

**NOTICE OF REGULAR MEETING
OF THE CAREFREE TOWN COUNCIL**

WHEN: TUESDAY, AUGUST 1, 2023

WHERE: CAREFREE TOWN COUNCIL CHAMBERS
33 EASY STREET, CAREFREE, AZ 85377

LIVESTREAM: [CAREFREE YOUTUBE CHANNEL](https://www.youtube.com/@Carefree.AZgov)
<https://www.youtube.com/@Carefree.AZgov>

TIME: 5:00 P.M.

Pursuant to A.R.S. 38-431.02, notice is hereby given to the members of the Town Council of the Town of Carefree, Arizona and to the general public that the members of the Town Council will hold a meeting open to the public. For any item listed on the agenda, the Council may vote to go into Executive Session for advice of counsel and/or to discuss records and information exempt by law or rule from public inspection, pursuant to Arizona Revised Statutes §38-431.03.

The agenda for the meeting is as follows:

CALL TO ORDER

ROLL CALL

Members of the Council may participate by technological means or methods pursuant to A.R.S. §38-431(4).

PLEDGE OF ALLEGIANCE

CONSENT AGENDA

Approved

All items listed hereunder are considered to be routine by the Town Council and will be enacted by one motion. There will be no separate discussion of these items unless a council member so requests, in which event the item will be removed from the consent agenda and will be discussed separately:

1. Approval of the Minutes of the Regular Town Council Meeting on July 11, 2023
2. Approval of the July 11, 2023 Town Council Budget Hearing Minutes
3. Acceptance into the public record of the July 2023 paid bills.

CALL TO THE PUBLIC

4. Call to the Public: Consideration of comments from the public. Pursuant to Section 2-4-7(G) of the Town Code and A.R.S. 38-431.01(H), those wishing to address the Council need not request permission in advance. The public may address the Council on matters not on the agenda. Attendees shall maintain decorum and conduct themselves respectfully throughout the meeting, adhering to appropriate meeting etiquette. Disruptive behavior, including shouting, using offensive language, or engaging in personal attacks, is strictly prohibited. Abusive behavior towards other participants, town council, or town staff will not be tolerated. Attendees shall address their comments and questions to designated

individuals and refrain from cross-talk or side conversations. Violations of these rules may result in a verbal warning or removal from the meeting, with documentation of the actions taken. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter, direct staff to study the matter, reschedule the matter for further consideration and decision at a later date, or may ask that a matter be put on a future agenda. However, the Council may not discuss or take legal action at this time. Please limit your comments to not more than 3 minutes.

REGULAR AGENDA:

5. Current Events.
6. Review and discussion related to the General Plan Update process as lead by Matt Klyszeiko, Michael Baker International, to include an overview of feedback from recent community workshops, presentation of draft structure and document outline, and discussion of key issues and working resolutions.
7. Brief Economic Development Update and Review and Discussion on the Economic Development 24-Month Workplan
8. Review and approval of the contract outlining the terms for extending the naming rights of the Sanderson Lincoln Pavilion.
9. Initial Review of the Carefree Traffic Calming Program.
10. Adjournment.

DATED this 28th of July 2023.

TOWN OF CAREFREE

BY:



Kandace French Contreras, Town Clerk/Treasurer

Items may be taken out of sequence

Council meeting are now broadcast live via the Town of Carefree YouTube channel:

[@CarefreeAZgov](https://www.youtube.com/@CarefreeAZgov)

Connect with us!



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Email: info@carefree.org

Website: www.carefree.org

Social Media: [Facebook](#) | [Instagram](#) | [YouTube](#) | [LinkedIn](#)

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FOR SPECIAL ACCOMMODATIONS

Please contact the Town Clerk, 8 Sundial Circle (PO Box 740), Carefree, AZ 85377; (480) 488-3686, at least three working days prior to the meeting if you require special accommodations due to a disability.

**TOWN OF CAREFREE
MINUTES**

MEETING DATE: August 01, 2023

SUBJECT: Approval of the Minutes of the Regular Town Council Meeting on July 11, 2023

PREPARED BY: Kandace French Contreras, Town Clerk / Treasurer

Attachments

7-11-23 Regular TC Minutes

**MINUTES OF THE REGULAR MEETING
OF THE CAREFREE TOWN COUNCIL**

WHEN: TUESDAY, JULY 11, 2023

WHERE: CAREFREE TOWN COUNCIL CHAMBERS
33 EASY STREET, CAREFREE, AZ 85377

LIVESTREAM: CAREFREE YOUTUBE CHANNEL
<https://www.youtube.com/@CarefreeAZgov>

TIME: 5:00 P.M.

