

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

5:30 PM

AMENDED AGENDA

Tuesday, May 3, 2016

REGULAR MEETING

CALL TO ORDER AND ROLL CALL

INVOCATION

The invocation will be given by Pete Ernst of Family Bible 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 and Executive Session Meeting minutes of March 14, 2016.**
- b. The Work Session Meeting minutes of March 14, 2016**
- c. The Regular Meeting and Executive Session minutes of April 5, 2016**
- d. The Regular Meeting minutes of April 19, 2016.**

2. APPOINTMENTS

- a. Consideration of appointing Terry Shores and Mike Chambers to the Board of Adjustment**

The Board of Adjustment is a seven member, quasi-judicial board that has two vacancies and may have an upcoming case. The talent bank has two applications, Terry Shores and Mike Chambers. The terms of the two vacant positions ended December 31, 2015, therefore those appointed at this time will be appointed to terms ending December 31, 2018. **Staff recommends approval.**

3. AWARDS/RECOGNITION

- a. Special presentation: Taylee Mote**
Mayor Anderson will provide a special presentation to Taylee Mote on behalf of the City of Kingman along with Chief Jake Rhoades of the Kingman Fire Department.
- b. **Kingman** Day of Prayer proclamation**
- c. Goodwill Industries Week proclamation**
- d. Mental Health Month Proclamation**

4. 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.

5. 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. High Intensity Drug Trafficking Area (H.I.D.T.A.) grant award

The Mohave Area General Narcotics Enforcement Team (M.A.G.N.E.T.) has been awarded a grant in the amount of \$63,541.00 for the time period of January 1, 2016 through December 31, 2017. The funds are for operational expenses related to the M.A.G.N.E.T. task force facility. The City serves as the fiduciary for M.A.G.N.E.T. **Staff recommends approval.**

b. High Intensity Drug Trafficking Area (H.I.D.T.A.) grant award

The Mohave Area General Narcotics Enforcement Team (M.A.G.N.E.T.) has been awarded a grant in the amount of \$24,572.00 for the time period of January 1, 2016 through December 31, 2017. The funds are for services related to the M.A.G.N.E.T. task force facility. The City serves as the fiduciary for M.A.G.N.E.T. **Staff recommends approval.**

c. Engineering Department building improvements

Staff has completed the process for selecting a Construction Manager at Risk (CMAR) for the Engineering Building improvements. The selection committee, comprised of City staff and a licensed local contractor, ranked T.R. Orr, Inc. as the most qualified contractor. On March 15, 2016 the City hired T.R. Orr for Design Phase services, which included defining the scope and providing prices for the Construction Phase. The contract will include services associated with replacement of the roof, installation of air conditioning units, installation of security cameras, installation of ramp and ADA access improvements and drainage improvements, and other improvements. **Staff recommends approval.**

d. Acceptance of grant of a 603 square foot right-of-way being offered in conjunction with the recording of a parcel plat for property located at 3220 Stockton Hill Road

A 603 square foot right-of-way dedication adjacent to the Taco Bell restaurant located at 3220 Stockton Hill Road is being offered to the City. The dedication will increase the right-of-way width for Stockton Hill Road by 8.20 feet south of the shopping center right-turn lane adjacent to the property. The dedication is being done in conjunction with the recording of a parcel plat which will split the Taco Bell property into two parcels. The dedication is a requirement of Ordinance 1804 which modified the original zoning conditions in order to allow the Taco Bell parcel to be split into two parcels. **Staff recommends approval.**

e. Resolution 5011: approval of intergovernmental agreement (IGA) with the Mohave County Flood Control District for the identification and administration of building permits within Federal Emergency Management Agency (FEMA) designated special flood hazard zones (ENG15-0077)

Mohave County Flood Control District (District) administers FEMA Regulations under the National Flood Insurance Program (NFIP) including all FEMA designated special flood hazard zones within the boundaries of the City. City and District staff established procedures to identify and process building permits within the special flood hazard zones to ensure compliance with NFIP requirements. The IGA serves to document the procedural steps and formalized them. **Staff recommends approval.**

f. Special event liquor license application

Applicant Ann Gardner of Hannah's Hill Vineyard has applied for a Fair/Festival Liquor License for an event to take place at Firefighters Park (2001 Detroit Avenue) on Saturday, May 14, 2016 from 11:00 A.M. to 6:00 P.M. **Staff recommends approval.**

g. Special event liquor license application

Applicant Mitchell D. Levy of Burning Tree Cellars, LLC has applied for a Fair/Festival Liquor License for an event to take place at Firefighters Park (2001 Detroit Avenue) on Saturday, May 14, 2016 from 11:00 A.M. to 6:00 P.M. **Staff recommends approval.**

h. Special event liquor license application

Applicant Stetson Winery, LLC of Stetson Winery has applied for a Fair/Festival Liquor License for an event to take place at Firefighters Park (2001 Detroit Avenue) on Saturday, May 14, 2016 from 11:00 A.M. to 6:00 P.M. **Staff recommends approval.**

i. Special event liquor license application

Applicant John W. Patt of Desert Diamond Distillery Inc. has applied for a Fair/Festival Liquor License for an event to take place at Firefighters Park (2001 Detroit Avenue) on Saturday, May 14, 2016 from 11:00 A.M. to 6:00 P.M. **Staff recommends approval.**

j. Special event liquor license application

Applicant Brian Predmore of Alcantara LLC has applied for a Fair/Festival Liquor License for an event to take place at Firefighters Park (2001 Detroit Avenue) on Saturday, May 14, 2016 from 11:00 A.M. to 6:00 P.M. **Staff recommends approval.**

k. Special event liquor license application

Applicant Rodney Young of Arizona Stronghold Vineyards, LLC has applied for a Fair/Festival Liquor License for an event to take place at Firefighters Park (2001 Detroit Avenue) on Saturday, May 14, 2016 from 11:00 A.M. to 6:00 P.M. **Staff recommends approval.**

l. Special event liquor license application

Applicant Richard Skladzien of Del Rio Springs Vineyard has applied for a Series 16W Wine Festival/Wine Fair Liquor License for an event to take place Saturday, May 14, 2016, from 11 a.m. to 6 p.m. at Firefighter's Park, 2001 Detroit Ave., in Kingman. **Staff recommends approval.**

m. Special event liquor license application

Applicant Eric Olomski of Page Springs Cellars and Vineyards has applied for a series 16W Wine Festival/Wine Fair Liquor License for an event to take place Saturday, May 14, 2016 from 11 AM to 6 PM at Firefighter's Park, 2001 Detroit Ave., Kingman. **Staff recommends approval.**

n. Special event liquor license application

Applicant Lori Marie Reynolds of Sonoita Vineyards has applied for a Series 16W Wine Festival/Wine Fair Liquor License for an event to take place Saturday, May 14, 2016 from 11 AM to 6 PM at Firefighter's Park, 2001 Detroit Ave. in Kingman. **Staff recommends approval.**

o. Special Event Liquor License Application

Applicant Carlos Cella of Cella Winery LLC has applied for a Series 16W Wine Festival/Wine Fair Liquor License for an event to take place Saturday, May 14, 2016 from 11 AM to 6 PM at Firefighter's Park, 2001 Detroit Ave. in Kingman. **Staff recommends approval.**

p. Special Event Liquor License Application

Applicant Sam Pillsbury of Pillsbury Wine Company has applied for a Series 16W Wine Festival/Wine Fair Liquor License for an event to take place Saturday, May 14, 2016 from 11 AM to 6 PM at Firefighter's Park, 2001 Detroit Ave. in Kingman. **Staff recommends approval.**

6. OLD BUSINESS

a. Application for temporary liquor license extension of premises/patio permit

Applicant Stacy Lynn Thomson of House of Hops has submitted an application for a temporary extension of premises/patio permit for May 5, 2016 through May 31, 2016 at 312 E. Beale Street in Kingman, Arizona. This item was tabled at the April 19, 2016, Regular meeting. **Staff recommends approval.**

b. Application for temporary liquor license extension of premises/patio permit

Applicant Stacy Lynn Thomson of House of Hops has submitted an application for a temporary extension of premises/patio permit for July 2, 2016 through July 3, 2016 at 312 E. Beale Street in Kingman, Arizona. This item was tabled from the April 19, 2016, Regular Meeting. **Staff recommends approval.**

7. NEW BUSINESS

a. Application for temporary liquor license extension of premises/patio permit

Applicant Stacy L Thomson of House of Hops has submitted a temporary Application for Extension of Premises/Patio Permit at 312 E. Beale Street in Kingman. **Staff recommends approval.**

b. Application for temporary liquor license extension of premises/patio permit

Applicant Stacy Thomson of House of Hops has submitted a temporary Application for Extension of Premises/Patio Permit at 312 E. Beale Street, in Kingman. **Staff recommends approval.**

c. Application for permanent liquor license extension of premises

Applicant Stacy Thomson of House of Hops has submitted a permanent Application for Extension of Premises/Patio Permit at 312 E. Beale Street in Kingman. **Staff recommends approval.**

d. Proposed railroad lease agreement

The proposed lease with BNSF would impact property between the railroad and Andy Devine Avenue from the right of way line east of the Powerhouse to Fourth Street. BNSF wants to keep certain portions of right of way closed; there are proposed options to accomplish this. The City wants to utilize some of the property, which would

come at a cost. **Staff has concerns in regards to the proposed contract. Staff is seeking Council's direction as to proceed with the lease or choose another alternative.**

e. Discussion and direction regarding the potential of selling City owned property

Mayor Anderson has requested information regarding the potential of selling City owned property at the November 8, 2016, General Election. The City Clerk will provide the Council with information regarding the time frame for a ballot measure to take place. Staff request direction from the Council regarding whether or not to proceed with the process to send a ballot measure to the voters in November to sell City owned property. **Council discretion.**

8. REPORTS

a. Board, Commission and Committee reports by Council Liaisons

9. ANNOUNCEMENTS BY MAYOR, COUNCIL MEMBERS, CITY MANAGER

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

10. EXECUTIVE SESSION

a. Heinfeld & Meech-Former City Auditors

The City Attorney requests Council enter Executive Session pursuant to ARS38-431.03(A)(4) to discuss legal action against Heinfeld & Meech, the former City auditors, for their failure to detect the activities of former Budget Analyst Diane Richards.

ADJOURNMENT



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council

FROM: Sydney Muhle, City Clerk

MEETING DATE: May 3, 2016

AGENDA SUBJECT: The Special and Executive Session Meeting minutes of March 14, 2016.

SUMMARY:

These minutes were voted on at the April 19, 2016, Regular Council Meeting; however, because Councilmember Yocum recused himself the quorum was long that the minutes could not be approved.

The City Clerk apologizes for any confusion concerning prior voting on this item. Approval of this item will correct this issue.

FISCAL IMPACT:

STAFF RECOMMENDATION:

ATTACHMENTS:

Description

The Special Meeting Minutes of March 14, 2016

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/21/2016 - 8:08 PM

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

9:00 A.M.

MINUTES

Monday, March 14, 2016

SPECIAL MEETING OF THE COMMON COUNCIL OF THE CITY OF KINGMAN

Members	Officers	Visitors Signing in
Richard Anderson – Mayor	John Dougherty, City Manager	See attached list
Carole Young – Vice Mayor	Jackie Walker, Human Resource Director	
Mark Abram --- EXCUSED	Carl Cooper, City Attorney	
Larry Carver	Jake Rhoades, Fire Chief	
Kenneth Dean	Greg Henry, City Engineer	
Jen Miles	Robert J. DeVries, Chief of Police	
Stuart Yocum ---ABSENT	Mike Meersman, Parks and Recreation Director	
	Wendy Sherer, Finance Administrator	
	Gary Jeppson, Development Services Director	
	Rob Owen, Public Works Director	
	Gerry Delgado, IT Administrator	
	Sydney Muhle, City Clerk and Recording Secretary	
	Frank Marbury, Assistant City Engineer	
	Tina Moline, Finance Director	
	Jeffrey Singer, City Magistrate	

**CALL TO ORDER & ROLL CALL
PLEDGE OF ALLIGENCE**

Mayor Anderson called the meeting to order at 9:04 A.M. All Councilmembers were present except Councilmember Abram, who was excused, and Councilmember Yocum who was absent. 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)(4) TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

- a. Settlement of the Kingman Airport Dross site litigation.

Vice Mayor Young made a MOTION to GO INTO Executive Session. Councilmember Carver SECONDED and it was APPROVED by a vote of 5-0.

Council went into Executive Session at 9:04 P.M.

Council returned from Executive Session at 9:17 A.M.

2. **COUNCIL MAY TAKE ACTION REGARDING THE CONSENT DECREE FOR THE KINGMAN AIRPORT DROSS SITE LITIGATION.**

- a. This item will be discussed in Executive Session under item 1a.

Vice Mayor Young made a MOTION to APPROVE the Consent Decree. Councilmember Miles SECONDED and it was APPROVED by a vote of 5-0.

3. **ADJOURNMENT**

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

ADJOURNMENT – 9:18 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 Work Session Meeting of the Common Council of the City of Kingman held on March 14, 2016.

Dated this 19th day of April, 2016.

Sydney Muhle, City Clerk and Recording Secretary



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council

FROM: City Clerk's Office

MEETING DATE: May 3, 2016

AGENDA SUBJECT: The Work Session Meeting minutes of March 14, 2016

SUMMARY:

These minutes were voted on at the April 19, 2016, Regular Council Meeting; however, because Councilmember Yocum recused himself the quorum was long that the minutes could not be approved.

The City Clerk apologizes for any confusion concerning prior voting on this item. Approval of this item will correct this issue.

FISCAL IMPACT:

STAFF RECOMMENDATION:

Approve minutes.

ATTACHMENTS:

Description

The Work Session Meeting Minutes of March 14, 2016

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/21/2016 - 8:08 PM

**CITY OF KINGMAN
 MEETING OF THE COMMON COUNCIL
 Kingman Police Department
 2730 E. Andy Devine Avenue**

9:30 A.M.

MINUTES

Monday, March 14, 2016

WORK SESSION MEETING OF THE COMMON COUNCIL

Members	Officers	Visitors Signing in
Richard Anderson – Mayor	John Dougherty, City Manager	See attached list
Carole Young – Vice Mayor	Jackie Walker, Human Resource Director	
Mark Abram --- EXCUSED	Carl Cooper, City Attorney	
Larry Carver	Jake Rhoades, Fire Chief	
Kenneth Dean	Greg Henry, City Engineer	
Jen Miles	Robert J. DeVries, Chief of Police	
Stuart Yocum ---ABSENT	Mike Meersman, Parks and Recreation Director	
	Wendy Sherer, Finance Administrator	
	Gary Jeppson, Development Services Director	
	Rob Owen, Public Works Director	
	Gerry Delgado, IT Administrator	
	Sydney Muhle, City Clerk and Recording Secretary	
	Frank Marbury, Assistant City Engineer	
	Tina Moline, Finance Director	
	Jeffrey Singer, City Magistrate	

ALL WORK-SESSION ITEMS LISTED ARE FOR DISCUSSION ONLY. NO ACTION CAN OR WILL BE TAKEN. The primary purpose of work session meetings is to provide the City Council with the opportunity for in-depth discussion and study of specific subjects. Public comment is not provided for on the Agenda and may be made only as approved by consensus of the Council. In appropriate circumstances, a brief presentation may be permitted by a member of the public or another interested party on an Agenda item if invited by the Mayor or City Manager to do so. The Mayor may limit or end the time for such presentations.

**CALL TO ORDER & ROLL CALL
 PLEDGE OF ALLIGENCE**

Mayor Anderson called the meeting to order at 9:18 A.M. All councilmembers were present except Councilmember Abram, who was excused, and Councilmember Yocum, who was absent. The Pledge of Allegiance was not said.

Overview and discussion of Budget Priorities for fiscal year 2016 – 2017 and proposed Capital Improvements Plan for fiscal year 2017 – 2021.

City Manager John A. Dougherty addressed the Council and reminded the Council that the projects listed in the Capital Improvement Plan (CIP) are projects that cost \$50,000 or more and are expected to last at least three year. He then discussed what goes into the CIP and said that department heads put the CIP together based on the Council's priority meeting in January, 2016. He said that these are essentially five year plans but can change as Council's priorities change and as new priorities arise when things deteriorate faster than expected. He said that for the past few months Vice Mayor Young has mentioned that she would like to see unimproved streets improved. He said that Public Works Director Rob Owen would like to see that as well because additional maintenance is required. He reminded the Council that streets are initially put in by the people who live on them, either by developers or as people move in on the street. He said that he has received requests from several people on unpaved streets to improve them and his response is for them to get 51-percent of their neighbors to agree to it and the City will be happy to put the improvements in. He said that he would also like to see the Council approve an ordinance saying that the City will not accept any street that has not been improved. He said that is what developers should be paying for up from. He said that he believed the Planning and Zoning Commission was working on this.

Mr. Owen said that the Traffic Safety Committee is working on an amendment for street regulations.

Mayor Anderson asked if the Traffic Safety Committee will review this before the Planning and Zoning Commission and how the process works.

Development Services Director Gary Jeppson said that staff participates with the committee and the City accepted the subdivision when it annexed the property.

Councilmember Miles said that there were several streets like this in the Golden Gate Addition and asked if the 51-percent meant the City is funding the whole cost

Mr. Dougherty said that these are done through improvement districts and that is why they need 51-percent of the property owners to approve it. He said that the City pays for the project initially and then the property owners pay the cost back.

Councilmember Miles clarified the process for developers.

Mr. Dougherty said that there were still roads to be built out that were not put in.

Finance Director Tina Moline gave a PowerPoint presentation.

Slide 2 – Ms. Moline provided an introduction for the meeting. She said she had provided the Council with a revised project list which included fire hydrant replacement. She said that this meeting would be primarily on the CIP and discussed the format for the meeting.

Slide 3 – Ms. Moline gave a summary of this slide.

Slide 4 - Ms. Moline gave a summary of this slide.

Slide 5 – Ms. Moline said that the review would begin at the beginning of the CIP book. She then went through the first several tabs of the book.

Mr. Owen discussed the facilities and equipment priorities as listed in the CIP Plan book.

Mr. Dougherty said that while discussing building improvements he wanted to note that both public safety departments have requested new facilities. He said that these numbers may change with the potential of Palo Christi School and he hasn't done a lot of work on this because they have not talked a lot about it. He said that he will elaborate further on his vision for the whole campus but he wanted to the Council to be aware that this may change dramatically.

City Clerk Sydney Muhle discussed the need for a document management system which was listed as a priority in Fiscal Year 2018. She said that the system would cost approximately \$100,000 and would be functional for all City departments. She then briefly discussed the functionality of the system and said that this is a necessary purchase to increase efficiency throughout the City.

Ms. Moline discussed the Finance Department's need for a new payroll and finance system. She said that the system has not been updated since 2006 and the vendor has moved away from a mainframe system. She said that the intent was to migrate to the current vendor's web based system but the department has struggled to get support. She said that they have reached out for demos several times and have not received a response. She said that they have now reached out to other cities to see which providers they use. She said that the current system will not be supported in a couple of years. She said that they have conducted demos with other providers and there is an upfront cost. She said that the annual savings will pay for itself in six years and the system will cover payroll and other functions including the in-house budget.

Mr. Owen discussed replacement of the fuel station. He said that the current one is 30 years old and the department has spent several thousand dollars to upkeep it. He said that they want to move forward and begin replacement and this will lead into a second phase. He said that for the Powerhouse grant project the Tourism Development Commission (TDC) has contributed funds for the required match. He said that the storage item was just a place holder.

City Engineer Greg Henry gave an overview of street projects and gave a history of each. He said that the Airfield Avenue Bridge over the railroad tracks is to provide access.

Mayor Anderson said that he would like to recommend moving the feasibility study to 2017. He said that the sooner the City looks into this the quicker they will be able to fund the most feasible projects.

Councilmember Miles asked if this involved private property.

Mr. Henry said that it did and the City would need additional right of way. He said that the feasibility study would look at needs and costs. He said that there is the potential for right of way on both sides.

Mr. Dougherty said that if this is moving up than all associated projects need to be moved up as well.

Mr. Henry said that this would be a multi-year project. He said that moving it up the feasibility study and working on the right of way needs the timeline should still work just fine.

Vice Mayor Young said that it may take that amount of time to work with the railroad.

Mr. Dougherty said that Bulldog Disposal is planning to move and the City may want to negotiate the right of way before the property is sold.

Mr. Henry discussed the project "Airway Avenue-Prospector to Rancho Santa Fe Parkway" on page 35 of the CIP book and said this would need to be done in conjunction with the traffic interchange. He said that this is currently a dirt road and they would like to do it in conjunction with the traffic interchange. He said that they hope the developers will pay for it.

Mr. Owen discussed the project "Andy Devine Rock Scaling" on page 36 of the CIP book and said with recent monsoons there is more rock. He said that they would like to get a geo-tech engineer to see if there is really a problem and what to do with it. He said that this is a safety priority.

Mr. Henry discussed the project "Canyon Road RR Crossing" on page 37 of the CIP book and said that this is an at-grade crossing near Southside Park. He said that this was identified in previous transportation studies. He said that the City still has rights to the crossing and need a feasibility study. He said that they would be required to complete the quiet zone improvements and this was brought up for additional access to downtown. He said that this used to be Slaughter House Canyon Road.

Vice Mayor Young said that she remembered an accident on Hualapai Mountain Road one year ago and asked if this would have been able to provide access around that which Mr. Henry said that it would. Vice Mayor Young said that this is extremely important and she would like to move it up to 2018.

Mr. Owen discussed the project "Curb Installation" on page 38 of the CIP book and said that the Street Department is doing the same repetitive maintenance after storms. He said that this would utilize flood control funds and makes sure people are able to access property.

Human Resources and Risk Management Director Jackie Walker said that the City has had to pay for vehicle damage in these areas.

Mayor Anderson said that this is the type of thing to bring at the budget town hall meeting to be held in May. He asked that Mr. Henry and Mr. Owen have a presentation for this at that meeting.

Vice Mayor Young asked if this included Southern Avenue and Hualapai Mountain Road or if this was just in the Downtown area.

Mr. Owen said that the Hualapai Foothills is another area where this is needed. He said that the area through Cecil Davis Park carries a lot of water flowing from the foothills all the way down. He said that this area would be included.

Mr. Henry said that this was more in residential areas and there are individual CIP sheets for the larger streets.

Mr. Owen discussed the project "Dirt Streets" on page 39 of the CIP book and said that this is a cost estimate which includes full improvements with curbs and gutters. He said that this goes back to repetitive maintenance. Mayor Anderson asked Mr. Owen to quantify an annual amount for things like this and what it hopes to fix in the future. He said that it would be good to show what they have had to do.

Mayor Anderson said that this is another example of what cannot be done but what should be quantified to show what has had to be done over the past several years.

Vice Mayor Young asked if the dirt roads are graded every so often which Mr. Owen said that they are.

Councilmember Miles asked for clarification that this is unfunded.

Mr. Owen said that this is the request and asked if the City is going to start doing this. He said that this is a policy question and the City has not previously done this before without participation from the property owners.

Councilmember Miles asked if the Council wants to go forward with this or require an improvement district.

Vice Mayor Young said that this should go for an improvement district. She said that people need to know why this wasn't done and that improvement districts are an option. She said that the City needs to push this and there are a few dirt roads without a lot of houses. She said that Karen Avenue has several houses but is unpaved. She said that there may only be three that want to go ahead and do this and the City needs to contact them. She said that this cannot move forward unless the Council says to.

Mayor Anderson said that they need to provide information to the public with what kind of funding is needed.

Mr. Henry said that the improvement district is to make it more appealing. He said that Council vote to participate which would bring down the cost to residents.

Councilmember Miles said that there are already maintenance costs which would be used to offset.

Vice Mayor Young said that they grade them and see potholes.

Councilmember Carver asked if there would be a gift clause violation involved with getting the improvement district in place this way.

City Attorney Carl Cooper said that improvement districts are covered under state statute and the 51-percent is needed to force the others in. He said that a cost sharing program might be the incentive needed.

Councilmember Miles asked if there is a formula based on population density and this might be something to think about.

Mr. Cooper said that the formula is based on the footage of property being improved.

Mr. Henry said that it is better to find areas with houses already built as vacant land owners tend to default.

Mr. Dougherty said that the value of property goes up when the street is paved. He said that the property owners will get something out of it all the way down the line.

Mr. Owen discussed the project "Downtown Streetscape" on page 40 of the CIP book and said this was a grant program several years ago that was discontinued after the application was submitted. He said that there is a new program for transportation alternatives and funds have not been released. He said that this is available in certain counties and there is no funding right now.

Mr. Henry discussed the project "Eastern Street Improvements Pasadena Avenue to Airway Avenue" on page 41 of the CIP book and said that this is in the current budget in which Council funded the design from Eastern Street to Airway Avenue. He said that the City has hired a consultant for the design and have received the project assessment. He said that they have identified right of way needs and are looking to have a public meeting for input before bringing this back to Council for ultimate direction. He said that the design was slated for fall in Fiscal Year 2017 and the department is seeking to carry this over. He said that this includes money for rights of way as well. He said that funding will be needed at Eastern Street and Kenwood Avenue and the City might need to buy a house there to widen the curve. He said that the plan is to do the public meeting and bring this back to Council. He said that this would also require coordination with the railroad, Arizona Department of Transportation (ADOT), and the Federal Emergency Management Agency (FEMA).

Mr. Dougherty said that this would be from three to five lanes and there has been no talk of less traffic on Eastern Street including installation of an under/overpass.

Mr. Henry said that he anticipates that and a presentation for that will be included at the March 15, 2016, Council meeting. He said that it is based on proximity.

Vice Mayor Young said that she was concerned with that. She said that the Airfield Avenue Bridge will take a lot of traffic too. She said that in the future that many lanes may not be needed.

Mr. Henry said that the fewer the lanes the fewer rights of way are required. He said that this will include bicycle lanes as well.

Councilmember Dean said that this was his concern at the last Council meeting. He said that this will take a lot of traffic off of that and both are not needed. He said that this needs to be looked at.

Mr. Henry said that Eastern Street south of Interstate 40 is in very bad condition.

Vice Mayor Young said that it is very bad when it rains and it is a matter of how many lanes will be needed based on traffic diversion.

Mr. Henry said that there is a drainage issue and the improvements would be better able to be maintained. He said that they also looked at the best way to connect to Airway Avenue. He then discussed the project "Fairgrounds/Western and I-40 Crossing" on page 42 of the CIP and said that this is another carry over from a previous transportation study. He said that there is no access to the freeway and this is for an under/over pass only. He said that the first step for this is a feasibility study.

Vice Mayor Young said that this would make Western Avenue a through street all the way and would take some of the traffic off of Stockton Hill Road.

Councilmember Miles asked if this was even possible.

Vice Mayor Young said that not much is built there.

Mr. Henry said that the City still has a 50 foot right of way to the southern boundary of I-40 and it would have to be reworked.

Mayor Anderson said that this is another example of information to present at the budget public hearing and the Council has talked about Western Avenue for years. He said that they can tie this in to relieve traffic on Stockton Hill Road. He said that this something to make sure is presented and it ties into the strategic plan.

Mr. Henry said that it has been a number of years since this was discussed.

Councilmember Miles said that the west side of Western Avenue is becoming a medical center and access is needed.

Vice Mayor Young said that they need to take traffic off of Stockton Hill Road too.

Councilmember Miles said that it would be easy to use Western Avenue.

Mayor Anderson said that this would provide access to the hospital.

Councilmember Miles said that this should be moved up.

Vice Mayor Young said that the City would either need bonds or a loan for this.

Councilmember Miles said that this should be moved up because it moves a lot of traffic off of Stockton Hill Road. She said that there are a lot of things along Western Avenue and this is a hazard to that access.

Vice Mayor Young said that this is a large project as is Kingman Crossing and Prospector Street. She said that they can't all be moved up to the same year.

Mayor Anderson said that this was unless the City went for a bond.

Councilmember Miles said that this does not require that they start the project and the design concept might help prioritize.

Mayor Anderson said that he agreed with moving the study up and listed his reasons.

Councilmember Carver asked to include Detroit Avenue for access to Stockton Hill Road.

Mayor Anderson said that they could maybe have the businesses help kick in. He said that there is a hotel and a restaurant going by the nursing home that will benefit from it.

Vice Mayor Young asked if there is a project to widen Stockton Hill Road.

Councilmember Carver said that this project would allow more access to Stockton Hill Road and asked if this could be widened to include Stockton Hill Road.

Mr. Henry said that there is a project to widen Stockton Hill Road but it does not include Detroit Avenue.

Councilmember Miles said that the \$300,000 would move up one year.

Mr. Henry asked if the Council wanted to focus strictly on Western Avenue.

Mr. Dougherty clarified that the allotted \$300,000 would move to Fiscal Year 2018.

Mr. Henry discussed the project “Fourth Street Signal Upgrade” on page 43 of the CIP book and said he was not sure how old the signal cabinet at this light is. He said that it is not up to speed as far as what it needs to be for preemption and other capabilities and the cabinet needs to be upgraded for this. He said that Burlington Northern Santa Fe Railway (BNSF) gave a report to the City identifying this.

Mayor Anderson suggested that BNSF could lease this.

Mr. Owen discussed the project “Gateway Arch” on page 44 of the CIP book and said that this was identified through the America’s Best Communities (ABC) application and the Kingman Area Chamber of Commerce is working on this. He said that there are no solid cost estimates and there will be cost sharing with Nucor Steel for the fabrication and installation.

Councilmember Miles said that this was brought up in a meeting and the group was hesitant on the location.

Mr. Henry said that they were given a contact last week and they understand that the City is providing the foundation. He said that the design might be something that can be funded this year.

Vice Mayor Young asked about the location for the arch.

Councilmember Miles said that it would be located at Grandview Avenue.

Vice Mayor Young said that the Council decided on this several months back.

Councilmember Miles asked Mr. Dougherty if he had the same perception at the meeting.

Mr. Dougherty said that it would be set back from Grandview Avenue and Engineering is working on where the electrical lines are and moving the sidewalks.

Mr. Henry said that it would be set back from the light. He then discussed the project “Hualapai Mountain Rd – Frappes Ranch to Seneca Street” on page 45 of the CIP book and said that this is a continuation of the curbs, gutters, and sidewalks which would continue on the north side of the street. He said that this would be a five lane road with curbs, gutters, and sidewalks. He then discussed the project “Hualapai Mountain Rd – Seneca to Rancho Santa Fe Parkway” on page 46 of the CIP book and said that this will be the same project to the Rancho Santa Fe Parkway Interchange.

Mr. Owen discussed the project “Irving Street Improvement” on page 47 of the CIP book and said that this was for flood control and would be between Kino Avenue and Gordon Drive. He then discussed the project “Kingman Crossing Traffic Interchange” on page 48 of the CIP book which he said everyone is aware of.

Mr. Dougherty said that this project would be talked about at the Council meeting the next night.

Mr. Henry said that the way the CIP is written shows alternate funding. He said that as they get into the study for alternatives if the City builds part of the access bridge where this will be constructed it would reduce the overall cost of the traffic interchange. He then discussed the project “North Glen Road” on page 49 of the CIP book and said that they hope this will relieve traffic on Stockton Hill Road. He said that this is still a valid project and they are looking for several phases as there are some challenging issues. He said that there are some concerns from Willock Ranch which could have some potential issues.

Vice Mayor Young said that the congestion on Stockton Hill Road is from Detroit Avenue to the hospital and she does not see how much congestion this would relieve. She said that Western Avenue would help.

Mr. Henry said that it would depend on where people want to go. He then discussed the project "Prospector Street I-40 Crossing" on page 50 of the CIP book and said that this is for design costs. He said that there would be design costs for either option.

Councilmember Dean said that Rattlesnake Wash was not included in this.

Mr. Henry said that this was only for traffic and is not the actual dollar amount for those.

Vice Mayor Young said that both will be needed at some point.

Mr. Henry said that this would be discussed in a presentation on the Council agenda for the meeting the next night.

Councilmember Miles said that before considering two traffic interchanges that are so close the Council needs to consider prioritizing the Rancho Santa Fe Parkway interchange.

Mr. Owen discussed the project "Prospector-Kingman Crossing TI to Louise Ave" on page 51 of the CIP book and said this was an earlier version of the preceding project on page 50. He said that this would be an access road and this may go away depending on the progress of the project on page 50.

Vice Mayor Young clarified that this will be included in the presentation the next day which Mr. Henry said that it would.

Mr. Owen discussed the project "Rancho Santa Fe Parkway TI Phase I" on page 52 of the CIP book and said that this is for phase one and construction of the traffic interchange and the road to the airport. He said that the estimate is based on an old letter of intent. He said that the City has not been given anything else and he did not know if ADOT will participate in this.

Councilmember Dean said that the ADOT funding is long gone.

Mr. Owen said that the design and several of the plans would need to be updated.

Vice Mayor Young asked if the City or ADOT would pay for this.

Mr. Owen said that it depends on the agreement.

Mr. Henry said that the right of way that had been secured has lapsed.

Mr. Owen said that this was the City's responsibility.

Councilmember Dean asked about extending the parkway to Hualapai Mountain Road.

Mr. Owen said that this was in phase two.

Councilmember Miles said that the Kingman and Mohave Manufacturers Association (KAMMA) president has discussed the option of renewing the right of way with the property owners and asked if staff had had this discussion to see if it could take place.

Mr. Owen said that the right of way was not dedicated but was an agreement with those owners. He said that they would not dedicate the right of way until the interchange is going to be built.

Assistant City Engineer Frank Marbury said that this was for the traffic interchange only and did not include arterial connections to it.

Mr. Owen said that going through a lot of the projects in the CIP, such as extending Airway Avenue, are related to Rancho Santa Fe Parkway and the arterial connections.

Councilmember Miles said that she recently saw a letter of support for a TIGER Grant for the Rancho Santa Fe Parkway and asked if staff applied for this for both interchanges

Mr. Owen said that he believed it had been and this would be on a future Council agenda. He then discussed the project "Rancho Santa Fe Parkway TI Phase II" on page 53 of the CIP book and said this would extend to Hualapai Mountain Road. He said that this is a loop road system.

Mr. Marbury discussed the project "Route 66 Pedestrian Improvements" on page 54 of the CIP book and said that this has gone out to bid and was on the Arizona Board of Transportation's agenda for the following Friday. He said that this project is federally funded so will go slower. He said that the goal is to have this completed before Andy Devine Days. He said that the bids have been opened.

Mr. Henry said that ADOT will manage the construction of this.

Mr. Owen discussed the project "Rutherford Street Improvements" on page 55 of the CIP book and said that this is another dirt road project. He then discussed the project "Sidewalk and ADA Improvements" on page 56 of the CIP book and said there are a lot of areas which follow old ADA requirements have do not meet the current ones nor will they meet the future requirements. He said that they would like to start working on some of those. He said that there are area requirements for the extent of roadway maintenance that can be done before these have to be updated. He said that they are hoping to focus on this with the next Community Development Block Grant (CDBG).

Mr. Henry discussed the projects "Southern Avenue – Eastern to Seneca" and "Southern Avenue – Seneca to Rancho Parkway" on pages 57 and 58 of the CIP book and said that both projects are on Southern Avenue. He said that he sees this being at least a three lane road if not five lane. He said that they hope this can be improved as much as possible through new subdivisions. He then discussed the projects "Stockton Hill Road – Airway to Gordon", "Stockton Hill – Detroit to Airway (Phase I)", and "Stockton Hill Road – Detroit to Airway (Phase II)" on pages 59 through 61 of the CIP book and said that these are all Stockton Hill Road related. He said that the ultimate goal is to widen Stockton Hill Road to six lanes. He said that Phase I would be the low hanging fruit of this project and adding a supplemental turn lane would allow for widening up to Interstate 40. He said that there is a small right of way dedication from neighboring property.

Councilmember Dean asked if this was the area with the extra driveway just approved by Council.

Mr. Henry said that it was and the same project would look at southbound Stockton Hill Road. He said that he believed they would be willing to work with the City on a dedicated turn lane which is the simplest option. He

said that phase two would be a continuation of this and the worst area is between Detroit Avenue and Airway Avenue. He said that there is a grant from ADOT for this and the report is on the City's website.

Mr. Owen discussed the project "Streetlight Relocation" on page 62 of the CIP book and said and said that this is on Andy Devine Avenue and Beale Street. He said that they are currently in the sidewalk and the maintenance is intensive with frequent problems. He said that this is based on estimates from the same project on Gordon Drive. He said that they would like to put them behind the sidewalk or could put them in a median. He said that there is a long stretch of Andy Devine Avenue that is only railroad on one side. He said that this is more of a way to alleviate long term maintenance. He then discussed the project "Street Lighting (LED upgrades)" on page 63 of the CIP book and said that the City has received a grant and replaced half of the lights. He said that this has led to a significant savings of about 30% right after the project was completed. He said that there are about 400 lights to go and this is a long term project primarily for Stockton Hill Road, Bank Street, and Airway Avenue. He then discussed the project "Street Safety Improvement Projects" on page 64 of the CIP book and said this is a highway safety grant program. He said that this is for a sign inventory system and detecting left hand turns.

Mr. Henry discussed the project "Topeka Street RR Crossing" on page 65 of the CIP book and said that this is another railroad crossing downtown and was identified in a transportation study. He said that there is a potential for the tracks to be blocked and there would be no access to the south side. He said that this would allow access to the south side and would allow public safety to that side of town. He said that the feasibility study is the first step and this is an important project with no funding.

Mr. Owen discussed the project "Traffic Signal Upgrades" on page 66 of the CIP book and said that this came out of a study. He said that this allows for wireless connectivity to get the signals to talk better. He said that they are currently using outdated equipment and can add video equipment and automatic alerts. He said that they can use the video for accident investigation.

Mr. Marbury said that this is for detection and monitoring, not traffic enforcement.

Mr. Henry discussed the project "Grace Neal Parkway – Stockton Hill East to City Limits" on page 67 of the CIP book and said that this is a far off project for improvements to Grace Neal Parkway. He said that the County completed the design concept and this connects Stockton Hill Road to the signal at the airport. He said that the idea is to improve Stockton Hill road to the city limits. He said that the majority of the project is outside of the city limits and the City would only have about 1.5 miles of it. He then discussed the project "Stockton Hill – Gordon to Northern" on page 68 of the CIP book and said that this is another future project and depends on needs but they wanted it on the Council's radar.

Parks and Recreation Director Mike Meersman discussed the project "Golf Course Club House and Cart Building" on page 71 of the CIP book and said that this is for clubhouse improvements. He said that the current club house is not large enough to hold large events.

Vice Mayor Young asked if this would improve the capability for the golf course to host weddings and other events.

Mr. Meersman said that it would. He said that the current facility is simply not big enough and cannot hold what they have now. He said that he cannot guess what the future demand would be as it would differ from year to year.

Councilmember Dean clarified that tournaments is the focus.

Vice Mayor Young said that she is thinking of marketing and revenue which they may be able to move up a little.

Councilmember Carver asked if there are restrictions on renting based on competing with private entities.

Mr. Cooper said that there are only internal restrictions and this if focusing on normal day to day operations.

Councilmember Carver said that he thought this was a previous concern.

Mr. Cooper said that he did not know if the Government Property Lease Excise Tax (GPLET) would apply to this though there is that potential.

Kingman Visitor Center Director Josh Noble said that he has records on people leasing the Powerhouse.

Vice Mayor Young said that this dwindled down to nothing after quite a bit of time.

Mr. Dougherty noted that the Central Commercial building is no longer available for events.

Vice Mayor Young said that a lot of people would like to have golf course weddings.

Mr. Meersman discussed the project "Lewis Kingman Park Restroom" on page 72 of the CIP book and said that this has been upgraded as best it can be but it still is what it is. He said that this is the face of the City when people see those types of facilities and this would be an improvement. He then discussed the project "Monsoon Park – Add ADA Approved Restrooms and Handicap Parking Area" on page 73 of the CIP book and said that this would allow the park to be used for full soccer fields. He said that the department cannot currently have organized activities at the park because there are not restroom facilities and ADA parking would be needed.

Vice Mayor Young clarified that if there are restrooms the park can host soccer games.

Mr. Meersman said that they could host soccer and softball.

Mayor Anderson suggested that residents in Rancho Santa Fe might approve the property tax to make these improvements.

Mr. Meersman discussed the project "Multipurpose Gym/Community Center" on page 74 of the CIP book and said that this is a big wish and is much needed in the community. He said that the department has a good relationship with the schools but it would be nice to have a facility. He said that they do not have a location for it yet and currently utilize Palo Christ School.

Mayor Anderson said that he sees this is for the design, engineering, and construction and this project is a good candidate for a private partnership which Mr. Meersman agreed that it was.

Mr. Dougherty said that this was brought up a lot with the ABC committee and was a request from the public.

Mr. Meersman said that there are a lot of possibilities and would be a good facility if they can get it.

Councilmember Miles said that there was a discussion on this several years ago and the college ended up with the land.

Mr. Meersman said that the department has looked at property and there might be an option at Sycamore Avenue and Harvard Street where the City owns a small piece of property. He said that the department needs to look for more land in the future and there is not a lot of space available. He then discussed the project "Park Site Acquisition" on page 75 of the CIP book and said that this is for north Kingman and the Camelback area. He said that it would be good to get this for a sports park and to utilize reclaimed water. He said that there is space available for this. He then discussed the project "Parks & Recreation Renovation" on page 76 of the CIP book and said more turf is needed for activities. He said that the department is strapped tight fitting events. He then discussed the project "Parks Maintenance Facility" on page 77 of the CIP book and said that the department has outgrown the current facility. He said that that much of the equipment sits outside and the weather takes its toll on it. He then discussed the project "Sports Park (4 ball field/soccer complex)" on page 78 of the CIP book.

Mayor Anderson asked how big of an area this would be.

Mr. Meersman said that it would be 20 to 30 acres. He said that if they can get it closer to the airport or a county park they could end up with a relationship for a facility there. He said that they can grow turf there if they can get water there and noted the park on Bank Street and Jameson Avenue. He said that there is a need to upgrade the lighting at Centennial Park. He said that the youth soccer league is trying to get a grant for lighting the field behind the Parks and Recreation Office. He said that the lighting is 30 years old and all of the fields need newer lighting. He said that this is more economical and safer. He said that the soccer league has provided information to the Parks and Recreation Commission and are hopeful they can get the grant to do this.

Mayor Anderson asked what the value of the golf course is.

Mr. Meersman said that it has not been appraised in years.

Mayor Anderson asked that, if Mr. Meersman can find an estimate from the last couple of years, he forward it to Mr. Dougherty.

Mr. Meersman discussed the project "Park Site Development" on page 80 of the CIP book and said that the City needs several parks. He said that the City owns a small parcel in Rancho Santa Fe and there are different locations around the City but they do not have the acreage they need and need to acquire more property for parks.

Mayor Anderson said that the Council had been provided with a list of City owned properties in the past and asked that an update be provided.

Fire Chief Jake Rhoades discussed the project "Apparatus Replacement" on page 83 of the CIP book and said that the department looked at the options available. He said that the department was due for a new engine this year and decided to look at refurbishing their reserve apparatus this year. He said that there is a facility in Las Vegas that does this and it would replace Engine 241 which would be a better apparatus to put in reserve. He said that when Station Five is projected out an engine would have to be placed there. He said that with the development of Kingman Crossing the dual function engine would be better suited to the commercial development and this enhances the use of the engine. He said that in 2020 they would like to refurbish the ladder truck and feel they can get 10 more years of service out of that truck which is a low service unit. He said that this extends the life of the truck out. He said that a new ladder truck would be \$1.2 million to \$1.3 million and this will allow the department to get at least 10 more years of out of the truck.

Vice Mayor Young asked about the "medic one" vehicles.

Chief Rhoades said that these would be rapid response. He said that the department is looking at putting this in place July 1, 2016, and back filling those paramedic positions utilizing paid-on-call firefighters (POCs). He said that these would run 8:00 A.M. to 5:00 P.M. to cover responses. He said that rather than sending an engine the department can send that unit. He said that the rapid response vehicles would be a smaller vehicle to save the engines. He said that the Insurance Service Office (ISO) rating for Kingman is currently at a four and the department feels they can get to a two pretty easily.

Mayor Anderson asked if there is any estimate on the time it would take to see the impact for homeowners would be.

Chief Rhoades said that there was not. He said that the coverage change in several areas will push the rating to a two. He said that Station Five would push this to a one.

Mayor Anderson asked if the emergency medical technician (EMT) vehicles would provide any flexibility moving forward.

Chief Rhoades said that this is a pilot program to see how it works. He said that the positions will be back filled POCs and ideally the department will be adding people to every shift. He said that this is a better option and will take the strain off of the engines, especially during the day. He said that the other option is addition personnel. He said that the department felt this was a good option and there are a couple of things that contribute to this. He said that they are rotating vehicles to get additional life out of them and provided a few examples.

Mayor Anderson said that public safety is a prime suspect for providing information at the public hearing. He said that people would like to hear how many insurance rates would go down and this is something the public really needs to know. He said that this is a high priority in the City and a high priority for insurance users. He asked that Chief Rhoades provide information on what the department can and cannot do and what they would like to do.

Chief Rhoades discussed the project "Mobile Radio Replacement – Up-grading" on page 84 of the CIP book and said that this is for the headsets in the engines. He said that some of these are over 20 years old and the department would be updating that. He said that the headsets are used during emergency responses. He then discussed the project "Fire Station 2 Reconstruction/Training Tower" on page 85 of the CIP book and said that this has been a topic for some time. He said that the department is working on finding an alternate location and the land where the station currently is would be more valuable for commercial use. He said that they are looking at moving to Motor Avenue and Harrison Street. He said that overlay between the stations would help and it is difficult to find space in the middle of town. He said that right now they are at the architect level and both Station Two and Station Five are at 95% design. He said that the station would move completely to the fairgrounds if this works out. He said that he was not aware of the space issues last year and at Station One the battalion chief truck stays outside because the bays are completely full. He said that the department's hazardous materials (hazmat) trailer is currently stored outside and the brush truck is housed in a shed at a park. He said that this will relieve some of that pressure and will relocate the battalion chief to where he needs to be.

Councilmember Carver asked about conducting training burns.

Chief Rhoades said that they have conducted several burns recently with no complaints. He said that they use mostly Hollywood smoke and they conduct burns twice per year and are limited. He said that this is why they

changed from the original land that was proposed as there was a concern for traffic watching the training. He said that they are looking at this corner for accessibility.

Councilmember Dean asked for clarification that the new station would be bigger than the current one.

Chief Rhoades said that it would and the current station is 53 to 54 years old right now. He said that the new station would have full bays and seven to eight sleeping areas. He said that this will allow the department to breathe a little. He said that the station will also have training and meeting rooms.

Councilmember Carver asked if adjustments would be made for female firefighters.

Chief Rhoades said that there would be. He said that the department has given serious consideration to a couple of female candidates in the cue right now. He said that one is currently pregnant and will test after her child is born. He said that both candidates would be very successful. He said that the department will hire the best candidate regardless of gender. He then discussed the project "Fire Station 3 Reconstruction/Addition" on page 86 of the CIP book and said that this station was built to expand. He said that this station is starting to push Station Two as the busiest station and needs to expand. He said that this station needs to be left in their district. He said that this will allow them to become an alternate dispatch and alternate emergency operations center (EOC). He said that the current dispatch and EOC locations are right along the tracks and this would allow them to get away and relocate. He then discussed the project "Fire Station 5 (Addition)" on page 87 of the CIP book and said that this is a new station and would also require additional personnel and apparatus. He said that the design is being done now and putting Station Five in play would help in a lot of ways but cannot cross Interstate 40. He said that Station Two is a higher priority. He said that the numbers in that area have gone up and the call time is over six minutes 82-percent of the time. He said that the department has talked to the hospital and the value of the land is more. He said that the City owns property at Kingman Crossing and there is space between the two schools. He said that there are a lot of issues with putting a station in a school area and the other option is at the end of Louise Avenue.

Vice Mayor Young asked if this becomes more predominant with Station Two moving.

Chief Rhoades said that it does and that right now Station Two and Station Three have similar response times. He said that this year there have been over 60 calls in that area and one compliments the other. He said that the department is hindered quite a bit by this. He then discussed the project "Fire Station Rehabilitation" on page 88 of the CIP book and said this is to increase the life of those facilities. He then discussed the project "Monitor/Defibrillator Replacement" on page 89 of the CIP book and said this is to lay out a plan the department can work with. He said that these will go with the rapid response units until the department can run nine defibrillators. He said that this lays out the plan for replacement. He said that this year the department was hit with a maintenance contract they were not planning for and this will allow the department to get the most life out of them. He then discussed the project "Personal Protective Equipment" on page 90 of the CIP book and said that this is for turnouts. He said that the national fire standard for this equipment is 10 years and some of the replacements have also gone to POCs. He said that the department tries to buy for frontline personnel first then assign to part-time personnel. He said that once the department gets into 2019 they will increase their inventory. He said that this will help them meet these standards.

Chief of Police Robert J. DeVries discussed the project "Police Building Security/Lobby" on page 90A of the CIP book and said that the goal is for the department to receive an accreditation which many states are going to their own accreditations. He said that the department is lacking in facility security and are looking at what it would take to meet that. He said that this will enhance security as the lobby is not safe for the front office staff.

He said that the department is not a 24/7 facility and this would prevent some issues. He said this leads into a bigger conversation with facilities.

Chief Rhoades discussed the project "Portable Radio Replacement" on page 91 of the CIP book and said that this is a replacement plan. He said that the project "Public Safety Admin. Bldg" on page 92 would be discussed last. Chief Rhoades discussed the project "Fire Station Electronic Alerting" on page 93 of the CIP book and said the technology put in the stations when they were built are now using a fraction of the capacity available. He said that the department is still using portable pagers and the capabilities are just not there. He said that this would complement the department tremendously. He said that this will bring the stations a level up. He then discussed the projects "Vehicle Extraction" and "Video Conferencing" on pages 94 and 95 of the CIP book and said that the department has applied for grants for these. He said that the department is to the point where some of the units are out of date and this would replace all of these units. He said that this would also give them the capability to handle heavier vehicles and enhance their abilities.

Mr. Dougherty said that electric cars are not handled the same way that other vehicles are.

Chief Rhoades said that it is much different than it was. He said that it takes a different set of tools and being able to extricate someone from those vehicles is not something the department can do right now. He said that the department is using a variety of equipment now and this would enhance their capabilities. He said that the video conferencing was on a grant from last year that the department put in for this year. He said that this would put a conferencing system in for training. He said that this can be used as a standalone system and would allow personnel to stay in their stations. He said that there are seven departments on the grant and the department felt the benefit was great enough to plan long term he said that this will allow them to work better with other departments and the other districts in the area. He said that other districts have this system and it is changing the way they are operating.

Mayor Anderson clarified that there is an operational savings here.

Chief Rhoades said that he said that the savings is in infrastructure. He said that a lot of things have caught up and the department is making do with what they have and are now catching up. He said that going back to Station Two, the Bullhead Fire District decided to no longer have a hazmat technician and the department jumped at the opportunity to obtain their trailer. He said that it has increased the department's capabilities. He said that there is a lot of hazmat risk due to the railroad and transportation on Interstate 40. He said that this has increased their capability and need for space.

Mayor Anderson said that there is a difference in cost avoidance and cost savings. He said that the department does need to quantify this or give an estimate for cost avoidance. He said that this needs to be addressed somehow and the department needs to articulate why this is needed.

Mr. Dougherty discussed the proposed public safety administration building. He said that he and the two chiefs took a tour of Palo Christi School and had an architect take a look at it. He said that the first priority would be a public safety building as both departments are bursting at the seams. He said that the police department has nowhere to grow and parking is a major problem at their facility. He said that the Parks and Recreation Department needs a gym facility. He said that this was brought up to the school district and they are willing to look at it. He said that the district will not be opening the campus as a school and the City does not want it to just fall down. He said that there are five buildings looking at going onto the campus which would make it easier to call meetings. He said that it would house different departments and a meeting room in one facility. He said that the idea is that the playgrounds would become parking lots and the playground equipment would be moved to parks. He said that there is a lot of potential up there and he needs direction from the Council to

proceed. He said that the City has not talked about financing this and there is fund balance for this. He said that the City may be able to tap into the enterprise funds to help pay for this and there is a lot of room for new facilities. He said that he would propose to tear the current City Complex down and sell the other buildings. He said that this would also help fund the project. He said that this would move public safety, dispatch, the City Attorney's Office, the Engineering Department, and all of the departments housed in the City Complex into one facility. He said that there is a concern that so many of these facilities are along the railroad tracks. He said that the City Complex has major issues and discussed each of them. He said that there is a problem with sinking money into old buildings which is not a wise way to spend money. He said that some of the money for this comes out of the maintenance costs for the buildings. He said that he has directed Grants Administrator Bill Shilling to look for grants for this. He said that he thinks there may be some available to get this started and there is a lot of facility up there.

Councilmember Dean asked how old Palo Christ is.

Mr. Owen said that it is over 100 years old.

Councilmember Dean asked if it would need to be remodeled.

Mr. Dougherty said that the architect would tell them what could be used.

Councilmember Miles asked if there is asbestos in the building.

Mr. Dougherty said that there probably is as well as lead paint. He said that the City can sell some prime property and can put other things in that building. He said that the building will not be completely done away with.

Chief DeVries said that this is the result of several conversations. He said that there would be a lot of room sharing and they discussed the cost effectiveness. He the department was asked where they would like to be located and he said that they would like to be located downtown where they are in proximity of other government buildings noting that Mohave County is moving forward with plans to revitalize the Superior Courthouse.

Mr. Dougherty said that in addition to this the Northern Arizona Employee Benefit Trust, which is the benefit trust for employees, is putting treadmills in facilities in Bullhead City and Lake Havasu City for employees to get exercise during the day. He said that this would help with to lower health insurance costs. He said that every department here has nowhere to go and this is an issue for everyone. He said that the departments need to grow as the city grows and the departments cannot grow anymore.

Mayor Anderson said that the Council could not make a decision at this meeting but they can give direction to enter into more discussion with the school. He said that the City has the ability to explore what is available and what would be needed for the design.

Mr. Cooper said that the Council can provide direction.

Mayor Anderson asked that this item be placed on the agenda for the first meeting in April.

Councilmember Dean asked how the employees felt about this and said that he feels this is a good idea.

Council broke for lunch at 11:54 A.M.

Council returned from break at 12:31 P.M.

Mr. Owen discussed the projects “24” D.I. Transmission Main – Kino to Main Tanks Phase I” and “24” D.I. Transmission Main – Kino to Main Tanks Phase II” on pages 98 and 99 of the CIP and provided a brief summary of the project.

Mr. Henry discussed the project “Aerial Mapping” on page 100 of the CIP book and said that this is essentially a high resolution aerial photo of the City and would assist with mapping the water and sewer systems.

Mr. Owen discussed the project “Automated Meter Reading” on page 101 of the CIP book and said that he has had several discussions with the Council about moving forward with this system. He said that staff feels there are several potential benefits to this system including reduced water loss and increased service to customers through leak detection and notification.

Mr. Dougherty said that there are several areas in which water lines were recently installed and Public Works employees have to travel outside of the City to clear away weeds and debris so that the meters can be read. He said that if the meters were automatic this would not be an issue and there is a maintenance savings with this system.

Councilmember Dean asked if the meters are accurate and if they can be easily compromised.

Mr. Owen said that the new meters would be more accurate and the average age of the current meters is 12 years old. He said that they have held up pretty well and there is approximately a three-percent margin of error currently. He said that the automatic meters provide real-time information and can transmit every 15 minutes. He said that the typography of the area does present some challenges. He said that the next step is to meet with the contractor for this system.

Councilmember Miles asked what the impact would be on staffing.

Mr. Owen said that it would be minimal because meter reading service is currently contracted out. He said that the City currently pays Unisource Energy Services (UES) \$200,000 per year for meter reading services. He said that UES is putting out smart readers and they are putting in the infrastructure for it. He said that the City may be able to share some of that network and there are a lot of possibilities.

Councilmember Miles said that she is looking for a return on the amount of money spent.

Mr. Owens aid that meter reading would go away.

Ms. Moline said that when Climatec did their study they estimated that this would generate an additional \$500,000 in revenue. She said that the City knows it will increase the revenue but does not know the extent.

Mr. Dougherty asked when the network would be built out.

Mr. Owen said that UES is indicating they will still have readers here. He said that over time this service will be tougher to find.

Mayor Anderson asked if the Municipal Utilities Commission (MUC) has had any input on the capital projects.

Mr. Owen said that the quarterly report provided to MUC was the last input they had.

Mayor Anderson clarified that the commission does not know the recommendations.

Mr. Owen said that there are a lot that are further out and depend on growth and gave a synopsis of each project. He said that distribution lines replace failing and aging lines. He said that some of these projects could change because the water master plan is on the way. He said that this will be incorporated next year.

Mr. Dougherty asked how much growth needs to take place before these are needed.

Mr. Owen said that it depends on where the growth is and is based on the idea of growth in the east bench though there is potential elsewhere. He then continued his synopsis of each project.

Mayor Anderson asked if this would reduce electricity costs.

Mr. Owen said that it potentially could though the pumps have gas engines. He said that the department is afraid to use the engines in anything other than emergencies. He said that these projects are working on regular operations.

Mayor Anderson said that if UES gets their request to change then they can bill during off-peak hours.

Mr. Owen said that this was correct and Unisource has provided the City with an analysis that would be incorporated. He then continued his synopsis of each project.

Mr. Henry said that the Council had a presentation on GIS mapping at a meeting in December, 2015, and this is how most utilities store and manage information. He said that this allows queries and will help with asset management. He said that the masterplan update will not finish until next fiscal year so the department has requested carrying some of those funds over. Mr. Henry then discussed the project "Andy Devine Avenue Sewer Extension" on page 117 of the CIP book and said that this will serve the El Travator Hill area. He said that this area is currently served entirely by a lift station and this is the only way to serve those facilities outside of the 500 foot extension requirement. He said that the only way for this to happen is for the City to undertake this. He then discussed the project "Berk/Beverly Sewer Extension, Fairfax St. to Fourth St." on page 118 of the CIP book and said that this was done through CDBG funding several years ago. He said that this will add a couple of blocks to this. He said that this does qualify for CDBG and the City is just waiting for the state to release the funding. He said that they do not know when this will happen so they have it in the next fiscal year. He then discussed the project "Broadway Avenue Sewer Extension" on page 119 of the CIP book and said this is the area where the new Walgreens is and is a rocky area. He said that people in that area do not have the funds to extend the line themselves.

Mr. Owen discussed the project "Chestnut Sewer Line Phase I" on page 120 of the CIP book and said that these sewer lines are located on private property and need to be relocated. He said that phase two on page 121 of the CIP book is associated with this. He then discussed the project "Downtown Sewer Outfall Line Relocation" on page 122 of the CIP book and said that the line is running above ground and causes problems. He said that the line is not accessible and this is a very important project. He said that this is a phase plan and could be built over several years.

Councilmember Dean asked what would happen if the pipe failed.

Mr. Owen said that the wash is considered a waterway of the United States and a failure would violate the City's permits. He said that the line was built in the 1970's. He then discussed the project "Goldroad Avenue Sewer Replacement" on page 123 of the CIP book and said that this is another private property line. He then discussed the project "I-40 Sewer Line Boring" on page 124 of the CIP book and said that this is a new crossing under Interstate 40. He said that there would be problems if the system had to pump around Interstate 40.

Mr. Henry said that the Rutherford crossing would also eliminate two lift stations.

Mr. Owen discussed the project "Mohave Channel Trunk Sewer" on page 125 of the CIP book and said this project is in design. He said that this would open up a lot of the area north of Gordon Drive for a sewer station that would eliminate a lift station which is not completely in compliance with state standards now. He said that the next few projects were for reclaimed water and are alternatives for what do to with the reclaimed water. He said that the City could make it available to the industrial park, bring it in to the golf course and parks, or to inject it back into the aquifer. He then gave the potential costs for each.

Mr. Henry said that a study on this is complete and is on the website. He said that a brief presentation will be given to MUC and the consultant will give a presentation to the Council.

Councilmember Miles asked if this included a cost/benefit analysis.

Mr. Henry said that it did and all three are viable options. He said that this will hopefully take place at some point and a presentation would be given at the April 5, 2016, Council meeting.

Mr. Dougherty said that if the Council decided on injection part of the problem now is because of the amount of prescription drugs that go through the system and what will be filtered out.

Mr. Henry said that the sewage treatment plant does not do this.

Mr. Dougherty said that the best option is to reuse the water.

Mr. Owen said that there is the option to do a combination and this is still a good program. He said that there are permitting and sampling requirements. He said that there are different kinds of recharge and all options are viable. He said that this is part of the tools the City would have for use.

Mr. Henry said that the plant does not test for that level and he did not know if this could be done. He said that the City does not want to inject poor material back into the water supply.

Mayor Anderson asked if it would be possible to provide an estimate on the percentage of water and sewer use from the airport.

Mr. Henry said that he could and said the study looked specifically at that.

Mayor Anderson said that it is one thing to look at population and it is another thing to look at floor space. He said that this would increase at the airport.

Mr. Henry said that the report concluded that there is not enough use there now. He said that if a high water user came in that would be more viable.

Mr. Dougherty said that the farms in this area could expand and tap into this.

Mr. Henry said that the City would need to know what they are sizing the tank for and there is a limit on the number of gallons per day of A+ effluent. He said that the City needs the facility to do it.

Councilmember Dean asked if there would be enough to run a small power plant.

Mr. Henry said that there could be.

Councilmember Dean said that this was a concern in Golden Valley.

Mr. Henry said that he does not recall exactly what they are using.

Councilmember Dean said that there is the potential to attract one.

Mr. Henry said that there has been discussion of a solar plant but nothing has come in. He said that all three are viable options at some point.

Mr. Dougherty said that he and the Mayor met with the airport on this and there is more and more interest every day to use this. He said that they will need to know the options when it comes up.

Mayor Anderson said that the area is not considered upscale or high scale property for anything else. He said that solar would be viable for them and the airport has very little government.

Mr. Owen discussed the project "Sewer Extension Capital Projects" on page 129 of the CIP book and said this went through MUC and is continuing from this year.

Mr. Henry discussed the project "Sewer GIS Mapping" on page 130 of the CIP book and said that this is the other half of the water GIS mapping. He then provided examples of potential uses.

Mr. Owen discussed the project "Sewer Line Replacement/Realignment" on page 131 of the CIP book and said that most of this is on the south side. He then discussed the project "Sewer Slip Lining/Repair" on page 132 of the CIP book and said that this is a different method for replacement. He explained the process and potential location where it could be used such as Stockton Hill Road by the Post Office. Mr. Owen gave a synopsis of the project "South Kingman Sewer Replacement" and "Wastewater Infiltration Projects" on pages 133 and 134 of the CIP book. He said that consultants have identified where the main culprits are and the department wants to replace those over the next few years to keep them out of the system. He then gave a synopsis of the projects "Trash Containers" and "Truck Replacement" on pages 137 and 138 of the CIP book. He discussed the project "8th Street Underpass" on page 141 of the CIP book and said that this is monsoon storm related. He said that this would clear the underpass out for access. He said that this is also a winter storm issue and will help keep access open to the south side.

Mr. Henry discussed the project "Beverly Avenue" on page 142 of the CIP book and said that this is from Western Avenue to In-N-Out Burger. He said that this is needed on the south side due to erosion problems. He said that if the ditch is filled in and curbs and gutters are installed then there is less capacity and the area could flood more. He said that this will bring the water down to the ADOT channel. He said that this can proceed accordingly in Fiscal Year 2018. He then discussed the project "Bull Mountain Drainage Channel" on page 143 of the CIP book and said that this comes across Stockton Hill Road now and causes flooding on Gordon Drive. He said that this would run to the culvert/channel at the movies near Station Three. He said that there is a long list of improvements and went over what each year would fund. He said that this will eventually

go to the Mohave Wash Project. He then discussed the project “Burbank-Mohave Channel Crossing” on page 144 of the CIP book and said that this was behind Walmart and would provide additional access to the shopping center and an additional egress. He said that he is not sure where this fits in with the lake project and a right of way would be needed from Mohave County. He said that it is dependent on what happens with the property. He then discussed the project “Coronado Avenue Storm Drain” on page 145 of the CIP book and said that this was between Irving Street and the Mohave Wash Channel. He said that this is currently a dirt road that has a lot of maintenance issues and the department would like to take the drainage to Mohave Channel. He then discussed the project “Drainage Maintenance and Erosion Protection” on page 146 of the CIP book and said this allows funding for problem areas during storm season.

Mr. Owen said that the City was able to make repairs to the Kenwood Avenue curve at Eastern Street because of this.

Mr. Henry discussed the project “Golden Gate Improvement District” on page 147 of the CIP book and said that this area receives a lot of flood complaints. He said that the midpoint of the block is the low point and causes problems. He said that this would fix the drainage and allow for street improvements.

Councilmember Dean asked if this was near Fairgrounds Boulevard.

Mr. Henry said that this was more the midblock and Fairgrounds Boulevard is higher so some of the water can't get there. He said that it is going through people's back yards and causes problems. He said that this is a local flooding issue and the area is not in a flood plain. He then discussed the project “Land Acquisition-Drainage” on page 148 of the CIP book and said that this is a revolving fund for problem areas. He said this will allow the purchase of lots that cause problems. He then discussed the project “Master Drainage Plan Update” on page 149 of the CIP book and said it has been almost 30 years since the last master plan update. He said that the City is overdue and there is a lot of development that would affect things. He said that Mohave County has a good flood plain ordinance and there is the potential for the City to adopt their flood plain ordinance with some amendments. He said that this would address how to address drainage and also look at additional projects to come up with budget planning. Mr. Henry provided a synopsis of the project “Rail Road Drainage Channel” on page 150 of the CIP book. He then discussed the project “Southern Avenue Storm Drain” on page 151 of the CIP book and said this will drain into Southern Avenue and Eastern Street. He said that it will then drain to Franklin Drive and extend the storm drain in Eastern Street with known flooding problems. He said that this will make it easier to cross the intersection during a storm. He then discussed the project “Southern Vista Subdivision and Steamboat Drive - Drainage” on page 152 of the CIP book and said this is a problem area for the City with a lot of drainage issues.

Vice Mayor Young asked if there is a wash through there.

Mr. Henry said that there probably is and there have been a lot of complaints from residents. He then discussed the project “Sycamore Avenue Storm Drain” on page 153 of the CIP book and said and said that Western Avenue is key. He said that there has been problematic drainage at the hospital. He then discussed the project “Western Avenue-Beverly to Sycamore” on page 154 of the CIP book and said that there is sparse curb and gutter in the area. He said that this would improve that street and make it a collector street.

Mr. Dougherty asked if contractor Doug Angle is required to keep up the berm at Diamond Joe Road. He said that Mr. Angle recently got permission to go to the next phase and asked what the long term solution is to not flood that neighborhood.

Mr. Henry said that the berm is temporary and Mr. Angle would be responsible for maintaining it.

Mr. Dougherty asked if Mr. Angle is going to put Diamond Joe Road into his subdivision.

Mr. Henry said that Mr. Angle only has property to the north.

Mr. Dougherty asked if there are any further plans for a storm drain at this point.

Mr. Henry said that there are no plans right now and the east side of the property is where there is a large drainage parcel. He said that the area does have some issues to deal with and there are some things that can be done to help this.

Mr. Dougherty said that more building will cause this issue to continue.

Ms. Moline then discussed the funding sources for the CIP and said that the City does not have the money to pay for the entire thing. She then gave a synopsis of the next several slides and said that there is no bond authorization right now. She said that this would be the primary funding source for these large projects and the City could have a debt capacity of \$36 million. She then gave a brief overview of the bond, grant, and improvement district processes.

Councilmember Miles asked that Ms. Moline provide the Council with a copy of the PowerPoint presentation which Ms. Moline said that she would provide.

Ms. Moline gave a synopsis of investment fees and where they are dedicated. She also provided a synopsis of the City's operating costs and a preview of the operating budget. She also provided a synopsis of the budget priorities.

Mr. Dougherty said that he asked several department heads to sit on a committee and bring back a proposal to deal with compression. He said that he and the committee went back and forth with the proposal and came up with an option that will take care of employees with seven or more years of service. He said that this will bring the City a lot closer to where it needs to be for compression. He said that this proposal will be presented with the budget. He said that this was worked on diligently.

