes better than non-local contractors. Ms. Shiwarski stated the program offered exterior water sewer line coverage for \$4,000 per incident with no limits, no pre-existing conditions exclusion, no service fees or deductibles. Ms. Shiwarski stated the company also offered in-home plumbing coverage at \$3,000 per incident. Ms. Shiwarski stated if the City chose to participate it would receive \$0.50 per month for paid warranty contract to be paid every January. Ms. Shiwarski stated the company did not do telemarketing, door to door sales or excessive mailers. Ms. Shiwarski stated the company would send one letter in spring, fall and winter advertising each product. Ms. Shiwarski stated the City would have a web portal where it could keep track of the number of claims filed, jobs completed and customer satisfaction surveys.

Councilmember Abram asked how the company selected the contractors.

Ms. Shiwarski stated the company had a department that made sure the contractors had the proper

insurance and equipment. Ms. Shiwarski stated the department also made sure the contractors agreed to the company's customer service policies including calling the resident within one hour of filing a claim and arriving at the customer's home within 24 hours. Ms. Shiwarski stated the department also accepted lists of licensed contractors from the cities.

Councilmember Young asked about the subject to annual review on the year two figures located in Exhibit A.

Ms. Shiwarski stated that was the standard rate and it had not increased, though the company did include the disclaimer. Ms. Shiwarski stated the homeowners would be on a month to month contract and would receive a refund if they cancelled and had already paid for some months in advance. Ms. Shiwarski stated the City would sign a three year contract with the company if it decided to participate. Ms. Shiwarski stated the advertisement letter would be sent to the City for review before each campaign and letters would not be sent without City approval. Ms. Shiwarski stated the letter would have the City logo on it and an elected official's signature in addition to the company's information.

Mr. Cooper stated he would like to see an actual contract.

Vice-Mayor Wimpee, Sr. directed Mr. Dougherty to bring a contract back to the Council for review.

**b. Public Hearing and consideration of Ordinance No. 1798 to approve the rezoning of a 2.46 acre parcel located on the east side of N. Fairfax Street between Berk Avenue and Sunrise Avenue**

This is a request from UniSource Energy Services to rezone a 2.46 acre parcel located on the east side of N. Fairfax Street between Berk Avenue and Sunrise Avenue from R-2: Residential, Multi-Family, Low Density to R-R: Rural Residential to allow for the use of property for the construction, operation and maintenance of a 69kv utility substation. The Planning and Zoning Commission held a public hearing and reviewed the Goals and Objectives of the Kingman General Plan 2030, the Standard for Review and the applicant's request. There were no objections from nearby property owners during the public testimony. The Planning and Zoning Commission voted 4-0 to recommend approval of the rezoning to R-R as requested with certain conditions. Conditions included requirements for a building permit and survey, submittal of a drainage report, landscaping, construction of a block wall around the perimeter of the project site, and extension of water lines and street improvements. **The Planning and Zoning Commission recommends approval of the rezoning request.**

Development Services Director Gary Jeppson presented the following slides:



**Rezoning Case RZ15-002**  
**N. Fairfax St**  
**R-2 to R-R**

**City Council Meeting**  
**June 2, 2015**

**General Information**

- **Applicant:** UniSource Energy Services
- **Requested Action:** A request to rezone 2.46 acres from R-2: Residential, Multiple Family, Low Density Residential, to R-R: Rural Residential.
- **Purpose:** The rezoning is proposed to allow the use of the property for the construction, operation and maintenance of a 69kv utility substation in order to replace an existing utility substation.

Slide one was an introductory slide. Mr. Jeppson read slide two.

**Proposed North Kingman Substation**



**Aerial Map-Fairfax Street**

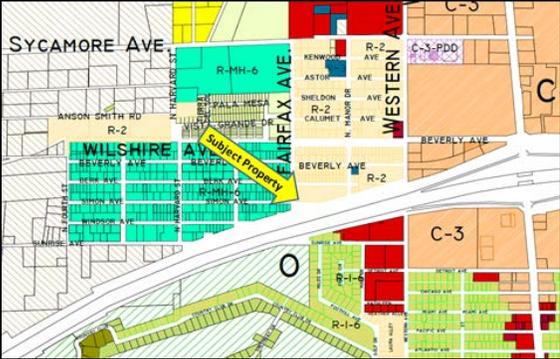


Slide three showed the property under discussion and Mr. Jeppson stated it was north of Sunrise Avenue and east of Fairfax Avenue. Mr. Jeppson stated slide four showed the existing substation.

**Photo taken facing northeast from Fairfax Street-homes shown are on Beverly Ave.**

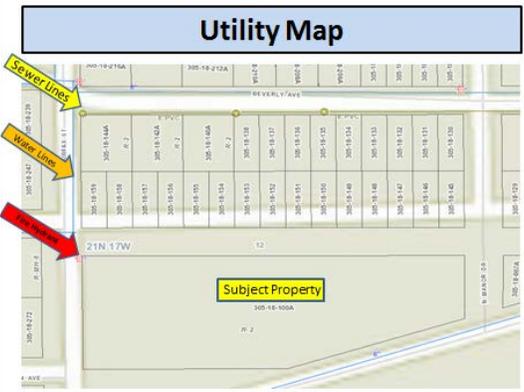


**Zoning Map**



Mr. Jeppson reviewed the information on slides five and six.

**Utility Map**



**Transportation**

- The subject site is accessible from Western Avenue, Sunrise Avenue, and N. Fairfax Street.
- These roadways are paved without additional street improvements.
- Berk Avenue, along the north side of the site, is not improved.

On slide seven Mr. Jeppson stated the applicant could develop the property without a conditional use permit (CUP) if the property was re-zoned. Mr. Jeppson reviewed slide eight.

City Engineering Department Comments:	Analysis
<ul style="list-style-type: none"> <li>• Sections of these adjacent roadways fronting the site will need to be improved.</li> <li>• Only one driveway opening is permitted.</li> <li>• The property will not be served with a water connection until a water distribution main is extended along the entire frontage of the parcel being served.</li> <li>• A backflow preventive assembly will be required for the irrigation meter, a grading plan and drainage report is required to be submitted at the time of site development.</li> </ul>	<ul style="list-style-type: none"> <li>• The proposal is in conformance with the General Plan and Zoning Ordinance.</li> <li>• This rezoning request allows the property to be used for the requested use of building a new 69kv electrical substation enclosed by a 8 ft. block wall.</li> <li>• The developer requested that the landscaping requirement for trees be removed due to safety concerns.</li> </ul>

Mr. Jeppson read slides nine and 10.

Recommendation	Recommendation (Cont'd)
<p>The Planning and Zoning Commission and staff recommend rezoning of the subject site from R-2 to R-R with the following conditions:</p> <ul style="list-style-type: none"> <li>A. A building permit is required prior to construction of the electrical substation. The permit which shall comply with 2012 IBC requirements.</li> <li>B. A survey needs to be submitted with the building permit application.</li> <li>C. A grading plan and drainage reports needs to be submitted to the Engineering Department prior to or with the submittal of the building permit application.</li> </ul>	<ul style="list-style-type: none"> <li>D. The proposed electrical substation area shall be maintained and have a dustless surface of aggregate base course (ABC).</li> <li>E. The electrical substation shall be enclosed and perimeter screened with a block wall.</li> <li>F. Landscaping shall be installed along with an irrigation system. The tree requirement may be replaced with shrubs due to safety concerns of tree material damaging the electrical substation.</li> </ul> <p><b>Ordinance #1798 rezones this property with these conditions.</b></p>

Mr. Jeppson read slides 11 and 12 and stated the applicant was present.

Vice-Mayor Wimpee, Sr. opened the public hearing at 6:29 P.M.

Applicant Mike Gibelyou, Senior Right-of-Way Agent for Unisource Energy Services, stated item five on Ordinance 1798 needed to be modified to read “block wall,” not “block.”

Councilmember Young asked if Unisource intended to expand the substation in the future.

Mr. Gibelyou stated it depended on the development in the surrounding area, but Unisource would most likely only develop what was shown on the chart. Mr. Gibelyou stated there was room for expansion on the identified property.

Vice-Mayor Wimpee, Sr. closed the public hearing at 6:31 P.M.

Councilmember Young made a MOTION to ADOPT Ordinance 1798. Councilmember Abram SECONDED and it was APPROVED by a vote of 5-0.

**6. REPORTS  
 Board, Commission and Committee Reports by Council Liaisons**

Councilmember Young stated she attended the International Council of Shopping Centers conference

and was told several times in various workshops that the City needed a strategic plan, community plan, recruitment plan, marketing plan, incentive plan, financial plan and implementation plan before promoting land for sale.

Vice-Mayor Wimpee, Sr. thanked the TDC for meeting on short notice. Vice-Mayor Wimpee, Sr. stated the Historical Preservation Commission was working hard to come up with fundraisers to raise money for projects.

**7. ANNOUNCEMENTS BY MAYOR, COUNCIL MEMBERS, CITY MANAGER**

*Limited to announcements, availability/attendance at conferences and seminars, requests for agenda items for future meetings.*

**If needed.**

Councilmember Abram stated the ABC Competition was a community involvement program that the community needed to support in order to compete for the \$3 million grand prize. Councilmember Abram stated the \$3 million would be used for economic development in the community. Councilmember Abram asked citizens to contact the Kingman Area Chamber of Commerce if they knew of a beautification event taking place in the community so the event could be documented and submitted to the judging panel.

**8. EXECUTIVE SESSION**

The City Manager requests that the Mayor and Council make a motion to go into executive session pursuant to ARS 38-431.03(A)(3).

**a. Discussion of possible legal action concerning downtown abatement issues including potential demolition issues.**

**b. Discussion and possible direction given to staff concerning city owned land on Andy Devine Ave.**

Councilmember Abram made a MOTION to enter into EXECUTIVE SESSION. Councilmember Young SECONDED and it was APPROVED by a vote of 5-0.

The Council entered Executive Session at 6:37 P.M. The Council returned from Executive Session at 6:58 P.M.

Councilmember Abram made a MOTION to move forward with an evaluation for possible land sale of City owned property located at the corner of East Andy Devine Avenue and Fairgrounds Boulevard. Councilmember Yocum SECONDED and it was APPROVED by a vote of 5-0.

Councilmember Young made a MOTION to ADJOURN. Councilmember Abram SECONDED and it was APPROVED by a vote of 5-0.

**ADJOURNMENT 6:59 P.M.**

ATTEST:

APPROVED:

\_\_\_\_\_  
Sydney Muhle  
City Clerk

\_\_\_\_\_  
Richard Anderson  
Mayor

STATE OF ARIZONA)  
COUNTY OF MOHAVE)ss:  
CITY OF KINGMAN)

**CERTIFICATE OF COUNCIL MINUTES**

I, Erin Roper, Deputy City Clerk and Recording Secretary of the City of Kingman, Arizona, hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the Common Council of the City of Kingman held on June 2, 2015.

Dated this 16<sup>th</sup> day of June, 2015.

\_\_\_\_\_  
Erin Roper, Deputy City Clerk and Recording Secretary

DRAFT

**CITY OF KINGMAN  
MEETING OF THE COMMON COUNCIL**

**Council Chambers  
310 N. 4<sup>th</sup> Street**

**8:15 A.M.**

**MINUTES**

**Thursday, June 4, 2015**

**SPECIAL MEETING**

<b>Members</b>	<b>Officers</b>	<b>Visitors Signing in</b>
<b>Richard Anderson – Mayor</b>	<b>Krista Toschlog, Human Resources Administrator</b>	<b>None.</b>
<b>Mark Wimpee, Sr. – Vice-Mayor</b>	<b>Sydney Muhle, City Clerk and Recording Secretary</b>	
<b>Mark Abram</b>		
<b>Larry Carver - EXCUSED</b>		
<b>Jen Miles</b>		
<b>Stuart Yocum – ARRIVED LATE</b>		
<b>Carole Young</b>		

**CALL TO ORDER & ROLL CALL**

Mayor Anderson called the meeting to order at 8:17 A.M. and roll call was taken. All councilmembers were present except Councilmember Carver who was excused and Councilmember Yocum who was late. The Pledge of Allegiance was said in unison.

THE COUNCIL MAY GO INTO EXECUTIVE SESSION FOR LEGAL COUNSEL IN ACCORDANCE WITH A.R.S.38-431.03(A)(3) TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

**1. EXECUTIVE SESSION**

THE COUNCIL MAY GO INTO EXECUTIVE SESSION IN ACCORDANCE WITH A.R.S.38-431.03(A)(1) TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

Vice Mayor Wimpee Sr. made a MOTION to go into Executive Session. Councilmember Young SECONDED and it was APPROVED by a vote of 5-0 as Councilmember Yocum had not yet arrived.

Council went into Executive Session at 8:19 A.M.

Interview City Magistrate candidates

Council returned from Executive Session at 11:26 A.M.

**2. ADJOURNMENT**

Vice Mayor Wimpee Sr. made a MOTION to ADJOURN. Councilmember Young

SECONDED and it was APPROVED by a vote of 5-0 as Councilmember Yocum was not in the room.

**ADJOURNMENT --- 11:26 A.M.**

ATTEST:

APPROVED:

\_\_\_\_\_  
Sydney Muhle  
City Clerk

\_\_\_\_\_  
Richard Anderson  
Mayor

STATE OF ARIZONA)  
COUNTY OF MOHAVE)ss:  
CITY OF KINGMAN)

**CERTIFICATE OF COUNCIL MINUTES**

I, Sydney Muhle, City Clerk and Recording Secretary of the City of Kingman, Arizona, hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Special Meeting of the Common Council of the City of Kingman held on June 4, 2015.

Dated this 16<sup>th</sup> day of June, 2015.

\_\_\_\_\_  
Sydney Muhle, City Clerk and Recording Secretary

**CITY OF KINGMAN  
MEETING OF THE COMMON COUNCIL**

**Council Chambers  
310 N. 4<sup>th</sup> Street**

**1:45 P.M.**

**MINUTES**

**Friday, June 5, 2015**

**SPECIAL MEETING**

<b>Members</b>	<b>Officers</b>	<b>Visitors Signing in</b>
<b>Richard Anderson – Mayor</b>	<b>Krista Toschlog, Human Resources Administrator</b>	<b>None.</b>
<b>Mark Wimpee, Sr. – Vice-Mayor</b>	<b>Sydney Muhle, City Clerk and Recording Secretary</b>	
<b>Mark Abram</b>	<b>Jackie Walker – Human Resources Director</b>	
<b>Larry Carver - EXCUSED</b>		
<b>Jen Miles</b>		
<b>Stuart Yocum</b>		
<b>Carole Young</b>		

**CALL TO ORDER & ROLL CALL**

Mayor Anderson called the meeting to order at 1:45 P.M. and roll call was taken. All councilmembers were present except Councilmember Carver who was excused. The Pledge of Allegiance was said in unison.

THE COUNCIL MAY GO INTO EXECUTIVE SESSION FOR LEGAL COUNSEL IN ACCORDANCE WITH A.R.S.38-431.03(A)(3) TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

**1. EXECUTIVE SESSION**

THE COUNCIL MAY GO INTO EXECUTIVE SESSION IN ACCORDANCE WITH A.R.S.38-431.03(A)(1) TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

Vice Mayor Wimpee Sr. made a MOTION to go into Executive Session. Councilmember Young SECONDED and it was APPROVED by a vote of 6-0.

Council went into Executive Session at 1:46 P.M.

- a. Interview City Magistrate candidate(s)
- b. Consideration of employment for City Magistrate position

Council returned from Executive Session at 3:08 P.M.

**2. Discussion and/or action reference offer of employment for City Magistrate position.**

Mayor Anderson said that the Council had completed their discussions regarding the City Magistrate candidates and asked for a motion.

Vice Mayor Wimpee Sr. made a MOTION to extend an offer of employment for the City Magistrate position to Jeff Singer contingent upon successful contract negotiations. Councilmember Yocum SECONDED and it was APPROVED by a vote of 6-0.

**3. ADJOURNMENT**

Vice Mayor Wimpee Sr. made a MOTION to ADJOURN. Councilmember Abram SECONDED and it was approved by a vote of 6-0.

**ADJOURNMENT --- 3:09 P.M.**

ATTEST:

APPROVED:

\_\_\_\_\_  
Sydney Muhle  
City Clerk

\_\_\_\_\_  
Richard Anderson  
Mayor

STATE OF ARIZONA)  
COUNTY OF MOHAVE)ss:  
CITY OF KINGMAN)

**CERTIFICATE OF COUNCIL MINUTES**

I, Sydney Muhle, City Clerk and Recording Secretary of the City of Kingman, Arizona, hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Special Meeting of the Common Council of the City of Kingman held on June 5, 2015.

Dated this 16<sup>th</sup> day of June, 2015.

\_\_\_\_\_  
Sydney Muhle, City Clerk and Recording Secretary

# CITY OF KINGMAN COMMUNICATION TO COUNCIL



**TO:** Honorable Mayor and Council Members

**FROM:** Chief Robert J. DeVries

**MEETING DATE:** June 16, 2015

**AGENDA SUBJECT:** Arizona Criminal Justice Commission Grant Award DC-16-007

**SUMMARY:**

On June 3, 2015 the Arizona Criminal Justice Commission (ACJC) awarded the Kingman Police Department, on behalf of the Mohave Area General Narcotics Enforcement Team (MAGNET), a grant in the amount of \$345,254.00 to fund our drug task force. Total grant funding is for \$258,940.00 with matching funds totaling \$86,314.00 required from MAGNET. Those matching funds will be paid from the MAGNET RICO account.

MAGNET is comprised of officers from the Kingman Police Department, Bullhead City Police Department, Lake Havasu City Police Department, Mohave County Sheriff's Office and the Arizona Department of Public Safety along with staff from the Mohave County Attorney's Office. MAGNET has been in operation since 1987 with the Kingman Police Department serving as the lead agency and the City of Kingman as the Fiduciary.

**ATTACHMENT:**

ACJC Drug, Gang and Violent Crime Control (DGVCC) FY 2016 Cycle 29 Award, DC-16-007

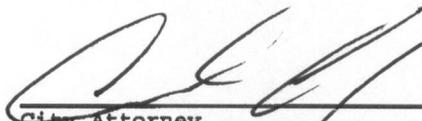
**FISCAL IMPACT:**

None, matching funds will be covered through the MAGNET RICO account.

**STAFF RECOMMENDATION:**

Staff recommends accepting the grant and authorizing the Mayor and City Attorney to sign the grant agreement.

  
Signature of Dept. Head

  
City Attorney  
Approved as to form

  
City Manager's Review

AGENDA ITEM: 3a



# Arizona Criminal Justice Commission

*Chairperson*  
BILL MONTGOMERY  
Maricopa County Attorney

*Vice-Chairperson*  
DAVID K. BYERS, Director  
Administrative Office of the Courts

JOSEPH ARPAIO  
Maricopa County Sheriff

MARK BRNOVICH  
Attorney General

JOE R. BRUGMAN, Chief  
Safford Police Department

KELLY "KC" CLARK  
Navajo County Sheriff

SEAN DUGGAN, Chief  
Chandler Police Department

CLARENCE DUPNIK  
Pima County Sheriff

CHRIS GIBBS, Mayor  
City of Safford

DREW JOHN  
Graham County Supervisor

ELLEN KIRSCHBAUM, Chairperson  
Board of Executive Clemency

BARBARA LAWALL  
Pima County Attorney

FRANK MILSTEAD, Director  
Department of Public Safety

SHEILA POLK  
Yavapai County Attorney

CHARLES RYAN, Director  
Department of Corrections

DAVID SANDERS  
Pima County Chief Probation Officer

HESTON SILBERT  
Law Enforcement Leader

ROBERTO VILLASEÑOR, Chief  
Tucson Police Department

VACANT  
Former Judge

*Executive Director*  
John A. Blackburn, Jr.

1110 West Washington, Suite 230  
Phoenix, Arizona 85007  
PHONE: (602) 364-1146  
FAX: (602) 364-1175  
[www.azcjc.gov](http://www.azcjc.gov)

June 3, 2015

Robert DeVries  
Chief of Police  
Kingman Police Department  
2730 E. Andy Devine Ave.  
Kingman, AZ 86401

**Re: Drug, Gang, and Violent Crime Control (DGVCC) FY 2016 Cycle 29 Award, DC-16-007**

Dear Chief Robert DeVries:

On behalf of the Arizona Criminal Justice Commission, it is my pleasure to inform you that your agency's application has been approved for funding under the Cycle 29, FY 2016 Drug, Gang, and Violent Crime Control Program.

Paragraphs six and seven of the enclosed agreement provide the amount of funding awarded to your agency and the specific positions that have been funded. Below, please find additional information that will assist in the administration of your agency's grant award.

**Grant Agreement and Other Required Documents:** Please review the attached agreement and accompanying documentation as revisions or new requirements may have been included. Please return the Grant Agreement in its entirety with authorized signatures to the Arizona Criminal Justice Commission office. Agreements not returned within 90 days of the award date with authorized signatures may be cancelled. Additionally, please refer to the Special Conditions section of the grant agreement for a listing of other required documents, as applicable. Required document forms can be accessed at this link: [DGVCC Reporting Forms](#).

**Administrative and Financial Requirements:** In addition to applicable uniform administrative requirements and cost principles, award recipients are required to adhere to grant specific program requirements as defined in the grant agreement.

**Reporting:** Activity and financial reports are required for this grant and the reporting schedules are contained in the agreement. Activity report forms can be accessed at this link: [DGVCC Reporting Forms](#).

If you have any questions, please contact Michelle Neitch at [mneitch@azcjc.gov](mailto:mneitch@azcjc.gov) or 602-364-1557. Our office looks forward to the continued partnership.

Sincerely,

Tony Vidale, Program Manager  
Drug, Gang, and Violent Crime Control Program



ARIZONA CRIMINAL JUSTICE COMMISSION  
DRUG, GANG, AND VIOLENT CRIME CONTROL  
GRANT AGREEMENT

ACJC Grant Number DC-16-007  
Catalog of Federal Domestic Assistance (CFDA) Number 16.738

This Grant Agreement is made this 3rd day of June, 2015, by and between the ARIZONA CRIMINAL JUSTICE COMMISSION hereinafter called "COMMISSION" and CITY OF KINGMAN, through KINGMAN POLICE DEPARTMENT hereinafter called "GRANTEE". The COMMISSION enters into this Agreement pursuant to its authority under the provisions of A.R.S. § 41-2405 (B)(6), and having satisfied itself as to the qualification of GRANTEE;

NOW, THEREFORE, it is agreed between the parties as follows:

1. This Agreement will commence on July 1, 2015 and terminate on June 30, 2016. This Agreement expires at the end of the award period unless prior written approval for an extension has been obtained from the COMMISSION. A request for an extension must be received by the COMMISSION sixty (60) days prior to the end of the award period. The COMMISSION in its sole discretion may approve an extension that furthers the goals and objectives of the program and shall determine the length of any extension.
2. GRANTEE agrees that grant funds will be used in accordance with applicable program rules, guidelines and special conditions.
3. The COMMISSION will monitor GRANTEE performance against program goals and performance standards and those outlined in the grant application. Substandard performance as determined by the COMMISSION will constitute noncompliance with this Agreement. If the COMMISSION finds noncompliance, the GRANTEE will receive a written notice which identifies the area of noncompliance, and the appropriate corrective action to be taken. If the GRANTEE does not respond within thirty (30) calendar days to this notice, and does not provide sufficient information concerning the steps which are being taken to correct the problem, the COMMISSION may suspend funding, permanently terminate this Agreement or revoke the grant.
4. Any deviation or failure to comply with the purpose and/or conditions of this Agreement without prior written COMMISSION approval may constitute sufficient reason for the COMMISSION to terminate this Agreement, revoke the grant, require the return of all unspent funds, perform an audit of expended funds, and require the return of any previously spent funds which are deemed to have been spent in violation of the purpose or conditions of this grant.
5. This Agreement may be modified only by a written amendment signed by the Executive Director or by persons authorized by the Executive Director on behalf of the COMMISSION and GRANTEE. Any notice given pursuant to this Agreement shall be in writing and shall be considered to have been given when actually received by the following addressee or their agents or employees:

A. If to the COMMISSION:

Arizona Criminal Justice Commission  
1110 W. Washington Street, Suite 230  
Phoenix, Arizona 85007  
Attn: Program Manager

B. If to the GRANTEE:

Kingman Police Department  
 2730 E. Andy Devine Ave.  
 Kingman, Arizona 86401  
**Attn: Chief of Police Robert DeVries**

For grant awards above \$100,000, GRANTEE may make budget adjustments of up to ten (10) percent of the total grant within any approved budget category excluding equipment. Written approval from the COMMISSION in advance is required if GRANTEE wishes to make adjustments or reprogram in excess of ten (10) percent or if GRANTEE wishes to purchase equipment not previously approved.

For grant awards less than \$100,000, the GRANTEE may make budget adjustments within approved categories excluding equipment as long as there are no changes to the purpose or scope of the project. If GRANTEE wishes to purchase equipment not previously approved, written approval from the COMMISSION in advance is required.

<b>APPROVED LINE ITEM PROGRAM BUDGET</b>	
<b>Personnel:</b>	
Salaries	\$85,375.00
Fringe Benefits (for salaries/overtime)*	\$47,111.00
Overtime	NOT APPROVED
Professional & Outside/Consultant & Contractual Services	\$212,768.00
Travel In-State	NOT APPROVED
Travel Out-of-State	NOT APPROVED
Confidential Funds	NOT APPROVED
<b>Operating Expenses:</b>	
Supplies	NOT APPROVED
Registration/Training	NOT APPROVED
Other	NOT APPROVED
<b>Equipment</b>	
Capital	NOT APPROVED
Noncapital	NOT APPROVED
<b>TOTAL</b>	<b>\$345,254.00</b>
<b>Positions Funded:</b>	
Kingman PD Detective (1.00 FTE), Kingman PD Administrative Assistant (1.00 FTE), Bullhead City PD Detective (1.00 FTE), Mohave County SO Detective (1.00 FTE), Lake Havasu PD Detective (0.30 FTE)	
Equipment Type: NOT APPROVED	

\*Reference the ACJC Grant Management Manual for definition of approved Fringe Benefit

6. The total to be paid by the COMMISSION under this Agreement shall not exceed \$138,101.00 in federal funds awarded to the COMMISSION by the U.S. Department of Justice (USDOJ), Office of Justice Programs (OJP) and \$120,839.00 in State Funds. If this grant has a matching requirement GRANTEE understands that other federal grant funds cannot be used as a match for this grant. The matching amount for this award is \$86,314.00.
  
7. Every payment obligation of the COMMISSION under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the COMMISSION. No liability shall accrue to the COMMISSION in the event this provision is exercised, and the COMMISSION shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

8. GRANTEE agrees that if it currently has an open award of federal funds or if it receives an award of federal funds other than this award, and those award funds have been, are being or are to be used, in whole or in part, for one or more of the identical cost items for which funds are being provided under this award, GRANTEE will promptly notify, in writing, the COMMISSION, and if so requested by the COMMISSION, seek a budget modification or change-of-project-scope grant adjustment notice (GAN) to eliminate any inappropriate duplication of funding.
9. GRANTEE agrees to retain all books, account reports, files and other records, (paper and/or electronic) relating to this Agreement and the performance of this Agreement for no less than five (5) years from the last financial report submitted to the COMMISSION. All such documents shall be subject to inspection and audit at reasonable times, including such records of any subgrantee, contractor, or subcontractor. GRANTEE also understands and agrees that USDOJ and the United States General Accounting Office (USGAO) are authorized to interview any officer or employee of the GRANTEE (or of any subgrantee, contractor, or subcontractor) regarding transactions related to this award.
10. GRANTEE agrees that activities funded under this award will be closely coordinated with related activities supported with Office of Justice Programs (OJP), State, local or tribal funds. Grant funds may only be used for the purposes in the GRANTEE's approved application. GRANTEE shall not undertake any work or activities not described in the grant application, including staff, equipment, or other goods or services without prior approval from the COMMISSION.
11. GRANTEE agrees to track, account for, and report on all funds (including specific outcomes and benefits) separately from all other funds for the same or similar purposes or programs.  
  
Accordingly, the accounting systems of GRANTEE and all subgrantees must ensure that funds from this award are not commingled with funds from any other source.
12. GRANTEE agrees to abide by Federal and State laws and provide accounting, auditing and monitoring procedures to safeguard grant funds and keep such records to assure proper fiscal controls, management and the efficient disbursement of grant funds.
13. For the purpose of this grant, a capital expenditure is \$5,000 or above. If GRANTEE'S policy defines a capital expenditure as less than \$5,000, GRANTEE will use its own policy.
14. GRANTEE agrees to maintain property records for equipment purchased with grant funds and perform a physical inventory and reconciliation with property records at least every two years or more frequently based on GRANTEE policy. GRANTEE agrees that funds will not be used for the construction of new facilities.
15. GRANTEE agrees to follow equipment disposition policies outlined in *OMB Circulars A-102 or 2 CFR, Part 215 Uniform Administrative Requirements for Grants and Cooperative Agreements* as codified in (1) 28 CFR, Part 66 or (2) 28 CFR, Part 70 when the equipment is no longer needed for the grant program.  
**Link:** *OMB Circulars* [http://www.whitehouse.gov/omb/grants\\_attach/](http://www.whitehouse.gov/omb/grants_attach/)
16. GRANTEE agrees that all salaried personnel (including subgrantee personnel) whose activities are to be charged to the award will maintain timesheets or certifications to document hours worked for activities related to this award and non-award related activities. GRANTEE agrees to keep time and attendance sheets for hourly employees signed by the employee and supervisory official having firsthand knowledge of the work performed by the grant-funded employees.

17. GRANTEE agrees that it will submit financial and activity reports to the COMMISSION in a format provided by the COMMISSION, documenting the activities supported by these grant funds and providing an assessment of the impact of these activities which may include documentation of project milestones. In the event reports are not received on or before the indicated date(s), funding may be suspended until such time as delinquent report(s) are received.

18. These reports are to be submitted according to the following schedule(s):

<b>ACTIVITY REPORTS</b>	
<b>Report Period:</b>	<b>Due Date:</b>
July 1 to September 30	October 15
October 1 to December 31	January 15
January 1 to March 31	April 15
April 1 to June 30	July 15

<b>FINANCIAL REPORTS</b>			
<b>Report Period:</b>	<b>Due Date:</b>	<b>Report Period:</b>	<b>Due Date:</b>
July 1 – July 31	August 25	January 1 – January 31	February 25
August 1 – August 31	September 25	February 1 – February 29	March 25
September 1 – September 30	October 25	March 1 – March 31	April 25
October 1 – October 31	November 25	April 1 – April 30	May 25
November 1 – November 30	December 25	May 1 – May 31	June 25
December 1 – December 31	January 25	June 1 – June 30	July 25

Additional reporting requirements may be required for GRANTEES who are considered high risk.

19. GRANTEE understands that financial reports are required as an accounting of expenditures for either reimbursement or COMMISSION-approved advance payments.
20. The final request for reimbursement of grant funds must be received by the COMMISSION no later than sixty (60) days after the last day of the award period.
21. All goods and services must be received or have reasonable expectations thereof and placed in service by GRANTEE by the expiration of this award.
22. GRANTEE agrees that all encumbered funds must be expended and that goods and services must be paid by GRANTEE within sixty (60) days of the expiration of this award.
23. GRANTEE agrees to remit all unexpended grant funds to the COMMISSION within thirty (30) days of written request from the COMMISSION.
24. GRANTEE agrees to account for interest earned on federal grant funds and shall remit interest earned in excess of the allowable amount as indicated in the *Office of Justice Programs Financial Guide*.  
**Link:** *OJP Financial Guide* <http://www.ojp.usdoj.gov/financialguide/>
25. GRANTEE agrees to obtain written COMMISSION approval for all sole source procurements in excess of \$150,000.
26. GRANTEE agrees to obtain written COMMISSION approval prior to the expenditure of grant funds for consultant fees in excess of \$650 per day.

27. GRANTEE agrees to not use federal grant funds to pay cash compensation (salary plus bonuses) to any employee paid by the grant at a rate that exceeds 110% of the maximum annual salary payable to a member of the federal government's Senior Executive Service (SES) at an agency with a Certified SES Performance Appraisal System for that year. (An award recipient may compensate an employee at a higher rate, provided the amount in excess of this compensation limitation is paid with non-federal funds.) Unless otherwise noted in the grant solicitation.
28. GRANTEE agrees not to use grant funds for food and/or beverage unless explicitly approved in writing by the COMMISSION.
29. GRANTEE agrees to comply with all applicable laws, regulations, policies and guidance (including specific cost limits, prior approvals and reporting requirements, where applicable) governing the use of grant funds for expenses related to conferences, meetings, trainings, and other events, including the provision of food and/or beverages at such events, and costs of attendance at such events unless explicitly approved in writing by the COMMISSION. Information on pertinent laws, regulations, policies, and guidance is available in the OJP Financial Guide Conference Cost Chapter.
30. No funds shall be used to supplant federal, state, county or local funds that would otherwise be made available for such purposes. Supplanting means the deliberate reduction of state or local funds because of the existence of any grant funds.
31. GRANTEE assigns to the COMMISSION any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services applied by third parties to GRANTEE in exchange for grant funds provided under this Agreement.
32. The parties agree to use arbitration in the event of disputes in accordance with the provisions of A.R.S. § 12-1501-12-1518. The laws of the State of Arizona apply to questions arising under this Agreement and any litigation regarding this Agreement must be maintained in Arizona courts, except as pertaining to disputes which are subject to arbitration.
33. GRANTEE understands that grant funds may not be released until all delinquent reports and reversion of funds from prior grants are submitted to the COMMISSION.
34. GRANTEE agrees that grant funds are not to be expended for any indirect costs that may be incurred by GRANTEE for administering these funds unless explicitly approved in writing by the COMMISSION. This may include, but is not limited to, costs for services such as accounting, payroll, data processing, purchasing, personnel, and building use which may have been incurred by the GRANTEE.
35. Each party (as "Indemnitor") agrees to defend, indemnify, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses, (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers. If the GRANTEE is a State agency, board, commission, or university of the State of Arizona, this paragraph shall not apply.
36. Should GRANTEE utilize a contractor(s) and subcontractor(s) the indemnification clause between GRANTEE and its contractor(s) and subcontractor(s) shall include the following:

Contractor shall defend, indemnify, and hold harmless the GRANTEE and the State of Arizona, and any jurisdiction or agency issuing any permits for any work arising out of this Agreement, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of the contractor or any of the directors, officers, agents, or employees or subcontractors of such contractor. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by such contractor from and against any and all claims. It is agreed that such contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. Additionally on all applicable insurance policies, contractor and its subcontractors shall name the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as an additional insured and also include a waiver of subrogation in favor of the State. Insurance requirements for any contractor used by GRANTEE are incorporated herein by this reference and attached to this Agreement as Exhibit "A".

37. GRANTEE agrees to notify the COMMISSION within ten (10) days in the event that the project official is replaced during the award period.
38. No rights or interest in this Agreement shall be assigned by GRANTEE without prior written approval of the COMMISSION.
39. GRANTEE will comply with the audit requirements of *OMB Circular A-133 Audits of States, Local Governments and Non-Profit Organizations* and provide the COMMISSION with the audit report and any findings within 90 days of receipt of such finding. If the report contains no findings, the GRANTEE must provide notification that the audit was completed.  
**Link:** *OMB Circulars:* [http://www.whitehouse.gov/omb/grants\\_attach/](http://www.whitehouse.gov/omb/grants_attach/)
40. GRANTEE certifies that it will comply with *OMB Circulars A-102 and 2 CFR, Part 215 Uniform Administrative Requirements for Grants and Cooperative Agreements* as codified in (1) 28 CFR, Part 66.32 or (2) 28 CFR, Part 70.34 and *Cost Principles (1) 2 CFR, Part 225, (2) 2 CFR, Part 220 or (3) 2 CFR, Part 230*, the OJP Financial Guide and the most current version of the ACJC Grant Management Reference Manual.  
**Link:** *OMB Circulars* [http://www.whitehouse.gov/omb/grants\\_attach/](http://www.whitehouse.gov/omb/grants_attach/)  
OJP Financial guide: <http://www.ojp.usdoj.gov/financialguide/>  
ACJC Grant Management Reference Manual:  
[http://www.azcjc.gov/ACJC.Web/pubs/home/021104\\_Manual\\_GrantReferenceManual.pdf](http://www.azcjc.gov/ACJC.Web/pubs/home/021104_Manual_GrantReferenceManual.pdf)
41. GRANTEE agrees that it cannot use any federal funds, either directly or indirectly, in support of any contract or sub award to either the Association of Community Organizations for Reform Now (ACORN) or its subsidiaries, without the express written approval of the Office of Justice Programs through the COMMISSION.
42. GRANTEE understands and agrees that misuse of award funds may result in a range of penalties, including suspension of current and future funds, suspension or debarment from federal grants, recoupment of monies provided under an award, and civil and/or criminal penalties.

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43. GRANTEE agrees not to do business with any individual, agency, company or corporation listed in the Excluded Parties Listing Service.  
**Link:** *System for Award Management* <https://www.sam.gov/portal/public/SAM/>
44. GRANTEE agrees to ensure that, no later than the due date of the GRANTEE's first financial report after the award is made, GRANTEE and any subgrantees have a valid DUNS profile and active registration with the System for Award Management (SAM) database.
45. GRANTEE certifies that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement.
46. GRANTEE understands and agrees that any training or training materials developed or delivered with funding provided under this award must adhere to the *OJP Training Guide Principles for Grantees and Subgrantees*.  
**Link:** *OJP Training Guide Principles for Grantees and Subgrantees*  
<http://www.ojp.usdoj.gov/funding/ojptrainingguidingprinciples.htm>
47. GRANTEE agrees to cooperate and participate with any and all assessments, evaluation efforts or information and data collection requests, and acknowledges that the federal or state grantor agency has the right to obtain, reproduce, publish or use data provided under this award and may authorize others to receive and use such information.
48. GRANTEE shall provide the COMMISSION with a copy of all interim and final reports and proposed publications (including those prepared for conferences and other presentations) resulting from this Agreement. Submission of such materials must be prior to or simultaneous with their public release.
49. GRANTEE agrees that any publications (written, visual, or sound) excluding press releases and newsletters, whether published at the GRANTEE'S or COMMISSION'S expense, shall contain the following statement:
- "This was supported by Award No. 2013-DJ-BX-0049 and 2014-DJ-BX-1020 awarded by the Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice. The opinions findings, and conclusions or recommendations expressed in this publication/program/exhibition are those of the author(s) and do not necessarily reflect the views of the Department of Justice."
50. GRANTEE agrees to comply with the non-discrimination requirements of the Omnibus Crime Control and Safe Streets Act of 1968, 42 USC §3789d(c)(1); Title VI of the Civil Rights Act of 1964, 42 USC §2000d; Section 504 of the Rehabilitation Act of 1973, 29 USC § 794; Subtitle A, Title II of the Americans with Disabilities Act of 1990, 42 USC § 12132; Title IX of the Education Amendments of 1972, 20 USC § 1681; the Age Discrimination Act of 1975, 42 USC § 6102; the Department of Justice implementing regulations, 28 CFR pt. 42, subpts. C, D, E, G, and I, 28 CFR pt. 35, and 28 CFR pt. 54; all applicable state laws of A.R.S. § 41-1463; and Executive Order 2009-9. The above-referenced federal laws prohibit discrimination on the basis of race, color, religion, sex, disability, and national origin (including limited English proficiency) in the delivery of services and employment practices, and prohibit discrimination on the basis of age in the delivery of services. If in the three years prior to the date of the grant award a Federal or State Court or Federal or State administrative agency makes a finding of discrimination after a due process hearing against GRANTEE, GRANTEE will forward a copy of the findings to the Office for Civil Rights, Office of Justice Programs and the COMMISSION.