COUNCIL MEMBERS PRESENT:

Mayor John Crane
Vice Mayor Cheryl Kroyer
Councilmember Sheila Amoroso
Councilmember Vince D’Aliesio
Councilmember Stephen Hatcher

ABSENT:

Councilmember Mike Johnson

Staff Present:

Gary Neiss, Town Administrator; Michael Wright, Town Attorney; Kandace French Contreras, Town Clerk/Treasurer.

Mayor Crane called the meeting to order at 5:00 p.m.

SILENT ROLL CALL

PLEDGE OF ALLEGIANCE

George Nelson led the group in the Pledge of Allegiance.

CONSENT AGENDA

IT ITEM #1 Approval of the June 6, 2023 Town Council Meeting minutes.

ITEM #2 Acceptance into the public record of the June, 2023 paid bills.

ITEM #3 Acceptance of the cash receipts and disbursements report for May, 2023.

Mayor Crane announced the agenda item and there were no comments or changes.

MOTION: Vice Mayor Kroyer made a motion to approve the Consent Agenda Items 1 through 3 as presented.

SECOND: Council Member D’Aliesio.

VOTE: Approved 5-0-1.

Voting Member	Aye/Nay
Mayor John Crane	Aye
Vice Mayor Cheryl Kroyer	Aye
Sheila Amoroso	Aye
Vince D’Aliesio	Aye
Stephen Hatcher	Aye
Mike Johnson	Absent

CALL TO THE PUBLIC

ITEM #4 Call to the Public:

John Traynor - Carefree, AZ appeared and spoke regarding his belief there was a mistake made in December. The recent vote was not about property tax. “We are all watching. Pick the 80%.”

George Nelson - Thanked the Council for selecting him to lead in the Pledge of Allegiance. He has a military family. Referenced the 80% selection and suggested pickleball courts for the Town of Carefree.

Diane Thompson – Endorsed Colleen Rose – Scurti for the vacant council seat.

John Mattes, Carefree, AZ appeared and spoke regarding transparency and truth. He said the Town Administrator has been in his position for 20 years or so he believes. He suggested he did not receive a “personnel policy and procedures” requested by Public Record Request and so there is not one. That it is a liability to the Town. Virtually every other municipality has a “personnel policy and procedures.” He checked. He thanked the Council for the Carefree Water Company adding an insert to his water bill.

Stuart Scurti – He stated he sat in the post office building with his wife, Colleen Rose-Scurti when she solicited support for the vacant council seat. He stated it was, “transparency at its finest.” He endorsed her for the vacant council seat and told the council to choose wisely.

Walter Brubaker, Carefree, AZ spoke regarding Scottsdale recent decision to house homeless people. He urged the Council to act against such activity. He stated he observed pot dispensaries, bail bondsman and other businesses in Cave Creek and urged the Council not to allow the same in Carefree.

REGULAR AGENDA:

ITEM #5 Current Events.

Briana Khan was introduced as the new Communications Manager.

ITEM #6 Review, discussion, and possible action to appoint an applicant to the vacant Town Council seat pursuant to Carefree Town Code Section 2-1-1 to serve through December, 2026. The following individuals have submitted applications:

1. Lon Johnson
2. Michael Krahe
3. Louis P. Levinson
4. Clint Miller
5. Gene Orrico
6. Colleen Rose-Scurti
7. Diane Roth
8. Sharon Smith
9. Ted Taylor
10. Ron Thackery

John Mattes - Carefree, AZ appeared and endorsed Colleen Rose – Scurti.

Ariane Buser – Carefree, AZ appeared and endorsed Colleen Rose – Scurti.

Jan Neal – Carefree, AZ appeared and endorsed Colleen Rose – Scurti.

Mayor Crane announced the agenda item and drew candidate names from a hat for the order to appear and speak for two minutes prior to council voting. Candidates Michael Krahe and Ron Thackery appeared by telephone.

The candidates spoke in the following order:

1. Ron Thackery
2. Louis P. Levinson
3. Lon Johnson
4. Sharon Smith
5. Michael Krahe
6. Colleen Rose-Scurti
7. Clint Miller
8. Gene Orrico
9. Ted Taylor
10. Diane Roth

The Council Members presented their thoughts regarding their candidate choices. The successful candidate required a simple majority vote.

Round One Voting:

Mayor John Crane – Lon Johnson
Vice Mayor Cheryl Kroyer – Clint Miller
Councilmember Sheila Amoroso – Clint Miller
Councilmember Vince D’Aliesio – Sharon Smith
Councilmember Stephen Hatcher – Diane Roth

No candidate received a simple majority. Candidates not receiving a vote were eliminated. Second round of voting commenced.