Ms. Moline continued her synopsis of the citywide priorities.

Councilmember Dean asked if the City has a safety incentive program.

Ms. Walker said that it does not and a loss control technician was just hired. She said that the severity of injuries is causing the increase.

Ms. Moline continued her synopsis of the citywide priorities.

Councilmember Carver asked about the proposed legislation to change the Public Safety Personnel Retirement System.

Ms. Walker said that this would only be for new hires going forward. She said that the City of Kingman has taken a higher contribution rate to chip away at its portions of the program debt. She also said that under the new plan it will be 30 years before the City sees a savings.

Councilmember Carver asked about employer contribution and what employees received if they pull their funds out of the system. He said that previously they only received their contribution.

Ms. Walker said that now an employee receives 100% of their account balance after 10 years of service.

Ms. Moline gave a synopsis of the department priorities and the calendar for the coming budget.

Mayor Anderson said that in six budget cycles this is the most exchange he has seen with the Council. He said that it is good to see concern from the Council and to see the preparation in putting the information together. He said that he wished all seven Council members were present and thanked the staff for all of their hard work.

Mr. Dougherty said that it went extremely well and he appreciated the staff input and Council's questions. He said that he appreciated the hard work and looking at all of this. He said that a lot of time goes into this and he appreciated the Council looking at it.

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

ADJOURNMENT – 1:43 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 Work Session Meeting of the Common Council of the City of Kingman held on March 14, 2016.

Dated this 19th day of April, 2016.

Sydney Muhle, City Clerk and Recording Secretary



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council

FROM: City Clerk's Office

MEETING DATE: May 3, 2016

AGENDA SUBJECT: The Regular Meeting and Executive Session minutes of April 5, 2016

SUMMARY:

These minutes were tabled at the Regular Meeting of April 19, 2016, due to request for additional corrections. The attached minutes reflect corrections that have been made/requested as of April 28, 2016.

FISCAL IMPACT:

STAFF RECOMMENDATION:

Approve minutes.

ATTACHMENTS:

Description

Regular Meeting minutes of April 5, 2016

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/21/2016 - 8:08 PM

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

DRAFT

MINUTES

5:30 PM

Tuesday, April 5, 2016

REGULAR MEETING

CALL TO ORDER AND ROLL CALL

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

Mayor Anderson called the meeting to order at 5:30 P.M. All councilmembers were present.

INVOCATION

The invocation will be given by Grif Vautier of Kingman Presbyterian Church.

Reverend Vautier was unable to be present. Mayor Anderson led a moment of reflection, after which the Pledge of Allegiance was said in unison.

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 Regular Meeting minutes of March 15, 2016

Councilmember Abram and Councilmember Miles recused themselves as they were excused from the meeting.

Councilmember Carver made a MOTION to APPROVE the Regular Meeting minutes of March 15, 2016. Councilmember Yocum SECONDED and it was APPROVED by a vote of 5-0 with Councilmember Abram and Councilmember Miles ABSTAINING.

2. APPOINTMENTS

a. **Consideration of appointing a candidate to the Planning & Zoning Commission to replace Tyler Angle**

Tyler Angle moved out of the corporate limits of the City of Kingman and therefore was not able to continue to serve on the commission. The commission met on March 8, 2016 and considered five candidates to fill the remainder of Mr. Angle's term, which ends December 31, 2017. Two of the five candidates, Thomas Schulte and Terry Shores, attended the March 8, 2016 commission meeting.

The Planning & Zoning Commission recommends that Council appoint either Thomas Schulte or Terry Shores to fill the unexpired term of Tyler Angle.

Applicant Thomas Schulte stated he was a candidate for appointment during the last round of vacancies and was asking to be appointed to this vacancy. Mr. Schulte stated he had experience in senior level security management at the federal, state and local levels. Mr. Schulte stated there were rules, regulations, policies and procedures at every level and he learned how to apply them to projects. Mr. Schulte stated the process could be long and painful, but it was necessary follow the system. Mr. Schulte stated he studied a lot of quality assurance systems and it was vital to look beyond the first level of impact in order to avoid the law of unintended consequences. Mr. Schulte stated he was active in the community and learned to be a team member through military and law enforcement experience. Mr. Schulte stated the hardest thing to tell a person was "no" and a denial needed to be followed up with a clear, unemotional explanation of why the decision was made. Mr. Schulte stated he chose to retire in Kingman. Mr. Schulte stated the City needed to preserve the historic nature of Kingman while allowing for its growth. Mr. Schulte stated his corporate management experience could be beneficial for the City.

Applicant Terry Shores stated she lived in Kingman for 30 years and felt she could give back to the community. Ms. Shores stated there was a lot of change over the years and she wanted to help promote more positive growth. Ms. Shores stated she worked for the State of Arizona and handled policies, procedures, laws and regulations on the federal and state level. Ms. Shores stated she would love to have the opportunity to serve to community and be a part of the team.

Councilmember Abram made a MOTION to APPOINT Thomas Schulte to the Planning & Zoning Commission. Mayor Anderson SECONDED and it was APPROVED by a vote of 7-0.

b. **Consideration of appointing a new Historic Preservation Commission (HPC) member**

The Historic Preservation Commission has two vacant terms that expire in December, 2017. On March 21, 2016 the commission voted 5-0 to recommend Jacqueline Huntoon for appointment to the commission. **Staff recommends approval.**

Jacqueline Huntoon stated she was a registered architect and moved to Kingman in 2003. Ms. Huntoon stated she worked in southern Arizona on many state facility buildings and had experience with historic preservation. Ms. Huntoon stated she stopped her practice when she moved to Kingman in order to focus on her family, but has always been involved in the Kingman community. Ms. Huntoon stated her children were older now and she wanted to become more involved. Ms. Huntoon stated she loved historic architecture and thought serving on the HPC looked like an interesting opportunity.

Councilmember Miles made a MOTION to APPOINT Jacqueline Huntoon to the Historic Preservation Commission. Vice-Mayor Young SECONDED and it was APPROVED by a vote of 7-0.

3. AWARDS/RECOGNITION

a. **Employee recognition**

In appreciation for their hard work, dedication, and loyalty, the Council would like to recognize employees who have reached years of service milestones, beginning at five years of service and continuing at each five year interval.

Yrs of

Service	Name	Title	Department
20	Shilling, William	Principal Planner	Development Services
15	Coffin, David	Police Sergeant	Police
15	Wyatt, Joseph	Equipment Operator A	Public Works
10	Bailey, William	Water Technician A	Public Works
10	Jeppson, Gary	Development Services Director	Development Services
10	Heitman, Daniel	Groundskeeper	Parks & Recreation
10	White, Noland	Groundskeeper	Parks & Recreation
10	Baker, Jeff	Information Technology Coordinator	Information Technology
5	Garcia, Jesse	Equipment Mechanic	Parks & Recreation
5	Hambrick, Burley	Project Manager	Public Works
5	Robert Olivas	Equipment Operator B	Public Works

The Council would like to congratulate the following retirees on their retirement:

Tom Blum who retired from Public Works on January 4, 2016 with over 30 years of outstanding service.

Dean Pethers who retired from Public Works on January 7, 2016 with over 30 years of outstanding service.

Chris Kimrey who retired from the Fire Department on December 26, 2015 with over 21 years of outstanding service.

Ricky Pierce who retired from Public Works on January 14, 2016 with over 15 years of outstanding service.

Roy Ratliff who retired from Public Works on February 1, 2016 with over 14 years of outstanding service.

Jeff Campbell who retired from the Fire Department on January 7, 2016 with over 9 years of outstanding service.

Mayor Anderson presented certificates to the employees who were present.

b. Proclamation for KABAM! Festival Day

Literacy is the foundation of the economic, educational and cultural wellbeing of a community. The Mohave Library Alliance seeks to promote literacy, the love of books and the joy of reading and has received the support of various local organizations and groups. The Mohave Library Alliance is sponsoring the KABAM! (Kingman Area Books Are Magic) Festival to promote literacy in the Kingman area.

Mayor Anderson read the proclamation and presented it to the members of the KABAM! steering committee.

4. 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.

Kingman resident AJ Banks stated she lived near the intersection of Washington Street and Southern Avenue where recycling bins were recently relocated. Ms. Banks stated many nearby residents felt the bins were a traffic hazard because there was no place to pull off and unload the recycling. Ms. Banks stated the corner was also used as a school bus stop in the morning and having the bins there was not safe for children. Ms. Banks stated the bins would draw bugs during the summer and it was not an appropriate for them to be located in a residential area.

Mayor Anderson directed City Manager John Dougherty to review the placement of recycling bins in the City and provide the information to the Council at a future meeting.

Kingman resident Herberta Schroeder stated the councilmembers needed to remember it was impossible to make everyone happy all the time. Ms. Schroeder stated the Council was elected to make decisions for the community as a whole, which meant certain individuals would be unhappy. Ms. Schroeder stated it was a difficult job to make these decisions, but continuing to revisit a topic would anger everyone. Ms. Schroeder

stated the City had ordinances addressing zoning, but there was not enough personnel to investigate every single issue. Ms. Schroeder stated the investigations were complaint driven, such as those made on a yellow conex located on Andy Devine Avenue and Hall Street.

Kingman resident Doug Dickmeyer stated the City needed a reliable source of revenue in order to grow and that could be accomplished through developing the Rancho Santa Fe traffic interchange. Mr. Dickmeyer stated the interchange had unlimited growth potential for retail and manufacturing in the City.

Kingman Airport Users Association member Gary Rucker distributed a document, which is included at the end of this report. Mr. Rucker stated it was three weeks since the organization requested to be heard by Council and he wanted to share another finding on the airport. Mr. Rucker stated he received feedback showing the majority of businesses would not recommend to other businesses to relocate to the Kingman Airport and Industrial Park or to work with the Kingman Airport Authority (KAA). Mr. Rucker stated his organization had a solid, workable plan to repair the damage. Mr. Rucker stated he assembled a local team of experts and they were ready to help the City transform the way business was conducted at the airport.

Mayor Anderson directed Mr. Dougherty and City Attorney Carl Cooper to make a recommendation to Council as to how to meet with the group or involved individuals.

Kingman resident Pat McBrayer distributed one packet of information, which is included at the end of this report. Mr. McBrayer stated he was a former councilmember and had concerns about storage containers on properties. Mr. McBrayer stated storage containers were only allowed in C-3 and industrial zones, however it appeared Mr. Dougherty and the Council were permitting storage containers to exist in C-1, C-2 and residential areas despite complaints. Mr. McBrayer asked if the decision was made at a public meeting. Mr. McBrayer asked the Council to review the documents he provided. Mr. McBrayer stated the container issue appeared to have deception and favoritism as he was currently being prosecuted by the City for having a storage container on his property. Mr. McBrayer stated the City Manager and City Attorney served at the pleasure of the Council, not vice versa. Mr. McBrayer asked the Council to discuss the issue in the Executive Session.

Kingman resident Jennifer Chambers stated she was speaking on Consent Agenda item "5f" for the sewer variance at 569 Anson Smith. Ms. Chambers stated the septic tank on her property failed and she was willing to abide by City regulations to connect to the sewer system. Ms. Chambers stated there was sewer infrastructure on Harvard Street, but not on Anson Smith. Ms. Chambers stated she owned one acre of property on a corner and following the City regulations would cost a total of \$35,000 for the sewer extension. Ms. Chambers stated she and her husband were elderly and could not afford the expense, especially when there was no way to recoup the money through a sewer payback agreement. Ms. Chambers asked the Council to grant a variance allowing sewer to be extended to the corner of the property only and not the entire frontage.

5. 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. Special event liquor license application

Applicant Regina M. Musumeci of the Kingman Powerhouse Kiwanis has applied for a Series 15 Special Event Liquor License for an event to take place Saturday, May 21, 2016, from 4 P.M. to 11:59 P.M. at 201 N. 4th Street in Kingman. **Staff recommends approval.**

b. Consideration of waiving requirements outlined in Ordinance 1795

On April 7, 2015, Council passed Ordinance 1795 for property located at 503 E. Spring Street which changed the zoning from Residential Single Family to C-1 Commercial Neighborhood Convenience. Part of the ordinance requires compliance with the 2012 Edition of the International Building Code (IBC) and the Americans with Disabilities Act (ADA) requirements including off-street parking to the rear of the building, constructing a six foot wall, and maintaining the historic character and appearance of the primary building. The City standards require nine off-street parking spaces due to the square footage of the building. The owner has requested that the parking requirements be waived.

Staff believes the existing wall is sufficient and recommends waiving the parking requirement due to lack of space on the property. **Council discretion.**

c. Resolution 5003: approval of intergovernmental agreement (IGA) with the Mohave County Flood Control District for disbursement of Fiscal Year 2016/2017 tax revenues (ENG16-0010)

The City of Kingman has received its annual IGA from the Mohave County Flood Control District. This IGA will provide \$542,062.00 in funds for flood control related projects in the City of Kingman including projects for storm drains in Sycamore, Southern and Coronado Avenue, Eighth Street improvements, Beverly Avenue drainage easement, Southern Vista and Steamboat Drive drainage improvements, land acquisition for the drainage projects and parcels, and various drainage and maintenance erosion protection projects. **Staff recommends approval.**

d. Application for temporary liquor license extension of premises/patio permit

Applicant Noble Zubaid of 66 on 66 Bar and Grill, LLC dba Canyon 66 Restaurant and Lounge has submitted a temporary application for extension of premises/patio permit for April 28, 2016 through May 1, 2016 located at 3100 E. Andy Devine in Kingman. **Staff recommends approval.**

e. Payment to the Arizona Department of Transportation (ADOT) for Project ENG14-039

The total project cost is slightly higher than the original budget and Staff has received an invoice from ADOT for the project. Construction costs were originally budgeted at \$256,768.00. Those costs have increased to \$276,312.00, a difference of \$19,544.00. Due to savings during the design phase, the overmatch of \$19,544.00 can be reduced to the invoiced amount of \$7,312.00. There are also savings in the I-40 feasibility study which can be used to offset the overmatch for this project. **Staff recommends authorizing the use of Capital Project funds in the amount of \$7,312.00 to pay the invoice dated March 17, 2016.**

f. Resolution 5007: approving a sewer extension variance for 569 Anson Smith Road (ENG16-0009)

On March 24, 2016, the Municipal Utility Commission (MUC) reviewed a request for a sewer extension variance to 569 W. Anson Smith Road. The subject property is approximately 1.14 acres in size and is located at the intersection of Anson Smith Road and N. Harvard Street. The applicant submitted a letter requesting that the sewer extension occur only along the portion of the Anson Smith frontage adjacent to the home. Section 7.2 (A) of the Utility Regulations requires that the sewer extension take place along the total frontage of the property to be served, which includes both the Anson Smith and Harvard Street fronts. In 2014, Council approved Resolution 4906, which allowed a corner lot to extend across one full frontage only. Resolution 5007 approves a variance to the Utility Regulations by allowing the sewer extension to occur across the Anson Smith property frontage instead of the total property frontage. The MUC voted 5-0 to recommend approval of this sewer extension exception, citing the previous variance. **Staff recommends approval.**

g. Consideration of Amendment 3 to Engineering Contract ENG14-084

On March 17, 2015, Council approved construction contract ENG14-084 with Friday Construction, Inc. to begin Phase One of a series of water and sewer projects throughout the City. Staff previously recommended that the construction manager at risk (CMAR) project be broken into separate construction phases. Amendment 3 will add an additional 180 calendar days to the construction contract time and provide additional funding to the project. **Staff recommends approval.**

h. Proposed Resolution 5008: approving the release of a portion of the cash escrow assurance for Sunrise Business Park, Tract 6037

Mohave Engineering Associates, Inc., project engineer, on behalf of the property owner, Lingenfelter Family Trust, has requested the approval of a release of a portion of the cash escrow assurance. The request is to release \$116,021.00 for the completion of curbs, gutters and sidewalks, as well as utility conduit within the subdivision. The City Engineer and Public Works inspectors are in the process of verifying that the improvements are complete and in compliance with the terms of the final plat and requirements of the City of Kingman Subdivision Ordinance. **Staff recommends approval.**

Mayor Anderson requested item "5f" be removed from the Consent Agenda for discussion. Mayor Anderson asked Ms. Chambers if it was correct that the septic system had not been confirmed to have failed.

Ms. Chambers stated the tank was pumped and appeared to have experienced a blockage. Ms. Chambers stated she called a plumber and had the tank dug up. Ms. Chambers stated the tank was pumped again and the septic company stated the system had failed. Ms. Chambers stated the septic contractor notified the City that the septic system was in failure and she needed to connect to sewer. Ms. Chambers stated no one physically inspected the system to confirm it failed.

Mayor Anderson stated he did not want to vote on an action that may be unnecessary. Mayor Anderson stated the septic system should be inspected in order to verify it had failed before going through the process of connecting sewer. Mayor Anderson asked City Engineer Greg Henry if he could recommend a group to determine if the system had failed.

Mr. Henry stated a permit issued by the Mohave County Health Department stating the system failed would qualify. Mr. Henry stated the County may charge an inspection fee.

Ms. Chambers stated she contacted the County and they stated they do not inspect septic systems until the sewer was connected, at which point they issued a cease and desist permit on the septic system.

Mr. Henry stated he did not have any contractors he could recommend.

Ms. Chambers stated she wanted to comply with City regulations, but felt it was unfair to extend the sewer lines for the entire length of the property. Ms. Chambers stated she was not a developer and had no way to recoup the money spent on the lines.

Mayor Anderson asked Ms. Chambers if the variance could be held until the septic system was inspected.

Ms. Chambers stated it had already been a month and she did not want to end up with another problem if she had to wait longer. Ms. Chambers stated it would also take a long time to install sewer lines.

Mr. Henry reviewed the summary for item "5f" and displayed the map associated with the item. Mr. Henry stated the septic system required pumping at a very short interval, which could mean there was a problem with the leech field or a blockage. Mr. Henry stated it was difficult to know without inspecting the system.

Councilmember Abram asked for the average sewer extension price.

Mr. Henry stated Ms. Chambers' paperwork showed \$28 per foot for a total of 432 feet, but there were also manhole covers, pavement replacement, backfill and other expenses to consider.

Councilmember Abram stated the amount of sewer line that would extend beyond Ms. Chambers' house would total \$3,500.

Mr. Cooper stated the only way to recoup the money would be through a sewer payback.

Ms. Chambers stated the property across from her consisted of several bank owned properties that the bank would not sell individually. Ms. Chambers stated the property would not connect to Anson Smith sewer line and would most likely be installed inside the property. Ms. Chambers stated there were no other users except for two other houses, one of which had a new septic tank installed two years ago and the other which had the tank inspected in 2013. Ms. Chambers stated she could not afford the total cost of the sewer lines, even with a loan.

Mayor Anderson stated the septic system needed to be inspected to ensure it failed and if it had the Council could grant a variance.

Councilmember Miles asked if Ms. Chambers could qualify for a community development block grant (CDBG) rehabilitation grant.

Development Services Director Gary Jeppson stated Ms. Chambers' problem was eligible, but the City did not have any CDBG money. Mr. Jeppson stated the State was trying to get out of housing rehabilitation altogether and the City was still trying to work with the State on sewer extension grants from two to three years ago.

Councilmember Carver stated this issue would arise frequently with the expansion of the City and Ms. Chambers would not be the only person to face these problems. Councilmember Carver stated septic systems were not designed for dense populations, which meant the City did want people to connect to sewer, but nothing firmly showed Ms. Chambers' septic had failed.

Councilmember Carver made a MOTION to PULL item "5f." Vice-Mayor Young SECONDED and it was APPROVED by a vote of 7-0.

Mayor Anderson directed Mr. Jeppson and Mr. Henry to keep in contact with Ms. Chambers and help her determine if there was a septic system failure.

Councilmember Yocum made a MOTION to APPROVE the Consent Agenda as presented excluding item "5f." Councilmember Abram SECONDED and it was APPROVED by a vote of 7-0.

6. OLD BUSINESS

a. **Splash Pad development agreement**

The development agreement between the City and Venture Club for the construction of the Splash Pad at Cecil Davis Park has been completed. The goal is to have the project finished by Memorial Day. **Staff recommends approval of the Development Agreement for the construction of the Splash Pad at Cecil Davis Park.**

Councilmember Carver made a MOTION to APPROVE the Splash Pad development agreement. Councilmember Miles SECONDED and it was APPROVED by a vote of 7-0.

b. **Splash Pad II**

The Venture Club has raised the significant funds for building a Splash Pad in one of the parks. There is a difference of opinion between the Club, contractor and Staff as to what is essential and what is unnecessary. The two significant items that Staff is requesting are sand filters and VFD pumps. **Staff recommends including sand filters and VFD pumps as they are vitally important for long term maintenance issues and keeping the pad operational. Staff strongly recommends the above request be included in the product that will be turned over to the City for long term operation. Council discretion.**

Mr. Dougherty stated there was another request from Staff to include a rain diverter. Mr. Dougherty stated including all three components would remain within budget.

Parks and Recreation Director Mike Meersman stated none of the items were new requests as they were included in the original proposal. Mr. Meersman stated the rain diverter would redirect rain to the sewer so it did not dilute the chlorinated water. Mr. Meersman stated the variable frequency drive (VFD) pumps slowly built up to full water pressure, were more energy efficient, and reduced the chance of water hammer effects. Mr. Meersman stated the VFD pumps would extend the life of the plumbing and apparatus. Mr. Meersman stated two sand filters would allow one to work as a back up filter and keep the Splash Pad operational in case one filter needed to be serviced. Mr. Meersman stated the Venture Club's recommendations would work but Staff's recommendations would create a safer system and extend the life of the equipment. Mr. Meersman stated the total cost for the three components would be \$44,000, but the utilities would be lower and wear and tear on the plumbing would be reduced. Mr. Meersman stated there were many contractors who recommended these items.

Venture Club member Lisa Bruno stated the contractor hired by the Venture Club was willing to put

in the features, but it was out of the Venture Club's budget. Ms. Bruno stated it would be advantageous to have the components, but it went beyond the scope of what the Venture Club wanted to accomplish. Ms. Bruno stated the contractor stated the components were unusual features in a standard splash pad, but may be beneficial for the Kingman area. Ms. Bruno stated the Venture Club was willing to put in the components if the City contributed. Ms. Bruno stated the Venture Club could scale back on the water features to include the components, but they wanted the big water features.

Mr. Meersman stated Staff did a lot of research and had problems with water hammer in the City's existing irrigation systems and water system. Mr. Meersman stated the components were operational items, not above ground extras such as benches and shades. Mr. Meersman stated a lot of cities contributed to these types of projects. Mr. Meersman stated the City used sand traps now and he would recommend installing VFD pumps in any new irrigation system.

Mr. Dougherty stated Council already approved \$100,000 to cover any shortage. Mr. Dougherty stated contractors did not stick around after projects were installed, but Staff did and would have to handle any problems. Mr. Dougherty stated Staff wanted the Splash Pad to be open as much as possible and did not want to have to shut it down due to blockage or dilution.

Councilmember Miles made a MOTION to APPROVE City funding for the rain diverter, sand traps and VFD pumps. Councilmember Yocum SECONDED.

Vice-Mayor Young asked if including the components would delay installation.

Mr. Bruno stated it would not.

Mayor Anderson asked for the return on investment for the components.

Mr. Meersman stated it was difficult to estimate the wear and tear and electricity cost reductions at this time. Mr. Meersman stated Bullhead City's splash pad had leaks underneath the bottom of the tank, which was costly to repair. Mr. Meersman stated any measure that could be taken to save wear and tear on plumbing under the pad was worth the investment.

Mayor Anderson called for a VOTE and it was APPROVED by a vote of 7-0.

c. Update and possible action on fireworks fundraising efforts

Kingman resident Erin Cochran will give a presentation to Council on her fundraising efforts for the July Fourth fireworks display. Staff would like direction from Council on whether money should be budgeted to cover any shortage in the fundraising efforts. The bids for the show are due on April 22, 2016 and Staff will need to lock in a vendor shortly thereafter. **Council discretion.**

Kingman resident Erin Cochran stated the community donated \$19,000 in two months and there was a possibility of \$2,000 to \$3,000 more in donations. Ms. Cochran stated the goal and budget was \$25,000. Ms. Cochran asked the Council to approve funds to cover any shortage.

Councilmember Yocum made a MOTION to APPROVE contributing up to \$6,000 to cover any shortfall at the time the contract for the fireworks display was signed. Councilmember Carver SECONDED and it was APPROVED by a vote of 7-0.

d. Kingman Crossing vs. Prospector Interstate 40 (I-40) crossing

At the March 15, 2016 Council meeting the Council voted 3-2 to direct Staff to proceed with plans to put the north-south access over or under I-40 at Prospector Street. Councilmember Carver and Councilmember Yocum both requested the item be brought back for further consideration. **Staff recommends approving the Kingman Crossing location.**

Mr. Henry reviewed the map included in the agenda packet. Mr. Henry stated alternative one would construct the bridges needed for the Kingman Crossing traffic interchange (KC TI) as well as a large amount of required drainage infrastructure. Mr. Henry stated it would not construct the off-ramp. Mr. Henry stated the street, bridges and two lane roadway would subtract \$7 million from the total KC TI construction costs. Mr. Henry stated Prospector Street was not a location for a traffic

interchange and would not result in any savings. Mr. Henry stated Staff recommended alternative one because of the reduction in cost to the KC TI and the access to I-40.

Councilmember Abram stated alternative one was a better value in the long term.

Mayor Anderson stated it also fit better with the objectives established in the General Plan amendment process and would increase the land value.

Councilmember Dean asked for the amount of potential floor space for retail at Kingman Crossing.

Mr. Henry stated it was not possible to estimate the floor space as it depended on the subdivisions created on the property and the lot sizes available to potential businesses.

Vice-Mayor Young stated the developer would actually save the \$7 million since whoever purchased the land would fund the KC TI.

Councilmember Abram stated alternative one raised the value of the property.

Mayor Anderson stated the contractual element of the funding for the KC TI was not determined. Mayor Anderson stated the issue of selling or leasing the land was also not determined.

Mr. Henry stated there were no commitments from developers to pay for infrastructure at this time.

Councilmember Miles stated there was no new information being presented on this issue and the Council should not set a precedence by revisiting topics that were voted on by a quorum. Councilmember Miles stated she wanted to know how the hospital and other participating partners would fit into immediately offsetting the costs for alternative one if the Council was going to change its decision. Councilmember Miles stated she also wanted to know if it was possible to extend directly to Airway Avenue instead of working back to Prospector Street.

Mayor Anderson stated the Council was not setting a precedence and revisiting a topic had been done in the past and was in accordance with City ordinance.

Councilmember Carver stated he requested the issue return to Council because he glossed over the \$7 million impact. Councilmember Carver stated he voted for the alternative with the lower price tag without understanding the cost savings to the City. Councilmember Carver stated alternative one would show developers that the City was a serious stakeholder in the KC TI. Councilmember Carver stated the issue was worth reexamining if the City could double the value of its money and improve development possibilities. Councilmember Carver stated the citizens would get a better value for their money.

Councilmember Abram asked if there was an advantage to going under the freeway versus over the freeway.

Mr. Henry stated the design concept for the KC TI put the access under the freeway and alternative one followed the concept plans. Mr. Henry stated anything different would have to be evaluated by the federal highway administration.

Councilmember Abram stated an elevated off-ramp caught the eye of travelers more than one under the roadway.

Mr. Henry agreed and stated it was generally less costly as well, but Staff did not want to alter the original concept design.

Vice-Mayor Young stated alternative three would move traffic off of Eastern Street and onto Southern Avenue. Vice-Mayor Young asked if the City could talk to the State to get permission to connect the road to Southern Avenue.

Councilmember Dean stated Vice-Mayor Young's proposal would also remove the 90 degree corner

and increase the value of hospital property. Councilmember Dean asked if the City could get permission from the State.

Mr. Henry stated the State refused to grant the City right of way through the center of the state trust lands, but would provide access along either side of the land for a cost. Mr. Henry stated the City would need the center route access. Mr. Henry stated the issued was addressed within the last six to seven years and the cost of the right of way was unknown. Mr. Henry stated the City could approach the State.

Councilmember Carver made a MOTION to APPROVE alternative one. Councilmember Yocum SECONDED.

Councilmember Dean asked if Staff would continue to explore other possibilities if the Council approved alternative one.

Mr. Henry stated there were many steps to get right of way permission on state trust lands including applications and environmental impact studies. Mr. Henry stated Staff would not have an answer by next meeting.

Councilmember Dean asked why the City was in a hurry to push the project through.

Vice-Mayor Young stated alternative one was the best route especially since the hospital would eventually have an emergency room, but she was concerned about the zig zag pattern and traffic congestion.

Councilmember Miles stated there were not enough advantages to approve alternative one, especially due to the lack of straight roadways. Councilmember Miles stated the study concerned her and the route should go straight to Airway Avenue and Southern Avenue.

Kingman resident Harley Petit stated the people should vote on this since it was a major General Plan amendment. Mr. Petit stated the Mohave County Board of Supervisors (BOS) recommended the Rancho Santa Fe traffic interchange for the commerce aspect, keeping trucks out of the City, and providing direct access to the Kingman Airport. Mr. Petit stated there was a suspicious interest in Kingman Crossing. Mr. Petit stated a developer choosing to spend money on the KC TI was fine, but City money should not be used as it only benefited the north side of the City. Mr. Petit stated alternative three benefited the schools, which was not commerce. Mr. Petit stated the BOS and the Arizona Department of Transportation (ADOT) both recommended the Rancho Santa Fe traffic interchange. Mr. Petit stated Kingman Crossing was not ready because there was no infrastructure.

Mayor Anderson stated each traffic interchange was being addressed in different ways including grants and the current discussion was about access in the City.

Mr. Dickmeyer stated alternative one was the only choice if the City was going to end up implementing the KC TI. Mr. Dickmeyer stated spending funds on alternative three would be a waste of money. Mr. Dickmeyer stated the only problem was the zig zag road and the City should approach the State. Mr. Dickmeyer stated the City should look at the original Kingman Crossing study.

Councilmember Yocum made a MOTION to CALL FOR THE QUESTION. Councilmember Carver SECONDED and it was APPROVED by a vote of 7-0.

Mayor Anderson called for a VOTE and it was APPROVED by a vote of 7-0.

e. Public hearing and consideration of Ordinance 1799R: revision to Ordinance 1799 in an effort to reduce publication costs

On October 6, 2015, Council adopted Ordinance 1799 which extended the sunset date of June 30, 2016 on the 0.5% TPT rate increase to December 31, 2017. When Ordinance 1799 was drafted all of Article IV and a portion of Article VI of the Kingman Tax Code were included. Because ARS §9-812 requires publication of ordinances, publishing the entire ordinance would have cost the City

approximately \$14,000. Staff was given direction at the Council priorities work session in January to revise the ordinance in an effort to reduce publication costs. Staff has revised the ordinance to reference each affected category rather than reference the details of each affected category. Although Ordinance 1799R does not amend the TPT rate adopted in Ordinance 1799, ARS §9-499.15 and ARS §42-6054 require the City to meet notification and public hearing requirements. **Staff recommends approval.**

Finance Director Tina Moline stated the Council adopted Ordinance 1799 in October, 2015. Ms. Moline stated the format of the ordinance included all sections verbatim and totaled 46 pages with a publication cost of \$14,000. Ms. Moline stated Ordinance 1799R extended the transaction privilege tax (TPT), but the sections were referenced instead of printed, which cut the length to 2 pages and under \$500 in publication costs. Ms. Moline stated the City was required to go back through the notification and public hearing process to adopt Ordinance 1799R.

Mayor Anderson opened the public hearing at 7:29 P.M. There were no comments.

Mayor Anderson closed the public hearing at 7:30 P.M.

Councilmember Yocum made a MOTION to ADOPT Ordinance 1799R. Councilmember Abram SECONDED and it was APPROVED by a vote of 7-0.

f. Council Handbook draft

The current draft is a work in progress that may have some internal inconsistencies as well as sections Staff does not recommend. It is a blend of many different Council handbooks based on Council request and will take more time to complete based on the input from Council. Staff requests Council review and comment on the draft handbook. **Council discretion.**

Mr. Cooper stated the draft provided to Council was a compilation of a number of cities' handbooks as well as councilmember input. Mr. Cooper asked the councilmembers to read through the hardcopy drafts provided in their mailboxes, mark input on the copies, and return them to Staff. Mr. Cooper stated a cleaned up version with integrated feedback would be provided for review and discussion at a future meeting. Mr. Cooper stated the City would need to modify some of its ordinances.

Councilmember Miles stated everything that did not apply to the City should be removed from the draft, such as the subcommittee section for selecting boards and commissions members. Councilmember Miles stated text that allowed a standing body committee member to attend meetings by phone should become a default on all agendas. Councilmember Miles stated two to three hours of notice should be provided to Staff in order to set up necessary equipment and the physical attendance requirement should be addressed in the handbook.

Councilmember Carver stated he wanted to review the handbook before adopting anything.

Councilmember Miles stated she was not asking to adopt the handbook, but to add the language addressing telephonic attendance to all agendas.

Mr. Cooper stated the handbook would also need to be condensed as it was currently over 30 pages.

Mayor Anderson directed Staff to provide a draft handbook at the May 17, 2016 meeting. Mayor Anderson directed the councilmembers to forward comments to Mr. Cooper as soon as possible.

Mr. Cooper stated creating a handbook was a slow process unless the Council held a meeting to specifically address its creation.

7. NEW BUSINESS

a. Consideration of Resolution 5005: approval to vacate (abandon) the subdivision plat for Granite Bluffs III, Tract 1996-A

A request from Kingman Associates 3, LLC, applicant and property owner, for the vacation

(abandonment) of the subdivision plat of Granite Bluffs III, Tract 1996-A. This undeveloped subdivision consists of 27 lots and several unimproved public streets located on 8.83 acres. The property is located along the west side of Mission Boulevard, northwest of Granite Bluffs Drive. The applicant is requesting the abandonment of the subdivision to allow the release of a \$407,933.00 performance bond. The bond was accepted by the City when the subdivision was approved in 2007 to assure the completion of the required subdivision improvements based on an engineer's cost estimate at that time. If the subdivision is vacated it will revert the property to a single 8.83 acre parcel. There will be no effect on the zoning which will remain R-1-10: Residential, Single Family, 10,000 square foot lot minimum. The vacation of the subdivision will also relieve the City of any liability for the completion of the improvements should the developer fail to perform. An existing public utility easement along Mission Boulevard was recorded prior to the subdivision and will remain in place. An easement located along Granite Bluffs Drive that was dedicated with the subdivision plat will need to be replaced with a new easement as there are electric, phone and cable utilities currently in this easement. Also an extension of the right-of-way for Granite Bluffs Drive is recommended to provide proper access to this easement. The Planning and Zoning Commission met on March 8, 2016 to consider this request. There were public comments from property owners in the adjoining Granite Bluffs subdivision who were generally opposed to the proposed abandonment. **The Planning and Zoning Commission voted 3-2 to recommend the approval of the request to vacate Granite Bluffs III, Tract 1996-A.**

Mr. Jeppson presented the slides in the agenda packet. Slide one was an introductory slide. Mr. Jeppson reviewed slides two and three and skipped slide four. On slide five Mr. Jeppson displayed a map and stated the property was never developed. Mr. Jeppson displayed a map on slide six and stated the recommendation was to maintain the street in order to access the property. On slide seven Mr. Jeppson displayed the final plat map. Mr. Jeppson reviewed slides 8 through 12. On slide 13 Mr. Jeppson stated there were many comments made during the public hearing. Mr. Jeppson stated Staff and the Planning & Zoning Commission recommended abandonment with the appropriate utility easements as well as maintaining the Granite Bluffs right of way. On slide 14 Mr. Jeppson reviewed the proposed dedication and stated the applicant was willing to agree to the dedications. Mr. Jeppson stated the covenants, conditions and restrictions (CC&Rs) would no longer be in effect if the subdivision was abandoned. Mr. Jeppson stated the applicant could change the CC&Rs if the plat remained valid since they owned the land.

Councilmember Abram stated abandoning the subdivision would not change the zoning as anyone that purchased the property would need to maintain zoning or go through the rezoning process.

Kingman resident Robert Stewart stated he opposed the abandonment as it would relieve the applicant of responsibility. Mr. Stewart stated the developer's claim of being unable to develop the land due to the economy was at odds with the improving market. Mr. Stewart read a letter he then submitted to the Council, which is included at the end of this report.

Kingman resident Junia Aksamit stated she attended the public hearing where she said she did not care about the abandonment as long as the zoning remained the same. Ms. Aksamit stated she wanted to change her statement after hearing the other residents' comments. Ms. Aksamit stated she was opposed to the abandonment and wanted the zoning to remain the same.

Kingman resident Rick Lambert stated the neighborhood was tired of this issue and dealt with it for years. Mr. Lambert stated the developer was less than honest with all the neighborhood's residents, was deceitful about giving legal notice, and was disruptive at previous Council meetings. Mr. Lambert stated the developer would use this as a gateway for rezoning by waiting until a change of Council to ask for the rezoning. Mr. Lambert asked the Council to protect the residents and their investments.

Kingman resident John Mazley stated the developer owned the land since 2007 and asked for a change on three acres for offices and neighborhood shops, a 20 building apartment complex, and other multi-family units. Mr. Mazley stated the developer showed no interest in developing the current zoning. Mr. Mazley stated the Hualapai Mountain Road district required projects that minimized traffic, interference with privacy, and were planned to fit in with the natural conditions. Mr. Mazley stated the developer's proposals would dramatically oppose the standards. Mr. Mazley asked the Council to protect the zoning as it was the only protection for the residents'

investments.

Kingman resident Wirlynn Tinnell stated she submitted a letter to the Council at an earlier date and all her comments were addressed by previous speakers. Ms. Tinnell stated the homeowners also invested heavily in the area. Ms. Tinnell stated the developer repeatedly complained to the Council about the poor investment the \$400,000 property was for him while he sat in Las Vegas.

Kingman resident Kelly Lang stated the residents were substantially invested in the issue financially and emotionally. Ms. Lang stated the majority of the property owners were retired or older, which made it difficult to move. Ms. Lang stated the residents needed protection for their investments.

Kingman resident Susan Smith stated she emailed a letter to the Council and submitted a copy to the City Clerk, which is included at the end of this report. Ms. Smith stated she was a local realtor with ReMax and a resident of Granite Bluffs. Ms. Smith stated she did not trust the developer and when she first bought property the developer advertised privacy and custom homes. Ms. Smith stated she bought a house in the area because she thought it would be the prettiest neighborhood in Kingman. Ms. Smith asked the Council to vote against the abandonment.

Mayor Anderson stated the developer chose not to appear at the meeting. Mayor Anderson asked what advantage the homeowner would have if the abandonment was denied.

Mr. Jeppson stated the bond assured that if the lots were sold the City would use the money to install infrastructure. Mr. Jeppson stated accessing a bond was an involved process.

Mayor Anderson asked what the impact would be on the developer.

Mr. Jeppson stated the bond would be released.

Councilmember Dean asked if there was enough money in the bond to put in all infrastructure.

Mr. Henry stated it was hard to answer the question without looking at plans. Mr. Henry stated it was a rocky area that would require certain equipment.

Councilmember Yocum asked if there was a compelling reason for abandonment.

Mr. Jeppson stated if there was not enough money in the bond and the City had no desire to install infrastructure the City would want the abandonment. Mr. Jeppson stated the City would not want to grant abandonment if it felt the bond was adequate and wanted to preserve the plat.

Councilmember Yocum made a MOTION to DENY the request for abandonment. Vice-Mayor Young SECONDED.

Councilmember Abram stated it was obvious the developer never had the intention to develop the property. Councilmember Abram stated the developer could sell and leave the City just as homeowners could.

Mayor Anderson called for a VOTE and it was APPROVED by a vote of 7-0.

b. Consideration of initiating a Zoning Ordinance text amendment to permit storage containers in the C-2 Zoning District

Staff has received comments concerning the current prohibition of permitting storage containers in the downtown area as well as in other areas of the City that are zoned "C-2." Other C-2 zoned areas are along Stockton Hill Road, east of Rancho Santa Fe, east of Kingman Crossing, the west side of Bank Street and other areas in the City. Currently, the *Zoning Ordinance of the City of Kingman* permits storage containers in the industrial zoning districts and in the C-3 Zoning District. This item has been placed on the agenda to allow the Council to provide direction to Staff on this matter. If initiated, the Planning and Zoning Commission could hold a public hearing on May 10, 2016 and the Council could hold a public hearing on June 7, 2016 to consider an ordinance. **Council direction.**

Mr. Jeppson displayed the text amendment. Mr. Jeppson stated the City currently allowed containers in C-3 and industrial zones. Mr. Jeppson stated it was recently amended to allow higher density of containers in industrial zones. Mr. Jeppson stated the agenda item was to explore whether the Council wanted to initiate a public hearing process to allow storage containers in C-2 areas.

Councilmember Miles asked if the Council could grant waivers for individual situations as there were some issues associated with storage containers in publicly visible places.

Mr. Cooper stated the Council could not grant waivers. Mr. Cooper stated it was possible for a property owner to request a variance from the Board of Adjustment, though it would generally not apply in this situation.

Councilmember Abram asked if modifications that changed the appearance of a container to effectively hide what it was would be acceptable.

Mr. Jeppson stated the City allowed containers during construction. Mr. Jeppson stated the City did not have a design review to determine what would be considered "changed" enough to hide that it was a storage container.

Vice-Mayor Young stated she was concerned about seeing the storage containers from the streets in the downtown area due to the high concentration of C-2 property. Vice-Mayor Young asked if a restriction could be put into effect to prevent storage containers from being visible from the street.

Mr. Jeppson stated there could and the zoning ordinance currently stated storage containers must be located behind a building or site obscuring fence.

Mr. McBrayer stated this was an example of favoritism in the City. Mr. McBrayer stated the zoning ordinance previously allowed one storage container on industrial property until an industrial property owner had too many and the ordinance was changed to accommodate him. Mr. McBrayer stated he was not invited to the hearings on the change in that ordinance. Mr. McBrayer stated the Code Enforcement Division told the owner the container either needed to be moved or put behind a fence, but later turned a blind eye to other complaints. Mr. McBrayer stated the City should not conduct selective enforcement and discriminate against people.

Councilmember Dean stated Container Park in Las Vegas was an excellent example of how storage containers could be used to create an attractive feature.

Mayor Anderson stated he felt Mr. McBrayer would understand he was invited to any public hearings, especially as he was a former councilmember.

Councilmember Yocum made a MOTION to INITIATE the public hearing process on allowing storage containers in C-2 zoned properties. Councilmember Carver SECONDED.

Councilmember Miles directed Staff to investigate ordinances in places like Las Vegas that have dealt with the storage containers in an effective way and to integrate that into the City's proposed ordinance.

Mayor Anderson called for a VOTE and it was APPROVED by a vote of 7-0.

c. Presentation of Reclaimed Water Study (ENG15-047)

On August 4, 2015, the City hired Sunrise Engineering to prepare a report on options for reusing effluent from the Hilltop Wastewater Treatment Plant (HTWWTP). The study specifically examines three options for A+ reuse as follows: groundwater injection, airport industrial use and City golf course and parks reuse. The consultant will provide a presentation on the three reuse options. **Staff believes all three options are viable and can work simultaneously in the future. Groundwater injection is the cheapest option and is the recommended starting point for the City's reuse opportunities.**

Mr. Henry stated Justin Vandergraff from Sunrise Engineering would present an abbreviated

presentation on the findings of the study and the full report was available on the City website in the Engineering Department section.

Mr. Vandergraff presented slides for the Council, which are included at the end of this report. On slide one Mr. Vandergraff stated the City's Hilltop Wastewater Treatment Plant (HTWWTP) had the capability to produce reclaimed water, but at this time there was no demand for it. Mr. Vandergraff reviewed slide two. On slide three Mr. Vandergraff stated Class 'B' was permissible for human contact, though was generally limited to livestock use. Mr. Vandergraff stated Class 'A' could be used in places like schools where human contact was possible. On slide four Mr. Vandergraff stated the design for groundwater injection included an assessment to determine how much water could be injected without damaging the aquifer and a cost estimate. On slide five Mr. Potter stated ground water was decreasing, but part of the decrease was municipal pumping and the contours of the aquifer. Mr. Vandergraff reviewed slides six and seven.

Mayor Anderson asked Mr. Henry where the funds would come from to cover the project costs.

Mr. Henry stated it would come from the sewer fund and was also included in the capital improvement project funds.

On slide eight Mr. Vandergraff stated the option would qualify for Water Infrastructure Financing Authority (WIFA) or green funding. Mr. Vandergraff reviewed slide nine. On slide 10 Mr. Vandergraff stated the same factors that were analyzed in option one were also considered in option two as well as some additional factors. Mr. Vandergraff stated a 6% growth rate beginning in 2017 was included, which was determined after working with the KAA. Mr. Vandergraff stated the majority of water used at the KAA facility was used for irrigation with the remaining amount for domestic usage such as drinking water and plumbing. On slide 12 Mr. Vandergraff stated option two also provided groundwater injection and Well #1 was only capable of handling 260,000 gallons of injection. On slide 13 Mr. Vandergraff stated the capital costs were the highest of all options. On slide 14 Mr. Vandergraff stated the long term operation and maintenance costs were also high. Mr. Vandergraff reviewed slide 15 and stated the rates could drop 4% per year. On slide 16 Mr. Vandergraff stated the option did provide some capital savings. On slide 17 Mr. Vandergraff stated Sunrise Engineering wanted to get the KAA tenants' perspective and of the 70 surveys sent out only 18 were returned. Mr. Vandergraff stated the overall opinion was neutral to negative.

Mayor Anderson stated the only way to make reclaimed water use a higher priority would be to place water use limitations on the tenants.

Councilmember Dean asked how much money would be saved if installation of the lines was eliminated and only connected when a tenant came in.

Mr. Vandergraff stated it would save a little over \$3 million.

Mayor Anderson asked if any airport functions were considered.

Mr. Vandergraff stated only the industrial park was considered.

Councilmember Miles asked if it was possible to combine alternatives.

Mr. Vandergraff stated all the options were flexible and could be combined. Mr. Vandergraff stated reclaimed water use could be an attractive feature for developers and manufacturers. Mr. Vandergraff reviewed slide 18 and 19. On slide 20 Mr. Vandergraff stated the golf course was using the most water in the City with nearly one million gallons per day in the summer. Mr. Vandergraff stated the schools, parks and fairgrounds combined were only using 500,000 gallons per day. On slide 21 Mr. Vandergraff stated the goal was to keep the design as simple as possible and the line was designed to run adjacent to all schools, parks and the fairgrounds with the exception of Kingman Middle School. Mr. Vandergraff stated the majority was designed to be in the existing sewer easement. Mr. Vandergraff reviewed slides 22 through 25.

Mayor Anderson stated the City could raise golf rates in order to pay for the reclaimed water

infrastructure.

On slide 26 Mr. Vandergraff stated booster stations would have to be built in order to access the schools. On slide 27 Mr. Vandergraff stated Sunrise Engineering recommended option one because it was the best solution for groundwater injection and option three if the City wanted to use reclaimed water. Mr. Vandergraff reviewed slide 28.

Councilmember Dean asked how important injection was considering the new farms in the area.

Mr. Henry stated three feet per year was being lost from the aquifer. Mr. Henry stated he could not estimate how much groundwater injection would decrease that loss, but it would help and it was important. Mr. Henry stated all three options were viable and would one day be in place as it was just a matter of funding.

Mayor Anderson stated the City needed to consider the impact of Interstate 11 (I-11).

Mr. Henry stated the water master plan would be finished in the fall and would assume standard growth rates based on the previous census.

Councilmember Abram stated he liked option three because it reduced the pull on the aquifer.

Mr. Vandergraff stated the City could build another plant and process more water as it was just a matter of funding and permitting.

Mr. Henry stated the funding would be addressed in the budget work session.

d. Presentation of Sewer Master Plan Study (ENG14-112)

On January 6, 2015, the City hired Sunrise Engineering to prepare a Sewer Master Plan update and Infiltration Study. The planning area for the study includes the entire City water service boundary. The report examines the existing sewer system, provides recommendations on areas that have sewer pipe capacity concerns, and makes recommendations on the future expansion of the sewer system. The study also examines areas of inflow and infiltration into the downtown sewer system and provides recommendations on projects to eliminate such inflow and infiltration. Sunrise Engineering will be at the meeting to present the results of the study. This presentation is for informational purposes only.

Greg Potter from Sunrise Engineering displayed slides for the Council, which are included at the end of this report. Slide one was an introductory slide. On slide two Mr. Potter reviewed the slide and stated inflow occurred from rainstorms and the goal was to identify the solutions to deal with those issues and reduce them over time. On slide three Mr. Potter stated Sunrise Engineering used files from Mohave County and the City. Mr. Potter stated the map showed lots that were connected to the sewer system in green and lots in red that were not connected to the sewer system. Mr. Potter stated the yellow areas were undeveloped lots. On slide four Mr. Potter stated information from rain gauges were collected as well as information from previous storms and wastewater treatment plant (WWTP) flows. Mr. Potter reviewed slide five and stated the amount of wastewater flow was taken into account in order to predict expected rates. Mr. Potter stated peaking factors were also examined in order to accommodate them. Mr. Potter reviewed slide six and displayed a map of the area on slide seven. On slide eight Mr. Potter stated there were different wastewater basins that fed into the main trunk lines. On slide nine Mr. Potter stated the map showed where parcels should connect to the sewer system. On slide 10 Mr. Potter stated the Arizona Department of Environmental Quality (ADEQ) required dry weather flow to be no more than 75% of the pipes in order to allow for a buffer. On slide 11 Mr. Potter stated the map showed issues in the existing system. Mr. Potter stated green pipes were in compliance and red pipes were bumping against the 75% allotment. Mr. Potter stated the system was operating at expected levels. On slide 12 Mr. Potter stated a flow test was conducted at strategic meter locations, which were identified by blue dots on the map. Mr. Potter stated the data was recorded for two weeks to adjust the model. Mr. Potter reviewed slide 13 and stated it was important to monitor the red pipes on the map. On slide 14 Mr. Potter stated Sunrise Engineering looked at possible expansions and increased demand, which were displayed on the map using arrows to show the direction of flow. On slide 15 Mr. Potter stated Sunrise Engineering

worked with Staff on different options. On slide 16 Mr. Potter stated loading was applied to existing lines, future lines, and the WWTP in order to get recommendations and cost estimates. Mr. Potter reviewed slide 17. On slide 18 Mr. Potter stated the area was much smaller. Mr. Potter reviewed slide 19. On slide 20 Mr. Potter stated the areas most likely to have inflow and infiltration (I&I) issues were examined and identified by blue dots on the map. On slide 21 Mr. Potter stated individual parcels in the City were examined. On slide 22 Mr. Potter stated a lot more red appeared on the map when I&I was applied. On slide 23 Mr. Potter stated Sunrise Engineering created a tiered approach to recommendations. Mr. Potter reviewed slide 24 and 25.

Councilmember Abram asked why a small bit of red would appear in only one area of a pipe line.

Mr. Potter stated it could be due to the slope of the pipe. Mr. Potter stated a lot of pipe in downtown was unconventional, including pipes that were above ground with mechanical clean-outs and no manhole covers.

8. REPORTS

a. Board, Commission and Committee reports by Council Liaisons

Councilmember Miles stated the Historic Preservation Commission held a special meeting to discuss ordinances for a proposed expansion to the Historic Overlay District. Councilmember Miles stated she attended the Tourism Development Commission meeting where Jim Hinckley's trip to Europe was endorsed and somewhat subsidized. Councilmember Miles stated the first Route 66 conference would be held in Germany.

Mayor Anderson stated the Municipal Utilities Committee addressed the sewer fund capital improvement projects.

9. ANNOUNCEMENTS BY MAYOR, COUNCIL MEMBERS, CITY MANAGER

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

Mr. Dougherty stated he would travel to Phoenix, Arizona to speak with state agency personnel on Thursday, April 7, 2016 and Friday, April 8, 2016.

10. EXECUTIVE SESSION

a. Discussion regarding City Manager performance concerning allowance of shipping containers in C-2 Zoned properties

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:

Discussion regarding City Manager performance concerning allowance of shipping containers on properties on Beale Street

Councilmember Abram made a MOTION to ENTER Executive Session. Councilmember Miles SECONDED and it was APPROVED by a vote of 7-0.

The Council entered Executive Session at 9:27 P.M.

The Council returned from Executive Session at 9:59 P.M.

Mayor Anderson stated the Executive Session consisted of communication between Staff and Council.

Councilmember Abram made a MOTION to ADJOURN. Vice-Mayor Young SECONDED and it was APPROVED by a vote of 7-0.

ADJOURNMENT - 10:00 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 April 5, 2016.

Dated this 19th day of April, 2016.

Erin Roper, Deputy City Clerk and Recording Secretary



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council
FROM: Sydney Muhle, City Clerk
MEETING DATE: May 3, 2016
AGENDA SUBJECT: The Regular Meeting minutes of April 19, 2016.

SUMMARY:

FISCAL IMPACT:

STAFF RECOMMENDATION:

Staff recommends approval.

ATTACHMENTS:

Description

The Regular Meeting Minutes of April 19, 2016

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/28/2016 - 4:03 PM

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

DRAFT
MINUTES

5:30 PM

Tuesday, April 19, 2016

REGULAR MEETING

CALL TO ORDER AND ROLL CALL

INVOCATION

The invocation will be given by Mike Herdt of St. John's United Methodist.

Members	Officers	Visitors Signing in
Richard Anderson – Mayor	John Dougherty, City Manager	See attached list
Carole Young – Vice-Mayor	Jackie Walker, Human Resource Director	
Mark Abram	Lee Hocking, Assistant City Attorney	
Larry Carver	Jake Rhoades, Fire Chief	
Kenneth Dean	Greg Henry, City Engineer	
Jen Miles	Robert DeVries, Chief of Police	
Stuart Yocum	Mike Meersman, Parks and Recreation Director	
	Tina Moline, Financial Services Director	
	Gary Jeppson, Development Services Director	
	Joe Clos, Information Services Director	
	Sydney Muhle, City Clerk and Recording Secretary	

PLEDGE OF ALLEGIANCE

Mayor Anderson called the meeting to order at 5:32 P.M. and roll call was taken. All councilmembers were present except Vice Mayor Young, Councilmember Abram, and Councilmember Dean who were 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. APPROVAL OF MINUTES

a. The Special and Executive Session Meeting minutes of March 14, 2016.

Councilmember Carver asked if the vote can continue without Councilmember Yocum voting as he was not present for the meeting.

City Clerk Sydney Muhle said that the vote is based on the number of Council members present and advised that the vote could continue.

Councilmember Miles made a MOTION to APPROVE the Special and Executive Session meeting minutes of March 14, 2016. Councilmember Carver SECONDED and it was APPROVED by a vote of 3-0.

THIS ITEM WAS TABLED AS ONLY THREE OF THE MEMBERS PRESENT WERE ABLE TO VOTE ON THIS ITEM.

b. The Work Session Meeting minutes of March 14, 2016

Mayor Anderson made a MOTION to APPROVE the Work Session meeting minutes of March 14, 2016. Councilmember Miles SECONDED and it was APPROVED by a vote of 3-0.

THIS ITEM WAS TABLED AS ONLY THREE OF THE MEMBERS PRESENT WERE ABLE TO VOTE ON THIS ITEM.

c. The Regular Meeting and Executive Session minutes of April 5, 2016

Councilmember Miles asked if these minutes could be approved without the Executive Session minutes which were not ready for Council to review prior to the meeting.

Ms. Muhle said that they Regular Meeting minutes could be approved and the Executive Session minutes would be placed on the next agenda to be approved.

Councilmember Miles made a MOTION to APPROVE the Regular Meeting minutes of April 5, 2016, without the Executive Session minutes.

Councilmember Yocum said that he would like to postpone this item as he had corrections to be made but he did not bring his notes to this meeting.

Councilmember Miles WITHDREW the MOTION.

Mayor Anderson said that this item would be included with the next Regular Meeting agenda.

2. APPOINTMENTS

a. Appointment to the Clean City Commission (CCC)

There is one vacancy on the CCC. At their meeting on March 31, 2016, the commission reviewed the application of Marty L. Luna-Wolf. Ms. Luna-Wolf was present at the meeting and voiced her interest in serving on the commission. **The commission members voted 6-0 to recommend Council appoint Marty L. Luna-Wolf to the Clean City Commission.**

Mayor Anderson said that Ms. Luna-Wolf was not able to attend this meeting.

Joe Longoria addressed the Council and said that Ms. Luna-Wolf is a great volunteer for victim services at Mohave County and with the Adopt-A-Block program. He said that she would be a great addition to the commission which voted unanimously to recommend her appointment. He encouraged the Council to appoint her.

Councilmember Yocum said that he is the liaison to the Clean City Commission and is familiar with Ms. Luna-Wolf. He said that she would be a good commissioner.

Councilmember Yocum made a MOTION to APPOINT Marty L. Luna-Wolf to the Clean City Commission. Councilmember Miles SECONDED.

Mayor Anderson said that he has attended several meetings with Ms. Luna-Wolf and thinks this is an excellent request from the commission.

Councilmember Carver said that the Council is getting away from requiring a person to attend these meetings and he would like to see the Council hold to this.

Mr. Longoria said that Ms. Luna-Wolf had an accident and is bedridden. He said that she was not able to attend due to her doctor's orders.

Councilmember Miles said that Ms. Luna-Wolf would be a great addition to the commission.

The MOTION was APPROVED by a vote of 3-1 with Councilmember Carver voting NAY.

3. 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.

Paul Gains addressed the Council and said that he was there on behalf of the Kingman Airport Users Association. He said that he has been in aviation his entire life and has owned an aircraft repair business for 37 years. He said that he has also been a licensed pilot for 37 years. He said that he has owned 20-percent of a small airport in eastern Tennessee and has been involved in the management of two other airports. He said that he relocated his business to Kingman approximately eight years ago. He said that the Kingman Airport Users Association is a highly motivated group whose mission is to change the management culture at the airport and industrial park. He said that this is a City-owned asset which is not promoted and managed in a way that the citizens of Kingman deserve. He said that officials need to familiarize themselves more with how this asset functions as well as what it could truly become under forward thinking, fresh management. He thanked the City Manager and City Attorney for making contact with the association to set up an initial meeting. He said that the association realizes this process is a marathon and a meeting will be set with the City in one or two months.

4. 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. Application for temporary liquor license extension of premises/patio permit

Applicant Stacy Lynn Thomson of House of Hops has submitted an application for a temporary extension of premises/patio permit for May 1, 2016 through May 31, 2016 at 312 E. Beale Street in Kingman, Arizona. **Staff recommends approval.**

b. Consideration of Resolution 5009: Arizona State Forestry Division cooperative intergovernmental agreement (IGA)

This IGA between the City and the Arizona State Forestry Division would allow reimbursement for wildland fire detection and suppression and the allocation of funding when resources, equipment, and manpower. **Staff recommends approval.**

c. Application for temporary liquor license extension of premises/patio permit

Applicant Stacy Lynn Thomson of House of Hops has submitted an application for a temporary extension of premises/patio permit for July 2, 2016 through July 3, 2016 at 312 E. Beale Street in Kingman, Arizona. **Staff recommends approval.**

d. Renewal of indigent defense contract

The current agreement between the City and Whitney & Whitney, PLLC is due for renewal. The Court recommends renewing the agreement for a one year period with an increase to \$125,000 annually. The firm has received \$100,000 annually since 2009 and have not previously requested an increase. The Court believes the \$25,000 annual increase is justified due to the increase in regular cases and the time spent on Veterans Treatment Court cases. **Staff recommends approval.**

e. ENG16-0003 Stockton Hill paving design construction manager at risk (CMAR)

Desert Construction was selected as the CMAR for the Stockton Hill paving project. This contract will be used for construction services in preparation of the upcoming project. The guaranteed maximum price for the design phase of the contract is \$9,725.00. This will be funded from the Streets Division highway user revenue fund (HURF) money provided for asphalt preservation. **Staff recommends approval.**

f. Consideration of Resolution 5004: approving TIGER grant applications

If the City desires to submit applications to fund the Kingman Crossing Traffic Interchange and Rancho Santa Fe Parkway Traffic Interchange projects through the fiscal year (FY) 2016 TIGER discretionary grant program, Council will need to authorize the mayor to sign any and all documents and certifications necessary to submit these applications. Applications must be submitted by 5:00 p.m. EDT on April 29th, 2016. **Staff recommends approval.**

g. Powerhouse grant rehabilitation project

On March 18, 2016 bids were opened for the Powerhouse grant rehabilitation project. All the bids were high. The lowest qualified bidder submitted a bid that was \$143,683.00 higher than the current construction budget. The additional funds would need to be paid to proceed with the grant. If the City did not proceed with the grant, all funds that have been reimbursed as well as Arizona Department of Transportation

(ADOT) administrative costs would need to be paid back to ADOT. At this point the total amount is \$60,357.00. The City already paid the difference between the original grant construction budget, the ADOT cost estimate, and the additional matching funds in the amount of \$112,810.00. This was \$68,262.00 from the Tourism Development Commission (TDC) and \$44,548.00 in Powerhouse grant funds. This money less the \$60,357.00 to be paid back would be returned to the City for a difference of \$52,453.00. At the April 7th, 2016 TDC meeting, Staff received direction to not proceed with the grant, pay back the reimbursed funds, and continue the project or smaller projects with funds from the Bricks and Mortar account. **Staff recommends supporting the Tourism Development Commission's decision.**

Councilmember Carver asked that Items 4(a) and 4(c) be pulled from the Consent Agenda.

Councilmember Miles made a MOTION to APPROVE the Consent Agenda as presented with the exception of Items 4(a) and 4(c). Councilmember Yocum SECONDED and it was APPROVED by a vote of 4-0.

Councilmember Carver said that his question is that the application says that this is temporary seating until a new building is built. He asked if the construction of the new building is invading into the current House of Hops service area. He said that if it is not then he does not see where an extension of premises should be granted for an area that is not currently being utilized. He said that if the new construction will invade into their current business then he can see that but he does not see where the new construction has anything to do with their current business.

Mayor Anderson asked if this was the same concern for Item 4(c).

Councilmember Carver said that for Item 4(c) the application looks like a parade is being hosted and the application says nothing about how the business will control patrons through that entire area. He asked if there has been a request for a parade permit to shut down the street for this event.

Ms. Muhle said that she was not aware of a permit that had been requested for this. She said that a permit may have been issued but she was not aware that this information would be requested. She also said that she would be happy to provide the Council with any additional information that she could at the next meeting.

Councilmember Carver asked if the Building Department has seen plans for the renovation. He also asked who the group is that is organizing the reunion and what control is in that area.

Councilmember Yocum asked what the allowable perimeter is in which a drink can be taken from a bar out onto the patio.

Assistant City Attorney Lee Hocking said that there was no distance for this.

Ms. Muhle said that she misspoke and there is a special event permit for this event which was approved by the City. She said that both blocks will be shut down and barricaded off. She said that this was for Item 4(c).

Mayor Anderson clarified that there was no additional information available for Item

4(a) and that the applicant was not present.

Ms. Muhle said that the applicant was not present and she did not know if Development Services had received plans for the construction.

Councilmember Carver said that if House of Hops is doing this then he can see other bars in the area doing the same thing. He said that it seems to him that no one is taking control of the perimeter with regards to security and the limits. He said that in his past experience beer gardens had to be set up.

Mr. Hocking read Arizona Revised Statutes (A.R.S.) 4-244.20 and the exceptions to this statute. He said that there was no distance required by the statute.

Councilmember Yocum said that since this is private property and access to this is from the owner's front door 20 feet or less to the east he would make a motion.

Councilmember Yocum made a MOTION to APPROVE Items 4(a) and 4(c) of the Consent Agenda.

Councilmember Carver asked if the property had a door leading in off of Beale Street.

Councilmember Yocum said that the existing front door does. He said that the applicant owns the property immediately to the east of the current building. He said that the applicant raised the previous structure that was on this property.

Councilmember Carver asked if there was a structure on this property currently or if it is just an open lot.

Councilmember Yocum said that it is still private property.

Mr. Hocking said that he would have to defer to the police chief for enforcement of the statute.

Councilmember Miles asked if this is currently a vacant area. She said that she believed this was extending from the front door toward Beale Street but is now understanding that this is a vacant lot next door.

City Manager John Dougherty said that there are some connex structures and what appears to be pallet fencing.

Councilmember Yocum said that his concern was regarding state statute.

Councilmember Miles noted that the application says that the extension is complete and asked what that is.

Ms. Muhle said that the application only notes a perimeter fence.

Councilmember Miles said that this does not say what the fence is made of.

Mr. Dougherty said that it appeared to be just pallets when he drove by.

Councilmember Carver asked Mr. Hocking to read the statute again.

Mr. Hocking read the A.R.S. statute again.

Councilmember Carver asked for the definition of a "broken package".

Mr. Hocking said that he would defer that to the police chief for enforcement of that but he interprets it to mean taking a beer taken from a six pack.

Councilmember Carver asked if the licensee is supposed to open that container before serving it. He said that he does not see where that exemption deals with removing a purchased beverage. He said that this would not have anything to do with the special event license.

Mr. Hocking said that they will have to comply with the liquor law on this.

Councilmember Miles asked if people will be sitting on the vacant lot which is not vacant on pallets drinking beer. She said that she is trying to visualize this completed patio. She said that wood pallets is not a completed patio in her mind.

Councilmember Carver agreed.

Ms. Muhle said that if Council wants to table this item staff can request additional information from the applicant for the next meeting.

Councilmember Carver said that this would put them close to the time frame of one of their applications but he would like to hear from the applicant as well as receive additional information on the liquor law from the City Attorney's Office.

Councilmember Yocum said that the business recently held a fundraising event on this lot which he did not believe they had applied for a license for. He said that he is now questioning whether or not they should have had a license for that event. He said that he was present at this event. He said that it did not occur to him that they should have had one and he believed the owners were doing everything they knew that they should be doing to comply with state statute.

Mayor Anderson asked if anyone would second the MOTION.

There was no SECOND to the MOTION. The MOTION FAILED.

Mayor Anderson advised that the applicant should be present.

Councilmember Yocum made a MOTION to TABLE Items 4(a) and 4(c) to give the applicant a chance to be present. Mayor Anderson SECONDED.

Councilmember Carver said that his concern is that this is after the date that was requested.

Mayor Anderson said that this shows why someone should be present if they are asking for something.

Councilmember Yocum noted that this item was on the Consent Agenda.

Mayor Anderson said that items have been pulled and rejected from the Consent Agenda. He then called for the vote.

The MOTION was APPROVED by a vote of 4-0.

5. OLD BUSINESS

6. NEW BUSINESS

a. Consideration of funding a Route 66 European promotional tour for Jim Hinckley

Jim Hinckley, local Route 66 historian and author, has the opportunity to travel to the first European Route 66 Festival, which is taking place in Germany in July, 2016. Mr. Hinckley would like to promote Kingman at this festival. The expense is expected to be \$4,899.98. The Powerhouse Visitor Center has provided \$2,149.98 for the airfare and, if approved by the Council, would be reimbursed for this expense. Mr. Hinckley would be paid \$2,750 for his meals, lodging and transportation expenses. **The Tourism Development Commission recommends the expenditure of \$4,899.98 from the Tourism Development funds.**

Kingman Tourism and Visitor Center Director Josh Noble addressed the Council and said that Mr. Hinkley was invited to represent Kingman and Route 66 at the first European Route 66 Festival. He said that he feels this would be a great opportunity for exposure and his understanding is that there was support from Council to do this. He said that there are some matters to be taken care of to fund the trip.

Mayor Anderson said that a lot of tours come to Kingman because of Route 66. He asked if there is some indication of how many foreign groups are coming to Kingman and if this is a market that is growing.

Mr. Noble said that the market is always growing and the number of visitors from France has grown the last couple of years. He also listed several other countries in which the area has seen an increase in visitors from.

Mr. Hinkley said that there are two contributing components to this which are Route 66 and the American Southwest. He said that the festival is being hosted by the German Route 66 Association with other associations participating.