"Applicants must certify that Limited English Proficiency persons have meaningful access to the services under this program(s). National origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with Title VI and the Safe Street Act, the applicant is required to take reasonable steps to ensure that LEP persons have meaningful access to programs. Meaningful access may entail providing language assistance services, including oral and written translation when necessary."

**Link:** *Limited English Proficiency A Federal Interagency Website* <http://www.LEP.gov>

51. GRANTEE agrees to comply with the applicable requirements of 28 CFR Part 38, the Department of Justice regulation governing "Equal Treatment for Faith Based Organizations" (the "Equal Treatment Regulation"). The Equal Treatment Regulation provides in part that Department of Justice financial assistance may not be used to fund any inherently religious activities, such as worship, religious instruction, or proselytization. Recipients of Department of Justice financial assistance may still engage in inherently religious activities, but such activities must be separate in time or place from the Department of Justice funded program, and participation in such activities by individuals receiving services from GRANTEE must be voluntary. The Equal Treatment Regulation also makes clear that organizations participating in programs receiving financial assistance from the Department of Justice are not permitted to discriminate in the provision of services on the basis of a beneficiary's religion. Notwithstanding any other special condition of this award, faith-based organizations may, in some circumstances, consider religion as a basis for employment.

**Link:** [http://www.ojp.usdoj.gov/about/ocr/equal\\_fbo.htm](http://www.ojp.usdoj.gov/about/ocr/equal_fbo.htm)

52. GRANTEE should be mindful that the misuse of arrest or conviction records to screen either applicants for employment or employees for retention or promotion may have a disparate impact based on race or national origin, resulting in unlawful employment discrimination. As of June 2013 OJP has issued an advisory that grantees should consult local counsel in reviewing their employment practices. If warranted, grantees should also incorporate an analysis of the use of arrest and conviction records in their Equal Employment Opportunity Plan (EEOP). See Advisory for Recipients of Financial Assistance from the U.S. Department of Justice on the U.S. Equal Employment Opportunity Commission's Enforcement Guidance: Consideration of Arrest and Conviction Records in Employment Decisions Under Title VII of the Civil Rights Act of 1964 (June 2013), available at [http://www.ojp.gov/about/ocr/pdfs/UseofConviction\\_Advisory.pdf](http://www.ojp.gov/about/ocr/pdfs/UseofConviction_Advisory.pdf).

53. GRANTEE assures that it will comply with all state and federal laws regarding privacy during the course of the award. All information relating to clients is to be treated with confidentiality in accordance with 42 USC section 3789g or 42 USC 14132(b)(3) that are applicable to the collection, disclosure, use and revelation of data information. GRANTEE further agrees to submit a privacy Certificate that is in accordance with requirements of 28 CFR Part 22 if applicable to the program.

54. GRANTEE agrees to formulate and keep on file an EEOP (if GRANTEE is required pursuant to 28 CFR 42.302). GRANTEE certifies that they have forwarded to the Office for Civil Rights, Office of Justice Programs the EEOP, or certifications that they have prepared and have on file an EEOP, or that they are exempt from EEOP requirements. Failure to comply may result in suspension of grant funds. Copies of all submissions such as certifications to or correspondence with the Office for Civil Rights, Office of Justice Programs regarding this requirement must be provided to the COMMISSION by GRANTEE. In the event a federal or state court or federal or state administrative agency makes an adverse finding of discrimination against GRANTEE after a due process hearing, on the ground of race, color, religion, national origin, or sex, GRANTEE will forward a copy of the findings to the Office for Civil Rights, Office of Justice Programs and the COMMISSION.

55. GRANTEE agrees to participate in any required civil rights related training to ensure compliance with all federal and state civil rights laws. GRANTEE will inform the COMMISSION of the

position responsible for civil rights compliance and will inform the COMMISSION of change in personnel responsible for civil rights compliance within ten days.

**Link:** <http://azcjc.gov/ACJC.Web/Grants/civilrights/default.aspx>

56. To support public safety and justice information sharing, GRANTEE, if a governmental subdivision, shall use the National Information Exchange Model (NIEM) specifications and guidelines for this grant. GRANTEE shall publish and make available without restrictions all schemas generated as a result of this grant to the component registry as specified in the guidelines.

**Link:** <https://www.niem.gov/aboutniem/grant-funding/Pages/implementation-guide.aspx>

57. In order to promote information sharing and enable interoperability among disparate systems across the justice and public safety community, OJP requires the grantee to comply with DOJ's Global Justice Information Sharing Initiative (DOJ's Global) guidelines and recommendations for this particular grant. Grantee shall conform to the Global Standards Package (GSP) and all constituent elements, where applicable, as described at:

**Link:** [http://www.it.ojp.gov/gsp\\_grantcondition](http://www.it.ojp.gov/gsp_grantcondition).

Grantee shall document planned approaches to information sharing and describe compliance to the GSP and appropriate privacy policy that protects shared information, or provide detailed justification for why an alternative approach is recommended.

58. To avoid duplicating existing networks or IT systems in any initiatives for law enforcement information sharing systems which involve interstate connectivity between jurisdictions, such systems shall employ, to the extent possible, existing networks as the communication backbone to achieve interstate connectivity, unless GRANTEE can demonstrate to the satisfaction of the COMMISSION that this requirement would not be cost beneficial or would impair the functionality of an existing or proposed IT system.

59. If GRANTEE is a governmental political subdivision, the GRANTEE should, to the extent possible and practical; share criminal justice information with other authorized criminal justice agencies. The process control number (PCN) shall be used in accordance with A.R.S. § 41-1750 when sharing data with other criminal justice agencies as electronic data systems are developed or improved.

60. If GRANTEE is a state agency and the award is for the development of information technology projects for more than \$25,000, GRANTEE must complete a Project Investment Justification (PIJ) and submit the justification to the Arizona Department of Administration (ADOA), with a copy to the COMMISSION. GRANTEE agrees to submit required project status reports to ADOA by the due dates and submit copies to the COMMISSION.

If GRANTEE is not a state agency and the award is for the development of information technology projects, GRANTEE will follow local technology policies and guidelines.

61. GRANTEE must promptly refer to the COMMISSION any credible evidence that a principal, employee, agent, contractor, subgrantee, or other person has either 1) submitted a false claim for grant funds under the False Claims Act; or 2) committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving grant funds. The COMMISSION shall forward the referral to the Department of Justice, Office of the Inspector General.
62. The COMMISSION encourages GRANTEE to establish workplace safety policies and conduct education, awareness and other outreach to decrease crashes caused by distracted drivers, including adopting and enforcing policies banning employees from text messaging while driving any vehicle during the course of performing work funded by this grant. Executive Order 13513,

- "Federal Leadership on Reducing Text Messaging While Driving," 74 Fed. Reg. 51225 (October 2009).
63. GRANTEE certifies to comply with the Drug-Free Workplace Act of 1988, and implemented in 28 CFR Part 83, Subpart F, for grantees, as defined in 28 CFR, Part 83 Sections 83.620 and 83.650.
  64. GRANTEE agrees to complete and keep on file, as appropriate, Immigration and Naturalization Form (I-9). This form is to be used by recipients to verify that persons are eligible to work in the United States. Additionally GRANTEE ensures compliance with A.R.S. § 41-4401 federal immigration laws by state employers and contractors.
  65. GRANTEE acknowledges that immigration laws require them to register and participate with the E-Verify program (employment verification program administered by the United States Department of Homeland Security and the Social Security Administration or any successor program) as they both employ one or more employees in this state. GRANTEE warrants that they have registered with and participate with E-Verify. If the GRANTOR later determines that the GRANTEE has not complied with E-Verify, it will notify the non-compliant GRANTEE by certified mail of the determination and of the right to appeal the determination.
  66. GRANTEE certifies that no federal funds will be paid, by or on behalf of, 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 any cooperative agreement, and for the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement. If any funds other than Federal funds are paid or will be paid to any person for influencing or attempting to influence an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal award, grant loan, or cooperative agreement, the GRANTEE will complete and submit to the COMMISSION Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.
  67. GRANTEE understands and agrees that it cannot use any federal funds, either directly or indirectly, in support of the enactment, repeal, modification or adoption of any law, regulation or policy at any level of government, without the express prior written approval of the Commission.
  68. GRANTEE agrees that no funds provided, or personnel employed under this Agreement shall be in any way, or to any extent, engaged in conduct of political activities in violation of USC Title 5, Part II, Chapter 15, section 1502.
  69. GRANTEE understands and agrees that award funds may not be used to discriminate against or denigrate the religious or moral beliefs of students who participate in programs for which financial assistance is provided from those funds, or of the parents or legal guardians of such students.
  70. GRANTEE understands and agrees that- (a) no award funds may be used to maintain or establish a computer network unless such network blocks the viewing, downloading and exchanging or pornography, and (b) nothing in subsection (a) limits the use of funds necessary for any Federal, State, tribal or local law enforcement agency or any other entity carrying out criminal investigations, prosecution, or adjudication activities.
  71. GRANTEE agrees to comply with all federal, state and local environmental laws and regulations applicable to the development and implementation of activities to be funded under this award. Additional requirements may be found in Grant Agreement Continuation Sheet.

72. GRANTEE agrees that all income generated as a direct result of this award shall be deemed program income. All program income must be accounted for and used for the purpose under the conditions applicable for the use of funds under this award, including the effective edition of the OJP Financial Guide and, as applicable, either (1) 28 CFR part 66 or (2) 28 CFR part 70 and OMB Circular A-102 & 2 CFR 215.
73. This Agreement is subject to cancellation pursuant to the provision of A.R.S. § 38-511. This Agreement may also be cancelled at the COMMISSION'S discretion if not returned with authorized signatures to the COMMISSION within 90 days of commencement of the award.
74. If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall be in full force and effect.
75. GRANTEE agrees to comply with all Special Condition(s) included with this Agreement on the Grant Agreement Continuation Sheet.
76. GRANTEE understands that grant funds may not be released until GRANTEE is compliant with all requirements of grant agreement.

Arizona Criminal Justice Commission  
**DRUG, GANG, AND VIOLENT CRIME CONTROL**  
**GRANT AGREEMENT CONTINUATION SHEET**  
**SPECIAL CONDITION(S)**

1. GRANTEE must verify Agency Point of Contact (APOC), Financial Point of Contact (FPOC), Program Point of Contact (PPOC), and Authorized Official contact information in the Grants Management System (GMS), including telephone number and e-mail address. If any information is incorrect or has changed, a Grant Adjustment Notice (GAN) must be submitted via the GMS to document changes. In addition the FPOC and PPOC must be assigned by the APOC prior to payments being made. All Grants
2. GRANTEE agrees that within 120 days of award, for any law enforcement task force funded with these funds, the task force commander, agency executive, task force officers and other task force members of equivalent rank, will complete required online (internet-based) task force training to be provided free of charge through BJA's Center for Task Force Integrity and Leadership ([www.ctfli.org](http://www.ctfli.org)). GRANTEE will compile and maintain a task force personnel roster and course completion certificates.
3. GRANTEE agrees to notify the COMMISSION within ten (10) days in the event that a task force member is replaced during the award period.
4. GRANTEE agrees to the completion of the ACJC Subgrantee Self-Assessment Questionnaire within 45 days of the start date of this award.
5. GRANTEE agrees that within 45 days of award, for any agency that receives income as a result of grant-funded activities, it will complete the ACJC Program Income Worksheet.
6. GRANTEE agrees to the completion of the Benchmarks Worksheet within 45 days of award.
7. GRANTEE assures if they are a state agency that the State Information Technology Point of Contact receive written notification regarding any information technology project funded by this grant. GRANTEE agrees to keep on file documentation showing that it has met this requirement.
8. GRANTEE agrees and understands that funded activities may require the preparation of an Environmental Assessment (EA) as defined by the Council of Environmental Quality's Regulations for implementing the Procedural Provisions of the National Environmental Policy Act (NEPA), found at 40 CFR Part 1500.
9. GRANTEE agrees to comply with all federal, state and local environmental laws and regulations applicable to the development and implementation of activities to be funded under this award. The GRANTEE agrees and understands that complying with NEPA may require the preparation of an Environmental Assessment and/or an Environmental Impact Statement, as directed by BJA. The GRANTEE further understands and agrees to requirements for implementation of a Mitigation Plan, as detailed at <http://www.ojp.usdog.gov/BJA/resource/nepa.html> for programs relating to methamphetamine laboratory operations.
10. GRANTEE agrees that any information technology system developed or supported by funds will comply with 28 CFR Part 23, Criminal Intelligence Systems Operating Policies, if OJP determines this regulation be applicable. Should OJP determine 28 CFR Part 23 to be applicable, OJP may at its discretion, perform audits of the system, as per 28 CFR 23.20(g).

Should any violation of 28 CFR Part 23 occur, GRANTEE may be fined as per 42 USC 3789g(c)-(d). GRANTEE may not satisfy such a fine with federal funds.

- 11.** GRANTEE agrees that no JAG funds may be expended on unmanned aircraft, unmanned aircraft systems, or aerial vehicles (US, UAS, or UAV) without prior express written approval from Commission.
- 12.** Grant funds shall be used to reduce drug crimes in support of the Arizona 2012-2015 Drug, Gang, and Violent Crime Control State Strategy.

Authorized Official Initials: \_\_\_\_\_

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

**FOR GRANTEE:**

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Mayor or City Manager

Date

---

Printed Name and Title

**Approved as to form and authority to enter into Agreement:**

---

Legal counsel for GRANTEE

Date

---

Printed Name and Title

**Statutory or other legal authority to enter into Agreement:**

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Appropriate A.R.S., ordinance, or charter reference

**FOR CRIMINAL JUSTICE COMMISSION:**

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John A. Blackburn Jr., Executive Director  
Arizona Criminal Justice Commission

Date



ARIZONA CRIMINAL JUSTICE COMMISSION  
GRANT AGREEMENT

**Insurance Requirements  
Exhibit "A"**

***Insurance Requirements for Governmental Parties to a Grant Agreement:***

None.

***Insurance Requirements for Any Contractors Used by a Party to the Grant Agreement:***

*(Note: this applies only to Contractors used by a governmental entity, not to the governmental entity itself.)* The insurance requirements herein are minimum requirements and in no way limit the indemnity covenants contained in the Intergovernmental Agreement. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the governmental entity or Contractor from liabilities that might arise out of the performance of the work under this Contract by the Contractor, his agents, representatives, employees or subcontractors, and Contractor and the governmental entity are free to purchase additional insurance.

A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below.

1. **Commercial General Liability – Occurrence Form**

Policy shall include bodily injury, property damage, and broad form contractual liability.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Fire Legal Liability \$50,000
- Each Occurrence \$1,000,000

- a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

*(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)*

- b. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

Exhibit "A" Page 2

**2. Business Automobile Liability**

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL) \$1,000,000

- a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
- b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

*(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)*

**3. Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	\$1,000,000
Disease – Each Employee	\$1,000,000
Disease – Policy Limit	\$1,000,000

- a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- b. This requirement shall not apply to each contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

**Additional Insurance Requirements:**

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

The Contractor's policies shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

**Notice of Cancellation:**

For each insurance policy required by the insurance provisions of this Contract, the Contractor must provide to the State of Arizona, within two (2) business days of receipt, a notice if a policy is suspended,

voided, or cancelled for any reason. Such notice shall be mailed, emailed, hand delivered or sent by facsimile transmission to (Enter Contracting Agency Representative's Name, Address, and Fax Number Here).

**Acceptability of Insurers:**

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

**Verification of Coverage:**

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) as required by this Contract. An authorized representative of the insurer shall sign the certificates.

All certificates and endorsements, as required by this written agreement, are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to the Department. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete copies of all insurance policies required by this Contract at any time.

**Subcontractors:**

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

**Approval and Modifications:**

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

**Exceptions:**

In the event the Contractor or subcontractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a certificate of self-insurance. If the Contractor or subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

# CITY OF KINGMAN COMMUNICATION TO COUNCIL



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**TO:** Honorable Mayor and Council Members

**FROM:** Engineering Services

**MEETING DATE:** June 16, 2015

**AGENDA SUBJECT:** RESOLUTION NO. 4955 – APPROVING WATER SERVICE FOR AN UNSUBDIVIDED PARCEL AT 2800 HUALAPAI MOUNTAIN ROAD FOR AN OFFICE BUILDING (ENG15-034)

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**SUMMARY:** On May 28, 2015 the Municipal Utility Commission reviewed a request from Doug Angle for water service to an unsubdivided parcel at 2800 Hualapai Mountain Road (Tax Parcel 321-06-084). This water service request is for development of a new office building on a 1.68 acre commercial property.

Resolution No. 4955 grants water service to the subject parcel with the following condition: (1) that any connection to the water or sewer system be made in accordance with the Utility Regulations and applicable building codes.

The Commission voted 5-0 to recommend approval of water service to the subject parcel.

**ATTACHMENTS:** Resolution No. 4955  
MUC Application

**FISCAL IMPACT:** N/A

**RECOMMENDATION:** The Commission voted 5-0 to recommend approval of water service to Tax Parcel 321-06-084. Staff recommends approval of Resolution No. 4955.

Signature of Dept. Head

  
City Attorney  
Approved as to Form  
City Manager's Review

AGENDA ITEM: 3b

**CITY OF KINGMAN  
RESOLUTION NO. 4955**

**A RESOLUTION BY THE MAYOR AND COMMON COUNCIL OF  
THE CITY OF KINGMAN, ARIZONA, GRANTING WATER  
SERVICE TO AN UNSUBDIVIDED PARCEL (321-06-084) FOR  
AN OFFICE BUILDING**

**WHEREAS**, Doug Angle has submitted a request for water service to an unsubdivided parcel identified as Tax Parcel 321-06-084. This property is located within the City Limits in Section 19, Township 21 North, Range 16 West. The project site is located at 2800 Hualapai Mountain Road on the southeast corner of Hualapai Mountain Road and Mission Boulevard. The proposed development is for a new office building; and

**WHEREAS**, Article 3.3 (E) in the City of Kingman Utility Regulations states:

“No unsubdivided property, lot, or parcel will be served with a water connection without prior approval of the Common Council, after application and review through the Municipal Utility Commission”; and

**WHEREAS**, water service will be provided by an existing eight inch water line located on Mission Boulevard; and

**WHEREAS**, the Municipal Utility Commission reviewed this request at their May 28, 2015 meeting and recommends that water service be approved.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Common Council of the City of Kingman, Arizona, that water service to Tax Parcel 321-06-084 is hereby approved subject to the following conditions:

1. That any connection to the water or sewer system be made in accordance with the Utility Regulations and applicable building codes.

**PASSED AND ADOPTED** by the Mayor and Common Council of the City of Kingman, Arizona, on this 16<sup>th</sup> day of June 2015.

ATTEST:

APPROVED:

\_\_\_\_\_  
Sydney Muhle, City Clerk

\_\_\_\_\_  
Richard Anderson, Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
Carl Cooper, City Attorney



**CITY OF KINGMAN**  
ENGINEERING DEPARTMENT

MUNICIPAL UTILITY COMMISSION  
UTILITY SERVICE APPLICATION FOR REVIEW

310 N. 4<sup>th</sup> Street Kingman, AZ 86401 Ph: (928) 753-8122 Fax: (928) 753-8118

Date: 5-4-15

**Applicant Information:**

Name: Angle Homes, Inc  
Phone: 928-718-1550  
Address: 2331 Hualapai Mountain Road  
Email: doug@anglehomes.com

Company Name: \_\_\_\_\_  
Fax: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_

**Agent Information (if applicable):**

Name: Doug Angle  
Phone: 928-715-7682  
Address: 2331 Hualapai Mountain Road  
Email: doug@anglehomes.com

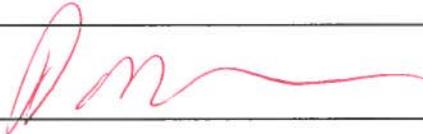
Company Name: \_\_\_\_\_  
Fax: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_

**Application For:**

- Water Service to Unsubdivided Parcel (\$250 application fee)  
 Water Service to Subdivision (\$250 application fee)  
 Other (please explain or attach additional sheets as needed): \_\_\_\_\_

**Site/Project Information:**

Mohave County Tax Parcel Number: 321-06-084  
Property Address : 2800 Hualapai Mountain Road  
Proposed Facility or Use for Water Request: Office Building

Applicant Signature: 

CITY OF KINGMAN ENGINEERING DEPARTMENT USE ONLY

Date Received: 5-4-15 Received By: Kathy Date Admin Complete: 5-4-15  
COK Project Number: ENG15-034 Fee Paid: \$250.00  
Check Number: 28142 Charge Card Type: \_\_\_\_\_ Receipt Number: COK0654

**AGREEMENT FOR THE WAIVER OF CLAIMS FOR DIMINUTION IN VALUE OF  
PROPERTY UNDER A.R.S. §12-1134**

This agreement is entered into this 10 day of April, 2015, by and between Angle Homes, Inc. (Owner) and the CITY OF KINGMAN, an Arizona Municipal Corporation, (City).

RECITALS

- A. The Owner owns certain real property located within the City or is within the City's service area. This real property is depicted and legally described in the attached Exhibit A, incorporated into this agreement by this reference; and
- B. The Owner has requested that the City enact a certain land use change directly applicable to the Owner's property and agrees that this change will increase the value and use of the land; and
- C. The Owner is aware that, as a condition of receiving approvals under the City's land use laws, the City may impose various requirements, conditions, and stipulations upon the property that will govern development of the property; and
- D. The Owner agrees and consents to all the conditions imposed by the City regarding the land use action in:
  - a. \_\_\_\_\_ Rezoning/Zoning Change
  - b. \_\_\_\_\_ Use Permit
  - c. \_\_\_\_\_ General Plan Amendment
  - d. \_\_\_\_\_ Variance
  - e. \_\_\_\_\_ Site Plan
  - f. \_\_\_\_\_ Subdivision
  - g. \_\_\_\_\_ Ordinance
  - h. \_\_\_\_\_ Development Agreement
  - i.  Water/Wastewater Service
  - j. \_\_\_\_\_ other \_\_\_\_\_ (please specify)
- E. By signing this agreement, the Owner acknowledges that Owner waives any right to claim diminution in value or claim for just compensation for diminution in value under A.R.S. §12-1134 related to the land use action as a result of the City's approval of the action in regards to the above referenced property. This waiver constitutes a complete release of any and all claims and causes of action that may arise or may be asserted under A.R.S. §12-1134 as it exists or may be enacted in the future or that may be amended from time to time with regard to the subject property.

- F. This agreement in no way acquiesces to or obligates the City to perform any legislative or administrative act.
- G. This agreement, any exhibits attached hereto, and any addendum, constitute the entire understanding and agreement of the Owner and the City and shall supersede all prior agreements or understandings between the Owner and the City regarding the above referenced property in accordance with A.R.S. §12-1134. This agreement may not be modified or amended except by written agreement by the Owner and the City.
- H. This agreement is entered into in Arizona and will be construed and interpreted under the laws of the State of Arizona.
- I. If any legal action is brought by either party to enforce any provisions of this agreement, the prevailing party shall be entitled to recover from the other party reasonable attorneys' fees and court costs in such amounts as shall be allowed by the court.
- J. Within ten (10) days after the execution of this agreement, the City Clerk shall file the agreement in the Official Records of the Recorder's Office, Mohave County, Arizona.
- K. This agreement runs with the land and is binding upon all present and future owners of the above referenced property.
- L. This agreement is subject to the cancellation provisions of A.R.S. §38-511
- M. The Owner warrants and represents that Owner holds fee title to the above referenced property, and that no other person has ownership interest in the property; and agrees to hold harmless and indemnify the City in any action regarding ownership. Owner is responsible to notify the City if change in ownership of the above listed property takes place prior to approval of the land use action. Any and all Owners must sign this agreement. Additional Owner signatures must be notarized and attached to this agreement.
- N. Any Agent that signs on behalf of the Owner, personally warrants and guarantees to the City that they have the full legal power to bind Owner to this agreement. Furthermore, Agent agrees to indemnify and hold harmless the City in any action regarding ownership of the above listed property. Agent is responsible to notify the City if any change in ownership of the above listed property takes place prior to the full approval of the requested action.

**CITY OF KINGMAN  
A MUNICIPAL CORPORATION**

By: 

Printed Name: Greg Henry

I, the undersigned, hereby agree to the terms and acknowledge this document and sign below.

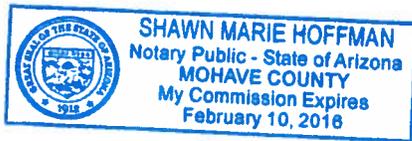
**PROPERTY OWNER/AGENT**

By: 

Print Name Doug Angle

State of Arizona        )  
                                  ) ss.  
County of Mohave     )

**SUBSCRIBED AND SWORN** to before me this 10 day of April, 2015



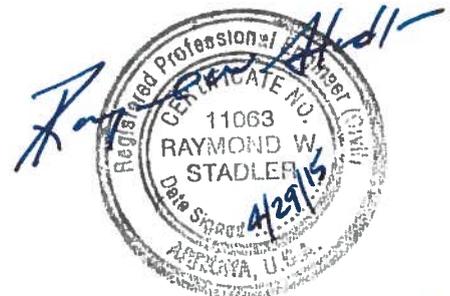
  
Notary Public

# ANGLE HOMES OFFICE BUILDING

Hualapai Road/Mission Boulevard

## WATER AND SEWER REPORT

April 2015



EXPIRES 6/30/16

Prepared by  
Raymond W. Stadler, P.E.  
2504 Airfield Court  
Kingman, Arizona 86401  
(928) 753-8927

**INTRODUCTION:**

The Angle Homes Office Building is a 17,845 Office/Retail single story building to be constructed on a 1.68 acre site located on the southeast corner of Hualapai Mountain Road and Mission Boulevard. The new building will be served by an existing 8” water line located on the west side of Mission Boulevard and an existing 8” sewer line within the Mission Boulevard pavement area east of the roadway centerline. This report will identify the anticipated water and sewer flows to and from the proposed facility.

**DOMESTIC WATER SUPPLY:**

The proposed facility will be served by a 1 ½” PVC service line from the 8” Water line mentioned above. The estimated peak water flow to the building for domestic purposes is 48 gpm (See Mechanical Engineers Calculations). Test results provided by the City of Kingman Fire Department show a static pressure of 47 psi for the existing 8” water line. Based on the pressure losses outlined below the available pressure at the building will be 21.6 psi.

Supply Pressure Loses:

1 ½” PVC Water Line – 100 feet	7.7 psi
Water Meter	8.0 psi
Backflow Preventer	8.0 psi
Connection & Bends	1.7 psi
Total Pressure Loss at Building	25.4 psi

**FIRE SUPPLY INFORMATION:**

The above described 8” water line includes two fire hydrants located at each end of the water line. The northerly fire hydrant (No. 1923) is located approximately 115 south of the Hualapai Mountain

Road/Mission Boulevard intersection and the second fire hydrant (No. 1924) is located approximately 250 feet south of the first hydrant. Test results completed by the City of Kingman Fire Department show flow rates of 3828 gpm and 3862 gpm at 20 psi for fire hydrants No. 1923 and No. 1924 respectively.

The proposed building will include a fire sprinkler system supplied by a 6" PVC (Sch 235) service line from the existing 8" water line described herein.

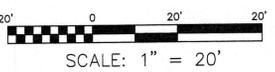
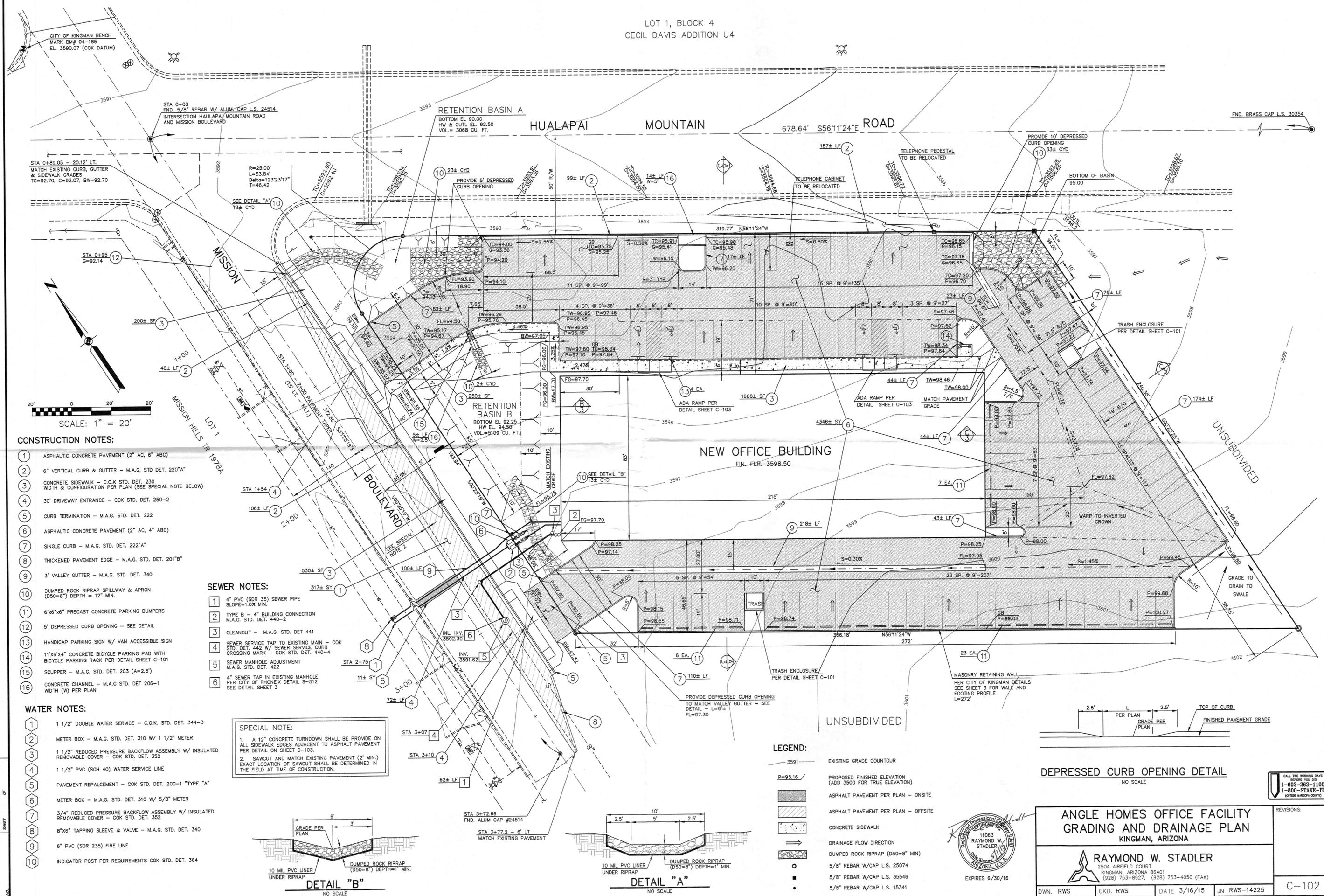
**SEWER SYSTEM:**

The Angle Homes Office Building will be served by an existing 8" sewer located east of the centerline of Mission Boulevard. The service connection will be to the existing manhole at the north end of the existing sewer which is located approximately 25 feet north of the southwest corner of the project parcel. The estimated daily flow from the facility is 2700 gallons which will be carried in a 4" PVC sewer service line having a slope of 1.5 percent. At 1.5 percent the 4" service line has a half full capacity of 55 gpm which exceeds the estimated peak flow of 48 gpm noted in the Domestic Water Supply section above

## **Need for Sewer Extension**

It would not make sense to extend sewer up Mission Boulevard to Hualapai Mountain Road as the depth of the sewer at the manhole in Mission Boulevard at the South West Corner of the Angle Homes parcel is 3592.3 and the grade of dirt in the right-a-way at Mission Boulevard and Hualapai Mountain Road is 3592.75, which is another 200 feet down the road. There would be no cover over the sewer line.

Sewer needs for parcel 321-06-071 which is just to the East of the Angle Homes Office Parcel. There is a sanitary manhole within the Hualapai Mountain Road South right-of-way approximately 17 feet west of the northeast corner of the noted parcel. A field survey determined the rim elevation of this manhole to be 3605.96 with a measured depth of 7.5 feet to the manhole invert yielding an invert elevation of 3598..45. This existing manhole and sewer line can provide sanitary sewer service to this parcel.



**CONSTRUCTION NOTES:**

- 1 ASPHALTIC CONCRETE PAVEMENT (2" AC, 6" ABC)
- 2 6" VERTICAL CURB & GUTTER - M.A.G. STD. DET. 220"A"
- 3 CONCRETE SIDEWALK - C.O.K. STD. DET. 230 WIDTH & CONFIGURATION PER PLAN (SEE SPECIAL NOTE BELOW)
- 4 30' DRIVEWAY ENTRANCE - COK STD. DET. 250-2
- 5 CURB TERMINATION - M.A.G. STD. DET. 222
- 6 ASPHALTIC CONCRETE PAVEMENT (2" AC, 4" ABC)
- 7 SINGLE CURB - M.A.G. STD. DET. 222"A"
- 8 THICKENED PAVEMENT EDGE - M.A.G. STD. DET. 201"B"
- 9 3' VALLEY GUTTER - M.A.G. STD. DET. 340
- 10 DUMPED ROCK RIPRAP SPILLWAY & APRON (D50=8") DEPTH = 12" MIN.
- 11 6"x6" PRECAST CONCRETE PARKING BUMPERS
- 12 5' DEPRESSED CURB OPENING - SEE DETAIL
- 13 HANDICAP PARKING SIGN W/ VAN ACCESSIBLE SIGN
- 14 11"x6"x4" CONCRETE BICYCLE PARKING PAD WITH BICYCLE PARKING RACK PER DETAIL SHEET C-101
- 15 SCUPPER - M.A.G. STD. DET. 203 (A=2.5')
- 16 CONCRETE CHANNEL - M.A.G. STD. DET. 206-1 WIDTH (W) PER PLAN

**WATER NOTES:**

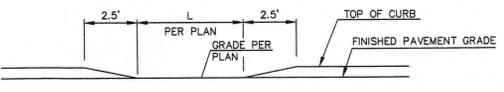
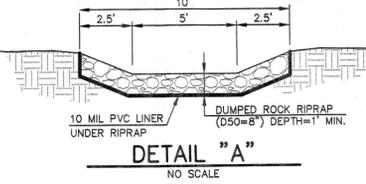
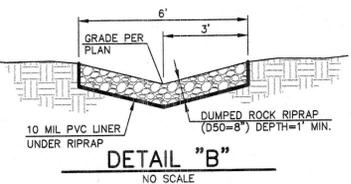
- 1 1 1/2" DOUBLE WATER SERVICE - C.O.K. STD. DET. 344-3
- 2 METER BOX - M.A.G. STD. DET. 310 W/ 1 1/2" METER
- 3 1 1/2" REDUCED PRESSURE BACKFLOW ASSEMBLY W/ INSULATED REMOVABLE COVER - COK STD. DET. 352
- 4 1 1/2" PVC (SCH 40) WATER SERVICE LINE
- 5 PAVEMENT REPLACEMENT - COK STD. DET. 200-1 "TYPE A"
- 6 METER BOX - M.A.G. STD. DET. 310 W/ 5/8" METER
- 7 3/4" REDUCED PRESSURE BACKFLOW ASSEMBLY W/ INSULATED REMOVABLE COVER - COK STD. DET. 352
- 8 8"x6" TAPPING SLEEVE & VALVE - M.A.G. STD. DET. 340
- 9 6" PVC (SDR 235) FIRE LINE
- 10 INDICATOR POST PER REQUIREMENTS COK STD. DET. 364

**SEWER NOTES:**

- 1 4" PVC (SDR 35) SEWER PIPE SLOPE=1.0% MIN.
- 2 TYPE B - 4" BUILDING CONNECTION M.A.G. STD. DET. 440-2
- 3 CLEANOUT - M.A.G. STD. DET. 441
- 4 SEWER SERVICE TAP TO EXISTING MAIN - COK STD. DET. 442 W/ SEWER SERVICE CURB CROSSING MARK - COK STD. DET. 440-4
- 5 SEWER MANHOLE ADJUSTMENT M.A.G. STD. DET. 422
- 6 4" SEWER TAP IN EXISTING MANHOLE PER CITY OF PHOENIX DETAIL S-512 SEE DETAIL SHEET 3

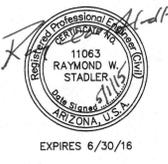
**SPECIAL NOTE:**

1. A 12" CONCRETE TURNDOWN SHALL BE PROVIDED ON ALL SIDEWALK EDGES ADJACENT TO ASPHALT PAVEMENT PER DETAIL ON SHEET C-103.
2. SAWCUT AND MATCH EXISTING PAVEMENT (2" MIN.) EXACT LOCATION OF SAWCUT SHALL BE DETERMINED IN THE FIELD AT TIME OF CONSTRUCTION.



**LEGEND:**

- 3591 EXISTING GRADE COUNTOUR
- P=95.16 / PROPOSED FINISHED ELEVATION (ADD 3500 FOR TRUE ELEVATION)
- ASPHALT PAVEMENT PER PLAN - ONSITE
- ASPHALT PAVEMENT PER PLAN - OFFSITE
- CONCRETE SIDEWALK
- DRAINAGE FLOW DIRECTION
- DUMPED ROCK RIPRAP (D50=8" MIN)
- 5/8" REBAR W/CAP L.S. 25074
- 5/8" REBAR W/CAP L.S. 35546
- 5/8" REBAR W/CAP L.S. 15341



**ANGLE HOMES OFFICE FACILITY  
GRADING AND DRAINAGE PLAN  
KINGMAN, ARIZONA**

**RAYMOND W. STADLER**  
2504 AIRFIELD COURT  
KINGMAN, ARIZONA 86401  
(928) 753-8927, (928) 753-4050 (FAX)

CALL TWO WORKING DAYS BEFORE 10:00 AM  
1-800-263-1100  
1-800-STAKE-IT  
(OUTSIDE MARICOPA COUNTY)

NO.	REVISIONS:

DATE:	DRAWING NO.:	SHEET:



**CITY OF KINGMAN  
COMMUNICATION TO COUNCIL**

**TO:** Honorable Mayor and Common Council

**FROM:** Sydney Muhle, City Clerk

**MEETING DATE:** June 16, 2015

**AGENDA SUBJECT:** Resolution No. 4954 – Sale of Real Property at 854 Berk Avenue

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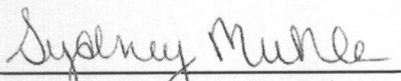
**SUMMARY:**

This item was originally approved March 3, 2015, with Resolution No. 4936. Due to a clerical error, Resolution No. 4936 was assigned to two separate items. This item will re-approve the authorization for the sale of certain real property located at 854 Berk Avenue. The property was bid on through a sealed competitive bid process on February 23, 2015.