Councilmember Miles said that she was at the Tourism Development Commission (TDC) meeting in which this was recommended and she agrees with the support. She said that the question is regarding whether it is legal to make Mr. Hinkley an independent contractor to fund this. She said that this is what the letter from the City Attorney's Office stated.

Mr. Hocking explained the Arizona Constitution clause regarding gifts. He said that there must be a tangible direct benefit and the recipient must be an independent contractor. He said that just giving money out is a violation.

Mayor Anderson further clarified this.

Councilmember Yocum asked if this would require that the City issue a 1099 as he believed there was a \$600 threshold before money received becomes earnings.

Councilmember Miles said that this was correct and she thinks this is something that has tangible benefit. She said that Mr. Hinkley would be a great ambassador for Kingman. She said that the City would get a return on the investment and the TDC talked about performance metrics and other things that can be measured.

Councilmember Miles made a MOTION to APPROVE the funding for Mr. Hinkley.

Councilmember Yocum asked if Mr. Hinkley will be taking the trip regardless of the funding. He said that he does not doubt Mr. Hinkley and appreciates his work.

Mr. Hinkley said that it would be difficult to take this trip without this funding. He said that he will be making a presentation and will be compensated 150 euros.

Councilmember Yocum asked if Mr. Hinkley will be conducting seminars and presentations or whether he will just meet with other people he encounters.

Mr. Hinkley said that this was set up on a website. He said that he would distribute materials on Route 66 and Kingman and will make a presentation.

Mr. Noble said that the City assisted Mr. Hinkley with a trip to Illinois and that Mr. Hinkley was issued a 1099 last year for that. He said that the request is to assist in the same way.

Councilmember Carver asked Mr. Hinkley if he had a problem with being considered an independent contractor which Mr. Hinkley said that he did not.

Councilmember Yocum asked if Mr. Hinkley knows how many people might attend the presentation.

Mr. Hinkley said that the organizer would be in Kingman in May to finalize details for the trip. He then listed several groups that would be in attendance at the festival as well as the media interest involved. He said that there will be a lot of international media coverage.

Mayor Anderson said that he had an interesting experience at lunch when he went to a restaurant and sat down next to a lady from Norway. He said that the lady had visited Kingman the year before and would be coming back next year. He said that tourism is funded from sales tax and the bed tax. He said that he looked at each person and thought about the activities and revenue that they bring to the city. He said that he thought of the money that was spent and that it was more than what Kingman residents spend here in a month. He said that Kingman is becoming more knowledgeable about how to market itself. He said that this is an issue in which there is an expert who is marketing for the community. He said that he understands the concerns from legal. He said that Mr. Hinkley has his full support.

Councilmember Yocum SECONDED the MOTION and it was APPROVED by a vote of 4-0.

Mr. Hinkley thanked the City for its promotion of tourism and economic development. He said that Kingman has the potential to become a destination. He said that a Route 66 photo contest was recently launched and since then there has been over a 1,000-percent

increase in web traffic through that website.

7. REPORTS

a. Board, Commission and Committee reports by Council Liaisons

Councilmember Miles said that she attended TDC and there was a presentation from Liza Noland regarding the private sector contributing marketing money for Kingman, not their individual businesses. She said that this was a request for a public-private partnership that was withdrawn and will be done in another form. She said that she appreciates the collaborative efforts.

Councilmember Carver said that he attended the Youth Advisory Commission meeting in which the commission met with the youth council from Peach Springs, Arizona. He said that the two groups plan to work on events with each other.

8. ANNOUNCEMENTS BY MAYOR, COUNCIL MEMBERS, CITY MANAGER

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

City Manager John A. Dougherty asked if there was any opposition from the Council members present to have the City Attorney's Office sit down and draw up the contract with Mr. Hinkley to bring back to Council which the Council agreed to.

Councilmember Carver said that a couple of people have approached the Council about the Kingman Airport Authority (KAA). He asked for an agenda item to explain the functionality of the KAA contract and where the City stands on working with KAA and the airport users group to benefit both. He said that this is to get proper information out.

Councilmember Miles asked for clarification on this and said that she has concerns about this as a member of the Kingman and Mohave Manufacturer's Association (KAMMA).

Councilmember Yocum said that this was not a discussion item.

Councilmember Miles said that this is an agenda item for the Council.

Councilmember Carver said that he has requested a non-action item to explain the contract.

Councilmember Yocum made a MOTION to ADJOURN. Councilmember Carver SECONDED and it was approved by a vote of 4-0.

ADJOURNMENT — 6:21 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 Regular Meeting of the Common Council of the City of Kingman held on April 19, 2016.

Dated this 3rd day of May, 2016

Sydney Muhle, City Clerk and Recording Secretary



CITY OF KINGMAN COMMUNICATION TO COUNCIL

TO: Honorable Mayor and Common Council

FROM: Gary Jeppson, Development Services Director

MEETING DATE: May 3, 2016

AGENDA SUBJECT: Consideration of appointing Terry Shores and Mike Chambers to the Board of Adjustment

SUMMARY:

The Board of Adjustment is a seven member, quasi-judicial board that has two vacancies. There may be an upcoming case. The talent bank has two applications, Terry Shores and Mike Chambers. The terms of the two vacant positions ended December 31, 2015, therefore those appointed at this time will be appointed to terms ending December 31, 2018.

The Board of Adjustment hears requests for variances from the zoning regulations and appeals of the zoning administrator's decisions. There were not Board of Adjustment hearings in 2015 and none thus far in 2016.

FISCAL IMPACT:

None

STAFF RECOMMENDATION:

Appoint Terry Shores and Mike Chambers.

ATTACHMENTS:

Description

Board of Adjustment Applications 2016

REVIEWERS:

Department	Reviewer	Action	Date
Development Services	Jeppson, Gary	Approved	4/13/2016 - 6:31 PM
City Attorney	Hocking, Lee	Approved	4/13/2016 - 7:48 PM
City Manager	Dougherty, John	Approved	4/13/2016 - 7:05 PM



APR 13 2016
REC'D

CITY OF KINGMAN
BOARDS AND COMMISSIONS APPLICATION

RCY'DC 5 Follows
TIME 9:50 AM

FOR MEMBERSHIP ON THE PLANNING AND ZONING COMMISSION
Estimated hours per month you can devote to this group: _____

Name MIKE CHAMBERS Home Phone # (928) 293-5021

Address P.O. Box 6397, KINGMAN AZ. Alternative Phone # _____

Zip Code 86402 1612 E. MAPLE

Email mchambers@uesaz.com Resident Located in -

Kingman City Limits

Mohave County

Length of Residency ON/OFF SINCE 1964 Are you a registered voter? Yes No _____

If asked, I would be willing to serve on another board or Commission. Yes _____ No _____

List other boards or commissions interested in:

BOARD OF ADJUSTMENT

1. List your educational background. GRADUATE MUHS KINGMAN, AAS ELECTRICAL TECHNOLOGY. VARIOUS TRADE CERTIFICATIONS

2. Please state your occupational background as it relates to the board or commission you are applying for beginning with your current occupation and employer.

ENGINEERING TECH. UES (POWER), SELF EMPLOYED - REAL ESTATE DEVELOPEMENT, SENIOR PROJECT ENGINEER - TELECOMMUNICATIONS (OSP), CITY OF KINGMAN ENGINEERING DEPARTMENT, US NAVY, MOHAVE COUNTY ENGINEERING DEPT.

3. Describe your involvement in the Kingman community. AS A TRAVELING CONTRACT ENGINEER I'VE HAD LITTLE TIME (UNTIL RECENTLY) TO BE VERY INVOLVED. I AM A MEMBER CURRENTLY OF THE RED CROSS (DAT) MOHAVE COUNTY. PREVIOUSLY A MEMBER OF CERT (KINGMAN).

4. Describe your leadership roles and/or any special expertise you have which would be applicable to the position for which you are applying.

OVER 20 YEARS OF EXPERIENCE IN TELECOMMUNICATIONS ENGINEERING MANAGEMENT, AS WELL AS PERSONAL BUSINESS VENTURES AND MILITARY LEADERSHIP ROLES.

5. Describe why you are interested in serving in this position. _____

I HAVE AN INTEREST IN BEING PART OF THE COMMUNITY I LIVE IN,
AND IN HAVING SOME DEGREE OF INPUT IN THE DIRECTION IT IS GOING.

6. If you are appointed to any of the boards or commissions you have listed interest in, please list potential conflicts of interest. Explain: _____

NONE THAT I AM AWARE OF.

Appointment to this board, commission or advisory committee will require your consistent attendance at regularly scheduled meetings. Please note the times below for each Board or Commission. All meetings are held at the Council Chambers, 310 N. 4th Street, Kingman.

• Board of Adjustment	As Needed
Building Board of Appeals	As Needed
Business License Review Board	As Needed
Clean City Commission	3rd Thursday/Monthly @ 5:00PM
Economic Development Marketing Commission	2 nd Wednesday/Monthly @ 7:30 AM
Golf Course Advisory Committee	3rd Wednesday/odd months @ 4:30PM
Historical Preservation Commission	4 th Tuesday/odd months @ 5:30PM
Industrial Development Board	As Needed
Local Public Safety Personnel Retirement Board	As Needed
Municipal Property Corporation	As Needed
Municipal Utilities Commission	4th Thursday/Monthly @ 5:30 PM
Parks & Recreation Commission	3rd Wednesday/odd months @ 6:00PM
Personnel Board	As Needed
• Planning & Zoning Commission	2nd Tuesday/Monthly @ 6:00PM
Tourism Development Commission	1st Thursday/Monthly @ 7:30AM
Transit Advisory Commission	2 nd Wednesday/1 st month of Quarter @10:00

This application is subject to the Arizona Open Records law and should not be considered confidential.

Signature of Applicant  Date 4/13/2016

Please return this application to:
City of Kingman
City Clerk's Office Fax (928) 753-6867
310 North Fourth Street
Kingman, AZ 86401

For further information, please call: City Clerk's office at (928) 753-5561.

Thank you for taking the time to fill out this application. Volunteers play a vital role in the City of Kingman government. We appreciate your interest.



**CITY OF KINGMAN
BOARDS AND COMMISSIONS APPLICATION**

1442

FOR MEMBERSHIP ON THE Planning & Zoning
Estimated hours per month you can devote to this group: 15-20 hrs **16 FEB 12 14:53 58s**

Name TERRY SHORES Home Phone # 928-757-4866

Address 236 Woodcrest Cir Alternative Phone # _____

Zip Code 86409

Email Terry01@ci.h.km.net Resident Located in -

Kingman City Limits

Mohave County

Length of Residency 40 yrs Are you a registered voter? Yes No _____

If asked, I would be willing to serve on another board or Commission. Yes No _____

List other boards or commissions interested in:

1. List your educational background. _____

2. Please state your occupational background as it relates to the board or commission you are applying for beginning with your current occupation and employer.

3. Describe your involvement in the Kingman community. _____

4. Describe your leadership roles and/or any special expertise you have which would be applicable to the position for which you are applying.

* Please see attachment.

5. Describe why you are interested in serving in this position. work in life
have more time on my hands

6. If you are appointed to any of the boards or commissions you have listed interest in, please list potential conflicts of interest. Explain: _____

n/a
only p.m. meetings.

Appointment to this board, commission or advisory committee will require your consistent attendance at regularly scheduled meetings. Please note the times below for each Board or Commission. All meetings are held at the Council Chambers, 310 N. 4th Street, Kingman.

Board of Adjustment	As Needed
Building Board of Appeals	As Needed
Business License Review Board	As Needed
Clean City Commission	3rd Thursday/Monthly @ 5:00PM
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Planning & Zoning Commission	2nd Tuesday/Monthly @ 6:00PM
Tourism Development Commission	1st Thursday/Monthly @ 7:30AM
Transit Advisory Commission	2nd Tuesday/1st month of Quarter @10:00

This application is subject to the Arizona Open Records law and should not be considered confidential.

Signature of Applicant [Signature] Date 12/10/15

Please return this application to:

City of Kingman
City Clerk's Office
310 North Fourth Street
Kingman, AZ 86401

Fax (928) 753-6867

For further information, please call: City Clerk's office at (928) 753-5561.

Thank you for taking the time to fill out this application. Volunteers play a vital role in the City of Kingman government. We appreciate your interest.

Terry Shores

Kingman, AZ 86401
Phone Number: 928-757-4866

Qualifications

Over 5 years with Arizona State including Family Assistance Administration and Employment Administration. Knowledge of various types; customer service, inbound and outbound calling, office equipment, multi-tasking customer service and one-on-one, knowledge of Federal, State and agency statutes, rules and regulations, training, supervising, management, case management, data entry, multi-phone lines, career guidance/counseling, partner program knowledge and local community services, reports, medical records, bookkeeping, processing, maintaining, compiling confidential records: medical, legal, and sensitive information; computer proficient, Word, Excel, PowerPoint, Microsoft Office, 10 key, Windows, Bg01, Mainframe, Guide, databases, AJC, Outlook, AZTECS, and VOS.

Work History

Benefit Specialist

Family Assistance Administration

Kingman, AZ

August 2012-Present

Determine eligibility of persons applying to receive assistance from government programs and agency resources, such as welfare, unemployment benefits, social security, and public housing.

Eligibility Worker

Family Assistance Administration

Kingman, AZ

February 2011-August 2012

Interviewing and customer service techniques in person and in a call center environment; basic call center procedures and etiquette; general office equipment, basic mathematical, ability to determine public assistance eligibility, use of computers, software, and systems, data entry, resolving customer concerns via telephone and written communications; working in a high volume and fast paced local office, knowledge of basic Federal, State and agency statutes, rules and regulations, develop and maintain effective working relations with both internal and external clients including other state agencies and community resources; provide program information in a positive and professional manner explaining division policies, procedures, laws, statutes, rules and regulations; make determinations.

Employment Representative

State of Arizona

Kingman, AZ

June 2010-February 2011

Responsible for a wide range of applicant and employment services; interviewing applicants to assess skills, knowledge, and abilities; making appropriate referrals to job openings; referring clients to appropriate supportive services; follows up to verify referral results; writes job orders; apply federal, state and agency statutes, rules and regulations; resolve issues with customers; make determinations; establish and maintain effective working relationships.

Office Manager

Dr. Uldrickson DMD
Kingman, AZ

January 2009-November 2009

Independently managed and organized dental office, interviewed and supervised staff, payroll, patient financial services, patient treatment plans one-on-one customer service preparation and presentation, work with financial institutions, and government services, submit insurance claims electronic and paper, new patient processing and inputting and verification of insurance and coverage, reconcile bank and lab statements and all processing of insurance payments, purchasing supplies and medical inventories, checking prices from different vendors for best prices and delivery information, work front office schedule appointments, routing slips, answer phones, filing, pulling charts and new patient packets, computer work to include all processing, data entry, softdent software, doctor dictation, x-rays.

Business Manager

Dr. Carlson DMD
Kingman, AZ

September 2005-December 2008

Patient financial services, patient treatment plan preparation and presentation, work with financial institutions, and government services, submit insurance claims electronic and paper, new patient processing and inputting and verification on insurance and coverage, reconcile bank and lab statements and all processing of insurance payments, purchasing supplies and medical inventories, checking prices from different vendors for best prices and delivery information, work front office schedule appointments, routing slips, answer phones, filing, pulling charts and new patient packets, computer work to include all processing, data entry, softdent software, doctor dictation, x-rays.

Flight Attendant

Ryan International
Wichita, KS

October 2004-April 2005

Customer service, full operations of aircraft, certified in MD80, 737, 757, extensive FAA required safety training, responsible for many lives on board the aircraft, trained in evacuation procedures and emergency on board aircraft.

Education

Softdent software
3 Years CEU training
Digital imaging on teeth
INS Training
Time Management
Stress Management
CPR Provider Level
Windows XP
Microsoft Office
Word
Internet Training
Payroll
CCHT Trained and Certified
Advanced Intra-dermal Cosmetic Technician
Customer Service
FAA Certified Flight Attendant

References Available Upon Request



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council

FROM: Sydney Muhle, City Clerk

MEETING DATE: May 3, 2016

AGENDA SUBJECT: Special presentation: Taylee Mote

SUMMARY:

Mayor Anderson will provide a special presentation to Taylee Mote on behalf of the City of Kingman along with Chief Jake Rhoades of the Kingman Fire Department.

FISCAL IMPACT:

STAFF RECOMMENDATION:

ATTACHMENTS:

Description
Letter of Commendation

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/25/2016 - 8:24 PM
City Attorney	Cooper, Carl	Approved	4/26/2016 - 10:03 AM
City Manager	Dougherty, John	Approved	4/26/2016 - 11:34 AM



City of Kingman

310 NORTH FOURTH STREET • KINGMAN • ARIZONA • 86401 • (928)753-5561
www.cityofkingman.gov

Letter of Commendation

May 3, 2016

As many in the community are aware, on February 25, 2016, two year old Natalie Willard has been diagnosed with neuroblastoma and is undergoing intensive treatment at Phoenix Children's Hospital.

Due to her chemotherapy treatment Natalie's family has relocated from Kingman to Phoenix which has also left her parents out of work during Natalie's treatment. The cost of the treatments and travel has put a substantial financial burden on her family.

When Taylee Mote learned of Natalie's diagnosis and the realization that her family needed help she immediately jumped into action despite not knowing Natalie personally or even the Willard Family. Taylee initiated a lemonade stand to raise money for Natalie and her family and on March 5th Taylee was able to raise an incredible \$555.50!

At such a young age Taylee is a shining example to all of us of what selfless love, kindness, and compassion truly are. Taylee's initiative to help a family she has not met makes her a remarkable role model in today's society and her acts of kindness and compassion set an example of someone that we should all strive to be more like. She has also shown us that heroism knows no boundaries and certainly knows no age.

Therefore, in appreciation of her heroic and noble act, it is my honor to join the Kingman Fire Department to hereby recognize Taylee Mote and to thank her for her selfless act and dedication to helping those around her in need.

IN WITNESS WHEREOF, I, have hereunto set my hand and caused to be affixed the Seal of the City of Kingman, Arizona this 3rd day of May, 2016.

Richard Anderson, Mayor

ATTEST:

Sydney Muhle, City Clerk



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council

FROM:

MEETING DATE: May 3, 2016

AGENDA SUBJECT: Kingman Day of Prayer proclamation

SUMMARY:

FISCAL IMPACT:

STAFF RECOMMENDATION:

ATTACHMENTS:

Description

Kingman Day of Prayer

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/28/2016 - 4:07 PM

PROCLAMATION

- WHEREAS,** the 64th observance of the National Day of Prayer will be held on Thursday, May 5, 2016, with the theme “One Voice United in Prayer” based on Romans 15:6; and
- WHEREAS,** a National Day of Prayer has been part of our Country’s heritage since it was declared by the First Continental Congress in 1775 and the United States Congress in 1952 approved a Joint Resolution setting aside a day each year to pray in our nation; and
- WHEREAS,** the United State Congress, by Public Law 100-307, as amended, affirms that it is essential for us as a nation to pray and directs the President of the United States to set aside and proclaim the first Thursday of May annually as a National Day of Prayer; and
- WHEREAS,** leaders and citizens of our nation are afforded the privilege of prayer with the joy of seeking divine guidance, strength, protection and comfort from Almighty God; and
- WHEREAS,** recognizing the love of God, we, the citizens of Kingman, treasure the freedom we have to gather in prayer, exercising our reliance on God’s power in the face of present challenges and threats we face; and
- WHEREAS,** we unite with fellow citizens, to ask God for His blessing upon every individual of our city;

NOW, THEREFORE, I, Richard Anderson, Mayor of the City of Kingman, do hereby proclaim May 5th, 2016, as a

KINGMAN DAY OF PRAYER

throughout the City of Kingman and I commend this observance to all our citizens.

IN WITNESS WHEREOF, I, have hereunto set my hand and caused to be affixed the Seal of the City of Kingman, Arizona this 3rd day of May, 2016.

Richard Anderson, Mayor

ATTEST:

Sydney Muhle, City Clerk



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council
FROM: Sydney Muhle, City Clerk
MEETING DATE: May 3, 2016
AGENDA SUBJECT: Goodwill Industries Week proclamation

SUMMARY:

FISCAL IMPACT:

STAFF RECOMMENDATION:

ATTACHMENTS:

Description

Goodwill Industries Week Proclamation

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/25/2016 - 4:31 PM

“GOODWILL INDUSTRIES WEEK”
May 1-7, 2016

WHEREAS, Goodwill Industries holds a unique position in the social framework of Kingman and Northern Arizona; and

WHEREAS, Goodwill has successfully combined a mission of putting people to work through job creation, workforce development, and supportive services with sound business practices, working with public institutions, business and industry to provide employment and training opportunities for people with disabilities and other barriers to employment; and

WHEREAS, most people with disabilities and other barriers to employment want to work and lack only training, skills, and the opportunity to prove themselves in the work place; and

WHEREAS, Goodwill’s Job Connection provides these essential workforce development services to many of our citizens, while also providing public institutions and businesses with a source for a pre-screened, qualified workforce; and

WHEREAS, helping people with disabilities and other barriers to employment achieve personal independence and self-sufficiency is a goal worthy of everyone’s support; and

WHEREAS, Goodwill Industries of Northern Arizona is celebrating its **53rd ANNIVERSARY** in Northern Arizona during **GOODWILL INDUSTRIES WEEK, May 1 through May 7, 2016.**

NOW THEREFORE, I, Richard Anderson, Mayor of Kingman, Arizona, do hereby proclaim May 1 through May 7, 2016 as:

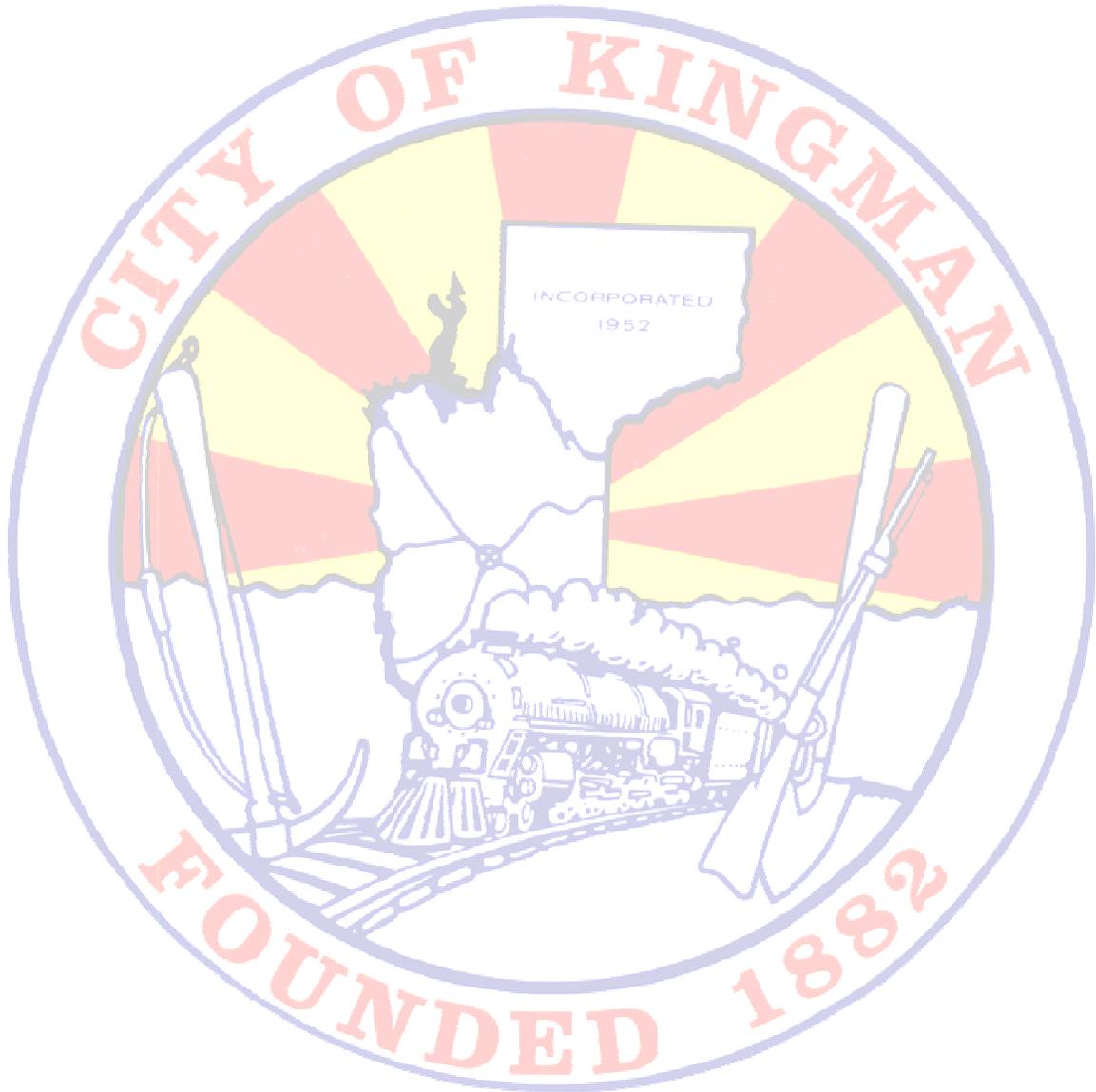
“GOODWILL INDUSTRIES WEEK”

in Kingman, Arizona, and urge all citizens to give recognition to and support for the efforts of this important community-based organization by finding out what a “little Goodwill” can do for them.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Seal of the City of Kingman. Done at the City of Kingman, Arizona this 3rd day of May, 2016.

Richard Anderson, Mayor

Sydney Muhle, City Clerk





**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council

FROM:

MEETING DATE: May 3, 2016

AGENDA SUBJECT: Mental Health Month Proclamation

SUMMARY:

FISCAL IMPACT:

STAFF RECOMMENDATION:

ATTACHMENTS:

Description

Mental Health Month Proclamation

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/28/2016 - 4:12 PM

PROCLAMATION

WHEREAS, mental health is essential to everyone's overall health and well-being; and mental health problems can affect all areas of a person's life, including school, home and work; and

WHEREAS, mental health problems will strike one in five adults each year regardless of age, gender, race, ethnicity, religion or economic status; and nearly 30,000 American lives are lost each year to suicide and mental illness; and

WHEREAS, all Americans are vulnerable to chronic mental health problems associated with trauma; and can benefit greatly from early identification to recover and lead full, productive lives in the community; and

WHEREAS, an estimated two-thirds of adults and young people with mental health problems go without the help they need; and the cost of untreated and mistreated mental health and substance abuse problems to American businesses, governments and families has grown to \$105 billion annually; and

WHEREAS, each business, school, government agency, healthcare provider, organization and citizen bears the burden of mental health problems and has a responsibility to promote mental wellness.

NOW, THEREFORE, I, Richard Anderson, Mayor of the City of Kingman, do hereby proclaim May 2016 as

Mental Health Month

and call upon all citizens of Kingman to commit to increased awareness and understanding of mental health illness.

IN WITNESS WHEREOF, I hereunto set my hand this 3rd day of May 2016.

***Richard Anderson, Mayor
City of Kingman***

ATTEST:

Sydney Muhle, City Clerk



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council

FROM: Robert J. DeVries, Chief of Police

MEETING DATE: May 3, 2016

AGENDA SUBJECT: High Intensity Drug Trafficking Area (H.I.D.T.A.) grant award

SUMMARY:

The Mohave Area General Narcotics Enforcement Team (M.A.G.N.E.T.) has been awarded a grant in the amount of \$63,541.00 for the time period of January 1, 2016 through December 31, 2017. The funds are for operational expenses related to the M.A.G.N.E.T. task force facility.

The City of Kingman serves as the fiduciary for M.A.G.N.E.T. The City of Kingman has entered into prior agreements with the City of Tucson who serves as the fiduciary and disburses funds for a variety of H.I.D.T.A. initiatives throughout the State of Arizona

FISCAL IMPACT:

None, matching funds are not required.

STAFF RECOMMENDATION:

Staff recommends acceptance of the grant award and authorizing the Mayor and City Attorney to sign the grant agreement.

ATTACHMENTS:

Description

HIDTA MAGNET Grant Agreement

REVIEWERS:

Department	Reviewer	Action	Date
Police Department	DeVries, Robert	Approved	4/22/2016 - 4:14 PM
City Attorney	Cooper, Carl	Approved	4/22/2016 - 4:19 PM
City Manager	Dougherty, John	Approved	4/22/2016 - 7:23 PM



**CITY OF TUCSON
HIGH INTENSITY DRUG TRAFFICKING AREA (HIDTA)
GRANT AGREEMENT**

COT Grant Number *HT-16-2612*

This Grant Agreement is made this 1ST day of January 2016 by and between the CITY OF TUCSON hereinafter called "CITY" and **GOVERNING BODY**, through **Kingman Police Department** hereinafter called "GRANTEE". The CITY enters into this Agreement pursuant to its authority under the provisions of A.R.S. § 11-951, et seq., and the City of Tucson's Resolution number 21460, 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 **January 1, 2016** and terminate on **December 31, 2017**. This Agreement expires at the end of the award period unless prior written approval for an extension has been obtained from the CITY. A request for extension must be received by the CITY sixty (60) days prior to the end of the award period. The CITY may approve an extension that further the goals and objectives of the program and shall determine the length of any extension within Office of National Drug Control Policy (ONDCP) guidelines.
2. The GRANTEE agrees that grant funds will be used for the **Mohave Area General Narcotics Enforcement Team (MAGNET)**.
3. The CITY will monitor the performance of the GRANTEE against goals and performance standards outlined in the grant application. Sub-standard performance as determined by the CITY will constitute non-compliance with this Agreement. The GRANTEE shall operate in a manner consistent with and in compliance with the provisions and stipulations of the approved grant application and this Agreement. If the CITY finds non-compliance, the GRANTEE will receive a written notice that identifies the area of non-compliance, and the appropriate corrective action to be taken. If the GRANTEE does not respond within thirty calendar days to this notice, and does not provide sufficient information concerning the steps that are being taken to correct the problem, the CITY may suspend funding; permanently terminate this Agreement and/or revoke the grant; Any deviation or failure to comply with the purpose and/or conditions of this Agreement without prior written CITY approval may constitute sufficient reason for the CITY 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.
4. This Agreement may be modified only by a written amendment signed by the parties. 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 City of Tucson:

City of Tucson Police Department
HIDTA FIDUCIARY SECTION
270 S. Stone
Tucson, Arizona 85701
Attn: HIDTA Lead Management Analyst

B. If to the GRANTEE:

**Kingman Police Department
2730 E. Andy Devine Avenue
Kingman, AZ 86401
Attn: Chief of Police Robert J. DeVries**

5. The GRANTEE may make budget adjustments only after written notification with signature approval from Arizona HIDTA Director is provided to the CITY. A grant adjustment notice (GAN) will be issued to the GRANTEE notifying the GRANTEE of the approval. Adjustments or reprogramming of the grantee’s budget in an initiative or any reprogramming between initiative and/or agencies; in any amount, require the approval of the Board, the AZ HIDTA Director, and/or the ONDCP in accordance with HIDTA Program Policy and Budget Guidance.

APPROVED LINE ITEM PROGRAM BUDGET	
Personnel:	
Salaries	\$0.00
Fringe Benefits	\$0.00
Overtime	\$0.00
Travel	\$0.00
Facilities	\$0.00
Services	\$63,541.00
Operating Expenses:	
Supplies	\$0.00
Other	\$0.00
Equipment (listed below)	\$0.00
TOTAL	\$63,541.00
See attached for budget detail.	

6. The GRANTEE understands that financial reports are required for reimbursement of expenditures.
7. Every payment obligation of the CITY 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 CITY. No liability shall accrue to the CITY in the event this provision is exercised, and the CITY shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.
8. The GRANTEE understands that prior to the expenditure of confidential funds; an authorized official of the GRANTEE shall sign a certification indicating that he or she has read, understands, and agrees to abide by all of the conditions pertaining to confidential fund expenditures as set forth in *ONDCP Financial and Administrative Guide for Cooperative Agreements Guidelines and Exhibit B*.

9. The GRANTEE certifies that it will comply with *OMB Circular A-102 Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments* as codified in 2 CFR Part 2800 and *OMB Circular A-87 Cost Principles for State, Local and Indian Tribal Governments* and HIDTA Program Policy & Budget Guidance.

Link: *OMB Circulars* <http://www.whitehouse.gov/omb/circulars/index.html>

10. The 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 *ONDCP Financial and Administrative Guide for Cooperative Agreements* and all unexpended grant funds to the CITY within 30 days after receipt of a written request from the CITY. The GRANTEE agrees to expend all encumbered funds within 90 days of expiration of this award.
11. The 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 CITY. All such documents shall be subject to inspection and audit at reasonable times.
12. For the purpose of this grant, a capital expenditure is \$1,000 or above. If the GRANTEE'S policy defines a capital expenditure as less than \$1,000, the GRANTEE will use its own policy.

The GRANTEE shall maintain a tracking system, in accordance with ONDCP HIDTA Program Policy & Budget Guidance Section 8.4.1, to account for all HIDTA purchased equipment, vehicles, and other items valued at \$ 5000 or more at the time of purchase. This also includes lower cost, high-risk items, electronic devices and software, such as but not limited to digital cameras, palm pilots, and GPS devices.

The GRANTEE agrees to abide by Section 8.6 that those using HIDTA funds to purchase equipment must maintain a current inventory of HIDTA-purchased equipment and must provide that inventory to the HIDTA Director or an ONDCP employee, and/or the CITY upon request. A 100-percent physical inventory of HIDTA-purchased equipment must be conducted at least every two years.

13. The GRANTEE agrees to follow equipment disposition policies outlined in *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 2 CFR 200 Subpart D- Post Federal Award Requirements, §§ 310-316- Property Standards when the equipment is no longer needed for the grant program. When no longer needed for the original program, the equipment may be used in other activities supported by the Office of National Drug Control Policy.

Link: *Electronic Code of Federal Regulations* <http://www.ecfr.gov>

The GRANTEE agrees that the purchasing agency shall comply with ONDCP HIDTA Program Policy & Budget Guidance Section 8.07 in determining the end of the useful life and disposition of HIDTA purchased equipment. Purchasing agencies must retain documentation of the disposition and provide to the HIDTA Director and the CITY.

14. The GRANTEE agrees to keep time and attendance sheets signed by the employee and supervisory official having first hand knowledge of the work performed by the grant funded employees. The GRANTEE agrees to track overtime expenses in accordance with ONDCP HIDTA Program Policy & Budget Guidance.

15. The GRANTEE will comply with the audit requirements of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR 200 Subpart F- Audit Requirements and provide the CITY 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: *Electronic Code of Federal Regulations* <http://www.ecfr.gov>

16. The GRANTEE agrees that it will submit financial reports and supporting documentation to the CITY through the AZ HIDTA Finance Manager on forms/format provided by the CITY, documenting the activities supported by these grant funds. In the event reports are not received on or before the indicated date(s), funding will be suspended until such time as delinquent report(s) are received. These reports are submitted according to the following schedule:

Report Period Month of:	Due Date:	Report Period Month of:	Due Date:
January 1 - 31	February 25	July 1 - 31	August 25
February 1 - 29	March 25	August 1 - 31	September 25
March 1 - 30	April 25	September 1 - 30	October 25
October 1 - 31	November 25	April 1 - 30	May 25
November 1 - 30	December 25	May 1 - 31	June 25
December 1 - 31	January 25	June 1 - 30	July 25

More frequent reports may be required for GRANTEES who are considered high risk.

17. All goods and services purchased with grant funds must be received by the GRANTEE within 60 days of the expiration of this award.
18. The GRANTEE agrees to obtain ONDCP approval through the Arizona HIDTA Director for all sole-source procurements in excess of \$150,000, and provide written notification to the CITY, as indicated in 2 CFR 200.317 et al.
19. The GRANTEE agrees to check the U.S. General Service Administration (GSA) Excluded Parties Listing Service as required by Executive Order 12549, as defined in 2 CFR 2867.10 et. seq. for individuals, agencies, companies and corporations debarred or suspended from doing business with recipients receiving Federal funds. The GRANTEE agrees not to do business with any individual, agency, company or corporation listed in the Excluded Parties Listing Service.
Link: Excluded Parties Listing System <http://sam.gov>
20. 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 Federal funds.
21. The GRANTEE assigns to the CITY any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services applied by third parties to the GRANTEE in exchange for grant funds provided under this Agreement.
22. The parties agree to use arbitration in the event of disputes in accordance with the provisions of A.R.S. § 12-1501 et seq.
23. 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 provided in paragraph 25 of this Agreement pertaining to disputes, which are subject to arbitration.
24. The GRANTEE understands that grant funds will not be released until all required reports and reversion of funds from the prior year grant are submitted to the CITY.

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25. The GRANTEE (as "Indemnitor") agrees to indemnify, defend and hold harmless the CITY (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 this paragraph does not apply.
26. Unless GRANTEE is a State agency, GRANTEE shall cause its contractor(s) and subcontractors, if any to indemnify defend, save and hold harmless the City of Tucson, any jurisdictions or agency issuing any permits for any work arising out of this Agreement, and their respective directors, officers, officials, agents, and employees 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 GRANTEE'S 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 Worker's 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 negligence 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. Insurance requirements for any contractor used by GRANTEE are incorporated herein by this reference and attached to this Agreement as Exhibit "A".
27. If the GRANTEE is a governmental political subdivision, the GRANTEE will, 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.
28. The GRANTEE agrees to comply with the non-discrimination requirements of the Omnibus Crime Control and Safe Streets Act of 1968, as amended; 42 USC 3789(d); Title VI of the Civil Rights Act of 1964, as amended; Section 504, Rehabilitation Act of 1973, as amended; Subtitle A, Title II of the Americans with Disabilities Act (ADA) (1990); Title IX of the Education Amendments of 1972 and the Department of Justice regulations 28 CFR Part 54; The Age Discrimination Act of 1975; Department of Justice Non-Discrimination Regulations, 28 CFR Part 42, Subparts C, D, E, G and I; Department of Justice regulations on disability discrimination 28 CFR Part 35; all applicable state laws of A.R.S. § 41-1463; and Executive Orders 1999-4 and 2000-4. These laws prohibit discrimination on the basis of race, color, religion, sex and national origin including Limited English Proficiency (LEP) in the delivery of service. In the event that a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing against the GRANTEE, the GRANTEE will forward a copy of the findings to the Office for Civil Rights, Office of Justice Programs and the CITY.

29. The GRANTEE agrees to formulate and keep on file an Equal Employment Opportunity Plan (EEO) (if grantee is required pursuant to 2 CFR 1401.300). The GRANTEE certifies that they have forwarded to the Office for Civil Rights, Office of Justice Programs the EEO, or certifications that they have prepared and have on file an EEO, or that they are exempt from EEO requirements. Failure to comply may result in suspension of the receipt 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 CITY by the GRANTEE.
30. The GRANTEE certifies to comply with the Drug-Free Workplace Act of 1988, and implemented in 28 CFR Part 67, Subpart F, for grantees, as defined in 28 CFR, Part 67 Sections 67.615 and 67.620.
31. The 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 the GRANTEE ensures compliance with Executive Order 2005-30 federal immigration laws by state employers and contractors.
32. The GRANTEE agrees to notify the Arizona HIDTA Director and provide written notification to the CITY within ten (10) days in the event that the project official is replaced during the award period.
33. No rights or interest in this Agreement shall be assigned by GRANTEE without prior written approval of the CITY.
34. The 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 U.S.C. Title 5, Part II, Chapter 15, Section 1502.
35. The 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.
36. The 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 of 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 CITY Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions

37. This Agreement is subject to cancellation pursuant to the provision of A.R.S. § 38-511.
38. This Agreement may be cancelled at the CITY's discretion if not returned with authorized signatures to the CITY within 90 days of commencement of the award.
39. 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.
40. Pursuant to resolution number 21460, adopted by Mayor and Council December 15, 2009, the Tucson Police Chief is authorized to enter into contracts and grant agreements for HIDTA operations.
41. In accordance with A.R.S. §41-4401, GRANTEE warrants compliance with E-Verify and all federal immigration laws and regulations relating to employees and warrants compliance with A.R.S. § 23-214A.

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

FOR GRANTEE:

Mayor

Date

Richard Anderson, Mayor

Printed Name and Title

Note: If applicable, the Agreement must be approved by the appropriate county supervisory board or municipal council and appropriate local counsel (i.e. county or city attorney). Furthermore, if applicable, resolutions and meeting minutes must be forwarded to the CITY with the signed Agreement.

Approved as to form and authority to enter into Agreement:

Legal counsel for GRANTEE

Date

Carl Cooper, City Attorney

Printed Name and Title

Statutory or other legal authority to enter into Agreement:

A.R.S. 11-952

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

FOR CITY OF TUCSON:

Chris Magnus, Chief of Police
City of Tucson Police Department

Date

Lisa Judge, Principal Assistant City Attorney
City of Tucson Police Department
Approved as to form

Date



CITY OF TUCSON
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 City of Tucson 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, personal injury and broad form contractual liability.

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

- a. The policy shall be endorsed to include the following additional insured language: ***"The City of Tucson, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named 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 against the City of Tucson, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2. 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 to include the following additional insured language: ***"The City of Tucson, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insured with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by 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	\$500,000
Disease – Each Employee	\$500,000
Disease – Policy Limit	\$1,000,000

- a. Policy shall contain a waiver of subrogation against the City of Tucson, its departments, agencies, boards, commissions, universities and 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: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

B. ADDITIONAL INSURANCE REQUIREMENTS: The policies are to contain, or be endorsed to contain, the following provisions:

1. The City of Tucson, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees *and the other governmental entity* shall be additional insureds to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by the Contract.
2. The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.
3. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of its Contract with the other governmental entity(ies) party to the Grant Agreement.

- C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days prior written notice has been given the City of Tucson. Such notice shall be sent directly to the GRANTEE and shall be sent by certified mail, return receipt requested.
- D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with duly licensed or approved non-admitted insurers in the State of Arizona with an "A.M. Best" rating of not less than A- VII. The City of Tucson in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
- E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the GRANTEE with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. 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 GRANTEE. The City of Tucson's project/contract number and project description are to be noted on the certificate of insurance. The City of Tucson reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE CITY OF TUCSON'S RISK MANAGEMENT SECTION.**

- F. **SUBCONTRACTORS:** Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the county or local government agency responsible separate certificates for each subcontractor. All coverage's for subcontractors shall be subject to the minimum requirements identified above.
- G. **APPROVAL:** Any modification or variation from the *insurance requirements* must have prior approval from the City of Tucson, Risk Management Section, whose decision shall be final. Such action will not require a formal contract amendment, but may be made by administrative action.
- H. **EXCEPTIONS:** In the event the Contractor or sub-contractor(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 sub-contractor(s) is/are a City of Tucson agency, board, commission, or university then none of the above shall apply.



CITY OF TUCSON
HIGH INTENSITY DRUG TRAFFICKING AREA (HIDTA)
GRANT AGREEMENT

**Confidential Funds Certification
Exhibit "B"**

CONFIDENTIAL FUNDS CERTIFICATION

This is to certify that I have read, understand, and agree to abide by all of the conditions for confidential funds as set forth in the effective edition of the Office of National Drug Control Policy Financial and Administrative Guide.

Grant Number: *HT-16-2612*

Date: _____

Signature: _____

Authorized Official

PROCEDURES

Each project agency authorized to disburse confidential funds must develop and follow internal procedures, which incorporate the following elements:

Deviations from these elements must receive prior approval of the ONDCP.

1. Imprest Fund. The funds authorized will be established in an imprest fund, which is controlled by a bonded cashier.
2. Advance of Funds: The supervisor of the unit to which the imprest funds is assigned must authorize all advances of funds for the P/I. Such authorization must specify the information to be received, the amount of expenditures, and assumed name of the informant.
3. Informant Files: Informant files are confidential files of the true names, assumed names, and signature of all informants to whom payments of confidential expenditures have been made. To the extent possible, pictures and/or fingerprints of the informant payee should also be maintained. Refer to Informant Files "Documentation" (2) for a list of required documents for the informant files.
4. Cash Receipts.
 - a. The cashier shall receive from the agent or officer authorized to make a confidential payment, receipt for cash advanced to him/her for such purposes.
 - b. The agent or officer shall receive from the informant payee a receipt for cash paid to him/her.

5. Receipts for Purchase of Information. An Informant Payee Receipt shall identify the exact amount paid to and received by the informant payee on the date executed. Cumulative or anticipatory receipts are not permitted. Once the receipt has been completed no alteration is allowed. The agent shall prepare an Informant Payee Receipt containing the following information:
 - a. The jurisdiction initiating the payment.
 - b. A description of the information/evidence received.
 - c. The amount of payment, both in numeral and word form.
 - d. The date on which the payment was made.
 - e. The signature of the informant payee.
 - f. The signature of the case agent or officer making payment.
 - g. The signature of at least one other officer witnessing the payment.
 - h. The signature of the first-line supervisor authorizing and certifying the payment.

6. Review and Certification. The signed Informant Payee Receipt with a memorandum detailing the information received shall be forwarded to the agent or officer in charge. The agent or officer in charge shall compare the signatures. He/she shall also evaluate the information received in relation to the expense incurred, and add his/her evaluation remarks to the report of the agent or officer who made the expenditure from the imprest funds. The certification will be witnessed by the agent or officer in charge on the basis of the report and Informant Payee's Receipt.

7. Reporting of Funds. Each project shall prepare a reconciliation report on the imprest funds on a quarterly basis. Information to be included in the reconciliation report will be the assumed name of the informant payee, the amount received, the nature of the information given, and to what extent this information contributed to the investigation. Recipients/subrecipients shall retain the reconciliation report in their files and shall be available for review unless the State agency requests that the report be submitted to them on a quarterly basis.

8. Record and Audit Provisions. Each project and member agency must maintain specific records of each confidential fund transaction. At a minimum, these records must consist of all documentation concerning the request for funds, processing (to include the review and approve/disapprove), modifications, closure or impact material, and receipts and/or other documentation necessary to justify and track all expenditures. Refer to Informant Files Documentation (2) for a list of documents, which should be in an informant's file. In projects where funds are used for confidential expenditures, it will be understood that all of the above records, except the true name of the informant, are subject to the record and audit provision of grantor agency legislation.

INFORMANT FILES

1. Security. A separate file should be established for each informant for accounting purposes. Informant files should be kept in a separate and secure storage facility, segregated from any other files, and under the exclusive control of the supervisor or an employee designated by him/her. The facility should be locked at all times when unattended. Access to these files should be limited to those employees who have a necessary legitimate need. An informant file should not leave the immediate area except for review by a management official or the handling agent, and should be returned prior to the close of business hours. Sign-out logs should be kept indicating the date, informant number, time in and out, and the signature of the person reviewing the file.

2. Documentation. Each file should include the following information:
 - a. Informant Payment Record - kept on top of the file. This record provides a summary of informant payments.
 - b. Informant Establishment Record - including complete identifying and location data, plus any other documents connected with the informant's establishment.
 - c. Current photograph and fingerprint card (or FBI/State Criminal Identification Number).
 - d. Agreement with cooperating individual.
 - e. Receipt for P/I.
 - f. Copies of all debriefing reports (except for the Headquarters case file).
 - g. Copies of case initiation reports bearing on the utilization of the informant (except for the Headquarters case file).
 - h. Copies of statements signed by the informant (unsigned copies will be placed in appropriate investigative files).
 - i. Any administrative correspondence pertaining to the informant, including documentation of any representations made on his behalf or any other nonmonetary considerations furnished.
 - j. Any deactivation report or declaration of any unsatisfactory informant.

INFORMANT MANAGEMENT AND UTILIZATION

All persons who will be utilized as informants should be established as such. The specific procedures required in establishing a person as an informant may vary from jurisdiction to jurisdiction but, at a minimum, should include the following:

1. Assignment of an informant code name to protect the informant's identity.

2. An informant code book controlled by the supervisor or his/her designee containing:
 - a. Informant's code number.
 - b. Type of information (i.e. informant, defendant/informant, restricted use/informant).
 - c. Informant's true name.
 - d. Name of establishing law enforcement officer.
 - e. Date the establishment is approved.
 - f. Date of deactivation.
3. Establish each informant file in accordance with Informant File Documentation (2).
4. For each informant in an active status, the agent should review the informant file on a quarterly basis to assure it contains all relevant and current information. Where a MATERIAL face that was earlier reported on the Establishment Record is no longer correct (e.g. a change in criminal status, means of locating him/her, etc.), a supplemental establishing report should be submitted with the correct entry.
5. All informants being established should be checked in all available criminal indices. If verified FBI number is available, request a copy of the criminal records from the FBI. Where a verified FBI number is not available, the informant should be fingerprinted with a copy sent to the FBI and appropriate State authorities for analysis. The informant may be utilized on a provisional basis while awaiting a response from the FBI.

PAYMENTS TO INFORMANTS

1. Any person who is to receive payments charged against PE/PI funds should be established as an informant. This includes a person who may otherwise be categorized as sources of information or informants under the control of another agency. The amount of payment should be commensurate with the value of services and/or information provided and should be based on the following factors:
 - a. The level of the targeted individual, organization or operation.
 - b. The amount of the actual or potential seizure.
 - c. The significance of the contribution made by the informant to the desired objectives.
2. There are various circumstances in which payments to informants may be made.
 - a. Payments for Information and/or Active Participation. When an informant assists in developing an investigation, either through supplying information or actively participating in it, he/she may be paid for his/her service either in a lump sum or in staggered payments. Payments for information leading to a seizure, with no defendants, should be held to a minimum.

b. Payment for Informant Protection. When an informant needs protection, law enforcement agencies may absorb the expenses of relocation. These expenses may include travel for the informant and his/her immediate family, movement and/or storage of household goods, and living expense at the new location for a specific period of time (not to exceed 6 months). Payments should not exceed the amounts authorized by law enforcement employees for these activities.

c. Payments to Informants of Another Agency. To use or pay another agency's informant, he/she should be established as an informant. These payments should not be a duplication of a payment from another agency; however, sharing a payment is acceptable.

3. Documentation of payments to informants is critical and should be accomplished on a Informant Payee Receipt. Payment should be made and witnessed by two law enforcement officers and authorized payment amounts should be established and reviewed by at least the first line supervisory level. In unusual circumstances, a non-officer employee or an officer of another law enforcement agency may serve as witness. In all instances, the original signed receipt must be submitted to the project director for review and record keeping.

ACCOUNTING AND CONTROL PROCEDURES

Special accounting and control procedures should govern the use and handling of confidential expenditures, as described below:

1. It is important that expenditures which conceptually should be charged to PE/PI/PS are so charged. It is only in this manner that these funds may be properly managed at all levels, and accurate forecasts of projected needs be made.
2. Each law enforcement entity should apportion its PE/PI/PS allowance throughout its jurisdiction and delegate authority to approve PE/PI/PS expenditures to those offices, as it deems appropriate.
3. Headquarters management should establish guidelines authorizing offices to spend up to a predetermined limit of their total allowance on any buy or investigation.
4. In exercising his/her authority to approve these expenditures, the supervisor should consider:
 - a. The significance of the investigation.
 - b. The need for this expenditure to further the investigation.
 - c. Anticipated expenditures in other investigations.

Funds for PE/PI/PS expenditures should be advanced to the officer for a specific purpose. If they are not expended for that purpose, they should be returned to the cashier. They should not be used for another purpose without first returning them and repeating the authorization and advance process based on the new purpose.

5. Funds for PE/PI/PS expenditure should be advanced to the officer on suitable receipt form. Informant Payee Receipt or a voucher for P/E should be completed to document funds used in the purchase of evidence or funds paid or advanced to an informant.
6. For security purposes there should be a 48-hour limit on the amount of time funds advanced for PE/PI/PS expenditure may be held outstanding. If it becomes apparent at any point within the 48-hour period that the expenditure will not materialize, the funds should be returned to the cashier as soon as possible. An extension of the 48-hour limit may be granted by the level of management that approved the advance. Factors to consider in granting such an extension are:
 - a. The amount of funds involved.
 - b. The degree of security under which the funds are being held.
 - c. How long an extension is required.
 - d. The significance of the expenditure.

Such extensions should be limited to 48 hours. Beyond this, the funds should be returned and readvanced, if necessary. Regardless of circumstances, within 48 hours of the advance, the cashier should be presented with either the unexpended funds, an executed Informant Payee Receipt or purchase of evidence or written notification by management that an extension has been granted.

7. P/S expenditures, when not endangering the safety of the officer or informant, need to be supported by canceled tickets, receipts, lease agreements, etc. If not available, the supervisor, or his immediate subordinate, must certify that the expenditures were necessary and justify why supporting documents were not obtained.



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council

FROM: Robert J. DeVries, Chief of Police

MEETING DATE: May 3, 2016

AGENDA SUBJECT: High Intensity Drug Trafficking Area (H.I.D.T.A.) grant award

SUMMARY:

The Mohave Area General Narcotics Enforcement Team (M.A.G.N.E.T.) has been awarded a grant in the amount of \$24,572.00 for the time period of January 1, 2016 through December 31, 2017. The funds are for services related to the M.A.G.N.E.T. task force facility.

The City of Kingman serves as the fiduciary for M.A.G.N.E.T. The City of Kingman has entered into prior agreements with the City of Tucson who serves as the fiduciary for a variety of H.I.D.T.A. initiatives throughout the State of Arizona.

FISCAL IMPACT:

None, matching funds are not required.

STAFF RECOMMENDATION:

Staff recommends acceptance of the grant award and authorizing the Mayor and City Attorney to sign the grant agreement.

ATTACHMENTS:

Description

H.I.D.T.A. ARS Grant Award

REVIEWERS:

Department	Reviewer	Action	Date
Police Department	DeVries, Robert	Approved	4/22/2016 - 4:23 PM
City Attorney	Cooper, Carl	Approved	4/22/2016 - 4:27 PM
City Manager	Dougherty, John	Approved	4/22/2016 - 7:24 PM



**CITY OF TUCSON
HIGH INTENSITY DRUG TRAFFICKING AREA (HIDTA)
GRANT AGREEMENT**

COT Grant Number **HT-16-2602**

This Grant Agreement is made this 1ST day of January 2016 by and between the CITY OF TUCSON hereinafter called "CITY" and **GOVERNING BODY**, through **Kingman Police Department** hereinafter called "GRANTEE". The CITY enters into this Agreement pursuant to its authority under the provisions of A.R.S. § 11-951, et seq., and the City of Tucson's Resolution number 21460, 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 **January 1, 2016** and terminate on **December 31, 2017**. This Agreement expires at the end of the award period unless prior written approval for an extension has been obtained from the CITY. A request for extension must be received by the CITY sixty (60) days prior to the end of the award period. The CITY may approve an extension that further the goals and objectives of the program and shall determine the length of any extension within Office of National Drug Control Policy (ONDCP) guidelines.
2. The GRANTEE agrees that grant funds will be used for the **Arizona Region Support (ARS)**.
3. The CITY will monitor the performance of the GRANTEE against goals and performance standards outlined in the grant application. Sub-standard performance as determined by the CITY will constitute non-compliance with this Agreement. The GRANTEE shall operate in a manner consistent with and in compliance with the provisions and stipulations of the approved grant application and this Agreement. If the CITY finds non-compliance, the GRANTEE will receive a written notice that identifies the area of non-compliance, and the appropriate corrective action to be taken. If the GRANTEE does not respond within thirty calendar days to this notice, and does not provide sufficient information concerning the steps that are being taken to correct the problem, the CITY may suspend funding; permanently terminate this Agreement and/or revoke the grant; Any deviation or failure to comply with the purpose and/or conditions of this Agreement without prior written CITY approval may constitute sufficient reason for the CITY 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.
4. This Agreement may be modified only by a written amendment signed by the parties. 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 City of Tucson:

City of Tucson Police Department
HIDTA FIDUCIARY SECTION
270 S. Stone
Tucson, Arizona 85701
Attn: HIDTA Lead Management Analyst

B. If to the GRANTEE:

**Kingman Police Department
2730 E. Andy Devine Avenue
Kingman, AZ 86401
Attn: Chief of Police Robert J. DeVries**

5. The GRANTEE may make budget adjustments only after written notification with signature approval from Arizona HIDTA Director is provided to the CITY. A grant adjustment notice (GAN) will be issued to the GRANTEE notifying the GRANTEE of the approval. Adjustments or reprogramming of the grantee’s budget in an initiative or any reprogramming between initiative and/or agencies; in any amount, require the approval of the Board, the AZ HIDTA Director, and/or the ONDCP in accordance with HIDTA Program Policy and Budget Guidance.

APPROVED LINE ITEM PROGRAM BUDGET	
Personnel:	
Salaries	\$0.00
Fringe Benefits	\$0.00
Overtime	\$0.00
Travel	\$0.00
Facilities	\$24,572.00
Services	\$0.00
Operating Expenses:	
Supplies	\$00.00
Other	\$0.00
Equipment (listed below)	\$0.00
TOTAL	\$24,572.00
See attached for budget detail.	

6. The GRANTEE understands that financial reports are required for reimbursement of expenditures.
7. Every payment obligation of the CITY 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 CITY. No liability shall accrue to the CITY in the event this provision is exercised, and the CITY shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.
8. The GRANTEE understands that prior to the expenditure of confidential funds; an authorized official of the GRANTEE shall sign a certification indicating that he or she has read, understands, and agrees to abide by all of the conditions pertaining to confidential fund expenditures as set forth in *ONDCP Financial and Administrative Guide for Cooperative Agreements Guidelines and Exhibit B*.

9. The GRANTEE certifies that it will comply with *OMB Circular A-102 Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments* as codified in 2 CFR Part 2800 and *OMB Circular A-87 Cost Principles for State, Local and Indian Tribal Governments* and HIDTA Program Policy & Budget Guidance.

Link: *OMB Circulars* <http://www.whitehouse.gov/omb/circulars/index.html>

10. The 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 *ONDCP Financial and Administrative Guide for Cooperative Agreements* and all unexpended grant funds to the CITY within 30 days after receipt of a written request from the CITY. The GRANTEE agrees to expend all encumbered funds within 90 days of expiration of this award.
11. The 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 CITY. All such documents shall be subject to inspection and audit at reasonable times.
12. For the purpose of this grant, a capital expenditure is \$1,000 or above. If the GRANTEE'S policy defines a capital expenditure as less than \$1,000, the GRANTEE will use its own policy.

The GRANTEE shall maintain a tracking system, in accordance with ONDCP HIDTA Program Policy & Budget Guidance Section 8.4.1, to account for all HIDTA purchased equipment, vehicles, and other items valued at \$ 5000 or more at the time of purchase. This also includes lower cost, high-risk items, electronic devices and software, such as but not limited to digital cameras, palm pilots, and GPS devices.

The GRANTEE agrees to abide by Section 8.6 that those using HIDTA funds to purchase equipment must maintain a current inventory of HIDTA-purchased equipment and must provide that inventory to the HIDTA Director or an ONDCP employee, and/or the CITY upon request. A 100-percent physical inventory of HIDTA-purchased equipment must be conducted at least every two years.

13. The GRANTEE agrees to follow equipment disposition policies outlined in *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200 Subpart D- Post Federal Award Requirements, §§ 310-316- Property Standards* when the equipment is no longer needed for the grant program. When no longer needed for the original program, the equipment may be used in other activities supported by the Office of National Drug Control Policy.

Link: *Electronic Code of Federal Regulations* <http://www.ecfr.gov>

The GRANTEE agrees that the purchasing agency shall comply with ONDCP HIDTA Program Policy & Budget Guidance Section 8.07 in determining the end of the useful life and disposition of HIDTA purchased equipment. Purchasing agencies must retain documentation of the disposition and provide to the HIDTA Director and the CITY.

14. The GRANTEE agrees to keep time and attendance sheets signed by the employee and supervisory official having first hand knowledge of the work performed by the grant funded employees. The GRANTEE agrees to track overtime expenses in accordance with ONDCP HIDTA Program Policy & Budget Guidance.

15. The GRANTEE will comply with the audit requirements of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR 200 Subpart F- Audit Requirements and provide the CITY 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: *Electronic Code of Federal Regulations* <http://www.ecfr.gov>

16. The GRANTEE agrees that it will submit financial reports and supporting documentation to the CITY through the AZ HIDTA Finance Manager on forms/format provided by the CITY, documenting the activities supported by these grant funds. In the event reports are not received on or before the indicated date(s), funding will be suspended until such time as delinquent report(s) are received. These reports are submitted according to the following schedule:

Report Period Month of:	Due Date:	Report Period Month of:	Due Date:
January 1 - 31	February 25	July 1 - 31	August 25
February 1 - 29	March 25	August 1 - 31	September 25
March 1 - 30	April 25	September 1 - 30	October 25
October 1 - 31	November 25	April 1 - 30	May 25
November 1 - 30	December 25	May 1 - 31	June 25
December 1 - 31	January 25	June 1 - 30	July 25

More frequent reports may be required for GRANTEES who are considered high risk.

17. All goods and services purchased with grant funds must be received by the GRANTEE within 60 days of the expiration of this award.

18. The GRANTEE agrees to obtain ONDCP approval through the Arizona HIDTA Director for all sole-source procurements in excess of \$150,000, and provide written notification to the CITY, as indicated in 2 CFR 200.317 et al.

19. The GRANTEE agrees to check the U.S. General Service Administration (GSA) Excluded Parties Listing Service as required by Executive Order 12549, as defined in 2 CFR 2867.10 et. seq. for individuals, agencies, companies and corporations debarred or suspended from doing business with recipients receiving Federal funds. The GRANTEE agrees not to do business with any individual, agency, company or corporation listed in the Excluded Parties Listing Service.

Link: *Excluded Parties Listing System* <http://sam.gov>

20. 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 Federal funds.

21. The GRANTEE assigns to the CITY any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services applied by third parties to the GRANTEE in exchange for grant funds provided under this Agreement.

22. The parties agree to use arbitration in the event of disputes in accordance with the provisions of A.R.S. § 12-1501 et seq.

23. 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 provided in paragraph 25 of this Agreement pertaining to disputes, which are subject to arbitration.

24. The GRANTEE understands that grant funds will not be released until all required reports and reversion of funds from the prior year grant are submitted to the CITY.

25. The GRANTEE (as "Indemnitor") agrees to indemnify, defend and hold harmless the CITY (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 this paragraph does not apply.
26. Unless GRANTEE is a State agency, GRANTEE shall cause its contractor(s) and subcontractors, if any to indemnify defend, save and hold harmless the City of Tucson, any jurisdictions or agency issuing any permits for any work arising out of this Agreement, and their respective directors, officers, officials, agents, and employees 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 GRANTEE'S 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 Worker's 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 negligence 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. Insurance requirements for any contractor used by GRANTEE are incorporated herein by this reference and attached to this Agreement as Exhibit "A".
27. If the GRANTEE is a governmental political subdivision, the GRANTEE will, 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.
28. The GRANTEE agrees to comply with the non-discrimination requirements of the Omnibus Crime Control and Safe Streets Act of 1968, as amended; 42 USC 3789(d); Title VI of the Civil Rights Act of 1964, as amended; Section 504, Rehabilitation Act of 1973, as amended; Subtitle A, Title II of the Americans with Disabilities Act (ADA) (1990); Title IX of the Education Amendments of 1972 and the Department of Justice regulations 28 CFR Part 54; The Age Discrimination Act of 1975; Department of Justice Non-Discrimination Regulations, 28 CFR Part 42, Subparts C, D, E, G and I; Department of Justice regulations on disability discrimination 28 CFR Part 35; all applicable state laws of A.R.S. § 41-1463; and Executive Orders 1999-4 and 2000-4. These laws prohibit discrimination on the basis of race, color, religion, sex and national origin including Limited English Proficiency (LEP) in the delivery of service. In the event that a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing against the GRANTEE, the GRANTEE will forward a copy of the findings to the Office for Civil Rights, Office of Justice Programs and the CITY.

29. The GRANTEE agrees to formulate and keep on file an Equal Employment Opportunity Plan (EEO) (if grantee is required pursuant to 2 CFR 1401.300). The GRANTEE certifies that they have forwarded to the Office for Civil Rights, Office of Justice Programs the EEO, or certifications that they have prepared and have on file an EEO, or that they are exempt from EEO requirements. Failure to comply may result in suspension of the receipt 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 CITY by the GRANTEE.
30. The GRANTEE certifies to comply with the Drug-Free Workplace Act of 1988, and implemented in 28 CFR Part 67, Subpart F, for grantees, as defined in 28 CFR, Part 67 Sections 67.615 and 67.620.
31. The 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 the GRANTEE ensures compliance with Executive Order 2005-30 federal immigration laws by state employers and contractors.
32. The GRANTEE agrees to notify the Arizona HIDTA Director and provide written notification to the CITY within ten (10) days in the event that the project official is replaced during the award period.
33. No rights or interest in this Agreement shall be assigned by GRANTEE without prior written approval of the CITY.
34. The 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 U.S.C. Title 5, Part II, Chapter 15, Section 1502.
35. The 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.
36. The 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 of 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 CITY Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions

37. This Agreement is subject to cancellation pursuant to the provision of A.R.S. § 38-511.
38. This Agreement may be cancelled at the CITY's discretion if not returned with authorized signatures to the CITY within 90 days of commencement of the award.
39. 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.
40. Pursuant to resolution number 21460, adopted by Mayor and Council December 15, 2009, the Tucson Police Chief is authorized to enter into contracts and grant agreements for HIDTA operations.
41. In accordance with A.R.S. §41-4401, GRANTEE warrants compliance with E-Verify and all federal immigration laws and regulations relating to employees and warrants compliance with A.R.S. § 23-214A.

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

FOR GRANTEE:

Mayor

Date

Richard Anderson, Mayor

Printed Name and Title

Note: If applicable, the Agreement must be approved by the appropriate county supervisory board or municipal council and appropriate local counsel (i.e. county or city attorney). Furthermore, if applicable, resolutions and meeting minutes must be forwarded to the CITY with the signed Agreement.

Approved as to form and authority to enter into Agreement:

Legal counsel for GRANTEE

Date

Carl Cooper, City Attorney

Printed Name and Title

Statutory or other legal authority to enter into Agreement:

A.R.S. 11-952

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

FOR CITY OF TUCSON:

Chris Magnus, Chief of Police
City of Tucson Police Department

Date

Lisa Judge, Principal Assistant City Attorney
City of Tucson Police Department
Approved as to form

Date



CITY OF TUCSON
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 City of Tucson 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, personal injury and broad form contractual liability.

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

- a. The policy shall be endorsed to include the following additional insured language: ***"The City of Tucson, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named 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 against the City of Tucson, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2. 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 to include the following additional insured language: ***"The City of Tucson, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insured with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by 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	\$500,000
Disease – Each Employee	\$500,000
Disease – Policy Limit	\$1,000,000

- a. Policy shall contain a waiver of subrogation against the City of Tucson, its departments, agencies, boards, commissions, universities and 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: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

B. ADDITIONAL INSURANCE REQUIREMENTS: The policies are to contain, or be endorsed to contain, the following provisions:

1. The City of Tucson, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees *and the other governmental entity* shall be additional insureds to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by the Contract.
2. The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.
3. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of its Contract with the other governmental entity(ies) party to the Grant Agreement.

- C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days prior written notice has been given the City of Tucson. Such notice shall be sent directly to the GRANTEE and shall be sent by certified mail, return receipt requested.
- D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with duly licensed or approved non-admitted insurers in the State of Arizona with an "A.M. Best" rating of not less than A- VII. The City of Tucson in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
- E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the GRANTEE with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. 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 GRANTEE. The City of Tucson's project/contract number and project description are to be noted on the certificate of insurance. The City of Tucson reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE CITY OF TUCSON'S RISK MANAGEMENT SECTION.**

- F. **SUBCONTRACTORS:** Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the county or local government agency responsible separate certificates for each subcontractor. All coverage's for subcontractors shall be subject to the minimum requirements identified above.
- G. **APPROVAL:** Any modification or variation from the *insurance requirements* must have prior approval from the City of Tucson, Risk Management Section, whose decision shall be final. Such action will not require a formal contract amendment, but may be made by administrative action.
- H. **EXCEPTIONS:** In the event the Contractor or sub-contractor(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 sub-contractor(s) is/are a City of Tucson agency, board, commission, or university then none of the above shall apply.