**ATTACHMENT:** Resolution No. 4954

**FISCAL IMPACT:** None.

**STAFF RECOMMENDATION:** Staff recommends approval.

  
Signature of Department Head

  
City Attorney's Review

  
City Manager's Review

**CITY OF KINGMAN  
RESOLUTION NO 4954**

**A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE CITY OF KINGMAN ARIZONA AUTHORIZING THE SALE OF CERTAIN REAL PROPERTY LOCATED AT 854 BERK AVENUE, KINGMAN ARIZONA.**

**WHEREAS**, the City of Kingman is the owner of one residential parcel described as 0.1 acres, Sec 21N, 17W 12, Kingman Country Club Addition Unit 1 Blk 13, Lot 6; and

**WHEREAS**, pursuant to ARS § 9-401, *et seq.*, the City may sell surplus property as the City's interests may require; and

**WHEREAS**, the Mayor and Common Council (the City Council) of the City of Kingman desires to sell whatever right, title or interest the City has in the property.; and

**WHEREAS**, the City Council has determined that a sealed bid sale of the property conducted in accordance with ARS § 9-402, *et seq.*, is in the best interest of the City.

**NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE CITY OF KINGMAN ARIZONA**, as follows:

SECTION 1. That the sale of the property described as 0.1 acres, Sec 21N, 17W 12, Kingman Country Club Addition Unit 1 Blk 13, Lot 6 is hereby approved.

SECTION 2. That the City Manager or authorized designee has been hereby authorized and directed to advertise for and receive sealed bids for the sale of 854 Berk Avenue in accordance with ARS § 9-402 and under the following additional terms and conditions:

1. That the City reserves the right to reject any or all bids.
2. That the minimum bid for this property shall be \$11,000.
3. That all bidders whose bids are accepted by the City shall deposit 100% of the bid amount into escrow within 15 days after notice that bid has been accepted, pursuant to such escrow instructions as determined by the City Attorney. Failure by the successful bidder to make the required deposit shall result in the bid being disqualified and returned to the bidder. Thereafter, the City may either offer the parcel to the next highest bidder or return the parcel for later use or sale.

SECTION 3. That the Mayor, City Manager, City Attorney and the City Clerk are hereby authorized and directed to take all steps and execute all documents necessary to carry out the purpose and intent of this Resolution.

Passed and adopted by the City Council of Kingman Arizona this 16<sup>th</sup> day of June, 2015.

\_\_\_\_\_  
*Richard Anderson, Mayor*

ATTEST:

\_\_\_\_\_  
*Sydney Muhle, City Clerk*

APPROVED AS TO FORM:

\_\_\_\_\_  
*Carl Cooper, City Attorney*

# CITY OF KINGMAN COMMUNICATION TO COUNCIL



**TO:** Honorable Mayor and Council Members  
**FROM:** Engineering Services  
**MEETING DATE:** June 16, 2015  
**AGENDA SUBJECT:** AUTHORIZING THE PURCHASE OF REAL PROPERTY ON GATES AVENUE FOR DRAINAGE PURPOSES, ENG15-018

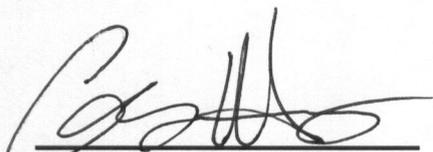
**SUMMARY:** On March 17, 2015, Council approved Resolution No. 4936, which authorized staff to proceed with acquiring vacant property on Gates Avenue for drainage purposes. The property is owned by Gregory V. Davis and is identified as tax parcel 311-14-326. The property is 5,000 square feet in area and is a natural low point which ponds with storm runoff.

Staff recommends proceeding with the Gates property acquisition. Upon Council approval, staff will open an escrow with one of the local Title agencies to finalize this land purchase.

**ATTACHMENTS:** Offer Letter dated June 4, 2015  
Tax Parcel Information  
Map

**FISCAL IMPACT:** The purchase price will be \$8,000 plus escrow closing costs. The Flood Control Budget identified \$100,000 in Flood Control Funds for Land Acquisition for Drainage Purposes.

**RECOMMENDATION:** Staff recommends approval of the property purchase for \$8,000 plus escrow fees and authorizing the mayor to sign all property deeds and acceptance statements associated with this acquisition.

  
\_\_\_\_\_  
Signature of Dept. Head

  
\_\_\_\_\_  
City Attorney  
Approved as to Form

  
\_\_\_\_\_  
City Manager's Review

AGENDA ITEM: 3d



*City of Kingman*

310 NORTH FOURTH STREET • KINGMAN • ARIZONA • 86401 • 928 • 753-5561  
www.ci.kingman.az.us

June 4, 2015

Gregory V. Davis  
1813 Davis Avenue  
Kingman, AZ 86401

RE: Gates Avenue Proposed Property Acquisition  
Golden Gate Addition, Unit 7, Block 151, Lot 55 & 56  
Assessor Parcel Number 311-14-326  
City File ENG15-018

Dear Mr. Davis:

This letter is to confirm our understanding of a possible purchase of your property by the City of Kingman. The terms and conditions of the sale are subject to the full review and approval by the City Council.

You currently own property on Davis Avenue which property is described as Golden Gate Addition, Unit 7, Block 151, Lot 55 & 56 (Tax Parcel 311-14-326).

You have indicated that you are willing to sell the above property subject to the following conditions:

1. That the purchase price for the two lots will be \$8,000.
2. That the City will pay all closing costs associated with the property sale.

If you are still agreeable to this proposal, please sign in the space below. Let me know if you have any questions.

Sincerely,

Gregory T. Henry, P.E.  
City Engineer  
(928) 753-8122

Agreed to and Accepted

  
Gregory V. Davis

Dated: 6-4-2015

"KINGMAN, HEART OF HISTORIC ROUTE 66"

2202 STOCKTON HILL RD KINGMAN 86401

311-15-360A

GOLDEN GATE

311-14-319G

2116 STOCKTON HILL RD KINGMAN



311-14-315G

N STOCKTON HILL RD

Subject Property



311-14-300A

21N 167

311-14-329

311-14-328

311-14-327

311-14-326

18

311-14-325

GATES AVE

311-14-260B

1915 ROBINSON AVE

311-14-258A

311-29-003

311-14-260C

# Assessor Parcel Search

Don't Know your Parcel Number?

Click to [Search by Name](#) Or [Search by Address](#)

Click for [Notice of Valuation Explanation](#)

ENTER PARCEL NO:  WITH DASHES (XXX-XX-XXX)

If your Notice of Value shows the number "8" first, DO NOT enter the 8 in the box to the left.

If there are multiple owners on a parcel, this website may not reflect all owners.

This website is not intended to be the authority on ownership.

Please contact the Assessor's Office if you have questions on ownership.

TAX YEAR:

[Submit Query](#)

[Reset](#)

## Parcel Information ( [Click for Current Tax Bill](#) )

Tax Year:	2015
Parcel Number: ( <a href="#">Click for Map</a> )	311-14-326 ( <a href="#">Click for Improvement Information</a> )
Site Address:	
Owner: (* indicates sales agreement, not a deed)	DAVIS GREGORY V
Owner 2:	
Mailing Address:	1813 DAVIS AVE KINGMAN, AZ 86401
Tax Area:	0452
Land Value:	\$11,796.00
Improvement Value:	\$0.00
Full Cash Value:	\$11,796.00
Assessed Full Cash Value:	\$1,887.00
Limited Value:	\$11,796.00
Assessed Limited Value:	\$1,887.00
Value Method:	Market
Exempt Amount:	\$0.00
Exempt Type:	
Use Code:	0011
Property Use:	0011-VL-RES-URBAN SUBDIVIDED
Class Code:	Residential
Assessment Ratio:	16.00%

**Last Sale Information** < font color="#FFFF00">(Click here for link to sales history prior to July 1, 2000) Any sales between July 1, 2000, and the last recorded document (below) is not shown.

**MULTIPLE SALES:** If a sales affidavit is recorded with one sales price for two or more parcels, we cannot make a decision on the breakdown of the price of each parcel in the sale. Our records will reflect the full sales price on each parcel. It is up to whomever is inquiring to check the sales affidavit with the Records Office (Phone: 928-753-0701) to see if the sale involves more than one parcel. If you want our records to reflect individual sales prices, then you need to be sure to record separate deeds and sales affidavits for each parcel.

Sale Price:	\$0.00
Sale Date:	04/14/2011
Recorded Instr Type:	BD
Fee Number:	2011020348

The Recorder's Office stopped using Book and Pages references on recorded documents as of January 2010. If you don't see a Book and Page reference, use the Fee Number, which will be the only reference used to acquire copies of newer recordings from the Recorder's Office.

Book:

Page:



[Printer Friendly Version](#)

# CITY OF KINGMAN COMMUNICATION TO COUNCIL



TO: Honorable Mayor and Council Members

FROM: Kathy McCoy, Kingman Magistrate Court

MEETING DATE: June 16, 2015

AGENDA SUBJECT: Mohave County Jail Costs IGA FY15-16

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**SUMMARY and  
ATTACHMENT:**

Mohave County Jail Costs IGA dated July 1, 2014, email correspondence with Mohave County, and Mohave County Board of Supervisors May 5, 2015 agenda item and meeting minutes regarding the FY15-16 booking and per diem fees for city inmates.

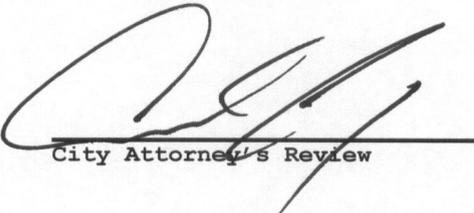
The booking fee has been reduced from \$62.00 to \$61.00  
The per day fee has been reduced from \$69.50 to \$66.64

**FISCAL IMPACT:** The funds are budgeted out of the general fund.

**STAFF**

**RECOMMENDATION:** Recommend that Council approves the FY15-16 Mohave County Jail booking and per diem fees for city inmates.

\_\_\_\_\_  
Signature of Dept. Head

  
\_\_\_\_\_  
City Attorney's Review

  
\_\_\_\_\_  
City Manager's Review

AGENDA ITEM: 3e

**JAIL COSTS  
INTERGOVERNMENTAL AGREEMENT  
BETWEEN  
CITY of KINGMAN, ARIZONA  
AND  
MOHAVE COUNTY, ARIZONA**

**THIS INTERGOVERNMENTAL AGREEMENT** ("Agreement") entered this day of July 1, 2014, by and between the **CITY OF KINGMAN**, an Arizona municipal corporation, ("City"), and **MOHAVE COUNTY**, a political subdivision of the State of Arizona, ("County").

**WHEREAS**, the Mayor and City Council are authorized under A.R.S. §11-952, to enter into this Agreement, and by the attached resolution have authorized the Mayor to execute this Agreement; and

**WHEREAS**, the County is authorized under A.R.S. §11-952 to enter into this Agreement, by the attached Resolution by the Board of Supervisors; and

**WHEREAS**, A.R.S. §31-121(D) requires the City to pay for the costs of incarceration in a county jail for prisoners arrested by a peace officer employed by the City and charged or sentenced in a municipal court; and

**WHEREAS**, the City desires to house a certain number of its prisoners in the Mohave County Jail ("**County Jail**"); and

**WHEREAS**, the costs of providing medical care, including psychological and psychiatric treatment to inmates is a substantial expense to the County and the County has contracted with a medical care services company ("**Jail Medical Provider**") to provide medical care to inmates at the County Jail and the contract for inmate medical care covers in-house medical services and contains an aggregate annual cap amount for outside medical services ("**Inmate Healthcare Services Contract**").

**NOW, THEREFORE**, the parties agree as follows:

**A. THE COUNTY SHALL:**

1. Provide housing in the County Jail for any person arrested by a police officer employed by the City and charged in Kingman Municipal Court, or any person arrested by any law enforcement officer on a Kingman Municipal Court warrant and actually housed at the County Jail ("**City prisoner**"), at a cost to the City as set forth in paragraph 13 below.

2. Provide housing in the County jail for any person convicted in the Kingman Municipal Court (also a "City prisoner") at a cost to the City as set forth in paragraph 13 below.
3. Provide additional first day procedures during the intake process, for a one-time booking fee, per prisoner, of sixty-two dollars (\$62.00).
  - a. These procedures may include, but are not limited to: intake report processing; inmate interview and classification; personal effects inventory; decontamination; health screening; issuance of uniform; and etc.
4. Permit City law enforcement officials, upon request, to enter upon the County Jail premises, at any reasonable hour which does not disrupt regular jail operations, to interrogate a City prisoner or for other law enforcement purposes.
5. Maintain records to show the charging, booking and other procedures including all jail rosters concerning the incarceration of persons housed under this Agreement in a meticulous, orderly and accessible manner and make such records accessible to the City upon request.
6. Maintain records to show time, day, month, and year concerning incarceration, subsequent release and/or transfer from the County to Department of Corrections. These original records shall be accessible to the City upon request.
7. Provide medical care, psychological treatment, and psychiatric treatment ("**Medical Care**") necessary for the health, safety and well-being of a City prisoner in the County Jail under the terms of this Agreement and in accordance with law. The cost of providing Medical Care to a City prisoner shall be borne as stated below:
  - a. The costs of in-house Medical Care provided by the County, via the Jail Medical Provider, to a City prisoner, inside the County Jail, for any condition or injury, which falls within the coverage of the Inmate Healthcare Services Contract, shall be deemed to be included in the calculation of the Prisoner Day rate with no additional charges, beyond the daily rate, accruing to the City.
  - b. The costs of outside Medical Care provided by the County, via the Jail Medical Provider and/or other medical provider, including, but not limited

to: outside hospitals; clinics; physicians; and/or other medical facilities or personnel of any kind, to a City prisoner, outside the County Jail, that exceeds the in-house medical services coverage of the Inmate Healthcare Services Contract shall be the responsibility of the City. The City is responsible for all outside Medical Care costs of City prisoners regardless of whether the costs are covered under the Inmate Healthcare Services Contract's aggregate annual cap amount for outside medical services.

- c. The County will notify the City within twenty-four (24) hours when a City prisoner is or has been transported outside the County Jail for Medical Care and/or when it appears the City prisoner is likely to, is presently, and/or has received Medical Care that exceeds the Prisoner Day charge.
  - i. The notice provided by the County shall include up to three (3) contact persons designated by the City, by one (1) communication method per contact, which may include phone, cell phone, or email.
    1. The City will provide contact information (and any changes thereto) to the County by emailing the information to the current Director of the Mohave County Jail (currently Director Don Bischoff at [don.bischoff@mohavecounty.us](mailto:don.bischoff@mohavecounty.us) ) and to the main email address for the Mohave County Jail at [mcsojail@mohavecounty.us](mailto:mcsojail@mohavecounty.us).
      - a. The County will safeguard any personal contact information that is provided from unauthorized use or dissemination.
    - ii. Failure to promptly notify the City does not relieve the City of its responsibility for its prisoner's Medical Care costs that exceed the Prisoner Day charge.
  - d. County agrees to consider options for the City to arrange for reasonable alternate sites or methods of medical treatment as a measure of cost containment within the bounds of medical authorization/advice and subject to law.
8. Provide and pay for all food, clothing and bedding necessary for the health, safety and well-being of persons incarcerated in the County Jail under the terms of this Agreement.
9. Provide and pay for all necessary transportation of prisoners incarcerated

under the terms of this Agreement after initial appearance.

10. Provide the City with an itemized statement showing individual prisoner's names, dates of initial incarceration, number of Prisoner Days charged to each inmate, and date of release or transfer. Billing statement must be provided to the City on or before the 15th day of each month for charges incurred during the previous month.
  - a. Medical Care costs, outside the Prisoner Day charge, shall be billed separately on a monthly basis within a reasonable time after the City's costs are known.
11. Provide the City, upon request, reasonable access to documents used in calculation of Prisoner Days.
12. Any costs associated with a prisoner who would qualify as a City Prisoner of more than one City (under A.1 and/or A.2 of this or a similar Agreement) shall be the joint responsibility of the Cities associated with said prisoner. The costs will be split evenly by the number of Cities involved with said prisoner and each City will be billed only for its share of the Prisoner Day.
  - a. City is not responsible for costs associated with any day a City Prisoner is also a County prisoner. Whether the cost associated with a prisoner is the responsibility of the City(s) and/or County is determined on a daily basis.
    - i. A County prisoner includes prisoners who are charged, arrested and incarcerated on a warrant, and/or sentenced out of a Justice Court in Mohave County and/or the Mohave County Superior Court regardless of the arresting agency.
    - ii. A hold or warrant on a City Prisoner from any other jurisdiction besides Mohave County, including another Arizona county, federal, tribal, or non-Arizona court, does not alter the City's responsibility for a City Prisoner.
13. The daily Jail Per Diem rate to be paid shall be sixty-nine dollars and fifty cents (\$69.50) per Prisoner Day.

**B. THE CITY SHALL:**

1. Provide transportation of persons who are arrested and booked by a police officer employed by the City AND who meet the following medical criteria to the

medical observation unit at the County Jail in Kingman:

- a. All individuals known to have, or who exhibit obvious recent head injuries;
  - b. All individuals who are identified as being currently on heart medications; or who are complaining of active chest pains;
  - c. All individuals who have exhibited or expressed suicidal ideations;
  - d. All individuals currently on oxygen;
  - e. All individuals with a history of seizures; and
  - f. All individuals who are in need of immediate follow-up care after release from a local hospital.
2. Provide transportation of all other persons arrested and booked by a police officer employed by the City to the Mohave County Sheriff's Office's ("MCSO") Main Jail. In the event this facility is unavailable at any time, the MCSO and the City will cooperate to arrange for prisoner transport. Final discretion as to the availability of any Jail facility, including the substation based on staffing or medical concerns lies solely with the MCSO.
  3. Upon receipt of the monthly itemized statement for prisoner charges, the City shall pay all undisputed charges and submit an itemized objection for any disputed charges within thirty (30) days.
  4. Have the option to house its prisoners in such other facilities as the City may arrange for and/or to utilize such other sentencing alternatives as may be available under the law.
  5. City agrees to comply with all laws regarding the receipt or storage of medically privileged information under this Agreement and will safeguard that information accordingly.

**C. ADDITIONAL PROVISIONS APPLICABLE TO BOTH PARTIES:**

1. Prisoner Day shall be determined as follows:
  - a. Regardless of the time an inmate is checked into the County Jail, the date of check-in shall count as one (1) day in determining Prisoner Day charges.
  - b. Regardless of the time an inmate is released from the County Jail, the date of release shall not be included in Prisoner Day charges.

**D. LIABILITY:**

The City shall indemnify, defend, and hold harmless the County and the MCSO, its officers, departments, employees, and agents from and against any and all suits, actions, legal or administrative proceedings, claims, demands, or damages of any kind or nature arising out of this Agreement, which are attributed to any act or commission by the City, its agencies, employees or anyone acting under its direction or control.

The County shall indemnify, defend, and hold harmless the City, its officers, departments, employees, and agents from and against any and all suits, actions, legal or administrative proceedings, claims, demands, or damages of any kind or nature arising out of this agreement, which are attributed to any act or commission by the County, its agencies, employees or anyone acting under its direction or control.

**E. TERMS:**

This Agreement shall commence on July 1, 2014 and continues on a fiscal year basis unless and until such time the Agreement is terminated by either party with sixty (60) days written notice to the other party. No cause shall be required for termination. The County may update the Prisoner Day daily rate and/or booking fee amount for each fiscal year this Agreement exists and will provide the City written notice of any rate change at least sixty (60) days before July 1st of any subsequent fiscal year of this Agreement.

**F. CONFLICT OF INTEREST:**

This Agreement may be cancelled pursuant to A.R.S. § 38-511.

**G. COUNTERPARTS:**

This Agreement may be executed in multiple counterparts, including facsimile, email, or other electronic means, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

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

**MOHAVE COUNTY**

Hildy Angus  
Hildy Angus, Chairwoman

**ATTEST:**

Mary Anderson  
Clerk of the Board

**APPROVED AS TO FORM:**

William Ekstrom  
William Ekstrom  
Special Deputy County Attorney

**CITY of KINGMAN**

Janet Watson  
Janet Watson, Mayor

**ATTEST:**

Sydney Muhle  
Sydney Muhle, City Clerk

**APPROVED AS TO FORM:**

Carl Cooper  
Carl Cooper, City Attorney



## Tina Moline

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**From:** James Schoppmann <James.Schoppmann@mohavecounty.us>  
**Sent:** Friday, June 05, 2015 9:31 AM  
**To:** Tina Moline  
**Cc:** Gene Hepler; Jim McCabe; Greg Smith; Mike Hendrix; Judy Toledo  
**Subject:** RE: Jail Costs IGA  
**Attachments:** Jail Cost - Notice of Rate Change

Tina:

Please see attached email.

The IGA was written to avoid the need to revise and amend each year. Subsection (E) states that the contract will continue on a FY basis until terminated and that the County may change the rate and will provide notice of any change 60 days prior to July 1<sup>st</sup>. It was my intent for the email (sent May 5, 2015 and attached hereto) to serve as the notice of the reduced rate that we will implement July 1<sup>st</sup>. (We are a little late on the 60 day's notice but with the reduction and recent cooperation in setting the rate I didn't anticipate any dispute over that point)

Let me know if you think more is needed. We had the same conversation with BHC and LHC and they did not need any additional information. If you want more I can put together the information contained in the email on letterhead and attached the minutes from the applicable BOS meeting.

Thanks, James

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**From:** Judy Toledo  
**Sent:** Wednesday, June 03, 2015 11:06 AM  
**To:** Tina Moline  
**Cc:** Gene Hepler; James Schoppmann; Jim McCabe; Greg Smith; Mike Hendrix  
**Subject:** RE: Jail Costs IGA

Good Morning Tina,

I'm sorry. I have copied the proper personnel in this response. I will work with those individuals to get revised IGA's / notifications to the cities. In the past the Sheriff's Legal counsel has provided revised IGA's but I believe that per the previous IGA we only need to submit formal notification of the change in the Jail Per Diem. I'll get with them to clarify and make sure you receive proper notification.

Thank you,

 *Judy Toledo*  
Management Analyst  
Office of Management and Budget  
Mohave County  
Phone: 928-757-0939 Ext. 5939 | Fax: 928-757-0913  
3715 Sunshine Dr., Kingman, AZ 86409  
[judy.toledo@mohavecounty.us](mailto:judy.toledo@mohavecounty.us)

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**From:** Tina Moline [<mailto:tmoline@cityofkingman.gov>]

**Sent:** Wednesday, June 03, 2015 11:00 AM

**To:** Judy Toledo

**Subject:** Jail Costs IGA

Good morning, Judy.

We've yet to receive an IGA with the revised jail costs. Who would I need to contact to get the status of it? Thanks for your help!

**Tina Moline**

Financial Services Director

City of Kingman

[tmoline@cityofkingman.gov](mailto:tmoline@cityofkingman.gov)

(928) 753-8120

## Tina Moline

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**From:** James Schoppmann <James.Schoppmann@mohavecounty.us>  
**Sent:** Tuesday, May 05, 2015 2:02 PM  
**To:** Kelly Garry; gemery@bullheadcity.com; Carl Cooper  
**Cc:** Don Bischoff  
**Subject:** Jail Cost - Notice of Rate Change

The new jail rates for the Cities were adopted yesterday.

The new rates, effective July 1, 2015, are:

\$66.64 per day

\$61 booking fee

**PLEASE ask your Cities to confirm and update contact information to Director Don Bischoff to ensure the process of notifying cities about inmate medical transports can continue to work to everyone's benefit by reducing medical care costs which can be astronomical figures.**

Thanks, James

**Supervisor Watson made a motion to approve the adopting of the position of Mohave County Board of Supervisors that it is in the county's best interest to support the City of Kingman's application for the TIGER grant (Transportation Investment Generating Economic Recovery) these are discretionary funds program for Rancho Santa Fe Parkway Interchange and authorize the Chairman of the Board to sign a letter of support, seconded by Supervisor Angius and was unanimously carried.**

**ITEM 44: Discussion and possible action RE: Approval of the new prisoner housing rates of \$66.64 per day with a \$61.00 booking fee, effective July 1, 2015.**

Vice Chairman Bishop said this is under Supervisor Moss's name although he's not here, I see that we have coming to the podium Mr. Hepler from OMB, would you like to step up and make any comments.

Gene Hepler, Office of Management and Budget Director, said as directed by the Supervisors we met with the County Administrator and Finance Director and reviewed the jail per diem and looked at the model and adjusted it and took away depreciation. He said we used the model of OMB Circular 887 which is a cost principals for state, local and Indian tribe governments, it's a federal central service allocation plan that allows for direct and indirect allowable costs of services provided by a government unity or centralized basis to the departments and agencies. He said and in that what we looked at is using an allowance for revised equipment and building and the Public Works came up with a million dollars and five hundred and some dollars for O and M for the building. He then said also we revised some of the central services charges and came up with the rate that is in front of you. He further said and we also, the County Administrator and I met with all 3 City Managers and negotiated with them and if the County Administrator cares to add to that, thank you.

Vice Chairman Bishop said thank you Mr. Hepler, we may have questions later, I do have one person that's requested to speak, Mr. Toby Cotter.

Toby Cotter, City Manager for Bullhead City, Az, said it is a pleasure to be here in front of you, great job of running the meeting Supervisor. He then said I support this item and this change, the reconsideration is very much appreciated. He said I appreciate the County Administrator taking the time to really delve into the facts with us and work through the numbers arriving at \$66.64 is fair and it's justifiable. He then said again I appreciated the meeting with Mike along with Charlie and John. He further said with depreciation removed the fee still includes one million dollars in Jail systems replacements, that's a million dollars that would be set aside for fixing things like doors, chillers, roofs in the future. He said and you know we appreciate that because our citizens and all the citizens of the county can add to that, a lot different than the depreciation method that essentially we have disputed since 2011. He said the county is not subsidizing the cities with this fee, essentially it is a fair, transparent and justifiable fee and I certainly appreciate your reconsideration of the item and your working through this and sharing the numbers with us and I appreciate Mike and the help that he has given so that we can better understand these numbers. He then said so I hope you support the \$66.64 as I do, thank you very much.

County Administrator Hendrix said I would just like to say and echo what Toby did, I appreciate the cities coming and meeting with us here in Kingman and going over the fees and OMB did a masterful job with the numbers. He said we could have taken two paths, we could have gone

with the straight line depreciation that was originally proposed we would have been capped at about 1.5% of the total depreciation. He said we chose to ask our Public Works people what would be a reasonable number to look at major component replacement charges and a more reasonable method of actually looking at the so called depreciation. He then said so with that we came up with a million dollar figure, we also discussed that we didn't want to double tax the cities, we are paying for a consultant right now about a half a million dollars for taking care of all the components within the jail. He further said you know the computer systems and all the systems and janitorial is included in that, we indicated to the cities that you know that wasn't a fair charge to be charging them at this time however once the jail is, that isn't a fair charge to be charging them at this time because it is currently being paid out of the quarter cent sales tax. He said so it is being paid and it is being funded by another source however in 2016 at the end of that year when we pay off the jail we'll take another look at that half a million dollars and we would intend to include that in the overall charge for the inmate charges for the cities.

Supervisor Watson made a motion to approve the new prisoner housing rate of \$66.64 per day with a \$61.00 booking fee effective July 1, 2015, seconded by Supervisor Angius.

Supervisor Johnson said discussion Madam Chair, when I was first elected to the County we were faced with housing our staff in a condemned and unsafe building and we've invested millions of dollars in bringing our buildings up to a safe standard. He said we have a formula that covers our costs and depreciation with taxpayer's investment of 74 million we have an obligation to protect this investment. He then said we ask our staff to give us a fee schedule to recoup or cost but before us is a proposal that does not do that, any reduction for the cities which are a small user of our jail also effects our income from the state and the feds. He further said if we cut our costs we risk having our jail go the same way as our previous holding facility in Kingman, it can also have the feds take another look at us for those who don't remember we were under federal direction for a lot of years, this cost taxpayers additional monies. He said just to remind people that are listening right now our major maintenance is \$727,656.00 annually our utilities are \$680,000 and our medical is over 2 ½ million, obviously I am not in support of this reduction and also worried about the direction we are taking in not taking the professional advice we are receiving from our staff. He said this is the second time recently we have ignored our professional staff, that's all I had Madam Chair.

**Supervisor Watson made a motion to approve the new prisoner housing rate of \$66.64 per day with a \$61.00 booking fee effective July 1, 2015, seconded by Supervisor Angius and was carried by a vote of 3-1 with Supervisor Johnson voting no.**

Supervisor Angius made a motion to adjourn, seconded by Supervisor Watson and was unanimously carried.

# CITY OF KINGMAN COMMUNICATION TO COUNCIL



TO: Honorable Mayor and Council Members

FROM: Tina D. Moline, Financial Services Director

MEETING DATE: June 16, 2015

AGENDA SUBJECT: Resolution 4956 Authorizing an Intergovernmental Agreement between the Arizona Department of Revenue (ADOR) and the City of Kingman for ADOR administration, billing, collection, auditing and licensing of transaction privilege taxes, use taxes or other taxes imposed by the City or State

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**SUMMARY:**

The Arizona Department of Revenue has prepared a revised intergovernmental agreement to renew authorization for the Department of Revenue to act on behalf of the City of Kingman in regard to joint taxpayer audits and the uniform method of administration, collection, audit and licensing of transaction privilege taxes, use taxes or other taxes imposed by the City of Kingman or State of Arizona.

With the modification of ARS §42-6001 as it relates to the Local Transaction Privilege Tax administration, there are significant improvements in the State collection program as a result of the simplification process. The intergovernmental agreement includes revisions to 1) address confidentiality, 2) provide clear direction regarding the sharing of general taxpayer license information, legal interpretations and written guidance, and rate and fee tables, 3) identify exact data fields to provide to the DOR and detailed reports that will be provided to the cities, 4) provide guidance for handling voluntary disclosure by taxpayers, and 5) provide a formal review process using the new "State and Local Uniformity Group" made up of four city and four DOR tax experts who will work together to iron out any problems or conflicts between the cities and the State.

The terms of the intergovernmental agreement run on an annual basis from July 1, 2015 through June 30, 2016 and will renew automatically each year.

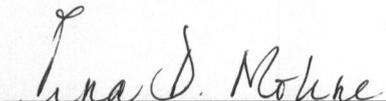
**ATTACHMENT:**

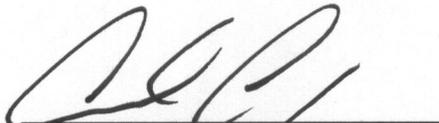
Attachments include Resolution 4956 and the proposed Intergovernmental Agreement and Appendices.

(continued on next page)

AGENDA ITEM: 3F

STAFF RECOMMENDATION: Staff recommends Council approve Resolution 4956 authorizing the Intergovernmental Agreement between the Arizona Department of Revenue and the City of Kingman regarding joint taxpayer audits and the uniform method of administration, collection, and audit and licensing of transaction privilege taxes, use taxes or other taxes imposed by the State or City.

  
Signature of Dept. Head

  
City Attorney  
Approved as to form

  
City Manager's Review

AGENDA ITEM:

CITY OF KINGMAN, ARIZONA

RESOLUTION NO. 4956

**A RESOLUTION BY THE MAYOR AND COMMON COUNCIL OF THE CITY OF KINGMAN, ARIZONA; AUTHORIZING THE RENEWAL OF AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE ARIZONA DEPARTMENT OF REVENUE AND THE CITY OF KINGMAN; THIS AGREEMENT SHALL SUPERSEDE AND REPLACE ALL PREVIOUS INTERGOVERNMENTAL AGREEMENTS ENTERED INTO BY THE DEPARTMENT OF REVENUE AND THE CITY OF KINGMAN REGARDING JOINT TAXPAYER AUDITS AND THE UNIFORM METHOD OF ADMINISTRATION, COLLECTION, AUDIT AND LICENSING OF TRANSACTION PRIVILEGE TAXES, USE TAXES OR OTHER TAXES IMPOSED BY THE STATE OR CITY**

**WHEREAS**, The Arizona Department of Revenue and the City of Kingman have been operating under an intergovernmental agreement enabling the City of Kingman to be enrolled as a “program city” with the Department of Revenue; and

**WHEREAS**, This agreement shall supersede and replace all previous intergovernmental agreements entered into by the Department of Revenue and the City of Kingman regarding joint taxpayer audits and the uniform method of administration, collection, audit and licensing of transaction privilege taxes, use taxes or other taxes imposed by the State or City; and

**WHEREAS**, Title 11, Chapter 7, Article 3 (A.R.S. § 11-952) authorizes public agencies to enter into intergovernmental agreements to contract for services, if authorized by their legislative or governing bodies; and

**WHEREAS**, A.R.S. § 42-6001 et seq. provides that the Department of Revenue may collect and administer any transaction privilege license tax or use tax imposed by any city or town; and provides for uniform audit functions including joint audits of a taxpayer by the Department of Revenue and cities or towns where the taxpayer conducts business; and provides the Department of Revenue and any city or town may enter into intergovernmental agreements to provide a uniform method of administration, collection, audit and licensing of transaction privilege and use taxes imposed by the State or Cities or Towns; and

**WHEREAS**, The City of Kingman desires to renew and enter into such an intergovernmental agreement with the Department of Revenue;

**NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Common Council of the City of Kingman, Arizona**, that The Mayor be authorized to sign an intergovernmental agreement with the Arizona Department of Revenue for joint taxpayer audits and the uniform method of administration, collection, audit and licensing of transaction privilege taxes, use taxes or other taxes imposed by the State or City;

**PASSED AND ADOPTED** by the Mayor and Common Council of the City of Kingman, Arizona, on June 16, 2015.

ATTEST:

APPROVED:

\_\_\_\_\_  
Sydney Muhle, City Clerk

\_\_\_\_\_  
Richard Anderson, Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
Carl Cooper, City Attorney

**INTERGOVERNMENTAL AGREEMENT BETWEEN  
THE STATE OF ARIZONA AND  
THE CITY/TOWN OF KINGMAN**

THIS AGREEMENT is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2015, by and between the Arizona Department of Revenue, hereinafter referred to as Department, and the City/Town of Kingman, an Arizona municipal corporation, hereinafter referred to as City/Town. This Agreement shall supersede and replace all previous intergovernmental agreements, including amendments thereto, entered into by the Department and City/Town regarding the administration, collection, audit and/or licensing of transaction privilege tax, use tax, severance tax, jet fuel excise and use taxes and rental occupancy taxes imposed by the State, cities or towns.

**R E C I T A L S**

WHEREAS, Title 11, Chapter 7, Article 3 (A.R.S. § 11-952) authorizes two or more public agencies to enter into intergovernmental agreements to contract for services, if authorized by their legislative or governing bodies.

WHEREAS, A.R.S. § 42-6001 et seq. was amended effective January 1, 2015 to provide that the Department shall collect and administer any transaction privilege and affiliated excise taxes imposed by any city or town in Arizona and that the Department and each city or town shall enter into an intergovernmental contract or agreement pursuant to A.R.S. § 11-952 to provide a uniform method of administration, collection, audit and licensing of transaction privilege and affiliated excise taxes imposed by the State, cities or towns.

WHEREAS, City/Town has taken appropriate action by ordinance, resolution or otherwise, pursuant to the laws applicable to the governing body of City/Town, to approve and authorize City/Town to enter into this Agreement.

**A G R E E M E N T**

NOW, THEREFORE, in consideration of the foregoing, the Department and City/Town enter into this intergovernmental agreement as follows:

**1. Definitions**

- 1.1 A.R.S.** means the Arizona Revised Statutes.
- 1.2 Adoption of an Ordinance** means final approval by majority vote of the City/Town council.
- 1.3 Audit** means a review to determine the correct amount of tax owed by a taxpayer and includes, but is not limited to, desk reviews and reviews of claims for refund.
- 1.4 Closing Agreement** means an agreement to compromise or settle a tax liability.
- 1.5 Confidential Information** means all such information as defined in A.R.S. § 42-2001.

- 1.6 Confidentiality Standards** means the standards set forth in Appendix A or such other written standards mutually agreed to by the Department and City/Town.
- 1.7 Federal Tax Information** means federal return or return information the Department receives from the Internal Revenue Service including any information created by the Department derived from that information. Documents obtained from a taxpayer or State records are not considered Federal Tax Information.
- 1.8 Model City Tax Code** means the document defined in A.R.S. § 42-6051. The official copy of the Model City Tax Code is published at [modelcitytaxcode.az.gov](http://modelcitytaxcode.az.gov).
- 1.9 Modification** means a change to an assessment required or authorized by statute.
- 1.10 Municipal Tax(es)** means transaction privilege and affiliated excise taxes, including use tax, severance tax, jet fuel excise and use tax, and rental occupancy tax, imposed by City/Town in accordance with the Model City Tax Code. Unless the context provides otherwise, this definition includes tax, license fees, penalties, interest and other similar charges.
- 1.11 State** means the State of Arizona.
- 1.12 State and Local Uniformity Group (“SLUG”)** means an advisory group comprised of four representatives from municipal taxing jurisdictions and four representatives of the Department as set forth in Section 13 below.
- 1.13 Taxpayer Information** means information protected from disclosure pursuant to Model City Tax Code § 510.

## **2. Disclosure of Information by City/Town to Department**

- 2.1 Qualified Recipients of Information:** The Department shall provide a list of the names and job titles of Department employees authorized to request and receive Taxpayer Information from City/Town. The Department shall inform City/Town of any additions, deletions or changes to this list within fifteen calendar days after the change occurs and shall provide an updated list at least annually. This information shall be sent via email to City/Town at [tmoline@cityofkingman.gov](mailto:tmoline@cityofkingman.gov). The City/Town will not disclose Taxpayer Information to a Department employee whose name is not included on this list. City/Town may contact the Department with any questions related to qualified recipients by contacting the Cities Unit at [CitiesUnit@azdor.gov](mailto:CitiesUnit@azdor.gov).
- 2.2 Use of Information:** Any Taxpayer Information released by City/Town to the Department may only be used by the Department for tax administration and collection purposes, and may not be disclosed to the public in any manner that does not comply with the Model City Tax Code. All Taxpayer Information shall be stored and destroyed in accordance with the Confidentiality Standards.
- 2.3 Municipal Ordinance:**
- (a) City/Town shall provide the Department with a copy of its Municipal Tax code or any City/Town ordinances imposing the taxes to be collected hereunder

within ten calendar days of a request for such information from the Department. This information shall be sent via email to the Cities Unit at [CitiesUnit@azdor.gov](mailto:CitiesUnit@azdor.gov).

- (b) City/Town shall provide the Department with a copy of any ordinance adopted by City/Town after execution of this Agreement that imposes or modifies the Municipal Taxes to be collected hereunder, including a new or different tax rate as defined by A.R.S. § 42-6053(E), within ten calendar days of Adoption of an Ordinance. This information shall be sent via email to the Cities Unit at [CitiesUnit@azdor.gov](mailto:CitiesUnit@azdor.gov). No such ordinance shall take effect on a date other than the first day of the month that is at least sixty calendar days after city/town provides notice to the Department unless City/Town and the Department agree otherwise. The Department shall add the change to the official copy of the Model City Tax Code within ten business days of receipt of notice from City/Town. City/Town is responsible for confirming the change has been made. Pursuant to A.R.S. § 42-6053(E)(2), changes in tax rates have no effect unless reflected in the official copy of the Model City Tax Code.
- (c) Within fifteen calendar days following the adoption of an annexation ordinance, one copy of the ordinance and notification of the effective date of such ordinance shall be sent to the Department via email at [GIS@azdor.gov](mailto:GIS@azdor.gov). City/Town shall also include with the notice a list of businesses City/Town knows to be located in the annexed area. The Department shall not be obligated to begin collection of Municipal Tax any sooner than the first day of the month that is at least sixty calendar days after the date the Department received notice from City/Town of the annexation.

**2.4 Development and Impact Fees:** Upon request, City/Town shall provide to the Department any information regarding development and impact fees to assist the Department with the auditing of taxpayers and billing and collection of taxes.

**2.5 Audits:** Upon request by the Department, City/Town shall allow inspections and copies of any City/Town tax audits.

**2.6 Other Information:** City/Town shall also provide other relevant information necessary for tax administration and collection purposes as requested by the Department.

**2.7 Statutory Authority:** The disclosure of confidential City/Town tax information is governed by Model City Tax Code Section 510.

### **3. Disclosure of Information by Department to City/Town.**

**3.1 Qualified Recipients of Information:** City/Town shall provide a list of the names and job titles of City/Town employees and any independent auditors acting on behalf of City/Town authorized to receive Confidential Information. City/Town shall inform the Department of any additions, deletions or changes to this list within

fifteen calendar days after the change occurs and shall provide an updated list at least annually. This information shall be sent via email to the Cities Unit at [CitiesUnit@azdor.gov](mailto:CitiesUnit@azdor.gov). The Department will not disclose any Confidential Information to a City/Town employee or independent auditor whose name is not included on this list. The Department may contact City/Town with any questions related to qualified recipients by contacting [tmoline@cityofkingman.gov](mailto:tmoline@cityofkingman.gov).

**3.2 Suspension of Information:** The Department will not withhold Confidential Information from City/Town so long as City/Town complies with A.R.S. § 42-2001 et seq. and the Confidentiality Standards.

- (a) If the Department has information to suggest City/Town, or any of its duly authorized representatives, has violated A.R.S. § 42-2001 or the Confidentiality Standards, the Department will send written notice to City/Town detailing the alleged breach as understood by the Department and requesting a response to the allegation within twenty calendar days of the date of the letter.
- (b) The Department will review the written response from City/Town and consider the information contained therein and all relevant circumstances surrounding the alleged violation before making a written determination as to whether a suspension of information is warranted and the length of the suspension.
- (c) If City/Town is dissatisfied with the Department's determination it may within ten calendar days, submit a written request to SLUG requesting the group review the determination.
- (d) If the Department has information to suggest City/Town has violated the Confidentiality Standards, the Department may inspect City/Town's records, facilities, and equipment to confirm whether there has been a violation.

**3.3 Information to be Provided:** Within the restrictions outlined in this Section, the Department shall provide all of the information detailed in Appendix B, which may be modified by the mutual agreement of the parties. The Department shall not provide Federal Tax Information to City/Town. In addition to the information detailed in Appendix B, City/Town may obtain upon request:

- (a) Inspections and/or copies of Department tax audits, including all information related to all cities and towns included in the tax audit; and
- (b) Other relevant information necessary for tax administration and collection purposes, including all information necessary to verify City/Town received all revenues collected by the Department on behalf of City/Town.

**3.4 Storage and Destruction of Confidential Information:** All Confidential Information provided by the Department to City/Town shall be stored, protected, and destroyed in accordance with the Confidentiality Standards.

**3.5 Statutory Authority:** The Department may disclose Confidential Information to City/Town pursuant to A.R.S. § 42-2003(H) if the information relates to a taxpayer

who is or may be taxable by a county, city or town. Any Confidential Information released to City/Town:

- (a) May only be used for internal tax administration purposes as defined in A.R.S. § 42-2001(4); and
- (b) May not be disclosed to the public in any manner that does not comply with the Confidentiality Standards.

A.R.S. § 42-2003(H)(2) provides that any release of Confidential Information that violates the Confidentiality Standards will result in the immediate suspension of any rights of City/Town to receive taxpayer information pursuant to A.R.S. § 42-2003(H).

**3.6 Specificity of Data:** A.R.S. § 42-6001 provides that taxpayers shall file and pay Municipal Taxes to the Department if the Department has developed the electronic and nonelectronic tools necessary to capture data with sufficient specificity to meet the needs of all taxing jurisdictions, including specific data regarding each tax classification and any corresponding deductions at each business location of the taxpayer. Pursuant to A.R.S. § 42-5015, the electronic system utilized by the Department must be able to capture data with sufficient specificity to meet the needs of the taxing jurisdiction. The Department and City/Town agree that JT2 and TPT2 (as summarized in Appendix C) are required to meet the specificity needs of City/Town.

**(a) Non-Program City/Town:** If City/Town performed its own Municipal Tax administration, collection, and licensing prior to July 1, 2015, then if the Department is unable to commit by September 1, 2015 that the data detail behind the JT2 and TPT2 will be provided to City/Town beginning and from January 1, 2016, the following shall take place:

- (1) The term of the agreement entered into by the Department and City/Town pertaining to City/Town performing municipal licensing services on behalf of the Department shall be extended for one (1) year; and
- (2) All provisions in this Agreement pertaining to the administration, collection, and licensing of Municipal Taxes shall not go into effect until such time as the Department is able to meet the requirements of A.R.S. § 42-6001 and A.R.S. § 42-5015, however all language in this Agreement related to audit functions shall remain in full force and effect.

**(b) Program Cities/Towns:** If the Department performed Municipal Tax administration, collection and licensing for City/Town prior to July 1, 2015, then if the Department is unable to commit by September 1, 2015 that the data detail behind the JT2 and TPT2 will be provided to City/Town beginning and from January 1, 2016, the Department will continue to perform those functions. The continued provision of such service, however, shall not be deemed waiver of any legal rights or remedies afforded to City/Town including, but not limited to, a failure to meet the requirements of A.R.S. § 42-6001 and A.R.S. § 42-5015.

#### **4. Audit.**

The Department shall administer the audit functions for City/Town in accordance with the following provisions.

4.1 **Training:** All auditors and supervisors shall be trained in accordance with the policies of the Department. Auditors who have not completed the training may only work in connection with a trained auditor and cannot be the only auditor assigned to the audit. The Department shall:

- (a) Provide audit training at least three times per year, or more frequently if there is a demonstrated need, and be responsible for its costs of the training and any associated materials;
- (b) Provide additional training when practical;
- (c) Notify City/Town of any training sessions at least thirty calendar days before the date of the training session;
- (d) Provide copies of State tax statutes, audit reference materials and audit procedures and manuals;
- (e) Permit City/Town auditors and supervisors to attend any scheduled training as space permits at designated training location: and
- (f) Provide additional training as needed to inform auditors and supervisors regarding changes in State law or Department policy.

4.2 **Conflict of Interest:** An auditor or supervisor trained and authorized to conduct an audit may not conduct any of the following prohibited acts:

- (a) Represent a taxpayer in any tax matter against the Department or City/Town while employed or in an independent contractor relationship with the Department or City/Town.
- (b) Attempt to use his/her official position to secure any valuable thing or valuable benefit for himself/herself or his/her family members.
- (c) Represent a taxpayer before the Department or City/Town concerning any matter in which he/she personally participated for a period of one year after he/she ends employment or the independent contractor relationship with the Department or City/Town.
- (d) Use information he/she acquires in the course of the official duties as an auditor or supervisor in a manner inconsistent with his/her official duties without prior written approval from the Department.
- (e) For a period of one year after he/she ends employment or an independent contractor relationship with the Department or City/Town, work in the same firm as a person who represents a taxpayer against the Department or City/Town unless the firm institutes formal barriers to prevent any sharing of information between the trained auditor or supervisor and the remainder of the firm.

The Department may revoke an individual's authority to audit and prohibit the use of any auditor or supervisor who violates this provision.

#### **4.3 Audits and Refunds:**

- (a) City/Town may conduct an audit of a taxpayer engaged in business only in City/Town. Before commencing such audit, City/Town shall notify the Department to ensure the taxpayer is not already scheduled for an audit. The Department will provide City/Town with a written response within fifteen calendar days of the notice from City/Town.
- (b) Except as permitted below, the Department shall conduct all audits of taxpayers having locations in two or more cities or towns. A City/Town auditor may participate in any audit City/Town requested the Department to perform.
- (c) City/Town shall notify the Department if it wants an audit of a taxpayer having locations in two or more Arizona cities or towns and whose primary business activity is in the following business classifications taxable by City/Town, but not a taxable activity under State law:
  - 1. Residential rentals;
  - 2. Commercial rentals;
  - 3. Speculative Builders; or
  - 4. Advertising.

The Department will authorize such audits, to be overseen by the Department, unless there is already an audit of the taxpayer scheduled, or the Department determines the audit selection is discriminatory, an abuse of process or poses other similar defects. The Department will notify City/Town of its determination within thirty calendar days. No initial audit contact may occur between City/Town and a taxpayer until the Department approves the audit notice.

- (d) City/Town may request the Department conduct an audit of a taxpayer having locations in two or more Arizona cities or towns and whose primary business is subject to both city and state tax. The request must be made using the Department's audit request form. Copies of the form can be obtained from the Department's TPT Hub Unit at [HubUnit@azdor.gov](mailto:HubUnit@azdor.gov). The Department shall notify City/Town of the decision regarding the request within thirty calendar days of receipt of the request.
- (e) The Department may deny a request for an audit for the following reasons:
  - 1. An audit is already scheduled or planned for the taxpayer within six months of the request;

2. The requested audit would interfere with strategic tax administration planning;
  3. The audit selection is discriminatory, an abuse of process or poses other similar defects;
  4. The request lacks sufficient information for the Department to determine whether it is appropriate;
  5. The Taxpayer was audited within the previous two years;
  6. The Department lacks sufficient resources to conduct the audit; or
  7. The scope or subject of the audit does not justify the use of Department resources.
- (f) If the Department denies a request to conduct an audit because it either lacks resources to conduct the audit itself or the scope or subject of the audit does not justify the use of Department resources then City/Town shall notify the Department if it wants to conduct the audit under the supervision of the Department. No initial audit contact may occur between City/Town and a taxpayer until the Department appoints someone to supervise the audit.
- (g) Any decision by the Department denying City/Town's request to conduct any audit may be referred to SLUG in accordance with Section 13 of this Agreement.
- (h) All audits conducted by City/Town shall be in accordance with standard audit procedures defined in the Department audit manual. All auditors shall be trained in accordance with Section 4.1 above.
- (i) The Department may appoint a manager to supervise any audit conducted by City/Town.
- (j) All audits shall include all taxing jurisdictions in the State regardless of which jurisdiction's auditors participate in the audit. All desk reviews must include all taxing jurisdictions for which there is information available.
- (k) The Department shall issue all audit assessments on behalf of all taxing jurisdictions in a single notice to the taxpayer.
- (l) The Department shall issue Modifications to audit assessments on behalf of all taxing jurisdictions in a single notice to the taxpayer.

#### **4.4 Claims for Refund:**

- (a) When a taxpayer files a request for refund, including refunds requested by filing amended returns, the Department shall process the request and review it for mathematical errors or for the failure of the taxpayer to properly compute the tax based on the taxable income reported on the return or refund request.

- (b) The Department will notify City/Town of all refund requests that are processed involving City/Town's Municipal Taxes within thirty calendar days of processing the refund. City/Town may request an audit of the taxpayer as set forth in Section 4.3 above. .
- (c) The Department may assign an auditor to review requests for refunds. The Department will notify City/Town, within thirty calendar days of initiating a review, of all refunds under review by an auditor pertaining to a taxpayer who engages in business within City/Town's taxing jurisdiction and may request that City/Town assign an auditor to assist with such reviews.
- (d) City/Town is responsible for payment of all amounts to be refunded to taxpayers for Municipal Tax incorrectly paid to City/Town. The Department may offset a remittance to City/Town under this Agreement to cover the amounts of allowed refunds. If there are insufficient funds available to pay the refund, City/Town must pay the Department within sixty days of written demand from the Department.
- (e) The Department shall issue refund approvals/denials on behalf of all taxing jurisdictions in a single notice to the taxpayer. City/Town may request copies of such determinations.

**4.5 Protests:** Taxpayer protests of audit assessments and desk review assessments and refund denials shall be directed to the Department. Appeals of audit assessments, desk review assessments and refund denials shall be administered pursuant to Title 42, Chapter 1, Article 6, Arizona Revised Statutes. Upon request, the Department shall notify City/Town of any appeals within 30 days of receipt of the protest.

**4.6 Notice of Resolution:** The Department shall notify City/Town when a protest is resolved, including information concerning the resolution of the protest, within 30 days after the resolution of a protest.

**4.7 Status Reports:** The Department shall keep SLUG apprised of the status of each protested matter involving the imposition of Municipal Taxes. City/Town may request to be on a distribution list for monthly status reports by contacting the Department's Cities Unit.

## **5. Voluntary Disclosure Agreements**

The Department may enter into a voluntary disclosure agreement with a taxpayer. A voluntary disclosure agreement may limit the years subject to audit and waive penalties. City/Town may request to be kept informed of voluntary disclosure agreements involving City/Town Municipal Tax. If City/Town makes that request, the Department will notify City/Town of the Department's intent to enter into an agreement and the Department will provide the taxpayer's identity within thirty calendar days of disclosure. City/Town may request an audit of a taxpayer subject to a voluntary disclosure agreement pursuant to Section 4.3 above.

## **6. License Compliance**

**6.1 License Issuance and Renewal:** The Department shall issue new Municipal Tax licenses and renew such licenses for City/Town Municipal Tax. The Department of Revenue shall provide City/Town with information about all persons obtaining and renewing tax licenses as set forth in Appendix B.

**6.2 License Checks:** The Department and City/Town shall coordinate efforts to conduct tax license compliance checks through canvassing and other compliance methods.

**6.3 Confidentiality:** Any tax license information City/Town obtains from the Department is considered Confidential Information and may only be disclosed as authorized by A.R.S. § 42-2003. Any tax license information City/Town obtains through its own efforts may be disclosed as allowed by applicable City/Town laws.

**6.4 Changes to License Fees:** Within fifteen calendar days following the Adoption of an Ordinance (or official acknowledgment of approval of an ordinance by voters in an election of a charter city) issuing or modifying a tax license fee, one copy of the ordinance and notification of the effective date of such ordinance shall be sent to the Department via email at [CitiesUnit@azdor.gov](mailto:CitiesUnit@azdor.gov). The Department shall not be obligated to begin collection of the new or modified fee any sooner than sixty calendar days after the date the Department received the ordinance from City/Town. Notice of an ordinance concerning a renewal tax license fee must be received by the Department by July 31 in order to be collected the following calendar year.

## **7. Closing Agreements**

7.1 **Approval** - The Department shall notify City/Town before entering into a Closing Agreement related to the tax levied and imposed by City/Town. The Department shall seek approval from either City/Town or SLUG before entering into such Closing Agreement. If the Closing Agreement concerns only City/Town, then the Department will attempt to obtain approval from City/Town first, and will only seek approval from SLUG if City/Town is unresponsive or the Department and City/Town cannot reach an agreement. Approval and notice is not required for Modifications of assessments.

7.2 **Litigation** - During the course of litigation, the Department shall seek a range of settlement authority from City/Town or SLUG, unless the circumstances prevent such action. The Department may also request a telephonic meeting of SLUG if time and circumstances require immediate action.

## **8. Responsibility for Representation in Litigation.**

**8.1 Administrative Proceedings:** The Department shall be responsible for coordinating the litigation and defending the assessment or refund denial in any administrative appeals before the Office of Administrative Hearings or the Director

of the Department regardless of who conducted the audit. The Department shall be reasonably diligent in defending the interests of City/Town and City/Town shall assist in such representation as may be requested by the Department.

- 8.2 Further Appeals:** The Arizona Attorney General is responsible for defending the assessment or refund denial at the Board of Tax Appeals, the Arizona Tax Court and all higher courts. City/Town shall assist the Attorney General in such representation and litigation as requested by the Attorney General's Office.
- 8.3 Mutual Cooperation:** The Department and City/Town agree they shall cooperate in the appeal and litigation processes and shall ensure their auditors, supervisors, and other necessary employees are available to assist the Department and the Attorney General for informal interviews, providing documents and computer records, preparing for depositions, attending depositions and trial as witnesses, and assisting in trial/hearing preparation as needed.
- 8.4 Administrative Decisions:** The Department shall provide a copy of any and all administrative hearing level decisions, including Director's decisions issued by the Department to all jurisdictions on a distribution list. City/Town may request to be on the distribution list by contacting the Department's Cities Unit. Administrative decisions are Confidential Information and must be stored and destroyed in accordance with the Confidentiality Standards.

## **9. Collection of Municipal Taxes**

- 9.1 Tax Returns:** Taxpayers who are subject to City/Town Municipal Taxes shall pay such taxes to the Department. Tax payments shall be accompanied by a return prepared by taxpayer on a form prescribed by the Department.
- 9.2 Collection:** The Department shall collect any Municipal Tax imposed by City/Town recorded on the Department's tax accounting system. Amounts the Department collects for delinquent City/Town Municipal Tax accounts after the termination of this Agreement shall be forwarded to City/Town.
- 9.3 Remittance:** All amounts collected by the Department for Municipal Taxes under this Agreement shall be remitted to City/Town weekly on the basis of actual collections. The Department shall initiate the electronic payment by noon on the Monday after the end of the week in which the collections were made. Remittance shall be made in the form of immediately available funds transferred electronically to the bank account designated by City/Town.
- 9.4 Abatement:** The Department, with the approval of the Attorney General, may abate tax under certain circumstances. During the ordinary course of business, the Department may determine for various reasons that certain accounts shall be closed or cancelled. The Department shall seek input from City/Town or SLUG before abating tax or closing accounts. The Department may request a telephonic meeting of SLUG if time and circumstances require immediate action.

- 9.5 Funds Owed to City/Town:** At all times and under all circumstances payments remitted by a taxpayer to the Department for City/Town Municipal Taxes will be considered property of City/Town. The Department may not retain or fail to remit such funds to City/Town for any reason not specifically set forth in this Agreement including, but not limited to, during the course of a dispute between City/Town and the Department.

## **10. Financing Collection of Taxes.**

The costs incurred by the Department in administering this Agreement shall be financed through the State general fund appropriation to the Department.

## **11. Inter-Jurisdictional Transfers.**

All inter-jurisdictional transfers of Municipal Tax monies by the Department shall be handled in the following manner:

- 11.1 Requests:** Requests for inter-jurisdictional transfers shall be made to the Department. The Department will review the request and will not automatically accept the request.
- 11.2 Notice:** The Department shall notify City/Town and any other city or town implicated in the requested transfer a minimum of thirty calendar days prior to any inter-jurisdictional transfer of money.
- 11.3 Dispute Resolution:** Any city or town subject to an inter-jurisdictional transfer shall resolve any dispute over the allocation of the tax in accordance with A.R.S. § 42-6003 and the Department shall transfer the funds subject to an inter-jurisdictional transfer in accordance with the agreed upon allocation in a timely manner.

## **12. Educational Outreach.**

City/Town may conduct, at its own expense, educational outreach to taxpayers who are conducting business activities within City/Town's taxing jurisdiction concerning the Model City Tax Code and the collection and administration of Municipal Taxes. Educational outreach shall be consistent with applicable law and Department written guidance. Upon request, City/Town shall provide information to the Department concerning such educational outreach efforts.

## **13. SLUG.**

The Department shall create an advisory group to help resolve issues

- 13.1 Members:** The members shall consist of four seats representing municipal taxing jurisdictions and four seats representing the Department. Member seats may be

split so some people fill the position for only certain issues, such as audit selection or collection abatement. There shall also be a list of alternate members, who may be asked by a regular member who is unable to attend a meeting to take that member's place at a SLUG meeting.

**13.2 Selection:** The Director of the Department shall appoint people to serve as members of SLUG. Municipal taxing jurisdictions shall nominate members from municipal taxing jurisdictions. All members shall serve for a period of one year unless they resign at an earlier date. Members may be appointed to serve consecutive terms. Members appointed to fill vacancies shall serve for the time remaining on the term.

**13.3 Meetings:** SLUG shall meet on a regular basis and at least monthly unless the members agree to cancel the meetings due to a lack of agenda items. It can schedule additional meetings as necessary to timely discuss issues presented. Alternate members may attend meetings, but cannot participate in any discussion or voting, unless filling the seat of a regular member.

**13.4 Issues:** City/Town may refer issues to SLUG involving the following:

- (a) Decisions by the Department to not audit a taxpayer;
- (b) Amendments to Department audit procedures or manuals;
- (c) Closing Agreements or a range of settlement authority;
- (d) Abatement or account closure in collections;
- (e) Suspension of disclosure of information from the Department; and
- (f) Other issues as authorized by the Director of the Department or agreed upon by the parties.

**13.5 Recommendations:** SLUG shall make recommendations to the Director of the Department. If the recommendation is approved by at least five members of SLUG, the Director will accept the recommendation of SLUG. If SLUG cannot reach a recommendation agreeable to at least five members of the group, the Director may act as he deems to be in the best interests of all parties.

**13.6 Voting:** Voting shall be by secret ballot.

**13.7 Procedures:** SLUG may develop procedures concerning the operation of the group as long as they are not inconsistent with this Agreement.

#### **14. Funding of Additional Auditors by City/Town.**

- 14.1 Funding:** At the sole discretion of City/Town, City/Town may contribute funding to the Department to pay for additional auditors to assist the Department in the performance of audits of Municipal Tax owed to City/Town. Such additional auditors funded by City/Town shall at all times be deemed to be employees of the Department and under no circumstances shall be deemed to be employees or agents of City/Town. It is the parties' intention that City/Town funding be used to increase the capabilities of the Department to perform Municipal Tax audits and not to subsidize or replace State funding required for audit and collection of taxes.
- 14.2 Use of Funds:** City/Town funding for additional auditors under this Section shall be used to fund the auditors' salaries and employee related expenses and shall not be used to pay for Department office space, utilities, equipment, supplies, or similar kinds of overhead.
- 14.3 Pool of Funds:** The Department may pool any City/Town funding with any other similar funding provided by other municipal taxing jurisdictions to pay for additional auditors. The Department shall separately account for such funds in its annual budget.
- 14.4 Accounting:** The Department shall provide an annual accounting to City/Town, by August 31 each year describing how City/Town funding was used during the prior fiscal year.

## **15. Satellite Offices for Department Auditors.**

- 15.1 Funding:** City/Town, at its own expense and at its sole discretion, may provide one or more satellite offices and associated amenities for use by Department employees to provide audit and/or customer service to taxpayers. Use of such facilities by Department employees shall be at the sole discretion of the Department. Nothing in this section shall require the Department to make use of such facilities provided by City/Town.
- 15.2 Requirements:** Any Department employee using a City/Town satellite office must meet reasonable requirements of City/Town related to the use of the facility. City/Town shall be responsible for notifying the Department of any concerns, and the Department shall be responsible for taking appropriate actions to resolve those concerns.
- 15.3 Termination:** Once a satellite office is established, City/Town shall provide at least 180 calendar days written notice to the Department prior to the termination or relocation of a satellite office. The Department may discontinue the use of a satellite office at any time upon notice to City/Town and shall promptly remove all Department property.
- 15.4 License:** All requirements of City/Town and the Department related to the satellite office shall be outlined in a mutually acceptable form of license and subject to separate approval.

**16. Non-availability of Funds.**

Every payment obligation of the Department and the City/Town pursuant to this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation, except for the rendering of funds to City/Town paid by a taxpayer for Municipal Taxes or tax license fees of City/Town. If funds are not appropriated, allocated and available or if the appropriation is changed resulting in funds no longer being available for the continuance of this Agreement, this Agreement may be terminated at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or for any damages as a result of termination under this Section. The termination of this Agreement shall not entitle the Department to retain any Municipal Tax collected on behalf of City/Town pursuant to this Agreement.

**17. Waiver.**

Nothing in this Agreement should be interpreted as City/Town relinquishing its legal rights under the Arizona Constitution or other applicable law, nor that City/Town is conceding the administration and collection of its Municipal Tax is not of a local interest or should not be under local control.

**18. Cancellation**

The requirements of A.R.S. § 38-511 apply to this Agreement. The Department or City/Town may cancel this Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Department or City/Town is, at any time while this Agreement or any extension is in effect, an employee, agent or consultant of the other party with respect to the subject matter of this Agreement.

**19. Notice.**

- (a) When any Notice to City/Town is required under the terms of this Agreement, such Notice shall be mailed to City/Town at the following address, directed to the attention of:

City of Kingman  
Attn: Financial Services Director  
310 N. 4<sup>th</sup> Street  
Kingman, AZ 86401

- (b) When any Notice to the Department is required under the terms of this Agreement, such Notice shall be mailed to:

Arizona Department of Revenue  
Attn: Director, Division Code 20  
1600 W. Monroe  
Phoenix, AZ 85007

Notice to the Department's Hub Unit or City Unit may be mailed to:

Arizona Department of Revenue  
Division Code 16  
1600 W. Monroe  
Phoenix, AZ 85007

**20. Non-discrimination.**

The Department and City/Town shall comply with Executive Order 2009-9, which mandates all persons, regardless of race, color, religion, sex, age, or national origin, shall have equal access to employment opportunities, and all other applicable State and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act. The Department and City/Town shall take affirmative action to ensure applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin or disability.

**21. Compliance with Immigration Laws and A.R.S. § 41-4401.**

- 21.1** The Department and City/Town shall comply with all Federal immigration laws and regulations relating to employees and warrants compliance with A.R.S. § 23-214(A) which reads in part: "After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the e-verify program."
- 21.2** A breach of compliance with immigration laws and regulations shall be deemed a material breach of this Agreement and may be grounds for the immediate termination of this Agreement.
- 21.3** The Department and City/Town retain the legal right to inspect the papers of any employee who works on the Agreement to ensure the Department and City/Town is complying with the applicable Federal immigration laws and regulations and State statutes as set forth above.

**22. Audit of Records.**

City/Town and the Department shall retain all data, books, and other records ("Records") relating to this Agreement for at least six (6) years (a) after termination of this Agreement, and (b) following each annual renewal thereof. All Records shall be subject to inspection by audit by the State at reasonable times. Upon request, the Department and City/Town shall produce any or all such records. This Agreement is subject to A.R.S. §§ 35-214 and -215.

**23. Amendments.**

Any amendments to or modifications of this Agreement must be executed in writing in accordance with the provisions of this Agreement.

**24. Mutual Cooperation.**

In the event of a disagreement between the parties with regard to the terms, provisions and requirements of this Agreement or in the event of the occurrence of any circumstances bearing upon or affecting this Agreement, parties hereby agree to mutually cooperate in order to resolve the said disagreement or deal with the said circumstance.

**25. Arbitration.**

To the extent required by A.R.S. § 12-1518(B) and as provided for in A.R.S. § 12-133, the parties agree to resolve any dispute arising out of this Agreement by arbitration. The parties agree that any lawsuit filed by City/Town relating to the issues outlined in Section 17 of this Agreement is not considered to be a dispute arising out of this Agreement.

**26. Implementation.**

The implementation and execution of the provisions of this Agreement shall be the responsibility of the Director of the Department or his representative and the Mayor his/her designee, or another party with designated authority pursuant to applicable law or City/Town charter on behalf of City/Town.

**27. Limitations.**

Nothing in this Agreement shall be construed as limiting or expanding the statutory responsibilities of the parties in performing functions beyond those granted to them by law, or as requiring the parties to expend any sum in excess of their appropriations.

**28. Duration.**

28.1 The term of this Agreement shall be from July 1, 2015 through June 30, 2016. This Agreement shall automatically be renewed for successive one year terms thereafter unless either party shall terminate this Agreement by notice, in writing, no later than sixty calendar days prior to the expiration of the term then in effect.

28.2 If State legislation enacted subsequent to the date of this Agreement substantially affects the performance of this Agreement by either party or substantially diminishes the benefits either party would receive under this Agreement, either party may then terminate this Agreement by giving at least thirty calendar days'

notice to the other party. The termination will become effective immediately upon the expiration of the notice period unless otherwise agreed to by the parties.

- 28.3 Notwithstanding any provision to the contrary herein, both parties may by mutual agreement provide for the termination of this contract upon such terms and at such time as is mutually agreeable to them.
- 28.4 Any notice of termination shall be mailed and served on the other party in accordance with Section 19 of this Agreement.
- 28.5 During the term of this Agreement, the terms and conditions of this Agreement will undergo an annual review to be completed no later than March 1<sup>st</sup> of each year. The review will be performed by a committee made up of equal parts representatives of the Department and representatives of the municipal taxing jurisdictions entering into an IGA with the Department for the administration and collection of Municipal Taxes.

**29. Choice of Law.**

The laws and regulations of the State of Arizona shall govern the rights of the parties, the performance of this Agreement, and any disputes arising from this Agreement.

**30. Entire Agreement.**

This document, including other documents referred herein, and any approved subcontracts, amendments and modifications made thereto, shall constitute the entire Agreement between the parties and shall supersede all other understandings, oral or written.

**31. Signature Authority.**

- 31.1 By signing below, the signer certifies he or she has the authority to enter into this Agreement on behalf of his or her respective party, and he or she has read the foregoing and agrees to accept the provisions herein on said party's behalf.

31.2 This Intergovernmental Agreement may be executed in counterpart.

Signature _____ Date _____	Signature _____ Date _____
Typed Name and Title _____	Typed Name and Title <b>Richard Anderson, Mayor</b>
Entity Name _____	Entity Name <b>City of Kingman</b>
Address _____	Address <b>310 N. 4<sup>th</sup> Street</b>
City _____ State _____ Zip _____	City _____ State _____ Zip _____ <b>Kingman, AZ 86401</b>
<b>RESERVED FOR THE ATTORNEY GENERAL:</b>	<b>RESERVED FOR CITY/TOWN ATTORNEY:</b>
<p>This agreement between public agencies has been reviewed pursuant to A.R.S. § 11-952 by the undersigned Assistant Attorney General who has determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the Arizona Department of Revenue represented by the Attorney General.</p> <p style="text-align: center;"><b>MARK BRNOVICH</b> The Attorney General</p> <hr/> <p style="text-align: center;">Signature Assistant Attorney General</p> <p>Date: _____</p>	<p>APPROVED AS TO FORM AND AUTHORITY:</p> <p>BY: _____ Carl Cooper, City Attorney</p> <p>Date: _____</p>

## APPENDIX A

### ARIZONA DEPARTMENT OF REVENUE CONFIDENTIALITY REQUIREMENTS

#### 1. Confidential Information

- 1.1 Confidential Information is defined in A.R.S § 42-2001. Confidential Information may not be disclosed except as provided by statute. A.R.S. § 42-2001(B).
- 1.2 License information obtained from the Department of Revenue is Confidential Information and may only be disclosed as authorized by A.R.S. § 42-2003. License information obtained from other sources is not Confidential Information.
- 1.3 Information about a taxpayer's identity obtained from the Department of Revenue is Confidential information and may only be disclosed as authorized by A.R.S. § 42-2003. Identity information obtained from other sources is not Confidential Information.
- 1.4 Confidential Information includes information about a single taxpayer and also aggregated information about a group of identified or identifiable taxpayers. Aggregated information from fewer than three taxpayers in a grouping on a statewide basis or fewer than ten taxpayers in a grouping for an area that is less than state level (city or town) may be Confidential Information. Such information may not be released unless the City/Town Administrator reviews the relevant information concerning the aggregate data and makes a determination in writing that the aggregate data does not reveal information about any specific taxpayer. Such determination should take into consideration the following:
  - a. The proportionality of the tax information applicable to individual members of the group of taxpayers; no individual taxpayer's information should be discernable due to its relative size/taxable sales, compared to other members of the group;
  - b. The total aggregated tax information; the aggregate information cannot allow viewers to draw conclusions about individual taxpayers (e.g., there are 6 car dealers in the city and the total aggregate sales were \$900,000 and none of them reported individual sales above the \$20,000 mark, which would have qualified for the lower tax rate on large purchases)
  - c. Any other factor that could cause the aggregate data to be used to determine information specific to a single taxpayer.

#### 2. Protecting Information

- 2.1 City/Town must identify all places, both physical and logical, where Confidential Information is received, processed and stored and create a plan to adequately secure those areas.

- 2.2 Confidential Information must be protected during transmission, storage, use, and destruction. City/Town must have policies and procedures to document how it protects its information systems, including Confidential Information contained therein. An example of appropriate protection standards is set forth in National Institute of Standards and Technology Special Publication 800-53. The publication may be found at <http://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-53r4.pdf>
- 2.3 Employees are prohibited from inspecting information unless they have a business reason for the information. Browsing information concerning friends, neighbors, family members, or people in the news is strictly prohibited.
- 2.4 All removable media, including paper and CDs, containing Confidential Information must be secured when not in use and after normal business hours by placing all materials in a locked drawer or cabinet. During use, Confidential Information must be protected so that it is not visible to members of the public or anyone without a business need for the information.
- 2.5 All individuals accessing or storing Confidential Information from an alternative work site must enter into a signed agreement that specifies how the Confidential Information will be protected while at that site. Only trusted employees shall be permitted to access Confidential Information from alternative sites. Confidential Information may not be accessed while in public places such as restaurants, lounges, or pools.
- 2.6 Confidential Information may not be sent outside the local area network by unencrypted email. City/Town is responsible for ensuring in-flight email communications containing Confidential Information are sent through a secure process. This may include encryption of the email message, a secure mailbox controlled by City/Town, an encrypted point-to-point tunnel between the correspondents or use of Transport Layer Security (TLS) between correspondents. The acceptable encryption algorithms are set forth in the standards attached as Exhibit 1, which may be updated to accommodate changed technology.
- 2.7 Confidential Information may not be discussed in elevators, restrooms, the cafeteria, or other public areas. Terminals should be placed in such a manner that prohibits public viewing of Confidential Information.
- 2.8 When transporting confidential materials the materials should be covered so that others cannot see the Confidential Information. When sending Confidential Information by fax a cover sheet should always be used.
- 2.9 Any person with unsupervised access to Confidential Information shall receive training on the confidentiality laws and requirements to protect such information before being given access to such Information and annually thereafter. They must sign certificates after the training acknowledging that they understand their responsibilities. City/Town must keep records to document this training and certification.

### 3. Disclosure of Information

- 3.1 Confidential Information may only be disclosed as permitted by A.R.S. § 42-2003.
- 3.2 Confidential Information is confidential by statute and, therefore, does not have to be disclosed in response to a public records request. A state agency may deny inspection of public records if the records are confidential by statute. *Berry v. State*, 145 Ariz. 12, 13 699 P.2d 387, 388 (App. 1985).
- 3.3 A taxpayer may designate a person to whom Confidential Information may be disclosed by completing a Department of Revenue Form 285, or such other form that contains the information included in the Form 285. City/Town may contact the Department of Revenue's Disclosure Officer if there are any questions concerning this requirement.

### Disposal of Information

- 4.1 All removable media containing Confidential Information must be returned to the Department of Revenue or sanitized before disposal or release from the control of City/Town.
- 4.2 Confidential Information may be destroyed by shredding or burning the materials when no longer needed. Confidential Information may not be disposed of by placing the materials in the garbage or recycle bins. Destruction of Confidential Information may be performed by a third party vendor. City/Town must take appropriate actions to protect the Confidential Information in transit and storage before it is destroyed, such as periodic inspections of the vendor.
- 4.3 Computer system components and devices such as copiers and scanners that have been used to store or process Confidential Information may not be repurposed for non-tax administration uses unless the memory or hard drive of the device is sanitized to ensure under no circumstances Confidential Information can be restored or recovered.

# EXHIBIT 1

## ENCRYPTION STANDARDS

**1.0 Acceptable Encryption Algorithms** – The following encryption algorithms are considered acceptable for use in information systems to protect the transmission or storage of Confidential Information and system access.

**1.1.1 Acceptable Security Strength** – the security strength of an encryption algorithm is a projection of the time frame during which the algorithm and the key length can be expected to provide adequate security. The security strength of encryption algorithms is measured in bits, a measure of the difficulty of discovering the key.

a. The current minimum key strength for Confidential Information is 112 bits.

**1.1.2 Symmetric Encryption Algorithms** – The following symmetric encryption algorithms are considered acceptable for use.

Algorithm	Reference	Acceptable Key Strengths
Advanced Encryption Standard (AES)	FIPS 197	128, 192 or 256 bits
Triple Data Encryption Algorithm (TDEA) (three key 3DES)	SP 800-67	168 bits

**1.1.3 Key Agreement Schemes** – The following key agreement schemes are considered acceptable for use

Key Agreement Scheme	Reference	Acceptable Key Strengths	
		Finite Fields	Elliptical Curves
Diffie-Hellman (DH) or MOV	SP 800-56A	P = 2048	N: 224-255 and H=14 N: 256-383 and H=16
	SP 800-135	Q = 224 or 256	N: 384-511 and H=24 N: 512+ and H=32
RSA – based	SP 800-131A	N = 2048	

**1.1.4 Hash Functions** – The following hash functions are considered acceptable for use

Digital Signature Generation	Digital Signature Verification	Non-digital signature generation applications
SHA-224	SHA-224	SHA-1
SHA-256	SHA-256	SHA-224
SHA-384	SHA-384	SHA-256

SHA-512	SHA-512	SHA-384 SHA-512
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**1.1.5 Digital Signature Algorithms** – The following digital signature algorithms are considered acceptable for use.