CITY OF TUCSON
HIGH INTENSITY DRUG TRAFFICKING AREA (HIDTA)
GRANT AGREEMENT

**Confidential Funds Certification
Exhibit "B"**

CONFIDENTIAL FUNDS CERTIFICATION

This is to certify that I have read, understand, and agree to abide by all of the conditions for confidential funds as set forth in the effective edition of the Office of National Drug Control Policy Financial and Administrative Guide.

Grant Number: *HT-16-2602*

Date: _____

Signature: _____

Authorized Official

PROCEDURES

Each project agency authorized to disburse confidential funds must develop and follow internal procedures, which incorporate the following elements:

Deviations from these elements must receive prior approval of the ONDCP.

1. Imprest Fund. The funds authorized will be established in an imprest fund, which is controlled by a bonded cashier.
2. Advance of Funds: The supervisor of the unit to which the imprest funds is assigned must authorize all advances of funds for the P/I. Such authorization must specify the information to be received, the amount of expenditures, and assumed name of the informant.
3. Informant Files: Informant files are confidential files of the true names, assumed names, and signature of all informants to whom payments of confidential expenditures have been made. To the extent possible, pictures and/or fingerprints of the informant payee should also be maintained. Refer to Informant Files "Documentation" (2) for a list of required documents for the informant files.
4. Cash Receipts.
 - a. The cashier shall receive from the agent or officer authorized to make a confidential payment, receipt for cash advanced to him/her for such purposes.
 - b. The agent or officer shall receive from the informant payee a receipt for cash paid to him/her.

5. Receipts for Purchase of Information. An Informant Payee Receipt shall identify the exact amount paid to and received by the informant payee on the date executed. Cumulative or anticipatory receipts are not permitted. Once the receipt has been completed no alteration is allowed. The agent shall prepare an Informant Payee Receipt containing the following information:
 - a. The jurisdiction initiating the payment.
 - b. A description of the information/evidence received.
 - c. The amount of payment, both in numeral and word form.
 - d. The date on which the payment was made.
 - e. The signature of the informant payee.
 - f. The signature of the case agent or officer making payment.
 - g. The signature of at least one other officer witnessing the payment.
 - h. The signature of the first-line supervisor authorizing and certifying the payment.

6. Review and Certification. The signed Informant Payee Receipt with a memorandum detailing the information received shall be forwarded to the agent or officer in charge. The agent or officer in charge shall compare the signatures. He/she shall also evaluate the information received in relation to the expense incurred, and add his/her evaluation remarks to the report of the agent or officer who made the expenditure from the imprest funds. The certification will be witnessed by the agent or officer in charge on the basis of the report and Informant Payee's Receipt.

7. Reporting of Funds. Each project shall prepare a reconciliation report on the imprest funds on a quarterly basis. Information to be included in the reconciliation report will be the assumed name of the informant payee, the amount received, the nature of the information given, and to what extent this information contributed to the investigation. Recipients/subrecipients shall retain the reconciliation report in their files and shall be available for review unless the State agency requests that the report be submitted to them on a quarterly basis.

8. Record and Audit Provisions. Each project and member agency must maintain specific records of each confidential fund transaction. At a minimum, these records must consist of all documentation concerning the request for funds, processing (to include the review and approve/disapprove), modifications, closure or impact material, and receipts and/or other documentation necessary to justify and track all expenditures. Refer to Informant Files Documentation (2) for a list of documents, which should be in an informant's file. In projects where funds are used for confidential expenditures, it will be understood that all of the above records, except the true name of the informant, are subject to the record and audit provision of grantor agency legislation.

INFORMANT FILES

1. Security. A separate file should be established for each informant for accounting purposes. Informant files should be kept in a separate and secure storage facility, segregated from any other files, and under the exclusive control of the supervisor or an employee designated by him/her. The facility should be locked at all times when unattended. Access to these files should be limited to those employees who have a necessary legitimate need. An informant file should not leave the immediate area except for review by a management official or the handling agent, and should be returned prior to the close of business hours. Sign-out logs should be kept indicating the date, informant number, time in and out, and the signature of the person reviewing the file.
2. Documentation. Each file should include the following information:
 - a. Informant Payment Record - kept on top of the file. This record provides a summary of informant payments.
 - b. Informant Establishment Record - including complete identifying and location data, plus any other documents connected with the informant's establishment.
 - c. Current photograph and fingerprint card (or FBI/State Criminal Identification Number).
 - d. Agreement with cooperating individual.
 - e. Receipt for P/I.
 - f. Copies of all debriefing reports (except for the Headquarters case file).
 - g. Copies of case initiation reports bearing on the utilization of the informant (except for the Headquarters case file).
 - h. Copies of statements signed by the informant (unsigned copies will be placed in appropriate investigative files).
 - i. Any administrative correspondence pertaining to the informant, including documentation of any representations made on his behalf or any other nonmonetary considerations furnished.
 - j. Any deactivation report or declaration of any unsatisfactory informant.

INFORMANT MANAGEMENT AND UTILIZATION

All persons who will be utilized as informants should be established as such. The specific procedures required in establishing a person as an informant may vary from jurisdiction to jurisdiction but, at a minimum, should include the following:

1. Assignment of an informant code name to protect the informant's identity.

2. An informant code book controlled by the supervisor or his/her designee containing:
 - a. Informant's code number.
 - b. Type of information (i.e. informant, defendant/informant, restricted use/informant).
 - c. Informant's true name.
 - d. Name of establishing law enforcement officer.
 - e. Date the establishment is approved.
 - f. Date of deactivation.
3. Establish each informant file in accordance with Informant File Documentation (2).
4. For each informant in an active status, the agent should review the informant file on a quarterly basis to assure it contains all relevant and current information. Where a MATERIAL face that was earlier reported on the Establishment Record is no longer correct (e.g. a change in criminal status, means of locating him/her, etc.), a supplemental establishing report should be submitted with the correct entry.
5. All informants being established should be checked in all available criminal indices. If verified FBI number is available, request a copy of the criminal records from the FBI. Where a verified FBI number is not available, the informant should be fingerprinted with a copy sent to the FBI and appropriate State authorities for analysis. The informant may be utilized on a provisional basis while awaiting a response from the FBI.

PAYMENTS TO INFORMANTS

1. Any person who is to receive payments charged against PE/PI funds should be established as an informant. This includes a person who may otherwise be categorized as sources of information or informants under the control of another agency. The amount of payment should be commensurate with the value of services and/or information provided and should be based on the following factors:
 - a. The level of the targeted individual, organization or operation.
 - b. The amount of the actual or potential seizure.
 - c. The significance of the contribution made by the informant to the desired objectives.
2. There are various circumstances in which payments to informants may be made.
 - a. Payments for Information and/or Active Participation. When an informant assists in developing an investigation, either through supplying information or actively participating in it, he/she may be paid for his/her service either in a lump sum or in staggered payments. Payments for information leading to a seizure, with no defendants, should be held to a minimum.

b. Payment for Informant Protection. When an informant needs protection, law enforcement agencies may absorb the expenses of relocation. These expenses may include travel for the informant and his/her immediate family, movement and/or storage of household goods, and living expense at the new location for a specific period of time (not to exceed 6 months). Payments should not exceed the amounts authorized by law enforcement employees for these activities.

c. Payments to Informants of Another Agency. To use or pay another agency's informant, he/she should be established as an informant. These payments should not be a duplication of a payment from another agency; however, sharing a payment is acceptable.

3. Documentation of payments to informants is critical and should be accomplished on a Informant Payee Receipt. Payment should be made and witnessed by two law enforcement officers and authorized payment amounts should be established and reviewed by at least the first line supervisory level. In unusual circumstances, a non-officer employee or an officer of another law enforcement agency may serve as witness. In all instances, the original signed receipt must be submitted to the project director for review and record keeping.

ACCOUNTING AND CONTROL PROCEDURES

Special accounting and control procedures should govern the use and handling of confidential expenditures, as described below:

1. It is important that expenditures which conceptually should be charged to PE/PI/PS are so charged. It is only in this manner that these funds may be properly managed at all levels, and accurate forecasts of projected needs be made.
2. Each law enforcement entity should apportion its PE/PI/PS allowance throughout its jurisdiction and delegate authority to approve PE/PI/PS expenditures to those offices, as it deems appropriate.
3. Headquarters management should establish guidelines authorizing offices to spend up to a predetermined limit of their total allowance on any buy or investigation.
4. In exercising his/her authority to approve these expenditures, the supervisor should consider:
 - a. The significance of the investigation.
 - b. The need for this expenditure to further the investigation.
 - c. Anticipated expenditures in other investigations.

Funds for PE/PI/PS expenditures should be advanced to the officer for a specific purpose. If they are not expended for that purpose, they should be returned to the cashier. They should not be used for another purpose without first returning them and repeating the authorization and advance process based on the new purpose.

5. Funds for PE/PI/PS expenditure should be advanced to the officer on suitable receipt form. Informant Payee Receipt or a voucher for P/E should be completed to document funds used in the purchase of evidence or funds paid or advanced to an informant.
6. For security purposes there should be a 48-hour limit on the amount of time funds advanced for PE/PI/PS expenditure may be held outstanding. If it becomes apparent at any point within the 48-hour period that the expenditure will not materialize, the funds should be returned to the cashier as soon as possible. An extension of the 48-hour limit may be granted by the level of management that approved the advance. Factors to consider in granting such an extension are:
 - a. The amount of funds involved.
 - b. The degree of security under which the funds are being held.
 - c. How long an extension is required.
 - d. The significance of the expenditure.

Such extensions should be limited to 48 hours. Beyond this, the funds should be returned and readvanced, if necessary. Regardless of circumstances, within 48 hours of the advance, the cashier should be presented with either the unexpended funds, an executed Informant Payee Receipt or purchase of evidence or written notification by management that an extension has been granted.

7. P/S expenditures, when not endangering the safety of the officer or informant, need to be supported by canceled tickets, receipts, lease agreements, etc. If not available, the supervisor, or his immediate subordinate, must certify that the expenditures were necessary and justify why supporting documents were not obtained.



CITY OF KINGMAN COMMUNICATION TO COUNCIL

TO: Honorable Mayor and Common Council

FROM: Engineering Department

MEETING DATE: May 3, 2016

AGENDA SUBJECT: Engineering Department building improvements

SUMMARY:

Staff has completed the process for selecting a Construction Manager at Risk (CMAR) for the Engineering Building Improvements. The CMAR selection process is governed by A.R.S. 34-603 and requires that a committee review proposals and select the contractor on the basis of demonstrated competence and qualifications. The selection committee, comprised of City staff and a licensed local contractor, has ranked T.R. Orr, Inc. as the most qualified contractor. On March 15, the City hired T.R. Orr for Design Phase services, which included defining the scope and providing prices for the Construction Phase.

The Construction Phase scope consists primarily of replacing the failing foam and rubber roof system, the installation of ductless HVAC units, general painting, window sealing, installation of cabinets, minor plumbing and electrical upgrades, general carpentry, curb, gutter, and sidewalk improvements for drainage, ADA accessibility and safety improvements, and security improvements.

The contract will include services associated with replacement of the roof, installation of air conditioning units, installation of security cameras, installation of ramp and ADA access improvements and drainage improvements, and other improvements listed in the Exhibit A.

FISCAL IMPACT:

The not to exceed price of \$200,000.00 will be paid as follows: \$115,000 out of Remodeling Improvement Funds and \$85,000 from Flood Control Funds.

STAFF RECOMMENDATION:

It is recommended that the Council approve the agreement and that the Mayor be authorized to sign the agreement on behalf of the City.

ATTACHMENTS:

Description

ENG15-052 COstruction Contract

REVIEWERS:

Department	Reviewer	Action	Date
Engineering	Henry, Greg	Approved	4/25/2016 - 2:57 PM

City Attorney
City Manager

Cooper, Carl
Dougherty, John

Approved
Approved

4/25/2016 - 3:02 PM
4/25/2016 - 3:22 PM



CITY OF KINGMAN, ARIZONA

ENGINEERING DEPARTMENT BUILDING IMPROVEMENTS

CONSTRUCTION MANAGER AT RISK

CONSTRUCTION SERVICES

PROJECT NO. ENG15-052

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**CITY OF KINGMAN
ENGINEERING DEPARTMENT BUILDING IMPROVEMENTS
CONSTRUCTION MANAGER AT RISK – CONSTRUCTION SERVICES
PROJECT NO. ENG15-052**

THIS CONTRACT is made and entered into on the _____ day of _____, 2016, by and between City of Kingman, hereinafter designated the "City" and T.R. Orr, Inc., hereinafter called the "Construction Manager at Risk" or "CMAR"

RECITALS

- A. The City engages the CMAR to perform Construction Services for the project known and described as the City of Kingman Engineering Department Building Improvements Project No. ENG15-052, herein referred to as the "Project".
- B. The City has undertaken the design of said Project and may contract with consultants for additional design or inspections. Said consultants shall herein after be referred to as the "Design Professional".
- C. The CMAR has represented to the City the ability to provide construction management services and based on this representation the City engages the CMAR to provide these services for the Project.

AGREEMENT

NOW THEREFORE, for and in consideration of the mutual covenants and considerations hereinafter contained, it is agreed by and between the City and the CMAR as follows:

ARTICLE 1 - DEFINITIONS

"Agreement ("Contract") This written document signed by the City and CMAR covering the design and construction phase of the Project, and including other documents itemized and referenced in or attached to and made part of this Contract.

"Allowance" Unless otherwise provided in the Contract Documents, allowances shall cover the cost to the contractor for materials, equipment, Contractor's costs for unloading and handling at the site, labor, installation costs, and other expenses contemplated for stated allowance. Whenever costs are more than or less than allowances, the Contract Price shall be adjusted accordingly by Change Order. Supporting information shall be provided to support cost adjustments, including but not limited to payroll information, invoices (including invoices for rented equipment), and operation time for contractor-owned equipment. Cost for equipment owned by CMAR will be paid at a rate shown for such equipment in the GMP. The amount of the Change Order shall reflect (1) the difference between actual costs and the allowances. The Change Order will allow for adjustments for bonds, insurance, and taxes.

"Change Order" A written order issued by the City to the CMAR to make changes in the Work or to perform extra work, and setting forth conditions for payment and/or adjustment in time of completion.

"City ("Owner" or "OWNER") The City of Kingman, a municipal corporation, with whom CMAR has entered into this Contract and for whom the services are to be provided pursuant to said Contact.

"CMAR" The firm selected by the City to provide design and construction services as detailed in this Agreement.

"Contingency, CMAR (Contractor's)" A fund to cover cost growth during the project used at the general discretion of the CMAR, with approval by the City, usually for costs that result from project circumstances.

The amount of the CMAR's Contingency shall be negotiated as a separate line item in each GMP package. Use of the CMAR's Contingency is described in Section 5.1.2.3.

"Contingency, OWNER (City's) A fund to cover City initiated changes during the project used at the sole discretion of the City. The amount of the City Contingency shall be provided to the CMAR during the GMP negotiations.

"Contract Amendment" See the definition for Change Order.

"Contract Documents" The following items and documents executed by the City and the CMAR: (i) all written Change Orders ; (ii) this Agreement, including all exhibits and attachments and (iii) GMP Plans and Specifications.

"Contract Price" The amount or amounts set forth in Article 5 and as modified by Change Order.

"Construction Fee" The CMAR's administrative costs, office overhead, and profit, at the CMAR's on-site or office and/or office(s) maintained for exclusive use on the Project. This includes administrative costs and any limitations or exclusions that may be included in the General Conditions.

"Contract Time" The Days as set forth in Article 4 for the period of time, including authorized adjustments, allotted in the Contract Documents for Final Acceptance of the Work.

"Cost of the Work" The direct costs necessarily incurred by the CMAR in the proper performance of the Work. The Cost of the Work shall include direct labor costs, subcontract costs, costs of materials and equipment incorporated in the completed construction, costs of other materials and equipment, temporary facilities required to construct the Work, permit and license fees, materials testing, and related items. The Cost of the Work shall not include the CMAR's Construction Fee, General Conditions Costs, CMAR's Contingency and taxes.

"Critical Path" The sequence of activities which control the overall duration of the project from the start of the Work to the Final Acceptance of the Project. Any delay in the completion of these activities will extend the Contract Time

"Day(s)" Calendar day(s) unless otherwise specifically noted in the Contract Documents.

"Design Professional" The qualified, licensed person, firm or corporation who furnishes design services required under the Contract Documents. Representatives of the Design Professional may perform Special and other inspection services at the site and may, at the Owner's option, represent the Owner during the construction period.

"Differing Site Conditions" Concealed or latent physical conditions or subsurface conditions at the Site that, (i) materially differ from the conditions indicated in the Contract Documents or field investigation reports furnished to the CMAR by the City, or (ii) are of an unusual nature, differing materially from the conditions ordinarily encountered and generally recognized as inherent in the Work at the general area of the project site.

"Final Acceptance" The completion of the Work including punch list, as prescribed in Section 4.1.

"Float" The number of Days by which an activity can be delayed without lengthening the Critical Path and extend the Contract Time.

"General Conditions Costs" Includes but is not limited to the following types of costs for the CMAR during the construction phase: (i) payroll costs for project manager or CMAR for work conducted at the site, (ii) payroll costs for the superintendent. (iii) payroll costs for other management personnel resident and working at the site, (iv) costs of temporary offices and construction facilities specifically for the Project, including office materials, office supplies, office equipment and minor expenses, (v) cost of utilities, fuel, sanitary facilities and telephone services at the site, (vi) costs of liability insurance premiums not included in labor burdens for direct labor costs, (vii) costs of bond premiums, or contractors default insurance premiums.

“Guaranteed Maximum Price” or “GMP” The sum of the maximum Cost of the Work; the CMAR’s Construction Fee; General Conditions Costs, taxes, bonds, insurance costs and Contingencies.

“GMP Plans and Specifications” The plans and specifications provided in the Design Phase Services upon which the Guaranteed Maximum Price Proposal is based.

“Legal Requirements” All applicable federal, state and local laws, codes, ordinances, rules, regulations, orders and decrees of any government or quasi-government entity having jurisdiction over the Project or Site, the practices involved in the Project or Site and relating to the performance of the Work.

“Notice to Proceed” or “NTP” A directive issued by the City, authorizing the CMAR to start the Work.

“Payment Request” The City form used by the CMAR to request progress payments for Work in accordance with Article 7.

“Product Data” Illustrations, standard schedules, performance charts, instructions, brochures, diagrams and other information furnished by the CMAR to illustrate materials or equipment for some portion of the Work.

“Project Record Documents” The documents created pursuant to Section 2.7.

“Samples” Physical examples, which illustrate materials, equipment or workmanship and establish standards by which the Work will be evaluated.

“Shop Drawings” Drawings or reproductions of drawings, detailing; fabrication and erection of structural elements, falsework and forming for structures, fabrication of reinforcement steel, installed equipment and installation of systems, or any other supplementary plans or similar data, which the CMAR is required to submit for approval.

“Site” The land or premises on which the Project is located.

“Specifications” The part(s) of the Contract Documents for the construction phase consisting of written technical descriptions of materials, equipment, construction systems, standards and workmanship as applied to the Work and certain administrative details applicable thereto. Except as modified by the project plans, specifications and Change Orders, this Project shall be constructed using the current Uniform Standard Specifications and Details for Public Works Construction as furnished by the Maricopa Association of Governments and as amended by the City of Kingman, unless alternate specifications and details are provided in the Drawings and/or Specifications.

“Subcontractor” Those having direct contracts with the CMAR and those who furnish material worked into a special design according to the plans and specifications for the Work, but not those who merely furnish material not so worked.

“Supplier” A manufacturer, fabricator, supplier, distributor, material man or vendor having a direct contract with CMAR or any Subcontractor to furnish materials or equipment to be incorporated in the construction phase Work by CMAR or any Subcontractor.

“Work” or “Project” The entire completed construction or the various separately identifiable parts thereof, required to be furnished during the construction phase. Work includes and is the result of performing or furnishing labor and furnishing and incorporating materials, resources and equipment into the construction, and performing or furnishing services and documents as required by the Contract Documents for the construction phase.

ARTICLE 2 - CMAR’S SERVICES AND RESPONSIBILITIES

2.0 Standard Specifications and Details

The City operates under the latest revision of the 1998 edition of the Uniform Standard Specifications for Public Works Construction, published by the Maricopa Association of Governments (MAG) as adopted and amended by the City and is herewith incorporated by reference and made a part hereof. The adopted MAG Standard Specifications and City amendment to the Standard Specifications may be downloaded from the City's web site at: www.cityofkingman.gov

The City also operates under the latest revision of the 1998 edition of the Uniform Standard Details as published by the Maricopa Association of Governments as adopted and amended by the City. The adopted MAG Standard Details and City amendment to the Standard Details may be obtained on the City's web site referenced above.

Where reference is made on the project drawings and specifications to MAG details, they shall be to the City of Kingman amended specifications and details, or where the City of Kingman has not adopted an amended specification, to the latest revision to the 1998 edition of the Uniform Standard Specifications for Public Works Construction and Uniform Standard Details.

2.1 General Services

2.1.1 CMAR's Representative shall be available to City and shall have the necessary expertise and experience required to supervise the Work. CMAR's Representative shall communicate regularly with the City but not less than once a week and shall be vested with the authority to act on behalf of the CMAR. CMAR's Representative may be replaced only with the written consent of the City.

2.2 Government Approvals and Permits

2.2.1 The CMAR shall obtain all necessary permits for the Work, except these listed below, and pay all applicable fees. The CMAR is specifically notified of the need to obtain the necessary environmental permits or file the necessary environmental and regulatory permit notices.

2.2.2 City shall be responsible for obtaining all required permits from the Arizona Department of Environmental Quality (ADEQ).

2.3 Pre-construction Conference

2.3.1 Prior to the commencement of any Work, the City will schedule a Pre-construction conference.

2.3.2 The purpose of this conference is to establish a working relationship between the CMAR, utility firms, and various City departments. The agenda will include critical elements of the work schedule, submittal schedule, cost breakdown of major lump sum items, Payment Requests and processing, coordination with the involved utility firms, and emergency telephone numbers for all representatives involved in the course of construction.

2.3.3 The Notice to Proceed shall be issued in accordance with MAG Section 108.

2.3.4 The CMAR shall provide a schedule of values based on the categories used in the buy out of the Work. The schedule of values shall not be greater than the approved GMP and shall identify the CMAR's Contingency. The schedule of values will subdivide the Work into all items comprising the Work.

2.3.5 Minimum attendance by the CMAR shall be the CMAR's Representative, who is authorized to execute and sign documents on behalf of the firm, the job superintendent, and the CMAR's safety officer.

2.4 Control of the Work

2.4.1 Unless otherwise provided in the Contract Documents to be the responsibility of the City or a separate contractor, CMAR shall provide through itself or Subcontractors the necessary supervision, labor, inspection, testing, start-up, material, equipment, machinery, temporary utilities and other temporary facilities to permit CMAR to complete the Work consistent with the Contract Documents.

2.4.2 CMAR shall perform all construction activities efficiently and with the requisite expertise, skill and

competence to satisfy the requirements of the Contract Documents. CMAR shall at all times exercise complete and exclusive control over the means, methods, sequences and techniques of construction.

2.4.3 CMAR or the CMAR's Superintendent shall be present at the Site at all times that work under this contract is taking place.

2.4.3.1 All elements of the Work shall be under the direct supervision of a foreman or his designated representative on the Site who shall have the authority to take actions required to properly carry out that particular element of the work.

2.4.3.2 In the event of noncompliance of this section, the City may require the CMAR to stop or suspend the Work in whole or in part.

2.4.4 Where the Contract Documents require that a particular product be installed and/or applied by an applicator approved by the manufacturer, it is the CMAR's responsibility to ensure the Subcontractor employed for such work is approved by the manufacturer, and to so demonstrate if requested.

2.4.5 Before ordering materials or doing work, the CMAR and each Subcontractor shall verify measurements at the Site and shall be responsible for the correctness of such measurements. No extra charge or compensation will be allowed because of differences between actual dimensions and the dimensions indicated on the drawings; differences, which may be found, shall be submitted to the City for the City's resolution before proceeding with the work.

2.4.6 The CMAR shall take field measurements and verify field conditions and shall carefully compare such field measurements and conditions and other information known to the CMAR with the Contract Documents before commencing activities. Errors, inconsistencies or omissions discovered shall be reported to the City at once.

2.4.7 The City will establish all building and construction grades, lines, levels, and bench marks, and shall be responsible for accuracy and protection of same. The CMAR shall preserve and protect the construction survey stakes and marks for the duration of their usefulness. If construction survey stakes are lost or disturbed and need to be replaced, the cost for such replacement will be deducted from CMAR's most recent pay request.

2.4.8 CMAR shall be responsible for the proper performance of the work of Subcontractors and any acts and omissions in connection with such performance. Nothing in the Contract Documents is intended or deemed to create any legal or contractual relationship between City and any Subcontractor or Sub-Subcontractor, including but not limited to any third-party beneficiary rights.

2.4.9 CMAR shall coordinate the activities of all Subcontractors. If the City performs other work on the Project or at the Site with separate contractors under City's control, CMAR agrees to cooperate and coordinate its activities with those of such separate contractors so that the Project can be completed in an orderly and coordinated manner without unreasonable disruption.

2.4.10 Where the respective sections of the specifications contain detailed requirements for materials testing and inspections to be performed by an approved testing laboratory. All costs incurred for testing laboratory services will be paid by the City at no cost to the CMAR. However, should retesting be required due to CMAR's failure to comply with the plans and specifications, the CMAR shall pay all costs for retesting.

2.5 Control of the Work Site

2.5.1 The Contract Documents indicate the lands upon which the Work is to be performed and those rights-of-way and access easements furnished by City. Easements for permanent structures or for permanent changes in existing facilities will be obtained by City, unless otherwise stated.

2.5.2 CMAR shall obtain, at no increase in Contract Price or Contract Time, any additional lands, rights-of-way and easements that CMAR, in its sole discretion, requires for temporary facilities, ingress and egress, storage, disposal of spoil or waste material or any other purpose. CMAR shall obtain (a) all required permits from the U.S. Government, the State, railroad, and any Political Subdivision or public utility with jurisdiction, and (b) permission by written agreement if private property. CMAR shall submit copies of all permits and written agreements to City, and shall be responsible for insurance and security at any temporary facilities, on or off-site, that the CMAR requires to complete the Project.

2.5.3 City shall furnish, as indicated in the Contract Documents, the lands upon which the Work is to be performed, rights-of-way and easements for access thereto, and such other lands which are designated for the use of CMAR. Upon reasonable written request, City shall furnish CMAR with a correct statement of record legal title and legal description of the lands upon which the Work is to be performed and City's interest therein as necessary for giving notice of or filing a mechanic's lien against such lands in accordance with applicable Laws and Regulations. City shall identify any encumbrances or restrictions not of general application but specifically related to use of lands so furnished with which CMAR will have to comply in performing the Work. Easements for permanent structures or permanent changes in existing facilities will be obtained and paid for by City, unless otherwise provided in the Contract Documents. CMAR shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment.

2.5.4 Throughout all phases of construction, including suspension of Work, CMAR shall keep the Site reasonably free from debris, trash and construction wastes to permit CMAR to perform its construction services efficiently, safely and without interfering with the use of adjacent land areas. Prior to Final Acceptance of the Work, or a portion of the Work, CMAR shall remove all debris, trash, construction wastes, materials, equipment, machinery and tools arising from the Work or applicable portions thereof to permit City to occupy the Project or a portion of the Project for its intended use.

2.5.5 CMAR shall take whatever steps, procedures or means necessary to prevent dust nuisance due to construction operations. The dust control measures shall be maintained at all times to the satisfaction of the City.

2.5.6 CMAR shall maintain ADA and ANSI accessibility requirements during construction activities in any occupied building or facility. ADA and ANSI accessibility requirements shall include, but not be limited to, parking, building access, entrances, exits, restrooms, areas of refuge, and emergency exit paths of travel.

2.5.7 Only materials and equipment used directly in the Work shall be brought to and stored on the Site by the CMAR. When equipment is no longer required for the Work, it shall be removed promptly from the Site. Protection of construction materials and equipment stored at the Site from weather, theft, damage and all other adversity is solely the responsibility of the CMAR.

2.6 Quality Control, Testing and Inspection

2.6.1 All materials used in the Work shall be new and unused, unless otherwise noted or specifically approved by the City, and shall meet all quality requirements of the Contract Documents.

2.6.2 All construction materials to be used on the Work or incorporated into the Work, equipment, plant, tools, appliances or methods to be used in the Work may be subject to the inspection and approval or rejection by the City. Any material rejected by the City shall be removed immediately and replaced in an acceptable manner.

2.6.3 The procedures and methods used to sample and test material will be determined by the City. Unless otherwise specified in the Project Drawings and Specifications, samples and tests shall be made in accordance with the following: Project Specifications, MAG 700 Series and the standard methods of AASHTO or ASTM as referenced in the MAG 700 Series, or as determined by the City.

2.6.4 The CMAR will select a pre-qualified City or Independent Testing Laboratory and will pay for Quality Control testing. City will provide Quality Assurance (QA) testing at its own expense where and as it deems necessary. Copies of all Quality Control test reports shall be provided to the City contemporaneously with their presentation to the CMAR or subcontractor to the CMAR. Quality Control testing schedule will be provided in the Project Specifications for earthwork, concrete, special coatings, and other work as determined by the City and the Design Professional.

2.6.4.1 When the first and subsequent tests (including Quality Assurance testing) indicate noncompliance with the Contract Documents, the cost to correct that noncompliance and any further testing demonstrating compliance after correction shall be paid for by the CMAR.

2.6.4.2 When the first and subsequent tests indicate noncompliance with the Contract Documents, all retesting shall be performed by the same testing agency.

2.6.5 The CMAR will cooperate with the Owner's selected QA testing laboratory and all others responsible for testing and inspecting the work and shall provide them access to the Work at all times.

2.6.6 At the option of the City, materials may be approved at the source of supply before delivery is started.

2.6.7 Code compliance testing and inspections required by codes or ordinances, or by a plan approval authority, and which are made by a legally constituted authority, shall be the responsibility of the CMAR to coordinate and to comply, unless otherwise provided in the Contract Documents.

2.6.8 CMAR's convenience and quality control testing and inspections shall be the sole responsibility of the CMAR and paid by the CMAR.

2.7 Project Record Documents

2.7.1 During the construction period, the CMAR shall maintain at the jobsite a set of blue-line or black-line prints of the Construction Document drawings and shop drawings for Project Record Document purposes.

2.7.1.1 The CMAR shall mark these drawings to indicate the actual installation where the installation varies appreciably from the original Construction Documents. Give particular attention to information on elements that will be concealed, which would be difficult to identify or measure and record later. Items required to be marked include but are not limited to:

- Dimensional changes to the drawings.
- Revisions to details shown on Drawings
- Locations and depths of underground utilities
- Revisions to routing of piping and conduits.
- Revisions to electrical circuitry.
- Actual equipment locations.
- Locations of concealed internal utilities.
- Changes made by Change Order.
- Details not on original Contract Drawings.

2.7.1.2 The CMAR shall mark completely and accurately Project Record Drawing sets of Construction Documents.

2.7.1.3 The CMAR shall mark Project Record Drawings sets with red erasable colored pencil.

2.7.1.4 The CMAR shall note request for information (RFI) Numbers and Change Order numbers, etc., as required to identify the source of the change to the Construction Documents; however actual changes including dimensions, materials, arrangement and any other information needed to accurately depict the change shall be included on the drawings. If necessary, additional drawing sheets shall be provided for this purpose.

2.7.1.5 The CMAR shall submit Project Record Drawing sets and Shop Drawings to the City or its representative for review and comment.

2.7.2 Upon receipt of the reviewed Project Record Drawings from the City, the CMAR shall correct any deficiencies and/or omissions to the drawings and submit the final original of the Project Record Drawings to the City prior to Final Acceptance and as a condition of Final Acceptance. Final approved Project Record Drawings shall be provided to the City in hard copy (full-size drawings) and electronic form.

2.7.3 The City Representative will review the Project Record Drawings monthly prior to the date established for the Payment Request and shall be the sole judge of acceptance of these drawings.

2.8 Project Safety

2.8.1 These Construction Documents, and construction covered by this agreement are to be governed, at all times, by applicable provisions of the federal laws, including but not limited to, the latest amendments of the following:

- a. Williams-Steiger Occupational Safety & Health Act of 1970, Public Law, 91-596.
- b. Part 1910 and Part 1926 - Occupational Safety and Health Standards, Chapter XVII of Title 29, Code of Federal Regulations.
- c. Part 1518 - Safety and Health Regulations for Construction, Chapter XIII of Title 29, Code of Federal Regulations.

2.8.2 The CMAR is responsible for safety of the job site for employees of CMAR as well as for members of the general public and others who may drive or walk through or be in the job site.

2.8.3 CMAR recognizes the importance of performing the Work in a safe manner so as to prevent damage, injury or loss to (i) all individuals at the Site, whether working or visiting, (ii) the Work, including materials and equipment incorporated into the Work or stored on-Site or off-Site, and (iii) all other property at the Site or adjacent thereto.

2.8.4 CMAR assumes responsibility for implementing and monitoring all safety precautions and programs related to the performance of the Work.

2.8.5 The CMAR shall provide a "competent person" as required by O.S.H.A. regulations. The "competent person" shall be identified at the preconstruction conference with the City advised in writing of any changes.

2.8.6 The "competent person" shall make routine daily inspections of the Site and shall hold weekly safety meetings with CMAR's personnel, Subcontractors and others as applicable.

2.8.7 CMAR and Subcontractors shall comply with all legal and regulatory requirements relating to safety, as well as any City-specific safety requirements set forth in the Contract Documents, provided that such City-specific requirements do not violate any applicable legal and regulatory requirement.

2.8.8 CMAR will immediately report in writing any safety-related injury, loss, damage or accident arising from the Work to City's Representative and, to the extent mandated by Legal Requirements, to all government or quasi-government authorities having jurisdiction over safety-related matters involving the Project or the Work.

2.8.9 CMAR's responsibility for safety under this Section is not intended in any way to relieve Subcontractors and Sub-Subcontractors of their own contractual and legal obligations and responsibility

for (i) complying with all Legal Requirements, including those related to health and safety matters, and (ii) taking all necessary measures to implement and monitor all safety precautions and programs to guard against injury, losses, damages or accidents resulting from their performance of the Work.

2.8.10 Nothing in this agreement shall relieve the CMAR of his responsibility to maintain traffic, structures, etc., as noted on the plans, specifications, and Special Provisions. The CMAR is responsible to provide all necessary shoring, bracing and trench support as is necessary to maintain traffic structures, etc., as stipulated in the plans, specifications, and Special Provisions. If the stability of adjoining building, walls, roadways, etc., is endangered by the CMAR's excavation, shoring, bracing, or underpinning shall be provided as necessary to ensure project safety. Cost for shoring, bracing, underpinnings, and trench support shall be included in the appropriate items listed in the GMP, and no additional payment shall be made for this work

2.9 Warranty

2.9.1 CMAR warrants to City that the construction, including all materials and equipment furnished as part of the construction, shall be new unless otherwise specified in the Contract Documents or approved by the City, of good quality, in conformance with the Contract Documents and free of defects in materials and workmanship.

2.9.2 The date of Final Acceptance and the beginning of the Warranty period shall be the date upon which the City indicates final completion and acceptance of the work. The date will represent the completion date for each phase of the project irrespective of early completion by some subcontractors of their work. Final Acceptance will not be issued until all items of work of each phase, including punch list items, have been completed. The CMAR shall furnish extended warranties for facilities placed in service before Final Acceptance and that expire no earlier than one year beyond Final Acceptance except as otherwise required in the specifications.

2.9.3 CMAR's warranty obligation shall be in accordance with MAG Specifications.

2.9.4 Nothing in this warranty is intended to limit any manufacturer's warranty which provides City with greater warranty rights than set forth in this section or the Contract Documents. CMAR will provide City with all manufacturers' warranties prior to Final Acceptance.

2.10 Correction of Defective Work

2.10.1 CMAR agrees to correct any Work that is not in conformance with the Contract Documents, including that part of the Work subject to Section 2.9, within a period of one year from the date of Final Acceptance of the Work, or within such longer period to the extent required by the Contract Documents. A progress payment, or partial or entire use or occupancy of the Project by the City, shall not constitute acceptance of Work not in accordance with the Contract Documents.

2.10.2 CMAR shall, take immediate steps to commence correction of nonconforming Work subject to Section 2.9 above, within fourteen calendar days of receipt of written notice from City in accordance with MAG Specifications. This includes the correction, removal or replacement of the nonconforming Work and any damage caused to other parts of the Work affected by the nonconforming Work. If defects develop which are determined by the City to be an emergency, the City shall notify the CMAR, via the most expeditious means regarding the nature and condition of the defects. In turn, the CMAR shall immediately dispatch necessary forces to correct the defect or the emergency condition in accordance with MAG Specifications.

2.10.3 The one year period referenced in Section 2.10.1 above applies only to CMAR's obligation to correct nonconforming Work and is not intended to constitute a period of limitations for any other rights or remedies that the City may have regarding CMAR's other obligations under the Contract Documents.

ARTICLE 3 - CITY'S SERVICES AND RESPONSIBILITIES

3.0 City's Representative and Inspector

3.0.1 City's Representative is responsible for providing City-supplied information and approvals in a timely manner to assist CMAR to fulfill its obligations under the Contract Documents.

3.0.2 City's Representative will also provide CMAR with prompt notice if it observes any failure on the part of CMAR to fulfill its contractual obligations, including any default or defect in the project or non-conformance with the drawings and specifications.

3.0.3 The City may utilize field inspectors to assist the City's Representative during construction in observing performance of the CMAR. The inspector is for the purpose of assisting the City's Representative and should not be confused with an inspector with a regulatory agency or with an inspector from a City-contracted independent laboratory pursuant to Division 2.6.4. The City will provide Special and Electrical Inspection, and may provide other inspection personnel as the City deems appropriate.

3.0.3.1 The inspector is authorized to inspect all Work and materials furnished. Such inspection may extend to all or part of the Work and to the preparation, fabrication or manufacture of the materials to be used.

3.0.3.2 The inspector is not authorized to issue instructions contrary to the Construction Documents or to act as foremen for the CMAR.

3.0.3.3 The inspector shall have the authority to reject work or materials until any questions at issue can be decided by the City's Representative.

3.0.3.4 The furnishing of an inspector by the City shall not make the City responsible for or give the City control over construction means, methods, techniques, sequences or procedures or for safety precautions or programs or responsibility for the CMAR's failure to perform the work in accordance with Contract Documents.

3.1 Design Professional Services

3.1.1 The City may contract separately with one or more Design Professionals to provide construction administration of the project. The Design Professional's contract scope as well as other firms hired by the City shall be furnished to the CMAR. The CMAR shall not have the right to limit or restrict or reject any contract modifications that are mutually acceptable to the City and Design Professional.

3.2 City's Separate Contractors

3.2.1 City is responsible for all work performed on the Project or at the Site by separate contractors under City's control. City shall contractually require its separate contractors to cooperate with, and coordinate their activities so as not to interfere with, CMAR in order to enable CMAR to timely complete the Work consistent with the Contract Documents.

3.3 Permit Review and Inspections

3.3.1 If requested by the CMAR, the City's Representative will provide assistance and guidance in obtaining necessary reviews, permits and inspections.

3.3.2 The regulating agencies of the City such as Engineering Services, Developmental Services, Fire and Planning Departments, enforce Legal Requirements. The enforcement activities of the City are independent and separate from this Agreement.

ARTICLE 4 - CONTRACT TIME

4.0 Contract Time

4.0.1 Contract Time shall start with the Notice to Proceed (NTP) Final Acceptance.

4.0.2 Contract Time shall be for the completion of all Work. Contract time for the construction shall be as follows:

Project shall be completed by June 30, 2016.

Additional work, if needed, shall be completed as agreed upon in a future amendment to this agreement.

4.0.3 CMAR agrees that it will commence performance of the Work and achieve the Contract Time.

4.0.4 All of the times set forth in this Article 4 shall be subject to adjustment in accordance with Article 6.

4.1 Final Acceptance

4.1.1 Upon receipt of written notice that the Work or identified phases of the Work is ready for final inspection and acceptance, City and CMAR will jointly inspect to verify that the remaining items of Work have been completed. There shall be no partial acceptance. Final Acceptance shall not be issued until all items of work on each phase, including punch list items, have been completed to the City's satisfaction. The City understands for the purpose of assessing liquidated damages that Final Acceptance and Completion punch list will allow for warranty work (ongoing for 1 year) and miscellaneous minor punch list, as approved by the City.

4.2 Liquidated Damages

4.2.1 For this project, time is of the essence. Therefore, there will be liquidated damage assessment made for each calendar day, on each phase, the project is not completed after the specified completion date. For each and every calendar day that work of any phase shall remain incomplete after the time specified for the completion of the work in the GMP, or as adjusted by the City, the sum per calendar day shown in Table 108-1 of the MAG Specifications, shall be deducted from monies due to the CMAR, not as a forfeit or penalty, but as liquidated damages and added expenses including administrative, inspectors' cost and loss of facility revenue. This sum is fixed and agreed upon between the parties, because the actual loss to the City caused by delay in completion will be impractical and extremely difficult to ascertain and determine.

4.2.2 Final Acceptance means the completion of all items of work, including punch list items subject to Section 4.1.1.

4.2.3 Permitting the CMAR to continue and finish the work or any part of it after the time fixed for its completion, or after the date to which the time fixed for its completion may have been extended, does not operate as a waiver by the City of any rights under this contract.

4.2.4 The CMAR acknowledges and agrees to the amount of liquidated damages, specified in Section 4.2.1.

4.3 Project Schedule

4.3.1 The Project Schedule approved as part of a GMP shall be updated and maintained throughout the contract period.

4.3.2 The Project Schedule shall be revised as required by conditions and progress of the Work, but such revisions shall not relieve CMAR of its obligations to complete the Work within the Contract Time, as adjusted in accordance with the Contract Documents.

4.3.3 An updated Project Schedule shall be submitted monthly to the City as part of the Payment Request. The monthly submittal shall include updated resource loading and one full size plot of the entire schedule and one computer disk containing the schedule in a format acceptable to the City.

4.3.4 CMAR shall provide City with a monthly status report with each Project Schedule detailing the progress of the Work, including: (i) if the Work is proceeding according to schedule, (ii) any discrepancies, conflicts, or ambiguities found to exist in the Contract Documents that require resolution, and (iii) other information detailing items that require resolution so as not to jeopardize the ability to complete the Work as presented in the GMP and within the Contract Time.

4.3.5 With each Project Schedule submittal, the CMAR shall include a transmittal letter including the following:

- Description of problem tasks (referenced to field instructions, requests for information (RFIs), as appropriate.
- Current and anticipated delays including:
 - Cause of the delay
 - Corrective action and schedule adjustments to correct the delay
 - Known or potential impacts and their delay on other activities, milestones, and their impact date of Final Completion.
 - Changes in construction sequence
- Pending items and status thereof including but not limited to:
 - Time Extension requests
 - Other items
- Final Completion date status:
 - If ahead of schedule, the number of calendar days ahead.
 - If behind schedule, the number of calendar days behind.
- Other project or scheduling concerns.

4.3.6 City's review of and response to the Project Schedule serves to ensure for general conformance with the scheduling requirements of the Contract Documents. The review shall not relieve the CMAR from compliance with the requirements of the Contract Documents or be construed as relieving the CMAR of its complete and exclusive control over the means, methods, sequences and techniques for executing the Work.

4.3.7 The Project Schedule shall include a Critical Path Method (CPM) diagram schedule showing the sequence of activities, the interdependence of each activity and identifies the Critical Path.

4.3.8 The CPM diagram schedule shall be in Days and indicate duration, earliest and latest start and finish dates for all activities, and total Float times for all activities except critical activities. The CPM diagram shall be presented in a time scaled graphical format for the Project as a whole.

4.3.9 The CPM diagram schedule shall indicate all relationships between activities.

4.3.10 The activities making up the schedule shall contain sufficient detail to assure that adequate planning has been done for proper execution of the Work and such that it provides an appropriate basis for monitoring and evaluating the progress of the Work. Individual activities shall not exceed 30 days in length.

4.3.11 The CPM diagram schedule shall be based upon activities, which coincide with the schedule of values.

4.3.12 The CPM diagram schedule shall show all submittals associated with each work activity and the review time for each submittal.

4.3.13 The project schedule shall show milestones, including milestones for Owner-furnished information, and shall include activities for Owner-furnished equipment and furniture and construction by other contractors when those activities are interrelated with the CMAR activities.

4.3.14 The Project Schedule shall consider the City's and the tenants' occupancy requirements showing portions of the Project having occupancy priority, and Contract Time.

4.3.15 Float time shall be as prescribed below;

4.3.15.1 The total Float time within the overall schedule, is not for the exclusive use of either the City or the CMAR, but is jointly owned by both and is a resource available to and shared by both parties as needed to meet contract milestones and the Project completion date.

4.3.15.2 The CMAR shall not sequester shared Float time through such strategies as extending activity duration estimates to consume available Float, using preferential logic, or using extensive crew/resource sequencing, etc. Since Float time within the schedule is jointly owned, no time extensions will be granted nor delay damages paid until a delay occurs which extends the Work beyond the Final Acceptance date.

4.3.15.3 Since Float time within the schedule is jointly owned, it is acknowledged that City-caused delays on the Project may be offset by City-caused time savings (i.e., critical path submittals returned in less time than allowed by the contract, approval of substitution requests and credit changes which result in savings of time to the CMAR, etc.). In such an event, the CMAR shall not be entitled to receive a time extension or delay damages until all City-caused time savings are exceeded and the Contract Time is also exceeded.

ARTICLE 5 - CONTRACT PRICE

5.0 General

5.0.1 The CMAR agrees at his own proper cost and expense, to do all Work as aforesaid for the construction of said improvements and to completely construct the same and install the material therein, as called for by this Agreement free and clear of all claims, liens, and charges whatsoever, in the manner and under the conditions specified within the time, or times, stated in the approved Guaranteed Maximum Price.

5.1 Contract Price

5.1.1 The Contract Price will be as approved in the Guaranteed Maximum Price proposal attached as Exhibit A an amount of \$200,000.00

5.1.2 Guaranteed Maximum Price is composed of the not-to-exceed lump sum amounts defined in Exhibit A. The CMAR is at risk to cover any additional Project costs.

5.1.2.1 The Cost of the Work is lump sum. The Guaranteed Maximum Price shall be based on the GMP Plans and Specifications. The GMP Plans and Specifications shall consist of the documents and agreed-upon design clarifications listed in exhibits to the Approved GMP Proposal. The CMAR Contingency shall be broken down into separate amounts for each phase. When the CMAR receives final, permitted plans and specifications for all phases and final bids from suppliers and subcontractor, the CMAR shall reconcile his Cost of Work for all phases with the GMP. Should the Cost of Work based on the final, permitted plans and Specifications for all phases exceed the Cost of Work in the GMP for all phases combined, the CMAR shall utilize it's CMAR Contingency to fund any overage. Should the Cost of Work based on the final, permitted plans and Specifications for all phases combined, be less than the Cost of Work in the GMP for all phases, the CMAR shall provide a deductive Change Order to the Contract for this amount.

5.1.2.2 The General Conditions Costs and the Construction Fee are firm fixed lump sums.

5.1.2.3 CMAR's Contingency is a fund to cover cost growth during the project used at the general discretion of the CMAR, with City approval, usually from costs that result from project circumstances.

5.1.2.3.1 At the time that CMAR's Contingency is used by the CMAR, the appropriate markups for overhead and profit will be applied.

5.1.2.3.2 When the CMAR utilize CMAR's Contingency funds, the CMAR shall make the appropriate changes to the schedule of values with the next regular progress payment request. The CMAR shall deduct the amount of CMAR's Contingency funds used from the CMAR's Contingency line item and adding the same amount to the line item on the schedule of values where the funds were used. If the CMAR's Contingency funds are used for a new line item that was not given with the original schedule of values, a revised schedule of values shall be submitted to document this.

5.1.2.4 Taxes are deemed to include all sales, use, consumer and other taxes which are legally enacted when negotiations of the GMP were concluded, whether or not yet effective or merely scheduled to go into effect. Taxes are actual costs and are a firm fixed lump sum.

5.1.3 Owner's Contingency funds to be used at the sole discretion of the City. Owner's Contingency will be added to the Contract Price to cover any increases in Project costs that result from City directed changes or unforeseen site conditions. At the time that Owner's Contingency is used, the appropriate markups per Article 6 will be applied.

5.1.4 The GMP is subject to adjustments made in accordance with Article 6 and by Change Orders to this Agreement.

5.1.4.1 GMP Change Orders are cumulative except for contingency.

5.1.4.2 If the GMP requires an adjustment due to changes in the Work, the cost of such changes is determined subject to Article 6. The markups that shall be allowed on such changes shall be no greater than the markups delineated in Section 6.6.

ARTICLE 6 - CHANGES TO THE CONTRACT PRICE AND TIME

6.0 Delays to the Work

6.0.1 The Contract Times may only be changed by a Change Order or a Written Amendment. Any claim for an adjustment of the Contract Times shall be based on written notice delivered by the party making the claim to the other party and to City promptly (but in no event later than ten days) after the occurrence of the event giving rise to the claim and stating the general nature of the claim. Notice of the extent of the claim with supporting data shall be delivered within thirty days after such occurrence (unless City allows an additional period of time to ascertain more accurate data in support of the claim) and shall be accompanied by the claimant's written statement that the adjustment claimed is the entire adjustment to which the claimant has reason to believe it is entitled as a result of the occurrence of said event. No claim for an adjustment in the Contract Times (or Milestones) will be valid if not submitted in accordance with the requirements of this paragraph 6.0.1.

6.0.2 All time limits stated in the Contract Documents are of the essence of this Agreement.

6.0.3 An extension in Contract Time will not be justified unless CMAR, through analysis of the Record Schedule, demonstrates delay in completing all or a specified part of the Work arising from unforeseeable causes beyond the control and without the fault or negligence of CMAR, and the delay is unreasonable under the circumstances. Examples of events which may justify an extension of Contract Time, subject to the requirements of the Contract Documents, include: acts of God, the public enemy, or City in its sovereign capacity; acts of the U.S. Government, the State or another Political Subdivision; fires, floods, epidemics, quarantine restrictions; strikes, freight embargoes, unusual weather, including storms, tornados, etc. (unusual in the sense of expectation, frequency or severity compared with the prior 5-year average; but ambient air temperature up to 125°F shall not be considered unusual); unusually severe shortages of construction materials, considering all feasible sources of supply; newly discovered

Underground Utilities; objection, for City's convenience, to a nominated Subcontractor; an emergency; suspension of Work resulting from discovery of archaeological features; changes in the Work, differing site conditions or variation in quantities of Unit Price Work. Delays attributable to and within the control of a Subcontractor or Supplier shall be deemed to be delays within the control of CMAR.

6.0.4 If CMAR is prevented from completing any part of the Work within the Contract Times for unforeseeable causes beyond the control of both City and CMAR, an extension of the Contract Times in an amount equal to the time lost due to such delay shall be CMAR's sole and exclusive remedy for the delay. In no event shall City be liable to CMAR, any Subcontractor, any Manufacturer, any Supplier, any person, any firm, any corporation, or to any surety for or employee or agent of any of them, for damages arising out of or resulting from (a) delays caused by or within the control of CMAR, or (b) delays beyond the control of both parties as specified in paragraph 6.0.3.

6.1 Differing Site Conditions

6.1.1 Differing Site Conditions shall be addressed in accordance with MAG Standard Specification Section 104.2.

6.2 Errors, Discrepancies, and Omissions

6.2.1 If the CMAR observes errors, discrepancies or omissions in the Contract Documents, he shall promptly notify the City and request clarification.

6.2.2 If the CMAR proceeds with the Work affected by such observed errors, discrepancies or omissions, without receiving such clarifications, he does so at his own risk. Adjustments involving such circumstances made by the CMAR prior to clarification by the City shall be at the CMAR's risk.

6.3 City Requested Change in Work

6.3.1 The City reserves the right to make, at any time during the progress of the Work, such alterations as may be found necessary or in the City's best interest.

6.3.2 Such alterations and changes shall be addressed in accordance with MAG Standard Specifications Section 104.2.

6.4 Change Orders

6.4.1 City and CMAR shall negotiate in good faith and as expeditiously as possible the appropriate adjustments for a Change Order. Upon reaching an agreement, the parties shall prepare and execute an appropriate Change Order reflecting the terms of the adjustment.

6.4.2 All changes in Work authorized by Change Orders shall be performed under the conditions of the Contract Documents

6.5 Minor Changes in the Work

6.5.1 The City has authority to order minor changes in Work that do not materially and adversely affect the Work, including the design, quality, performance and workmanship required by the Contract Documents. Such changes shall be affected by written order and shall be binding on the City and CMAR. The CMAR shall carry out such written orders promptly.

6.5.2 Minor changes in Work will not involve an adjustment in the Contract Price and/or Contract Times. (Minor changes for this purpose of this section shall be defined as changes under \$500.00).

6.6 Extra Work

6.6.1 The CMAR shall perform such extra work and charge the Owner at actual cost of labor and materials. The CMAR shall have the right to add not more than 5% to the Subcontractor's prices for authorized extra work performed solely by Subcontractors. Such percentage shall include all of the CMAR's charges for overhead, profit, administration and supervision. A 15% mark-up for overhead, profit, administration and supervision may be added to the CMAR's cost of labor and materials for extra work authorized to be done by his own forces. The Subcontractor's maximum allowable additions for overhead, profit, administration and supervision shall not exceed 15% of cost of labor and materials. The CMAR and Subcontractors will not be allowed any additional compensation beyond the allowable markups for overhead, profit, administration and supervision as noted above.

6.6.2 For work omitted from Contract: If Contract Agreement has been previously increased by Change Order for additional work, then overhead and profit will be deducted for omitted work; if revised Contract Price will be less than original Contract amount, then overhead expenses and profit will not be deducted as part of the deductive Change Order for work omitted.

6.6.3 Where extra work involves both added and omitted work, the overhead, profit, administration and supervision figures specified above shall be added only to the increased amount over the original Contract Price.

6.7 Contract Modifications

6.7.1 Any agreement which modifies the terms of the contract (including Change Orders) shall be approved in writing by the City. Once properly executed by both parties, these modifications to the contract shall have the same effect as if they had been included in the original contract. Signature by the contracting parties shall constitute full accord and satisfaction between the City and the CMAR for all costs, damages, and expenses of whatever kind or nature, including delay, impact or acceleration damages, which may be occasioned by the modification.

6.8 Emergencies

6.8.1 In any emergency affecting the safety of persons and/or property, CMAR shall act, at its discretion, to prevent threatened damage, injury or loss. Any change in the Contract Price and/or Contract Time resulting from emergency work under this Division shall be determined as provided in this Article.

ARTICLE 7 - PROCEDURE FOR PAYMENT

7.0 Payment Procedure

7.0.1 Payment for the specific work under this Agreement will be made in accordance MAG Standard Specification Section 109 as amended by the City of Kingman.

7.1 Record Keeping and Finance Control

7.1.1 As it relates to Contract "Allowances" or cost based change orders, records of the CMAR's direct personnel payroll, reimbursable expenses pertaining to this Project and records of accounts between the City and CMAR shall be kept on a generally recognized accounting basis. The City, its authorized representative, and/or the appropriate agency, reserve the right to audit the CMAR's records, as it relates to Allowances or cost based change orders, in compliance with local, state or federal policies, statutes or at the City's discretion, within (3) years of Final Acceptance of the Work.

7.1.2 The CMAR shall include a provision similar to paragraph 7.1.1 in all of its agreements with Subconsultants, Subcontractors, and Suppliers, who have reimbursable GMP type contracts, providing services under this Contract to ensure the City, its authorized representative, and/or the appropriate agency, has access to the Subconsultants', Subcontractors', and Suppliers' records.

ARTICLE 8 - CLAIMS AND DISPUTES

8.0 Dispute Avoidance and Resolution

8.0.1 Dispute resolution shall proceed in accordance with MAG Standard Specifications Section 110.

8.1 Duty to Continue Performance

8.1.1 Unless provided to the contrary in the Contract Documents, CMAR shall continue to perform the Work and City shall continue to satisfy its payment obligations to CMAR, pending the final resolution of any dispute or disagreement between CMAR and City.

8.2 Representatives of the Parties

8.2.1 City's Representatives

8.2.1.1 City designates the individual listed below or his designee as its Senior Representative (Level III"), which individual has the authority and responsibility for avoiding and resolving disputes under MAG Section 110:

Greg Henry, City Engineer

8.2.1.2 City designates the individual listed below as its City's Representative (Level II), which individual has the authority and responsibility set forth in MAG Section 110:

Frank Marbury, Assistant City Engineer

8.2.1.3 City designates the individual listed below as its City's Representative (Level I), which individual has the authority and responsibility set forth in MAG Section 110:

Wayne Welch, Engineering Technician Supervisor

8.2.2 CMAR's Representatives

8.2.2.1 CMAR designates the individual listed below as its Senior Representative (Level III), which individual has the authority and responsibility for avoiding and resolving disputes under MAG Section 110:

Randy Cook

8.2.2.2 CMAR designates the individual listed below as its CMAR's Representative (Level II), which individual has the authority and responsibility for avoiding and resolving disputes under MAG Section 110:

Elton Edwards

8.2.2.3 CMAR designates the individual listed below as its CMAR's Representative (Level I), which individual has the authority and responsibility for avoiding and resolving disputes under MAG Section 110:

Elton Edwards

ARTICLE 9 - SUSPENSION AND TERMINATION

9.0 Suspension and Termination

9.0.1 The City may suspend or terminate this contract in accordance with MAG Specifications Section 105 and 108.

ARTICLE 10 - INSURANCE AND BONDS

10.0 Insurance Requirements

10.0.1 THE INSURANCE REQUIREMENTS ATTACHED TO THIS AGREEMENT SHALL BE REQUIRED FOR USE ON THIS PROJECT AS SHOWN BELOW.

10.0.2 PERSONAL OR INDIVIDUAL BONDS ARE NOT ACCEPTABLE.

10.0.3 CMAR and Subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Agreement are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the Work hereunder by the CMAR, his agents, representatives, employees or Subcontractors.

10.0.4 The insurance requirements herein are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement.

10.0.5 The City in no way warrants that the minimum limits contained herein are sufficient to protect the CMAR from liabilities that might arise out of the performance of the work under this Agreement by the CMAR, his agents, representatives, employees, or subcontractors, or otherwise limit the City's recourse to any remedy available at law or in equity. CMAR is free to purchase such additional insurance as may be determined necessary.

10.0.6 Minimum Scope And Limits Of Insurance. CMAR shall provide coverage with limits of liability not less than those shown below:

10.0.7 Commercial General Liability.

10.0.7.1 Commercial general liability shall be written on an occurrence basis and covering liabilities arising out of construction of the project herein. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products/completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract. Policy shall not exclude explosion, collapse, underground (XCU) hazards, nor the products and completed operations hazards, or inadvertent construction defects, and shall include coverage for bodily injury, broad form property damage, personal injury, products/completed operations and blanket contractual coverage, but not limited to, the liability assumed under the indemnification provisions of this contract. Products and completed operations liability coverage shall be maintained throughout the contract and shall extend for a period not less than five years following acceptance of the project. Contractual liability applies to the hold-harmless provisions of the contract between the named insured and agreements the insured makes in connection with insured operations. Minimum coverage limit shall be no less than \$1,000,000 CSL. If the policy has an aggregate limit, that limit shall not be less than \$2,000,000.

10.0.8 Automobile Liability.

10.0.8.1 Commercial auto liability includes auto hazards for the owned, non-owned and hired, leased rented, borrowed or otherwise, assigned to or used in connection with the construction of the project. Minimum coverage limit shall be no less than \$1,000,000 CSL.

10.0.9 Worker's Compensation and Employers' Liability

10.0.9.1 CMAR shall maintain Worker's Compensation insurance at the statutory level.

10.0.9.2 Employer's Liability shall be at a minimum of \$1,000,000 each accident, \$500,000 disease policy limits, \$100,000 each employee.

10.0.10 Pollution Liability

10.0.10.1 Pollution liability is to be written on an occurrence form basis. If the policy is written on a claims made basis, CMAR shall continue such coverage, either through policy renewals or the purchase of an extended discovery period for three years from the project acceptance date. The retroactive date or "prior acts inclusion date" of any such "claims made" policy must not be later than the date of the commencement of any construction. Minimum coverage limits shall not be less than \$1,000,000 each occurrence. If the policy has an aggregate limit, that limit shall not be less than \$1,000,000.

10.0.11 Professional Liability

10.0.11.1 OMIT.

10.0.12 Excess Liability

10.0.12.1 When excess liability insurance is used to supplement the required insurance limits below, the excess liability insurance must be "follow form" equal or broader in coverage scope as the underlying insurance.

- Construction projects up to five million (\$5,000,000) require limits of not less than five million (\$5,000,000) in Commercial General Liability coverage limits. Where the commercial general liability per occurrence policy is less than \$5,000,000, excess liability limits must be purchased so that the total combined policy limits meet or exceed \$5,000,000.

10.0.13 Additional Insurance Requirements. The policies shall include, or be endorsed to include, the following provisions:

10.0.13.1 All policies, except for the Workers' Compensation, Employers' Liability, and Professional Liability policies shall contain endorsements naming the City of Kingman and its officers, employees, agents and volunteers, and the Design Professional as additional insureds with respect to liabilities arising out of the performance of services herein. On insurance policies where the City of Kingman and the Design Professional are named as an additional insured, the City of Kingman and the Design Professional shall be an additional insured to the full limits of liability purchased by the CMAR even if those limits of liability are in excess of those required by this Agreement.

10.0.13.2 The CMAR's insurance coverage except for workers compensation and employers liability shall be primary insurance and non-contributory with respect to all other available sources maintained by the City.

10.0.13.3 The insurance Coverage provided by the CMAR shall not be limited to the liability assumed under the indemnification provisions of this Agreement.

10.0.13.4 Notice Of Cancellation. Each insurance policy required under this Agreement shall provide the required coverage and shall not be suspended, voided, canceled, reduced in coverage or endorsed to lower limits. Should limits or coverage change, thirty (30) days prior written notice shall be provided to the City. Such notice shall be sent directly to the City Senior Representative and shall be sent by certified mail, return receipt requested.

10.0.13.5 Acceptability Of Insurers. Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the state of Arizona and with a 2004 "A.M. Best" rating of not less than A-. The City in no way warrants that the above-required minimum insurer rating is sufficient to protect the CMAR from potential insurer insolvency.

10.0.14 Verification Of Coverage.

10.0.14.1 Any failure, actual or alleged, on the part of the City to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of the City.

10.0.14.2 All certificates of insurance and policy endorsements are to be received and approved by the City before work commences. Each insurance policy required by this Agreement must be in effect at or prior to commencement of work under this Agreement and remain in effect for the duration of the project and/or beyond project acceptance as required herein. Failure to maintain the insurance policies as required by this Agreement or to provide evidence of renewal is a material breach of this contract.

The City project/contract number and project description shall be noted on the certificate of insurance. The City reserves the right to require complete, certified copies of all insurance policies required by this Agreement at any time. If a policy does expire during the life of the project, a renewal certificate of insurance and policy endorsements will be sent to the City of Kingman not less than five (5) days prior to the expiration date. If a policy is to be cancelled, changed or not renewed, a proper notice of such action will be sent to the City not less than thirty (30) days prior to any such action by the insurance company.

Certificate of Insurance, Endorsements, and Notice(s) shall be sent to:

City of Kingman
Engineering Department
310 N. 4th Street (mail)
220 N. 4th Street (physical)
Kingman, Arizona 86401

10.0.14.3 Subcontractors. CMAR shall ensure all Subcontractors performing work under this contract secure and maintain all insurance coverages (including worker's compensation) and other financial sureties required by the laws of this state and within the scope of their services in connection with their presence and the performance of their duties pursuant to this contract. CMAR shall be responsible for ensuring that all Subcontractors endorse CMAR and the City of Kingman as additional insured and that all Subcontractors shall maintain products and completed operations liability insurance for not less than one (1) year following the acceptance date.

10.1 Bonds and Other Performance Security

10.1.1 Prior to execution of this Agreement, the CMAR shall provide a performance bond and a labor and materials bond, each in an amount equal to the full amount of the GMP set forth in this Agreement or changed by subsequent Change Order.

10.1.2 Each such bond shall be executed by a surety company or companies holding a Certificate of Authority to transact surety business in the state of Arizona, issued by the Director of the Arizona Department of Insurance. A copy of the Certificate of Authority shall accompany the bonds. The Certificate shall have been issued or updated within two years prior to the execution of this Agreement.

10.1.3 The bonds shall be made payable and acceptable to the City.

10.1.4 The bonds shall be written or countersigned by an authorized representative of the surety who is either a resident of the state of Arizona or whose principal office is maintained in this state, as by law required, and the bonds shall have attached thereto a certified copy of Power of Attorney of the signing official.

10.1.5 Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract Documents, the CMAR shall promptly furnish a copy of the bonds or shall permit a copy to be made.

10.1.6 All bonds submitted for this project shall be provided by a company which has been rated AM Best rating of A- or better for the prior four quarter by the "2004 Results Best's Key Rating Guide (Property/Casualty)" published by the A.M. Best Company.

ARTICLE 11 - INDEMNIFICATION

11.0 CMAR's General

11.0.1 To the fullest extent permitted by law, the CMAR shall indemnify and hold harmless the City of Kingman, its agents, its officers and employees, from liabilities, damages, losses and costs, including reasonable attorney fees and court costs relating to or arising out of this agreement, but only to the extent caused by the negligence, recklessness or intentional wrongful conduct of the CMAR or any such contractor, subcontractor or design professional or other persons employed or used by the CMAR or any such contractor, subcontractor or design professional in the performance of the contract or subcontract.

11.0.2 In any and all claims against the indemnified parties by any employee of the CMAR, any subcontractor, any supplier, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation in this article on INDEMNITY shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the CMAR, or any subcontractor, or any supplier or other person under workmen's compensation acts, disability benefit acts, or other employee acts.

11.0.3 The CMAR shall also indemnify and hold harmless the City of Kingman, the Design Professional, the Owner's representative, any jurisdiction or agency issuing permits for any work involved in the project, and their consultants, and each of their directors, officers, employees and agents from and against all losses, expenses, damages (including damages to the work itself), attorney's fees and other costs, including costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of CMAR to faithfully perform the work and all of the work and all of the CMAR's obligations under the contract. Such costs, expenses, and damages shall include all costs, including attorney's fees, incurred by the indemnified parties in any lawsuit to which they are a party.

11.0.4 The indemnification, hold harmless provisions and City's Liability Insurance set forth herein shall survive any termination of this Agreement.

11.0.5 The CMAR shall have no obligation to indemnify under this contract to the extent such claims, damages, losses and expenses are caused by the sole negligence of a party indemnified hereunder.

ARTICLE 12 - GENERAL PROVISIONS

12.0 Contract Documents

12.0.1 The Contract Documents are intended to permit the parties to complete the Work and all obligations required by the Contract Documents within the Contract Times for the Contract Price. The Contract Documents are intended to be complementary and interpreted in harmony so as to avoid conflict, with words and phrases interpreted in a manner consistent with construction and design industry standards.

12.0.2 In the event of any inconsistency, conflict, or ambiguity between or among the Contract Documents, the Contract Documents shall take precedence in the order in accordance with MAG Section 102.2

12.0.2.1 On the drawings, given dimensions shall take precedence over scaled measurements, and large scale drawings over small-scale drawings.

12.0.3 In the event of any inconsistency, conflict, or ambiguity between the Contract Documents and the Design Phase Contract, the Contract Documents take precedence over the Design Phase Contract.

12.0.3.1 The headings used in this Agreement, or any other Contract Documents, are for ease of reference only and shall not in any way be construed to limit or alter the meaning of any provision.

12.0.3.2 The Contract Documents form the entire agreement between City and CMAR and by incorporation herein are as fully binding on the parties as if repeated herein. No oral representations or

other agreements have been made by the parties except as specifically stated in the Contract Documents.

12.0.3.3 The Contract Documents may not be changed, altered, or amended in any way except in writing signed by a duly authorized representative of each party in the form of a Change Order.