Digital Signature Algorithm	FIPS Publication	Digital Signature Generation Settings	Digital Signature Verification Settings	Relative Strengths
Digital Signature Standard (DSA)	FIPS 186-4	p >= 2048 q = 224	p >= 2048 q = 224	>= 112 bits
RSA Digital Signature	FIPS 186-4	2048	2048	>= 112 bits
ECDSA	FIPS 186-4	224	224	>= 112 bits

**1.1.6 Message Signature Algorithms** – The following digital signature algorithms are considered acceptable for use.

Hash Algorithms	Hash Generation	Hash Verification
HMAC	>= 112 bits	>= 112 bits
CMAC	AES, 3DES	AES, 3DES
CCM and GCM/GMAC	AES	AES

## **APPENDIX B**

From the effective date of this Agreement until the new functionalities set forth below are implemented, the Department of Revenue will provide the following reports:

City Payment Journal Detail;  
City Payment Journal Summary;  
New License Report

Within 30 days after the first month's implementation of the JT2, the Department of Revenue will provide a new License Report and License Update Report containing at least the following fields:

### **NEW LICENSE REPORT AND LICENSE UPDATE REPORT**

Fields displayed:

- Region Code
- Run Date
- Report Start Date
- Report End Date
- Update Date
- ID Type
- ID
- Account ID
- Entity Name
- Ownership Type
- License ID
- OTO/Applied For indicator
- Bankruptcy Indicator
- Filing Frequency
- Issue Date
- Account Start Date
- Business Start Date
- Arizona Start Date
- Doc Loc Nbr
- Accounting Method
- Close Date
- Close Code
- Business Description
- NAICS1
- NAICS2
- NAICS3
- NAICS4
- Mailing Street1
- Mailing Street2
- Mailing Street3
- Mailing City

- Mailing State
- Mailing ZIP
- Mailing Country
- Mailing Phone Number
- Mailing Address Add date
- Mailing Address End Date
- Audit Street 1
- Audit Street 2
- Audit Street 3
- Audit City
- Audit State
- Audit Zip
- Audit Country
- Audit Phone Number
- Audit Address Add Date
- Audit Address End Date
- Location Code
- Business Codes
- Location Name (DBA)
- Number of Units
- Location Street 1
- Location Street 2
- Location Street 3
- Location City
- Location State
- Location Zip
- Location Country
- Location Phone Number
- Location Start Date
- Location End Date
- Primary Location Street 1
- Primary Location Street 2
- Primary Location Street 3
- Primary Location City
- Primary Location State
- Primary Location Zip Code
- Primary Location Country
- Primary Location Phone Number
- Primary Location Start Date
- Primary Location End Date
- Owner Name
- Owner Title
- Owner Name 2
- Owner Title 2
- Owner Name 3
- Owner Title 3

Within 30 days of the implementation of the TPT2, the Department of Revenue will provide the following reports with at least the fields indicated below:

#### CITY PAYMENT JOURNAL

- Run Date
- Report Start Date
- Report End Date
- GL Accounting Period
- Period End Date
- Payment received date
- Return received date
- Payment process date
- Return process date
- Filing Frequency
- License ID
- Entity Name
- Location Code
- Location Name (DBA)
- Location Street 1
- Location Street 2
- Location Street 3
- Location City
- Location State
- Location Zip
- Location Country
- NAICS
- Business Code
- Doc Loc Nbr
- Pmt Loc Nbr
- Gross Receipts
- Total Deductions
- Tax or Fee Collected
- P & I Collected
- Audit Collections
- Tran Type
- Tran Subtype
- Rev Type

#### CITY PAYMENT JOURNAL SUMMARY

- Region Code
- Run Date
- Report Start Date
- Report End Date
- GL Accounting Period
- Business Code
- Number of Accounts

- Collections

Within 30 days after the first month's implementation of the TPT2, the following reports with at least the fields indicated below:

#### NO MONEY REPORT

- Region Code
- GL Accounting Period
- Period End Date
- Payment received date
- Return received date
- Payment process date
- Return process date
- Filing Frequency
- License ID
- Entity Name
- Location Code
- Location Name (DBA)
- Location Street 1
- Location Street 2
- Location Street 3
- Location City
- Location State
- Location Zip
- Location Country
- NAICS
- Business Code
- Doc Loc Nbr
- Pmt Loc Nbr
- Gross Receipts
- Total Deductions
- Tax or Fee Collected
- P & I Collected
- Audit Collections
- Tran Type
- Tran Subtype

#### DEDUCTION REPORT

- Region Code
- Run Date
- Report Start Date
- Report End Date
- GL Accounting Period
- Period End Date
- License ID
- Entity Name

- Location Code
- Location Name (DBA)
- Business Code
- Doc Loc Nbr
- Deduction Code
- Deduction Amount
- Tran Type
- Tran Subtype
- Rev Type

Within 30 days after taxes (subject to fund distributions) are collected, the Department of Revenue will provide the following report with at least the fields indicated below:

#### FUND DISTRIBUTION REPORT

- Region Code
- Run Date
- Report Start Date
- Report End Date
- GL Accounting Period
- Period End Date
- Payment Received Date
- Return Received Date
- Payment Processed Date
- Return Processed Date
- License ID
- Entity Name
- Location Code
- Location Name (DBA)
- Business Code
- Doc Loc Nbr
- Fund Allocation Code
- Amount Distributed

#### FUND DISTRIBUTION SUMMARY REPORT

- Region Code
- Run Date
- Report Start Date
- Report End Date
- GL Accounting Period
- Fund Allocation Code
- Amount Distributed

# ARIZONA JOINT TAX APPLICATION (JT-2)



**License & Registration**  
**ARIZONA DEPARTMENT OF REVENUE**  
 PO BOX 29032  
 Phoenix, AZ 85038-9032

- IMPORTANT!** Incomplete applications WILL NOT BE PROCESSED.
- Please read form instructions while completing the application. Additional information and forms available at [www.azdor.gov](http://www.azdor.gov)
  - Required information is designated with an asterisk (\*).
  - Return completed application AND applicable license fee(s) to address shown at left.
  - For licensing questions regarding transaction privilege tax, call Taxpayer Information & Assistance: (602) 542-4576

**You can file and pay for  
 this application online  
 at [www.AZTaxes.gov](http://www.AZTaxes.gov).**   
**It is fast and secure.**

**SECTION A: Business Information**

<b>1*</b> Federal Employer Identification No. or Social Security No. <small><i>if sole proprietor without employees</i></small>		<b>2*</b> License Type – <i>Check all that apply:</i> <input type="checkbox"/> Transaction Privilege Tax (TPT) <span style="float: right;"><input type="checkbox"/> Use Tax</span> <input type="checkbox"/> Withholding/Unemployment Tax <small><i>(if hiring employees)</i></small> <span style="float: right;"><input type="checkbox"/> TPT for Cities ONLY</span>																	
<b>3*</b> Type of Organization/Ownership – <i>Tax exempt organizations must attach a copy of the Internal Revenue Service's letter of determination.</i> <table style="width: 100%; border: none;"> <tr> <td><input type="checkbox"/> Individual/Sole Proprietorship</td> <td><input type="checkbox"/> Subchapter S Corporation</td> <td><input type="checkbox"/> Government</td> <td><input type="checkbox"/> Joint Venture</td> </tr> <tr> <td><input type="checkbox"/> Corporation</td> <td><input type="checkbox"/> Association</td> <td><input type="checkbox"/> Estate</td> <td><input type="checkbox"/> Receivership</td> </tr> <tr> <td>State of Inc. _____</td> <td><input type="checkbox"/> Partnership</td> <td><input type="checkbox"/> Trust</td> <td></td> </tr> <tr> <td>Date of Inc. <u>  M  </u>/<u>  M  </u>/<u>  D  </u><u>  D  </u>, <u>  Y  </u><u>  Y  </u><u>  Y  </u><u>  Y  </u></td> <td><input type="checkbox"/> Limited Liability Company</td> <td><input type="checkbox"/> Limited Liability Partnership</td> <td></td> </tr> </table>				<input type="checkbox"/> Individual/Sole Proprietorship	<input type="checkbox"/> Subchapter S Corporation	<input type="checkbox"/> Government	<input type="checkbox"/> Joint Venture	<input type="checkbox"/> Corporation	<input type="checkbox"/> Association	<input type="checkbox"/> Estate	<input type="checkbox"/> Receivership	State of Inc. _____	<input type="checkbox"/> Partnership	<input type="checkbox"/> Trust		Date of Inc. <u>  M  </u> / <u>  M  </u> / <u>  D  </u> <u>  D  </u> , <u>  Y  </u> <u>  Y  </u> <u>  Y  </u> <u>  Y  </u>	<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Limited Liability Partnership	
<input type="checkbox"/> Individual/Sole Proprietorship	<input type="checkbox"/> Subchapter S Corporation	<input type="checkbox"/> Government	<input type="checkbox"/> Joint Venture																
<input type="checkbox"/> Corporation	<input type="checkbox"/> Association	<input type="checkbox"/> Estate	<input type="checkbox"/> Receivership																
State of Inc. _____	<input type="checkbox"/> Partnership	<input type="checkbox"/> Trust																	
Date of Inc. <u>  M  </u> / <u>  M  </u> / <u>  D  </u> <u>  D  </u> , <u>  Y  </u> <u>  Y  </u> <u>  Y  </u> <u>  Y  </u>	<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Limited Liability Partnership																	
<b>4*</b> Legal Business Name																			
<b>5*</b> Mailing Address – number and street  County/Region		City  Country	State  ZIP Code																
<b>6*</b> Business Phone No. <small><i>(with area code)</i></small>	<b>7</b> Email Address	<b>8</b> Fax Number <small><i>(with area code)</i></small>																	
<b>9*</b> Description of Business: <i>Describe merchandise sold or taxable activity.</i>																			
<b>10* NAICS Codes:</b> Available at <a href="http://www.azdor.gov">www.azdor.gov</a>																			
<b>11*</b> Did you acquire or change the legal form of an existing business? <input type="checkbox"/> No <input type="checkbox"/> Yes → You must complete Section F.		<b>12*</b> Are you a construction contractor? <input type="checkbox"/> No <input type="checkbox"/> Yes <small><i>(see bonding requirements)</i></small>																	
<b>BONDING REQUIREMENTS:</b> Prior to the issuance of a Transaction Privilege Tax license, new or out-of-state contractors are required to post a Taxpayer Bond for Contractors unless the contractor qualifies for an exemption from the bonding requirement. The primary type of contracting being performed determines the amount of bond to be posted. Bonds may also be required from applicants who are delinquent in paying Arizona taxes or have a history of delinquencies. Refer to the publication, Taxpayer Bonds, available online at <a href="http://www.azdor.gov">www.azdor.gov</a> or in Arizona Department of Revenue offices.																			
<b>WITHHOLDING LICENSE ONLY</b>																			
<b>13*</b> Withholding Physical Location <small>Number and street <i>(Do not use PO Box, PMB or route numbers)</i></small>		City	State  ZIP Code																
County/Region		Country																	

Continued on page 2 →

FOR AGENCY USE ONLY	
<input type="checkbox"/> New	ACCOUNT NUMBER DLN
<input type="checkbox"/> Change	START TRANSACTION PRIVILEGE TAX
<input type="checkbox"/> Revise	S/E DATE WITHHOLDING / SSN / EIN
<input type="checkbox"/> Reopen	COMPLETED DATE EMPLOYEE'S NAME
	LIABILITY LIABILITY ESTABLISHED

CASHIER'S STAMP ONLY. DO NOT MARK IN THIS AREA.

Name (as shown on page 1)	FEIN or SSN (as shown on page 1)
---------------------------	----------------------------------

**SECTION B: Identification of Owners, Partners, Corporate Officers Members/Managing Members or Officials of this Employing Unit**

*If you need more space, attach Additional Owner, Partner, Corporate Officer(s) form available at www.azdor.gov. If the owner, partners, corporate officers or combination of partners or corporate officers, members and/or managing members own more than 50% of or control another business in Arizona, attach a list of the businesses, percentages owned and unemployment insurance account numbers or provide a Power of Attorney (Form 285) which must be filled out and signed by an authorized corporate officer.*

<b>Owner 1</b>	*Social Security No.	*Title	*Last Name	First Name	Middle Intl.
	*Street Address		*City	*State	* % Owned
	*ZIP Code	*County	*Phone Number (with area code)	*Country	
<b>Owner 2</b>	*Social Security No.	*Title	*Last Name	First Name	Middle Intl.
	*Street Address		*City	*State	* % Owned
	*ZIP Code	*County	*Phone Number (with area code)	*Country	
<b>Owner 3</b>	*Social Security No.	*Title	*Last Name	First Name	Middle Intl.
	*Street Address		*City	*State	* % Owned
	*ZIP Code	*County	*Phone Number (with area code)	*Country	

**SECTION C: Transaction Privilege Tax (TPT)**

1* Date Business Started in Arizona <small>M, M, D, D, Y, Y, Y, Y</small>	2* Date Sales Began <small>M, M, D, D, Y, Y, Y, Y</small>	3 What is your anticipated annual income for your first twelve months of business?
4 Filing Frequency <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Seasonal <input type="checkbox"/> Annual <small>If seasonal filer, check the months for which you intend to do business:</small> <input type="checkbox"/> JAN <input type="checkbox"/> FEB <input type="checkbox"/> MAR <input type="checkbox"/> APR <input type="checkbox"/> MAY <input type="checkbox"/> JUN <input type="checkbox"/> JUL <input type="checkbox"/> AUG <input type="checkbox"/> SEP <input type="checkbox"/> OCT <input type="checkbox"/> NOV <input type="checkbox"/> DEC		
5 Does your business sell tobacco products? <input type="checkbox"/> Yes → <input type="checkbox"/> Retailer OR <input type="checkbox"/> Distributor	6 TPT Filing Method <input type="checkbox"/> Cash Receipts <input type="checkbox"/> Accrual	7 Does your business sell new motor vehicle tires or vehicles? <input type="checkbox"/> Yes → You will have to file Motor Vehicle Tire Fee form available at <a href="http://www.azdor.gov">www.azdor.gov</a>
8* Tax Records Physical Location – number and street <small>(Do not use PO Box, PMB or route numbers)</small>		City State ZIP Code
County		Country
9* Name of Contact		* Phone Number (with area code) Extension

**SECTION D: Transaction Privilege Tax (TPT) Physical Location**

1* Business Name, "Doing Business As" or Trade Name at this Physical Location									
2* Physical Location of Business or Commercial/Residential Rental Number and street <small>(Do not use PO Box, PMB or route numbers)</small>					City	State	ZIP Code		
County/Region					Country				
Residential Rental Only – Number of Units					Reporting City <small>(if different than the physical location city)</small>				
3* Additional County/Region Indian Reservation: County/Region and Indian Reservation Codes available at <a href="http://www.azdor.gov">www.azdor.gov</a>									
County/Region					City				
Business Codes (Include all codes that apply): See instructions. Complete list available at <a href="http://www.azdor.gov">www.azdor.gov</a>									
State/County					City				

*If you need more space, attach Additional Business Locations form available at www.azdor.gov*

Name (as shown on page 1)	FEIN or SSN (as shown on page 1)
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**SECTION E: Withholding & Unemployment Tax Applicants**

<p>1* Regarding THIS application, Date Employees First Hired in Arizona                  M, M   D, D   Y, Y, Y, Y</p>	<p>2 Are you liable for Federal Unemployment Tax?  <input type="checkbox"/> Yes → First year of liability: Y, Y, Y, Y</p>								
<p>3 Are individuals performing services that are excluded from withholding or unemployment tax?  <input type="checkbox"/> Yes → Describe services: _____</p>	<p>4 Do you have an IRS ruling that grants an exclusion from Federal Unemployment Tax?  <input type="checkbox"/> Yes → Attach a copy of the Ruling Letter.</p>								
<p>5 Do you have, or have you previously had, an Arizona unemployment tax number?  <input type="checkbox"/> No  <input type="checkbox"/> Yes → Business Name: _____ Unemployment Tax Number: _____</p>									
<p>6 First calendar quarter Arizona employees were/will be hired and paid (indicate quarter as 1, 2, 3, 4):</p>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="width:25%;">Hired Year</th> <th style="width:25%;">Hired Quarter</th> <th style="width:25%;">Paid Year</th> <th style="width:25%;">Paid Quarter</th> </tr> <tr> <td style="text-align: center;">Y, Y, Y, Y</td> <td style="text-align: center;">Q</td> <td style="text-align: center;">Y, Y, Y, Y</td> <td style="text-align: center;">Q</td> </tr> </table>	Hired Year	Hired Quarter	Paid Year	Paid Quarter	Y, Y, Y, Y	Q	Y, Y, Y, Y	Q
Hired Year	Hired Quarter	Paid Year	Paid Quarter						
Y, Y, Y, Y	Q	Y, Y, Y, Y	Q						
<p>7 When did/will you first pay a total of \$1,500 or more gross wages in a calendar quarter? (indicate quarter as 1, 2, 3, 4)                  Exceptions: \$20,000 gross cash wages Agricultural: \$1,000 gross cash wages Domestic/Household: not applicable to 501(c)(3) Non-Profit.</p>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="width:50%;">Year</th> <th style="width:50%;">Quarter</th> </tr> <tr> <td style="text-align: center;">Y, Y, Y, Y</td> <td style="text-align: center;">Q</td> </tr> </table>	Year	Quarter	Y, Y, Y, Y	Q				
Year	Quarter								
Y, Y, Y, Y	Q								
<p>8 When did/will you first reach the 20<sup>th</sup> week of employing 1 or more individuals for some portion of a day in each of 20 different weeks in the same calendar year? (indicate quarter as 1, 2, 3, 4)                  Exceptions: 10 or more individuals Agricultural; 4 or more individuals 501(c)(3) Non-Profit; not applicable to Domestic/Household.</p>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="width:50%;">Year</th> <th style="width:50%;">Quarter</th> </tr> <tr> <td style="text-align: center;">Y, Y, Y, Y</td> <td style="text-align: center;">Q</td> </tr> </table>	Year	Quarter	Y, Y, Y, Y	Q				
Year	Quarter								
Y, Y, Y, Y	Q								

**SECTION F: Acquired Business Information**

If you answered "Yes" to Section A, question 11, you must complete Section F.

<p>1* Did you acquire or change all or part of an existing business?  <input type="checkbox"/> All  <input type="checkbox"/> Part</p>	<p>2* Date of Acquisition                  M, M   D, D   Y, Y, Y, Y</p>	<p>3* EIN of Business Under Previous Owner</p>
<p>4* Previous Owner's Telephone Number</p>	<p>5* Name of Business Under Previous Owner</p>	<p>6* Name of Previous Owner</p>
<p>7* Did you change the legal form of all or part of the Arizona operations of your existing business? (e.g., change from sole proprietor to corporation or etc.)  <input type="checkbox"/> All  <input type="checkbox"/> Part</p>	<p>8* Date of Change                  M, M   D, D   Y, Y, Y, Y</p>	<p>9* EIN of Previous Legal Form</p>

**SECTION G: AZTaxes.gov Security Administrator (authorized users)**

By electing to register for www.AZTaxes.gov, you can have online access to account information, file and pay Arizona transaction privilege, use, and withholding taxes. You may also designate authorized users to access these services. Please provide the name of the authorized user for AZTaxes.gov.

Name of Authorized User
Title
Email Address
Phone Number (with area code)

**SECTION H: Required Signatures**

This application must be signed by either a sole owner, at least two partners, managing member or corporate officer legally responsible for the business, trustee or receiver or representative of an estate that has been listed in Section B.

**Under penalty of perjury I (we), the applicant, declare that the information provided on this application is true and correct.** I (we) hereby authorize the security administrator, if one is listed in Section G, to access the AZTaxes.gov site for the business identified in Section A. This authority is to remain in full force and effect until the Arizona Department of Revenue has received written termination notification from an authorized officer.

1 Print or Type Name	2 Print or Type Name
Title	Title
Date	Date
Signature	Signature

**This application must be completed, signed, and returned as provided by A.R.S. § 23-722.**

Equal Opportunity Employer/Program  
 This application available in alternative formats at Unemployment Insurance Tax Office.

**PLEASE COMPLETE SECTION I: STATE/COUNTY & CITY LICENSE FEE WORKSHEET TO CALCULATE AND REMIT TOTAL AMOUNT DUE WITH THIS APPLICATION.**

Name (as shown on page 1)	FEIN or SSN (as shown on page 1)
---------------------------	----------------------------------

**SECTION I: State/County & City License Fee Worksheet**

ALL FEES ARE SUBJECT TO CHANGE. Check for updates at [azdor.gov](http://azdor.gov).

To calculate **CITY FEE**: Multiply **No. of Locations** by the **License Fee** and enter sum in **License Subtotal**.

City/Town	Code	No. of Loc's	License Fee	License Subtotal	City/Town	Code	No. of Loc's	License Fee	License Subtotal	City/Town	Code	No. of Loc's	License Fee	License Subtotal
Apache Junction	AJ		\$50.00		Goodyear	GY		\$5.00		Sahuarita	SA		\$5.00	
Avondale	AV		\$40.00		Guadalupe	GU		\$2.00		San Luis	SU		\$2.00	
Benson	BS		\$5.00		Hayden	HY		\$5.00		Scottsdale	SC		\$50.00	
Bisbee	BB		\$1.00		Holbrook	HB		\$1.00		Sedona	SE		\$2.00	
Buckeye	BE		\$2.00		Huachuca City	HC		\$2.00		Show Low	SL		\$2.00	
Bullhead City	BH		\$2.00		Jerome	JO		\$2.00		Sierra Vista	SR		\$1.00	
Camp Verde	CE		\$2.00		Kearny	KN		\$2.00		Snowflake	SN		\$2.00	
Carefree	CA		\$10.00		Kingman	KM		\$2.00		Somerton	SO		\$2.00	
Casa Grande	CG		\$2.00		Lake Havasu	LH		\$5.00		South Tucson	ST		\$2.00	
Cave Creek	CK		\$20.00		Litchfield Park	LP		\$2.00		Springerville	SV		\$5.00	
Chandler	CH		\$50.00		Mammoth	MH		\$2.00		St. Johns	SJ		\$2.00	
Chino Valley	CV		\$2.00		Marana	MA		\$5.00		Star Valley	SY		\$2.00	
Clarkdale	CD		\$2.00		Maricopa	MP		\$2.00		Superior	SI		\$2.00	
Clifton	CF		\$2.00		Mesa	ME		\$30.00		Surprise	SP		\$10.00	
Colorado City	CC		\$2.00		Miami	MM		\$2.00		Taylor	TL		\$2.00	
Coolidge	CL		\$2.00		Nogales	NO		\$25.00		Tempe	TE		\$50.00	
Cottonwood	CW		\$2.00		Oro Valley	OR		\$12.00		Thatcher	TC		\$2.00	
Dewey/Humboldt	DH		\$2.00		Page	PG		\$2.00		Tolleson	TN		\$2.00	
Douglas	DL		\$5.00		Paradise Valley	PV		\$2.00		Tombstone	TS		\$1.00	
Duncan	DC		\$2.00		Parker	PK		\$2.00		Tucson	TU		\$45.00	
Eagar	EG		\$10.00		Patagonia	PA		\$25.00		Tusayan	TY		\$2.00	
El Mirage	EM		\$15.00		Payson	PS		\$2.00		Wellton	WT		\$2.00	
Eloy	EL		\$10.00		Peoria	PE		\$50.00		Wickenburg	WB		\$2.00	
Flagstaff	FS		\$46.00		Phoenix	PX		\$50.00		Willcox	WC		\$25.00	
Florence	FL		\$2.00		Pima	PM		\$2.00		Williams	WL		\$2.00	
Fountain Hills	FH		\$2.00		Pinetop/Lakeside	PP		\$2.00		Winkelman	WM		\$2.00	
Fredonia	FD		\$10.00		Prescott	PR		\$25.00		Winslow	WS		\$10.00	
Gila Bend	GI		\$2.00		Prescott Valley	PL		\$2.00		Youngtown	YT		\$10.00	
Gilbert	GB		\$2.00		Quartzsite	QZ		\$2.00		Yuma	YM		\$2.00	
Glendale	GE		50.00		Queen Creek	QC		\$2.00						
Globe	GL		\$2.00		Safford	SF		\$2.00						

Subtotal City License Fees (column 1)	Subtotal City License Fees (column 2)	Subtotal City License Fees (column 3)
\$	\$	\$

**AA TOTAL City License Fee(s) (column 1 + 2 + 3).....** \$

	No. of Loc's	Fee per Location	TOTAL
<b>BB TOTAL State License Fee(s):</b> Calculate by multiplying number of business locations by \$12.00		<b>\$12.00</b>	\$
<b>Residential Rental License Fees -</b> Multiply the number of units per locations by \$2.00 (\$50.00 Annual Cap per license).			
	<b>No. of Units</b>	<b>No. of Loc's</b>	<b>City Fee</b>
ONLY CHANDLER, PHOENIX, and SCOTTSDALE need to use this section, and NOT the fee chart above, to calculate license fee(s). The amount for each city CANNOT EXCEED \$50.00	Residential Rental License-Chandler		\$
	Residential Rental License-Phoenix		\$
	Residential Rental License-Scottsdale		\$

**CC TOTAL City Residential Rental License Fees (Add Chandler, Phoenix, & Scottsdale).....** \$

**DD TOTAL DUE (Add lines AA + BB + CC).....** \$

- Make check payable to Arizona Department of Revenue.
- Include FEIN or SSN on payment.
- Do not send cash.
- License will not be issued without full payment of fee.



TRANSACTION PRIVILEGE, USE, AND SEVERANCE TAX RETURN - (TPT-2)

LICENSE NUMBER: \_\_\_\_\_

STATE (AZ) /COUNTY TRANSACTION DETAIL (See Table 1 on the Tax Rate Table, www.azdor.gov)

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
	REG. CODE	NAME OF REGION	BUS. CODE	DESC. OF BUS. ACTIVITY	GROSS RECEIPTS	DEDUCTIONS FROM SCHEDULE A	(F) - (G) = (H) NET TAXABLE	AZ / COUNTY TAX RATE	(H) X (I) = (J) TOTAL TAX	ACCTNG CREDIT RATE	(H) X (K) = (L) ACCOUNTING CREDIT	(J) - (L) = (M) AZ/COUNTY TAX DUE
1												
2												
3												
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6												
7												
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15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
GG SUBTOTAL .....												
HH TOTALS FROM ADDITIONAL AZ/COUNTY PAGE(S) .....												
II TOTAL (LINE GG + LINE HH = LINE II).....												
JJ EXCESS TAX COLLECTED .....												
KK EXCESS TAX ACCOUNTING CREDIT: (SEE INSTRUCTIONS).....												
LL NET AZ/COUNTY EXCESS TAX COLLECTED (LINE JJ, COLUMN (M) - LINE KK, COLUMN (M)) .....												
MM NET AZ/COUNTY TAX (LINE II, COLUMN (M) + LINE LL, COLUMN (M)).....												

FINAL

**TRANSACTION PRIVILEGE, USE, AND SEVERANCE TAX RETURN - (TPT-2)**

LICENSE NUMBER: \_\_\_\_\_

PAGE 3 OF \_\_\_\_\_

**CITY TRANSACTION DETAIL (See Table 2 on the Tax Rate Table, www.azdor.gov)**

(A) LOC. CODE	(B) CITY CODE	(C) NAME OF CITY	(D) BUS. CODE	(E) DESC. OF BUS. ACTIVITY	(F) GROSS RECEIPTS	(G) DEDUCTIONS FROM SCHEDULE A	(H) (F) - (G) = (H) NET TAXABLE	(I) CITY TAX RATE	(J) (H) X (I) = (J) TOTAL TAX	(K)	(L) CITY CREDIT	(M) (J) - (L) = (M) CITY TAX DUE
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25												
<b>NN</b>	<b>CITY SUBTOTAL .....</b>											
<b>OO</b>	<b>CITY SUBTOTALS FROM ADDITIONAL CITY PAGE(S) .....</b>											
<b>PP</b>	<b>CITY TOTAL (LINE NN + LINE OO = LINE PP) .....</b>											
<b>QQ</b>	<b>CITY EXCESS TAX COLLECTED .....</b>											
<b>RR</b>	<b>NET CITY TAX (LINE PP, COLUMN (M) + LINE QQ, COLUMN (M)) .....</b>											

FINAL

**TRANSACTION PRIVILEGE, USE, AND SEVERANCE TAX RETURN - (TPT-2)**  
**ADDITIONAL TRANSACTIONS**

LICENSE NUMBER: \_\_\_\_\_

PAGE 2A OF \_\_\_\_\_

**STATE (AZ) /COUNTY TRANSACTION DETAIL (See Table 1 on the Tax Rate Table, www.azdor.gov)**

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
	REG. CODE	NAME OF REGION	BUS. CODE	DESC. OF BUS. ACTIVITY	GROSS RECEIPTS	DEDUCTIONS FROM SCHEDULE A	(F) - (G) = (H) NET TAXABLE	AZ / COUNTY TAX RATE	(H) X (I) = (J) TOTAL TAX	ACCTNG CREDIT RATE	(H) X (K) = (L) ACCOUNTING CREDIT	(J) - (L) = (M) AZ/COUNTY TAX DUE
1												
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21												
22												
23												
24												
25												
<b>AZ/COUNTY SUBTOTAL .....</b>					\$	\$					\$	\$

**ADD SUBTOTALS OF AZ/COUNTY ADDITIONAL TRANSACTIONS TO THE 2ND PAGE OF RETURN**

**TRANSACTION PRIVILEGE, USE, AND SEVERANCE TAX RETURN - (TPT-2)**  
**ADDITIONAL TRANSACTIONS**

LICENSE NUMBER: \_\_\_\_\_

PAGE 3A OF \_\_\_\_\_

**CITY TRANSACTION DETAIL (See Table 2 on the Tax Rate Table, www.azdor.gov)**

(A) LOC. CODE	(B) CITY CODE	(C) NAME OF CITY	(D) BUS. CODE	(E) DESC. OF BUS. ACTIVITY	(F) GROSS RECEIPTS	(G) DEDUCTIONS FROM SCHEDULE A	(H) (F) - (G) = (H) NET TAXABLE	(I) CITY TAX RATE	(J) (H) X (I) = (J) TOTAL TAX	(K)	(L) CITY CREDIT	(M) (J) - (L) = (M) CITY TAX DUE
1												
2												
3												
4												
5												
6												
7												
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14												
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16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
<b>CITY SUBTOTAL .....</b>					\$	\$				\$	\$	

**ADD SUBTOTALS OF CITY ADDITIONAL TRANSACTIONS TO THE 3RD PAGE OF RETURN**

**TPT-2 – SCHEDULE A DEDUCTIONS – STATE/COUNTY TRANSACTION PRIVILEGE, USE, AND SEVERANCE TAX**

LICENSE NUMBER: \_\_\_\_\_

Page \_\_\_\_ of \_\_\_\_

**STATE (AZ) /COUNTY DEDUCTIONS DETAIL**

(A)	(B) REGION CODE	(C) BUSINESS CODE	(D) DEDUCTION CODE	(E) DEDUCTION AMOUNT	(F) DESCRIPTION OF DEDUCTION CODE
1				\$	
2				\$	
3				\$	
4				\$	
5				\$	
6				\$	
7				\$	
8				\$	
9				\$	
10				\$	
11				\$	
12				\$	
13				\$	
14				\$	
15				\$	
16				\$	
17				\$	
18				\$	
19				\$	
20				\$	
21				\$	
22				\$	
23				\$	
24				\$	
25				\$	
26				\$	
27				\$	
28				\$	
29				\$	
30				\$	
31				\$	
32				\$	
33				\$	
34				\$	
35				\$	
<b>AA</b>	<b>SUBTOTAL OF DEDUCTIONS.....</b>			\$	
<b>BB</b>	<b>DEDUCTION TOTALS FROM ADDITIONAL AZ/COUNTY PAGE(S) ...</b>			\$	
<b>CC</b>	<b>TOTAL DEDUCTIONS (LINE AA + LINE BB = LINE CC).....</b>			\$	

**TOTAL MUST EQUAL TOTAL ON PAGE 2, LINE II, COLUMN G**

FINAL

**TPT-2 – SCHEDULE A DEDUCTIONS – CITY  
TRANSACTION PRIVILEGE, USE, AND SEVERANCE TAX**

LICENSE NUMBER: \_\_\_\_\_

Page \_\_\_\_ of \_\_\_\_

**CITY DEDUCTIONS DETAIL**

	(A) LOCATION CODE	(B) CITY CODE	(C) BUSINESS CODE	(D) DEDUCTION CODE	(E) DEDUCTION AMOUNT	(F) DESCRIPTION OF DEDUCTION CODE
1					\$	
2					\$	
3					\$	
4					\$	
5					\$	
6					\$	
7					\$	
8					\$	
9					\$	
10					\$	
11					\$	
12					\$	
13					\$	
14					\$	
15					\$	
16					\$	
17					\$	
18					\$	
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21					\$	
22					\$	
23					\$	
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25					\$	
26					\$	
27					\$	
28					\$	
29					\$	
30					\$	
31					\$	
32					\$	
33					\$	
34					\$	
35					\$	
<b>AA</b>	<b>SUBTOTAL OF DEDUCTIONS.....</b>				\$	
<b>BB</b>	<b>DEDUCTION TOTALS FROM ADDITIONAL CITY PAGE(S).....</b>				\$	
<b>CC</b>	<b>TOTAL DEDUCTIONS (LINE AA + LINE BB = LINE CC).....</b>				\$	

**TOTAL MUST EQUAL TOTAL ON PAGE 3, LINE PP, COLUMN G**

FINAL

# CITY OF KINGMAN COMMUNICATION TO COUNCIL



TO: Honorable Mayor and Council Members

FROM: John A. Dougherty, City Manager

MEETING DATE: June 16, 2015

AGENDA SUBJECT: National League of Cities Service Line Program

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**SUMMARY:** At the June 2, 2015 Regular Meeting of the Common Council, Utility Service Partners presented information on the National League of Cities Service Line Program, which provides citizens with the opportunity to purchase insurance to cover water and sewer line repairs that are the responsibility of the property owner. Staff has worked Utility Service Partners to draft a contract to allow the City to participate in this program.

**ATTACHMENT:** Proposed contract with Utility Service Partners.

**STAFF RECOMMENDATION:** Staff recognizes that the program could be a positive asset for citizens who want the insurance.

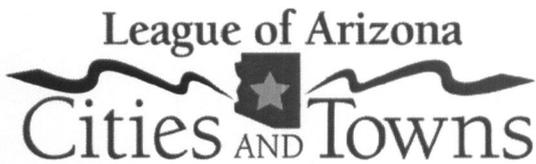
**BUDGET IMPACT:** Negligible revenue benefit anticipated, however, Council has directed staff to find other revenue sources.

\_\_\_\_\_  
Signature of Dept. Head

W. J. [Signature] #021512 For  
City Attorney  
Approved as to form

[Signature]  
City Manager's Review

AGENDA ITEM: 39



1820 W. Washington • Phoenix, AZ 85007 • Phone: (602) 258-5786 • Fax: (602) 253-3874  
Email: [league@azleague.org](mailto:league@azleague.org) • Web site: [www.azleague.org](http://www.azleague.org)

---

June 4, 2015

Dear Arizona Cities & Towns:

The League of Arizona Cities and Towns (LACT) is pleased to partner with Utility Service Partners, Inc. (USP) in offering the **National League of Cities (NLC) Service Line Warranty Program** in Arizona. Offered at no cost to cities and towns, the NLC Service Line Warranty Program, administered by Utility Service Partners, Inc., is an important educational tool for informing homeowners of their service line responsibilities. The program is an affordable home protection solution for your residents to help them deal with the financial burden of unanticipated service line repair and replacement costs. Homeowners in participating cities are eligible to purchase low-cost warranties, which provide repairs for broken or leaking outside water and sewer lines up to \$4,000 for each occurrence.

Some of the program benefits are:

1. No cost for cities to participate
2. Affordable rates for residents
3. Repairs made by trusted local contractors
4. Reduces local officials' frustration
5. Increases citizen satisfaction

The League has chosen to endorse this program because of its outstanding, unique features. It is the only warranty option endorsed by the National League of Cities, multiple state municipal leagues and over 240 cities nationwide. USP is a BBB Accredited Business with an A+ rating and winner of the 2013 BBB Torch Award for Marketplace Ethics. They maintain a customer satisfaction rating exceeding 95% and have had a clean record with government agencies and regulatory bodies for more than a decade.

Other things to consider are: 1) USP pays for the repairs, not your residents, 2) all repairs are performed to local code, 3) customers are provided with a 24/7/365 customer service repair hotline, and 4) USP is responsible for all aspects of the program, including marketing, billing, customer service, and performing all repairs.

When you participate in an LACT-endorsed program, you have the satisfaction of knowing you are working with a service provider that has been fully vetted and offers superior service. We want to ensure the program works successfully for you and your residents. I strongly encourage you to consider joining Tucson, Phoenix, Mesa and others and adopt the **NLC Service line Warranty Program** for your city.

For more information, please contact Ashley Shiwarski of Utility Service Partners, Inc., the program administrator. She can be reached at 724-749-1087 or [ashiwarski@utilitysp.net](mailto:ashiwarski@utilitysp.net). You can also find out more about the program by visiting [www.utilitysp.net](http://www.utilitysp.net).

Sincerely,

A handwritten signature in black ink that reads "Ken Strobeck".

Ken Strobeck  
Executive Director

**MARKETING LICENSE AGREEMENT BETWEEN THE CITY OF  
KINGMAN, ARIZONA, AND UTILITY SERVICE PARTNERS PRIVATE LABEL,  
INC. D/B/A SERVICE LINE WARRANTIES OF AMERICA**

This MARKETING LICENSE AGREEMENT ("Agreement") entered into as of [\_\_\_\_\_, 20\_\_] ("Effective Date"), by and between the City of Kingman, Arizona ("City"), and Utility Service Partners Private Label, Inc. d/b/a Service Line Warranties of America ("SLWA"), herein collectively referred to singularly as "Party" and collectively as the "Parties".

**RECITALS:**

**WHEREAS**, sewer and water line laterals between the mainlines and the connection on residential private property are owned by individual residential property owners ("Residential Property Owner"); and

**WHEREAS**, City desires to offer Residential Property Owners the opportunity, but not the obligation, to purchase a service line warranty and other similar products ("Warranty"); and

**WHEREAS**, SLWA is the administrator of the National League of Cities Service Line Warranty Program and has agreed to provide the Warranty to Residential Property Owners subject to the terms and conditions contained herein; and

**NOW, THEREFORE**, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and with the intent to be legally bound hereby, the Parties agree as follows:

**AGREEMENT**

1. **Purpose.** City hereby grants to SLWA the right to offer the Warranty to Residential Property Owners subject to the terms and conditions herein.
2. **Grant of License.** City hereby grants to SLWA a non-exclusive license ("License") to use City's name and logo on letterhead, bills and marketing materials to be sent to Residential Property Owners from time to time, and to be used in advertising, all at SLWA's sole cost and expense and subject to City's prior review and approval, which will not be unreasonably conditioned, delayed, or withheld. City agrees that it will not extend a similar license to any competitor of SLWA during the term of this Agreement.

**3. Term.** The term of this Agreement ("Term") shall be for three (3) years from the Effective Date. The Agreement will automatically renew for additional one (1) year terms ("Renewal Term") unless one of the Parties gives the other written notice at least ninety (90) days prior to end of the Term or of a Renewal Term that the Party does not intend to renew this Agreement. In the event that SLWA is in material breach of this Agreement, the City may terminate this Agreement thirty (30) days after giving written notice to SLWA of such breach, if said breach is not cured during said thirty (30) day period. SLWA will be permitted to complete any marketing initiative initiated or planned prior to termination of this Agreement after which time, neither Party will have any further obligations to the other and this Agreement will terminate. During the Term, SLWA shall conduct seasonal campaigns each year in accordance with the schedules set forth in Exhibit A. The pricing for each such campaign shall be in accordance with Exhibit A attached hereto.

**4. Consideration.** As consideration for such license, SLWA will pay to City a License Fee of Fifty-Cents (\$.50) for each month a Warranty shall be in force (and for which payment is received by SLWA) for a Residential Property Owner ("License Fee") during the term of this Agreement. The first payment shall be due by January 30th of the year following the conclusion of first year of the Term. Succeeding License Fee payments shall be made on an annual basis throughout the Term and any Renewal Term, due and payable on January 30th of the succeeding year. Each License Fee payment herein shall be paid within thirty (30) days after it becomes due. SLWA shall include with each License Fee payment to City a statement signed by an SLWA corporate officer certifying the calculation of the License Fee. City will have the right, at its sole expense, to conduct an audit, upon reasonable notice and during normal business hours, of SLWA's books and records pertaining to any fees due under this Agreement while this Agreement is in effect and for one (1) year after any termination of this Agreement.

**5. Indemnification.** SLWA hereby agrees to protect, indemnify, and hold the City, its elected officials, officers, employees and agents (collectively or individually, "Indemnitee") harmless from and against any and all claims, damages, losses, expenses, suits, actions, decrees, judgments, awards, attorneys' fees and court costs (individually or collectively, "Claim"), which an Indemnitee may suffer or which may be sought against or are recovered or obtainable from an Indemnitee, as a result of, or by reason of, or arising out of or in consequence of any act or omission, negligent or otherwise, of the SLWA or its officers, employees, contractors, subcontractors, agents or anyone who is directly or indirectly employed by, or is acting in concert with, the SLWA or its officers, its employees, contractors, subcontractors, or agents in the performance of this Agreement; provided that the applicable Indemnitee notifies SLWA of any such Claim within a time that does not prejudice the ability of SLWA to defend against such Claim. Any Indemnitee hereunder may participate in its, his, or her own defense, but will be responsible for all costs incurred, including reasonable attorneys' fees, in connection with such participation in such defense.

**6. Notice.** Any notice required to be given hereunder shall be deemed to have been given when notice is (i) received by the Party to whom it is directed by personal service, (ii) telephonically faxed to the telephone number below provided confirmation of transmission is

received thereof, or (iii) deposited as registered or certified mail, return receipt requested, with the United States Postal Service, addressed as follows:

**To:** City:  
ATTN: John Dougherty  
City of Kingman  
310 N 4th St  
Kingman, AZ 86401  
Phone: (928) 753-8102

**To:** SLWA:  
ATTN: Vice President, Business Development  
Utility Service Partners Private Label, Inc.  
11 Grandview Circle, Suite 100  
Canonsburg, PA 15317  
Phone: (724) 749-1003

**7. Modifications or Amendments/Entire Agreement.** Any and all of the representations and obligations of the Parties are contained herein, and no modification, waiver or amendment of this Agreement or of any of its conditions or provisions shall be binding upon a party unless in writing signed by that Party.

**8. Assignment.** This Agreement and the License granted herein may not be assigned by SLWA without the prior written consent of the City, such consent not to be unreasonably withheld.

**9. Counterparts/Electronic Delivery.** This Agreement may be executed in counterparts, all such counterparts will constitute the same contract and the signature of any Party to any counterpart will be deemed a signature to, and may be appended to, any other counterpart. Executed copies hereof may be delivered by facsimile or e-mail and upon receipt will be deemed originals and binding upon the Parties hereto, regardless of whether originals are delivered thereafter.

**10. Choice of Law/Attorney Fees.** The governing law shall be the laws of the State of Arizona. In the event that at any time during the Term or any Renewal Term either Party institutes any action or proceeding against the other relating to the provisions of this Agreement or any default hereunder, then the unsuccessful Party shall be responsible for the reasonable expenses of such action including reasonable attorney's fees, incurred therein by the successful Party.

**11. Incorporation of Recitals and Exhibits.** The above Recitals and Exhibit A attached hereto are incorporated by this reference and expressly made part of this Agreement.

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement on the day and year first written above.

**MARKETING LICENSE AGREEMENT BETWEEN THE CITY OF KINGMAN AND  
UTILITY SERVICE PARTNERS PRIVATE LABEL, INC. D/B/A SERVICE LINE  
WARRANTIES OF AMERICA**

**CITY OF KINGMAN**

By: \_\_\_\_\_

**UTILITY SERVICE PARTNERS PRIVATE LABEL, INC.**

By: \_\_\_\_\_

Brad H. Carmichael, Vice President

By: \_\_\_\_\_

Edwin F. Westfield, III, Chief Financial Officer

Exhibit A  
NLC Service Line Warranty Program  
City of Kingman, AZ  
Term Sheet  
May 13, 2015  
(Term Sheet valid for 90 days)

- I. Term of agreement
  - a. Initial term
    - i. Three years guaranteed (total of 9 campaigns)
- II. Annual royalty – \$0.50 per month per paid warranty contract
  - a. City logo on letterhead, advertising, billing, and marketing materials
  - b. Signature by City official
- III. Products offered
  - a. External sewer line warranty
  - b. External water line warranty
  - c. In-home plumbing warranty
- IV. Scope of Coverage
  - a. External sewer line warranty
    - i. Scope is from the city main tap until line daylights inside home...of which includes the service line under the concrete floor. [Note: **If homeowner responsibility is different than this language, please advise.**]
  - b. External water line warranty
    - i. Scope is from the main until it daylights inside home...of which includes the service line under the concrete floor. [Note: **If homeowner responsibility is different than this language, please advise.**]
  - c. In-home plumbing warranty
    - i. Scope covers residential in-home water supply lines and in-home sewer lines and all drain lines connected to the main sewer stack that are broken or leaking inside the home after the point of entry. Coverage includes broken or leaking water, sewer, or drain lines that may be embedded under the slab or basement floor. Coverage also includes repair of clogged toilets.
- V. Marketing Campaigns – three seasonal campaigns per year (Spring, Fall and Winter)
  - a. 2015 Fall - Sewer
  - b. 2015 Winter - In-home plumbing
  - c. 2016 Spring - Water
  - d. 2016 Fall - Sewer
  - e. 2016 Winter - In-home plumbing
  - f. 2017 Spring - Water
  - g. 2017 Fall - Sewer
  - h. 2017 Winter - In-home plumbing
  - i. 2018 Spring - Water
- VI. Campaign Pricing

- a. Sewer
  - i. Year 1 - \$7.75 per month; \$88.00 annually
  - ii. Year 2 - \$7.75 per month; \$88.00 annually (subject to annual review)
  - iii. Year 3 - \$7.75 per month; \$88.00 annually (subject to annual review)
- b. Water
  - i. Year 1 - \$6.75 per month; \$76.00 annually
  - ii. Year 2 - \$6.75 per month; \$76.00 annually (subject to annual review)
  - iii. Year 3 - \$6.75 per month; \$76.00 annually (subject to annual review)
- c. In-home plumbing
  - i. Year 1 - \$6.99 per month; \$78.99 annually
  - ii. Year 2 - \$6.99 per month; \$78.99 annually (subject to annual review)
  - iii. Year 3 - \$6.99 per month; \$78.99 annually (subject to annual review)

# CITY OF KINGMAN COMMUNICATION TO COUNCIL



TO: Honorable Mayor and Council Members

FROM: Krista Toschlog, Human Resources Administrator  
Jackie Walker, Human Resources/Risk Mgt Director

MEETING DATE: June 16, 2015

AGENDA SUBJECT: Ratification of City Magistrate Employment Agreement

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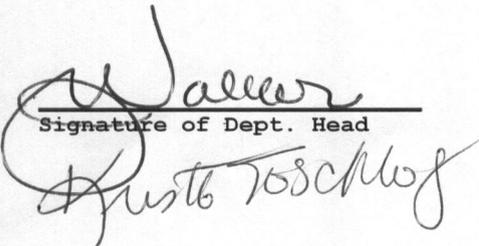
**SUMMARY:**

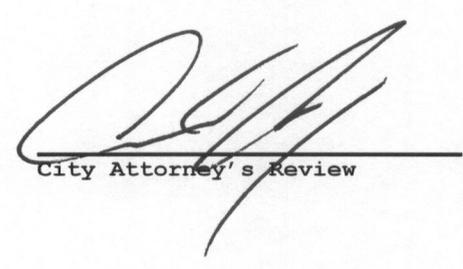
On June 5, 2015, Council appointed three Council members and HR Director to negotiate terms and conditions of an employment agreement with Jeffrey Singer for City Magistrate. Attached is the agreed upon contract with City Magistrate, Jeffrey R. Singer. Highlights of the contract include:

- Effective June 29, 2015;
- Two year contract;
- Annual base salary of \$111,936

ATTACHMENT: Employment Agreement

SUGGESTED MOTION: I move to authorize the Mayor to sign the Employment Agreement as attached hereto.

  
\_\_\_\_\_  
Signature of Dept. Head

  
\_\_\_\_\_  
City Attorney's Review

  
\_\_\_\_\_  
City Manager's Review

AGENDA ITEM: 5a

## EMPLOYMENT AGREEMENT

**THIS AGREEMENT** is entered into this 29th day of June, 2015 by and between Jeffrey R. Singer hereinafter designated “City Magistrate”, and the City of Kingman, an Arizona municipal government, hereinafter referred to as “City”.

### WITNESSETH

**WHEREAS**, the City Magistrate desires employment with the City of Kingman as the City Magistrate of the City; and

**WHEREAS**, the City of Kingman, acting by and through its duly authorized Mayor and City Council, desires to employ City Magistrate under the terms and conditions hereof:

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, the parties agree as follows:

1. Employment: City hereby employs the City Magistrate and the City Magistrate hereby accepts such employment upon the terms and conditions hereinafter set forth.
2. Term of Employment: The term of this Agreement shall be for two (2) years and expire on June 28, 2017. The City Magistrate’s performance may be reviewed every twelve months during the course of this Agreement. The City Council and City Magistrate may renew or extend this Agreement based on mutual consent. If it is the intent of the City Council not to enter into a new employment contract with City Magistrate, the City Council agrees to provide advance written notice of intent to not enter into a new employment contract with City Magistrate a minimum of thirty (30) days prior to the expiration of the term.
3. General Duties and Responsibilities: Pursuant to the City Code, the City Magistrate shall devote the time necessary to the full time administration of the Municipal Court. The City Magistrate is subject to the supervision and direction of the City of Kingman Common Council and shall perform their duties as prescribed by the City Magistrate job description, Kingman City Code, Personnel Policies of the City of Kingman, the laws of the State of Arizona, and shall abide by all orders and policies of the Arizona Supreme Court and the Administrative office of the Court. The City Magistrate shall have all powers and authority granted to the City Magistrate in City of Kingman Municipal Code and applicable federal and state law.
4. Termination: It is expressly understood by the parties that this Agreement will end by its terms if not specifically renewed. During the term of this Agreement the parties agree and acknowledge that the Agreement may only be terminated for cause by the City Council or if the City Magistrate becomes disqualified to serve as a judge in the Courts of Arizona. If the City Council terminates this

Agreement, it shall cause a written notice of such termination to the City Magistrate.

- a. The City Council may terminate City Magistrate for cause. The City shall give a written notice to the City Magistrate that his termination is for cause setting forth the reasons for termination for cause. The reasons include but are not limited to actions that result in or could lead to the charge or conviction of a felony, crime of dishonesty or moral turpitude, any formal complaint filed by either the State Bar of Arizona or the Arizona Judicial Commission which could result in or results in the issuance of discipline, or actions or inactions of similar nature that have caused or may cause the City to be exposed to a significant liability, damages, claims or other harm.
  - b. This Agreement may be terminated by the Arizona Judicial Commission under the authority of the Arizona Supreme Court.
  - c. If the City Magistrate voluntarily terminates this Agreement for any reason, unless otherwise agreed by the parties hereto, the City Magistrate must give the City Council a minimum of thirty (30) days advance written notice. The City Magistrate shall cease to be entitled to any remuneration under Section 5. Compensation of this Agreement at the end of said thirty (30) days.
5. Compensation: During the term of this Agreement, City Magistrate will be compensated as follows:
- a. Annual salary in the amount of \$4,305.23 biweekly, which when annualized is equivalent to \$111,936 per year, payable on regularly scheduled pay dates for all City employees.
  - b. All payments of salary due to City Magistrate herein shall be subject to federal and state withholding taxes and such other sums as City is required by law to withhold or deduct from City Magistrate salary.
  - c. The City Magistrate position is a FLSA exempt position not eligible for overtime compensation.
  - d. City Magistrate's performance may be reviewed by the City Council every six (6) months, or as such other time deemed appropriate by the City Council.
  - e. City Magistrate is shall accrue leave benefits as outlined in the Personnel Rules and Regulations. City Magistrate shall receive during each year of employment as City Magistrate under this Agreement, a total of five (5) days of paid executive leave. Leave is to be scheduled as City Magistrate deems most efficient and

conducive to the proper operation of the City. Said executive days are non-accruing; in effect they are 'use it or lose it' with no expectation of compensation for days not used in during the year. Any unused days will also not be paid in the even City Magistrate resigns, retires, or is terminated by the City. For purposes of clarification, the year is defined to commence at the beginning of the Agreement.

- f. At commencement of employment, the City agrees to credit 80 hours of vacation leave to the City Magistrate's vacation accrual balance which will be available for use by him upon hire.
  - g. The City Magistrate is eligible to participate in the City group medical, dental/vision and life plans and all other benefits available to employees.
  - h. City Magistrate is entitled to membership in the Arizona State Retirement System, a defined benefit retirement plan, pursuant to the Arizona Revised Statutes.
  - i. City agrees to budget and to pay for the subscriptions and professional dues which are necessary for the City Magistrate's continued and full participation in regional, state and local associations and organizations which advance the City Magistrates professional growth and which further the various goals and objectives of the City.
  - j. Subject to budget restrictions, City agrees to pay for the reasonable travel, subsistence, and registration expenses of City Magistrate for professional and official travel to meetings, including continuing legal education mandated by the State Bar of Arizona and/or judicial education mandated by the Arizona Judicial Branch, which is adequate to maintain and to continue the professional development of City Magistrate. Travel and training should be approved in advance by the Mayor if not specifically approved in this Agreement or annual budget.
6. Moving Expenses: Upon execution of this contract and limited to initial hire, the City will assist as follows:
- a. The City will provide one month of salary for moving expenses. Salary is subject to federal and state withholding taxes and such other sums as City is required by law to withhold or deduct from City Magistrate's salary.
7. Notices: Written notices shall be effectively given when:
- a. Served personally, on the day it is delivered and signed for by either party to this Agreement; OR
  - b. Forwarded by overnight, registered mail on the day the postal receipt is acknowledged by the receiving party.

Any notice from the City Magistrate to the City shall be provided by City Magistrate to the City Clerk.

8. Liability Insurance: The City shall insure City Magistrate through its comprehensive insurance coverage presently in effect, against any tort or professional liability claim or demand other legal action, whether groundless or otherwise, arising out of the performance of City Magistrate's duties for City, with the exception of actions brought on behalf of City or criminal actions taken against City Magistrate. Any attorney's fees, court costs or other litigation related expenses incurred in connection with the defense of the claim, demand or lawsuit, shall be paid for by City.
9. Bonding: City shall bear the full cost of any fidelity or other bonds required of City Magistrate under any law or ordinance.
10. Severability Clause: If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.
11. Final and Entire Agreement of the Parties: This Agreement represents the final and entire Agreement and understanding between the parties and any representations, negotiations, offers, proposals, promises or Agreements intended by the parties to be integrated and merged herein and to be superseded by the Agreement. This Agreement may only be modified or amended through a written Agreement signed by the City Magistrate and the City Council and approved at a public meeting by the City Council.
12. Attorney's Fees: If any legal proceeding is brought for the enforcement of this Agreement, or because of an alleged breach, default, or misrepresentation in connection with any provision of this Agreement, or other dispute concerning this Agreement, the successful or prevailing party shall be entitled to recover reasonable attorney's fees and other costs incurred in that proceeding, in addition to any relief to which it may be entitled.
13. Governing Law: This Agreement is intended to be governed by and construed in accordance with Arizona law.
14. Conflicting City Code and/or Administrative Regulation: This Agreement is not intended to conflict with any city code or administrative regulations currently in force with the City. Should a conflict arise between existing city codes and/or administrative regulations and the provisions and language of this Agreement, the Agreement provisions will prevail.

**IN WITNESS WHEREOF** the City of Kingman has caused the Agreement to be signed and executed in this behalf by its Mayor, and duly attested by its Clerk, and the City Magistrate has signed and executed this Agreement, the day and year first above written.

**CITY OF KINGMAN, ARIZONA**

**CITY MAGISTRATE**

\_\_\_\_\_  
Richard Anderson, Mayor

\_\_\_\_\_  
Jeffrey R. Singer

**ATTEST**

**APPROVED AS TO FORM**

\_\_\_\_\_  
Sydney Muhle, City Clerk

\_\_\_\_\_  
Carl Cooper, City Attorney



**CITY OF KINGMAN  
COMMUNICATION TO COUNCIL**

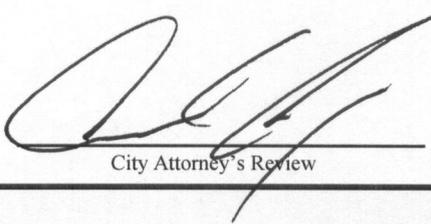
**TO:** Honorable Mayor and Common Council  
**FROM:** Sydney Muhle, City Clerk  
**MEETING DATE:** June 16, 2015  
**AGENDA SUBJECT:** Swearing in Ceremony for New City Magistrate

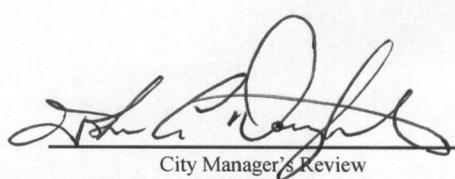
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**SUMMARY:** Pending approval of the proposed contract for new City Magistrate Jeff Singer, retiring Magistrate Kathy McCoy will swear in Judge Singer to his new position before the Mayor and Council

**ATTACHMENT:** None.

\_\_\_\_\_  
Signature of Department Head

  
\_\_\_\_\_  
City Attorney's Review

  
\_\_\_\_\_  
City Manager's Review

Sb

# CITY OF KINGMAN COMMUNICATION TO COUNCIL



TO: Honorable Mayor and Council Members

FROM: Tina D. Moline, Financial Services Director

MEETING DATE: June 16, 2015

AGENDA SUBJECT: Discussion and direction concerning possible consolidation and extension of repayment of WIFA loans for infrastructure improvements

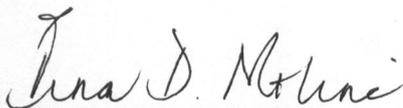
**SUMMARY:** Upgrades to the Downtown and Hilltop Wastewater Treatment Plants were completed in 2011 and 2012. The primary funding source for each of these projects was through loans obtained from the Water Infrastructure Finance Authority (WIFA), \$14,439,487 for the Downtown plant and \$33,783,632 for the Hilltop plant.

Both loans are on a 20-year repayment schedule. The combined interest rate and administrative fee for the Downtown plant's loan is 3.185% and Hilltop plant's loan is 3.60%. The Downtown plant's outstanding loan balance is \$13,125,155 and has 16 years remaining on it. The Hilltop plant's outstanding loan balance is \$27,924,337 and has 14 years remaining on it.

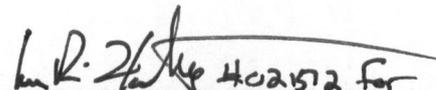
There has been some inquiry into the possibility of consolidating and extending these loans if additional funding from WIFA is needed for infrastructure improvements.

**ATTACHMENT:** None.

**RECOMMENDATION:** Staff is looking for direction on whether or not to research the inquiry of consolidation and extension of repayment of the WIFA loans if additional funding is needed for infrastructure improvements.



Signature of Dept. Head



City Attorney

Approved as to form



City Manager's Review

AGENDA ITEM: 6a

# CITY OF KINGMAN COMMUNICATION TO COUNCIL



**TO:** Honorable Mayor and Council Members

**FROM:** Mike Meersman, Director of Parks

**MEETING DATE:** Tuesday, June 16, 2015

**AGENDA SUBJECT:** Golf Course Manager Agreement

**SUMMARY:** The term of the current Golf Course Manager Agreement ends December 31, 2015. At the May 20<sup>th</sup> meeting of the Golf Course Advisory Commission; after lengthy discussion the Commission Voted 5 in favor of renegotiating the Golf Course Manager Agreement with the current Golf Course Manager Levi Pitts of Cerbat Golf L.L.C.. One Commission Member cast and opposed vote.

The current term of the Golf Course Manager Agreement ends December 31, 2015.

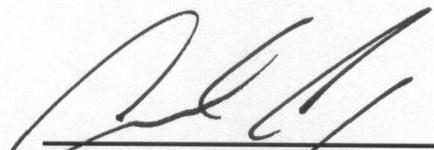
- A. Support renegotiating the Golf Course Manager Agreement with the Current Golf Course Manager Levi Pitts of Cerbat Golf L.L.C.
- B. Move forward to do an RFP (Request for Proposals) for a Golf Course Manager.

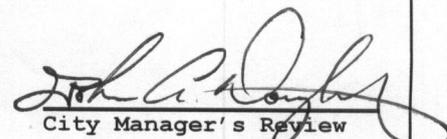
**ATTACHMENTS:**

1. A Letter of Explanation from Mike Meersman
2. Operations Update And Biographical Letter of Levi Pitts, Cerbat Cliffs Golf L.L.C.
3. Operational Highlights Since 2012- Cerbat Cliffs Golf L.L.C.
4. The current Golf Course Manager Agreement.
5. The 1<sup>st</sup> Amendment to the Golf Course Manager Agreement.

**RECOMENDATION:** Council discretion.

  
Signature of Dept. Head

  
City Attorney  
Approved as to form

  
City Manager's Review

AGENDA ITEM: 6b



# City of Kingman

310 NORTH FOURTH STREET • KINGMAN • ARIZONA • 86401 • (928)753-5561

[www.cityofkingman.gov](http://www.cityofkingman.gov)

June 16, 2015

Reference: Golf Course Manager Agreement

Dear Mayor and Council Members,

The term of the current Golf Course Manager Agreement ends December 31, 2015. At the May 20<sup>th</sup> meeting of the Golf Course Advisory Commission; after lengthy discussion the Commission Voted 5 in favor of renegotiating the Golf Course Manager Agreement with the current Golf Course Manager Levi Pitts of Cerbat Golf L.L.C.. One commission member cast an opposed vote.

Mr. Levi Pitts has been the Golf Course Manager at Cerbat Cliffs since July 1, 2012. Levi would like the opportunity to renegotiate the Golf Course Manager Agreement which the current agreement provides for should the Council choose too.

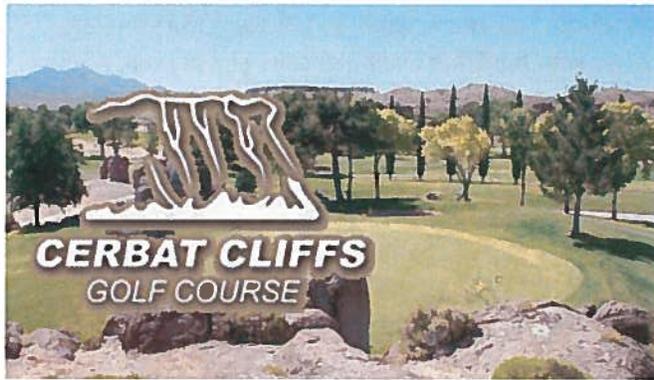
Over the time Levi has been in this position the golf industry has experienced some very challenging times. With the recession and struggling economy worldwide; recreation and golf in particular have struggled. During these challenging times Levi has retained most of the existing tournaments that were here when he came to Cerbat Cliffs and even brought in several additional events as well.

During Mr. Pitt's time as the Golf Course Manager he and his staff have made some excellent changes to the Cerbat Cliffs Pro Shop and the restaurant operation. More important than any furnishings or structural changes; is the fact that there is a much improved atmosphere with the customers in the Pro Shop and Restaurant area. He and his staff do a very good job in hosting tournaments. Levi and his current staff have been very good to work with for our Department.

To help you in your decision there are several attachments for your review. If you have any questions please feel free to contact me.

Sincerely,

Mike Meersman  
Director of Parks & Recreation Department  
Phone (928) 692-3105  
Cell (928) 303-6087  
Email: [mmeersman@cityofkingman.gov](mailto:mmeersman@cityofkingman.gov)



## OPERATIONS UPDATE AND BIOGRAPHICAL LETTER OF LEVI EUGENE PITTS,

Member/Owner, CERBAT CLIFFS GOLF, L.L.C.,  
an Arizona limited liability company,  
In support of Contract Extension with City of  
Kingman, Arizona  
for Preferred Golf Course Manager

As member/owner and a principal of Cerbat Cliffs Golf, L.L.C., it has been an honor and a privilege to serve the community of Kingman, Arizona as the Golf Course Manager since the official contract award in 2012, and in earlier personal service beginning in 2009. Kingman, Arizona is where my family, my heart, my deepest roots and convictions reside, and it has brought me great pride to successfully serve this City; improve upon the existing infrastructure of the Cerbat Cliffs Golf Course; successfully manage structural additions, interior clean-ups, spacial reorganizations, and merchandise display improvements; deliver customer service with honor, courtesy, and respect; uphold the fine traditions of golf and community spirit at Cerbat Cliffs Golf Course and build upon the same; continue the successful junior golf course upon the highest principles of inclusion and the golfing code of conduct; establish a reliable and professional support team; and put into practice operations systems that provide the highest degree of transparency in reporting to the City of Kingman and that maximize financial returns from the operations of the Golf Course.

With these great building blocks accomplished, and a strong team in place, I respectfully submit to the City of Kingman that it will be in the strongest position to continue to improve the Cerbat Cliffs Golf Course, the services it provides, its role as a community point of pride, and the financial returns from its operation through the continued managerial association with Cerbat Cliffs Golf, L.L.C. In each of the contracting periods since 2012, in a challenging economy, Cerbat Cliffs Golf, L.L.C. has met and exceeded the financial targets established by the City for bonus opportunities. Each and every member of the team that is a part of Cerbat Cliffs Golf, L.L.C. is integral to that continued success, and I am proud to have brought them together. The Cerbat Cliffs Golf, L.L.C. team is dedicated to providing the highest caliber golf experience at Cerbat Cliffs Golf Course to each and every golfer and to also providing excellent hospitality services to the entire community, extending the value of the golf course beyond the golfing community.



In addition to the strength of the Cerbat Cliffs Golf, L.L.C. team, I would also like to take a moment to share with you important information for your consideration about my personal background; commitment to this community; additional experience in golf course, merchandise, and concession management; belief in the importance of the junior golf program (the photo at the left is of me instructing a junior golfer); and my respect for the sport of golf and commitment to the instruction and promotion of the same to the public. I would also like you to understand my deep respect for this community, my love for my family, my faith in this country, and my pride in what being a part of this community has meant to me.

My family is an Arizona pioneering family, and Kingman, Arizona has been my home, with the exception of the years I served in the Air Force, since my family moved here in 1972. My family, my community, and golf are three of the things I value most in life.

My wife, Leigh, is a kindergarten teacher at the Kingman Academy of Learning, and we have two sons finishing up high school, Tristen, age 17, and Seth, age 15. I also have a young adult son, Aaron, who lives and works in Kingman, and a young adult daughter, Weslie, who lives and attends school in Glendale, Arizona. I am the proud grandparent to Luckie and am looking forward to the arrival of a second grandchild in the Fall.

## OPERATIONAL HIGHLIGHTS SINCE 2012

### LEVI E. PITTS - CERBAT CLIFFS GOLF, L.L.C.

- Successfully piloted the restructured operational and fee agreement for the operation of Cerbat Cliffs Golf Course with the City of Kingman.
- Improved revenue stream to the City of Kingman, as prior management agreement guaranteed a flat salary to the golf course manager plus commission, and all restaurant/bar revenues.
- Established operations with full transparency of financial reporting to the City of Kingman.
- Met and exceeded financial and operational goals established by the City of Kingman.
- Satisfied all general liability insurance requirements, including providing coverage in the interim period prior to the contract effective date. (\$18,000.00 per year)
- Invested in the purchase of transitional pro shop inventory from prior management (\$18,000.00) and made substantial additional investment in pro shop inventory to build upon the caliber and appeal of the golf merchandise provided. (Maintain \$35,000.00 inventory)
- Clean-up and reorganization of the pro shop office and storage spaces.
- Painting and interior improvements. (Installed 5 new flat screen televisions)
- Added private lockers in the storage room off the Pro Shop and Office. (\$2,000.00)
- Updated the scoring area. (\$1,000.00) purchased tournament scoring program (\$3,000.00)
- Reorganized the rental cart area so that outgoing and return rentals would not be confused.
- Converted the conference room to an area for custom club repair and creation. (\$1,200.00)
- Installed shelving for storage of extra dry goods. (\$1,200.00)
- Built and installed racks for rental clubs. (\$700.00)
- Updated the branding and appeal of golf merchandise stocked by Cerbat Cliffs Golf Course.
- Structural improvements and clean-up to support the successful operation of the restaurant.
- Successful issuance of the new operating license for the restaurant to Cerbat Cliffs Golf, L.L.C.
- Invested in all the computers, monitors, printers and internet phone system required for the computer system, and paid for half the cost of the operational system. (\$11,000.00)
- Purchased driving range balls and tokens. (\$3,545.00 per year)
- Managed the patio expansion, including coordinating new plans, having the plans engineered, assisting in enlisting more competitive bids to control costs and meet budget.
- Invested in and installed flat screen televisions for the Pitts Stop Bar and Grill, Pro Shop, and in the new Patio expansion area. (\$1,500.00)
- With the Patio expansion, Cerbat Cliffs Golf Course has served as a community gathering spot, expanding its outreach.
- Continued to provide exceptional value for the greens and carts fees charged and the season pass holder's fee structures available.
- Developed and work continually to maintain a good working relationship with the City of Kingman Finance Department, Golf Course Maintenance, Parks and Recreation, with a mutual respect for the duties and responsibilities of golf course maintenance and management.
- Built upon the tradition of Junior Golf at Cerbat Cliffs Golf Course, one of the finest in the State of Arizona, including up to 175 children from ages 5 through teenagers. The Program is accessible to all juniors who will abide by and honor the golf code of conduct.
- Provide support for Kingman high school golf programs. Levi Pitts served as coach of the Kingman Academy of Learning golf team in 2014, which took 1<sup>st</sup> Place in the State (a very proud, personal moment).

**GOLF COURSE MANAGEMENT AGREEMENT  
FOR KINGMAN MUNICIPAL GOLF COURSE  
AKA KINGMAN CERBAT CLIFFS GOLF COURSE**

This agreement is entered into this \_\_\_\_ day of \_\_\_\_\_, 2012, by and between the City of Kingman, a municipal corporation of the State of Arizona, hereinafter called "City," and Levi Pitts, dba Cerbat Golf LLC, hereinafter called "Golf Course Manager."

**RECITALS**

**WHEREAS**, the City is the owner of the Kingman Cerbat Cliffs Golf Course, Cerbat Cliffs Golf Course had been a nine hole golf course until 1995 when it became an 18 holes. With the scenic high desert and mountain views, it is a very challenging yet beautiful municipal golf course that offers you affordable rates, features of a resort, and the first class personal touch of a private club;

**WHEREAS**, The Cerbat Cliffs Golf Course is located South of I-40 in Kingman Arizona. The clubhouse is at 1001 Gates Avenue, off of Stockton Hill Road. The Course is a Par 71 layout measuring 6,540 yards from the Black Tees with a corresponding course rating and slope value of Black 71.0/129, Gold 69.3/126, Silver 67.3/116, Copper 69.1/123, Silver Ladies 73.1/135;

**WHEREAS**; The facility includes one 7,400 sq. ft. practice putting green, a short game area including chipping green, a driving range with a 24,000 sq. ft. Tee, Pro Shop is 1,000 Sq ft. including the office and a storage area and club repair shop, the restaurant bar area is 1,200 sq ft, and the cart storage area is 4,000 sq. ft. Parking is plentiful;

**WHEREAS**, the City desires the services of a Golf Professional or equivalent to manage, operate, and promote the golf play activities of the Kingman Cerbat Cliffs Golf Course facility;

**WHEREAS**, the Golf Course Manager warrants that he is qualified and has personally observed the Kingman Cerbat Cliffs Golf Course and the improvements therein and desire to manage golf play activities of the course, along with the operation and management of the Golf Course Club House and Restaurant;

**WHEREAS**, the current Agreement for services expires June 30, 2012, and

**NOW, THEREFORE**, in consideration of the terms, covenants and conditions herein contained, the parties mutually agree as follows:

**AGREEMENT**

**NOW THEREFORE**, for good and valuable consideration, including consideration of the mutual promises, terms and conditions hereinafter set forth, including the mutual

promises and obligations to be performed by the Parties hereto, the Parties agree as follows:

1. **INCORPORATION BY REFERENCE.** The above Recitals shall be incorporated by reference as part of the Parties' agreements and/or as the basis of consideration for this Agreement.
2. **COMMENCEMENT, DURATION, AND TERMINATION.** Performance under this Agreement shall commence following the effective date and it shall continue in full force and effect unless earlier terminated as provided hereinafter. This agreement shall be in effect from July 1<sup>st</sup>, 2012 through December 31<sup>st</sup>, 2015 unless terminated pursuant to the provisions contained herein.

This Agreement may be terminated or canceled by either party as long as the terminating party gives the other parties one hundred and eighty (180) days notice in writing.

This Agreement may be canceled in accordance with A.R.S. Title 38, Chapter 3, Article 8, Section 38-511.

3. **PURPOSES.** The basic purpose of this Agreement is to set forth the terms and conditions of this agreement to provide Golf Course Management services.
4. **GENERAL TERMS, CONDITIONS AND RESPONSIBILITIES**
  - 4.1 **Independent Contractor:** The Golf Course Manager is a solely independent contractor and is not subject to any City of Kingman Personnel Regulations, nor does he, nor any of his employees, have any claim or status under City Kingman Personnel Rules or Benefits. As an independent contractor, the Golf Course Manager shall not purchase merchandise, fixtures, equipment, or inventory on the City's behalf, without prior approval of the City; nor use the City's purchase processes or tax exempt status for any purpose.
  - 4.2 **Liability Insurance:** Provide the City with a liability insurance policy and endorsement naming the City as co-insured for the combined operation of the Golf Course Club House Pro Shop, Restaurant and other services performed under this agreement.

Liability limits shall be as follows:

General Liability      \$1,000,000 each occurrence/\$2,000,000 Aggregate

(Including Premises/Operations, Products/Completed Operations, Personal Injury/Advertising Injury, Contractual Liability, Independent Contractors, Stop Gap/Employers Liability and Commercial Liquor Liability)

Excess Insurance	\$5,000,000/each occurrence
Fire Damage	\$100,000 any one fire
Commercial Crime	\$250,000
Liquor Liability	\$1,000,000 each occurrence/\$1,000,000 Aggregate (if not included in the general liability)
Professional Liability	\$1,000,000 each occurrence/\$2,000,000 Aggregate
Employer Liability	\$1,000,000 each occurrence/\$2,000,000 Aggregate (if not included in the general liability)
Automobile Liability	\$1,000,000 combined single limit

The General, Personal Injury, Liquor Liability and Excess Insurance shall be written on an occurrence base form. Additionally, no policy listed above shall have a deductible greater than \$25,000 per occurrence.

Worker's Compensation Insurance shall be in compliance with Arizona and any applicable federal statute.

The Golf Course Manager is responsible for any insurance on Manager's personal property kept on-site at the golf course property. The Manager hereby releases the City from any claim arising in any way from loss or damage to Manager's personal property.

4.3 **Compliance with Laws and Regulations:** Comply with all laws of the State of Arizona, ordinances of the City of Kingman, and the rules and regulations relating to the Kingman Cerbat Cliffs Golf Course now in effect, or which may be hereafter promulgated by the City or State. Such laws include, but are not limited to: City of Kingman Business License, Health Department licenses/permits, employees will hold appropriate food and beverage handling licenses, and liquor license requirements.

4.4 **Housekeeping and Janitorial Services:** The Golf Course Manager agrees to provide general housekeeping and janitorial services for the Golf Pro Shop, Restaurant and Shop, to include cleaning and keeping the entire facility in a sanitary and attractive condition. Routine repair or replacement of all damaged, destroyed or inoperable equipment and furnishings is also the responsibility of the Golf Course Manager. Repair and replacement of furnishings considered to be "permanent" are the responsibility of the City. Such permanent facilities include:

flooring, walk-in coolers, grill, oven, HVAC systems, restroom facilities, fryer, ice machine, etc.

4.5 **Alterations and Additions to the Facility:** The Golf Course Manager may make alterations or additions to the facility subject to the prior written authorization of the City Manager. Any free standing displays, cabinets or other such equipment shall be of an appropriately high quality.

4.6 **Operation of the Golf Course:** The parties agree that all operations on the Course should be of the highest professional caliber. Both the City's and the Golf Course Manager's employees will maintain the highest levels of customer service and professional appearance.

5. **DUTIES OF THE GOLF COURSE MANAGER IN THE MANAGEMENT AND OPERATION OF THE GOLF COURSE**

5.1 The Golf Course Manager shall become a member in good standing with the Professional Golfers Association at a class A rating, no later than January 1<sup>st</sup>, 2015.

5.2 The Golf Course Manager and his staff shall devote their time, skill, labor, and attention to faithfully serve the City through the promotion of the actual conduct of those activities normally associated with the Golf Course, including special events, golf tournaments, and exhibitions.

5.3 The Golf Course Manager shall be responsible for operating and keeping open for public use the Kingman Cerbat Cliffs Golf Course facility every day the course is open for play, including weekends and holidays. The number of days that the course is open and the hours of opening and closing shall be approved by the City Manager.

5.4 The Golf Course Manager shall be responsible for collecting all fees which are imposed by the City incidental to the operation/use of the course. The Golf Course Manager shall be responsible for maintaining separate accounts for each function at the Golf Course, and keep records of all monies received and all expenditures incurred in each separate account, and making daily deposits to the City Finance Department. Said records shall be available to the City for annual auditing purposes.

5.5 The Golf Course Manager shall operate and maintain the following improvements located at the Kingman Cerbat Cliffs Golf Course

facility: Stock and operate the Golf Pro Shop with golf related merchandise, for sale to the public, keeping with customer demand and needs; maintaining an inventory of golfing equipment for resale. Pricing of merchandise to be set by the Golf Course Manager.

- 5.6 Provide routine cleaning and maintenance of the golf carts and beverage cart, which are provided by the City. Routine maintenance shall be defined as maintaining appropriate tire pressure and cart fueling/charging.
- 5.7 Manage and schedule driving range operations, which include routine maintenance of the range ball dispensing machine and replacement of range balls and baskets whenever necessary. Routine maintenance shall be defined as a regular cleaning of the machine, particularly the card, bill and token mechanism.
- 5.8 Provide golf lessons and instructions as the public demand requires, at rates determined by the Golf Course Manager.
- 5.9 Provide apparatus and materials for cleaning and repairing golf clubs.
- 5.10 Provide an adequate number of hand (pull) carts and golf club sets, for rental purposes. Rental fees to be set by Golf Course Manager.
- 5.11 Responsible for all utility and internet connection costs, with the exception of the electricity for the fountain and the pond located by the #9 hole; the City will provide the Manager \$200 per month as compensation.
- 5.12 Maintain an ongoing program of golf instruction and organized play that meets the demand of the public, corporate, juniors, seniors, men and ladies organizations.
- 5.13 Cooperate with the City staff to develop golf packages and specials to increase the efficiency of play at the golf course.
- 5.14 Provide course marshals to facilitate speed of play during peak periods. Marshalling and/or security services may not be bartered with free golf play.
- 5.15 In order to maximize usage of the course, the Golf Course Manager may offer reduced rates on greens fees and carts. He may also offer complimentary rounds of golf play for purposes of improving the knowledge of greens keepers under the City's

employ and as practiced by the industry. All reduced rates or complimentary rounds must be tracked and reported to the City.

- 5.16 Must manage and enforce private cart agreements with annual insurance requirement.
- 5.17 The Golf Course Manager shall be responsible for acquiring and paying the premium for the liquor liability insurance.