12.1 Time is of the Essence

12.1.1 City and CMAR mutually agrees that time is of the essence with respect to the dates and times set forth in the Contract Documents. Adjustments to contract time shall be in accordance with Article 4.

12.2 Mutual Obligations

12.2.1 City and CMAR commit at all times to cooperate fully with each other, and proceed on the basis of trust and good faith, to permit each party to realize the benefits afforded under the Contract Documents.

12.3 Cooperation And Further Documentation

12.3.1 The CMAR agrees to provide the City such other duly executed documents as shall be reasonably requested by the City to implement the intent of the Contract Documents.

12.4 Assignment

12.4.1 Neither CMAR nor City shall, without the written consent of the other assign, transfer or sublet any portion of this Agreement or part of the Work or the obligations required by the Contract Documents.

12.5 Successorship

12.5.1 CMAR and City intend that the provisions of the Contract Documents are binding upon the parties, their employees, agents, heirs, successors and assigns.

12.6 Third Party Beneficiary

12.6.1 Nothing under the Contract Documents shall be construed to give any rights or benefits in the Contract Documents to anyone other than the City and the CMAR, and all duties and responsibilities undertaken pursuant to the Contract Documents will be for the sole and exclusive benefit of City and the CMAR and not for the benefit of any other party.

12.7 Governing Law

12.7.1 The Agreement and all Contract Documents shall be deemed to be made under, and shall be construed in accordance with and governed by the laws of the State of Arizona without regard to the conflicts or choice of law provisions thereof. Any action to enforce any provision of this Contract or to obtain any remedy with respect hereto shall be brought in the Superior Court, Mohave County, Arizona, and for this purpose, each party hereby expressly and irrevocably consents to the jurisdiction and venue of such Court.

12.8 Severability

12.8.1 If any provision of the Contract Documents or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of the Contract Documents and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

12.9 Compliance with Laws

12.9.1 The CMAR understands and acknowledges the applicability to it of the American with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989. The CMAR must also comply with A.R.S. § 34-301, "Employment of Aliens on Public Works Prohibited", and A.R.S. § 34-302, as amended, "Residence Requirements for Employees." Under the provisions of A.R.S. §41-4401, CMAR hereby warrants to the City that the CMAR and each of its subcontractors ("Subcontractors") will comply with, and are contractually obligated to comply with, all Federal Immigration laws and regulations that relate to their employees and A.R.S. §23-214(A) (hereinafter "Contractor Immigration Warranty").

12.9.1.1 A breach of the Contractor Immigration Warranty shall constitute a material breach of this Contract and shall subject the CMAR to penalties up to and including termination of this Contract at the sole discretion of the City.

12.9.1.2 The City retains the legal right to inspect the papers of the CMAR, any Contractor or Subcontractor's employee who works on this Contract to ensure that the CMAR or Subcontractor is complying with the Contractor Immigration Warranty. The City may, at its sole discretion, conduct random verification of the employment records of the CMAR and any of subcontractors to ensure compliance with Contractor's Immigration Warranty. Contractor agrees to assist the City in regard to any such inspections. The CMAR and its subcontractors warrant to keep the papers and records open for random inspection during normal business hours by the City. The CMAR and its subcontractors shall cooperate with the City's random inspections including granting the City entry rights onto its property to perform the random inspections and waiving their respective rights to keep such papers and records confidential.

12.9.1.3 Neither the CMAR nor any of Subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if the CMAR or Subcontractor establishes that it has complied with the employment verification provisions prescribed by Sections 274A and 274B of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. §23-214, Subsection A.

12.9.2 The CMAR is hereby advised that the City has adopted a policy establishing a drug free workplace for itself and as a requirement for Contractors doing business with the City, to ensure the safety and health of employees working on City projects.

12.9.3 The CMAR shall require a drug free workplace for all employees working under the Contract. Specifically, all employees of the CMAR who are working under a contract with the City shall be notified, in writing, by the CMAR that they are prohibited from the manufacture, distribution, dispensation, possession or unlawful use of a controlled substance in the workplace. Failure to require a drug free workplace in accordance with the Policy may result in termination of the Contract and possible debarment from bidding on future City projects.

12.9.4 The CMAR will not discriminate against any employee or applicant for employment because of race, creed, color, sex or national origin. The CMAR will take affirmative action to insure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, sex or national origin. Such action shall include but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CMAR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

12.9.5 The CMAR, will, in all solicitations or advertisements for employees placed by or on behalf of the CMAR, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, sex or national origin.

12.9.6 The CMAR will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice advising the labor union or workers' representative of the CMAR's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

12.9.7 The CMAR will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor. The CMAR will furnish to the City all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Department of Housing and Urban Development and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

12.9.8 In the event of the CMAR's noncompliance with the nondiscrimination clauses of this Contract or with any such rules, regulations or orders, this contract may be cancelled, terminated or suspended in whole or in part and the CMAR may be declared ineligible for further City contracts or Federally assisted construction contracts, in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, or by rules or order of the Secretary of Labor, or as otherwise provided by law.

12.9.9 The CMAR will include the provisions of paragraphs 12.9.1 through 12.10.8 in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The CMAR will take such action with respect to any subcontractor or purchase order as the Department of Health and Human Services may direct as a means of enforcing such provisions, including sanctions for noncompliance; Provided however, that in the event the CMAR becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Department of Health and Human Services, the CMAR may request the United States to enter into such litigations to protect the interests of the United States.

12.10 Legal Requirements

12.10.1 CMAR shall perform all Work in accordance with all Legal Requirements and shall provide all notices applicable to the Work as required by the Legal Requirements.

12.10.2 It is not the CMAR's responsibility to ascertain that the Construction Documents are in accordance with applicable laws, statutes, ordinances, building codes, rules and regulations. However, if the CMAR recognizes that portions of the Construction Documents are at variance therewith, the CMAR shall promptly notify the City in writing, describing the apparent variance or deficiency.

12.11 Independent Contractor

12.11.1 The CMAR is and shall be an independent contractor. Any provisions in the Contract Documents that may appear to give the City the right to direct the CMAR as to the details of accomplishing the Work or to exercise a measure of control over the Work means that the CMAR shall follow the wishes of the City as to the results of the Work only. These results shall comply with all applicable laws and ordinances.

12.12 City's Right Of Cancellation

12.12.1 All parties hereto acknowledge that this Agreement is subject to cancellation by the City pursuant to the provisions of Section 38-511, Arizona Revised Statutes.

12.13 Survival

12.13.1 All warranties, representations and indemnifications by the CMAR shall survive the completion or termination of this Agreement.

12.14 Covenant Against Contingent Fees

12.14.1 The CMAR warrants that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, and that no member of the City Council, or any employee of the City has any interest, financially, or otherwise, in the firm. For breach or violation of this warrant, the City shall have the right to annul this Agreement without liability, or at its discretion to deduct from the Contract Price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

12.15 No Waiver

12.15.1 The failure of either party to enforce any of the provisions of the Contract Documents or to require performance of the other party of any of the provisions hereof shall not be construed to be a waiver of such provisions, nor shall it affect the validity of the Contract Documents or any part thereof, or the right of either party to thereafter enforce each and every provision.

12.16 Notice

12.16.1 Unless otherwise provided, any notice, request, instruction or other document to be given under this Agreement by any party to any other party shall be in writing and shall be delivered in person or by courier or facsimile transmission or mailed by certified mail, postage prepaid, return receipt requested and shall be deemed given upon (a) confirmation of receipt of a facsimile transmission, (b) confirmed delivery by hand or standard overnight mail or (c) upon the expiration of three (3) business days after the day mailed by certified mail, as follows:

to CMAR: Elton Edwards, 3360 Bank St, Kingman, AZ 86401 (fax 928-757-4638)

to City: Greg Henry, 310 N. 4th Street, Kingman, AZ 86401 (fax 928-753-8118)

Copy to: Frank Marbury, 310 N. 4th Street, Kingman, AZ 86401 (fax 928-753-8118)

or to such other place and with such other copies as either Party may designate as to itself by written notice to the other Party. Rejection, any refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice as of the date of such rejection, refusal or inability to deliver.

12.17 Hazardous Materials

12.17.1 Unless included in the Work, if the CMAR encounters onsite material which he reasonably believes to contain asbestos, polychlorinated biphenyl (PCB), or other hazardous substances or materials regulated by Public Health Laws, he shall immediately stop work and report the condition to the City.

12.17.2 If the material is found to contain asbestos, PCB or other hazardous substances or materials regulated by Public Health Laws, the CMAR shall not resume work in the affected area until the material has been abated or rendered harmless. The CMAR and the City may agree, in writing, to continue work in non-affected areas onsite.

12.17.3 An extension of Contract Time may be granted in accordance with Article 6.

12.17.4 The CMAR will comply with all applicable laws/ordinances and regulations and take all appropriate health and safety precautions upon discovery.

12.18 Traffic Control

12.18.1 CMAR will comply with all City of Kingman and Mohave County traffic barricade requirements and any other traffic control provisions as may be provided in the technical specifications.

12.19 CMAR's Affidavit

12.19.1 CMAR shall submit a signed copy of the CMAR's Affidavit Regarding Settlement of Claims, attached as Exhibit B, prior to final payment.

12.20 Necessary Work Done By City Forces

12.20.1 During the construction of this project, if the CMAR fails to comply with a request of the Inspector or is unable to comply with said request, and it is necessary for City forces to do work that is normally the CMAR's responsibility, the City shall be reimbursed by the CMAR. Each incident requiring work by City forces shall be covered by a separate billing.

12.20.2 The amount of each billing shall be either \$250 or the actual accumulated charges for employees' time, materials, and equipment, whichever is greater. Employees' time will be billed at each individual's hourly rate plus the applicable City overhead rate. Any materials used will be billed at cost. Equipment rates will be based on the most recent schedule of equipment rental rates for force account work, as approved by the Arizona Department of Transportation.

12.21 Equipment Rental Rates For Actual Cost Work

12.21.1 Compensation for equipment used on Actual Cost Work (M.A.G. U.S.S. 109.5.1) shall be paid in accordance with the Arizona Department of Transportation (A.D.O.T.) "Standard Specifications for Road and Bridge Construction," latest edition, Section 109.04(D)(3), except as follows:

The Rate Adjustment factors for year of manufacture shall be as published in the Dataquest Blue Book.

The Regional Adjustment Factor for climate and regional costs shall apply as published in the Blue Book.

Overtime and Shift rates shall be as follows:

- a. Overtime - at the rate of 1/176th of the monthly rate plus operating costs.
- b. Double Shift (16 hours per day) - the first 8-hour shift shall be at 1/176th of the monthly rate plus operating costs; the second 8-hour shift shall be at 50-percent of 1/176th of the monthly rate plus operating costs.
- c. Triple Shift (24 hours per day) - the first two shifts as b). above; the third shift shall be at 50-percent of 1/176th of the monthly rate plus operating costs.

12.21.2 Compensation under these procedures shall apply to CMAR/ subcontractor-owned equipment only. Leased or rented equipment costs will be compensated as specified in A.D.O.T. 109.04(D)(3)(c).

12.22 Shop Drawings

12.22.1 The City shall advise the CMAR for items requiring submittal for review and/or submittal as Product Data.

12.22.2 The CMAR shall prepare and submit shop drawings which show details of all work to insure proper installation of the work using those materials and equipment specified under the approved plans and specifications.

12.22.3 A schedule of shop drawing submissions shall be submitted with the GMP. Unless otherwise noted, shop drawings will not be required for items specified or detailed in the Uniform Standard Specifications and details or the Technical Specifications. The schedule of shop drawing submissions shall include as a minimum, but not limited to the following:

Shop Drawings shall be numbered consecutively for each specification section and shall accurately and distinctly present the following:

- a. All working and erection dimensions.
- b. Arrangements and sectional views.
- c. Necessary details, including complete information for making connections between work under this Contract and work under other Contracts.
- d. Kinds of materials and finishes.
- e. Parts list and description thereof.

Each Drawing or page shall include:

1. Project name, City of Kingman Project Number and descriptions.
2. Submittal date and space for revision dates.
3. Identification of equipment, product or material.
4. Name of CMAR and Subcontractor.
5. Name of Supplier and Manufacturer.
6. Relation to adjacent structure of material.
7. Physical dimensions, clearly identified.
8. ASTM and Federal Specifications references.
9. Identification of and justification for deviations from the Contract Documents.
10. CMAR's stamp, initialed or signed, dated and certifying to review of submittal, certification of field measurements and compliance with Contract.
11. Location at which the equipment or materials are to be installed.

12.22.4 Location shall mean both physical location and location relative to other connected or attached material. The City will return unchecked any submittal, which does not contain complete data on the work and full information on related matters.

12.22.5 Stock or standard drawings will not be accepted for review unless full identification and supplementary information is shown thereon in ink or typewritten form.

12.22.6 The CMAR shall schedule, prepare and submit all shop drawings in accordance with a time-table that will allow his suppliers and manufacturers sufficient time to fabricate, manufacture, inspect, test and deliver their respective products to the project site in a timely manner so as to not delay the complete performance of the work.

12.22.7 If the shop drawings show departures from the Contract requirements, the CMAR shall make specific mention thereof in his letter of transmittal, otherwise review of such submittals by the City shall not constitute review of the departure. Review of the drawings shall constitute review of the specific subject matter for which the drawings were submitted and not of any other structure, materials, equipment, or apparatus shown on the drawings.

12.22.8 The review of shop drawings will be general and shall not relieve the CMAR of responsibility for the accuracy of such drawings, nor for the proper fitting and construction of the work, nor for the

furnishing of materials or work required by the Contract. No construction called for by shop drawings shall be initiated until such drawings have been reviewed and approved by the City.

12.22.9 The procedure in seeking review of the shop drawings shall be as follows:

- a. The CMAR shall submit three (3) complete sets of shop drawings and other descriptive data with one copy of a letter of transmittal for review by the City. The CMAR shall submit shop drawings to the Engineering Department for the City's review. Drawings submitted for review shall be folded to approximately 9 inches by 12 inches. A full size PDF electronic copy of the drawings shall accompany each submittal.
- b. Drawings or descriptive data will be stamped "No Exceptions Taken," "Make Corrections Noted," "Amend and Resubmit," or "Rejected," and one copy with a Letter of Transmittal will be mailed to the CMAR at an address designated by the CMAR.
- c. If a shop drawing or data is stamped "No Exceptions Taken" or "Make Corrections Noted", no additional submittal is required for that shop drawing.
- d. If a shop drawing or data is stamped with any other response, the CMAR shall make the necessary corrections and resubmit the documents, marked with the original submittal number followed by a number or letter indicating the re-submittal number. The letter transmitting corrected documents shall indicate that the documents are resubmittals.
- e. If any corrections, other than those noted by the City, are made on a shop drawing prior to resubmittal, such changes should be pointed out by the CMAR upon resubmittal.
- f. The CMAR shall revise and resubmit the shop drawing as required, until they are stamped either "No Exceptions Taken" or "Make Corrections Noted."
- g. After the CMAR's submittal or resubmittal of shop drawings, the City shall be provided with thirty (30) calendar days for review by the City or Design Professional. Should the review require additional review time above and beyond the stated thirty (30) calendar days, the CMAR may ask for a time extension without monetary compensation, if they can present valid, factual evidence that actual damages were incurred by the CMAR. The City shall determine the amount of the time extension to be awarded the CMAR.
- h. The CMAR shall not install any materials or equipment until the shop drawings have attached either "No Exceptions Taken" or "Make Corrections Noted" status.

12.22.10 The CMAR shall be responsible for all extra costs incurred by the City caused by the CMAR's failure to comply with the procedure outline above. In addition, if any item of material or equipment requires more than three submittals to attain "No Exceptions Taken" or "Make Corrections Noted" status the Design Professional making the review will record the time for reviewing subsequent submittals requiring review and approval and the CMAR shall reimburse the City for the Design Professional's charges for such time. In the event that CMAR requests a substitution for a previously approved item, CMAR shall reimburse City for Design Professional's charges for such additional review time unless the need for such substitution is beyond the control of the CMAR.

12.23 Date Of Final Acceptance And Beginning Of Warranty Period

12.23.1 The date of final acceptance and beginning of the warranty period shall be the date upon which the owner indicates completion and acceptance of the work. This date will represent the completion date for each phase of the project, irrespective of early completion by some subcontractors of their work.

12.23.2 No partial acceptance, no partial Certificate of Substantial Completion and no partial occupancy shall be approved by the City.

12.23.3 Final acceptance will not be issued until all items of work, including punch list items, have been completed.

12.24 Payment For Stored Materials

12.24.1 The City will not pay for materials stored on site unless the material is properly stored, and the material has been paid for. The CMAR shall submit copies of invoices marked, "PAID", or other proof acceptable to the City indicating that the material, has in fact been paid for.

12.24.2 No payments will be made for any material stored offsite, whether it has been paid for or not, unless the location has been agreed upon by the CMAR and the City and the site is properly secured against theft, vandalism, and other losses.

12.25 The Clean Air Act

12.25.1 The CMAR shall comply with the Clean Air Act, as amended (42 USC 1857) and Executive Order 11288; and the Federal Water Pollution Control Act, as amended (33 USC 1251); and all applicable standards, orders and regulations issued pursuant thereto. The Owner agrees to report all violations thereof to the Environmental Protection Agency and specifically to comply with the following:

12.25.1.1 For the purpose of this paragraph, the term "facility" means (1) any building, installation, structure, location or site or operations, (2) owned, leased, or supervised (3) by the Owner or its CMARs and latter's subcontractors (4) for the construction, supply and service contracts entered into by the Owner for the purpose of accomplishing this project.

12.25.1.2 The Owner and CMAR agree to comply with the Clean Air Act and the Federal Water Pollution Control Act during the accomplishment of this project and specifically agree to the following:

12.25.1.3 That any facility to be utilized in the accomplishment of this project is not listed on the Environmental Protection Agency's List of Violating Facilities pursuant to 40 CFR, Part 15.2;

12.25.1.4 That in the event a facility utilized in the accomplishment of this project becomes listed on the EPA List, the Government may, inter alia, cancel, terminate for default, or suspend for such failure, in whole or in part, the agreement;

12.25.1.5 That it will comply with all other requirements of Section 114 of the Clean Air Act and Section 308 of the Federal Water Pollution Control Act, as amended, relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in Section 114 and Section 308, respectively and all regulations and guidelines issued thereunder;

12.25.1.6 That it will promptly notify the Government of the receipts of any notice from the Director, Office of Federal Activities, Environmental Protection Agency, indicating that any facility utilized or to be utilized in the accomplishment of this project is under consideration for listing on the EPA List of Violating Facilities;

12.25.1.7 That it will insert in any of its contracts and require insertion in subcontracts entered into for the purpose of accomplishing this project, unless otherwise exempted pursuant to the EPA regulations implementing the Clean Air Act and the Federal Water Pollution Control Act (40 CFR, Part 15.5e) provisions which shall include the criteria and requirements set forth in this paragraph, including this Subparagraph (5).

12.25.1.8 All pertinent rules and regulations issued under and pursuant to the National Environmental Policy Act of 1969 as amended (P.L. 90-190) (42 USC 4321); the National Historic Preservation Act of 1966 (80 Stat. 16 USC 470); the Wild and Scenic Rivers Act P.O. 90-542 as amended, and Executive Order No. 11593 of May 31, 1971.

12.26 Project Closeout

12.26.1 Prior to the final payment to the CMAR, the CMAR shall furnish to the City Project Representative for review the following written guarantees, warranties, manuals and equipment lists.

WRITTEN GUARANTEES

- CMAR - One (1) year.
- Asphalt paving, coatings, earthwork, and all other subcontractors - One (1) year.
- Any special guarantees, period called out in applicable Special Provisions

12.27 Approved Applicators

12.27.1 Where specific instructions in these specifications require that a particular product and/or material(s) be installed and/or applied by an approved applicator of the manufacturer, it shall be the CMAR's responsibility to ensure that any Subcontractors used for such work be approved applicators.

12.28 Progress Meeting

12.28.1 At a time designated by the City, a Weekly Progress Meeting will be held at the job site. The CMAR, together with representatives of his major Subcontractors, shall attend, as will the City. The CMAR shall be responsible for notifying the Subcontractors of their required attendance. The purpose of these meetings is to discuss the job progress, and to resolve any problems that may have developed since the last meeting. Unless followed up in writing, verbal authorizations or acknowledgments by anyone present shall not be binding.

12.29 Asbestos-Free Facility Material Certification

12.29.1 The installation or use of any materials containing a detectable quantity of asbestos for this project is strictly prohibited. A detectable quantity of asbestos is defined as any detectable amount of asbestos using the method specified in Appendix A, subpart F of 40 CFR Part 763 Section 1, Polarized Light Microscopy.

12.29.2 The CMAR is responsible for certifying that all materials installed and used for this project are free of any detectable quantities of asbestos. The certification is included as Exhibit C and covers all work and materials provided by the CMAR, his subcontractors or others under the direction of the CMAR. This certification must be signed, notarized and submitted prior to final payment.

12.29.3 The asbestos material prohibition shall supersede any material that might inadvertently be specified in the project plans. The City or his representative shall be notified in writing 7 days prior to ordering any material that may contain detectable asbestos if the Approved Plans specify the use of such a material. The City or its representative shall have the discretion to prohibit the use of any material containing detectable asbestos and shall approve or disapprove associated changes in costs. Should the CMAR install material containing detectable asbestos without notifying the City or his representative, the CMAR shall remove and replace such material with material not containing asbestos at no cost to the City.

12.30 Arizona Pollutant Discharge Elimination System (AZPDES)

12.30.1 This project is subject to the Arizona Pollutant Discharge Elimination System (AZPDES) storm water requirements under the Arizona Department of Environmental Quality's (ADEQ) General Permit for Discharge from Construction Activities to Waters of the United States (Permit). Under provisions of the Permit, the CMAR shall be designated as the site operator who has day-to-day operational control of those activities at the project which are necessary to ensure compliance with the storm water pollution prevention plan or other Permit conditions. The CMAR shall be responsible for providing necessary materials and for taking appropriate measures to minimize pollutants in storm water runoff from the project.

12.30.2 The CMAR shall be responsible for preparing the Storm Water Pollution Prevention Plan (SWPPP) for the construction project.

12.30.3 The SWPPP shall be submitted to the City for approval prior to commencing construction. The SWPPP will be reviewed by the City only to ensure that it includes the information required by the Permit. Development and compliance with other components of the SWPPP are solely the CMAR's responsibility. The City's approval of the SWPPP applies only to its contents and is neither comprehensive nor does it make the City responsible for the CMAR's noncompliance. Upon approval, the City will partially prepare a Notice Of Intent (NOI) and give it to the CMAR. The CMAR shall complete, certify and submit the NOI to the ADEQ with a copy to the City. In addition, the CMAR shall submit a written certification to Engineering Construction that the NOI has been sent to the ADEQ. This certification shall be received no later than three (3) working days prior to commencing construction. The ADEQ address is:

Surface Water Permits Unit (M05415B-3)
ADEQ - Water Permits Section
1110 W. Washington Street
Phoenix, AZ 85007

12.30.4 If required for any of the projects, the lump sum bid item for "AZPDES Permit Compliance" listed in the GMP shall include all material, labor, and other incidental costs related to; (1) Preparing, updating, and changing the SWPPP; (2) Installation and maintenance of all structural and non-structural BMPs either identified in the SWPPP or specified by the City in the bid document; (3) all clean-up and disposal costs associated with clean-up and repair following storm events and other runoff or releases on the project; (4) Implementation and maintenance of other activities identified in the SWPPP (i.e. inspections, record keeping); (5) Preparation of the Notice of Intent and Notice of Termination. No additional payments will be made for these items.

12.30.5 It is the CMAR's responsibility to perform inspections of all storm water pollution control devices on the project in accordance with Permit requirements. The CMAR is also responsible for maintaining those devices in proper working order, including cleaning and/or repair. No separate payment will be made for such inspections, cleaning or repair.

12.30.6 All SWPPP reports required under this contract shall be made available to the public in accordance with the requirements of Section 308 (b) of the Clean Water Act. The storm water regulations require that the records be maintained at the construction site or that notice be provided indicating where the records are kept.

12.30.7 No condition of the AZPDES Permit shall release the CMAR from any responsibilities or requirements under other environmental statutes or regulations.

12.30.8 Within 30 calendar days after completion of all work (including final stabilization when applicable) the CMAR shall submit a completed and signed Notice of Termination (NOT) form to the ADEQ with a copy to the City, thereby terminating all AZPDES Permit coverage for the project. The City of Kingman will not be responsible for filing on behalf of the CMAR.

12.31 Temporary Utilities For Construction

12.31.1 "Temporary utility service" shall be defined as any utility service or usage by the CMAR prior to Final Acceptance of the Project by the City. For convenience, temporary utility services are classified as either "Type 1" or "Type 2". A "Type 1" service is a utility service established by the CMAR for his use during construction, which service will not become part of the permanent utility service lines for the facility. A "Type 2" service is a utility service line and/or meter, which will become part of the utility service lines for the facility. Any use of a Type 2 service or meter by the CMAR prior to final acceptance of the facility by the City is included in the definition of "temporary utility service". The CMAR shall be required to install and maintain both Type 1 and Type 2 temporary utility services as necessary for execution of the work under this contract.

12.31.2 In the case of Type 1 services, it shall be the CMAR's sole responsibility to make all arrangements as necessary for electric, telephone, gas, cable, water, and other utility services, as necessary for execution of the project work. The CMAR's responsibility shall include the setting of temporary power and telephone poles, the temporary extension of utility lines, and installation of meters. The CMAR shall pay all deposits, installation fees, service charges, usage charges, monthly flat rates, and all other expenses associated with such service for the duration thereof.

12.31.3 For Type 2 services, the CMAR shall install the service lines and meters for the facility as required by the project plans and specifications.

12.32 Utility Lines, Poles And Pedestals

12.32.1 CMAR is advised that work on this project is expected to require coordination with Utility Companies who own and operate both overhead and underground lines and poles. The coordination may include, but not be limited to the following activities; pedestal relocation, pole bracing, de-energizing of lines, and other temporary and permanent relocations. CMAR is responsible to contact the applicable Utility Company representative and discuss his proposed construction methods; in order to determine what temporary actions the Utility Company must take and the costs related to those actions. The CMAR shall include these costs in the GMP. CMAR will not be responsible for any local utility company costs for permanent relocation.

12.32.2 The primary and the backup representatives for this review and cost determinations are as follows:

<u>COMPANY</u>	<u>PERSONNEL</u>	<u>OFFICE PHONE</u>
Frontier Communications	Patricia VanWormer	928-757-0274
UniSource Electric Services	Marvin Yarbrough	928-681-8928

IN WITNESS WHEREOF, the parties hereto have executed this Agreement through their duly authorized representatives and bind their respective entities as of the effective date.

CITY OF KINGMAN, ARIZONA

Attest:

Richard Anderson, Mayor

Sydney Muhle, City Clerk

T.R. ORR, INC.

Randy Cook, President

STATE OF ARIZONA)
)ss
County of _____)

The foregoing instrument was subscribed and sworn to before me this _____
day of _____, 2016, by _____.

Notary Public

My Commission Expires:

EXHIBIT A
APPROVED GMP PROPOSAL
(WITH ATTACHMENTS)

City of Kingman - Engineering Department Bldg. Improvements - Construction Costs Exhibit

1. Roof

General Conditions	\$ 3,500.00		
Testing	\$ 400.00		Old Trails
HVAC remove and relocate A/C Unit	\$ 3,950.00	River Valley Air Conditioning	
Plumbing new gas line to a/c unit	\$ 2,350.00	Signature Plumbing	
Asbestos Abatement	\$ 7,600.00	Spray Systems	
Roofing - 90 mil TPO w/2 layers of 1.5 iso R21 (20 year warranty)	\$ 33,000.00	Canyon State Roofing	
 Sub total	 \$ 50,800.00		
Profit	\$ 5,080.00		
 Sub Total	 \$ 55,880.00		
Sales Tax	\$ 3,032.89		
 Total of Roof Project	 \$ 58,912.89		 \$ 58,912.89

2. Air Conditioning

General Conditions	\$ 2,800.00		
Mini-split systems (1) single, (1) two port & (1) three port	\$ 17,550.00	River Valley Air Conditioning	
Electrical	\$ 7,850.00	Walker Service Electric	
Misc. Construction work	\$ 500.00	T.R. Orr, Inc.	
 Sub total	 \$ 28,700.00		
Profit	\$ 2,870.00		
 Sub Total	 \$ 31,570.00		
Sales Tax	\$ 1,713.46		
 Total of Roof Project	 \$ 33,283.46		 \$ 33,283.46

City of Kingman - Engineering Department Bldg. Improvements - Construction Costs Exhibit

3. Window Repair

General Conditions	\$	125.00		
Labor to close window, paint & caulk	\$	1,850.00	T.R. Orr, Inc.	
Sub total	\$	1,975.00		
Profit	\$	197.50		
Sub Total	\$	2,172.50		
Sales Tax	\$	117.91		
Total of Roof Project	\$	2,290.41	\$	2,290.41

4. Paint & trim repair

General Conditions	\$	125.00		
Replace fascia board and repaint	\$	1,250.00	T.R. Orr, Inc.	
Sub total	\$	1,375.00		
Profit	\$	137.50		
Sub Total	\$	1,512.50		
Sales Tax	\$	82.09		
Total of Roof Project	\$	1,594.59	\$	1,594.59

City of Kingman - Engineering Department Bldg. Improvements - Construction Costs Exhibit

5. Bathroom cabinet

General Conditions	\$	125.00		
Cabinets	\$	546.00		T.R. Orr, Inc.
Installation	\$	200.00		
 Sub total	 \$	 871.00		
Profit	\$	87.10		
 Sub Total	 \$	 958.10		
Sales Tax	\$	52.00		
 Total of Roof Project	 \$	 1,010.10	 \$	 1,010.10

6. Install owner supplied security Camera's	\$	1,600.00		\$ 1,600.00
7. Pour Concrete for standing water at front ramp	\$	2,950.00		\$ 2,950.00
8. Add Canopy at the rear Door	\$	3,850.00		\$ 3,358.55

			\$	105,000.00
Owner Contingency			\$	5,000.00
Contractor Contingency			\$	5,000.00
 GMP PER ABOVE			 \$	 115,000.00

City of Kingman - Engineering Department Bldg. Improvements - Construction Costs Exhibit

9. Oak Street

General Conditions	\$	3,500.00		
Paving remove and replace	\$	34,300.00	Desert Construction	
Remove existing concrete and replace	\$	7,492.00	T.R. Orr, Inc.	
Remove & replace concrete per detail B	\$	3,084.75		
Install 6' wide valley gutter	\$	5,851.50		
Adjust manhole	\$	300.00		
Adjust pull box to grade	\$	200.00		
Striping per plans	\$	3,250.00		
Traffic Control	\$	5,000.00		
 Sub total	 \$	 62,978.25		
Profit	\$	6,297.83		
 Sub Total	 \$	 69,276.08		
Sales Tax	\$	3,759.96		
 Total of Roof Project	 \$	 73,036.03	 \$	 73,036.03
 Owner Contingency			 \$	 6,013.97
Contractor Contingency			\$	5,950.00
Subtotal ROW Improvements			\$	85,000.00
 GMP for Oak Street Improvments and Repairs to Engineering building			 \$	 200,000.00

EXHIBIT B

SETTLEMENT OF CLAIMS

**CITY OF KINGMAN, ARIZONA
PROJECT NO. ENG15-052**

**CMAR'S AFFIDAVIT
REGARDING SETTLEMENT OF CLAIMS**

Date: _____

Project No.: ENG15-052

To the City of Kingman, Arizona

This is to certify that all lawful claims for materials, rental of equipment and labor used in connection with the construction of the above project, whether by subcontractor or claimant in person, have been duly discharged.

The undersigned, for the consideration of \$_____, as set out in the final pay estimate, as full and complete payment under the terms of the contract, hereby waives and relinquishes any and all further claims or right-of-lien under, in connection with, or as a result of the above described project. The undersigned further agrees to indemnify and save harmless the City of Kingman against any and all liens, claims of liens, suits, actions, damages, charges and expenses whatsoever which said City may suffer arising out of the failure of the undersigned to pay for all labor, performance and materials furnished for the performance of said installation.

Signed and dated at _____, this _____ day of _____, 20_____.

T.R. ORR, INC.

Randy Cook, President

STATE OF ARIZONA)
)ss
County of Mohave)

The foregoing instrument was subscribed and sworn to before me this _____
day of _____, 20____, by _____.

Notary Public

My Commission Expires:

EXHIBIT C

ASBESTOS-FREE FACILITY MATERIAL CERTIFICATION

**CITY OF KINGMAN, ARIZONA
PROJECT NO. ENG15-052**

I _____, AS THE DULY AUTHORIZED REPRESENTATIVE FOR _____ CERTIFY THAT ALL MATERIALS INSTALLED AND USED BY THE UNDERSIGNED IN THE KINGMAN FACILITY PURSUANT TO THIS CITY OF KINGMAN PROJECT ARE FREE OF ANY LABORATORY DETECTABLE AMOUNTS OF ASBESTOS CONTAINING MATERIAL USING THE METHOD SPECIFIED IN APPENDIX A, SUBPART F OF 40 CFR PART 763 SECTION 1, POLARIZED LIGHT MICROSCOPY. THIS CERTIFICATION INCLUDES ALL MATERIALS* INSTALLED AND USED BY THE CMAR, ALL SUB-CONTRACTORS AND ALL OTHER CMARS PERFORMING WORK IN CITY OF KINGMAN FACILITIES, FOR WORK COMPLETED AS DESCRIBED BELOW:

THIS CERTIFICATION INCLUDES ALL WORK THAT WAS COMPLETED BY THE CMAR AND HIS SUBCONTRACTORS CONDUCTED BEGINNING ON _____ AND COMPLETED ON _____ UNDER CITY OF KINGMAN PROJECT NUMBER ENG15-052.

SIGNED: _____

Print Name

Title

Signature

Date

Name of CMAR

Incorporation Status

Arizona Contractor License Number

Name of Other Contractor or Sub-Contractor (if necessary)

Arizona Contractor License Number

STATE OF ARIZONA)
)ss
County of Mohave)

The foregoing instrument was subscribed and sworn to before me this _____
day of _____, 20____, by_____.

Notary Public

My Commission Expires:



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council

FROM: Rich Ruggles, Development Services Department

MEETING DATE: May 3, 2016

AGENDA SUBJECT: Acceptance of grant of a 603 square foot right-of-way being offered in conjunction with the recording of a parcel plat for property located at 3220 Stockton Hill Road

SUMMARY:

A 603 sq. ft. right-of-way dedication is being offered to the City of Kingman by Krystal Burge adjacent to the Taco Bell restaurant located at 3220 Stockton Hill Road. The dedication will increase the right-of-way width for Stockton Hill Road by 8.20 feet south of the shopping center right-turn lane adjacent to the property. The dedication is being done in conjunction with the recording of a parcel plat which will split the Taco Bell property into two parcels.

The dedication is a requirement of Ordinance No. 1804 which modified the original zoning conditions in order to allow the Taco Bell parcel to be split into two parcels.

FISCAL IMPACT:

None expected.

STAFF RECOMMENDATION:

Authorize the Mayor to sign the acceptance of this grant of right-of-way on the parcel plat.

ATTACHMENTS:

Description
Parcel Plat

REVIEWERS:

Department	Reviewer	Action	Date
Development Services	Ruggles, Rich	Approved	4/25/2016 - 12:32 PM
City Attorney	Cooper, Carl	Approved	4/25/2016 - 12:33 PM
City Manager	Dougherty, John	Approved	4/25/2016 - 3:20 PM



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council

FROM: Engineering Department

MEETING DATE: May 3, 2016

AGENDA SUBJECT: Resolution 5011: approval of intergovernmental agreement (IGA) with the Mohave County Flood Control District for the identification and administration of building permits within Federal Emergency Management Agency (FEMA) designated special flood hazard zones (ENG15-0077)

SUMMARY:

Mohave County Flood Control District (District) administers FEMA Regulations under the National Flood Insurance Program (NFIP) including all FEMA designated special flood hazard zones within the boundaries of the City of Kingman. City and District staff has established procedures to identify and process building permits within the special flood hazard zones to ensure compliance with NFIP requirements. The IGA serves to document the procedural steps and formalized them.

FISCAL IMPACT:

There is no fiscal impact to the City. If the property is in a flood hazard zone, a \$50 District's Flood Use Permit fee will apply. Prior to this IGA, the permit holder would be responsible to pay this fee to the District and show proof of payment to the City to finalize the City's building permit. To reduce permit review time and simplify permit procedure, the District will now invoice the City for the Flood Use Permit fee which the City will collect at the same time as the other City Building Permit fees.

STAFF RECOMMENDATION:

It is recommended that the Council approve Resolution No. 5011 and that the Mayor be authorized to sign the Resolution No. 5011 and the intergovernmental agreement.

ATTACHMENTS:

Description
Resolution 5011
Flood Zone Permit IGA

REVIEWERS:

Department	Reviewer	Action	Date
Engineering	Henry, Greg	Approved	4/25/2016 - 1:57 PM
City Attorney	Cooper, Carl	Approved	4/25/2016 - 3:05 PM
City Manager	Dougherty, John	Approved	4/25/2016 - 3:25 PM

CITY OF KINGMAN

RESOLUTION NO. 5011

A RESOLUTION BY THE MAYOR AND COMMON COUNCIL OF THE CITY OF KINGMAN, ARIZONA, APPROVING THE INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF KINGMAN AND THE MOHAVE COUNTY FLOOD CONTROL DISTRICT

WHEREAS, City of Kingman, Arizona, is a political subdivision of the State of Arizona, (hereinafter the “**City**”) as prescribed within the Arizona Constitution, Article XIII, Section 1; and

WHEREAS, the State of Arizona has, in Arizona Revised Statutes (“**A.R.S.**”) Title 9, Chapter 1, Article 2, Section 9-137, authorized the City Council (the “**Council**”) to do that which is necessary to carry out its functions; and

WHEREAS, A.R.S. Title 11, Chapter 7, Article 3, Section 11-951, *et seq*, authorizes the joint exercise of powers between the City and another political subdivision, including the Mohave County Flood Control District, a political subdivision of the State of Arizona, (the “**District**”) where it will further the public interest; and

WHEREAS, the Council desires to enter into the attached Intergovernmental Agreement (the “**IGA**”) with the District for the processing and administration of building permits within identified Federal Emergency Management Agency designated Special Flood Hazard Areas as described in the IGA; and

WHEREAS, the City is empowered by reasons including without limitation A.R.S. Title 9, Chapter 1, Article 2, Section 9-137 and Title 11, Chapter 7, Article 3, Section 11-952 and to enter into the IGA; and

NOW THEREFORE, BE IT RESOLVED the City Council hereby approves the attached IGA with the District pertaining to the processing and administration of building permits within identified Federal Emergency Management Agency designated Special Flood Hazard Areas described therein; and,

BE IT FURTHER RESOLVED, the City Council authorizes the City Mayor, as its representative, to execute the IGA on behalf of the City; and

BE IT ALSO FURTHER RESOLVED, that the terms of this Resolution including the approval of the Agreement shall be effective immediately upon it being fully executed and recorded in the official records of the Mohave County Recorder.

PASSED, AND ADOPTED, by the Mayor and Common Council, of the City of Kingman, Arizona, this 3rd day of May, 2016.

ATTEST:

APPROVED:

Sydney Muhle, City Clerk

Richard Anderson, Mayor

APPROVED AS TO FORM:

Carl Cooper, City Attorney

**INTERGOVERNMENTAL AGREEMENT BETWEEN
MOHAVE COUNTY FLOOD CONTROL DISTRICT AND CITY OF KINGMAN
TO ESTABLISH A COOPERATIVE FLOOD RISK REVIEW PROCEDURE DURING THE
PERMITTING PROCESS**

This Intergovernmental Agreement (“Agreement”) establishes a cooperative flood risk review procedure, effective this ____ day of _____, 2016, between the Mohave County Flood Control District (“District”), a political subdivision of the State of Arizona, and the City of Kingman (“City”), an Arizona municipal corporation.

WHEREAS, the District and City are authorized to enter into cooperative agreements for the performance of governmental functions pursuant to A.R.S. § 48-3603.9; and

WHEREAS, the District administers the Federal Emergency Management Agency (“**FEMA**”) Regulations under the National Flood Insurance Program pursuant to A.R.S. § 48-3602; and

WHEREAS, the City is recognized as a dependent community by FEMA for the purposes of NFIP compliance; and

WHEREAS, the District and City desire to participate jointly in a flood risk review procedure to increase safety and protect public and private property and persons within the City; and

WHEREAS, both the District and City find this cooperative agreement beneficial to the health and welfare of residents of Mohave County and the City of Kingman.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, including consideration of the mutual promises, terms and conditions hereinafter set forth, the Parties agree as follows:

1. **COMMENCEMENT, DURATION AND TERMINATION.** This Agreement shall become effective upon approval by both, the Mohave County Board of Supervisors and the Mayor and City Council of the City of Kingman. Performance under this Agreement shall commence following the effective date and it shall continue in full force and effect until either Party terminates the Agreement, with or without cause, by one Party serving upon the other, a thirty(30)-day prior written Notice of Termination.

This Agreement may be cancelled in accordance with A.R.S. §38-511.

2. **PURPOSE.** This Agreement benefits the health and welfare of the residents of Mohave County and the City and provides valuable flood risk review during the permitting process.
3. **RESPONSIBILITIES.** The Parties’ responsibilities are as follows:
 - 3.1 Upon receipt of a new or reinstated building permit within the incorporated city limits of Kingman, **the City** will determine if the parcel is fully or partially located in a Special Flood Hazard Area, utilizing the FEMA Map Viewer provided by the District.

- 3.2 If the property is not in a Special Flood Hazard Area, **the City** will proceed with its standard permitting process. If it is in a Special Flood Hazard Area, the City will email a copy of the building permit application - including all supporting documentation – to the District using email address mcfloodinfo@mohavecounty.us.
- 3.3 Upon receipt of an email from the City, **the District** completes a floodplain review and generates all necessary documentation. The County will then email the City a cover sheet, a Property Floodplain Information Report, a Floodplain Use Permit (if required), a Federal Emergency Management Agency elevation certificate (if required), and any other documentation deemed necessary. If a Floodplain Use Permit is issued, a \$50 invoice, payable to Mohave County Flood Control District, will be included.
- 3.4 Upon receipt of the email from the County, **the City** issues the building permit to the applicant with all documentation received from the County attached.
- 3.5 **The City** will complete its permitting procedure, except for the final inspection if an elevation certificate was issued with the building permit.
 - 3.5.1 If an elevation certificate was issued with the building permit, **the applicant** must submit a “finished construction” elevation certificate, completed by an Arizona licensed engineer or surveyor, to the City prior to the final inspection being completed.
 - 3.5.2 Upon receipt of an elevation certificate, **the City** will email a copy to the District.
 - 3.5.3 Upon receipt of an elevation certificate copy from the City, **the District** will review the elevation certificate for compliance. When the County has deemed the elevation certificate complete, the District will email a signed copy to the City to include with the building permit records.
 - 3.5.4 Upon receipt of the signed elevation certificate from the District, **the City** will complete its permitting procedure.
- 3.6 **Jointly.** The District and City mutually agree:
 - 3.3.1 Not to incur legal or financial liability for the actions of one another, other than under the terms and conditions of this Agreement. Each Party will be solely and entirely responsible for its own acts and acts of its own boards, councils, elected officials, agents, and employees during the performance of this Agreement. Each Party will be solely and entirely responsible for its own costs necessary to remain in compliance with this Agreement.
 - 3.3.2 Not to assign, transfer or delegate any rights, obligations or duties under this Agreement without the prior written consent of the other Party.
 - 3.3.3 To act for the good faith implementation of this Agreement and its covenants.

4. **INDEMNIFICATION.** To the extent permitted by law, each Party does hereby covenant and agree to indemnify, defend, and hold harmless the other Party, its' officers, employees, and agents from and against any and all suits, actions, legal or administrative proceedings, claims, demands, or damages of any kind or nature relating to this Agreement which are the result of any act or omission of the Party, its' officers, employees, contractors, agents, and anyone acting under its' direction or control, whether intentional or negligent, in connection with or incident to this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement to be effective as of the date of the last authorized signature affixed below.

CITY OF KINGMAN, a municipal corporation of the State of Arizona

_____ By _____
Date Signed Richard Anderson, Mayor of City of Kingman

MOHAVE COUNTY FLOOD CONTROL DISTRICT,
a political subdivision of the State of Arizona

_____ By _____
Date Signed Steven C. Moss, Chairman of the District

**APPROVED AS TO FORM AND IN
COMPLIANCE WITH A.R.S. § 11-952:**

CITY ATTORNEY

_____ By _____
Date Signed Carl Cooper, City Attorney

**APPROVED AS TO FORM AND IN
COMPLIANCE WITH A.R.S. § 11-952:**

MOHAVE COUNTY ATTORNEY

_____ By _____
Date Signed Robert Taylor, Chief Deputy Civil Attorney

ATTESTATION OF CITY APPROVAL

I, Sydney Muhle, Clerk of the City of Kingman, Arizona, hereby certify that the City Council of the City of Kingman, Arizona, on the _____ day of _____, 2016, approved on behalf of the City of Kingman, an Arizona municipal corporation, for the purposes stated, the foregoing Agreement.

Sydney Muhle, City Clerk

(Seal)

ATTESTATION OF COUNTY APPROVAL

I, Ginny Anderson, Clerk of the Board of Supervisors of Mohave County, a body politic and corporate of the State of Arizona, sitting as the Directors of the Mohave County Flood Control District, a political subdivision of the State of Arizona, hereby certify that said Flood Control District on the _____ day of _____, 2016, approved on behalf of the Flood Control District for the purposes stated, the foregoing Agreement.

Ginny Anderson, Clerk of the Mohave County Board of Supervisors

(Seal)



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council
FROM: City Clerk's Office
MEETING DATE: May 3, 2016
AGENDA SUBJECT: Special event liquor license application

SUMMARY:

Applicant Ann Gardner of Hannah's Hill Vineyard has applied for a Fair/Festival License Application for an event to take place at Firefighters Park on Saturday, May 14, 2016 from 11:00 A.M. to 6:00 P.M.

FISCAL IMPACT:

None.

STAFF RECOMMENDATION:

Approve the application.

ATTACHMENTS:

Description

Liquor license application

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/26/2016 - 2:51 PM
City Attorney	Cooper, Carl	Approved	4/26/2016 - 2:52 PM
City Manager	Dougherty, John	Approved	4/26/2016 - 3:38 PM

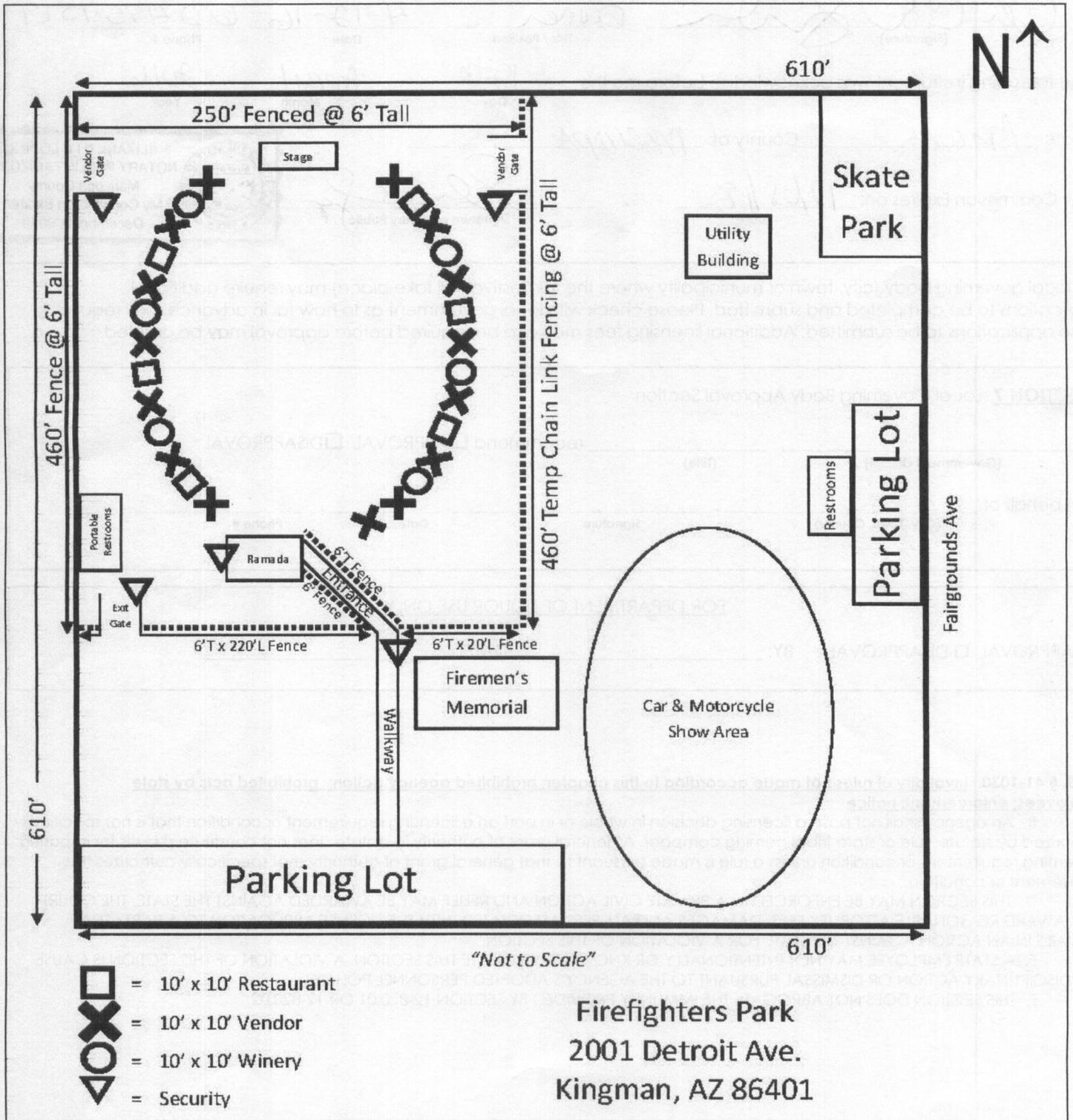
SECTION 3 Site Owner Information:

1. Site owner name: City of Kingman Daytime Contact Phone #: 928-753-5561
2. Site owner mailing address: 310 N. 4th St, Kingman, AZ 86409
3. Email Address: http://www.cityofkingman.gov/Government/ContactUs.aspx

SECTION 4 To complete this application, all questions must be answered:

1. Have you received permission for use of the site for the sale/consumption of liquor from the site owner named in Section 3? Yes No
2. Will the liquor you sell/serve be products only manufacture/produced at your licensed premises names in Section 1? Yes No
3. List the number of Fair/Festival licenses you have been issued in the current calendar year 3
4. List the number of days you have held a licensed Fair/Festival in the current calendar year 4
5. What security and control measures will you take to prevent violations of state liquor laws at this event?
- 0 # of Police Officers on Site Fencing Yes No
- 3-4 # of Security Personnel on Site Barriers Yes No
6. I am familiar with and have read statues for Arizona's fair/festival privileges, requirements and penalties? (Farm Winery A.R.S. §4-203.03, Craft Distillery A.R.S. §4-205.11, either being held at a Special Event A.R.S. §4-203.02) Yes No
7. I have taken responsible steps to ensure individuals operating the fair/festival licensed premises and employees who serve, sell or furnish liquor at this fair/festival have knowledge of Arizona liquor laws? (R19-1-302) Yes No

SECTION 5 Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 1, line #2 of this application. Use this page to draw a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.



SECTION 6 This section to be completed only by the applicant named in section #1

I, Am C D Gardner declare that I am the APPLICANT filing this application as listed in Section 8. I have read the application and the contents and all statements are true, correct and Complete.

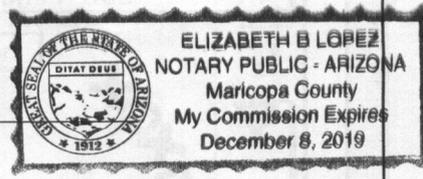
X [Signature] owner 4-12-16 [Redacted]
(Signature) Title/ Position Date Phone #

The foregoing instrument was acknowledge before me this 12th April 2016
Day Month Year

State Arizona County of Maricopa

My Commission Expires on: 12/08/19
Date

[Signature]
Signature of Notary Public



The local governing body (city, town or municipality where the fair/festival will take place) may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted.

SECTION 7 Local Governing Body Approval Section

I, _____ recommend APPROVAL DISAPPROVAL
(Government Official) (Title)
on behalf of _____, _____, _____
(City, Town, County) Signature Date Phone #

FOR DEPARTMENT OF LIQUOR USE ONLY

APPROVAL DISAPPROVAL BY: _____ DATE: _____

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

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.

F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.02.



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council
FROM: City Clerk's Office
MEETING DATE: May 3, 2016
AGENDA SUBJECT: Special event liquor license application

SUMMARY:

Applicant Mitchell D. Levy of Burning Tree Cellars, LLC has applied for a Fair/Festival Liquor License for an event to take place at Firefighters Park (2001 Detroit Avenue) on Saturday, May 14, 2016 from 11:00 A.M. to 6:00 P.M.

FISCAL IMPACT:

None.

STAFF RECOMMENDATION:

Approve the application.

ATTACHMENTS:

Description

Liquor license application

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/26/2016 - 2:52 PM
City Attorney	Cooper, Carl	Approved	4/26/2016 - 2:53 PM
City Manager	Dougherty, John	Approved	4/26/2016 - 3:38 PM

FAIR/FESTIVAL LICENSE APPLICATION
 A.R.S. §4-203.03 Farm Winery / A.R.S. §4-205.11 Craft Distillery
 A.R.S. §4-203.02 At Special Event

A service fee of \$25 will be charged for all dishonored checks (A.R.S. 44-6852). When the days of the fair/festival are not consecutive, a separate license for each uninterrupted period is needed.

SECTION 1 Application type:

Wine Fair Wine Festival Craft Distillery Fair Craft Distillery Festival

1. Applicant's Name: Mitchell D. Levy, Daytime Phone #: [REDACTED]

2. Business name: Burning Tree Cellars, LLC, Liquor license #: 13133032
farm winery or craft distillery

Email: [REDACTED]

3. Mailing address: [REDACTED] COMMONWOOD, AZ 86326
street address city state zip code

4. Location of fair/festival: Firefighter's Park, 2001 Detroit Ave., Kingman, Mohave, 86401
street address city county zip code

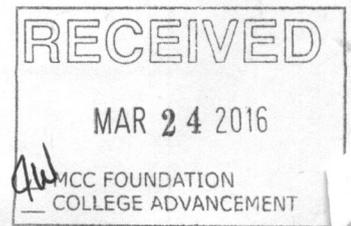
SECTION 2 Fees, Date & Hours: \$15 per day

Winery festival days permitted: 50 licenses per winery per calendar year for a total of 150 days per winery per calendar year.

Craft Distillery festival days permitted: 25 licenses per craft distillery per calendar year for a total of 75 days per craft distillery per calendar year.

	DATE	DAY OF WEEK	START TIME AM/PM	END TIME AM/PM
1.	May 14, 2016	Saturday	11:00 AM	6:00 PM
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

Please attach an additional sheet if necessary



Section 6 This sections to be completed only by the applicant named in section #1

I, Mizell D. Levy declare that I am the APPLICANT filing this application as listed in
(print full name)
Section 8. I have read the application and the contents and all statements are true, correct and Complete.

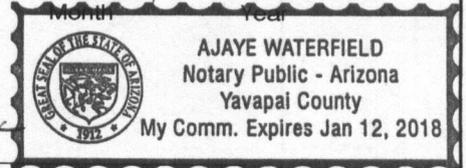
x Mizell D. Levy _____ President 1/28/16 _____
(signature) Title/ Position Date Phone #

The foregoing instrument was acknowledge before me this 28 January 2016
Day Month Year

State Arizona County of Yavapai

My Commission Expires on: 1-12-18
Date

Ajaye Waterfield
Signature of Notary Public



The local governing body (city, town or municipality where the fair/festival will take place) may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted.

Section 7 Local Governing Body Approval Section

I, _____ recommend APPROVAL DISAPPROVAL
(government official) (Title)

on behalf of _____, _____, _____
(City, Town, County) Signature Date Phone #

FOR DEPARTMENT OF LIQUOR USE ONLY

APPROVAL DISAPPROVAL BY: _____ DATE: _____



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council
FROM: City Clerk's Office
MEETING DATE: May 3, 2016
AGENDA SUBJECT: Special event liquor license application

SUMMARY:

Applicant Stetson Winery, LLC of Stetson Winery has applied for a Fair/Festival Liquor License for an event to take place at Firefighters Park (2001 Detroit Avenue) on Saturday, May 14, 2016 from 11:00 A.M. to 6:00 P.M.

FISCAL IMPACT:

None.

STAFF RECOMMENDATION:

Approve the application.

ATTACHMENTS:

Description

Liquor license application

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/26/2016 - 2:52 PM
City Attorney	Cooper, Carl	Approved	4/26/2016 - 2:54 PM
City Manager	Dougherty, John	Approved	4/26/2016 - 3:38 PM



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

FOR DLLC USE ONLY	
License #:	
Date:	
Approved by:	

FAIR/FESTIVAL LICENSE APPLICATION
 A.R.S. §4-203.03 Farm Winery / A.R.S. §4-205.11 Craft Distillery
 A.R.S. §4-203.02 At Special Event

A service fee of \$25 will be charged for all dishonored checks (A.R.S. 44-6852). When the days of the fair/festival are not consecutive, a separate license for each uninterrupted period is needed.

SECTION 1 Application type:

Wine Fair Wine Festival Craft Distillery Fair Craft Distillery Festival

1. Applicant's Name: Stetson Winery, LLC Contact Phone #: (909) 999-9999

2. Business name: Stetson Winery Liquor license #: 13083002
Farm Winery or Craft Distillery

3. Email: [REDACTED]

4. Mailing address: [REDACTED] Kingman, AZ 86401

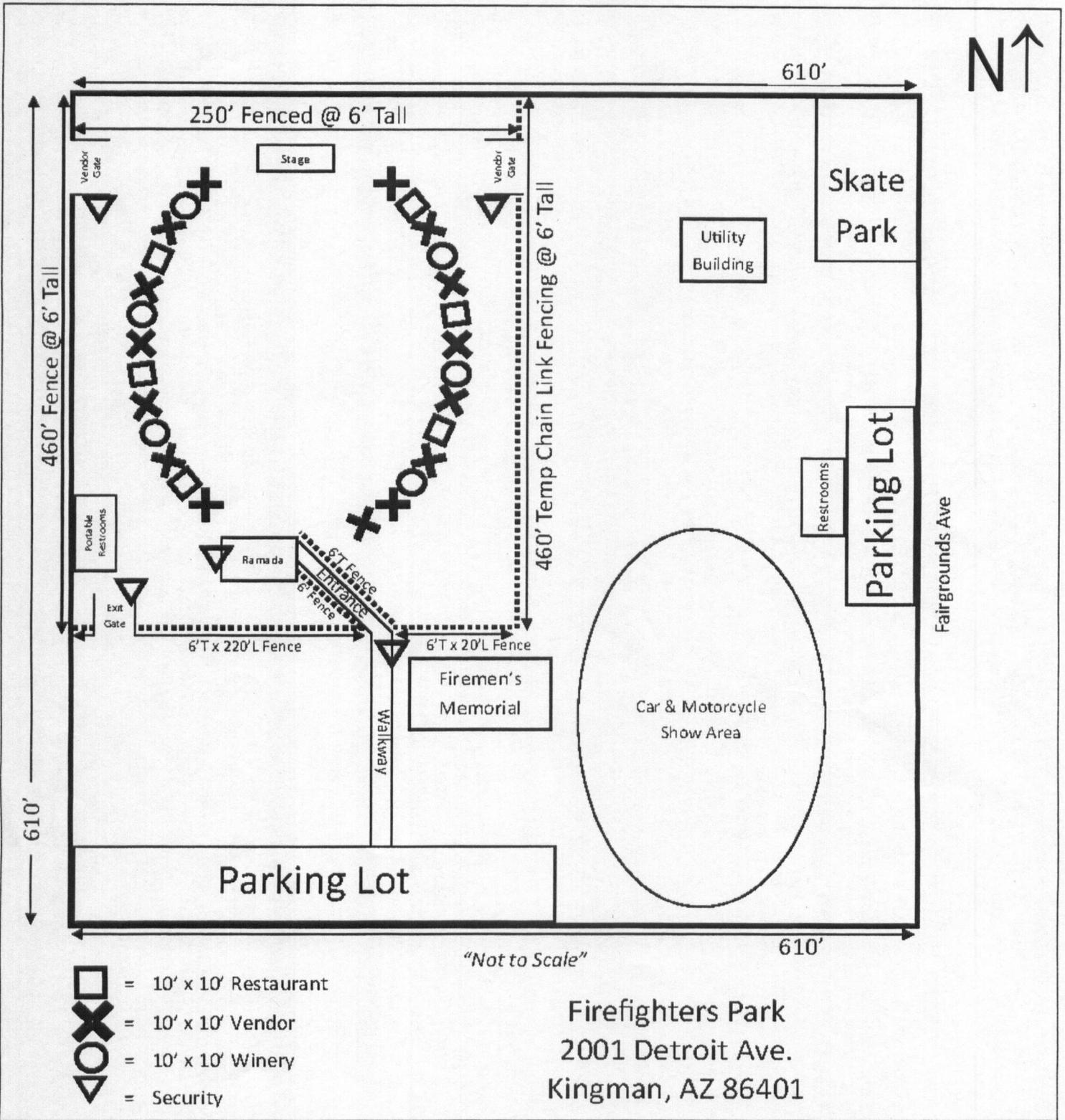
	<small>Street Address</small>	<small>City</small>	<small>State</small>	<small>Zip Code</small>
5. Location of fair/festival:	<u>2001 Detroit Ave.</u>	<u>Kingman</u>	<u>Mohave</u>	<u>86409</u>
	<small>Street address</small>	<small>City</small>	<small>County</small>	<small>Zip Code</small>

SECTION 2 Fees, Date & Hours: \$15 per day
 Winery festival days permitted: 50 licenses per winery per calendar year for a total of 150 days per winery per calendar year.
 Craft Distillery festival days permitted: 25 licenses per craft distillery per calendar year for a total of 75 days per craft distillery per calendar year.

	Date	Day of Week	Start Time AM/PM	End Time AM/PM
1.	<u>May 14, 2016</u>	<u>Saturday</u>	<u>11:00 a.m.</u>	<u>6:00 p.m.</u>
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

Please attach an additional sheet if necessary

SECTION 5 Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 1, line #2 of this application. Use this page to draw a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.



SECTION 6 This section to be completed only by the applicant named in section #1

I, Don Stetson declare that I am the APPLICANT filing this application as listed in
(Print Full Name)
Section 8. I have read the application and the contents and all statements are true, correct and Complete.

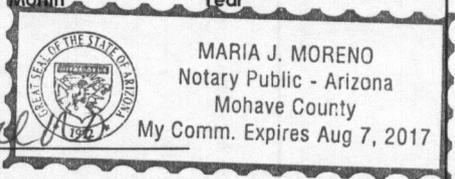
X Don Stetson OWNER 4/19/16 [REDACTED]
(Signature) Title/ Position Date Phone #

The foregoing instrument was acknowledge before me this 19 April 2016
Day Month Year

State Arizona County of Mohave

My Commission Expires on: 8/7/2017
Date

Maria J. Moreno
Signature of Notary Public



The local governing body (city, town or municipality where the fair/festival will take place) may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted.

SECTION 7 Local Governing Body Approval Section

I, _____ recommend APPROVAL DISAPPROVAL
(Government Official) (Title)

on behalf of _____
(City, Town, County) Signature Date Phone #

FOR DEPARTMENT OF LIQUOR USE ONLY

APPROVAL DISAPPROVAL BY: _____ DATE: _____

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

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.

F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.02.



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council
FROM: City Clerk's Office
MEETING DATE: May 3, 2016
AGENDA SUBJECT: Special event liquor license application

SUMMARY:

Applicant John W. Patt of Desert Diamond Distillery Inc. has applied for a Fair/Festival Liquor License for an event to take place at Firefighters Park (2001 Detroit Avenue) on Saturday, May 14, 2016 from 11:00 A.M. to 6:00 P.M.

FISCAL IMPACT:

None.

STAFF RECOMMENDATION:

Approve the application.

ATTACHMENTS:

Description

Liquor license application

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/26/2016 - 2:53 PM
City Attorney	Cooper, Carl	Approved	4/26/2016 - 2:55 PM
City Manager	Dougherty, John	Approved	4/26/2016 - 3:38 PM



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

FOR DLLC USE ONLY

License #:

Date:

Approved by:

FAIR/FESTIVAL LICENSE APPLICATION

A.R.S. §4-203.03 Farm Winery / A.R.S. §4-205.11 Craft Distillery
 A.R.S. §4-203.02 At Special Event

A service fee of \$25 will be charged for all dishonored checks (A.R.S. 44-6852). When the days of the fair/festival are not consecutive, a separate license for each uninterrupted period is needed.

SECTION 1 Application type:

Wine Fair Wine Festival Craft Distillery Fair Craft Distillery Festival

1. Applicant's Name: John W. Patt Contact Phone #: [REDACTED]
 2. Business name: Desert Diamond Distillery Inc. Liquor license #: 18083000
Farm Winery or Craft Distillery
 3. Email: [REDACTED]om
 4. Mailing address: [REDACTED] Kingman AZ. 86401
Street Address City State Zip Code
 5. Location of fair/festival: 2001 Detroit Ave. Kingman Mohave 86409
Street address City County Zip Code

SECTION 2 Fees, Date & Hours: \$15 per day

Winery festival days permitted: 50 licenses per winery per calendar year for a total of 150 days per winery per calendar year.

Craft Distillery festival days permitted: 25 licenses per craft distillery per calendar year for a total of 75 days per craft distillery per calendar year.

	Date	Day of Week	Start Time AM/PM	End Time AM/PM
1.	May 14, 2016	Saturday	11:00 a.m.	6:00 p.m.
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

Please attach an additional sheet if necessary

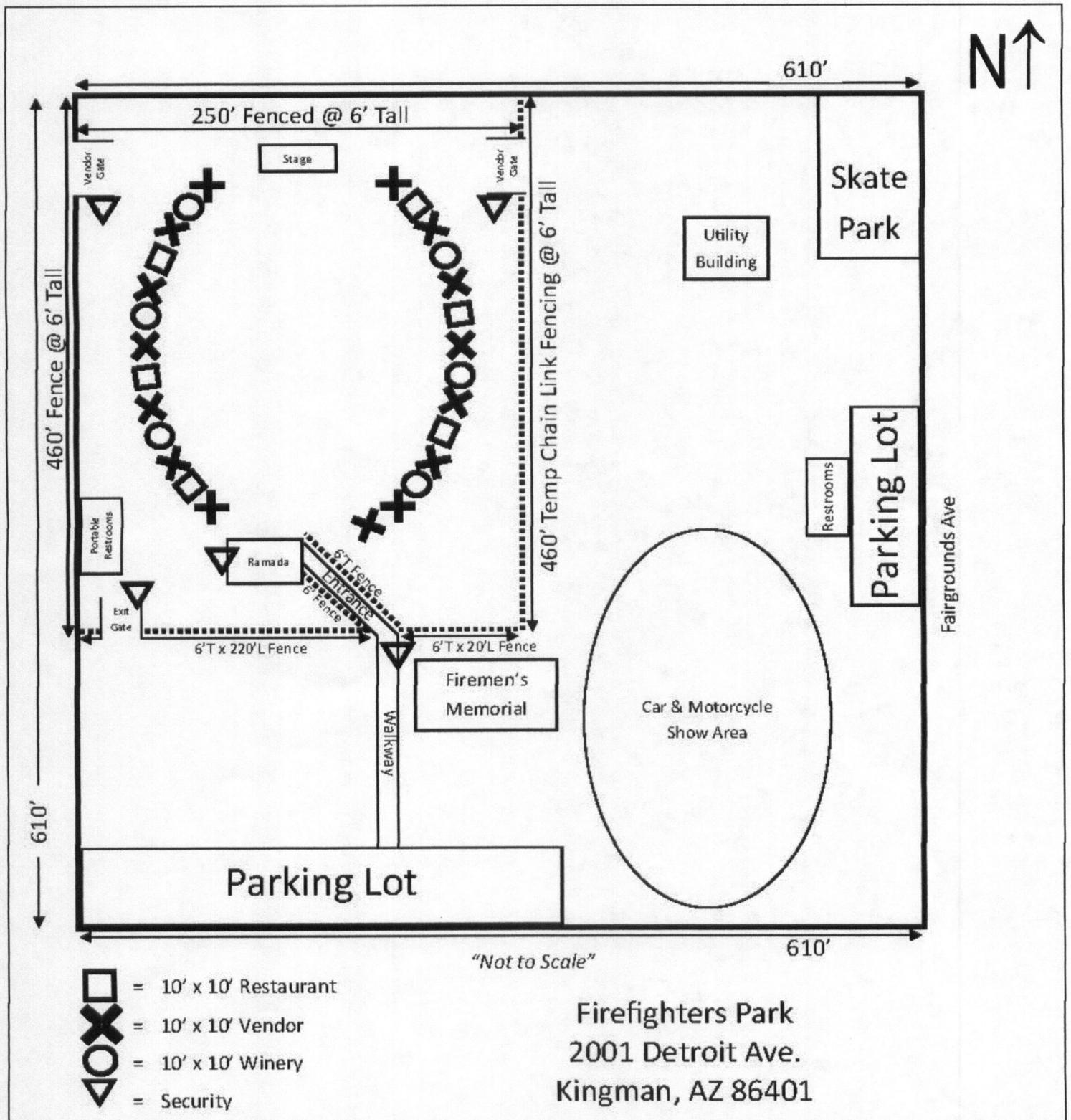
SECTION 3 Site Owner Information:

1. Site owner name: City of Kingman Daytime Contact Phone #: 928-753-5561
2. Site owner mailing address: 310 N. 4th St, Kingman, AZ 86409
3. Email Address: http://www.cityofkingman.gov/Government/ContactUs.aspx

SECTION 4 To complete this application, all questions must be answered:

1. Have you received permission for use of the site for the sale/consumption of liquor from the site owner named in Section 3? Yes No
2. Will the liquor you sell/serve be products only manufacture/produced at your licensed premises names in Section 1? Yes No
3. List the number of Fair/Festival licenses you have been issued in the current calendar year 8
4. List the number of days you have held a licensed Fair/Festival in the current calendar year 23
5. What security and control measures will you take to prevent violations of state liquor laws at this event?
- 0 # of Police Officers on Site Fencing Yes No
- 3-4 # of Security Personnel on Site Barriers Yes No
6. I am familiar with and have read statues for Arizona's fair/festival privileges, requirements and penalties? (Farm Winery A.R.S. §4-203.03, Craft Distillery A.R.S. §4-205.11, either being held at a Special Event A.R.S. §4-203.02) Yes No
7. I have taken responsible steps to ensure individuals operating the fair/festival licensed premises and employees who serve, sell or furnish liquor at this fair/festival have knowledge of Arizona liquor laws? (R19-1-302) Yes No

SECTION 5 Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 1, line #2 of this application. Use this page to draw a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.



SECTION 6 This section to be completed only by the applicant named in section #1

I, John W. Patt declare that I am the APPLICANT filing this application as listed in Section 8. I have read the application and the contents and all statements are true, correct and Complete.

X [Signature] Title/ Position Pres. Date 4/8/16 Phone # [Redacted]

The foregoing instrument was acknowledge before me this 8th April 2016

State ARIZONA County of Mohave

My Commission Expires Sept 13 2019 [Signature] Signature of Notary Public



The local governing body (city, town or municipality where the fair/festival will take place) may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted.

SECTION 7 Local Governing Body Approval Section

I, _____ recommend APPROVAL DISAPPROVAL

(Government Official) (Title)

on behalf of _____ Signature _____ Date _____ Phone # _____

(City, Town, County)

FOR DEPARTMENT OF LIQUOR USE ONLY

APPROVAL DISAPPROVAL BY: _____ DATE: _____

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

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.

F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.02.



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council
FROM: City Clerk's Office
MEETING DATE: May 3, 2016
AGENDA SUBJECT: Special event liquor license application

SUMMARY:

Applicant Brian Predmore of Alcantara LLC has applied for a Fair/Festival Liquor License for an event to take place at Firefighters Park (2001 Detroit Avenue) on Saturday, May 14, 2016 from 11:00 A.M. to 6:00 P.M.

FISCAL IMPACT:

None.

STAFF RECOMMENDATION:

Approve the application.

ATTACHMENTS:

Description

Liquor license application

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/26/2016 - 2:53 PM
City Attorney	Cooper, Carl	Approved	4/26/2016 - 2:55 PM
City Manager	Dougherty, John	Approved	4/26/2016 - 3:38 PM



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

FOR DLLC USE ONLY	
License #:	
Date:	
Approved by:	

FAIR/FESTIVAL LICENSE APPLICATION
 A.R.S. § 4-203.03 Farm Winery / A.R.S. § 4-205.11 Craft Distillery
 A.R.S. § 4-203.02 At Special Event

A service fee of \$25 will be charged for all dishonored checks (A.R.S. 44-6852). When the days of the fair/festival are not consecutive, a separate license for each uninterrupted period is needed.

SECTION 1 Application type:

- Wine Fair Wine Festival Craft Distillery Fair Craft Distillery Festival

1. Applicant's Name: BRIAN PREDMORE Contact Phone #: [REDACTED]

2. Business name: ALCANTARA LLC Liquor license #: 13133010
Farm Winery or Craft Distillery

3. Email: [REDACTED].COM

4. Mailing address: P.O. BOX 64 COTTONWOOD AZ 86326
Street Address City State Zip Code

5. Location of fair/festival: 2001 Detroit Ave. Kingman Mohave 86409
Street address City County Zip Code

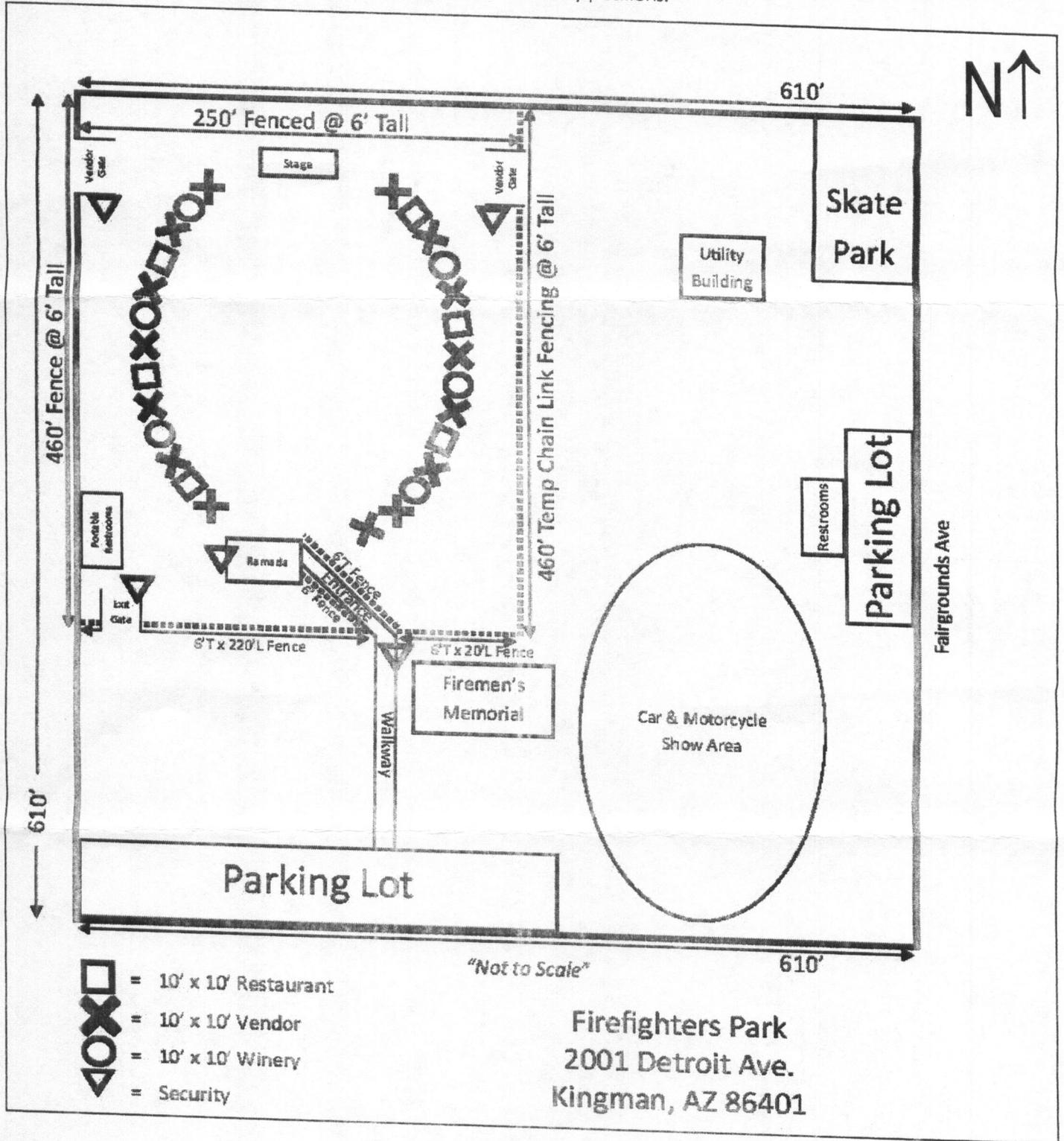
SECTION 2 Fees, Date & Hours: \$15 per day

Winery festival days permitted: 50 licenses per winery per calendar year for a total of 150 days per winery per calendar year.
Craft Distillery festival days permitted: 25 licenses per craft distillery per calendar year for a total of 75 days per craft distillery per calendar year.

	Date	Day of Week	Start Time AM/PM	End Time AM/PM
1.	<u>May 14, 2016</u>	<u>Saturday</u>	<u>11:00 a.m.</u>	<u>6:00 p.m.</u>
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

Please attach an additional sheet if necessary

SECTION 5 Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 1, line #2 of this application. Use this page to draw a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.



SECTION 6 This section to be completed only by the applicant named in section #1

I, BRIAN PREDMORE declare that I am the APPLICANT filing this application as listed in Section 8. I have read the application and the contents and all statements are true, correct and Complete.

X [Signature] (Signature) C.O.O. (Title/ Position) 3/29/16 (Date) [Redacted] (Phone #)

The foregoing instrument was acknowledge before me this 29 (Day) March (Month) 2016 (Year)

State Arizona County of Yavapai

My Commission Expires on: 10/27/18 (Date)

[Signature] (Signature of Notary Public)



The local governing body (city, town or municipality where the fair/festival will take place) may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted.

SECTION 7 Local Governing Body Approval Section

I, _____ (Government Official) _____ (Title) recommend APPROVAL DISAPPROVAL

on behalf of _____ (City, Town, County) _____ (Signature) _____ (Date) _____ (Phone #)

FOR DEPARTMENT OF LIQUOR USE ONLY

APPROVAL DISAPPROVAL BY: _____ DATE: _____

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

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

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F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.02.



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council

FROM: City Clerk's Office

MEETING DATE: May 3, 2016

AGENDA SUBJECT: Special event liquor license application

SUMMARY:

Applicant Rodney Young of Arizona Stronghold Vineyards, LLC has applied for a Fair/Festival Liquor License for an event to take place at Firefighters Park (2001 Detroit Avenue) on Saturday, May 14, 2016 from 11:00 A.M. to 6:00 P.M.

FISCAL IMPACT:

None.

STAFF RECOMMENDATION:

Approve the application.

ATTACHMENTS:

Description

Liquor license application

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/26/2016 - 2:54 PM
City Attorney	Cooper, Carl	Approved	4/26/2016 - 2:56 PM
City Manager	Dougherty, John	Approved	4/26/2016 - 3:39 PM

FAIR/FESTIVAL LICENSE APPLICATION
 A.R.S. §4-203.03 Farm Winery / A.R.S. §4-205.11 Craft Distillery
 A.R.S. §4-203.02 At Special Event

A service fee of \$25 will be charged for all dishonored checks (A.R.S. 44-6852). When the days of the fair/festival are not consecutive, a separate license for each uninterrupted period is needed.

SECTION 1 Application type:

- Wine Fair Wine Festival Craft Distillery Fair Craft Distillery Festival

1. Applicant's Name: Rodney Young, Daytime Phone #: [REDACTED]

2. Business name: Arizona Stronghold Vineyards, LLC, Liquor license #: 13133019
farm winery or craft distillery

Email: [REDACTED]m

3. Mailing address: [REDACTED] Camp Verde AZ 86322
street address city state zip code

4. Location of fair/festival: Firefighters Park, 2001 Detroit Ave, Kingman, Mohave, 86401
street address city county zip code

SECTION 2 Fees, Date & Hours: \$15 per day

Winery festival days permitted: 50 licenses per winery per calendar year for a total of 150 days per winery per calendar year.

Craft Distillery festival days permitted: 25 licenses per craft distillery per calendar year for a total of 75 days per craft distillery per calendar year.

	DATE	DAY OF WEEK	START TIME AM/PM	END TIME AM/PM
1.	<u>May 14, 2016</u>	<u>Saturday</u>	<u>11:00 am</u>	<u>6:00 pm</u>
2.	<u> </u>	<u> </u>	<u> </u>	<u> </u>
3.	<u> </u>	<u> </u>	<u> </u>	<u> </u>
4.	<u> </u>	<u> </u>	<u> </u>	<u> </u>
5.	<u> </u>	<u> </u>	<u> </u>	<u> </u>
6.	<u> </u>	<u> </u>	<u> </u>	<u> </u>
7.	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Please attach an additional sheet if necessary

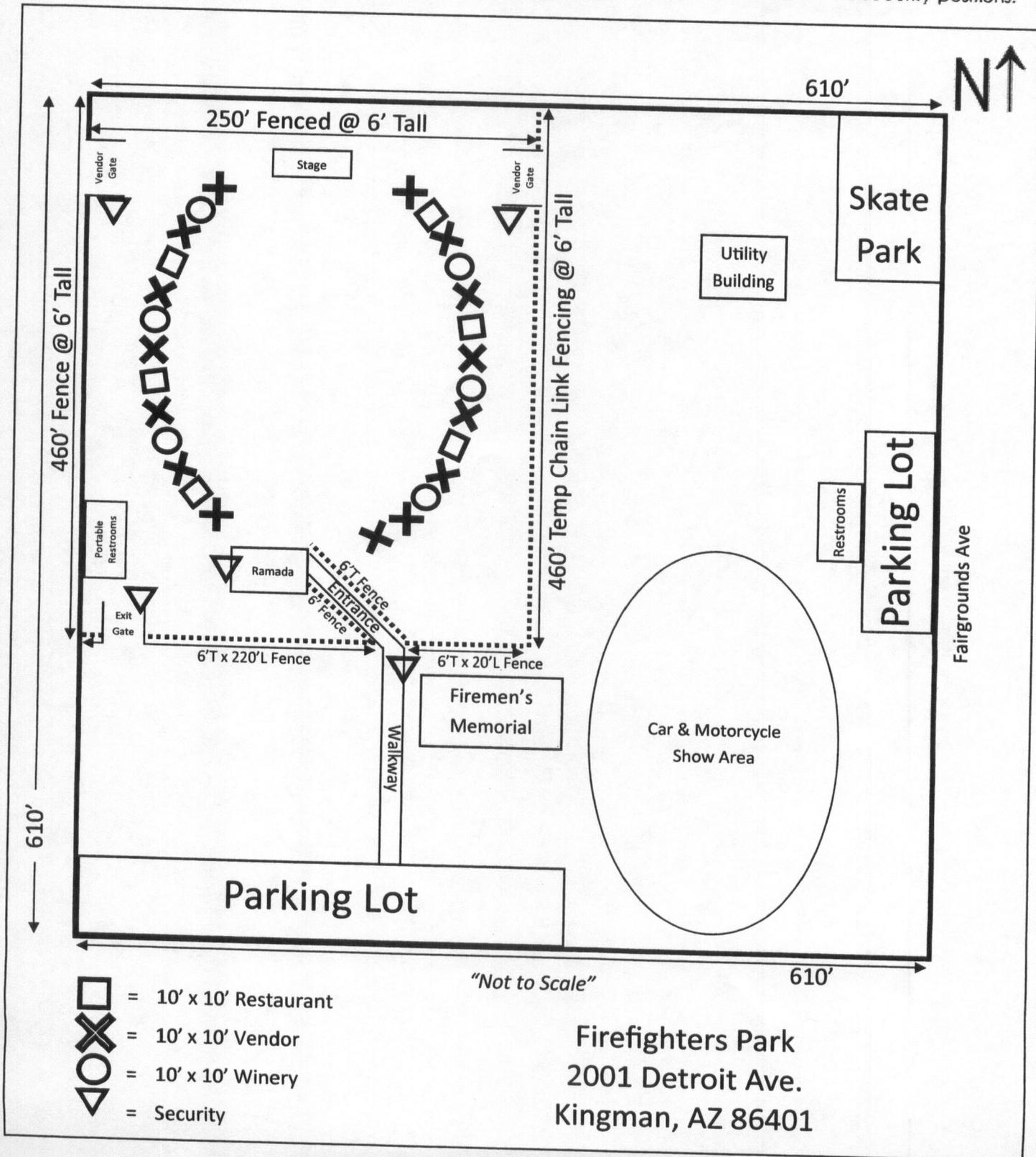
SECTION 3 Site Owner Information:

1. Site owner name: City of Kingman Phone #: 928-753-8335
First Last
2. Site owner mailing address: 310 N. 4th Street, Kingman, AZ 86401
street address city state zip code
3. Email Address: liza@ignitebrano marketing.com

SECTION 4 to complete this application, all questions must be answered:

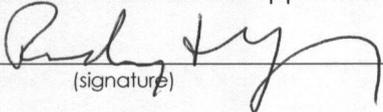
1. Have you received permission for use of the site for the sale/consumption of liquor from the site owner named in Section 3? Yes No
2. Will the liquor you sell/serve be products only manufacture/produced at your licensed premises names in Section 1? Yes No
3. List the number of Fair/Festival licenses you have been issued in the current calendar year 5
4. List the number of days you have held a licensed Fair/Festival in the current calendar year 10
5. What security and control measures will you take to prevent violations of state liquor laws at this event?
0 # of Police Officers on Site Fencing Yes No
2 # of Security Personnel on Site Barriers Yes No
6. I am familiar with and have read statutes for Arizona's fair/festival privileges, requirements and penalties? (Farm Winery A.R.S. §4-203.03, Craft Distillery A.R.S. §4-205.11, either being held at a Special Event A.R.S. §4-203.02) Yes No
7. I have taken responsible steps to ensure individuals operating the fair/festival licensed premises and employees who serve, sell or furnish liquor at this fair/festival have knowledge of Arizona liquor laws? (R19-1-302) Yes No

Section 5 Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 1, line #2 of this application. Use this page to draw a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.



Section 6 This sections to be completed only by the applicant named in section # 1

I, Rodney Young declare that I am the APPLICANT filing this application as listed in
(print full name)
Section 8. I have read the application and the contents and all statements are true, correct and Complete.

X  Manager 1/21/2016 [REDACTED]
(signature) Title/ Position Date Phone #

The foregoing instrument was acknowledge before me this 21st January 2016
Day
State Arizona County of Yavapai

My Commission Expires on: 8/31/2019
Date

 Julie Booth
Signature of Notary Public
Notary Public State of Arizona
Yavapai County
My Commission Expires
August 31, 2019

The local governing body (city, town or municipality where the fair/festival will take place) may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted.

Section 7 Local Governing Body Approval Section

I, _____ recommend APPROVAL DISAPPROVAL
(government official) (Title)
on behalf of _____, _____, _____
(City, Town, County) Signature Date Phone #

FOR DEPARTMENT OF LIQUOR USE ONLY

APPROVAL DISAPPROVAL BY: _____ DATE: _____



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council
FROM: City Clerk
MEETING DATE: May 3, 2016
AGENDA SUBJECT: Special event liquor license application

SUMMARY:

Applicant Richard Skladzien of Del Rio Springs Vineyard has applied for a Series 16W Wine Festival/Wine Fair Liquor License for an event to take place Saturday, May 14, 2016, from 11 a.m. to 6 p.m. at Firefighter's Park, 2001 Detroit Ave., in Kingman. **Staff recommends approval.**

FISCAL IMPACT:

None

STAFF RECOMMENDATION:

Staff recommends approval.

ATTACHMENTS:

Description

Del Rio Springs LL App

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/26/2016 - 2:54 PM
City Attorney	Cooper, Carl	Approved	4/26/2016 - 2:56 PM
City Manager	Dougherty, John	Approved	4/26/2016 - 3:39 PM

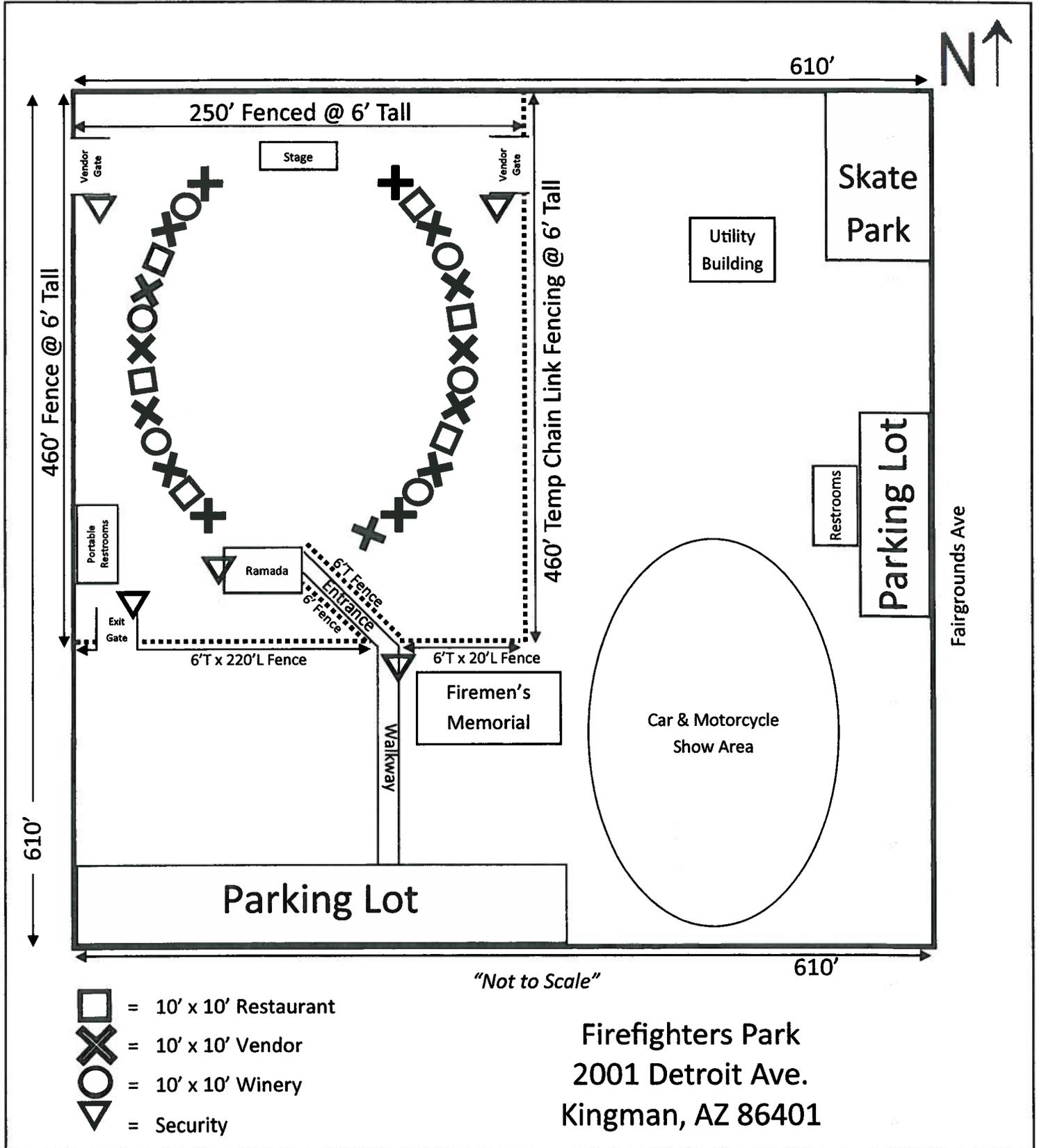
SECTION 3 Site Owner Information:

1. Site owner name: City of Kingman Daytime Contact Phone #: 928-753-8113
First Last
2. Site owner mailing address: 310 N 4th Street Kingman AZ 86401
Street address City State Zip Code
3. Email Address: _____
-

SECTION 4 To complete this application, all questions must be answered:

1. Have you received permission for use of the site for the sale/consumption of liquor from the site owner named in Section 3? Yes No
2. Will the liquor you sell/serve be products only manufacture/produced at your licensed premises names in Section 1? Yes No
3. List the number of Fair/Festival licenses you have been issued in the current calendar year 1
4. List the number of days you have held a licensed Fair/Festival in the current calendar year 1
5. What security and control measures will you take to prevent violations of state liquor laws at this event?
- _____ # of Police Officers on Site Fencing Yes No
- _____ # of Security Personnel on Site Barriers Yes No
6. I am familiar with and have read statues for Arizona's fair/festival privileges, requirements and penalties? (Farm Winery A.R.S. §4-203.03, Craft Distillery A.R.S. §4-205.11, either being held at a Special Event A.R.S. §4-203.02)
 Yes No
7. I have taken responsible steps to ensure individuals operating the fair/festival licensed premises and employees who serve, sell or furnish liquor at this fair/festival have knowledge of Arizona liquor laws? (R19-1-302) Yes No

Section 5 Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 1, line #2 of this application. Use this page to draw a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.



Firefighters Park
 2001 Detroit Ave.
 Kingman, AZ 86401

SECTION 6 This section to be completed only by the applicant named in section #1

I, Richard E Skladzien declare that I am the APPLICANT filing this application as listed in Section 8. I have read the application and the contents and all statements are true, correct and Complete.

X [Signature] OWNER 12/9/2015 [Redacted]
(Signature) Title/ Position Date Phone #

The foregoing instrument was acknowledge before me this 9th December 2015
Day Month Year

State Arizona County of Yavapai



My Commission Expires on: 1-2-16 [Signature]
Date Signature of Notary Public

The local governing body (city, town or municipality where the fair/festival will take place) may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted.

SECTION 7 Local Governing Body Approval Section

I, _____ recommend APPROVAL DISAPPROVAL
(Government Official) (Title)
on behalf of _____
(City, Town, County) Signature Date Phone #

FOR DEPARTMENT OF LIQUOR USE ONLY

APPROVAL DISAPPROVAL BY: _____ DATE: _____

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

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.

F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.02.



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council
FROM: City Clerk
MEETING DATE: May 3, 2016
AGENDA SUBJECT: Special event liquor license application

SUMMARY:

Applicant Eric Olomski of Page Springs Cellars and Vineyards has applied for a series 16W Wine Festival/Wine Fair Liquor License for an event to take place Saturday, May 14, 2016 from 11 AM to 6 PM at Firefighter's Park, 2001 Detroit Ave., Kingman. **Staff recommends approval.**

FISCAL IMPACT:

None

STAFF RECOMMENDATION:

Staff recommends approval.

ATTACHMENTS:

Description

Special Event Liquor License App

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/26/2016 - 2:54 PM
City Attorney	Cooper, Carl	Approved	4/26/2016 - 2:57 PM
City Manager	Dougherty, John	Approved	4/26/2016 - 3:39 PM

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

FAIR/FESTIVAL LICENSE APPLICATION
 A.R.S. §4-203.03 Farm Winery / A.R.S. §4-205.11 Craft Distillery
 A.R.S. §4-203.02 At Special Event

A service fee of \$25 will be charged for all dishonored checks (A.R.S. 44-6852). When the days of the fair/festival are not consecutive a separate license for each uninterrupted period is needed.

SECTION 1 Application type:

- Wine Fair Wine Festival Craft Distillery Fair Craft Distillery Festival

1. Applicant's Name: ERIC GLONSKI Daytime Phone #: [REDACTED]

2. Business name: PAGE SPRINGS CELLARS & VINEYARDS Liquor license #: 13133004
farm winery or craft distillery

Email: eric@pagespringscellars.com

3. Mailing address: 1500 N. PAGE SPRINGS RD. CORNILLE AZ 86325
street address city state zip code

4. Location of fair/festival: Firefighter's Park, 2001 Detroit Ave., Kingman, Mohave, 86401
street address city county zip code

SECTION 2 Fees, Date & Hours: \$15 per day

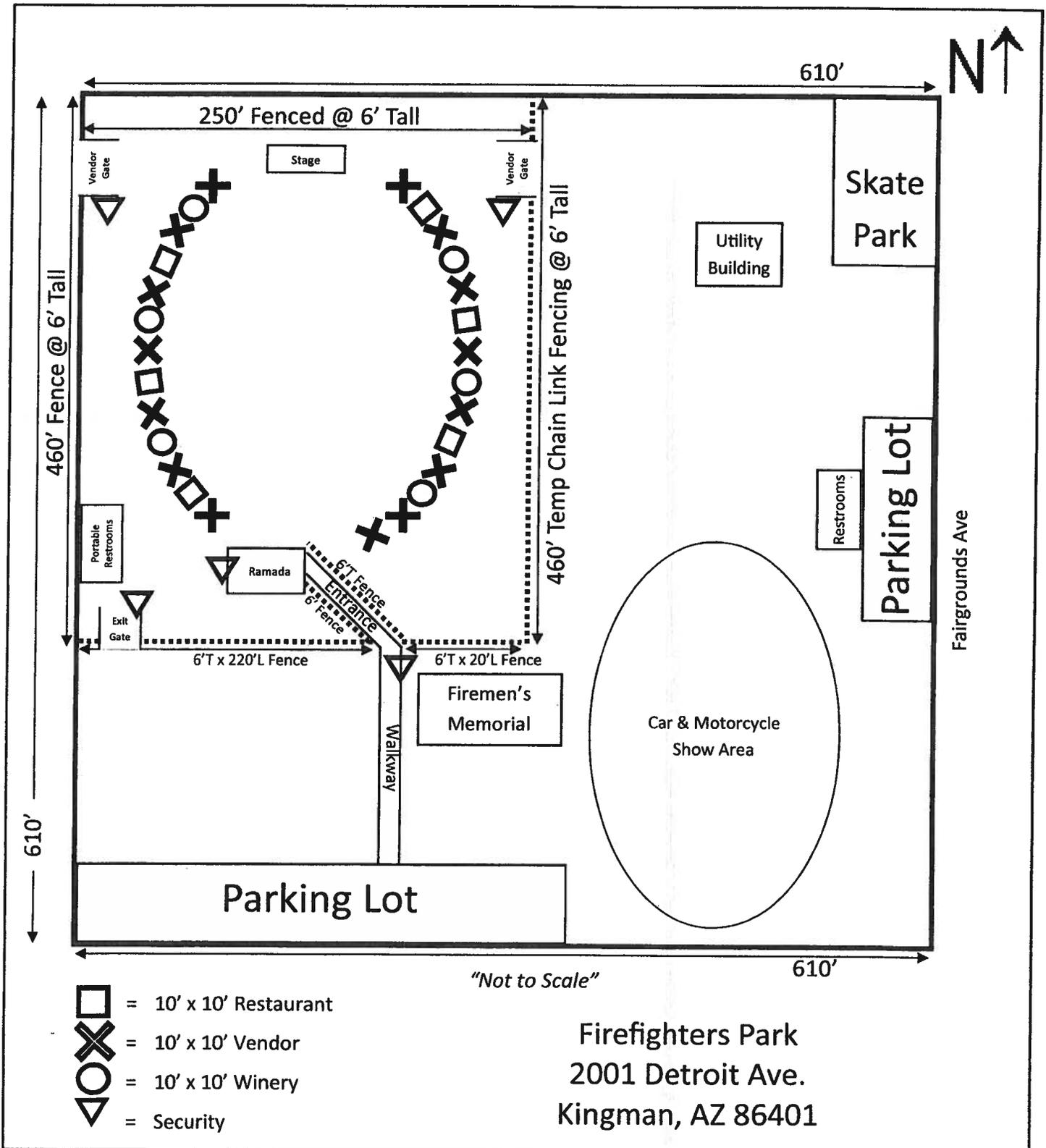
Winery festival days permitted: 50 licenses per winery per calendar year for a total of 150 days per winery per calendar year.

Craft Distillery festival days permitted: 25 licenses per craft distillery per calendar year for a total of 75 days per craft distillery per calendar year.

	DATE	DAY OF WEEK	START TIME AM/PM	END TIME AM/PM
1.	<u>May 14, 2016</u>	<u>Saturday</u>	<u>11:00 AM</u>	<u>6:00 PM</u>
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

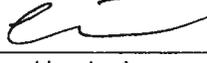
Please attach an additional sheet if necessary

Section 5 Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 1, line #2 of this application. Use this page to draw a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.



Section 6 This sections to be completed only by the applicant named in section # 1

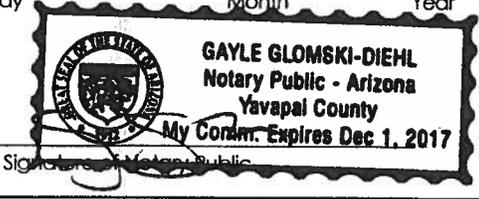
I, Eric Steven Glomski declare that I am the APPLICANT filing this application as listed in
(print full name)
Section 8. I have read the application and the contents and all statements are true, correct and Complete.

X  Owner/Wine Maker 12/23/15 [REDACTED]
(signature) Title/ Position Date Phone #

The foregoing instrument was acknowledge before me this 23rd December 2015
Day Month Year

State AZ County of YAVAPAI

My Commission Expires on: 12/1/17
Date



The local governing body (city, town or municipality where the fair/festival will take place) may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted.

Section 7 Local Governing Body Approval Section

I, _____ recommend APPROVAL DISAPPROVAL
(government official) (Title)

on behalf of _____
(City, Town, County) Signature Date Phone #

FOR DEPARTMENT OF LIQUOR USE ONLY

APPROVAL DISAPPROVAL BY: _____ DATE: _____



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council
FROM: City Clerk
MEETING DATE: May 3, 2016
AGENDA SUBJECT: Special event liquor license application

SUMMARY:

Applicant Lori Marie Reynolds of Sonoita Vineyards has applied for a Series 16W Wine Festival/Wine Fair Liquor License for an event to take place Saturday, May 14, 2016 from 11 AM to 6 PM at Firefighter's Park, 2001 Detroit Ave. in Kingman. **Staff recommends approval.**

FISCAL IMPACT:

None

STAFF RECOMMENDATION:

Staff recommends approval.

ATTACHMENTS:

Description

Special Event Liquor License App

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/26/2016 - 2:55 PM
City Attorney	Cooper, Carl	Approved	4/26/2016 - 2:58 PM
City Manager	Dougherty, John	Approved	4/26/2016 - 3:39 PM



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

FOR DLLC USE ONLY	
License #:	
Date:	
Approved by:	

FAIR/FESTIVAL LICENSE APPLICATION
 A.R.S. §4-203.03 Farm Winery / A.R.S. §4-205.11 Craft Distillery
 A.R.S. §4-203.02 At Special Event

A service fee of \$25 will be charged for all dishonored checks (A.R.S. 44-6852). When the days of the fair/festival are not consecutive, a separate license for each uninterrupted period is needed.

SECTION 1 Application type:

Wine Fair Wine Festival Craft Distillery Fair Craft Distillery Festival

- Applicant's Name: Lori Marie Reynolds Contact Phone #: [REDACTED]
- Business name: Sonoita Vineyards LTD Liquor license #: 13120002
Farm Winery or Craft Distillery
- Email: lori@sonoitavineyards.com
- Mailing address: 290 Elgin Canelo Rd Elgin AZ 85611
Street Address City State Zip Code
- Location of fair/festival: 2001 Detroit Ave Kingman Mohave 86409
Street address City County Zip Code

SECTION 2 Fees, Date & Hours: \$15 per day

Winery festival days permitted: 50 licenses per winery per calendar year for a total of 150 days per winery per calendar year.
Craft Distillery festival days permitted: 25 licenses per craft distillery per calendar year for a total of 75 days per craft distillery per calendar year.

	Date	Day of Week	Start Time AM/PM	End Time AM/PM
1.	<u>5/14/2016</u>	<u>Saturday</u>	<u>11am</u>	<u>6pm</u>
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

Please attach an additional sheet if necessary

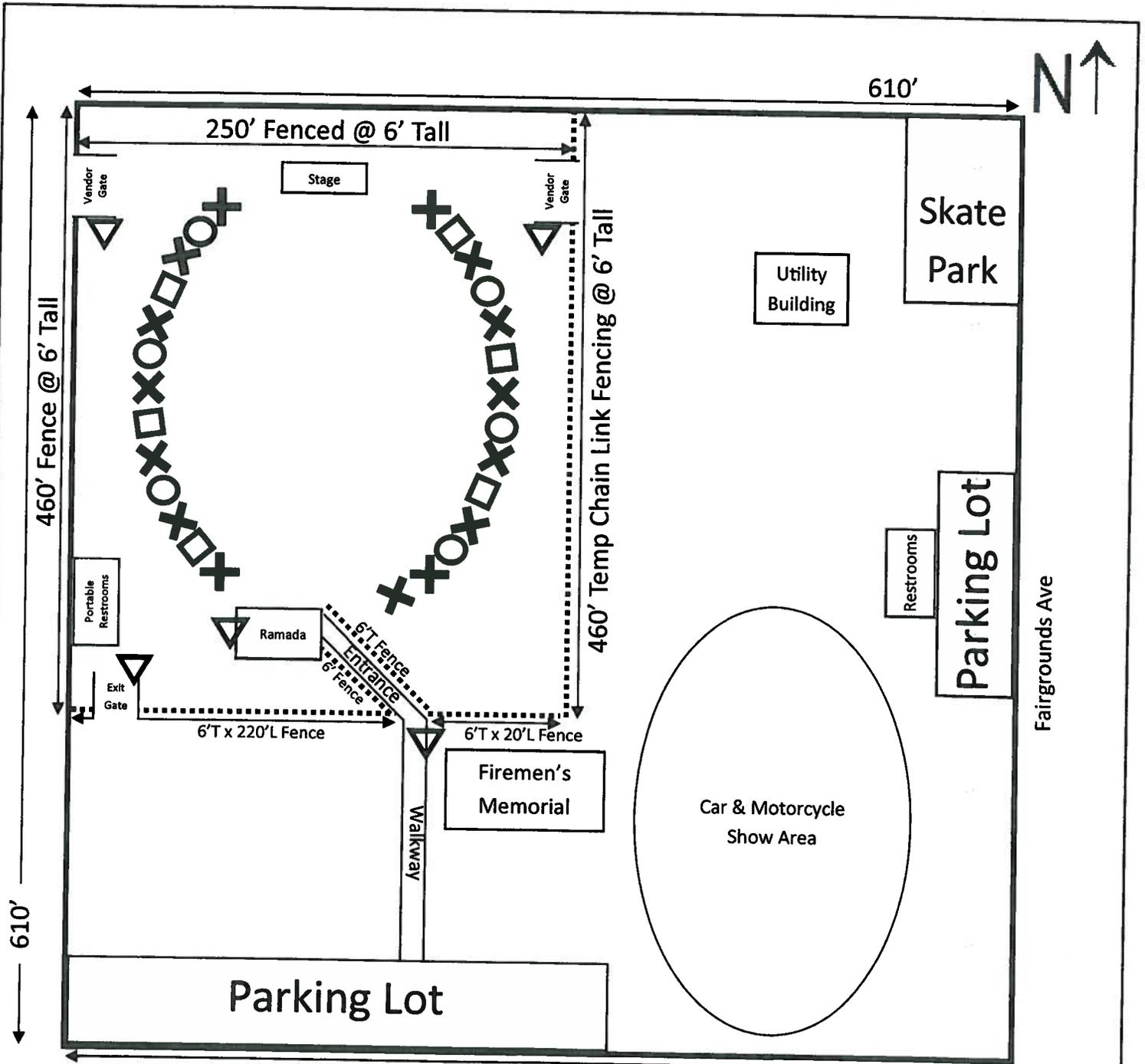
SECTION 3 Site Owner Information:

1. Site owner name: City of Kingman Daytime Contact Phone #: 928-753-556
First Last
2. Site owner mailing address: 310 N Fourth Street Kingman AZ 86401
Street address City State Zip Code
3. Email Address: liza@ignitebrandmarketing.com

SECTION 4 To complete this application, all questions must be answered:

1. Have you received permission for use of the site for the sale/consumption of liquor from the site owner named in Section 3? Yes No
2. Will the liquor you sell/serve be products only manufacture/produced at your licensed premises names in Section 1? Yes No
3. List the number of Fair/Festival licenses you have been issued in the current calendar year 2
4. List the number of days you have held a licensed Fair/Festival in the current calendar year 2
5. What security and control measures will you take to prevent violations of state liquor laws at this event?
- _____ # of Police Officers on Site Fencing Yes No
- 3 # of Security Personnel on Site Barriers Yes No
6. I am familiar with and have read statues for Arizona's fair/festival privileges, requirements and penalties? (Farm Winery A.R.S. §4-203.03, Craft Distillery A.R.S. §4-205.11, either being held at a Special Event A.R.S. §4-203.02) Yes No
7. I have taken responsible steps to ensure individuals operating the fair/festival licensed premises and employees who serve, sell or furnish liquor at this fair/festival have knowledge of Arizona liquor laws? (R19-1-302) Yes No

Section 5 Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 1, line #2 of this application. Use this page to draw a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.



"Not to Scale"

-  = 10' x 10' Restaurant
-  = 10' x 10' Vendor
-  = 10' x 10' Winery
-  = Security

Firefighters Park
 2001 Detroit Ave.
 Kingman, AZ 86401

SECTION 6 This section to be completed only by the applicant named in section #1

I, Lori Marie Reynolds

(Print Full Name)

declare that I am the APPLICANT filing this application as listed in

Section 8. I have read the application and the contents and all statements are true, correct and Complete.

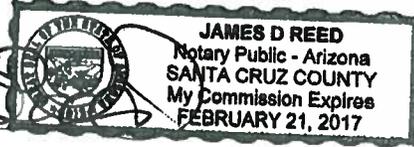
X Lori Reynolds Winemaker 12/9/2015 [Redacted]
(Signature) Title/ Position Date Phone #

The foregoing instrument was acknowledge before me this 10 12 2015
Day Month Year

State Arizona County of Santa Cruz

My Commission Expires on: 2-21-17
Date

[Signature]
Signature of Notary Public



The local governing body (city, town or municipality where the fair/festival will take place) may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted.

SECTION 7 Local Governing Body Approval Section

I, _____ recommend APPROVAL DISAPPROVAL
(Government Official) (Title)

on behalf of _____
(City, Town, County) Signature Date Phone #

FOR DEPARTMENT OF LIQUOR USE ONLY

APPROVAL DISAPPROVAL BY: _____ DATE: _____

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

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.

F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.02.



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council
FROM: City Clerk
MEETING DATE: May 3, 2016
AGENDA SUBJECT: Special Event Liquor License Application

SUMMARY:

Applicant Carlos Cella of Cella Winery LLC has applied for a Series 16W Wine Festival/Wine Fair Liquor License for an event to take place Saturday, May 14, 2016 from 11 AM to 6 PM at Firefighter's Park, 2001 Detroit Ave., in Kingman. **Staff recommends approval.**

FISCAL IMPACT:

None

STAFF RECOMMENDATION:

Staff recommends approval.

ATTACHMENTS:

Description

Special Event Liquor License Application

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/27/2016 - 4:19 PM
City Attorney	Cooper, Carl	Approved	4/27/2016 - 4:20 PM
City Manager	Dougherty, John	Approved	4/27/2016 - 4:45 PM



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

FOR DLLC USE ONLY	
License #:	
Date:	
Approved by:	

FAIR/FESTIVAL LICENSE APPLICATION
 A.R.S. §4-203.03 Farm Winery / A.R.S. §4-205.11 Craft Distillery
 A.R.S. §4-203.02 At Special Event

A service fee of \$25 will be charged for all dishonored checks (A.R.S. 44-6852). When the days of the fair/festival are not consecutive, a separate license for each uninterrupted period is needed.

SECTION 1 Application type:

Wine Fair Wine Festival Craft Distillery Fair Craft Distillery Festival

1. Applicant's Name: CARLOS CELLA Contact Phone #: [REDACTED]
 2. Business name: CELLA WINERY LLC Liquor license #: 13083001
Farm Winery or Craft Distillery
 3. Email: [REDACTED]
 4. Mailing address: 7052 E. CONCHO DR KINGMAN AZ 86401
Street Address City State Zip Code
 5. Location of fair/festival: 2001 Detroit Ave. Kingman Mohave 86409
Street address City County Zip Code

SECTION 2 Fees, Date & Hours: \$15 per day

Winery festival days permitted: 50 licenses per winery per calendar year for a total of 150 days per winery per calendar year.
Craft Distillery festival days permitted: 25 licenses per craft distillery per calendar year for a total of 75 days per craft distillery per calendar year.

	Date	Day of Week	Start Time AM/PM	End Time AM/PM
1.	<u>May 14, 2016</u>	<u>Saturday</u>	<u>11:00 a.m.</u>	<u>6:00 p.m.</u>
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

Please attach an additional sheet if necessary

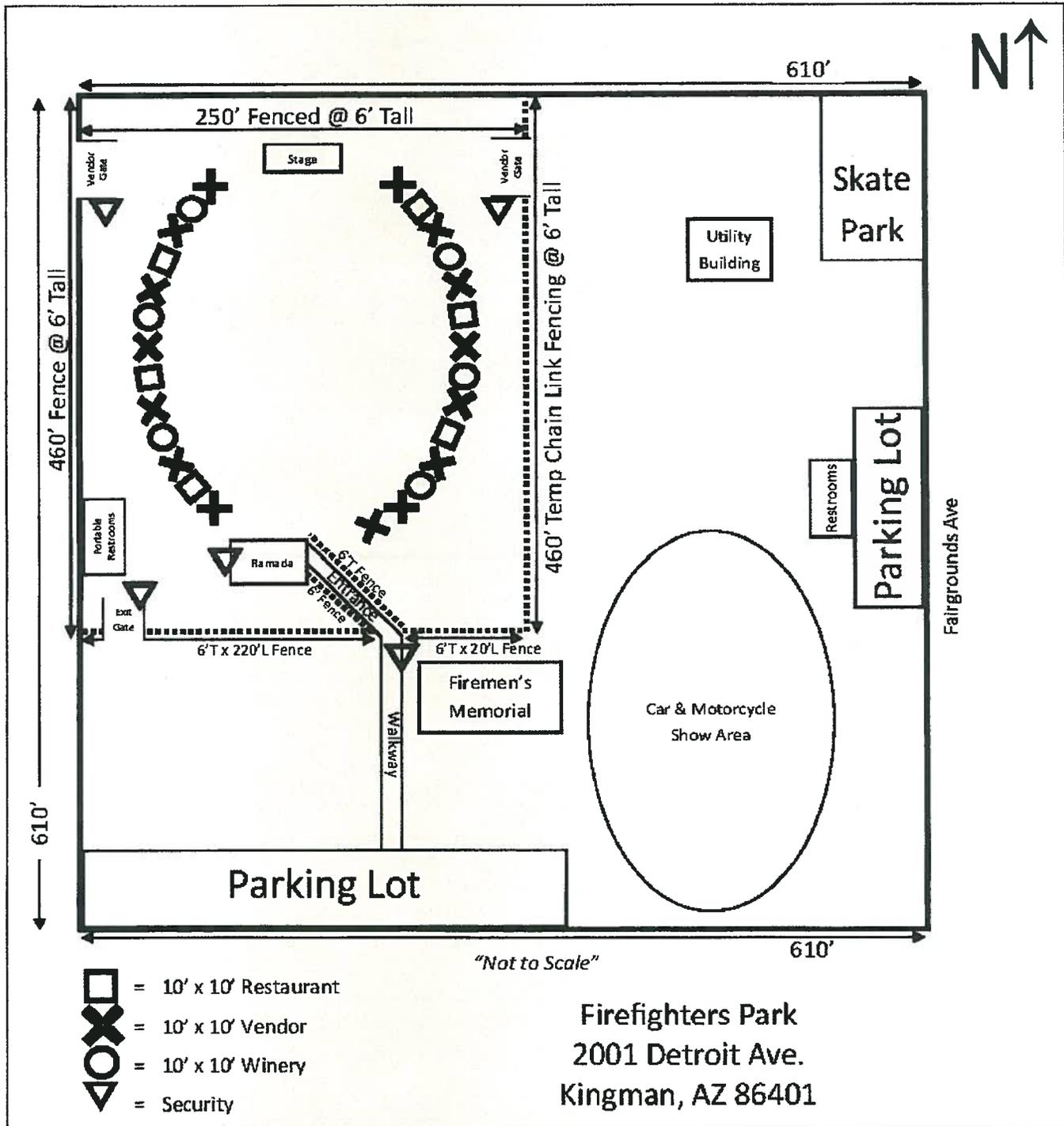
SECTION 3 Site Owner Information:

1. Site owner name: City of Kingman Daytime Contact Phone #: 928-753-5561
First Last
2. Site owner mailing address: 310 N. 4th St, Kingman, AZ 86409
Street address City State Zip Code
3. Email Address: <http://www.cityofkingman.gov/Government/ContactUs.aspx>
-

SECTION 4 To complete this application, all questions must be answered:

1. Have you received permission for use of the site for the sale/consumption of liquor from the site owner named in Section 3? Yes No
2. Will the liquor you sell/serve be products only manufacture/produced at your licensed premises names in Section 1? Yes No
3. List the number of Fair/Festival licenses you have been issued in the current calendar year _____
4. List the number of days you have held a licensed Fair/Festival in the current calendar year _____
5. What security and control measures will you take to prevent violations of state liquor laws at this event?
- 0 # of Police Officers on Site Fencing Yes No
- 3-4 # of Security Personnel on Site Barriers Yes No
6. I am familiar with and have read statues for Arizona's fair/festival privileges, requirements and penalties? (Farm Winery A.R.S. §4-203.03, Craft Distillery A.R.S. §4-205.11, either being held at a Special Event A.R.S. §4-203.02)
 Yes No
7. I have taken responsible steps to ensure individuals operating the fair/festival licensed premises and employees who serve, sell or furnish liquor at this fair/festival have knowledge of Arizona liquor laws? (R19-1-302) Yes No

SECTION 5 Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 1, line #2 of this application. Use this page to draw a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.



SECTION 6 This section to be completed only by the applicant named in section #1

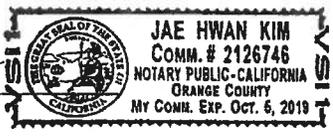
I, CARLOS CELLA declare that I am the APPLICANT filing this application as listed in
(Print Full Name)
Section 8. I have read the application and the contents and all statements are true, correct and Complete.

X [Signature] CEO 4/20/16 [Redacted]
(Signature) Title/ Position Date Phone #

The foregoing instrument was acknowledge before me this 20th APRIL 2016
Day Month Year

State CALIFORNIA County of ORANGE

My Commission Expires on: 10/05/2019 [Signature]
Date Signature of Notary Public



The local governing body (city, town or municipality where the fair/festival will take place) may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted.

SECTION 7 Local Governing Body Approval Section

I, _____ recommend APPROVAL DISAPPROVAL
(Government Official) (Title)

on behalf of _____
(City, Town, County) Signature Date Phone #

FOR DEPARTMENT OF LIQUOR USE ONLY

APPROVAL DISAPPROVAL BY: _____ DATE: _____

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

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.

F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.02.



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council
FROM: City Clerk
MEETING DATE: May 3, 2016
AGENDA SUBJECT: Special Event Liquor License Application

SUMMARY:

Applicant Sam Pillsbury of Pillsbury Wine Company has applied for a Series 16W Wine Festival/Wine Fair Liquor License for an event to take place Saturday, May 14, 2016 from 11 AM to 6 PM at Firefighter's Park, 2001 Detroit Ave. in Kingman. **Staff recommends approval.**

FISCAL IMPACT:

None

STAFF RECOMMENDATION:

Staff recommends approval.

ATTACHMENTS:

Description

Special Event Liquor License App

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/27/2016 - 4:27 PM
City Attorney	Cooper, Carl	Approved	4/27/2016 - 4:28 PM
City Manager	Dougherty, John	Approved	4/27/2016 - 4:45 PM

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

FAIR/FESTIVAL LICENSE APPLICATION
 A.R.S. §4-203.03 Farm Winery / A.R.S. §4-205.11 Craft Distillery
 A.R.S. §4-203.02 At Special Event

A service fee of \$25 will be charged for all dishonored checks (A.R.S. 44-6852). When the days of the fair/festival are not consecutive, a separate license for each uninterrupted period is needed.

SECTION 1 Application type:

Wine Fair Wine Festival Craft Distillery Fair Craft Distillery Festival

1. Applicant's Name: Sam Pillsbury, Daytime Phone #: [REDACTED]

2. Business name: Pillsbury Wine Company, Liquor license #: 13023010
farm winery or craft distillery

Email: [REDACTED]

3. Mailing address: [REDACTED] Phoenix AZ 85028
street address city state zip code

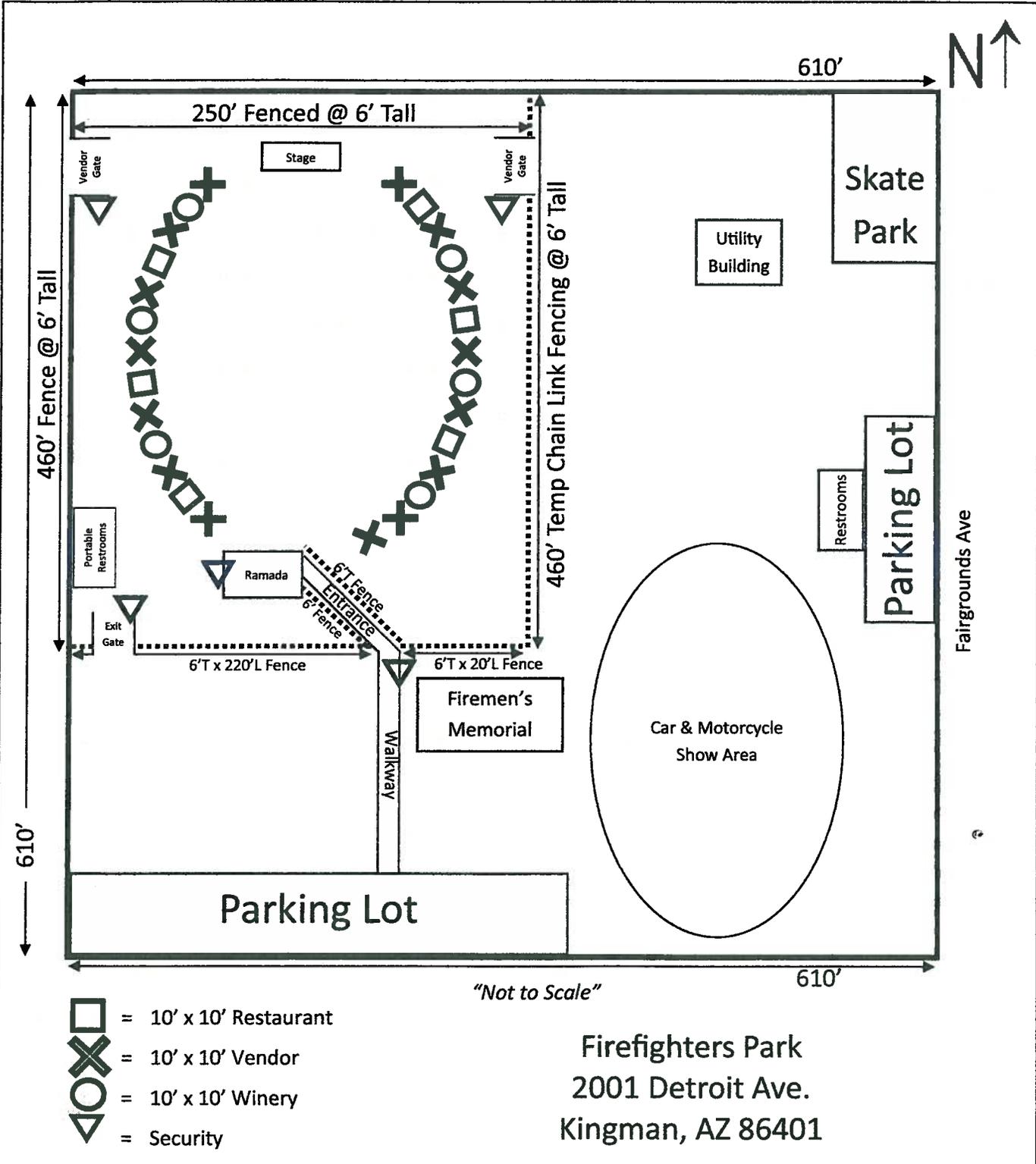
4. Location of fair/festival: Firefighter's Park, 2001 Detroit Ave., Kingman, Mohave, 86401
street address city county zip code

SECTION 2 Fees, Date & Hours: \$15 per day
Winery festival days permitted: 50 licenses per winery per calendar year for a total of 150 days per winery per calendar year.
Craft Distillery festival days permitted: 25 licenses per craft distillery per calendar year for a total of 75 days per craft distillery per calendar year.

	DATE	DAY OF WEEK	START TIME AM/PM	END TIME AM/PM
1.	<u>May 14, 2016</u>	<u>Saturday</u>	<u>11:00 AM</u>	<u>6:00 PM</u>
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____

Please attach an additional sheet if necessary

Section 5 Licensed premises diagram. The licensed premises for your fair/festival is the area you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license identified in Section 1, line #2 of this application. Use this page to draw a diagram of your special event licensed premise. Please include dimensions of the premises, serving areas, fencing, barricades, or other control measures and security positions.



SECTION 6 This section to be completed only by the applicant named in section #1

I, SAMUEL WALLACE PILLSBURY declare that I am the APPLICANT filing this application as listed in Section 8. I have read the application and the contents and all statements are true, correct and Complete.

X [Signature] Owner 4.7.16 [Redacted]
(Signature) Title/Position Date Phone #

The foregoing instrument was acknowledge before me this 7th April 2016
Day Month Year

State Arizona County of Moricopa

My Commission Expires on: 12/22/2018
Date

[Signature]
Signature of Notary Public
PHILLIP WRIGHT
NOTARY PUBLIC - ARIZONA
Moricopa County
My Commission Expires
December 22, 2018

The local governing body (city, town or municipality where the fair/festival will take place) may require additional applications to be completed and submitted. Please check with local government as to how far in advance they require these applications to be submitted. Additional licensing fees may also be required before approval may be granted.

SECTION 7 Local Governing Body Approval Section

I, _____ recommend APPROVAL DISAPPROVAL
(Government Official) (Title)

on behalf of _____
(City, Town, County) Signature Date Phone #

FOR DEPARTMENT OF LIQUOR USE ONLY

APPROVAL DISAPPROVAL BY: _____ DATE: _____

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

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF MAY BE AWARDED AGAINST THE STATE. THE COURT MAY AWARD REASONABLE ATTORNEY FEES, DAMAGES AND ALL FEES ASSOCIATED WITH THE LICENSE APPLICATION TO A PARTY THAT PREVAILS IN AN ACTION AGAINST THE STATE FOR A VIOLATION OF THIS SECTION.

E. A STATE EMPLOYEE MAY NOT INTENTIONALLY OR KNOWINGLY VIOLATE THIS SECTION. A VIOLATION OF THIS SECTION IS CAUSE FOR DISCIPLINARY ACTION OR DISMISSAL PURSUANT TO THE AGENCY'S ADOPTED PERSONNEL POLICY.

F. THIS SECTION DOES NOT ABROGATE THE IMMUNITY PROVIDED BY SECTION 12-820.01 OR 12-820.02.



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council

FROM: City Clerk's Office

MEETING DATE: May 3, 2016

AGENDA SUBJECT: Application for temporary liquor license extension of premises/patio permit

SUMMARY:

Applicant Stacy Lynn Thomson of House of Hops has submitted an application for a temporary extension of premises/patio permit for May 5, 2016 through May 31, 2016 at 312 E. Beale Street in Kingman, Arizona. This item was tabled at the April 19, 2016, Regular meeting.

FISCAL IMPACT:

None.

STAFF RECOMMENDATION:

Staff recommends approval.

ATTACHMENTS:

Description

First page of the liquor license application

Amended Extension of Premises Application

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/25/2016 - 7:04 PM
City Attorney	Cooper, Carl	Approved	4/26/2016 - 10:02 AM
City Manager	Dougherty, John	Approved	4/25/2016 - 8:10 PM



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

DLLC USE ONLY

CSR:	
Log #:	

APPLICATION FOR EXTENSION OF PREMISES/PATIO PERMIT
 OBTAIN APPROVAL FROM LOCAL GOVERNING BOARD BEFORE SUBMITTING TO THE DEPARTMENT OF LIQUOR
 Notice: Allow 30-45 days to process permanent change of premise

Permanent change of area of service. A non-refundable \$50. Fee will apply. Specific purpose for change:

Temporary change (No Fee) for date(s) of: 5/1/16 through 5/31/16 list specific purpose for change:
 out door seating area until new building is built.

1. Licensee's Name: Thomson Stacy Lynn License #: 07084000
Last First Middle

2. Mailing address: [Redacted] Kingman AZ 86401
Street City State Zip Code

3. Business Name: House of Hops

4. Business Address: 312 E. Beale Street Kingman AZ 86401
Street City State Zip Code

5. Email Address: [Redacted]

6. Business Phone Number: 928-753-2337 Contact Phone Number: [Redacted]

7. Is extension of premises/patio complete?
 N/A Yes No If no, what is your estimated completion date? ___/___/___

8. Do you understand Arizona Liquor Laws and Regulations?
 Yes No

9. Does this extension bring your premises within 300 feet of a church or school?
 Yes No

10. Have you received approved Liquor Law Training?
 Yes No

11. What security precautions will be taken to prevent liquor violations in the extended area? A perimeter fence

12. **IMPORTANT:** Attach the revised floor plan, clearly depicting your licensed premise along with the new extended area outlined in black marker or ink, if the extended area is not outlined and marked "extension" we cannot accept the application.



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

DLLC USE ONLY

CSR:
Log #:

APPLICATION FOR EXTENSION OF PREMISES/PATIO PERMIT
 OBTAIN APPROVAL FROM LOCAL GOVERNING BOARD BEFORE SUBMITTING TO THE DEPARTMENT OF LIQUOR
 Notice: Allow 30-45 days to process permanent change of premise

Permanent change of area of service. A non-refundable \$50. Fee will apply. Specific purpose for change:

Temporary change (No Fee) for date(s) of: 5/5/16 through 5/31/16 list specific purpose for change:
 out door seating area until new building is built.

1. Licensee's Name: Thomson Stacy Lynn License #: 07084000
Last First Middle

2. Mailing address: [REDACTED] Kingman AZ 86401
Street City State Zip Code

3. Business Name: House of Hops

4. Business Address: 312 E. Beale Street Kingman AZ 86401
Street City State Zip Code

5. Email Address: [REDACTED]

6. Business Phone Number: 928-753-2337 Contact Phone Number: [REDACTED]

7. Is extension of premises/patio complete?
 N/A Yes No If no, what is your estimated completion date? ___/___/___

8. Do you understand Arizona Liquor Laws and Regulations?
 Yes No

9. Does this extension bring your premises within 300 feet of a church or school?
 Yes No

10. Have you received approved Liquor Law Training?
 Yes No

11. What security precautions will be taken to prevent liquor violations in the extended area? A perimeter fence

12. **IMPORTANT:** Attach the revised floor plan, clearly depicting your licensed premise along with the new extended area outlined in black marker or ink, if the extended area is not outlined and marked "extension" we cannot accept the application.

Barrier Exemption: an exception to the requirement of barriers surrounding a patio/outdoor serving area may be requested. Barrier exemptions are granted based on public safety, pedestrian traffic, and other factors unique to a licensed premise. List specific reasons for exemption:

Approval Disapproval by DLLC: _____ Date: ____/____/____

Notary

I, (Print Full Name) Stacy Lynn Thomson, hereby declare that I am a **CONTROLLING PERSON/ AGENT** filing this notification. I have read this document and the contents and all statements are true, correct and complete.

X (Signature) Stacy Thomson
Controlling Person / Agent

State of Arizona County of Mohave
the foregoing instrument was acknowledged before me this

28th of March 2016
Day Month Year

My commission expires on: 5.19.16



LUPE WILLIAMS
Notary Public, State of Arizona
Mohave County
My Commission Expires
May 19, 2016

[Signature]
Signature of NOTARY PUBLIC

GOVERNING BOARD

After completion, and **BEFORE submitting to the Department of Liquor**, please take this application to your local Board of Supervisors, City Council or Designate for their recommendation. This recommendation is not binding on the Department of Liquor.

This change in premises is recommended by the local Board of Supervisors, City Council or Designate:

Authorized Signature

Title

Agency

Date

DLLC USE ONLY

Investigation Recommendation: Approval Disapproval by: _____ Date: ____/____/____

Director Signature required for Disapprovals: _____ Date: ____/____/____

Scope of Temporary Extension:

I am requesting a temporary outdoor seating area on my level lot next to the House of Hops. The property is owned by Terry and Stacy Thomson who also own the House of Hops. The property parcels are combined. The extension will allow the House of Hops to operate an outdoor seating area until our new expansion for our building is done. At which time a request for new licensing will be requested.

The property will be fenced around using a visible barrier to show the perimeter. Proper signage will be placed on the premises so patrons know where they are able to consume alcohol.

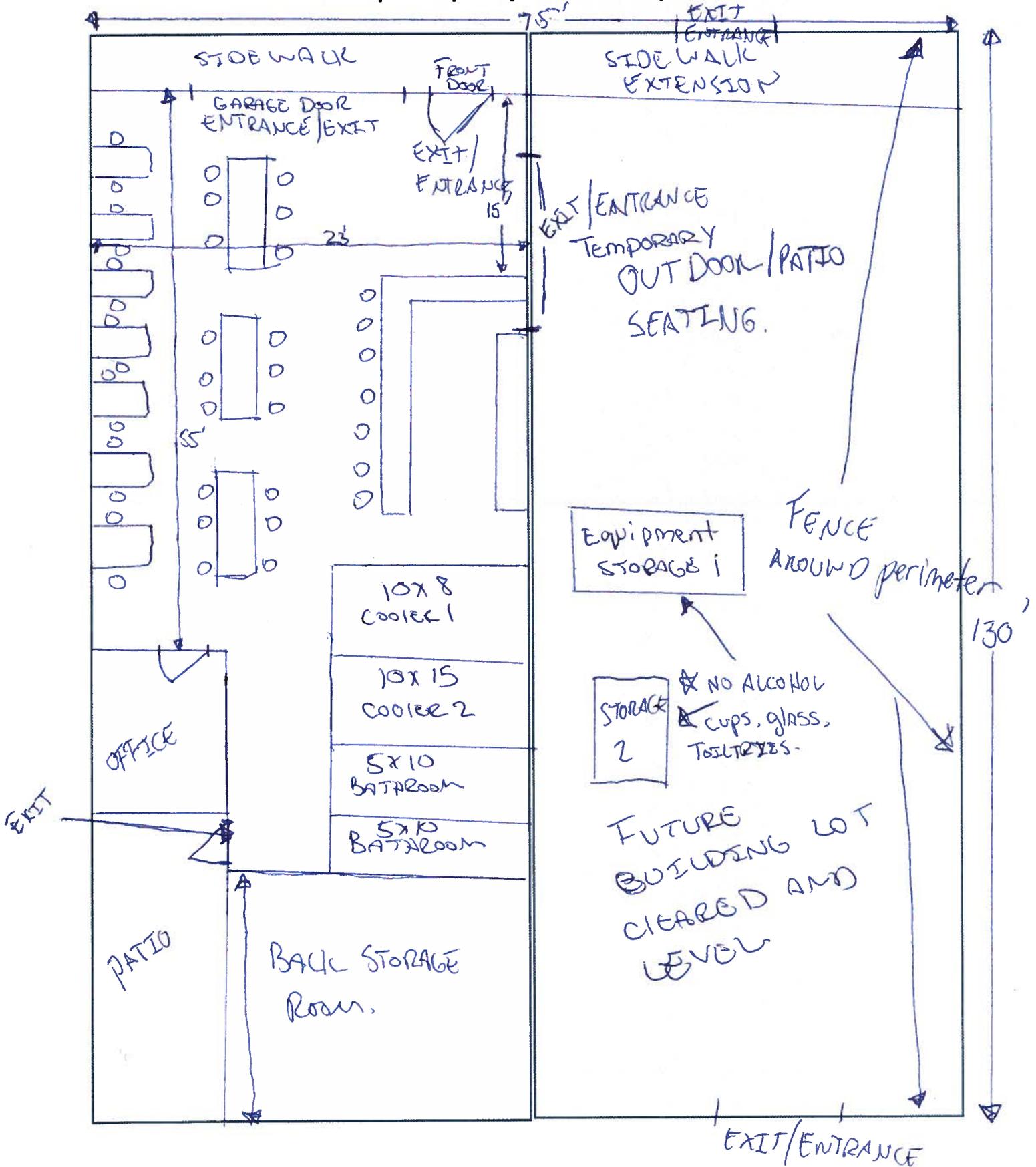
Thank you for your time,

Sincerely

A handwritten signature in blue ink that reads "Stacy Thomson". The signature is written in a cursive style with a large, looping initial "S".