6. **ENFORCEMENT OF RULES, REGULATIONS, STAFFING REQUIREMENTS, AND MANAGEMENT PARTICIPATION**

- 6.1 Enforce all rules and regulations relating to the golf course operation. The enforcement of the rules and regulations will require routinely patrolling the course to verify compliance and ensure the enforcement of all course rules and regulations.
- 6.2 At a minimum, the Golf Course Manager is required to employ one Assistant Golf Course Manager (an individual in good standing with the Professional Golfers Association or Ladies Professional Golfers Association, being at least in the PGA or LPGA apprentice program) and an adequate number of pro shop, starter, ranger and beverage cart personnel so that there are at least three employees on duty at all times (one of which will be either the Golf Course Manager or the Assistant Professional, unless excused by the City Manager).
- 6.3 The Golf Course Manager will report to the Golf Course Superintendent and the City Manager but is responsible for overall operations of the Golf Course and will be required to work closely with the City Manager and the Golf Course Superintendent. The Golf Course Manager will provide professional input to the Golf Course Superintendent on greens and fairway maintenance, pin placement, marking of temporary out of play areas, and the development of improvements to and operation of the Golf Course Facility. The Golf Course Manager or his/her designee shall inspect the course daily. At no time shall the Golf Course Manager or his/her designee give direct orders to any golf course caretaker personnel.
- 6.4 Manage an internet-accessible tee time reservation system, and in conjunction with that system, take reservations for golf starting times, maintain accurate tee documentation and be responsible for starting of players. Permit only those who have paid the required fees to play.

- 6.5 Provide beverage cart service to facilitate customers during periods of play, particularly during peak periods.
- 6.6 Hours of Operation: Open the contract premises for business promptly every day and maintain business hours as scheduled by the City Manager and Parks and Recreation Director.

**7. DUTIES OF THE GOLF COURSE MANAGER IN THE OPERATIONS AND MANAGEMENT OF THE RESTAURANT**

- 7.1 The Golf Course Manager will be responsible for operating and keeping open for public use the restaurant portion of the Golf Course Club House every day the course is open for play, including weekends and holidays. Daily hours of operation shall be negotiated with and set by the City. At a minimum, the restaurant will be open to the public at least eight (8) hours per day.
- 7.2 This will include the Golf Course Manager's responsibility of providing beverage cart personnel to be used on the course to provide refreshments to golfers. At a minimum, the beverage cart shall be used on a daily basis dependent upon course play and weather conditions.
- 7.3 The Golf Course Manager shall be responsible for setting and maintaining the menu and prices for the restaurant; and providing all inventory/stock associated with the restaurant operation, maintaining appropriate food and beverage items for resale.
- 7.4 Responsible for all utility and internet connection costs.
- 7.5 Responsible for all food handler permits and bartending licensing requirements by the Mohave County Department of Health and the Arizona State Liquor Licenses and Control.
- 7.6 Must provide a copy of the Certificate of Title 4 Training to the City of Kingman during the entire term of this agreement.

**8. PREPARATION OF BUSINESS AND MARKETING PLAN AND PERIODIC REPORTING REQUIREMENTS**

- 8.1 Prior to January 1<sup>st</sup> of each year of the agreement, the Golf Course Manager will prepare a business plan for his entire operation that defines business principles and practices for the Pro Shop, Restaurant and use of the course. At a minimum, this report will address what promotional programs have been instituted by the

Golf Course Manager, tournament and league play, special programs in junior and senior golf and that encourage local play.

- 8.2 Collect and deposit to the City Finance Department all due revenues daily.
- 8.3 In addition to daily financial reports, the Golf Course Manager agrees to provide monthly reports to the City Manager, Parks and Recreation Director and Common Council summarizing type of play for each day of the month. This monthly report will also include a summary of all promotions or reduced rates (or free) rounds of golf and a listing of all private golf cart agreements with copies of the insurance requirements. The Golf Course Manager also agrees to maintain annual pass records in an electronic format approved by the City that will include names, addresses, and type of annual passes.

**9. CITY'S DUTIES AND OBLIGATIONS**

- 9.1 The City is responsible for the supervision, maintenance and service of the golf course, including the greens, fairways, driving range, grounds, and major maintenance of the golf carts, beverage cart, driving range dispensing machine, and driving range golf ball retrieving machine.
- 9.2 Provide building maintenance, major repair and/or remodeling (excluding janitorial services) to Golf Course Club House/Restaurant and range ball dispensing machine structure; subject to reasonableness and availability of budgeted funds.
- 9.3 Provide a minimum of seventy (70) motorized golf carts and one beverage cart.
- 9.4 The City may spend budgeted monies for promotion of the Kingman Cerbat Cliffs Golf Course. This will be considered on an annual basis during the City's fiscal year budget preparation.
- 9.5 The City shall receive all revenues daily (except Saturday, Sunday, and Holidays), credit the appropriate account and make the distribution to the Golf Course Manager in accordance with this Agreement.

**10. GOLF COURSE MANAGER'S COMPENSATION AND PAYMENTS TO CITY**

10.1 The Golf Course Manager shall receive on a monthly basis a percentage of fees and sales listed in the chart below.

Revenue Source	Golf Course Manager %	City %
Green Fees	26	74
Driving Range Fees	26	74
Golf Cart Rental	26	74
Season/Annual Passes	26	74
Food and Non-Alcoholic Beverage Sales	90	10
Alcohol Beverage Sales	90	10
Golf Club, Pull-Cart, and Equipment Rental	100	0
Golf Lessons	100	0
Merchandise Sales	100	0
Club House/Activity Center Rental	0	100

10.2 The City's monies collected under the categories of Alcohol Beverage Sales and Food and Non-Alcoholic Beverage Sales will be divided into two categories: ½ will go into the general fund and ½ will go into a capital renewal fund for the Clubhouse Facility. The City will reimburse per the procurement code, facility improvements that have been approved by the City. Upon termination of this agreement Manager must be fully reimbursed all City approved expenditures.

10.3 In the event the Golf Course gross revenues exceed \$900,000 (in the fiscal year) then the Golf Course Manager will collect 25% of the revenues that exceed that \$900,000 as a lump sum; excluded from this calculation will be any revenue in which the City receives no percentage.

11. **NOTICES** Any notice that is necessary shall be in writing and given by telefax, personal delivery, by deposit with an overnight express delivery service such as Federal Express, or by deposit in the United States Mail, certified mail-return receipt requested, postage prepaid, addressed to a Party at the address set forth below, or such other address as a Party may designate in writing by prior notice. The date notice is given shall be the date on which the notice is delivered if notice is given by personal delivery or overnight express delivery service, or three (3) days from the

date of deposit in the Mail, if the notice is sent through the United States Mail. Notice shall be deemed to have been received on the date on which the notice is delivered, if notice is given by personal delivery or overnight express delivery service, or three (3) days following the date of deposit in the mail, if notice is sent through the United States Mail.

To the City:

City Manager  
City of Kingman  
310 North Fourth Street  
Kingman, Arizona 86401

To the Golf Course Manager:

Levi Pitts  
Cerbat Cliffs Golf Course  
1001 Gates Avenue  
Kingman, Arizona 86401

**12. SEVERANCE**

- 12.1 In the event the Golf Course Manager fails or refuses to comply with the above-referenced conditions and covenants or grossly neglects to perform these duties, the City may, with thirty (30) days written notice, terminate this contract.
- 12.2 The City may terminate this agreement upon one-hundred and eighty (180) days written notification of any intent to sever this Agreement.
- 12.3 In the event this Agreement is terminated, under any of the conditions listed above, the Golf Course Manager shall provide the City with a chart of accounts, including all payables and receivables, and a current inventory of merchandise, equipment, and fixtures provided by Golf Course Manager.
- 12.4 Any merchandise, equipment, or fixture otherwise remaining in Golf Course Manager's inventory on the date of termination of this Agreement shall remain the property and responsibility of Golf Course Manager.

**13. HOLD HARMLESS CLAUSE**

Golf Course Manager shall indemnify, defend, and save harmless the City its employees, agents, or representatives; from any and all claims, demands, suits, actions, proceedings, loss, cost, and damages of every kind and description, including any reasonable attorney's fees and/or litigation expenses, which may be brought or made against or incurred by the City on account of loss of or damage to any property for injuries to or death of any person, to the extent caused by, arising out of, or contributed to by reasons of any negligent act, or omission, professional error, fault, mistake, or negligence of the Golf Course Manager, its employees, agents,

representatives, or subcontractors, their employees, agents, or representatives in connection with or incident to the performance of this Agreement, or to the extent arising out of Worker's Compensation claims, Unemployment Compensation claims, or Unemployment Disability Compensation claims of employees of Golf Course Manager and/or its subcontractors or claims under similar such laws or obligations. The Golf Course Manager's obligation shall not extend to any liability caused by the negligence of the City, or its employees.

The Parties shall each be fully responsible for compliance with all statutes, ordinances, codes, regulations, rules, court decrees or other laws (hereinafter collectively "Laws") applicable to it as part of fully performing the Project with regards to their respective roles. This Agreement shall not relieve either Party of any obligation or responsibility imposed upon it by Laws.

#### 14. **OTHER CONDITIONS OR PROVISIONS**

- 14.1 **Severability.** The terms of this Agreement are severable. Any waiver by the Parties of any provision herein shall not impair the right of any Party to enforce any other provision of the Agreement. Such provision of this Agreement shall be interpreted in a manner as to be effective and valid under applicable Laws. Such provision shall be ineffective solely to the extent of such prohibition or invalidity. Such prohibition or invalidity shall not invalidate the remainder of the provisions or any other provision.
- 14.2 **Voluntary Execution.** The Parties acknowledge having read the Agreement in its entirety and voluntarily sign the Agreement with the intended purpose that it be fully binding as set forth.
- 14.3 **Arbitration.** In the event of a dispute, the Parties agree to use arbitration only to the extent it is required by A.R.S. § 12-1518 or otherwise required by Arizona Rules of Civil Procedure. The Parties shall agree to fully exhaust administrative remedies before filing litigation
- 14.4 **No Implied Authority.** This Agreement shall not be considered to imply authority to perform any tasks, accept any responsibility, or to do any other thing in relation hereto, not expressly set forth herein.
- 14.5 **Construction of Contract.** This Contract shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of or against the party drafting this Contract. The parties acknowledge and agree that each has had

the opportunity to seek and utilize legal counsel in the drafting of, review of, and entry into this Contract.

- 14.6 **Legal Arizona Workers Act.** In compliance with A.R.S. § 41-4401, the Parties hereby warrants that they will, at all times during the term of this Agreement, comply with all federal immigration laws applicable to the Parties' employment of their employees, and with the E-Verify requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). The Parties shall further ensure that each subcontractor who performs any work for the Parties under this Agreement likewise complies with the State and Federal Immigration Laws.

The Parties agree and warrant that the Parties shall each have the right at any time to inspect the books and records of the other Parties and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws. The Parties agree that any act by another Party or subcontractor that results in the impediment or denial of access of the books and records of the Parties or subcontractor shall be a material breach of this Agreement on the part of the that Party.

Nothing herein shall make the Parties or subcontractor an agent or employee of any of the other Parties. Nothing herein shall act to establish privity of contract between any of the Parties and any subcontractor.

Any breach of the Parties' or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Agreement subjecting the offending Party to penalties up to and including suspension or termination of this Agreement. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, the Party shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor, subject to each Parties' approval as soon as possible so as not to delay project completion and at no additional expense to the other Parties. Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of the offending Party.

The Parties shall advise each subcontractor of the Parties' rights and the subcontractor's obligations under this Article by including a provision in its contract with each subcontractor in the following form:

“Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor’s employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that the Parties may inspect the Subcontractor’s books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract.”

- 14.7 **Non-Discrimination.** The Parties will not discriminate on the or any other protected basis in the selection, treatment and retention of employees, subcontractors or in the procurement of materials and leases of equipment. The Parties also will not participate, either directly or indirectly, in any type of discrimination prohibited by any federal, state, or local law, including but not limited to Title VII of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975 and Executive Orders 99-4 and 2000-4 (including any amendments thereto).
- 14.8 **Scrutinized Business.** As required by A.R.S. §§ 35-391.06(A) and 35-393.06(B), the Parties certifies to each other that they do not have any scrutinized business operations (as defined in A.R.S. §§ 35-391 and 35-393) in Sudan or Iran.
- 14.9 **No Third Party Interest.** This agreement shall be binding upon the Parties and any successor-in-interest. No provision herein is intended to create a third beneficiary interest in any person or entity, including but not limited to the respective employees or agents of any Party.
- 14.10 **Attorney’s Fees.** If the services of an attorney are required to enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney fees and court costs.
- 4.11 **Legal Action.** It is agreed that this contract shall be governed by the laws of the State of Arizona. Should any legal action be brought to enforce or interpret the terms or provisions of this Contract, any court of competent jurisdiction, located in Mohave County, Arizona, shall be proper venue for such an action. If any legal action is brought to enforce or interpret the terms or provisions of this Contract, the prevailing party shall be entitled to



COPY

**1<sup>st</sup> AMENDMENT TO THE  
GOLF COURSE MANAGEMENT AGREEMENT  
FOR KINGMAN MUNICIPAL GOLF COURSE  
AKA KINGMAN CERBAT CLIFFS GOLF COURSE**

This amendment to the agreement is entered into this 23rd day of October, 2014, by and between the City of Kingman, a municipal corporation of the State of Arizona, hereinafter called "City," and Levi Pitts, dba Cerbat Golf LLC, hereinafter called "Golf Course Manager."

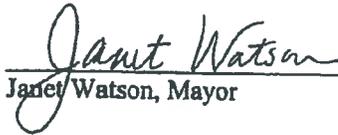
The Parties agree that a Point of Sale (POS) system is integral to the operations of the Cerbat Cliffs Golf Course.

The Parties agree to each pay one-half of the total cost for the POS system. Attached is the contract with Foreup with an annual cost of \$7200.00 per year and a contract end date of 12/31/2015 which coincides with the end of the Golf Course Management Agreement.

The POS agreement will be in the name of Levi Pitts, dba Cerbat Golf LLC. The City will have full access to any and all information, data, and reports contained in or generated by the POS system.

**IN WITNESS WHEREOF**, the Parties have signed this Agreement on the dates set forth below. This Agreement shall be effective as of the date first above written, and upon being fully executed and delivered this Agreement this 23rd day of October, 2014.

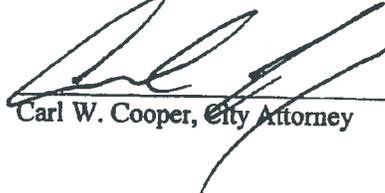
City of Kingman

  
Janet Watson, Mayor

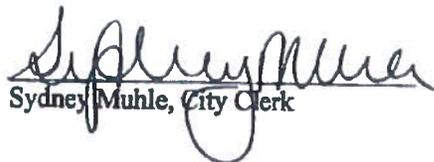
Cerbat Golf LLC

  
Levi Pitts, Manager

APPROVED AS TO FORM:

  
Carl W. Cooper, City Attorney

ATTEST:

  
Sydney Muhle, City Clerk





## CITY OF KINGMAN COMMUNICATION TO COUNCIL

**TO:** Honorable Mayor and Common Council

**FROM:** Sydney Muhle, City Clerk

**MEETING DATE:** June 16, 2015

**AGENDA SUBJECT:** Discussion and/or action regarding a possibly changing the date of or cancelling the second Regular Council Meeting in August

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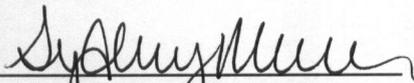
### SUMMARY:

The second Regular Council Meeting for the month of August is currently scheduled to take place August 18<sup>th</sup>. The League of Cities and Towns Annual Conference is scheduled to take place Tuesday, August 18<sup>th</sup>, through Friday, August 21<sup>st</sup> in Tucson, Arizona. Given that the majority of the Council is scheduled to attend this conference beginning August 19<sup>th</sup>, staff has requested an item for the Council to discuss and possibly take action regarding changing the date of or cancelling the second Regular Meeting of August 18, 2015.

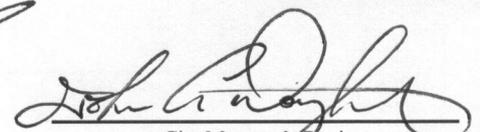
**ATTACHMENT:** None

**FISCAL IMPACT:** None.

**STAFF RECOMMENDATION:** Council discretion.

  
Signature of Department Head

  
City Attorney's Review

  
City Manager's Review

60c

# CITY OF KINGMAN COMMUNICATION TO COUNCIL



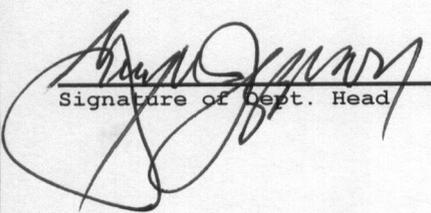
**TO:** Honorable Mayor and Common Council  
**FROM:** Development Services Department  
**MEETING DATE:** June 16, 2015  
**AGENDA SUBJECT:** Consideration of the City Council Initiating a C-3 Planned Development District Zoning for the 151-Acres of City Owned Property in the Kingman Crossing Area that is Designated "Regional Commercial"

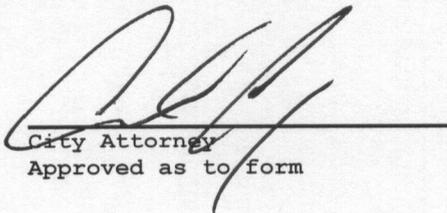
**SUMMARY:** With the adoption of Resolution #4949 on May 5, 2015, the 151.32-acres of the Kingman Crossing area owned by the City is designated "Regional Commercial" on the Projected Land Use Map of the Kingman General Plan Update 2013. The property can be rezoned to a zoning district that is in conformance with the General Plan. A compatible zoning district for a Regional Commercial Zoning District is Commercial: Service Business (C-3). However, as was discussed in the General Plan Amendment public meetings and other discussions with the land owner on the north side of the future Kingman Crossing Traffic Interchange, some uses permitted in the C-3 Zoning District are not desirable. Therefore, a Planned Development District, which permits a change in the permitted, conditionally permitted uses, and minimum development standards, can be adopted to establish a desirable zoning district. Following are the stipulations for the north property and can be considered for the City's property.

1. On the north side of the future traffic interchange, the C-3 PDD district allows the uses of the C-3 zoning district, but the following uses shall not be permitted by right within the area zoned C-3-PDD: Storage and equipment yards associated with contractors offices, Truck sales and service, new and used, Truck and trailer rental and service, and Vehicle towing and storage.
2. The following uses shall not be permitted by Conditional Use Permit within the area zoned C-3-PDD: BMX racetrack, Mini-storages, Motocross racetrack, Off premises signs (billboards), Recreational vehicle parks, Swap meets (indoor and outdoor), Tire retreading and recapping, Travel trailer park, and Truck stops for truck stop facilities.
3. Where the C-3-PDD district directly abuts any residential zoning district, all buildings are to be setback at least 25 feet from the abutting property line. Parking areas may be allowed within the setback areas, but those areas cannot be used for commercial truck deliveries or outdoor storage purposes, including the placement of shipping containers.
4. Future building designs and colors shall be appropriate to the southwestern United States. Colors should include warm earth tones and highly reflective materials such as all metal or all glass buildings shall be avoided. Building designs shall include the use of varied parapets, columns, popouts and pilasters to avoid the appearance of long blank walls.
5. At least ten (10) feet of walkway shall be required between the front entrance of any buildings and parking lot traffic aisles to provide adequate walking room and to reduce pedestrian/vehicle conflicts.
6. Overall sign plans shall be submitted at the time of development which compliments the architectural theme of the principal buildings in terms of design and color. All free-standing signs shall have skirting around the pole supports at the base. The sign base shall be at least 50-percent of the width of the sign width.
7. All parking areas shall include landscaped tree islands for every ten parking spaces. A raised landscaped berm or a continuous wall at least 3 feet in height or some combination of both, shall be used to screen all parking areas from adjacent public streets.
8. All commercial driveways shall align on both sides of the streets where there are no medians.
9. The issuance of building permits by the City of Kingman on the subject properties shall not occur until a notice to proceed has been made by ADOT and construction of the Kingman Crossing interchange has begun.

If the City Council desires to initiate rezoning of its Kingman Crossing property, direction on what zoning district and/or planned development district is desired needs to be made. If initiated at this meeting, the Planning and Zoning Commission can hold its public hearing on July 14, 2015, and the City Council can hold its public hearing on August 4, 2015.

**ATTACHMENT:** Proposed Draft Ordinance.  
**FISCAL IMPACT:** \$1300 for Advertising  
**RECOMMENDATION:** Initiation of the C-3 PDD zoning district and rezoning of the Kingman Crossing property.

  
Signature of Dept. Head

  
City Attorney  
Approved as to form

  
City Manager's Review

AGENDA ITEM: 6d

**CITY OF KINGMAN  
ORDINANCE NO.**

**AN ORDINANCE BY THE MAYOR AND COMMON COUNCIL OF THE CITY OF KINGMAN, ARIZONA: FOR THE REZONING CERTAIN PROPERTY DESCRIBED IN EXHIBIT "A" ATTACHED, FROM R-R: RURAL RESIDENTIAL TO KINGMAN CROSSING C-3-PDD: COMMERCIAL, SERVICE BUSINESS, PLANNED DEVELOPMENT DISTRICT.**

**WHEREAS**, The City of Kingman is the owner of land described in Exhibit "A" of this ordinance; and,

**WHEREAS**, The City of Kingman desires to create a planned development district in accordance with Section 19.000 PLANNED DEVELOPMENT DISTRICT (PDD) of the Zoning Ordinance of the City of Kingman, Arizona, to ensure compliance with the General Plan and good zoning practices, while allowing certain desirable departures from the strict provisions of specific zone classifications; and

**WHEREAS**, the subject property proposed for C-3-PDD zoning is approximately 151-acres and is described as a portion of Section 9, T.21N., R.16W., of the G&SRM, Mohave County, AZ, and further described in Exhibit "A" attached, and

**WHEREAS**, this proposed zoning district is in accordance with the projected land use and density standards of the adopted City of Kingman General Plan 2030 Update, and

**WHEREAS**, the requested zoning district will facilitate the development of a proposed retail shopping center, and

**WHEREAS**, the Planned Development District designation within the C-3 zoned portion of the subject site is intended to provide for various types of land uses compatible with retail and restaurant uses while excluding other uses which are not compatible with a retail shopping center, and

**WHEREAS**, the rezoning requests were recommended for approval by the Kingman Planning and Zoning Commission at the meeting of July 14, 2015 by a \_\_\_\_\_ vote with certain conditions, and

**WHEREAS**, the Kingman Common Council has the authority to approve this request pursuant to the City of Kingman Zoning Ordinance, Sections 13.000, 19.000 and 31.000.

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and Common Council of the City of Kingman, Arizona: That the subject property 151.32-acres and described as a portion of Section 9, T.21N., R.16W., of the G&SRM, Mohave County, AZ, further described in Exhibit "A" attached, be rezoned to the Kingman Crossing C-3-PDD: Commercial, Service Business,

## Planned Development District.

1. The following uses shall not be permitted by right within the area zoned C-3-PDD: Storage and equipment yards associated with contractors offices, Truck sales and service, new and used, Truck and trailer rental and service, and Vehicle towing and storage.
2. The following uses shall not be permitted by Conditional Use Permit within the area zoned C-3-PDD: BMX racetrack, Mini-storages, Motocross racetrack, Off premises signs (billboards), Recreational vehicle parks, Swap meets (indoor and outdoor), Tire retreading and recapping, Travel trailer park, and Truck stops for truck stop facilities.
3. Where the C-3-PDD district directly abuts any residential zoning district, all buildings are to be setback at least 25 feet from the abutting property line. Parking areas may be allowed within the setback areas, but those areas cannot be used for commercial truck deliveries or outdoor storage purposes, including the placement of shipping containers.
4. Future building designs and colors shall be appropriate to the southwestern United States. Colors should include warm earth tones and highly reflective materials such as all metal or all glass buildings shall be avoided. Building designs shall include the use of varied parapets, columns, popouts and pilasters to avoid the appearance of long blank walls.
5. At least ten (10) feet of walkway shall be required between the front entrance of any buildings and parking lot traffic aisles to provide adequate walking room and to reduce pedestrian/vehicle conflicts.
6. Overall sign plans shall be submitted at the time of development which compliments the architectural theme of the principal buildings in terms of design and color. All free-standing signs shall have skirting around the pole supports at the base. The sign base shall be at least 50-percent of the width of the sign width.
7. All parking areas shall include landscaped tree islands for every 15-parking spaces. A raised landscaped berm or a continuous wall at least 3 feet in height or some combination of both, shall be used to screen all parking areas from adjacent public streets. Perimeter planting strips at least 10 feet in width along the street frontages shall be required.
8. Heavy landscaping and a buffer wall shall be located at the time of development where the C-3-PDD district directly abuts any residential zoning district.
9. All commercial driveways shall align on both sides of the streets where there are no medians.
10. The issuance of building permits by the City of Kingman on the subject properties shall not occur until a notice to proceed has been made by ADOT and construction of the Kingman Crossing interchange has begun.

**PASSED AND ADOPTED** by the Mayor and Common Council of the City of Kingman, Arizona this 4th day of August, 2015.

**ATTEST:**

**APPROVED:**

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Sydney Muhle, City Clerk

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Richard Anderson, Mayor

**APPROVED AS TO FORM:**

---

Carl Cooper, City Attorney

Exhibit "A"  
"LEGAL OF AREA TO BE REZONED"

A portion of the South One Half (1/2) of Section 9, T. 21 N., R.16 W., G. & S.R.M., Mohave County, Arizona as shown on Retracement and Dependent Resurvey of a Portion of the South East One Quarter and the South West One Quarter of Section 9 lying within the area as described as follows;

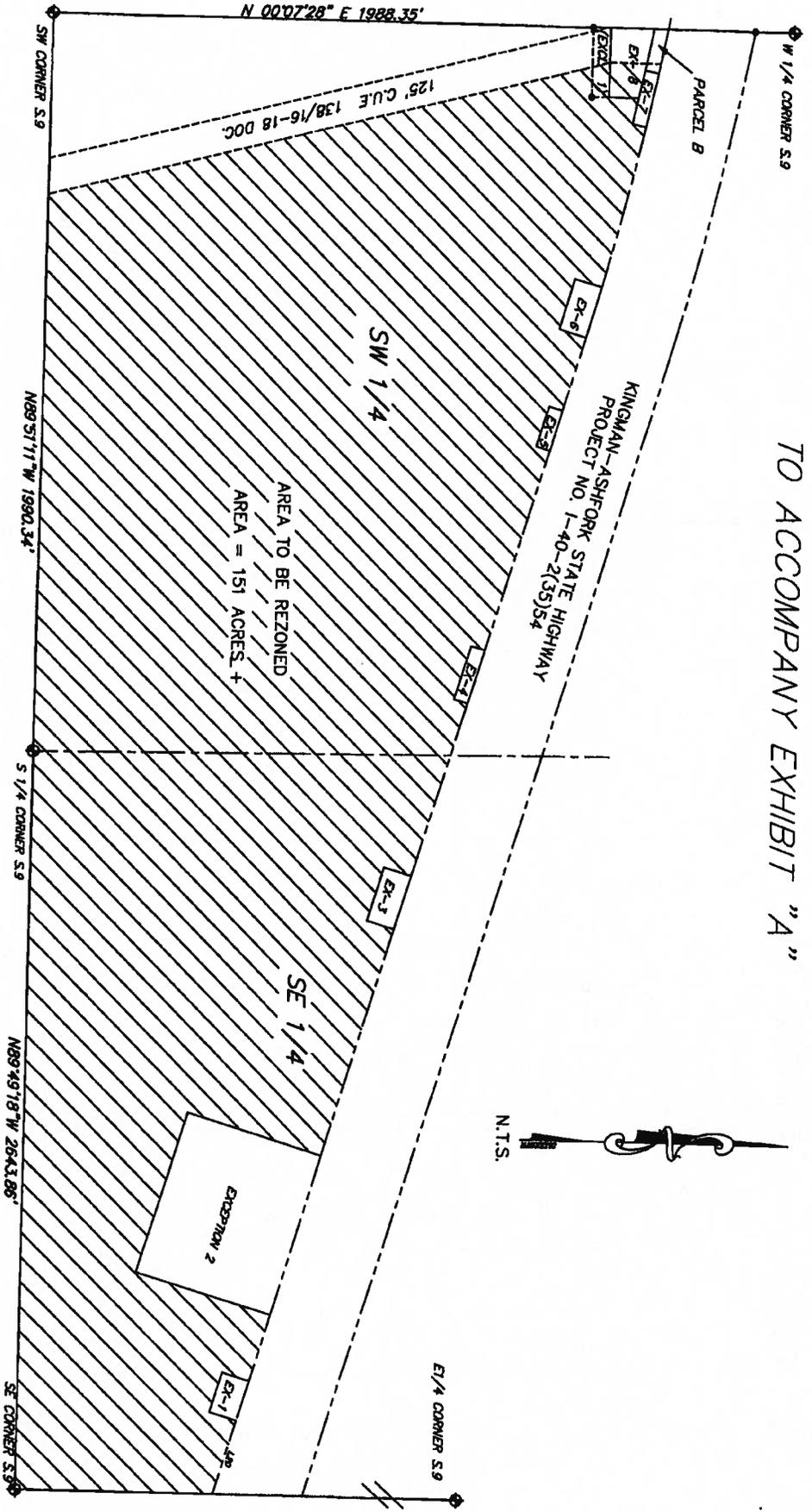
That portion of said section 9 as described in Book 3550 page 368 Official Records of Mohave County, Arizona and shown as Parcel A, B and Exception 8 on said Resurvey plat and lying Easterly and adjacent to an 125' wide Electrical Transmission Easement as described in Book 138 pages 16-18 of Dockets Mohave County Recorder.

This area contains 151 acres more or less based on recorded deeds and surveys.



Expires 12-31-2016

EXHIBIT "B"  
TO ACCOMPANY EXHIBIT "A"



# CITY OF KINGMAN COMMUNICATION TO COUNCIL



TO: Honorable Mayor and Council Members

FROM: Tina D. Moline, Financial Services Director

MEETING DATE: June 16, 2015

AGENDA SUBJECT: Adopt Public Notice for Public Hearing on July 21, 2015 to Amend the City of Kingman Tax Code by Removing the Sunset Date on the Increased Taxation Rate of 0.50% on All Categories

**SUMMARY:**

On May 7, 2013, Council adopted Ordinance 1751R which increased the taxation rate on all categories by 0.50% effective July 1, 2013 through June 30, 2016. The purpose of the temporary TPT increase was to supplement funding for necessary public safety equipment and fleet replacement, public safety facilities, street improvements and maintaining a general fund balance of 25% of its operating expenditures. Some of these items are ongoing and need funding to complete, and other items such as general fund expenditures have become a priority.

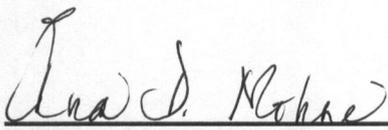
During budget work sessions there was much discussion surrounding the 0.50% TPT tax increase and removing the June 30, 2016 sunset date. Since there was not a consensus during budget work sessions on moving forward with a public hearing process to remove the sunset date, staff is looking for direction from Council on how to proceed. It should be noted that if Council directs staff to move forward with a public hearing process, as other revenue sources are implemented, the 0.50% TPT increase can be revised or removed in its entirety.

**ATTACHMENTS:**

- 1) Page 1 and Page 46 of Ordinance 1751R;
- 2) List of Priority Items (completed and ongoing); and
- 3) Arizona City and Town Data

**RECOMMENDATION:**

Staff is looking for direction from Council on whether to proceed with a public hearing process to amend the City of Kingman tax code or to allow the temporary 0.50% TPT increase to expire on June 30, 2016.

  
Signature of Dept. Head

  
City Attorney  
Approved as to form

  
City Manager's Review

AGENDA ITEM: *6c*

ORDINANCE NO. 1751R

AN ORDINANCE OF THE CITY OF KINGMAN, ARIZONA, RELATING TO THE TRANSACTION PRIVILEGE AND USE TAX; AMENDING THE CITY TAX CODE BY INCREASING THE RATE OF TAXATION FROM TWO PERCENT (2%) TO TWO AND FIFTY HUNDREDTHS PERCENT (2.5%); PROVIDING PENALTIES FOR THE VIOLATION THEREOF; PROVIDING FOR SEVERABILITY; DESIGNATING AN EFFECTIVE DATE AND MAKING PROVISION FOR EXISTING CONTRACTS.

WHEREAS, the City of Kingman Common Council (the "Council") desires to provide an excise tax revenue source combined with other federal, state and local resources for adequate funding of City public safety and general services and to protect the financial integrity of the City of Kingman (the "City"); and

WHEREAS, the Council further desires to provide an excise tax revenue source combined with other federal, state and local funding for construction and maintenance of capital infrastructure, capital projects and equipment identified as priorities within the capital and infrastructure improvements plan and budget; and

WHEREAS, in order to provide sufficient revenues necessary for the delivery of public safety and general services, and capital improvements it is deemed necessary to increase the transaction privilege and use tax rate from two percent (2%) to two and fifty hundredths percent (2.5%); with said increase to be effective July 1, 2013 through June 30, 2016;

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF KINGMAN, ARIZONA:

Section 1. The following section of the City Tax Code is amended to read:

**CHAPTER 8A - PRIVILEGE AND EXCISE TAXES**

**Article IV - Privilege Taxes**

**Sec. 8A-400. Imposition of Privilege Taxes; presumption.**

- (a) There are hereby levied and imposed, subject to all other provisions of this Chapter, the following Privilege Taxes for the purpose of raising revenue to be used in defraying the necessary expenses of the City, such taxes to be collected by the Tax Collector:
  - (1) a Privilege Tax upon persons on account of their business activities, to the extent provided elsewhere in this Article, to be measured by the gross income of persons, whether derived from residents of the City or not, or whether derived from within the City or from without.
  - (2) (Reserved)
- (b) Taxes imposed by this Chapter are in addition to others. Except as specifically designated elsewhere in this Chapter, each of the taxes imposed by this Chapter shall be in addition to



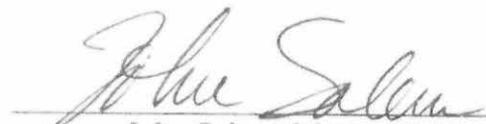
**Section 5.** The tax increase imposed pursuant to Section 1 of this ordinance shall not apply to contracts entered into prior to the effective date of this ordinance.

**Section 6.** The revenue generated from the additional 0.5% incremental increase in the tax rate will be designated as follows: restore and maintain general fund unreserved fund balance to no less than 25% of general fund operating expenditures; fund necessary police and fire mobile data terminal system; replace aged and obsolete breathing apparatus used by public safety personnel to operate in hazardous environments; replace fully depreciated public safety equipment and fleet; comply with state mandated automated fingerprinting system; reconstruction and improvements to Airway Avenue west of Stockton Hill Road; establish and install measures for a quiet zone in downtown Kingman; and if there are excess revenues in future years, said revenues will be applied to projects, public safety and general services as appropriated by the Council.

**PASSED AND ADOPTED by the Mayor and Council of the City of Kingman, Arizona, this 7TH day of May, 2013.**

ATTEST:

  
\_\_\_\_\_  
Deborah Francis, Clerk

  
\_\_\_\_\_  
John Salem, Mayor

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Carl Cooper, City Attorney



**LIST OF COMPLETED (OR TO BE COMPLETED BY FY16) PRIORITY ITEMS FUNDED  
BY THE 0.5% INCREMENTAL INCREASE IN THE TPT**

**General Fund Balance.** Restored the general fund balance to no less than 25% of general fund operating expenditures.

**Public Safety Mobile Data Terminal System.** Purchased and installed Mobile Data Terminal System for communications between police and fire vehicles and the dispatch center. *Police \$361,346; Fire \$165,000*

**Public Safety Equipment and Fleet Replacement.** Breathing air compressors for the firefighters were reaching the end of their projected life span and needed to be upgraded. Public safety radios were purchased and a fire truck was replaced. *\$194,012*

**Street Infrastructure Improvements on Airway – Stockton Hill Road to Western.** A Kingman Area Transport Study concluded this segment needed a five lane arterial constructed. Improvements in the total area included widening Airway, constructing a raised concrete median, and reconstructing existing curb and sidewalk in the right of way. Flood control funds were designated for most of the project. *\$123,575*

**Street Infrastructure Improvements – Quiet Zone in Downtown Kingman.** The purpose of this project made at-grade railroad crossings safer for motorists and eliminated the need for trains to sound their horns as they passed the crossings downtown. *\$20,000*

**Abatement Program.** Funding has been restored to \$50,000 annually to pursue remediation of private property's that are in a condition dangerous to human life, unsafe, or detrimental to the public health or safety. *\$50,000 annually*

**LIST OF ONGOING PRIORITY ITEMS TO BE FUNDED IF THE SUNSET ON THE  
0.5% INCREMENTAL INCREASE IS REMOVED**

**General Fund Balance.** Maintain the general fund balance to no less than 25% of general fund operating expenditures.

**Public Safety Equipment and Fleet Replacement.** Fire apparatus/fire engine replacements are necessary in the next 2-4 years and include the Support/Haz Mat truck, the water tender (offset with a grant award), and a fire engine. Patrol vehicles are aging. It is necessary to replace approximately 5 police vehicles each year in order to maintain the current fleet with approximately 11 years of service before recognizing full depreciation. Replacement of other high mileage vehicles such as a crime scene vehicle, neighborhood services vehicles and detective vehicles will be necessary. *\$2,000,000.*

**Public Safety Facilities – Fire Station #2/#5 Design and Construction.** The current fire station #2 does not have room to centralize personnel and locate the ladder and rescue trucks in the center of the community. Relocation or renovation of this station will provide centrally located and necessary bay space for the ladder and rescue trucks. Due to the lack of access in the northeast area of Kingman, emergency response times to this area are below average. With the City experiencing continued growth to this area, fire station #5 will need to be constructed and equipped with apparatus, engines, personnel and equipment. This station will also facilitate public safety classroom training needs. *\$6,000,000.*

# CITY OF KINGMAN COMMUNICATION TO COUNCIL



TO: Honorable Mayor and Council Members

FROM: Development Services

MEETING DATE: Tuesday, June 16, 2015

AGENDA SUBJECT: Historic Preservation Commission report to Council on member's attendance to State Annual Historic Preservation Conference, May 12-16, 2015 in Flagstaff Az.

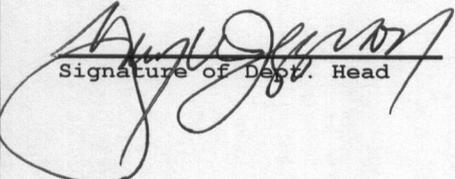
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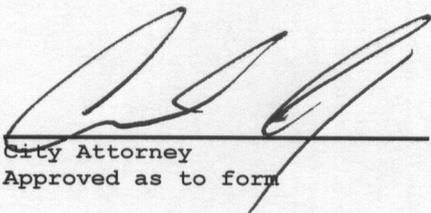
SUMMARY: From May 12<sup>th</sup> through the 16<sup>th</sup>, 2015, Historic Preservation Commission members D'Arcy Wagner and Angele Florisi attended the State Historic Preservation Office's annual preservation conference in Flagstaff Arizona. These Commissioners attended various workshops which provided a wealth of information about local government preservation and redevelopment methods and strategies. Commissioners wish to report to Council on the education they received during this valuable conference.