Stacy Thomson, Owner House of Hops.

House of Hops Temporary Extension of premises.





**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council

FROM: City Clerk's Office

MEETING DATE: May 3, 2016

AGENDA SUBJECT: Application for temporary liquor license extension of premises/patio permit

SUMMARY:

Applicant Stacy Lynn Thomson of House of Hops has submitted an application for a temporary extension of premises/patio permit for July 2, 2016 through July 3, 2016 at 312 E. Beale Street in Kingman, Arizona. This item was tabled from the April 19, 2016, Regular Meeting.

FISCAL IMPACT:

None.

STAFF RECOMMENDATION:

Staff recommends approval.

ATTACHMENTS:

Description

First page of the liquor license application

Complete Extension of Premise Application

I Survived the 70's Reunion Approved Special Event Permit

REVIEWERS:

Department	Reviewer	Action	Date
City Manager	Dougherty, John	Approved	4/22/2016 - 11:09 AM
City Attorney	Cooper, Carl	Approved	4/22/2016 - 4:17 PM
City Manager	Dougherty, John	Approved	4/22/2016 - 11:10 AM



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

DLLC USE ONLY

CSR:
Log #:

APPLICATION FOR EXTENSION OF PREMISES/PATIO PERMIT
 OBTAIN APPROVAL FROM LOCAL GOVERNING BOARD BEFORE SUBMITTING TO THE DEPARTMENT OF LIQUOR
 Notice: Allow 30-45 days to process permanent change of premise

Permanent change of area of service. A non-refundable \$50. Fee will apply. Specific purpose for change:

Temporary change (No Fee) for date(s) of: 7/2/16 through 7/3/16 list specific purpose for change:
 Class reunion of 1975 is closing down the street in front of the House of Hops from 3rd to 5th street

1. Licensee's Name: Thomson Stacy Lynn License #: 07084000
Last First Middle

2. Mailing address: [Redacted] Kingman AZ 86401
Street City State Zip Code

3. Business Name: House of Hops

4. Business Address: 312 E. Beale Street Kingman AZ 86401
Street City State Zip Code

5. Email Address: [Redacted]

6. Business Phone Number: 928-753-2337 Contact Phone Number: [Redacted]

7. Is extension of premises/patio complete?
 N/A Yes No If no, what is your estimated completion date? 7/1/16

8. Do you understand Arizona Liquor Laws and Regulations?
 Yes No

9. Does this extension bring your premises within 300 feet of a church or school?
 Yes No

10. Have you received approved Liquor Law Training?
 Yes No

11. What security precautions will be taken to prevent liquor violations in the extended area? A perimeter fence

12. **IMPORTANT:** Attach the revised floor plan, clearly depicting your licensed premise along with the new extended area outlined in black marker or ink, if the extended area is not outlined and marked "extension" we cannot accept the application.



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

DLLC USE ONLY

CSR: _____

Log #: _____

APPLICATION FOR EXTENSION OF PREMISES/PATIO PERMIT
 OBTAIN APPROVAL FROM LOCAL GOVERNING BOARD BEFORE SUBMITTING TO THE DEPARTMENT OF LIQUOR
 Notice: Allow 30-45 days to process permanent change of premise

Permanent change of area of service. A non-refundable \$50. Fee will apply. Specific purpose for change:

Temporary change (No Fee) for date(s) of: 7/2/16 through 7/3/16 list specific purpose for change:
 Class reunion of 1975 is closing down the street in front of the House of Hops from 3rd to 5th street

1. Licensee's Name: Thomson Stacy Lynn License #: 07084000
Last First Middle

2. Mailing address: _____ Kingman AZ 86401
Street City State Zip Code

3. Business Name: House of Hops

4. Business Address: 312 E. Beale Street Kingman AZ 86401
Street City State Zip Code

5. Email Address: _____

6. Business Phone Number: 928-753-2337 Contact Phone Number: _____

7. Is extension of premises/patio complete?
 N/A Yes No If no, what is your estimated completion date? 7/1/16

8. Do you understand Arizona Liquor Laws and Regulations?
 Yes No

9. Does this extension bring your premises within 300 feet of a church or school?
 Yes No

10. Have you received approved Liquor Law Training?
 Yes No

11. What security precautions will be taken to prevent liquor violations in the extended area? A perimeter fence

12. **IMPORTANT:** Attach the revised floor plan, clearly depicting your licensed premise along with the new extended area outlined in black marker or ink, if the extended area is not outlined and marked "extension" we cannot accept the application.

COPY

Barrier Exemption: an exception to the requirement of barriers surrounding a patio/outdoor serving area may be requested. Barrier exemptions are granted based on public safety, pedestrian traffic, and other factors unique to a licensed premise. List specific reasons for exemption:

Approval Disapproval by **DLLC:** _____ Date: ____/____/____

Notary

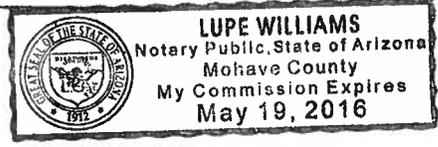
I, (Print Full Name) Stacy Lynn Thomson, hereby declare that I am a **CONTROLLING PERSON/ AGENT** filing this notification. I have read this document and the contents and all statements are true, correct and complete.

X (Signature) Stacy Thomson
Controlling Person / Agent

State of Arizona County of Mohave
the foregoing instrument was acknowledged before me this

20th of March 2016
Day Month Year

My commission expires on: 5.19.16



Lupe Williams
Signature of NOTARY PUBLIC

GOVERNING BOARD

After completion, and **BEFORE submitting to the Department of Liquor**, please take this application to your local Board of Supervisors, City Council or Designate for their recommendation. This recommendation is not binding on the Department of Liquor.

This change in premises is recommended by the local Board of Supervisors, City Council or Designate:

Authorized Signature Title Agency Date

DLLC USE ONLY

Investigation Recommendation: Approval Disapproval by: _____ Date: ____/____/____

Director Signature required for Disapprovals: _____ Date: ____/____/____

Scope of Temporary Extension:

I am requesting a temporary outdoor area for a reunion of the class of 1975. They already have a special event permit to shut down Beale Street from 3rd to 5th. The extension will allow the House of Hops to operate an outdoor seating area for the event on July 2, 2016.

The extension will be fenced around using a visible barrier to show the perimeter. Proper signage will be placed on the premises so patrons know where they are able to consume alcohol.

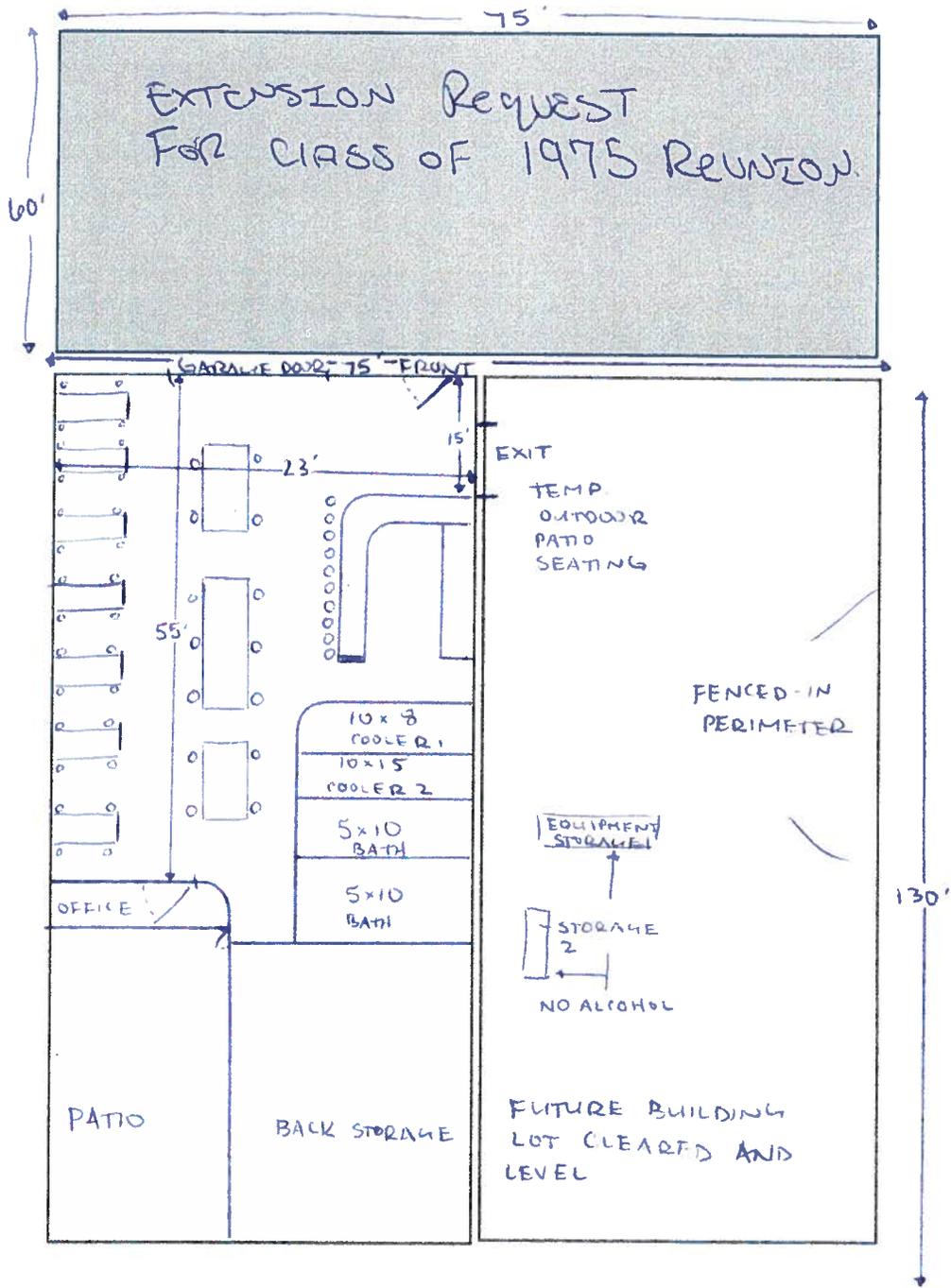
Thank you for your time,

Sincerely

A handwritten signature in blue ink that reads "Stacy Thomson". The signature is written in a cursive style with a large initial "S".

Stacy Thomson, Owner House of Hops.

House of Hops Temporary Extension of premises.





CITY OF KINGMAN

City Clerk: Phone (928) 753-8113 Fax: (928) 753-6867
Office Location: 310 North 4th Street, Kingman AZ 86401
Web: <http://www.cityofkingman.gov>

SPECIAL EVENT PERMIT

EVENT DATES:

PERMIT NUMBER: SEP15-0060

Start Date: July 02, 2016
Start Time: 1730

EVENT LOCATION:
BEALE ST BETWEEN 3RD AND 5TH ST

End Date: July 02, 2016
End Time: 2330

EVENT DESCRIPTION:
I SURVIVED THE 70'S REUNION, PART II

APPLICANT:
CURTIS CUTSHAW
3125 N MILES DRIVE
KINGMAN AZ 86401

ISSUED DATE: 02/18/2016
EXPIRE DATE: 07/02/2016

* Application must be attached to permit.



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council
FROM: City Clerk
MEETING DATE: May 3, 2016
AGENDA SUBJECT: Application for temporary liquor license extension of premises/patio permit

SUMMARY:

Applicant Stacy L Thomson of House of Hops has submitted a temporary Application for Extension of Premises/Patio Permit at 312 E. Beale Street in Kingman. **Staff recommends approval.**

FISCAL IMPACT:

None

STAFF RECOMMENDATION:

Staff recommends approval.

ATTACHMENTS:

Description

Application for Temporary Liquor License Extension of Premises

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/27/2016 - 11:46 AM
City Attorney	Cooper, Carl	Approved	4/27/2016 - 11:49 AM
City Manager	Dougherty, John	Approved	4/27/2016 - 12:02 PM



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

DLLC USE ONLY

CSR:
Log #:

APPLICATION FOR EXTENSION OF PREMISES/PATIO PERMIT
OBTAIN APPROVAL FROM LOCAL GOVERNING BOARD BEFORE SUBMITTING TO THE DEPARTMENT OF LIQUOR
****Notice: Allow 30-45 days to process permanent change of premise****

Permanent change of area of service. **A non-refundable \$50. Fee will apply.** Specific purpose for change:

Temporary change (**No Fee**) for date(s) of: 6/1/16 through 7/1/16 list specific purpose for change:
Temporary outdoor seating area until new building is built

Licensee's Name: Thomson Stacy Lynn License #: 07084000
Last First Middle
 Mailing address: 1701 Quail Ridge Cir Kingman AZ 86401
Street City State Zip Code
 Business Name: House of Hops
 Business Address: 312 E. Beale Street Kingman AZ 86401
Street City State Zip Code
 Email Address: [REDACTED]
 Business Phone Number: 928-753-2337 Contact Phone Number: [REDACTED]

Is extension of premises/patio complete?
 N/A Yes No If no, what is your estimated completion date? ___/___/___

Do you understand Arizona Liquor Laws and Regulations?
 Yes No

Does this extension bring your premises within 300 feet of a church or school?
 Yes No

Have you received approved Liquor Law Training?
 Yes No

What security precautions will be taken to prevent liquor violations in the extended area? A perimeter fence
has been put up.

IMPORTANT: Attach the revised floor plan, clearly depicting your licensed premise along with the new extended area outlined in black marker or ink, **if the extended area is not outlined and marked "extension" we cannot accept the application.**

Barrier Exemption: an exception to the requirement of barriers surrounding a patio/outdoor serving area may be requested. Barrier exemptions are granted based on public safety, pedestrian traffic, and other factors unique to a licensed premise. List specific reasons for exemption:

Approval Disapproval by DLLC: _____ Date: ____/____/____

Notary

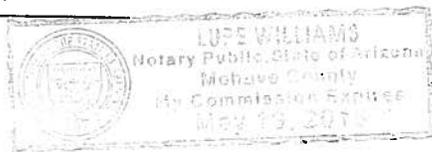
I, (Print Full Name) Stacy L. Thomson hereby declare that I am a **CONTROLLING PERSON/ AGENT** filing this notification. I have read this document and the contents and all statements are true, correct and complete.

X (Signature) Stacy Thomson
Controlling Person / Agent

State of Arizona County of Yuma
the foregoing instrument was acknowledged before me this

22ND of April 2016
Day Month Year

My commission expires on: 5.19.16



Lupe Williams
Signature of NOTARY PUBLIC

GOVERNING BOARD

After completion, and **BEFORE submitting to the Department of Liquor**, please take this application to your local Board of Supervisors, City Council or Designate for their recommendation. This recommendation is not binding on the Department of Liquor.

This change in premises is recommended by the local Board of Supervisors, City Council or Designate:

Authorized Signature _____ Title _____ Agency _____ Date _____

LC USE ONLY

Investigation Recommendation: Approval Disapproval by: _____ Date: ____/____/____

Director Signature required for Disapprovals: _____ Date: ____/____/____

Scope of Temporary Extension:

I am requesting a temporary outdoor seating area on my level lot next to the House of Hops. The property is owned by Terry and Stacy Thomson who also own the House of Hops. The property parcels are combined. The extension will allow the House of Hops to operate an outdoor seating area until our new expansion for our building is done. At which time a request for new licensing will be requested.

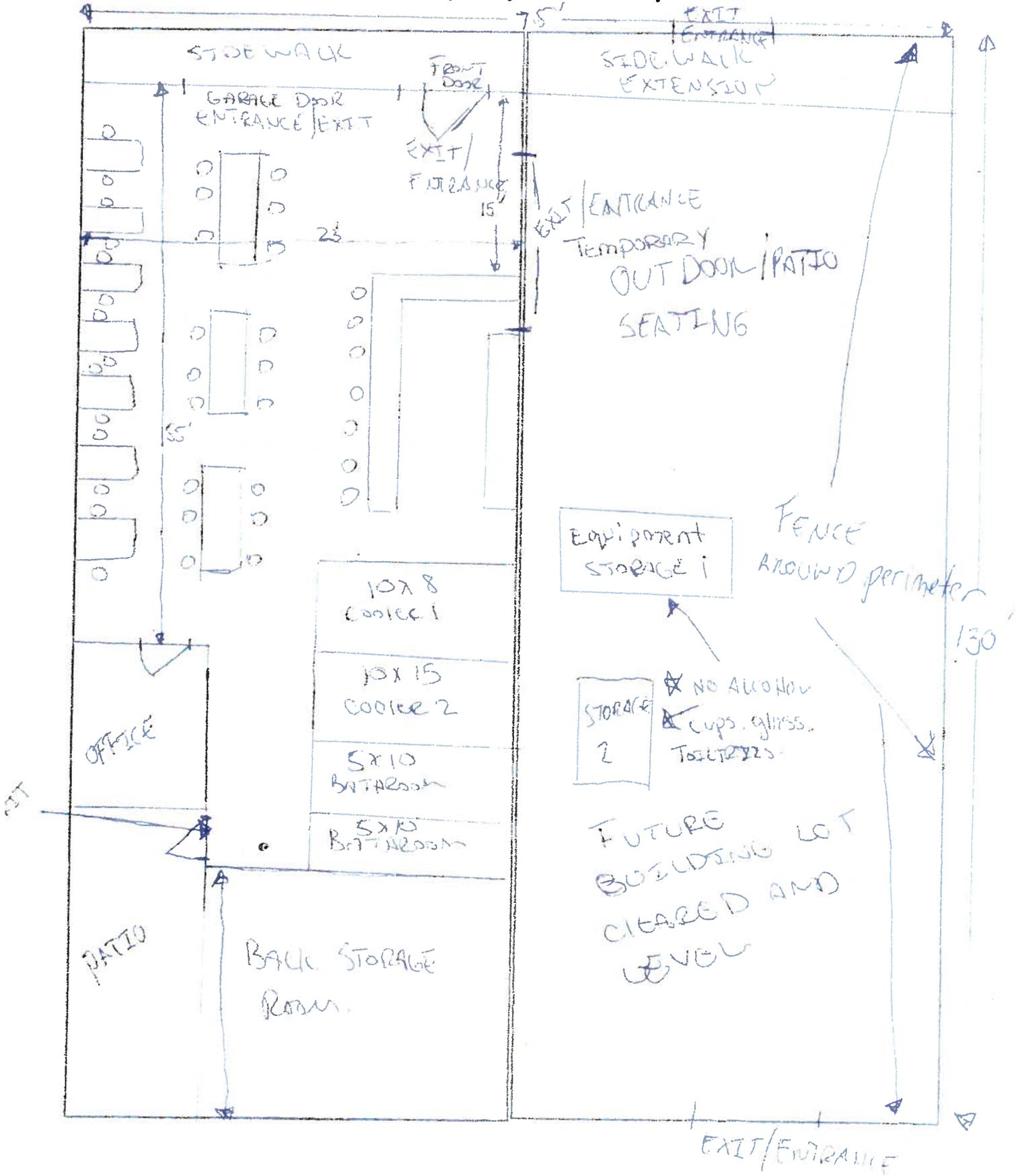
The property will be fenced around using a visible barrier to show the perimeter. Proper signage will be placed on the premises so patrons know where they are able to consume alcohol.

Thank you for your time,

Sincerely


Stacy Thomson, Owner House of Hops.

House of Hops Temporary Extension of premises.





**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council

FROM: City Clerk

MEETING DATE: May 3, 2016

AGENDA SUBJECT: Application for temporary liquor license extension of premises/patio permit

SUMMARY:

Applicant Stacy Thomson of House of Hops has submitted a temporary Application for Extension of Premises/Patio Permit at 312 E. Beale Street, in Kingman. **Staff recommends approval.**

FISCAL IMPACT:

None

STAFF RECOMMENDATION:

Staff recommends approval.

ATTACHMENTS:

Description

Application for Temporary Liquor License Extension of Premises

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/27/2016 - 11:46 AM
City Attorney	Cooper, Carl	Approved	4/27/2016 - 11:50 AM
City Manager	Dougherty, John	Approved	4/27/2016 - 12:04 PM



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

DLLC USE ONLY

CSR:
Log #:

APPLICATION FOR EXTENSION OF PREMISES/PATIO PERMIT
OBTAIN APPROVAL FROM LOCAL GOVERNING BOARD BEFORE SUBMITTING TO THE DEPARTMENT OF LIQUOR
****Notice: Allow 30-45 days to process permanent change of premise****

Permanent change of area of service. **A non-refundable \$50. Fee will apply.** Specific purpose for change:

Temporary change (**No Fee**) for date(s) of: 7/1/16 through 7/31/16 list specific purpose for change:

Temporary outdoor seating area until new building is built

Licensee's Name: Thomson Stacy Lynn License#: 07084000
Last First Middle

Mailing address: 1701 Quail Ridge Cir Kingman AZ 86401
Street City State Zip Code

Business Name: House of Hops

Business Address: 312 E. Beale Street Kingman AZ 86401
Street City State Zip Code

Email Address: [REDACTED]

Business Phone Number: 928-753-2337 Contact Phone Number: [REDACTED]

Is extension of premises/patio complete?

N/A Yes No If no, what is your estimated completion date? ___/___/___

Do you understand Arizona Liquor Laws and Regulations?

Yes No

Does this extension bring your premises within 300 feet of a church or school?

Yes No

1. Have you received approved Liquor Law Training?

Yes No

2. What security precautions will be taken to prevent liquor violations in the extended area? A perimeter fence has been put up.

3. **IMPORTANT:** Attach the revised floor plan, clearly depicting your licensed premise along with the new extended area outlined in black marker or ink, **if the extended area is not outlined and marked "extension" we cannot accept the application.**

Barrier Exemption: an exception to the requirement of barriers surrounding a patio/outdoor serving area may be requested. Barrier exemptions are granted based on public safety, pedestrian traffic, and other factors unique to a licensed premise. List specific reasons for exemption:

Approval Disapproval by **DLLC**: _____ Date: ___/___/___

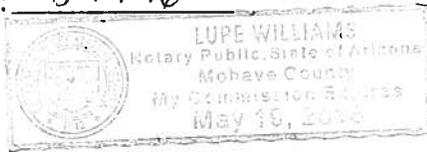
Notary

I, (Print Full Name) Stacy L. Thomson hereby declare that I am a **CONTROLLING PERSON/ AGENT** filing this notification. I have read this document and the contents and all statements are true, correct and complete.

X (Signature) Stacy Thomson
Controlling Person / Agent

State of Arizona County of Yuma
the foregoing instrument was acknowledged before me this
22nd of April 2016
Day Month Year

My commission expires on: 5-19-16



Lupe Williams
Signature of NOTARY PUBLIC

GOVERNING BOARD

After completion, and **BEFORE submitting to the Department of Liquor**, please take this application to your local Board of Supervisors, City Council or Designate for their recommendation. This recommendation is not binding on the Department of Liquor.

This change in premises is recommended by the local Board of Supervisors, City Council or Designate:

Authorized Signature

Title

Agency

Date

LLC USE ONLY

Investigation Recommendation: Approval Disapproval by: _____ Date: ___/___/___

Director Signature required for Disapprovals: _____ Date: ___/___/___

Scope of Temporary Extension:

I am requesting a temporary outdoor seating area on my level lot next to the House of Hops. The property is owned by Terry and Stacy Thomson who also own the House of Hops. The property parcels are combined. The extension will allow the House of Hops to operate an outdoor seating area until our new expansion for our building is done. At which time a request for new licensing will be requested.

The property will be fenced around using a visible barrier to show the perimeter. Proper signage will be placed on the premises so patrons know where they are able to consume alcohol.

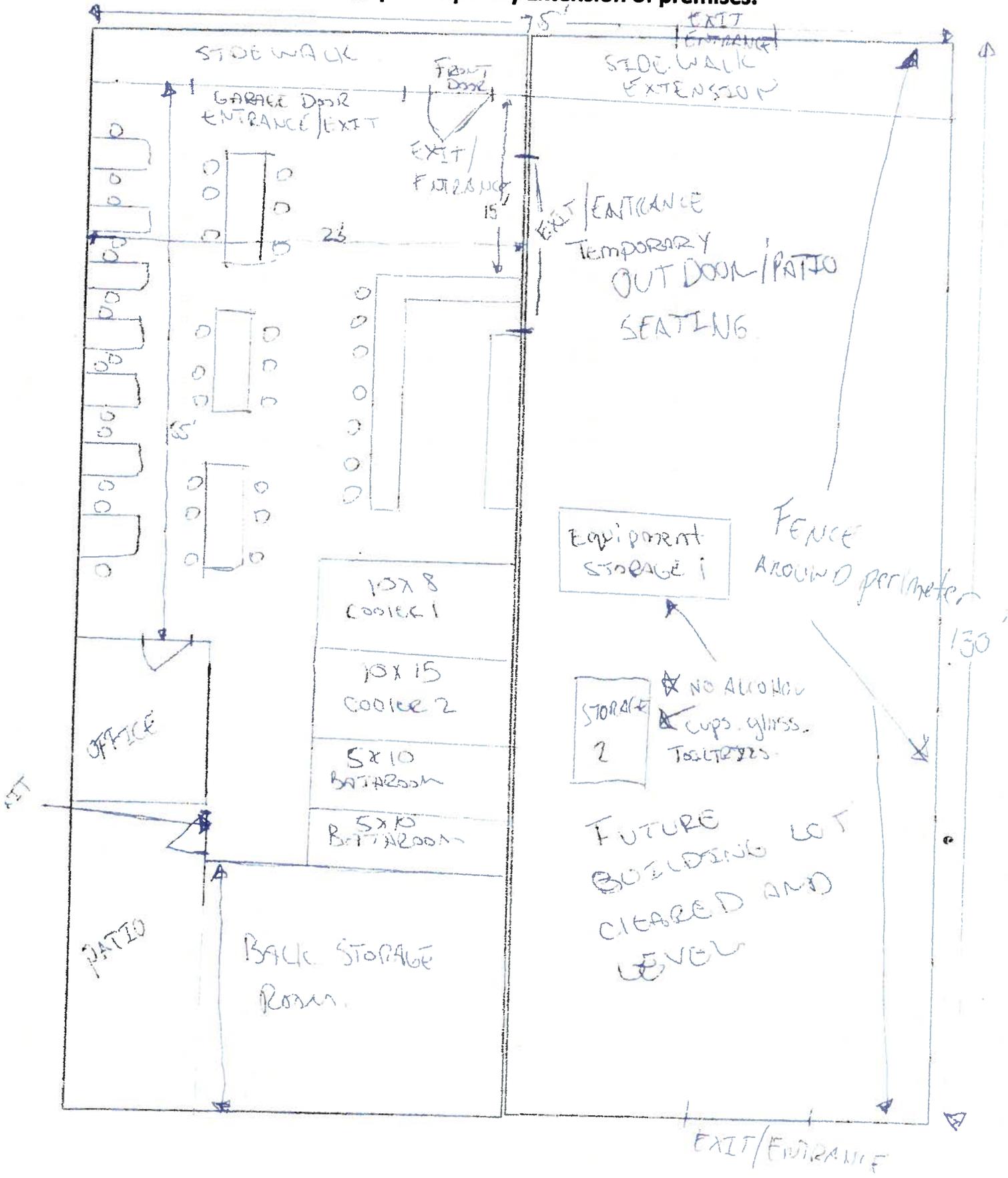
Thank you for your time,

Sincerely

A handwritten signature in blue ink that reads "Stacy Thomson". The signature is written in a cursive style with a large, looping initial "S".

Stacy Thomson, Owner House of Hops.

House of Hops Temporary Extension of premises.





**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council
FROM: City Clerk
MEETING DATE: May 3, 2016
AGENDA SUBJECT: Application for permanent liquor license extension of premises

SUMMARY:

Applicant Stacy Thomson of House of Hops has submitted a permanent Application for Extension of Premises/Patio Permit at 312 E. Beale Street in Kingman. **Staff recommends approval.**

FISCAL IMPACT:

None

STAFF RECOMMENDATION:

Staff recommends approval.

ATTACHMENTS:

Description

Application for Permanent Liquor License Extension of Premises

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/27/2016 - 11:45 AM
City Attorney	Cooper, Carl	Approved	4/27/2016 - 11:48 AM
City Manager	Dougherty, John	Approved	4/27/2016 - 12:01 PM



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 800 W Washington 5th Floor
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CSR:
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APPLICATION FOR EXTENSION OF PREMISES/PATIO PERMIT
OBTAIN APPROVAL FROM LOCAL GOVERNING BOARD BEFORE SUBMITTING TO THE DEPARTMENT OF LIQUOR
****Notice: Allow 30-45 days to process permanent change of premise****

Permanent change of area of service. **A non-refundable \$50. Fee will apply.** Specific purpose for change:
See attached drawing.

Temporary change (**No Fee**) for date(s) of: ___/___/___ through ___/___/___ list specific purpose for change:

Licensee's Name: Thomson Stacy Lynn License #: 07084000
Last First Middle

Mailing address: 1701 Quail Ridge Cir Kingman AZ 86401
Street City State Zip Code

Business Name: House of Hops
Street

Business Address: 312 E. Beale Street Kingman AZ 86401
Street City State Zip Code

Email Address: [REDACTED]

Business Phone Number: 928-753-2337 Contact Phone Number: [REDACTED]

Is extension of premises/patio complete?
 N/A Yes No If no, what is your estimated completion date? 12/31/16

Do you understand Arizona Liquor Laws and Regulations?
 Yes No

Does this extension bring your premises within 300 feet of a church or school?
 Yes No

Have you received approved Liquor Law Training?
 Yes No

What security precautions will be taken to prevent liquor violations in the extended area?
 consumed by a new building. The perimeter will be

IMPORTANT: Attach the revised floor plan, clearly depicting your licensed premise along with the new extended area outlined in black marker or ink, **if the extended area is not outlined and marked "extension" we cannot accept the application.**

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Approval Disapproval by DLLC: _____ Date: ___/___/___

Notary

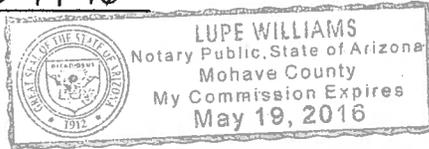
I, (Print Full Name) Stacy L. Thomson, hereby declare that I am a **CONTROLLING PERSON/ AGENT** filing this notification. I have read this document and the contents and all statements are true, correct and complete.

X (Signature) Stacy Thomson
Controlling Person / Agent

State of Arizona County of Mohave
the foregoing instrument was acknowledged before me this

22ND of April 2016
Day Month Year

My commission expires on: 5.19.16



Lupe Williams
Signature of NOTARY PUBLIC

GOVERNING BOARD

After completion, and **BEFORE submitting to the Department of Liquor**, please take this application to your local Board of Supervisors, City Council or Designate for their recommendation. This recommendation is not binding on the Department of Liquor.

This change in premises is recommended by the local Board of Supervisors, City Council or Designate:

Authorized Signature Title Agency Date

DLLC USE ONLY

Investigation Recommendation: Approval Disapproval by: _____ Date: ___/___/___

Director Signature required for Disapprovals: _____ Date: ___/___/___

Kingman Club, LLC Extension of Premise

DBA House of Hops, DBA Monkey Fist Brewing.

Scope of Extension:

Kingman Club, LLC (DBA House of Hops and DBA Monkey Fist Brewing) is requesting permanent extension of premise for new construction building (diagrams included). The new building is scheduled to start construction in late July and be completed by the end of the year.

The building will hold House of Hops and Monkey Fist Brewing. Both businesses are owned by Kingman Club, LLC. During the construction phase the site will be surrounded by chain link fencing with no patrons able to access the area. We are applying for a permanent extension to encompass the future building perimeter. A separate application for brewing (#3) will follow shortly after this extension has been applied for.

Kingman Club, LLC has already submitted TTB documentation for the site. We hope to secure the permanent premise so to stop applying for temporary seating area on the already owned premise.

The included documents are three pages of lay out:

Page one includes: The words indicating "Permanent Extension". This page is marked with egress for entrances and exits along with the new plans total perimeter in feet.

Page two includes: A key to square footage by color to include the second story mezzanine level. This page is also clearly indicating a "Permanent Extension" Again the listed perimeter footage is measured in feet.

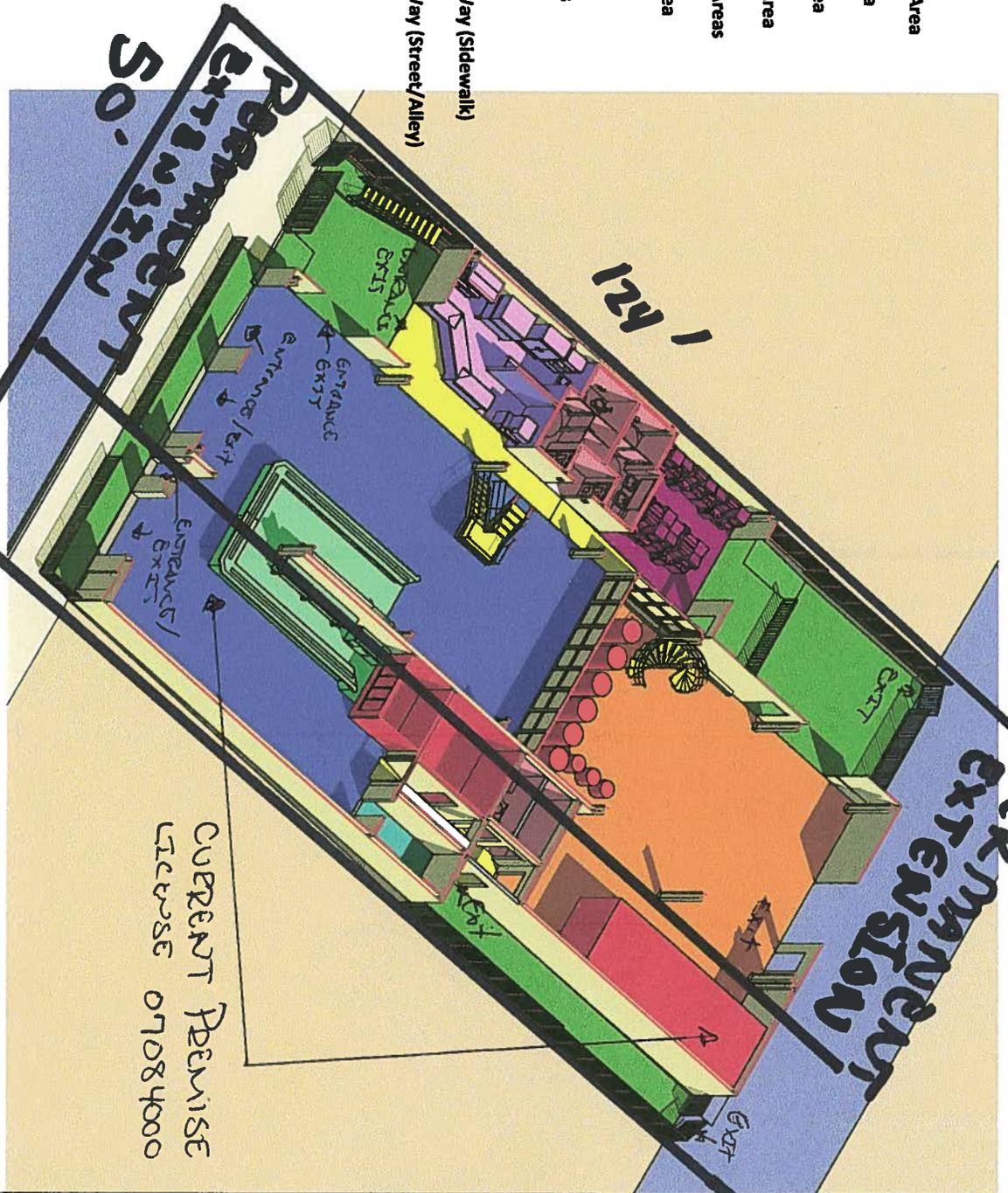
Page three indicates: The second story mezzanine level to include a color coded seating area. The sq/ft is reflected in this drawing on page 2 of 3. The diagram shows office space and exits for the mezzanine level.

Sincerely,

Stacy Lynn Thomson, Owner Kingman Club, LLC.

LEGEND

- Alcohol Storage
- Alcohol Serving Area
- Food Service Area
- Inside Dining Area
- Outside Dining Area
- Office/Support Areas
- Video Arcade Area
- Restrooms
- Circulation Areas
- Brewing Area
- Public Right-of-Way (Sidewalk)
- Public Right-of-Way (Street/Alley)



Ground Floor Plan Perspective

R O U T E
XXV

D E S I G N S
 J E R R Y D. W I L K E R S O N
 D S A
 (773) 774-7440
 jrw774@gmail.com

House of
 Hops

&
 Monkey Fist
 Brewing

Kingman
 Club

DEWSTINKS

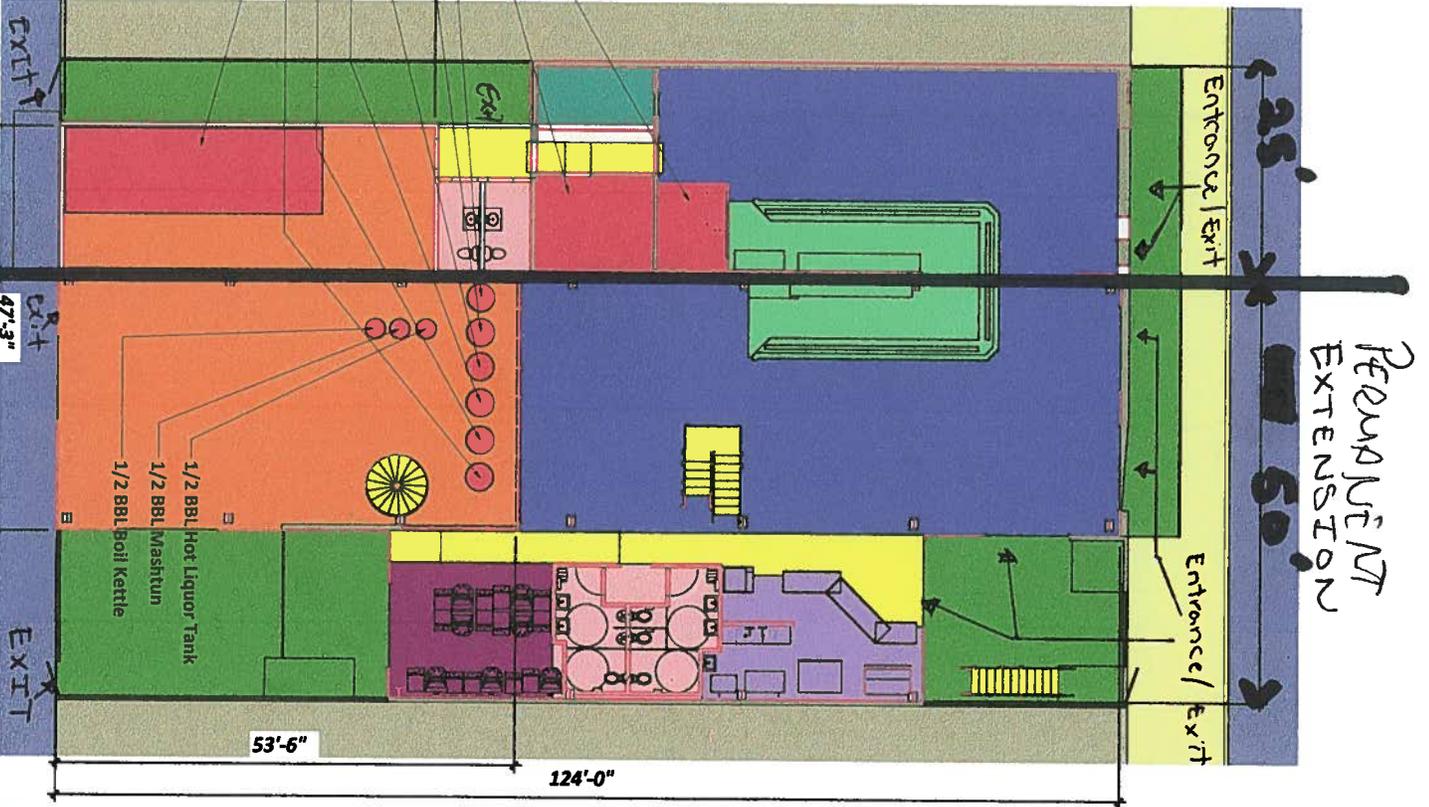


LEGEND

	Alcohol Storage	528 SF
	Alcohol Serving Area	232 SF
	Food Service Area	312 SF
	Inside Dining Area	2818 SF
	Outside Dining Area	1950 SF
	Office/Support Areas	94 SF
	Video Arcade Area	302 SF
	Restrooms	412 SF
	Circulation Areas	
	Monkey Fist Brewing Area	2533 SF
	Public Right-of-Way (Sidewalk)	
	Public Right-of-Way (Street/Alley)	

- 8x10' Walk-In Cooler
- 14x12' Walk-In Cooler
- 8 BBL MashTun
- 8 BBL Boil Kettle
- 8 BBL Fermenter/Finish Beer
- 10'x30' Walk-In Cooler

Ground Floor Plan



R O U T E
IXVI

D E S I G N S
J E R R Y D. W I L K E R S O N
861.477.7748
jerryw7748@gmail.com



House of Hops

&

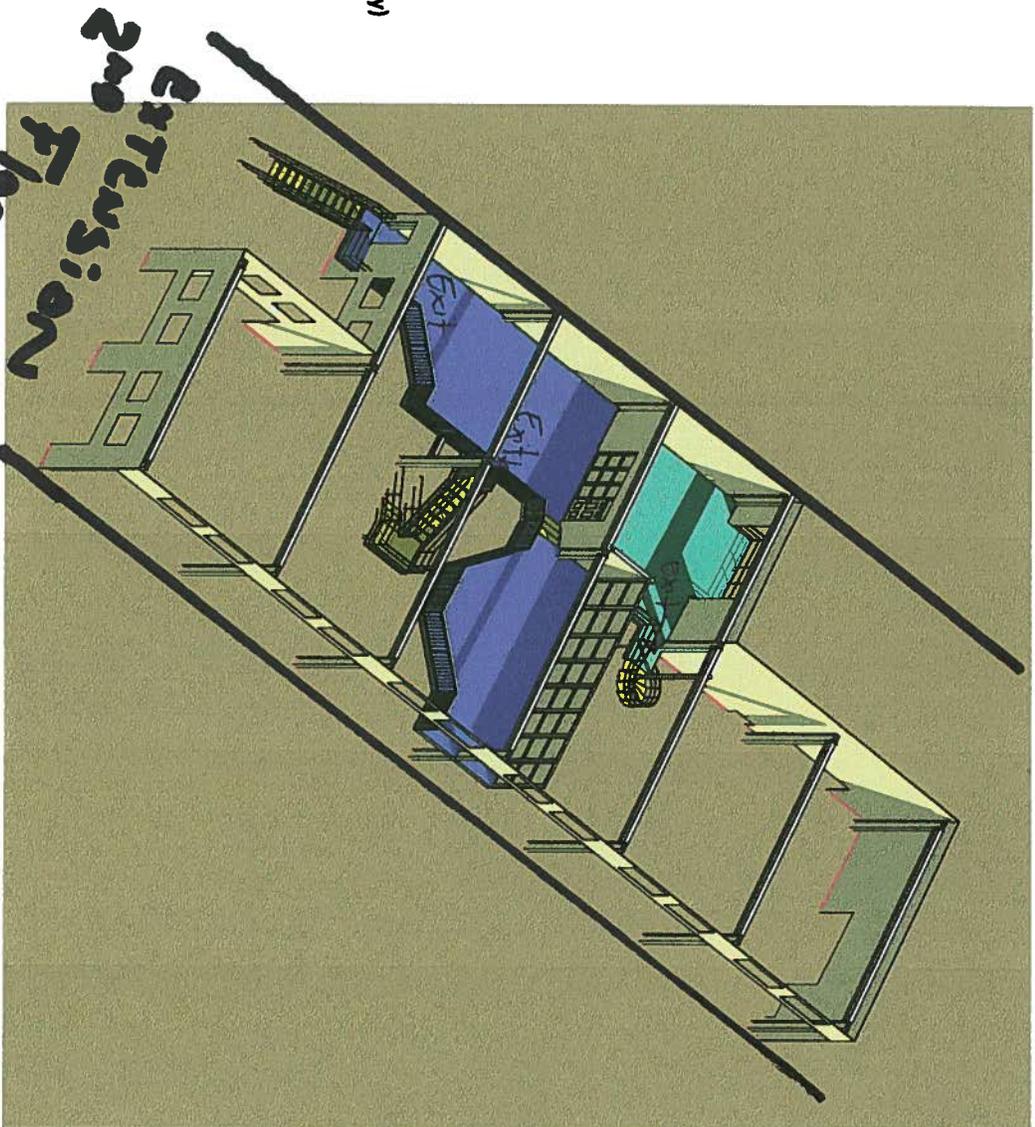
Monkey Fist Brewing

Kingmans Club Draughts

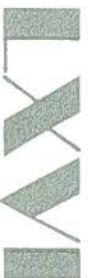


LEGEND

- Alcohol Storage
- Alcohol Serving Area
- Food Service Area
- Inside Dining Area
- Outside Dining Area
- Office/Support Areas
- Video Arcade Area
- Restrooms
- Circulation Areas
- Brewing Area
- Public Right-of-Way (Sidewalk)
- Public Right-of-Way (Street/Alley)



Mezzanine Plan Perspective

R O U T E


D E S I G N S
 D E R R Y D W I L K E R S O N
 P R A
 derryw74@gmail.com

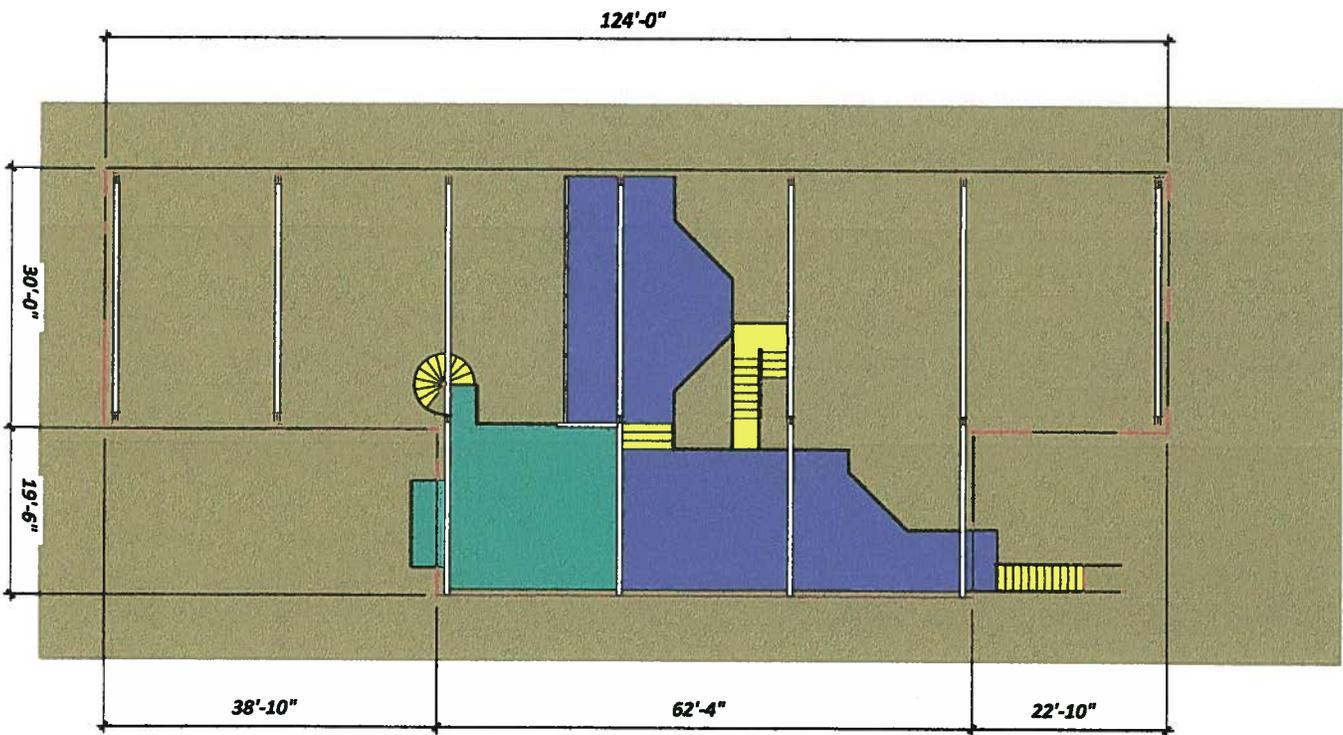
House of
 Hops
 &
 Monkey Fist
 Brewing
 Kingman
 Club
 Drawings.



3/3

LEGEND

- Alcohol Storage
- Alcohol Serving Area
- Food Service Area
- Inside Dining Area
- Outside Dining Area
- Office/Support Areas
- Video Arcade Area
- Restrooms
- Circulation Areas
- Brewing Area
- Public Right-of-Way (Sidewalk)
- Public Right-of-Way (Street/Alley)



Mezzanine Plan

R O U T E

D E S I G N S
JERRY D. WILKERSON
861.477.7748
jerryw774@gmail.com

**House of
Hops
&
Monkey Fist
Brewing**





CITY OF KINGMAN COMMUNICATION TO COUNCIL

TO: Honorable Mayor and Common Council

FROM: Jack Plaunty, Street Department

MEETING DATE: May 3, 2016

AGENDA SUBJECT: Proposed railroad lease agreement

SUMMARY:

Attached to this Communication to Council is a proposed lease with BNSF for property between the railroad and Andy Devine. This stretches from the right of way line east of the Powerhouse and Continues almost to 4th Street. It was requested that the concrete blocks closing the driveways on the south side of Andy Devine be removed. There are a couple options for this as the railroad wants to keep their right of way closed.

The first option is to remove the existing driveways and replace them with vertical curb.

The second option is to construct another means of keeping people off BNSF right of way such as a cable barrier and leave the driveways in place.

The third option was to utilize the area as parking for the Downtown area.

BNSF was approached with a proposal that the City would install safety improvement (fencing) to ensure pedestrians cross at the designated crossings. In return the City could utilize the property for parking in the Downtown area. The hope was that BNSF would allow the City to use the area for no cost. This however has been turned down. BNSF is willing to allow us to utilize the area but, it comes with an annual lease fee. The details of the lease fees are reflected in the fiscal impact. There are other items which need careful consideration.

One of these items are the potential environmental responsibility the City will assume with the lease. Another item to consider is the lack of a guarantee as to the lease duration. BNSF is required to provide some notice but, can terminate the lease at any time.

FISCAL IMPACT:

There are a number of initial costs that will be incurred to execute the lease and install the necessary improvements. These costs are estimates which have been provided for the required improvements. This does not account for ongoing maintenance costs. There may be some ancillary work to meet requirements such as handicapped parking spaces as well.

Environmental	\$7,000
Grading and surface	\$20,000 (Completed in house with the assumption

treatment.

millings can be obtained from ADOT)

Fencing options

Chain Link	\$15,000
Black Chain Link	\$49,500
Wrought Iron	\$66,000
Lease fee	\$1,800 plus 4 percent annually. (Approx. 30 yr cost of \$90,000)

Approximate total initial costs range approximately from \$44,000 to 95,000 dollars depending on the selected improvements. Additional costs may be incurred to meet the insurance requirements of the lease but, those costs were not available at the time of this communication.

STAFF RECOMMENDATION:

Staff has concerns in regards to the contract as listed above. Staff is seeking Council's direction as to proceed with the Lease or choose another alternative.

ATTACHMENTS:

Description

Lease Application Cover

BNSF Proposed Lease Agreement

REVIEWERS:

Department	Reviewer	Action	Date
Public Works	Owen, Rob	Approved	4/24/2016 - 3:42 PM
City Attorney	Cooper, Carl	Approved	4/25/2016 - 12:28 PM
City Manager	Dougherty, John	Approved	4/25/2016 - 12:25 PM



City of Kingman

310 NORTH FOURTH STREET • KINGMAN • ARIZONA • 86401 • (928)753-5561
www.cityofkingman.gov

November 16, 2015

Jones Lang LaSalle Brokerage, Inc.
4300 Amon Carter Blvd.
Suite 100
Ft. Worth, TX 76155

Dear Julie,

The City of Kingman is pleased to submit our fencing proposal for your review. Our proposal is to install a six foot chain-link fence between the City of Kingman right of way and BNSF tracks per the attached drawings. This fence will encroach onto BNSF right of way. We believe the installation of the fence would be beneficial for both BNSF and the residents and visitors of Kingman.

Currently there is no physical boundary to prevent pedestrians from traversing the railroad tracks outside of the designated crossings at 2nd St. and 4th St. With the installation of the fence pedestrians will be forced to cross within the designated areas. This will decrease the number of errant pedestrians crossing the railroad tracks and increase the safety of the area.

The City of Kingman will install and maintain a six foot chain-link fence, and required Certificate of Insurance, which will encroach onto BNSF right of way in return for the use of the areas for parking as depicted on the attached drawings. The total area encroached will be 34,936 square feet. Some minor grading will be needed to allow vehicle traffic between 2nd St. and 4th St. The existing drainage channel flow line grades between 2nd and 4th will be maintained as depicted in the typical grading detail. The fence will be located on the hinge point of the existing channel slope so drainage will not be impeded and maintenance can be achieved. A gravel base will be placed in the designated parking areas taking care not to impede or change the existing drainage in the areas. Access to the area between the fence and BNSF tracks will be available from the existing gates located at 2nd St. and 4th St.

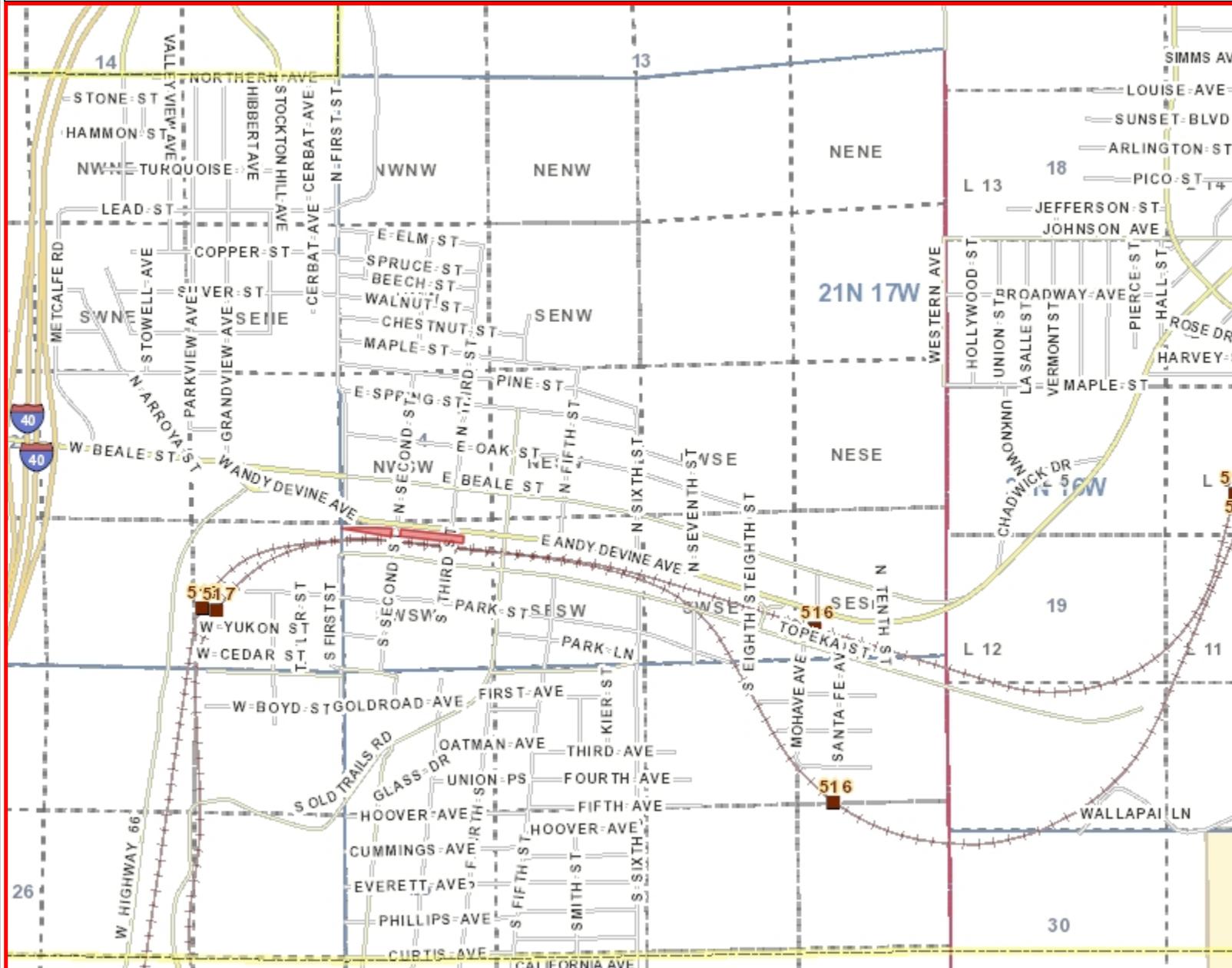
The Installation of the fencing will provide additional parking to Downtown Kingman visitors and increased track safety for BNSF.

Sincerely,

Jack Plaunty
City of Kingman
Street Department Superintendent
(928)692-3135
jplaunty@cityofkingman.gov

*Enclosure: Application for License Agreement
Fencing Proposal Vicinity Map 1
Fencing Proposal Vicinity Map 2
City of Kingman Fencing Detail
Fencing Proposal Plan Sheet 1
Fencing Proposal Plan sheet 2*

Fencing Proposal Vicinity Map 1



- Legend**
- Incorporated Cities (greater than 5,000)
 - Mohave County Boundary
 - Surrounding Counties
 - RR Mileposts
 - Highways
 - Main Arterials
 - Collectors
 - Local
 - Railroad
 - Township/Range
 - Section
 - Quarter Quarter Section
 - Surface Management**
 - AZ Game and Fish
 - Bureau of Land Management
 - Bureau of Reclamation
 - City or County Parks
 - US Forest Service
 - Indian Reservation
 - Military Reservation
 - National Parks
 - Other
 - Private
 - State Parks
 - State Trust
 - National Wildlife Refuge

1: 19,215



0 1,601.2 3,202.4 Feet

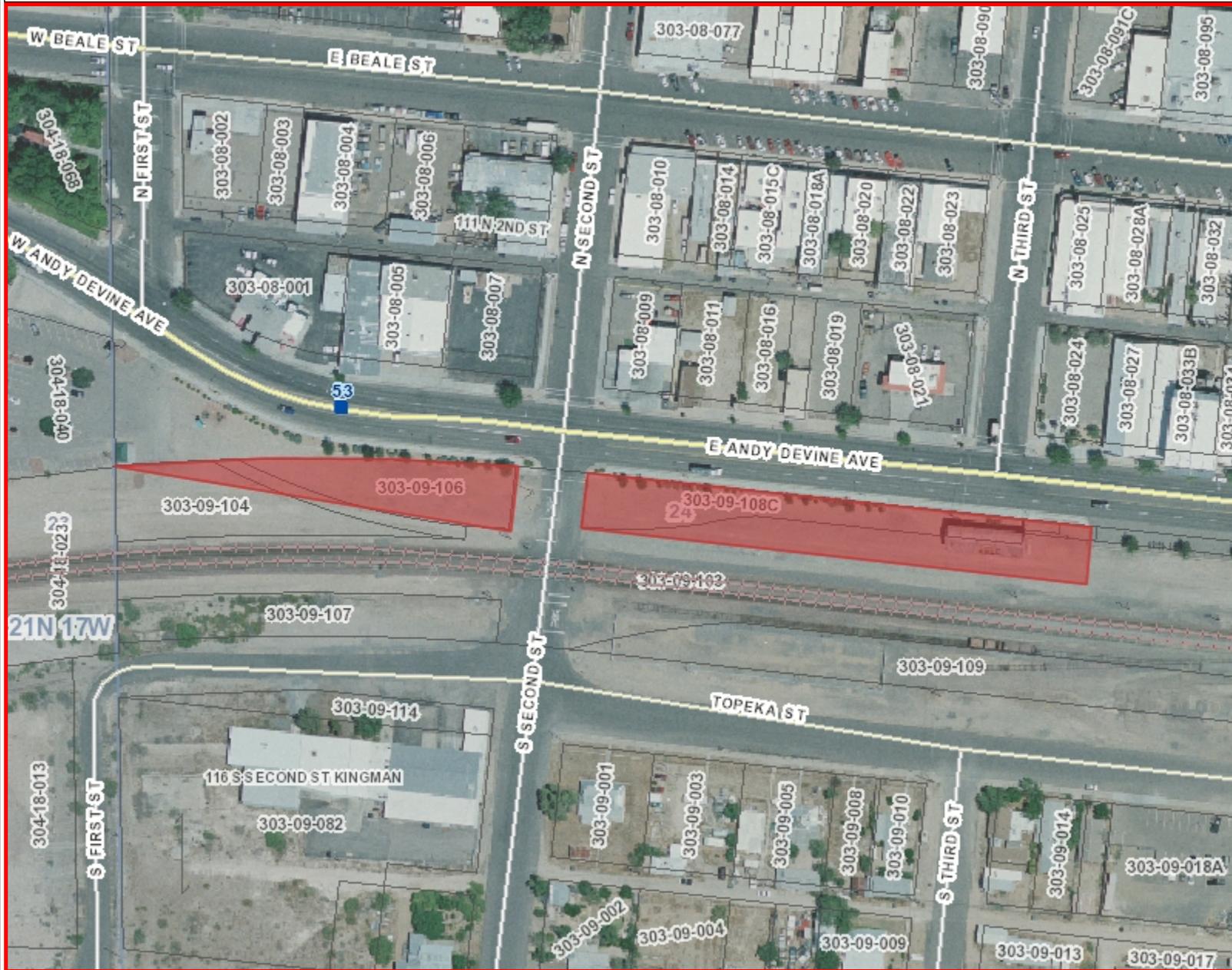
(approximate scale)

Map Created: 11/13/2015

This map is a user generated static output from the Mohave County Interactive Map Viewer and is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT TO BE USED FOR NAVIGATION, AS A LEGAL DOCUMENT, FOR PROPERTY DESCRIPTIONS, OR DETERMINATION OF LEGAL TITLE, AND SHOULD NEVER BE SUBSTITUTED FOR SURVEY OR DEED INFORMATION. The user agrees to comply with the Limitation of Use, and Assumption of Risk as stated in the full disclaimer at <http://gis.mohavecounty.us>

Notes:

Fencing Proposal Vicinity Map 2



- Legend**
- Incorporated Cities (greater than 5000 population)
 - Mohave County Boundary
 - Surrounding Counties
 - ADOT Mileposts
 - COUNTY Mileposts
 - Highways
 - Main Arterials
 - Collectors
 - Local
 - Railroad
 - Tax Parcel
 - Township/Range
 - Section
- Surface Management**
- AZ Game and Fish
 - Bureau of Land Management
 - Bureau of Reclamation
 - City or County Parks
 - US Forest Service
 - Indian Reservation
 - Military Reservation
 - National Parks
 - Other
 - Private
 - State Parks
 - State Trust
 - National Wildlife Refuge

1: 2,402



0 200.2 400.3 Feet

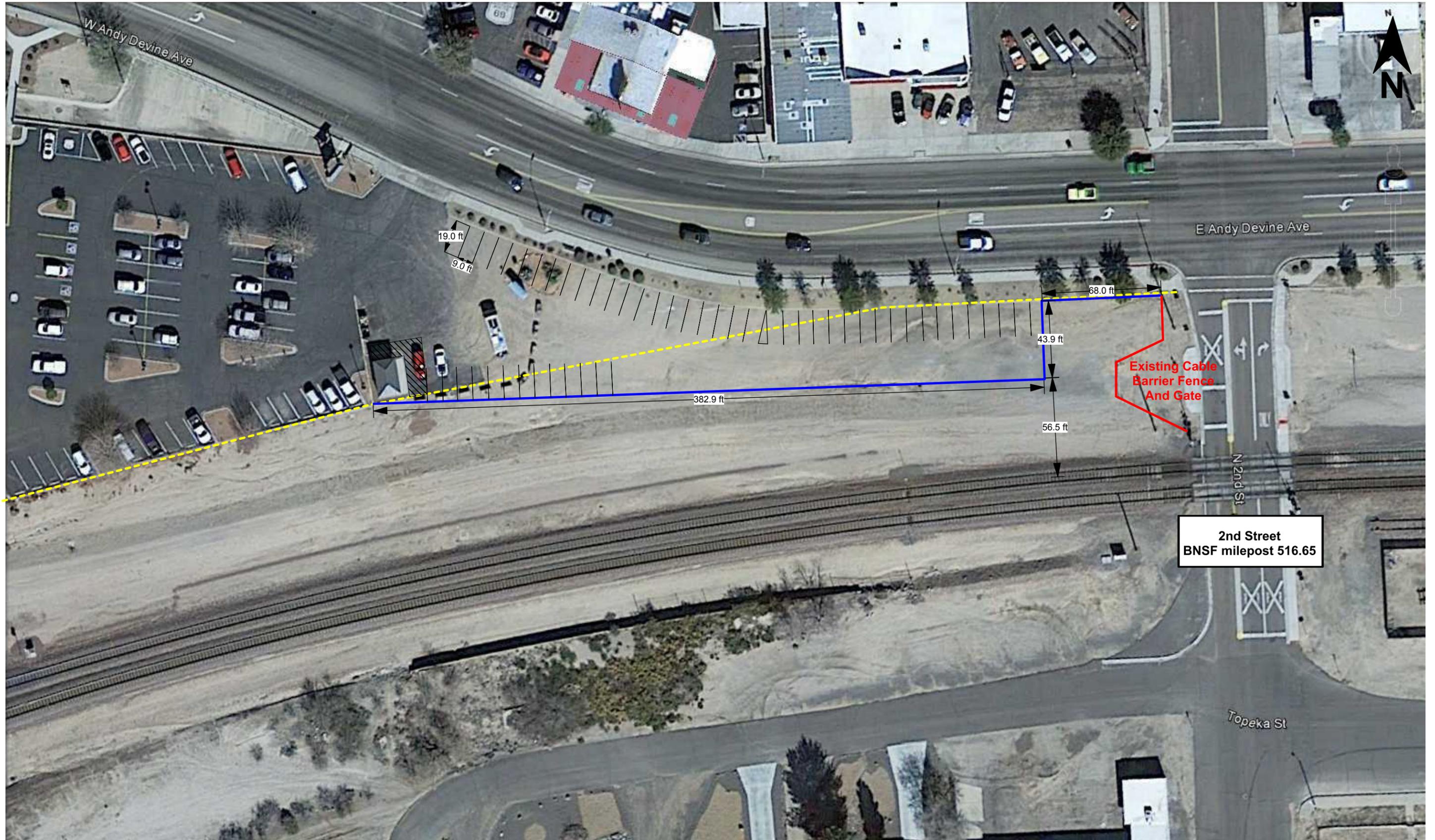
(approximate scale)

Map Created: 11/13/2015

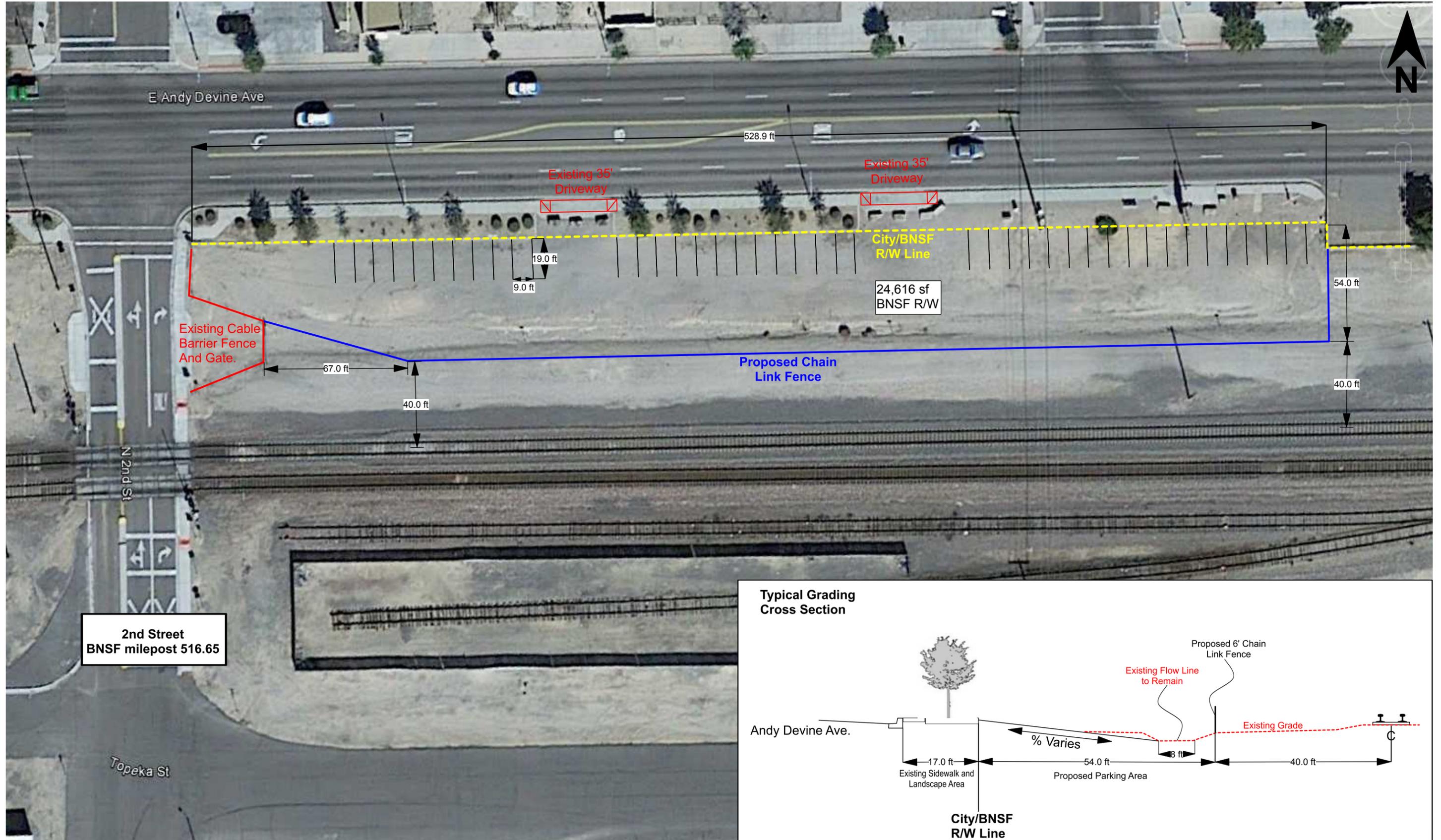
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Notes:

City of Kingman BNSF Fencing Proposal 1



City of Kingman BNSF Fencing Proposal 2



**INDEFINITE TERM LEASE
LAND**

THIS INDEFINITE TERM LEASE FOR LAND ("Lease") is made and entered into to be effective as of the ____ day of _____, 2016 ("Effective Date"), by and between **BNSF RAILWAY COMPANY**, a Delaware corporation ("Lessor") and **CITY OF KINGMAN**, an Arizona municipality ("Lessee").

RECITALS

A. Lessor is in the railroad transportation business and owns or controls a system of rail tracks ("Lessor's Track(s)") and various real properties associated therewith, including certain Premises as described below which Lessee desires to lease from Lessor.

B. Lessee desires to lease from Lessor the Premises as described below for additional parking to be utilized by Lessee and Lessee's visitors, guests, and invitees.

C. Lessor has agreed to lease to Lessee the Premises, subject to the terms, conditions and limitations provided herein.

AGREEMENTS

In consideration of the mutual covenants herein, Lessor and Lessee hereby agree as follows:

Section 1. Premises and Term.

A. Lessor leases to Lessee and Lessee leases from Lessor, subject to the covenants, agreements, terms, provisions and conditions of this Lease, that certain parcel of real property, situated in the City of Kingman, County of Mohave, State of Arizona, along Line Segment 7200, Mile Post 516.56 and constituting the shaded area shown upon Print No. 65781, dated January 11, 2016 a copy of which is attached hereto as Exhibit "A" and made a part hereof ("Premises").

B. Lessee leases the Premises from Lessor beginning _____ ("Commencement Date"), and shall continue until terminated by either party as provided in this Section 1(B). This Lease may be terminated by either party, at any time, without cause, for convenience, by serving upon the other party written notice of termination at least thirty (30) days in advance. Upon the expiration of the time specified in such notice, this Lease and all rights of Lessee shall absolutely cease.

C. Upon termination, either (i) Lessor may retain from prepaid rent, as an additional charge for use of the Premises, a sum equal to three (3) months Base Rent (as defined below), and any unearned portion of the annual Base Rent, in excess of such retainage, paid in advance shall be refunded to Lessee or (ii) if Lessor has not been paid sufficient Base Rent to satisfy the above retainage, then Lessee shall pay Lessor a sufficient sum so that, together with sums already held by Lessor, Lessor shall hold a sum equal to three (3) months Base Rent which Lessor shall retain as an additional charge for use of the Premises, and such additional sum shall be paid by Lessee within thirty (30) days of termination of the Lease.

D. Each consecutive twelve-month period this Lease is in effect, beginning with the Effective Date of this Lease, is herein called a "Lease Year."

E. Lessee acknowledges that it is assuming all risks associated with Lessor's right to terminate this Lease at any time as provided above, and (i) Lessor gives no assurance that Lessor will delay termination of this Lease for any length of time whatsoever, (ii) Lessee may expend money and effort during the term of this

Lease which may not ultimately be of any benefit to Lessee if Lessor terminates this Lease, but nonetheless, Lessor shall have the right to terminate the Lease if Lessor determines in its sole and absolute discretion that Lessor desires to terminate, and (iii) in no event shall Lessor be deemed to have any legal obligations to continue to lease the Premises for any length of time.

Section 2. Use and Compliance.

A. Lessee may use the Premises for the sole and exclusive purpose of (i) short-term parking of Lessee's vehicles and the vehicles of Lessee's visitors, guests and invitees and (ii) the construction, maintenance and repair of chain-link fencing on those certain areas of the Premises identified as the "New Chain-Link Fence" on Exhibit "A" attached hereto (collectively, the "Chain-Link Fence"), and for no other purpose without the prior written consent of Lessor. The Chain-Link Fence is deemed to be a "Lessee Improvement" (as defined below) for all purposes under this Lease, and Lessee shall comply with all provisions of this Lease regarding Lessee Improvements in connection with the Chain-Link Fence. Notwithstanding anything contained in this Lease to the contrary, continuous parking of any single vehicle in excess of Three (3) days on the Premises is not permitted without Lessor's prior written consent, such consent to be in Lessor's sole discretion. Lessee shall respond to Lessor's reasonable inquiries regarding the use or condition of the Premises.

B. Lessee shall comply with all Laws applicable to Lessee, the Premises, this Lease and Lessee's activities and obligations hereunder, and shall have the sole responsibility for costs, fees, or expenses associated with such compliance. As used herein, the term "Laws" shall mean any and all statutes, laws, ordinances, codes, rules or regulations or any order, decision, injunction, judgment, award or decree of any public body or authority having jurisdiction over Lessee, the Premises, this Lease, and/or Lessee's obligations under this Lease, and shall include all Environmental Laws (as defined in Section 4(A)).

C. If any governmental license or permit is required or desirable for the proper and lawful conduct of Lessee's business or other activity in or on the Premises, or if the failure to secure such a license or permit might in any way affect Lessor, then Lessee, at Lessee's expense, shall procure and thereafter maintain such license or permit and submit the same to inspection by Lessor. Lessee, at Lessee's expense, shall at all times comply with the requirements of each such license or permit.

Section 3. Rent.

A. Lessee shall pay as rental for the Premises, in advance, an amount equal to One Thousand Eighteen and No/100 (\$1,800.00) annually during the term of the Lease, ("Base Rent"). Base Rent shall increase 3% annually during the term of the Lease. Lessor reserves the right to change rental rates as conditions warrant. Billing or acceptance by Lessor of any rental shall not imply a definite term or otherwise restrict either party from canceling this Lease as provided herein. Either party hereto may assign any receivables due it under this Lease; provided, however, such assignments shall not relieve the assignor of any of its rights or obligations under this Lease. All rent and other monetary payments under this Lease from Lessee to Lessor shall be delivered solely to the following address:

BNSF Railway Company
P.O. Box 676160
Dallas, Texas 75267-6160

Lessor shall have the right to designate at any time and from time to time a different address for delivery of such payments by written notice to Lessee pursuant to the notice provisions of Section 36 below. No rent or other payment sent to any other address shall be deemed received by Lessor unless and until Lessor has actually posted such payment as received on the account of Lessee, and Lessee shall be subject to all default

provisions hereunder, late fees and other consequences as a result thereof in the same manner as if Lessee had failed or delayed in making any payment.

B. Lessee acknowledges that Lessor utilizes the rental collection system involving direct deposit of monies received through a financial institution selected by Lessor, which precludes Lessor's ability to exercise rejection of a rental payment before Lessee's check is cashed. Lessee agrees that as a condition of Lessor granting this Lease Lessee hereby waives any rights it may have under law to force continuation of this Lease due to Lessor having accepted and cashed Lessee's rental remittance. Lessor shall have the option of rejecting Lessee's payment by refunding to Lessee the rental amount paid by Lessee, adjusted as set forth in this Lease, and enforcing the termination provisions of this Lease.

C. Lessee shall pay the Base Rent and all additional amounts due pursuant to Section 9 as and when the same become due and payable, without demand, set-off, or deduction. Lessee's obligation to pay Base Rent and all amounts due under this Lease is an independent covenant and no act or circumstance, regardless of whether such act or circumstance constitutes a breach under this Lease by Lessor, shall release Lessee of its obligation to pay Base Rent and all amounts due as required by this Lease.

D. If any Base Rent or any payment under Section 9 or any other payment due by Lessee hereunder is not paid within five (5) days after the date the same is due, Lessor may assess Lessee a late fee ("Late Fee") in an amount equal to 5% of the amount which was not paid when due to compensate Lessor for Lessor's administrative burden in connection with such late payment. In addition to said Late Fee, Lessee shall pay interest on the unpaid sum from the due date thereof to the date of payment by Lessee at an annual rate equal to (i) the greater of (a) for the period January 1 through June 30, the prime rate last published in The Wall Street Journal in the preceding December plus two and one-half percent (2 1/2%), and for the period July 1 through December 31, the prime rate last published in The Wall Street Journal in the preceding June plus two and one-half percent (2 1/2%), or (b) twelve percent (12%), or (ii) the maximum rate permitted by law, whichever is less.

Section 4. Environmental.

A. Lessee shall strictly comply with all federal, state and local environmental laws and regulations in its occupation and use of the Premises, including, but not limited to, the Resource Conservation and Recovery Act, as amended (RCRA), the Clean Water Act, the Clean Air Act, the Oil Pollution Act, the Hazardous Materials Transportation Act, and CERCLA (collectively referred to as the "Environmental Laws"). Lessee shall not maintain any treatment, storage, transfer or disposal facility, or underground storage tank, as defined by Environmental Laws, on the Premises. Lessee shall not release or suffer the release of oil or hazardous substances, as defined by Environmental Laws, on or about the Premises.

B. Lessee shall give Lessor immediate notice to Lessor's Resource Operations Center at (800) 832-5452 of any release of hazardous substances on or from the Premises and to Lessor's Manager Environmental Leases at (785) 435-2386 for any violation of Environmental Laws, or inspection or inquiry by governmental authorities charged with enforcing Environmental Laws with respect to Lessee's use of the Premises. Lessee shall use its best efforts to promptly respond to any release on or from the Premises. Lessee also shall give Lessor's Manager Environmental Leases immediate notice of all measures undertaken on behalf of Lessee to investigate, remediate, respond to or otherwise cure such release or violation and shall provide to Lessor's Manager Environmental Leases copies of all reports and/or data regarding any investigations or remediations of the Premises.

C. In the event that Lessor has notice from Lessee or otherwise of a release or violation of Environmental Laws on the Premises which occurred or may occur during the term of this Lease, Lessor may require Lessee, at Lessee's sole risk and expense, to take timely measures to investigate, remediate, respond to or otherwise cure such release or violation affecting the Premises or Lessor's right-of-way.

D. Lessee shall promptly report to Lessor in writing any conditions or activities upon the Premises which create a risk of harm to persons, property or the environment and shall take whatever action is necessary to prevent injury to persons or property arising out of such conditions or activities; provided, however, that Lessee's reporting to Lessor shall not relieve Lessee of any obligation whatsoever imposed on it by this Lease. Lessee shall promptly respond to Lessor's request for information regarding said conditions or activities.

E. Hazardous Materials are not permitted on the Premises except as otherwise described herein. Lessee expects to use on the Premises the following Hazardous Materials: None, and to store on the Premises the following Hazardous Materials (as defined in Section 4(F) below): None; provided, however, that Lessee may only use and store the listed Hazardous Materials in such amounts as are necessary and customary in Lessee's industry for the permitted uses hereunder ("Permitted Substances"). All such Permitted Substances shall be placed, used, and stored in strict accordance with all Environmental Laws. Use or storage on the Premises of any Hazardous Materials not disclosed in this Section 4(E) is a breach of this Lease.

F. For purposes of this Section 4, "Hazardous Materials" means all materials, chemicals, compounds, or substances (including without limitation asbestos, petroleum products, and lead-based paint) identified as hazardous or toxic under Environmental Laws.

G. Lessor may, at its option prior to termination of this Lease, require Lessee to conduct an environmental audit of the Premises through an environmental consulting engineer acceptable to Lessor, at Lessee's sole cost and expense, to determine if any noncompliance or environmental damage to the Premises has occurred during Lessee's occupancy thereof. The audit shall be conducted to Lessor's satisfaction and a copy of the audit report shall promptly be provided to Lessor for its review. Lessee shall pay all expenses for any remedial action that may be required as a result of said audit to correct any noncompliance or environmental damage, and all necessary work shall be performed by Lessee prior to termination of this Lease.

Section 5. Access to Adjacent Property by Lessee.

If access to and from the Premises can be accomplished only through use of Lessor's property adjacent to the Premises, such use is granted for ingress and egress only and on a non-exclusive basis, subject to such restrictions and conditions as Lessor may impose by notice to Lessee. Lessor shall have the right to designate the location or route to be used. Lessee understands and agrees that all of the terms and obligations under this Lease applicable to Lessee shall also be applicable to Lessee with respect to Lessee's use of any property adjacent to the Premises which Lessee may use just as though the property has been specifically described as part of the Premises, including, without limitation, the indemnity provisions of Section 13. Notwithstanding anything to the contrary herein, this Section 5 shall not grant Lessee any right to cross any of Lessor's Tracks. Any such crossing rights may only be granted by a separate written agreement between Lessor and Lessee.

Section 6. Access to Premises by Lessor.

A. Lessor and its contractors, agents and other designated third parties may at all reasonable times and at any time in case of emergency, in such manner as to not unreasonably interfere with Lessee's use of the Premises as allowed hereunder, (i) enter the Premises for inspection of the Premises or to protect the Lessor's interest in the Premises or to protect from damage any property adjoining the Premises, (ii) enter the Premises to construct, maintain, and operate trackage, fences, pipelines, communication facilities, fiber optic lines, wireless towers, telephone, power or other transmission lines, or appurtenances or facilities of like character, upon, over, across, or beneath the Premises, without payment of any sum for any damage, including damage to growing crops, (iii) take all required materials and equipment onto the Premises, and

perform all required work therein, for the purpose of making alterations, repairs, or additions to the Premises as Lessor may elect if Lessee defaults in its obligation to do so, (iv) enter the Premises to show the Premises to holders of encumbrances on the interest of Lessor in the Premises, or to prospective purchasers or mortgagees of the Premises, and all such entries and activities shall be without any rebate of rent to Lessee for any loss of occupancy of the Premises, or damage, injury or inconvenience thereby caused.

B. For purposes stated in this Section 6, Lessor will at all times have keys with which to unlock all of the doors and gates on the Premises, and Lessee will not change or alter any lock thereon without Lessor's permission.

C. In an emergency, Lessor will be entitled to use any and all means that Lessor may deem proper to open doors, gates, and other entrances to obtain entry to the Premises. Any entry to the Premises by Lessor as described in this Section 6 shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or any eviction of Lessee from the Premises, and any damages caused on account thereof will be paid by Lessee.

Section 7. Warranties.

LESSOR DOES NOT WARRANT ITS TITLE TO THE PREMISES NOR UNDERTAKE TO DEFEND LESSEE IN THE PEACEABLE POSSESSION OR USE THEREOF. NO COVENANT OF QUIET ENJOYMENT IS MADE. This Lease is made subject to all outstanding rights or interests of others. If the Premises are subsequently found to be subject to prior claim, this Lease shall terminate immediately on notice to that effect from Lessor. Lessee accepts this Lease subject to that possibility and its effect on Lessee's rights and ownership of the Lessee Improvements. In case of eviction of Lessee by anyone other than Lessor, or anyone owning or claiming title to or any interest in the Premises, Lessor shall not be liable to Lessee for damage of any kind (including any loss of ownership right to Lessee's Improvements) or to refund any rent paid hereunder, except to return the unearned portion of any rent paid in advance.

Section 8. Premises Condition; Lessee Improvements.

A. Lessee represents that the Premises, the title thereto, any subsurface conditions thereof, and the present uses thereof have been examined by the Lessee. Lessee accepts the same in the condition in which they now are, without representation or warranty, expressed or implied, in fact or by law, by the Lessor, and without recourse to the Lessor as to the title thereto, the nature, condition or usability thereof, or the uses to which the Premises may be put. By taking possession or commencing use of the Premises, Lessee (i) acknowledges that it is relying on its own inspections of the Premises and not on any representations from Lessor regarding the Premises; (ii) establishes conclusively that the Premises are at such time in satisfactory condition and in conformity with this Lease and all zoning or other governmental requirements in all respects; and (iii) accepts the Premises in its condition as of the Commencement Date on an "AS IS," "WHERE IS," and "WITH ALL FAULTS" basis, subject to all faults and infirmities, whether now or hereafter existing. Nothing contained in this Section 8 affects the commencement of the term of the Lease or the obligation of Lessee to pay rent as provided above. Lessee represents and warrants to Lessor as follows: (i) Lessee does not intend to, and will not, use the Premises for any purpose other than as set forth in Section 2; (ii) Lessee has previously disclosed in writing to Lessor all special requirements (but Lessor shall have no responsibility relative to any such special requirement), if any, which Lessee may have in connection with this intended use; and (iii) Lessee has undertaken and has reasonably and diligently completed all appropriate investigations regarding the suitability of the Premises for Lessee's intended use. Lessee shall comply with any covenants, conditions or restrictions now or hereafter affecting the Premises, and acknowledges that Lessor may place any covenants, conditions or restrictions of record affecting the Premises prior to or during the term of the Lease. In such event, this Lease will be subject and subordinate to all of the same without further action by either party, including, without limitation, the execution of any further instruments. Lessee acknowledges that Lessor has given material concessions for the acknowledgements and provisions contained in this Section 8,

and that Lessor is relying on these acknowledgments and agreements and would not have entered into this Lease without such acknowledgments and agreements by Lessee.

B. If improvements are necessary for Lessee's use of the Premises, Lessee, at Lessee's sole cost and expense, shall, on or after the Commencement Date, construct and install such improvements to the Premises which are necessary for Lessee's use of the Premises and are acceptable to Lessor in Lessor's sole discretion ("Lessee Improvements"). The construction and installation of any Lessee Improvements shall be subject to Lessor's prior written approval of plans and specifications for such Lessee Improvements to be prepared by Lessee and submitted to Lessor for approval as set forth below, such approval to be in Lessor's sole and absolute discretion. Within forty-five (45) days after the Commencement Date, Lessee shall submit detailed plans and specifications, and the identity of Lessee's proposed general contractor for the Lessee Improvements for Lessor's review and approval. Lessor shall either approve or disapprove the plans and specifications and general contractor (in its sole and absolute discretion) by written notice delivered to Lessee within sixty (60) days after receipt of the same from Lessee. In the event of any disapproval, Lessor shall specify the reasons for such non-approval. If Lessor fails to deliver notice to Lessee of Lessor's approval or disapproval of the plans, specifications, and proposed general contractor within the time period discussed above, Lessee's plans, specifications and proposed contractor shall be deemed disapproved. If Lessor specifies objections to the plans and specifications or general contractor as herein provided and Lessor and Lessee are unable to resolve the objections by mutual agreement within a period of thirty (30) days from the date of delivery of written notice thereof, Lessee, as its sole remedy, to be exercised not later than ten (10) days after the expiration of said thirty (30) days period, may terminate this Lease by written notice to Lessor. Upon approval of the plans and specifications by Lessor, Lessor and Lessee shall sign the same, and they shall be deemed a part hereof. All Lessee Improvements shall be constructed and installed in accordance with the terms and conditions of Exhibit "B" attached to the Lease and all applicable terms and conditions of the Lease regarding alterations and improvements. Lessee shall not construct any other alteration or improvement to the Premises without Lessor's prior written consent. The Lessee Improvements constructed pursuant to the above provisions shall be owned by Lessee during the term of the Lease and removed from the Premises or surrendered to the Lessor pursuant to Section 20 below upon termination of this Lease. Notwithstanding the foregoing or anything else contained in this Lease to the contrary, any approval by Lessor of plans and specifications in accordance with the above procedures shall not be deemed to be a representation that such plans and specifications comply with all Laws. Lessee shall remain responsible for ensuring that all Lessee Improvements, including without limitation the Chain-Link Fence, are in compliance with all Laws and are maintained in strict accordance with the provisions of Section 11 below.

Section 9. Taxes and Utilities.

A. In addition to Base Rent, Lessee shall pay all taxes, utilities, and other charges of every kind and character, whether foreseen or unforeseen, ordinary or extraordinary, which are attributable to the term of this Lease and may become due or levied against the Premises, against Lessee, against the business conducted on the Premises or against the Lessee Improvements placed thereon during the term hereof, even though such taxes, utilities or other charges may not become due and payable until after termination of this Lease provided; however, that Lessee shall only be responsible for the payment of property taxes levied against the Premises to the extent such taxes are separately assessed by the applicable taxing authority as a result of this Lease. Lessee agrees that Lessor shall not be required to furnish to Lessee any utility or other services. If this Lease is a transfer of an existing lease, Lessee must make arrangements with the present lessee for payment of any delinquent and current taxes, utilities, and other charges prior to taking possession. If such arrangements are not made, Lessee agrees to pay all such taxes, utilities, and other charges. If Lessor should make any such payments, Lessee shall promptly upon demand reimburse Lessor for all such sums.

B. Should the Premises be subject to special assessment for public improvements in the amount of Five Hundred Dollars (\$500.00) or less during any Lease Year, Lessee shall promptly reimburse Lessor the amount in full. Should the assessment exceed Five Hundred Dollars (\$500.00) during any Lease Year then

such excess shall be paid by Lessor, but the Base Rent herein shall be increased by an amount equal to twelve percent (12%) of such excess payable for each Lease Year such amounts are payable.

Section 10. Track Clearance.

A. Lessee shall not place, permit to be placed, or allow to remain, any permanent or temporary material, structure, pole, or other obstruction within (i) 8½ feet laterally from the centerline of any of Lessor's Tracks on or about the Premises (nine and one-half (9-1/2) feet on either side of the centerline of any of Lessor's Tracks which are curved) or (ii) 24 feet vertically from the top of the rail of any of Lessor's Tracks on or about the Premises ("Minimal Clearances"); provided that if any law, statute, regulation, ordinance, order, covenant or restriction ("Legal Requirement") requires greater clearances than those provided for in this Section 10, then Lessee shall strictly comply with such Legal Requirement. However, vertical or lateral clearances which are less than the Minimal Clearances but are in compliance with Legal Requirements will not be a violation of this Section 10, so long as Lessee strictly complies with the terms of any such Legal Requirement and posts a sign on the Premises clearly noting the existence of such reduced clearance. Any such sign shall be painted with black and white reflective paint.

B. Lessor's operation over any Lessor's Track on or about the Premises with knowledge of an unauthorized reduced clearance will not be a waiver of the covenants of Lessee contained in this Section 10 or of Lessor's right to recover for and be indemnified and defended against such damages to property, and injury to or death of persons, that may result therefrom.

C. Lessee shall not place or allow to be placed any freight car within 250 feet of either side of any at-grade crossings on Lessor's Tracks.

Section 11. Repairs; Maintenance.

A. Lessee shall, at its sole expense, take good care of the Premises (including all Lessee Improvements) and shall not do or suffer any waste with respect thereto and Lessee shall promptly make all necessary or desirable Repairs to the Premises. The term "Repairs" means all reasonable repair and maintenance necessary to keep the Premises (including all Lessee Improvements) in good condition and includes, without limitation, replacements, restoration and renewals when necessary. Lessee shall keep and maintain any paved areas, sidewalks, curbs, landscaping, and lawn areas in a clean and orderly condition, and free of accumulation of dirt and rubbish.

B. Lessor shall not have any liability or obligation to furnish or pay for any services or facilities of whatsoever nature or to make any Repairs or alterations of whatsoever nature in or to the Premises, including but not limited to structural repairs, or to maintain the Premises in any manner. Lessee acknowledges that Lessor shall have no responsibility for management of the Premises.

Section 12. Safety; Dangerous and Hazardous Conditions.

It is understood by Lessee that the Premises may be in dangerous proximity to railroad tracks, including Lessor's Tracks, and that persons and property, whether real or personal, on the Premises will be in danger of injury, death or destruction incident to the operation of the railroad, including, without limitation, the risk of derailment, fire, or inadequate clearance (including sight clearance or vision obstruction problems at grade crossings on or adjacent to the Premises), and Lessee accepts this Lease subject to such dangers, and acknowledges that its indemnification obligations hereunder extend to and include all such risks.

Section 13. Indemnity.

A. TO THE FULLEST EXTENT PERMITTED BY LAW, LESSEE SHALL RELEASE, INDEMNIFY, DEFEND AND HOLD HARMLESS LESSOR AND LESSOR'S AFFILIATED COMPANIES, PARTNERS, SUCCESSORS, ASSIGNS, LEGAL REPRESENTATIVES, OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES AND AGENTS (COLLECTIVELY, "INDEMNITEES") FOR, FROM AND AGAINST ANY AND ALL CLAIMS, LIABILITIES, FINES, PENALTIES, COSTS, DAMAGES, LOSSES, LIENS, CAUSES OF ACTION, SUITS, DEMANDS, JUDGMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS, ATTORNEYS' FEES AND COSTS OF INVESTIGATION, REMOVAL AND REMEDIATION AND GOVERNMENTAL OVERSIGHT COSTS) ENVIRONMENTAL OR OTHERWISE (COLLECTIVELY "LIABILITIES") OF ANY NATURE, KIND OR DESCRIPTION OF ANY PERSON OR ENTITY DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM OR RELATED TO (IN WHOLE OR IN PART):

- (i) THIS LEASE, INCLUDING, WITHOUT LIMITATION, ITS ENVIRONMENTAL PROVISIONS;**
- (ii) ANY RIGHTS OR INTERESTS GRANTED PURSUANT TO THIS LEASE;**
- (iii) THE OCCUPATION AND USE OF THE PREMISES BY LESSEE OR LESSEE'S OFFICERS, AGENTS, VISITORS, GUESTS, INVITEES, EMPLOYEES, OR CONTRACTORS, OR ANYONE THEY CONTROL OR EXERCISE CONTROL OVER (INDIVIDUALLY, A "LESSEE PARTY" AND COLLECTIVELY, THE "LESSEE PARTIES");**
- (iv) THE ENVIRONMENTAL CONDITION AND STATUS OF THE PREMISES CAUSED BY, AGGRAVATED BY, OR CONTRIBUTED IN WHOLE OR IN PART, BY LESSEE OR ANY LESSEE PARTY OR LESSEE PARTIES; OR**
- (v) ANY ACT OR OMISSION OF LESSEE OR ANY LESSEE PARTY OR LESSEE PARTIES,**

EVEN IF SUCH LIABILITIES ARISE FROM OR ARE ATTRIBUTED TO, IN WHOLE OR IN PART, ANY NEGLIGENCE OF ANY INDEMNITEE. THE ONLY LIABILITIES WITH RESPECT TO WHICH LESSEE'S OBLIGATION TO INDEMNIFY THE INDEMNITEES DOES NOT APPLY ARE LIABILITIES TO THE EXTENT PROXIMATELY CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF AN INDEMNITEE.

B. FURTHER, TO THE FULLEST EXTENT PERMITTED BY LAW, NOTWITHSTANDING THE LIMITATION IN SECTION 13(A), LESSEE SHALL NOW AND FOREVER WAIVE ANY AND ALL CLAIMS, REGARDLESS OF WHETHER SUCH CLAIMS ARE BASED ON STRICT LIABILITY, NEGLIGENCE OR OTHERWISE, THAT RAILROAD IS AN "OWNER", "OPERATOR", "ARRANGER", OR "TRANSPORTER" WITH RESPECT TO THE PREMISES FOR THE PURPOSES OF CERCLA OR OTHER ENVIRONMENTAL LAWS. LESSEE WILL INDEMNIFY, DEFEND AND HOLD THE INDEMNITEES HARMLESS FROM ANY AND ALL SUCH CLAIMS REGARDLESS OF THE NEGLIGENCE OF THE INDEMNITEES. LESSEE FURTHER AGREES THAT THE USE OF THE PREMISES AS CONTEMPLATED BY THIS LEASE SHALL NOT IN ANY WAY SUBJECT LESSOR TO CLAIMS THAT LESSOR IS OTHER THAN A COMMON CARRIER FOR PURPOSES OF ENVIRONMENTAL LAWS AND EXPRESSLY AGREES TO INDEMNIFY, DEFEND, AND HOLD THE INDEMNITEES HARMLESS FOR ANY AND ALL SUCH CLAIMS. IN NO EVENT SHALL LESSOR BE RESPONSIBLE FOR THE ENVIRONMENTAL CONDITION OF THE PREMISES.

C. TO THE FULLEST EXTENT PERMITTED BY LAW, LESSEE FURTHER AGREES, REGARDLESS OF ANY NEGLIGENCE OR ALLEGED NEGLIGENCE OF ANY INDEMNITEE, TO INDEMNIFY, AND HOLD HARMLESS THE INDEMNITEES AGAINST AND ASSUME THE DEFENSE OF ANY LIABILITIES ASSERTED AGAINST OR SUFFERED BY ANY INDEMNITEE UNDER OR RELATED TO

THE FEDERAL EMPLOYERS' LIABILITY ACT ("FELA") WHENEVER EMPLOYEES OF LESSEE OR ANY LESSEE PARTY CLAIM OR ALLEGE THAT THEY ARE EMPLOYEES OF ANY INDEMNITEE OR OTHERWISE. THIS INDEMNITY SHALL ALSO EXTEND, ON THE SAME BASIS, TO FELA CLAIMS BASED ON ACTUAL OR ALLEGED VIOLATIONS OF ANY FEDERAL, STATE OR LOCAL LAWS OR REGULATIONS, INCLUDING BUT NOT LIMITED TO THE SAFETY APPLIANCE ACT, THE LOCOMOTIVE INSPECTION ACT, THE OCCUPATIONAL SAFETY AND HEALTH ACT, THE RESOURCE CONSERVATION AND RECOVERY ACT, AND ANY SIMILAR STATE OR FEDERAL STATUTE.

D. Upon written notice from Lessor, Lessee agrees to assume the defense of any lawsuit or other proceeding brought against any Indemnitee by any entity, relating to any matter covered by this Lease for which Lessee has an obligation to assume liability for and/or save and hold harmless any Indemnitee. Lessee shall pay all costs incident to such defense, including, but not limited to, attorneys' fees, investigators' fees, litigation and appeal expenses, settlement payments, and amounts paid in satisfaction of judgments.

Section 14. Equal Protection.

It is agreed that the provisions of Sections 10, 12, and 13 are for the equal protection of other railroad companies, including, without limitation, the National Railroad Passenger Corporation (Amtrak), permitted to use Lessor's property, and such railroad companies shall be deemed to be included as Indemnitees under Sections 10, 12, and 13.

Section 15. Assignment and Sublease.

A. Lessee shall not (i) assign or otherwise transfer this Lease or any interest herein, or (ii) sublet the Premises or any part thereof, without, in each instance, obtaining the prior written consent of Lessor, which consent may be withheld in Lessor's sole and absolute discretion. For purposes of this Section 15, in the event that there are aggregate transfers or other changes in the ownership interests of Lessee resulting in a change of more than 20% of the ownership interests as held on the date hereof, a transfer shall be deemed to have occurred hereunder. Any person or legal representative of Lessee, to whom Lessee's interest under this Lease passes by operation of law, or otherwise, will be bound by the provisions of this Lease.

B. Any assignment, lease, sublease or transfer made pursuant to Section 15(A) may be made only if, and shall not be effective until, the assignee cures all outstanding defaults of Lessee hereunder and executes, acknowledges and delivers to Lessor an agreement, in form and substance satisfactory to Lessor, whereby the assignee assumes the obligations and performance of this Lease and agrees to be personally bound by and upon all of the covenants, agreements, terms, provisions and conditions hereof on the part of Lessee to be performed or observed. Lessee covenants that, notwithstanding any assignment or transfer, whether or not in violation of the provisions of this Lease, and notwithstanding the acceptance of rent by Lessor from an assignee or transferee or any other party, Lessee will remain fully and primarily liable along with the assignee for the payment of the rent due and to become due under this Lease and for the performance of all of the covenants, agreements, terms, provisions, and conditions of this Lease on the part of Lessee to be performed or observed.

Section 16. Liens.

Lessee shall promptly pay, discharge and release of record any and all liens, charges and orders arising out of any construction, alterations or repairs, suffered or permitted to be done by Lessee on the Premises. Lessor is hereby authorized to post any notices or take any other action upon or with respect to the Premises that is or may be permitted by law to prevent the attachment of any such liens to the Premises; provided, however, that failure of Lessor to take any such action shall not relieve Lessee of any obligation or liability under this Section 16 or any other Section of this Lease.

Section 17. Insurance.

Lessee shall, at its sole cost and expense, procure and maintain during the life of this Lease the following insurance coverage:

A. Commercial General Liability Insurance. This insurance shall contain broad form contractual liability with a combined single limit of a minimum of \$1,000,000 each occurrence and an aggregate limit of at least \$ 2,000,000 but in no event less than the amount otherwise carried by Lessee. Coverage must be purchased on a post 1998 ISO occurrence form or equivalent and include coverage for, but not limited to, the following:

- ◆ Bodily Injury and Property Damage
- ◆ Personal Injury and Advertising Injury
- ◆ Fire legal liability
- ◆ Products and completed operations

This policy shall also contain the following endorsements, which shall be indicated on the certificate of insurance:

- The definition of insured contract shall be amended to remove any exclusion or other limitation for any work being done within 50 feet of railroad property.
- Waiver of subrogation in favor of and acceptable to **Railroad.**
- Additional insured endorsement in favor of and acceptable to **Railroad and Jones Lang LaSalle Brokerage, Inc.**
- Separation of insureds.
- The policy shall be primary and non-contributing with respect to any insurance carried by **Railroad.**

It is agreed that the workers' compensation and employers' liability related exclusions in the Commercial General Liability insurance policy(s) required herein are intended to apply to employees of the policy holder and shall not apply to **Railroad** employees.

No other endorsements limiting coverage may be included on the policy.

B. Business Automobile Insurance. This insurance shall contain a combined single limit of at least \$1,000,000 per occurrence, and include coverage for, but not limited to the following:

- ◆ Bodily injury and property damage
- ◆ Any and all vehicles owned, used or hired

This policy shall also contain the following endorsements or language, which shall be indicated on the certificate of insurance:

- ◆ Waiver of subrogation in favor of and acceptable to **Railroad.**
- ◆ Additional insured endorsement in favor of and acceptable to **Railroad.**
- ◆ Separation of insureds.
- ◆ The policy shall be primary and non-contributing with respect to any insurance carried by **Railroad.**

C. Workers Compensation and Employers Liability insurance including coverage for, but not limited to:

- ◆ Lessee's statutory liability under the worker's compensation laws of the state(s) in which the work is to be performed. If optional under State law, the insurance must cover all employees anyway.

- ◆ Employers' Liability (Part B) with limits of at least \$500,000 each accident, \$500,000 by disease policy limit, \$500,000 by disease each employee.

This policy shall also contain the following endorsements or language, which shall be indicated on the certificate of insurance:

- ◆ Waiver of subrogation in favor of and acceptable to **Railroad**.

D. If construction is to be performed on the Premises by Lessee, Lessee or Lessee's contractor shall procure Railroad Protective Liability insurance naming only the **Railroad** as the Insured with coverage of at least \$2,000,000 per occurrence and \$6,000,000 in the aggregate. The policy shall be issued on a standard ISO form CG 00 35 10 93 and include the following:

- ◆ Endorsed to include the Pollution Exclusion Amendment (ISO form CG 28 31 10 93)
- ◆ Endorsed to include the Limited Seepage and Pollution Endorsement.
- ◆ Endorsed to include Evacuation Expense Coverage Endorsement.
- ◆ Endorsed to remove any exclusion for punitive damages.
- ◆ No other endorsements restricting coverage may be added.
- ◆ The original policy must be provided to the **Railroad** prior to performing any work or services under this Lease

Other Requirements:

All policies (applying to coverage listed above) shall contain no exclusion for punitive damages and certificates of insurance shall reflect that no exclusion exists.

Lessee agrees to waive its right of recovery against Railroad for all claims and suits against Railroad. In addition, its insurers, through the terms of the policy or through policy endorsement, waive their right of subrogation against Railroad for all claims and suits. The certificate of insurance must reflect the waiver of subrogation endorsement. Lessee further waives its right of recovery, and its insurers also waive their right of subrogation against Railroad for loss of its owned or leased property or property under Lessee's care, custody, or control.

Lessee is not allowed to self-insure without the prior written consent of Railroad. If granted by Railroad, any deductible, self-insured retention or other financial responsibility for claims shall be covered directly by Lessee in lieu of insurance. Any and all Railroad liabilities that would otherwise, in accordance with the provisions of this Lease, be covered by Lessee's insurance will be covered as if Lessee elected not to include a deductible, self-insured retention or other financial responsibility for claims.

Prior to accessing the Premises, Lessee shall furnish to Railroad an acceptable certificate(s) of insurance including an original signature of the authorized representative evidencing the required coverage, endorsements, and amendments. The policy(ies) shall contain a provision that obligates the insurance company(ies) issuing such policy(ies) to notify Railroad in writing at least 30 days prior to any cancellation, renewal, substitution or material alteration. This cancellation provision shall be indicated on the certificate of insurance. Upon request from Railroad, a certified duplicate original of any required policy shall be furnished.

Any insurance policy shall be written by a reputable insurance company acceptable to Railroad or with a current Best's Guide Rating of A- and Class VII or better, and authorized to do business in the state(s) in which the Premises is located.

Lessee represents that this Lease has been thoroughly reviewed by Lessee's insurance agent(s)/broker(s), who have been instructed by Lessee to procure the insurance coverage required by this Lease. Allocated Loss Expense shall be in addition to all policy limits for coverages referenced above.

Not more frequently than once every five years, Railroad may reasonably modify the required insurance coverage to reflect then-current risk management practices in the railroad industry and underwriting practices in the insurance industry.

If any portion of the operation is to be contracted by Lessee, Lessee shall require that the contractor shall provide and maintain insurance coverages as set forth herein, naming Railroad as an additional insured, and shall require that the contractor shall release, defend and indemnify Railroad to the same extent and under the same terms and conditions as Lessee is required to release, defend and indemnify Railroad herein.

Failure to provide evidence as required by this Section 17 shall entitle, but not require, Railroad to terminate this Lease immediately. Acceptance of a certificate that does not comply with this section shall not operate as a waiver of Lessee's obligations hereunder.

The fact that insurance (including, without limitation, self-insurance) is obtained by Lessee shall not be deemed to release or diminish the liability of Lessee including, without limitation, liability under the indemnity provisions of this Lease. Damages recoverable by Railroad shall not be limited by the amount of the required insurance coverage.

For purposes of this Section 17, Railroad shall mean "Burlington Northern Santa Fe, LLC", "BNSF Railway Company" and the subsidiaries, successors, assigns and affiliates of each.

Section 18. Water Rights and Use of Wells.

This Lease does not grant, convey or transfer any right to the use of water under any water right owned or claimed by the Lessor which may be appurtenant to the Premises. All right, title, and interest in and to such water is expressly reserved unto Lessor, and the right to use same or any part thereof may be obtained only by the prior written consent of the Lessor. Lessee shall not use, install or permit to be installed or used any wells on the Premises without the prior written consent of Lessor.

Section 19. Default.

A. An "Event of Default" by Lessee shall have occurred hereunder if any of the following shall occur:

- (i) if Lessee violates any safety provision contained in this Lease;
- (ii) if Lessee fails to pay rent or any other monetary payment hereunder when due or fails to perform any other obligations under this Lease and such failure continues thirty (30) days after written notice from Lessor to Lessee of Lessee's failure to make such payment or perform such obligations;
- (iii) if a decree or order of a court having jurisdiction over the Premises for the appointment of a receiver, liquidator, sequestrator, trustee, custodian or other officer having similar powers over Lessee or over all or a substantial part of the property of Lessee shall be entered; or if Lessee becomes insolvent or makes a transfer in fraud of creditors; or an interim receiver, trustee or other custodian of Lessee or of all or a substantial part of the property of Lessee shall be appointed or a warrant of attachment, execution, or similar process against any substantial part of the property of Lessee shall be issued and any such event shall not be stayed, dismissed, bonded or discharged within thirty (30) days after entry, appointment or issuance;
- (iv) if the Premises is abandoned or vacated by Lessee.

B. If an Event of Default occurs as provided above, Lessor may, at its option, (i) terminate this Lease by serving five (5) days notice in writing upon Lessee, in which event Lessee shall immediately surrender possession of the Premises to Lessor, without prejudice to any claim for arrears of rent or breach of covenant, (ii) proceed by appropriate judicial proceedings, either at law or in equity, to enforce performance or observance by Lessee of the applicable provisions of this Lease or to recover damages for a breach thereof, (iii) cure the default by making any such payment or performing any such obligation, as applicable, at Lessee's sole expense, without waiving or releasing Lessee from any obligation, or (iv) enter into and upon the Premises or any part thereof and repossess the same without terminating the Lease and, without obligations to do so relet the Premises or any part thereof as the agent of Lessee and in such event, Lessee shall be immediately liable to Lessor for all costs and expenses of such reletting, the cost of any alterations and repairs deemed necessary by Lessor to effect such reletting and the full amount, if any, by which the rentals reserved in this Lease for the period of such reletting exceeds the amounts agreed to be paid as rent for the Premises for the period of reletting. The foregoing rights and remedies given to Lessor are and shall be deemed to be cumulative and the exercise of any of them shall not be deemed to be an election excluding the exercise by Lessor at any time of a different or inconsistent remedy. If, on account of breach or default by Lessee of any of Lessee's obligations hereunder, it shall become necessary for the Lessor to employ an attorney to enforce or defend any of Lessor's rights or remedies hereunder, then, in any such event, any reasonable amount incurred by Lessor for attorneys' fees shall be paid by Lessee. Any waiver by Lessor of any default or defaults of this Lease or any delay of Lessor in enforcing any remedy set forth herein shall not constitute a waiver of the right to pursue any remedy at a later date or terminate this Lease for any subsequent default or defaults, nor shall any such waiver in any way affect Lessor's ability to enforce any Section of this Lease. The remedies set forth in this Section 19 shall be in addition to, and not in limitation of, any other remedies that Lessor may have at law or in equity, and the applicable statutory period for the enforcement of a remedy will not commence until Lessor has actual knowledge of a breach or default.

Section 20. Termination.

Upon the termination of Lessee's tenancy under this Lease in any manner herein provided, Lessee shall relinquish possession of the Premises and shall remove any Lessee Improvements, and restore the Premises to substantially the state and environmental condition in which it was prior to Lessee's use ("Restoration Obligations"). If Lessee shall fail within thirty (30) days after the date of such termination of its tenancy to complete the Restoration Obligations, then Lessor may, at its election (i) either remove the Lessee Improvements or otherwise restore the Premises, and in such event Lessee shall, within thirty (30) days after receipt of bill therefor, reimburse Lessor for cost incurred, (ii) upon written notice to Lessee may take and hold any Lessee Improvements and personal property as its sole property, without payment or obligation to Lessee therefor, or (iii) specifically enforce Lessee's obligation to restore and/or pursue any remedy at law or in equity against Lessee for failure to so restore. Further, in the event Lessor has consented to Lessee Improvements remaining on the Premises following termination, Lessee shall, upon request by Lessor, provide a Bill of Sale in a form acceptable to Lessor conveying such Lessee Improvements to Lessor.

Section 21. Survival of Obligations.

Notwithstanding any expiration or other termination of this Lease, all of Lessee's indemnification obligations and any other obligations that have accrued but have not been satisfied under this Lease prior to the termination date shall survive such termination.

Section 22. Holding Over.

If Lessee fails to surrender the Premises to Lessor upon the termination of this Lease, and Lessor does not consent in writing to Lessee's holding over, then such holding over will be deemed a month-to-month tenancy. Lessee's holdover will be subject to all provisions of this Lease.

Section 23. Multiple Party Lessee.

In the event that Lessee consists of two or more parties, all the covenants and agreements of Lessee herein contained shall be the joint and several covenants and agreements of such parties.

Section 24. Damage or Destruction.

If at any time during the term of this Lease, the Premises are damaged or destroyed by fire or other casualty, then Lessor may terminate this Lease or repair and reconstruct the Premises to substantially the same condition in which the Premises existed immediately prior to the damage or destruction, except that Lessor is not required to repair or reconstruct any Lessee Improvements, personal property, furniture, trade fixtures, or office equipment located on the Premises and removable by Lessee under the provisions of this Lease.

Section 25. Eminent Domain.

If any part of the Premises is taken by eminent domain, Lessor may either terminate this Lease or continue the Lease in effect. If Lessor elects to continue the Lease, rent will be reduced in proportion to the area of the Premises taken by eminent domain, and Lessor shall repair any damage to the Premises resulting from the taking. All sums awarded or agreed upon between Lessor and the condemning authority for the taking of the interest of Lessor or Lessee, whether as damages or as compensation, will be the property of Lessor; without prejudice, however, to claims of Lessee against the condemning authority for moving costs and the unamortized cost of leasehold improvements paid for by Lessee taken by the condemning authority. If this Lease is terminated under this Section 25, rent will be payable up to the date that possession is taken by the condemning authority, and Lessor shall refund to Lessee any prepaid unaccrued rent less any sum then owing by Lessee to Lessor.

Section 26. Representations.

Neither Lessor nor Lessor's agents have made any representations or promises with respect to the Premises except as herein expressly set forth.

Section 27. Signs.

No signs are to be placed on the Premises without the prior written approval of Lessor of the size, design, and content thereof.

Section 28. Consents and Approvals.

Whenever in this Lease Lessor's consent or approval is required, such consent or approval shall be in Lessor's sole and absolute discretion. If Lessor delays or refuses such consent or approval, such consent or approval shall be deemed denied, and Lessee in no event will be entitled to make, nor will Lessee make, any claim, and Lessee hereby waives any claim, for money damages (nor will Lessee claim any money damages by way of set-off counterclaim or defense) based upon any claim or assertion by Lessee that Lessor unreasonably withheld or unreasonably delayed its consent or approval.

Section 29. Captions.

The captions are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Lease nor the intent of any provision thereof.

Section 30. Public Record.

It is understood and agreed that this Lease shall not be placed of public record.

Section 31. Governing Law.

All questions concerning the interpretation or application of provisions of this Lease shall be decided according to the laws of the state in which the Premises are located.

Section 32. No Waiver.

One or more waivers of any covenant, term, or condition of this Lease by Lessor shall not be construed as a waiver of a subsequent breach of the same covenant, term, or condition. The consent or approval by Lessor to or of any act by Lessee requiring such consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

Section 33. Binding Effect.

All provisions contained in this Lease shall be binding upon, inure to the benefit of, and be enforceable by the respective successors and assigns of Lessor and Lessee to the same extent as if each such successor and assign was named a party to this Lease.

Section 34. Force Majeure.

Except as may be elsewhere specifically provided in this Lease, if either party is delayed or hindered in, or prevented from the performance required under this Lease (except for payment of monetary obligations) by reason of earthquakes, landslides, strikes, lockouts, labor troubles, failure of power, riots, insurrection, war, acts of God or other reason of the like nature not the fault of the party delayed in performance of its obligation, such party is excused from such performance for the period of delay. The period for the performance of any such act will then be extended for the period of such delay.

Section 35. Entire Agreement/Modification.

This Lease is the full and complete agreement between Lessor and Lessee with respect to all matters relating to lease of the Premises and supersedes any and all other agreements between the parties hereto relating to lease of the Premises. If this Lease is a reissue of an existing agreement held by Lessee, it shall supersede and cancel the previous lease or leases, without prejudice to any liability accrued prior to cancellation. This Lease may be modified only by a written agreement signed by Lessor and Lessee.

Section 36. Notices.

Any notice or documents required or permitted to be given hereunder by one party to the other shall be in writing and the same shall be given or shall be deemed to have been served and given if (i) delivered in person to the address hereinafter set forth for the party to whom the notice is given, (ii) placed in the United States mail, certified - return receipt requested, addressed to such party at the address hereinafter set forth, or (iii) deposited into the custody of any reputable overnight carrier for next day delivery, addressed to such party at the address hereinafter set forth. Any notice mailed as above shall be effective upon its deposit into the custody of the U. S. Postal Service or such reputable overnight carrier, as applicable; all other notices shall be effective upon receipt. All rent and other payments due to Lessor hereunder shall also be made as provided in Section 3(A) above, and delivery of such rental and other payments shall only be effective upon actual receipt by Lessor. From time to time either party may designate another address or telecopy number within the 48

contiguous states of the United States of America for all purposes of this Lease by giving the other party not less than fifteen (15) days' advance written notice of such change of address in accordance with the provisions hereof.

If to Lessee:

City of Kingman
310 N Fourth Street
Kingman, AZ 86401
Attn: Jack Plaunty

If to Lessor:

BNSF Railway Company
2500 Lou Menk Drive, AOB-3
Fort Worth, Texas 76131-2828
Attn: Director – Real Estate

With a copy to:

Jones Lang LaSalle Brokerage, Inc.
4300 Amon Carter Blvd., Suite 100
Fort Worth, Texas 76155
Attn: Director – Leases and Permits

Section 37. Counterparts.

This Agreement may be executed in multiple counterparts, each of which shall, for all purposes, be deemed an original but which together shall constitute one and the same instrument, and the signature pages from any counterpart may be appended to any other counterpart to assemble fully executed documents, and counterparts of this Agreement may also be exchanged via electronic facsimile machines and any electronic facsimile of any party's signature shall be deemed to be an original signature for all purposes.

Section 38. Relationship.

Notwithstanding anything else herein to the contrary, neither party hereto shall be construed or held, by virtue of this Lease, to be the agent, partner, joint venturer, or associate of the other party hereto, it being expressly understood and agreed that the relationship between the parties hereto is and at all times during the term of this Lease, shall remain that of Lessor and Lessee.

Section 39. Severability.

If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws effective during the term of this Lease, then and in that event, it is the intention of the parties hereto that the remainder of this Lease shall not be affected thereby, and it is also the intention of the parties to this Lease that in lieu of each clause or provision of this Lease that is illegal, invalid or unenforceable, there be added, as a part of this Lease, a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

Section 40. Transferability; Release of Lessor.

Lessor shall have the right to transfer and assign, in whole or in part, all of its rights and obligations under this Lease and in the Premises, and upon such transfer, Lessor shall be released from any further obligations hereunder, and Lessee agrees to look solely to the successor in interest of Lessor for the performance of such obligations.

Section 41. Tax Waiver.

Lessee waives all rights pursuant to all Laws to protest appraised values or receive notice of reappraisal regarding the Premises (including Lessor's personalty), irrespective of whether Lessor contests the same.

Section 42. Attorneys' Fees.

If any action at law or in equity is necessary to enforce or interpret the terms of this Lease, the prevailing party shall be entitled to reasonable attorneys' fees, costs, and necessary disbursements in addition to any relief to which it may be entitled.

Executed by the parties to be effective as of the Effective Date above.

LESSOR:

BNSF Railway Company, a Delaware corporation

By: _____
Name: _____
Title: _____

LESSEE:

City of Kingman, an Arizona municipality

By: _____
Name: _____
Title: _____

EXHIBIT "A"

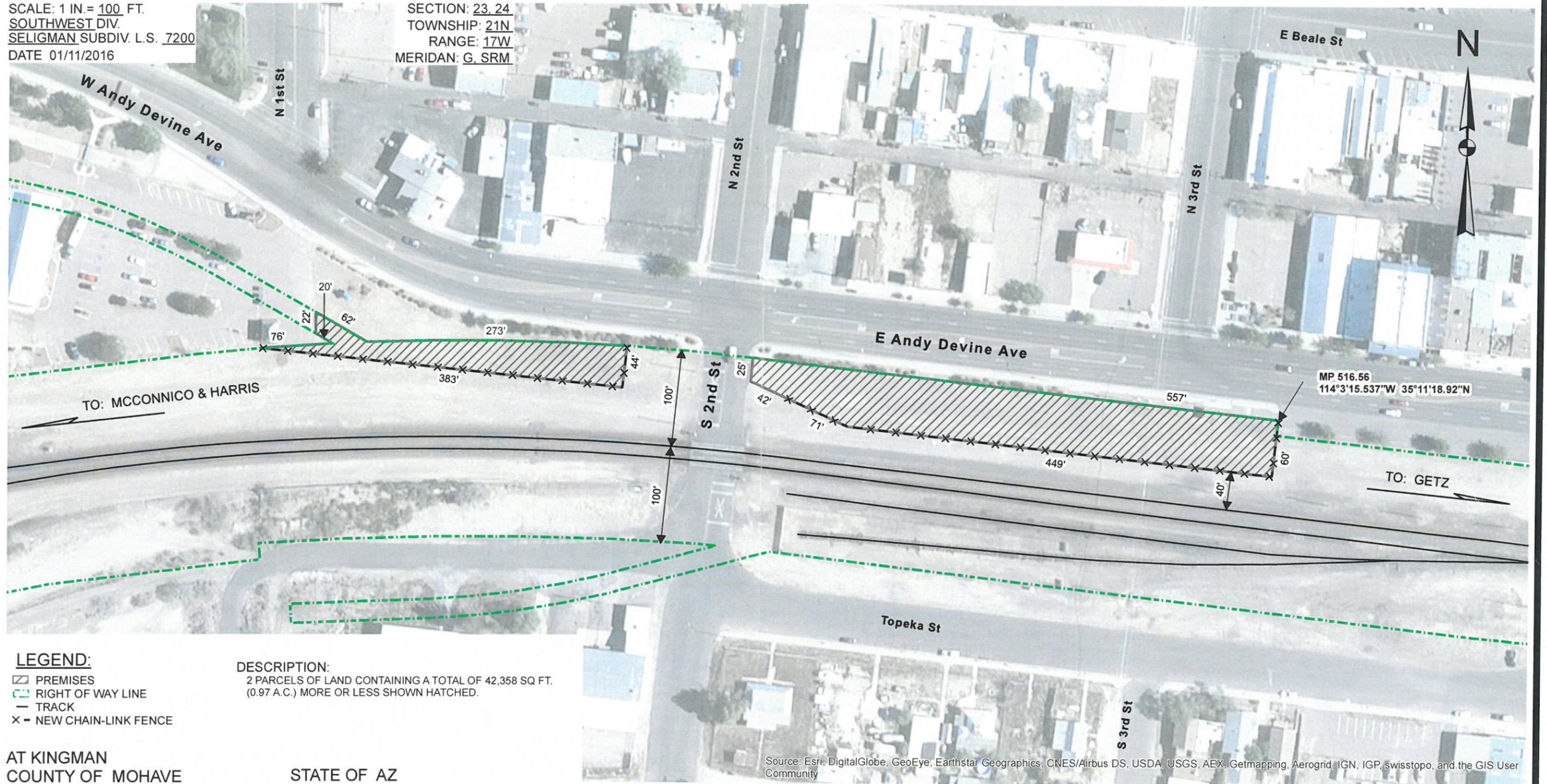
PREMISES

EXHIBIT "A"
ATTACHED TO CONTRACT BETWEEN
BNSF RAILWAY COMPANY
AND

CITY OF KINGMAN

SCALE: 1 IN. = 100 FT.
SOUTHWEST DIV.
SELIGMAN SUBDIV. L.S. 7200
DATE 01/11/2016

SECTION: 23, 24
TOWNSHIP: 21N
RANGE: 17W
MERIDAN: G, SRM



LEGEND:

- PREMISES
- RIGHT OF WAY LINE
- TRACK
- NEW CHAIN-LINK FENCE

DESCRIPTION:

2 PARCELS OF LAND CONTAINING A TOTAL OF 42,358 SQ FT.
(0.97 A.C.) MORE OR LESS SHOWN HATCHED.

AT KINGMAN
COUNTY OF MOHAVE

STATE OF AZ

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

EXHIBIT "B"

WORK LETTER AGREEMENT

THIS WORK LETTER AGREEMENT (the "Agreement") supplements that certain Indefinite Term Lease for Land ("Lease") dated _____, _____ by and between **BNSF Railway Company**, a Delaware corporation ("Lessor") and _____, a(n) _____ ("Lessee"). In the event of any conflict between the provisions of this Agreement and the provisions of the Lease, the provisions of this Agreement shall control. Unless the context otherwise requires, capitalized terms not defined herein shall have the meaning assigned to such terms in the Lease.

In the event Lessee uses one or more general contractors or subcontractors ("Contractor(s)") for any improvements, alterations, build out, finish out, or other similar work on the Premises ("Work"), Lessee agrees to and accepts the following:

1. Prior to performing any Work, Lessee shall obtain Lessor's approval of each Contractor and any Work to be performed by such Contractor shall be performed pursuant to a written contract between Lessee and the Contractor ("Work Contract") approved in advance by Lessor.

2. Prior to commencing any Work, Lessee shall submit for Lessor's review and approval Lessee's plans, specifications and/or drawings for such Work (collectively, "Plans") in accordance with the procedure set forth in the Lease.

3. All Work must be performed at Lessee's sole cost and expense and in accordance with the Plans which have previously been approved by Lessor.

4. Lessee shall cause its Contractors to meet all insurance and indemnification requirements required of Lessee under the Lease and shall obtain indemnification and insurance provisions from its Contractors in favor of Lessor and in the same form as set forth in the Lease.

5. Prior to the commencement of the Work, all required local building, fire, health and other departments must approve all Plans requiring approval by local building codes. In addition, the Work shall be performed, installed and/or constructed in accordance with all applicable federal, state and local laws, codes, ordinances, rules and regulations, including without limitation, the Americans With Disabilities Act of 1990, 42 U.S.C.A. 12101 et seq.

6. Lessee shall be responsible for obtaining all municipal and other governmental licenses or permits for the Work with copies furnished to Lessor prior to commencement of any construction.

7. Lessee shall furnish Lessor, for Lessor's approval, a copy of its schedule of the Work. Lessee shall perform the Work in accordance with the schedule approved by Lessor, and any changes in such schedule must be approved by Lessor in writing in advance.

8. Notwithstanding the status of the completion of the Work, Lessee's obligation for payment of Base Rent and other amounts due under the Lease shall commence on the Commencement Date provided in the Lease. Notwithstanding anything herein to the contrary, Lessor may, in Lessor's sole discretion, permit Lessee and Lessee's Contractors to enter the Premises prior to the Commencement Date in order to commence Work; provided, however, that Lessee agrees that such early entry or occupation of the Premises shall be governed by all of the terms and conditions of the Lease and this Agreement (including the insurance and indemnity requirements therein), as such terms and conditions are more specifically set forth in the Lease and this Agreement.

9. During construction, Lessor reserves the right to inspect the Work at any time upon reasonable notice to Lessee.

10. Lessee's Contractors shall keep the Premises reasonably clean at all times during the performance of the Work.

11. All Work must be performed in a good and workmanlike manner, free from defects in materials and workmanship.

12. If any materialman's, mechanic's, laborer's or any other liens for any work claimed to have been undertaken for Lessee or at Lessee's request is filed against the Premises, Lessee shall indemnify, defend and hold harmless Lessor from any such liens filed during the term of the Lease and shall, at Lessee's own expense, cause all such liens to be removed within ten (10) days after written notice from Lessor to Lessee of the filing thereof.

13. Lessee must obtain Lessor's reasonable approval that the Work has been completed in substantial accordance with the approved plans and specifications. Lessor shall receive copies of all Certificates of Occupancy and as-built drawings (electrical, mechanical, fire and architectural) prior to approving the Work.

14. All guarantees and warranties provided by Lessee's Contractors shall be issued to Lessee and, for Work which is or will at the termination of this Lease be Lessor's property, also to Lessor.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the date first set forth above.

LESSOR:

BNSF Railway Company

By: _____
Name: _____
Title: _____

LESSEE:

By: _____
Name: _____
Title: _____

Sample



CITY OF KINGMAN COMMUNICATION TO COUNCIL

TO: Honorable Mayor and Common Council

FROM: Sydney Muhle, City Clerk

MEETING DATE: May 3, 2016

AGENDA SUBJECT: Discussion and direction regarding the potential of selling City owned property

SUMMARY:

Mayor Anderson has requested information regarding the potential of selling City owned property at the November 8, 2016, General Election. The City Clerk will provide the Council with information regarding the time frame for a ballot measure to take place. Staff request direction from the Council regarding whether or not to proceed with the process to send a ballot measure to the voters in November to sell City owned property.

FISCAL IMPACT:

The fiscal impact will be determined by the cost for the publicity pamphlet which is estimated to cost approximately \$15,000.

STAFF RECOMMENDATION:

Council discretion.

ATTACHMENTS:

Description

ARS 9-403 Sale of real property valued at more than \$500,000

ARS 19-141 (c) Requirement for 90 day ballot measure argument deadline

REVIEWERS:

Department	Reviewer	Action	Date
City Clerk	Muhle, Sydney	Approved	4/25/2016 - 7:00 PM
City Attorney	Cooper, Carl	Approved	4/26/2016 - 10:03 AM
City Manager	Dougherty, John	Approved	4/25/2016 - 8:10 PM

9-403. Sale of real property valued at more than five hundred thousand dollars; special election; sale at auction

A. Real property of a city or town, the value of which exceeds five hundred thousand dollars, shall not be sold unless first authorized by a special election called for the purpose of submitting to the voters of the city or town the question of selling or not selling the real property proposed for sale. The election shall be held within the corporate limits of the city or town on a date prescribed by section 16-204, and notice shall be given as provided in section 9-402.

B. The ballots shall contain a description of the property proposed for sale and the reason why the governing body desires the property sold. The description and reasons shall be printed in eight-point type and shall contain not more than one hundred words.

C. If a majority of the ballots cast is in favor of selling, then the governing body may sell the property at public auction, after giving the notice required in section 9-402, to the highest bidder for cash, reserving the right to reject any and all bids.



Fifty-second Legislature - Second Regular Session

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[19-141. Initiative and referendum in counties, cities and towns](#)

A. The provisions of this chapter shall apply to the legislation of cities, towns and counties, except as specifically provided to the contrary in this article. The duties required of the secretary of state as to state legislation shall be performed in connection with such legislation by the city or town clerk, county officer in charge of elections or person performing the duties as such. The duties required of the governor shall be performed by the mayor or the chairman of the board of supervisors, the duties required of the attorney general shall be performed by the city, town or county attorney, and the printing and binding of measures and arguments shall be paid for by the city, town or county in like manner as payment is provided for by the state with respect to state legislation. The provisions of section 19-124 with respect to the legislative council analysis do not apply in connection with initiatives and referenda in cities, towns and counties. The printing shall be done in the same manner as other municipal or county printing is done.

B. Distribution of pamphlets shall be made to every household containing a registered voter in the city or county, so far as possible, by the city or town clerk or by the county officer in charge of elections by mail before the earliest date for receipt by registered voters of any requested early ballot for the election at which the measures are to be voted on. If the pamphlet is not mailed before the earliest date for receipt of a requested early ballot, the officer in charge of elections shall provide a notice with the early ballots stating when the pamphlets will be mailed and where and when the pamphlets may be accessed or viewed. Pamphlets shall not be mailed or carried less than ten days before the election at which the measures are to be voted upon.

C. Arguments supporting or opposing municipal or county initiative and referendum measures shall be filed with the city or town clerk or the county officer in charge of elections not less than ninety days before the election at which they are to be voted upon.

D. The procedure with respect to municipal and county legislation shall be as nearly as practicable the same as the procedure relating to initiative and referendum provided for the state at large, except the procedure for verifying signatures on initiative or referendum petitions may be established by a city or town by charter or ordinance.

E. References in this section to duties to be performed by city or town officers apply only with respect to municipal legislation, and references to duties to be performed by county officers apply only with respect to county legislation.

F. The duties required of the county recorder with respect to state legislation shall also be performed by the county recorder with respect to municipal or county legislation.



**CITY OF KINGMAN
COMMUNICATION TO COUNCIL**

TO: Honorable Mayor and Common Council

FROM: Carl Cooper, City Attorney

MEETING DATE: May 3, 2016

AGENDA SUBJECT: Heinfeld & Meech-Former City Auditors

SUMMARY:

The City Attorney requests Council enter Executive Session pursuant to ARS38-431.03(A)(4) to discuss legal action against Heinfeld & Meech, the former City auditors, for their failure to detect the activities of former Budget Analyst Diane Richards.

FISCAL IMPACT:

STAFF RECOMMENDATION:

Enter executive session

REVIEWERS:

Department	Reviewer	Action	Date
City Attorney	Cooper, Carl	Approved	4/21/2016 - 5:38 PM
City Attorney	Cooper, Carl	Approved	4/21/2016 - 5:39 PM
City Manager	Dougherty, John	Approved	4/21/2016 - 7:22 PM