ATTACHMENT: Preservation conference summary reports

FISCAL IMPACT: None.

STAFF RECOMMENDATION: No action.

  
Signature of Dept. Head

  
City Attorney  
Approved as to form

  
City Manager's Review

AGENDA ITEM: 7a



# Conference Session Notes

PREPARED BY

Angele Florisi, Commissioner

Kingman Historical Preservation Commission

## Editorial Notes:

All Session PowerPoint Presentations Are Expected To Be Posted Online For Downloading

All Web Links Were Added To The Report By Commissioner Florisi

Red Type Indicated Commissioner Additions To Speaker Notes

Link To Conference Program:

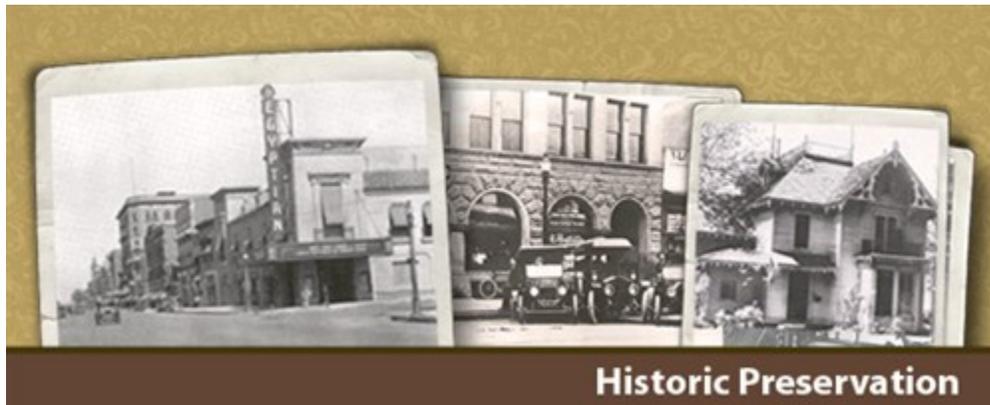
[https://azpreservation.com/2015\\_documents/AZP-025%202015%20Program%20Web.pdf](https://azpreservation.com/2015_documents/AZP-025%202015%20Program%20Web.pdf)

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WEDNESDAY, MAY 13TH

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## CERTIFIED GOVERNMENT COMMISSIONER TRAINING PARTS 1 & 2 (REQUIRED SESSIONS)



Certified Local Government Program (CLG): <http://www.nps.gov/clg/>

Resource: Bob Frankeberger

SHPO Architect, CLG Coordinator

rfrankeberger@azstateparks.gov

602-542-6943

30 CLGs In Arizona

Agreement outlining local functionality

National Park Service → National Register

National Park Service → Arizona State Parks → SHPO → Municipalities & Counties

Local preservation ordinances are the legal means by which you enforce compliance \*\*\*

CLG Requirements

Establish qualified commission

Enforce legislation through local ordinance

Maintain system for survey & inventory

Facilitate public participation in local preservation

Follow Arizona requirements & procedures

Produce an annual report \*\*\*

Mesa has published pamphlet

Used to communicate with mayor & council

Used to inform the populace

Put together at budget time

Use to report past year accomplishments

Used to outline project for next year with request for funding

Chris Cody - Captive Lawyer at SHPO

Federal Preservation Law

1906 Antiquities Act

1916 Department of Interior Established Park Service

1935 Historic Sites Act (HABS)

1949 National Trust  
1966 NHPA (amended in 1980, passed again in 2014)

Section 106

- Initiate Process
  - Establish Undertaking
  - Identify SHPO / THPO
  - Plan to involve public
  - Identify consulting parties
- Identify historic properties
  - Integrity & significance of each
- Assess adverse effects
- Resolve / mitigate

National Register

- Districts & individual properties
- Eligible for federal rehabilitation tax credits
- Criteria for nomination
  - Association with event or person
  - Design / construction importance
  - Information potential to yield discovery (archaeological site)

Secretary of the Interior

- Standards and guidelines more like laws

Federal court rulings

- 1978 Penn Central (regulatory taking case)
- Kelso vs. City of New London (eminent domain case)

1960 / 1982 Historic Preservation Act

- Arizona Antiquities Act

Historic Preservation Bond Funds

- Dollar for dollar match for property owners who upgrade their properties
- In exchange for public preservation / conservation easement

Prop 207 approved in 2006 (see links below for more info) \*\*\*

- Protection against eminent domain takings
- Huge problem for historic districting
- All property owners in overlay district have to sign new Prop 207 waiver

Local historic preservation ordinances are a vital tool

- Historic preservation overlays
- Design review process incorporated as part of city ordinances
- Certificates of no effect can be issued by building department staff
  - Needed for all alternations to historic properties that have no effect on historic features
- Certificate of appropriateness needed & hearing required for alterations to historic properties
- Design guidelines under approved by commission NOT zoning or city council
- Economic hardship is property based NOT owner based \*\*\*
  - Cost of rehabilitation vs. reasonable economic return
  - Lucas vs. South Carolina
  - Euclid vs. Ohio (zoning case)
  - Self created hardship thru neglect goes into analysis
  - Verdicts seldom in favor of property neglect
  - Historic preservation is a public benefit upheld by the courts
- Historic overlay zoning allows for commission oversight
- Review the historic preservation codes for Phoenix, Tempe, Mesa
- Separate HP administrative codes from city zoning codes \*\*\*

Blight remediation

- Neighborhood conservation districts with compatible building guidelines (instead of overlays)
- Sign code changes
  - Designated signage outside city ordinances

Have to be restored & maintained  
Need a vehicle to preserve historic signage  
Assessment of post WWII residential areas for historic designation  
Mid 20th century properties are coming of age for historic qualification  
Place economics: <http://www.placeeconomics.com/>  
Donovan Rypkema: <http://www.preservation.org/rypkema.htm>  
Book: Preparing a Historic Preservation Plan  
<http://www.amazon.com/Preparing-Historic-Preservation-Planning-Advisory/dp/161190045X>  
Economic & non-economic effects on values  
Older, Smaller, Better - Preservation Green Lab  
Paper on economic value of historic preservation  
*Resources On Older, Smaller, Better (research adds)*  
<http://www.preservationnation.org/information-center/sustainable-communities/green-lab/oldersmallerbetter/>  
[http://www.huffingtonpost.com/national-trust-for-historic-preservation/older-smaller-better-new\\_b\\_5375390.html](http://www.huffingtonpost.com/national-trust-for-historic-preservation/older-smaller-better-new_b_5375390.html)  
<http://blog.preservationleadershipforum.org/tag/osb/#.VVv3ZufvjBE>  
<http://www.edra.org/content/older-smaller-better-why-new-ideas-need-old-buildings>  
*Downloaded copies of the research paper available for review*  
Handouts: Who's Who In Historic Preservation  
Open Meeting Law 101  
The Section 106 Process  
Protecting Historic Properties: A Citizen's Guide To Section 106 Review

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THURSDAY, MAY 14TH

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## OPENING PLENARY: KIMBER LANNING LECTURE



Finance is undermining local community building  
Take your communities back  
Work with LOCAL community banks  
Deposit your money in local banks that our their money back into the community  
Resource: Economic Gardening - Harvard Business Review July 2010  
Business attraction and job creation should be small business based not chain and big box store based  
Cities have policies that devalue and disadvantage small businesses  
Become incubators for small business retention and growth  
The payoffs are reduced crime, walkable streets, job creation  
Other payoffs include stronger local community & economy, stable tax base

More big box and chain enterprises translate into lower tax revenues  
Cabela's is in the business of subsidies NOT the sale of goods  
\$68,000,000 in one Arizona city alone  
Chain employees end up on state health care programs not company ones  
Money spent in the chains leaves the local economy and is not recycled through other local businesses  
Local businesses provide opportunities for economic rotation and job growth  
Secondary jobs are provided to even more small businesses (lawyers, designers, printers, etc.)  
That economic rotation ends at the initial transaction in every chain store sale  
Invest in LOCAL business ownership  
Develop appropriate language to explain complex information to multiple audiences  
Developers, zoning and economic development are destroying our sense of place  
Save older buildings and build better cities  
Create a sense of place, community and pride in your hometown  
Hometown is no longer the place you're from but the place your in

## COMMUNITY REVITALIZATION THROUGH ARTS & CULTURE



Get on keynote speaker's newsletter: <https://xg112.infusionsoft.com/app/form/default-campaign-form53>  
Create community engagement through events  
Art in the alley  
Street Fairs  
Farmer's Markets \*\*\*  
Car Show  
Repeat events = repeat attendance  
Regular events with changing themes to maintain community interest  
Changing themes will bring in fresh vendors and fresh attendees  
Events vs. experiences  
A day out downtown can include a historic tour to a specific property  
Red hat ladies  
Ladies day out  
Family walking tour  
Evening couples stroll (free babysitting provided)  
Utilize girl scouts as docents  
Make downtown a date night alternative for young people  
Casa Grande project: icons lost to history painted on old doors hung on side of rehabbed building  
Movies & entertainment on the square  
Roosevelt Row, Phoenix: <http://www.rooseveltrrow.org/>

Art Place America: <http://www.artplaceamerica.org/>  
Community development investments of \$3,000,000  
Feast on the Street

*“Never doubt that a small group of thoughtful, committed citizens can change the world; indeed, it's the only thing that ever has.” (Margaret Mead)*

Revitalization take place block by block  
brick by brick  
tree by tree  
calloused hand by calloused hand

Identify character districts \*\*\*

Delays are not bad as long as you are not going backwards  
Popup vendor & food trucks on vacant lots  
Shipping containers as temporary solar powered art galleries  
Artist murals

Handouts: Arizona Downtown Alliance & Arizona Main Street Program  
Big Business: Economic Impact of the Non-Profit Arts & Sciences in Flagstaff Arizona  
May 2015 Flagstaff First Friday Art Walk  
Historic Downtown Casa Grande Map & Visitors Guide Book  
Greater Casa Grande Chamber of Commerce 2015 Business Directory  
Arizona Downtown Alliance Toolbox

## INNOVATIVE PARTNERSHIPS FOR REVITALIZATION



Arizona Preservation Federation: <https://azpreservation.com/>  
Technical Assistance Panel: <http://arizona.uli.org/community/arizona-technical-assistance-panels-aztaps/>  
Free of charge  
Policy / land use problem solving by panel of experts  
Flagstaff Arts Council: <http://flagartscouncil.org/>  
John Tanouss  
Art Box Institute  
First Fridays  
Flagstaff 365 (with convention & visitors bureau)  
Originally a coalition (developed economic impact study)  
City  
County  
Chamber  
Community College

NAU  
NPOs  
Engage in community conversations  
Listen to business owner and event participants (they will tell what is right & wrong)  
When working with partnerships  
GET IT IN WRITING \*\*\*  
Ensure clear decision making authority  
Coalitions are KEY to advancing shared goals \*\*\*  
Goal of CVB is to increase the number and duration of visitor stays  
Marketing  
Public Relations  
Sales  
Visitor Services  
Provided Conference Assistance  
Engage visitors - they are your best source of information on reactions to your community \*\*\*  
Develop community uniqueness  
2016 is 90th anniversary of Route 66 \*\*\*  
Identify the problem to be solved BEFORE looking for partners \*\*\*  
THING BIG \*\*\*  
Grow the pie instead of being afraid of losing your part of the pie \*\*\*  
Create a money pool  
Resource: <https://www.emoneypool.com/>  
Collaborative tourism  
Keep dollars HERE  
In state, NOT California, in TOWN  
Form a coalition of nearby communities  
Arizona Office of Tourism: <https://tourism.az.gov/>  
Handouts: Flagstaff 2015 Official Visitor Guide  
Big Business: Economic Impact of the Non-Profit Arts & Sciences in Flagstaff Arizona  
2 printouts from ULI Arizona (Urban Land Institute)

## **KEYNOTE: JANE JACOBS AND THE VALUE OF OLDER, SMALLER BUILDINGS**



Resource: Preservation Green Lab  
Part of the National Trust for Historic Preservation  
Engaged in Research, R&D  
*Resources On Preservation Green Lab (research adds)*  
<http://www.preservationnation.org/information-center/sustainable-communities/green-lab/>

*“advances research that explores the value that older buildings bring to their communities, and pioneers policy solutions that make it easier to reuse and green older and historic buildings”*

*Resources On Jane Jacobs (research adds)*

<http://www.pps.org/reference/jjacobs-2/>

[http://en.wikipedia.org/wiki/The\\_Death\\_and\\_Life\\_of\\_Great\\_American\\_Cities](http://en.wikipedia.org/wiki/The_Death_and_Life_of_Great_American_Cities)

<http://www.janejacobswalk.org/>

[http://en.wikipedia.org/wiki/Jane\\_Jacobs](http://en.wikipedia.org/wiki/Jane_Jacobs)

The greenest building is the one that already exists

Older & smaller is also better

New ideas (and companies) need old buildings

They keep the properties viable

They are (or should be) an affordable resource for new, growing ventures

New and small ventures provide the ONLY real jobs and job growth

## **PRESERVATION’S FUTURE: SAVING CULTURAL RESOURCES THROUGH MEANS OTHER THAN HP ZONING OVERLAYS**



SAVE AMERICA'S  
TREASURES

Question: What are the federal / state requirements put on designated properties & their owners?

Know the rules and regulations and have ordinances in place to enforce them

Those properties not in compliance need to be delisted

You need a carrot at the end of the stick

Relisting will be much more difficult than fixing the property deficiencies

Historic designation has VALUE (monetary as well as cultural)

Available tax credits will be lost

Could be substantial for some owners (20% state and 20-30% federal)

*Resources On State & Federal Preservation Tax Credits (research adds)*

<http://azstateparks.com/shpo/tax.html>

<http://azstateparks.com/SHPO/propertytax.html>

<http://azpreservation.org/assets/arizona-historic-preservation-tax-credit-hb2337>

<http://www.nps.gov/tps/tax-incentives.htm>

<http://www.preservationnation.org/take-action/advocacy-center/policy-resources/historic-tax-credits.html>

<http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Rehabilitation-Tax-Credit-Real-Estate-Tax-Tips>

In light of the 2006 Prop 207 initiative historic district overlays have become all but impossible  
Consider the use of a conservation area instead  
Overlays require a legal sign-off by ALL property owners

*Resources On Prop 207 (research adds)*

[http://en.wikipedia.org/wiki/Arizona\\_Proposition\\_207\\_%282006%29](http://en.wikipedia.org/wiki/Arizona_Proposition_207_%282006%29)

<http://www.azleg.gov/FormatDocument.asp?inDoc=/ars/12/01134.htm&Title=12&DocType=ARS>

[http://ballotpedia.org/Arizona\\_Homeowners\\_Protection,\\_Proposition\\_207\\_%282006%29](http://ballotpedia.org/Arizona_Homeowners_Protection,_Proposition_207_%282006%29)

<http://www.arizonalawreview.org/pdf/51-1/51arizrev211.pdf>

<http://blog.pacificlegal.org/2012/plf-and-goldwater-institute-victory-in-private-property-rights-case/>

*Multiple document downloads available on this topic*

Find ways to appeal to non-preservationists

Owners need to feel proud of their neighborhoods

## **COTTONWOOD, ARIZONA: ONE BUSINESS AT A TIME**



Public / private partnerships are vital

Anchor tenants & local business owners are necessary for success

Single investor with multiple properties was the key

Key properties need to be in the hands of LOCAL business owners

The city should NOT purchase the properties

City needs to invest in infrastructure

    Main street revitalization

    Street & sidewalk reconstruction (beautification & walkability)

    Lampights (for character & security)

    Parking (so businesses & events can be frequented)

Collaborative effort with 5 year plan & someone specific responsible for outcomes

    Education & Workforce

    Innovation & Entrepreneurship

    Tourism

    Old Town

    Sustainability

    Leadership

    Quality of Place

**NO CHAINS ALLOWED — SHOP LOCAL CRITICAL FOCUS**

Other important elements

    Bootlegger rebirth (focal point for hometown breweries & wineries)

    Farmers markets \*\*\*

City branding \*\*\*  
Regular events \*\*\*  
Incubator for renting out space to small startup businesses  
Old town association \*\*\*  
Loan Fund \*\*\*  
System wide operating agreement & delivery system \*\*\*  
Handout: Cottonwood and Verde Valley Visitor's Guide

## **PRESERVING SMALL-TOWN ARIZONA: HERITAGE TOURISM AND ECONOMIC DEVELOPMENT IN CAMP VERDE**



Placemaking should be used as an economic development strategy  
Effective marketing tool  
Use to create a livable, attractive community with a viable economic future  
Identify & recognize existing assets  
Political  
Financial  
Human  
Create community partnerships  
Develop a pathway to preservation  
Draw on regional, state and federal partners and programs  
Increase community pride and asset awareness  
Identify key aspects of city and surrounding area  
Employ a common theme to identification signage



Whether big or small - MAKE A DIFFERENCE \*\*\*

Invest sweat equity into rehab projects

Be practical & resourceful

Use social media \*\*\*

Partnerships exist - grab them

admit defeat but NEVER surrender

Have faith in the collection of nickels, they can be leveraged to greater effect

Form a downtown association \*\*\*

Draft a vision plan and get everyone on board (city officials, residents, business owners, etc.)

Develop an implementation matrix

Lead by example \*\*\*

Preservation spending is hard to justify - but our historic communities define who we are

City of Stafford

City funded downtown improvement projects

Relocating all overhead utilities underground

Corner bumpouts

Trees

Sidewalk reconstruction to make downtown more walkable

Big A frame event signs set up by public works along highways and major arteries

Created a facade grant program

\$5000/year from the city

\$1000/year from downtown association

Eligible projects

Full facade renovation

Sidewalk cafes & kiosks

Structures

Awnings

Signage

Up to 50% funding from the grant

Refundable grant NOT upfront grant

Supportive city council is essential to move projects forward

No success downtown is too small \*\*\*

Department of Commerce Main Street Program

Nearly every state has a main street program, for example:

North Carolina *Department of Commerce Resources (research adds)*

Rural Development: <https://www.nccommerce.com/rd>

Grant Programs: <https://www.nccommerce.com/rd/rural-grants-programs>

Main Street Program: <https://www.nccommerce.com/rd/main-street>

National Main Street Center: <http://www.preservationnation.org/main-street/about-main-street/#.VVqm1xfvjBE>

Local First Arizona: <http://www.localfirstaz.com/>

Flagstaff is the model for downtown development is Arizona

Resource: <http://visionflagstaff.com/> \*\*\*

Crowdsourced placemaking

Citizen suggested city improvements | changes

Need to register to use site \*\*\*

Overtone foul language but try to leave comments intact

When project gets 50 likes it moves to feasibility mode

Section called "life after 50" tracks project development

Dead projects archived in "whatever happened to" section

Operate on a 5 year plan mechanism

Funded through BBB tax (bed, board, booze)

Redevelopment is ALWAYS political and ALWAYS about money

You need a champion & leadership

No project is ever too big or too small

# SOCIAL MEDIA AND MAPPING: BLAZE A PATH TOWARD PRESERVATION



## Geocaching at historic buildings & public sites

Hide Stuff, Find Stuff

Techno treasure hunt with participants all over the world

Placed only by officials or staff

Use as tool for historic preservation

It's all about exploration and discovery

*Resources On Geocaching (research adds)*

<https://www.geocaching.com/play>

<https://www.facebook.com/geocaching>

<http://en.wikipedia.org/wiki/Geocaching>

<http://www.nps.gov/pefo/planyourvisit/geocaching.htm>

<http://forums.groundspeak.com/GC/>

*Resources On Route 66 Geocaching (research adds)*

[http://www.geocaching.com/geocache/GC2J17A\\_001-route-66?guid=ff4f6588-37a5-40d6-bb0d-d444774ed832](http://www.geocaching.com/geocache/GC2J17A_001-route-66?guid=ff4f6588-37a5-40d6-bb0d-d444774ed832)

[http://www.geocaching.com/geocache/GC2K6TW\\_800-route-66?guid=0fcdcdde-d3b1-464f-a8ab-1b0f4ecbb77f](http://www.geocaching.com/geocache/GC2K6TW_800-route-66?guid=0fcdcdde-d3b1-464f-a8ab-1b0f4ecbb77f)

<http://www.kingmanlions.org/AZ66Geocaching/Route%2066%20Association%20of%20Arizona.htm>

<http://forums.groundspeak.com/GC/index.php?showtopic=266317>

<https://geocass.wordpress.com/2012/04/22/an-american-caching-adventure-part-4-route66/>

## THIS PLACE MATTERS \*\*\*

*Resources On This Place Matters (research adds)*

Program of the National Trust For Historic Preservation

<http://savingplaces.org/thisplacematters>

Pick a property, print & place one of these signs or turn them into hand held sign for an event

<http://www.preservationnation.org/assets/pdfs/saving-places/TPM-Instructions.pdf>

Use as a signature graphic for eMails or when sharing photos of significant places



Use the concept for resource mapping \*\*\*

Resource & Example: <http://modernphoenix.net/>

Author: alison@modernphoenix.net

Start by gathering information from the county GIS system

Plat maps

Original Parcels

Original Place Names

Mohave County Link: <http://www.mohavecounty.us/ContentPage.aspx?id=121&cid=39>

Another resource is Sandborn Maps

Fire Insurance Maps

Contain Original Layout of Townships

Building Usage

Building Materials, Windows, Stories

Owner or Tenant Information

*Resources On Sandborn Maps (research adds)*

<http://www.sanborn.com/sanborn-fire-insurance-maps/>

<http://sanborn.umi.com/>

<http://www.loc.gov/rr/geogmap/sanborn/>

[http://en.wikipedia.org/wiki/Sanborn\\_Maps](http://en.wikipedia.org/wiki/Sanborn_Maps)

<http://edrnet.com/prods/sanborn-maps/>

Make your own maps \*\*\*

They will NEVER be perfect

You will likely be wrong

Get over it !

Start conversations, do more research and make corrections as you go

Glean additional information from local historical societies, museums, libraries

Prescott Library is a great resource: <http://www.prescottlibrary.info/>

Get a library card and you can access and check out materials

Technology is [now] the campfire around which we tell our stories (Laurie Anderson)  
Maps can be used to create snapshots of cultural values at different points in time

Resource: <http://www.communitywalk.com/>

- Uses Google intelligence (API)
- Categories make it GIS Lite
- Data exportable to Excel spreadsheet
- Can bulk import spreadsheet data sets back to map
- Upload multiple images
- Enable community comments
- Document demolished elements
- FREE

Get people to volunteer to place their homes on the maps (*or have an application process ???*)

Provide information on how to apply for National Register status & the criteria for evaluation

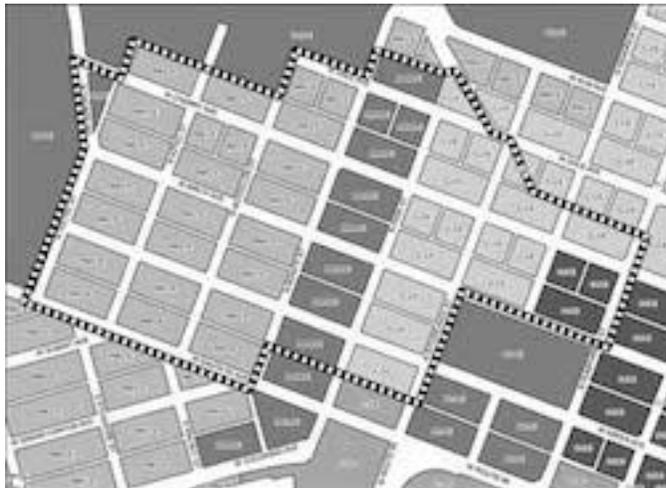
Instagram: creepy tool but cool

- Tracks your location

- Can marry to CommunityWalk (see above)

Saving neon signage has become a HUGE project that has fans all over the world

## LONG & WINDING ROAD: PRESERVING ONE OF FLAGSTAFF'S OLDEST NEIGHBORHOODS



Create an association and get everyone possible involved

Downzoning can be a legal tool, but difficult in light of Prop 207 (see above)

*Resources On Downzoning (research adds)*

<http://www.useful-community-development.org/down-zoning.html>

[http://www.jk9.com/downzoing\\_legal.htm](http://www.jk9.com/downzoing_legal.htm)

<http://plannersweb.com/2014/05/quick-look-downzoning/>

<http://heritage.utah.gov/history/downzoning>

<http://www.forbes.com/sites/markbergen/2011/09/26/the-downzoning-uprising-and-the-fight-against-density/>

*Several papers downloaded on this topic available for review*

Community land trust model is a very effective and flexible tool for stabilizing neighborhoods

*Resources On Community Land Trusts (research adds)*

<http://cltnetwork.org/>

<https://www.facebook.com/NCLTNetwork>

<http://www.shareable.net/blog/how-to-start-a-community-land-trust>  
<http://equitytrust.org/2012/07/clt-network/>  
[http://en.wikipedia.org/wiki/Community\\_land\\_trust](http://en.wikipedia.org/wiki/Community_land_trust)

## SAVING VAIL'S HISTORY FOR FUTURE GENERATIONS



Formed Vail Preservation Society

Create a historic town site

Town has an excellent school district that was the impetus or explosive growth

Bedroom community to Tucson, everyone from somewhere else

Needed to create a sense of place and a hometown connection

Connect community through local history \*\*\*

Make sure older, historic families are represented in the process, they are a great resource \*\*\*

Record as many oral histories as possible before they are lost (high school video project)

Find ways to start generational conversations between the old, the young and the in-between

WHEN YOU ARE GRANT FUNDED YOU ARE PROJECT DRIVEN

GIVE YOUTH MEANINGFUL WORK THEY BECOME INVESTED IN AND CAN BE PROUD OF

High school construction technology program

Incorporated building preservation and rehabilitation into curriculum

Students provided with hand on field experience repairing and repurposing old buildings

Utilize university students and classes as a resource

Present a project to them to help fill a need

Can be a win-win for everyone

Handouts: Vail Historic Preservation Society Bookmark

Two Historical Time Lines

**ARIZONA HISTORIC PRESERVATION CONFERENCE  
FLAGSTAFF, AZ MAY 13-15, 2015  
PATHS TO PRESERVATION**

The City of Kingman Historical Preservation Commission was afforded the opportunity to attend this conference through a scholarship program. D'Arcy C. Wagner, Chairman and Angel Florisi were able to attend the conference with the assistance of William T. Schilling, City of Kingman Grants Administrator. We would like to thank Bill for all his support and interest in getting us to this very informative conference. This was the 13<sup>th</sup> annual conference and there were quite a few attendees who had over 10 years perfect attendance. We were definitely the "Newbies"!

On Wednesday, May 13, we attended the Certified Local Government Commissioner Training for both sessions.

This was a recap of some of the concepts that must be understood and adhered to as a commissioner. Open Meeting Law 101 was the kickoff subject. John L. Southard from Tempe gave an overview of the 48 districts and neighborhoods in his area. His commission has 9 members and access to a lot of professionals from ASU, including archaeologists and architects. Then Dr. Jonathan Mabry from Tucson went over some of the procedures for projects and review approval. The next speaker from Phoenix was Michelle Dodds who spoke about Historical Preservation Overlays, Design review and Demolition review. How projects were funded was a main topic throughout the conference and many variables were mentioned from city to city.

Phoenix has had bond funds that were voter approved in 1989 for \$15 million, 2001 for \$14 million and 2006 for \$13 million. They have several grant programs and newsletters going out to 35 historic districts. Their 2015 Historic Preservation Plan was approved and set 10 year goals. This was impressive on many levels. It let us know what other city governments take seriously and that the voters were definitely huge supporters of the vision and goals for preservation.

6PM-8PM The Weatherford Hotel in downtown Flagstaff was the setting for the Networking Session. The recently opened Gopher Hole event space in the lower level accommodates 250 guests in a stone walled cellar area reminiscent of a wine cave/bar. The owner shared some of the highlights and nightmares of the \$2 million dollar project with us. She was originally from the Cleveland, Ohio area and was very informative. The upper levels of the hotel are more Victorian in style and we were able to visit the Ballroom on the third floor where Trivia Night was in progress.

We saw a true mix of the old and the new! And that was only Day One!

Thursday May 14, 2015

Angel and I split up so we could get as many sessions in as humanly possible. I attended The Route 66 presentations all morning and she went to Community Revitalization Through Arts & Culture and Innovative Partnerships.

The 8AM Presentation by Kimber Lanning of Local First Arizona during breakfast was one of the most popular sessions of the conference. Everyone seems to know her and love her. She highlighted many towns that have economic proof that their older neighborhoods outperform the new. She cited the big disconnect between Economic Development Strategies, Urban Development and the reality that towns which had maintained their historic neighborhoods had higher occupancy rates in buildings that were suitable for startup companies. She had statistics and compared corporate job creation versus independent small businesses. She also stressed the importance of community banking, stating that bigger banks are not in tune with local neighborhoods and often refuse to finance projects at the local level.

9:40-10:30 Route 66 Past, Present and Future was another jam packed master class. The first speaker was Sean Evans from the NAU Library who addressed the problem of sharing information and the modern online archives that are allowing unique material to be more easily accessed. On the other hand, since Route 66 passes through 8 states, funding is a problem because it is hard to share across several institutions. Dr. Michael Amundson spoke about The Digital Route 66 and how QR codes have created the ability for visitors to access information while standing at a site. He recommended getting up and running with technology so that outdated brochures will not be necessary.

The 2012 Economic Impact Study was reviewed by Kaisa Barthuli, who is the Program Manager for The Road Ahead Collaboration. She **STRONGLY SUGGESTED** that we attend the workshop in Flagstaff AZ on Tuesday, July 28, 2015. These workshops are providing a forum to develop a national framework to leverage opportunities across the entire Mother Road.

11:50-1:30 The lunch Session was titled “Jane Jacobs and the value of Older, smaller buildings”

1:40-2:30 Voices of Hidden Route 66. The afternoon session was presented by Dr. David Dunaway who teaches at the University of New Mexico. I bought his book and the CD of his recorded stories of Route 66 that he did for a radio documentary. He referenced authors and novels, such as Steinbeck’s “The Grapes of Wrath”. He seemed to think that many current visitors are looking through the tinted lenses of nostalgia and missing the reality of the struggles that created the stories. He says we should let history be accessible and stay authentic, but get rid of all the trinkets.

## 2:50-3:40 Preserving Small-Town Arizona: Heritage & Tourism in Camp Verde

Camp Verde has installed signage to identify sites of interest and has digitized their walking tours with QR codes so that if the Visitor Center is closed the info can be accessed. They also built partnerships with local organizations and demonstrated the value of place to elected leaders. Steve Ayers presented this information and he is The Economic Development Director of Camp Verde. Projects are funded by the 3% bed tax and their budget was \$178,000 this year. They also got a Freshwater Initiative Grant for \$150,000.

In November 2012 the Verde Valle Archaeology Center moved to a new location of 5000 sq. ft. That facility has received an excellent Conservation Assessment and is now qualified to receive collections of artifacts from Federal, State or private lands. Ken Zoll VVAC Executive Director presented this segment.

Friday, May 15, 2015

8AM Breakfast presentation was Adrian Scott Fine from the Los Angeles Conservancy on the topic "Saving Urban renewal?". He cited examples from the 1960's of blocks being razed to bring in new sports arenas and civic centers at the expense of entire neighborhoods in Pittsburgh, Philadelphia, Detroit and other Midwestern cities. At the time, residents were incensed when they found out the demolition plans cited density and disease as the reasons.

In the case of Pittsburgh, the space is now a 20 acre bald spot because the arena that had "landed like a satellite" has since been torn down itself. Urban renewal was a misguided failure. This topic resonated with me particularly because my own hometown lost its main core and got an ugly concrete bunker. Luckily some of the historic boulevards and the fountain were restored in about 2000-2006 when a local businessman bequeathed plans and money for a foundation specializing in preservation.

It was nice to hear that the pendulum has swung back toward saving usable buildings. We heard that the greenest building is one that already exists by those who are considering adaptive reuse. This was a major theme/thread that was repeated by many of the speakers.

## 9:40-10:30 Session "Placemaking on a budget"

We heard speakers from smaller towns, mostly in Eastern Arizona that have had success with smaller programs and budgets.

Kip Culver, Director of the Main Street Program/Globe, AZ said money is the real problem, no matter what. He also receives a percentage of the bed tax for his projects, but they had been very

creative with a lot of volunteers, including the Boy Scouts helping scrape and paint properties. He said it is okay to admit defeat, but never surrender! They have restored a 1910 Jail and a transportation Depot as well as the TeePee 1950's Car hop style restaurant.

Safford did a vision plan in 2008 and has implemented a FAÇADE Grant program, installing planters and awnings to unify the 4 block downtown area. They also sponsor 15 events including Christmas, Cinco de Mayo, and a Salsa Fest. Dustin Welker works for the City of Safford as Downtown Manager and he presented. Funding is \$5000 yearly from The City and \$1000 from their downtown Association. He also mentioned that Kimber Lanning of Local First Arizona had helped him. He said if Kimber calls you, you better answer!

Karl Eberhard, AIA, the Flagstaff Community Design & Redevelopment Manager gave us some examples of the results of projects in Flagstaff. He stated that they seemed to have survived the economic downturn better than most and that the funding comes from Bed, Board and Booze taxes. Proposed projects go on their website and are voted into priority by citizens posting 50 likes. They are then sent to staff for feasibility and then on to the City. He also stated that they deal with conflicts pitting "Boots vs. Birkenstocks".

#### 10:50-11:40 Rehabilitation of the Mid-Century Modern Painted Desert Community Complex at Petrified Forest National Park

In 1972 this visitor center had 1.25 million visitors and is expecting 900,000 in 2015. It originally opened in 1962 and was designed by the famous architect Richard Neutra. At that time interstate 40 was new and the modern style was totally different than the rustic style of most Park facilities. It was a new concept for a new location.

Over the years additions and changes covered some of the original design elements and it was slated for demolition in 1993. However in 2004 it was saved when the Park Service realized it was a design Landmark. Recently the push to restore has led to the replacement of planters and benches and the removal of incorrect additions and colors. Foundation reinforcement and Heating/Cooling updates are in the works. Design flaws relating to drainage are being corrected. The complex is East of Flagstaff approximately an hour and a half travel time.

11:50-1:50 Governor's Awards Luncheon. This presentation included the GAAC Governor's Archaeology Advisory Commission awards in Public archaeology that are given to those who contribute to the protection and preservation of non-renewable archaeological resources. Neil Weintraub received the individual award this year and we were able to meet him and go to the Kaibab National Forest with him on Saturday Morning.

In addition the Heritage Preservation Honor award nominees were introduced and photographs of projects were shown. Angel Delgadillo from Seligman was honored for his 1987 creation of the Arizona Route 66 Association and his dedication to the Mother Road. The final project winner was the University of Arizona Old Main building rehabilitation.

2:00-3:00 Assessing the Level of Knowledge & Interest in Historic Preservation from Interior Design Students-Melissa Santana

Close to 60% of designers are actually doing work on historic buildings, but this was not an area covered by most Interior Design programs. At NAU Interior Design is in the Art Department, however at many schools it is combined with Architecture. An ASU Faculty member in our audience stated that architects at her school thought they didn't need to know about Historical Preservation until recently. With the economy down, adaptive re- use of buildings has proven to be a viable topic. Functional and Esthetically pleasing projects are using the shell of buildings that are already available. Again, the Greenest building is the one that already exists.

Students need to be qualified to adhere to codes and be aware of technical as well as creative issues. Standards are being reassessed and the Council for Interior Design Accreditation has added several guidelines. Design solutions can't just be "because I liked it". History of Architecture awareness goes hand in hand with sustainability, environmental issues and green building guidelines.

3:20-4:40 The Dyck Rockshelter Collection: A Private Landowners Preservation of Arizona's Ancient Heritage- Todd Bostwick

This was a fascinating overview of the Rim Rock Ranch Property. Three hundred acres of land were purchased by an artist, Paul Dyck. He was known for landscapes and life size portraits of Plains Indians. The property had a stretch of the Wet Beaver Creek running through it. After he built a studio and started exploring he discovered an untouched cave above the creek, which could only be reached by wading across the water. At certain times of the year the creek is 30 ft across and 10 ft deep.

Between 1962 and 1972 archaeologist Dr. Charles Rozair from UCLA excavated the rooms of the cave with students and volunteers. All the documentation and photographs were actually never analyzed or written up so the family asked for it back. Then the sealed cartons were left in a shed for many years undisturbed once again.

Finally, in 2014 the materials went to the Verde Valley Archaeology Center. Now they are contacting as many of the original people who were there during the early years, many of whom

have gone on to stellar careers. Many had their own personal photos of the dig and the excavation areas as they were in the 1960's.

We viewed seeds, corn and vegetables that were dated back to 1210, over 800 years old. The squash and corn looked the same as today. There were lots of walnut shells and what appeared to be prickly pear fruit. Paleobotanists will be doing DNA testing on some of the corn and other items to compare it to modern species.

Due to the dry conditions, all of the recovered items are in incredibly clean condition. Woven fabric, cotton yarn and bundles of undisturbed cloth were found. Wooden bows that were completely intact, along with arrows and darts were also excavated. The darts were similar to a Hopi game. Coiled baskets and woven nets for catching rabbits were also in the cave. 2000 pieces of ropes with a variety of knotting styles are now at the VVAC along with sandals, leggings, flutes and tools.

This is one of the largest collections of items that can provide evidence of the early Sinagua culture that has ever been discovered and now it has returned to its native area.

6PM Museum of Northern Arizona reception-We were invited to the museum for a tour of the exhibits and refreshments. This is a small jewel of a museum and should be on everyone's list of great things to visit in Flagstaff.

Saturday May 16, 2015

8 AM-We met with archeologist Neil Weintraub and his colleagues to caravan out to the Kaibab National Forest. They were planning to assess the Sitgreaves Fire site and visit Petroglyphs at Keyhole sink. We discovered that the area was very soggy after two days of snow. After a short trek into the woods and sinking into deep mud, we took a few photographs and headed for home.

This was the end of a great experience and a wonderful opportunity for information gathering. Historical Preservation is the key to the future while maintaining our past. The City of Kingman is in the best location to capitalize on the trends that were presented during this conference.

REMINDER-The Route 66 Workshop for the Road Ahead Collaboration is in Flagstaff on Tuesday, July 28, 2015. Members of the Historical Preservation Commission, Route 66 Supporters, City Council Members, and anyone with an interest is encouraged to attend.



**CITY OF KINGMAN  
COMMUNICATION TO COUNCIL**

**TO:** Honorable Mayor and Common Council

**FROM:** John A. Dougherty, City Manager

**MEETING DATE:** June 16, 2015

**AGENDA SUBJECT:** Executive Session

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**SUMMARY:**

THE COUNCIL MAY GO INTO EXECUTIVE SESSION IN ACCORDANCE WITH A.R.S.38-431.03(A)(4) TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

Discussion and guidance provided to staff for contract negotiations with Kingman Visitor Center Inc.

**ATTACHMENT:** None

**FISCAL IMPACT:**

**STAFF RECOMMENDATION:**

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Signature of Department Head

*W.R. Huber #201512 for*  
City Attorney's Review

*John A. Dougherty*  
City Manager's Review