Round Two Voting:

Mayor John Crane – Lon Johnson
Vice Mayor Cheryl Kroyer – Clint Miller
Councilmember Sheila Amoroso – Clint Miller
Councilmember Vince D’Aliesio – Sharon Smith
Councilmember Stephen Hatcher – Sharon Smith

Two candidates each received two votes; Clint Miller and Sharon Smith. Candidate Lon Johnson was eliminated. Round three voting would only include Clint Miller and Sharon Smith.

Round Three Voting:

Mayor John Crane – Clint Miller
Vice Mayor Cheryl Kroyer – Clint Miller
Councilmember Sheila Amoroso – Clint Miller
Councilmember Vince D’Aliesio – Sharon Smith
Councilmember Stephen Hatcher – Sharon Smith

ACTION: *Clint Miller was selected to the vacant council seat through December, 2026.*

Town Clerk/Treasurer Kandace French Contreras swore in Mr. Miller and he took his place at the dais.

(Taken out of order)

ITEM #10 Review, discussion and possible action to approve the Series #012 Restaurant liquor license for Don Russell Little and Black Mountain Café.

The agenda item was presented by Town Clerk, Kandace French Contreras. Applicant Don Russell Little appeared and spoke before the Council.

MOTION: Council Member D’Aliesio made a motion to approve the agenda item #10 as presented.

SECOND: Mayor Kroyer.

VOTE: Approved 5-0-1.

Voting Member	Aye/Nay
Mayor John Crane	Aye
Vice Mayor Cheryl Kroyer	Aye
Sheila Amoroso	Aye
Vince D'Aliesio	Aye
Stephen Hatcher	Aye
Mike Johnson	Absent

ITEM #7 Review, discussion and possible action to authorize capital funds for the purchase of a Pierce Fire/Pumper Truck.

The agenda item was presented by Town Administrator, Gary Neiss.

MOTION: Vice Mayor Kroyer made a motion to approve the agenda item as presented.

SECOND: Council Member Amoroso.

VOTE: Approved 5-0-1.

Voting Member	Aye/Nay
Mayor John Crane	Aye
Vice Mayor Cheryl Kroyer	Aye
Sheila Amoroso	Aye
Vince D'Aliesio	Aye
Stephen Hatcher	Aye
Mike Johnson	Absent

ITEM #8 Review, discussion and possible action to authorize capital funds for the stucco repair/resurface, Rhino Shield and ceramic paint to garden walls located between the amphitheater and the bridge into/from the post office building.

The agenda item was presented by Town Administrator, Gary Neiss.

MOTION: Council Member Amoroso made a motion to approve the agenda item as presented.

SECOND: Vice Mayor Kroyer.

VOTE: Approved 5-0-1.

Voting Member	Aye/Nay
Mayor John Crane	Aye

Vice Mayor Cheryl Kroyer	Aye
Sheila Amoroso	Aye
Vince D'Aliesio	Aye
Stephen Hatcher	Aye
Mike Johnson	Absent

ITEM #9 Review, discussion and possible action to authorize capital funds to refresh decomposed granite in the Town Center Desert Garden and replanting amphitheater planter located at the northwest corner of the amphitheater.

The agenda item was presented by Town Administrator, Gary Neiss.

MOTION: Council Member D'Aliesio made a motion to approve the agenda item as presented.

SECOND: Council Member Amoroso.

VOTE: Approved 5-0-1.

Voting Member	Aye/Nay
Mayor John Crane	Aye
Vice Mayor Cheryl Kroyer	Aye
Sheila Amoroso	Aye
Vince D'Aliesio	Aye
Stephen Hatcher	Aye
Mike Johnson	Absent

ITEM #11 Review, discussion and possible action to approve the Agent/Owner amendment to the Series #012 Restaurant liquor license for Andrea Dahlman Lewkowitz and Keelers Neighborhood Steakhouse.

The matter was presented by Town Clerk, Kandace French Contreras.

MOTION: Vice Mayor Kroyer made a motion to approve the agenda item as presented.

SECOND: Council Member Amoroso.

VOTE: Approved 5-0-1.

Voting Member	Aye/Nay
Mayor John Crane	Aye
Vice Mayor Cheryl Kroyer	Aye
Sheila Amoroso	Aye
Vince D'Aliesio	Aye
Stephen Hatcher	Aye
Mike Johnson	Absent

ITEM #12 Adjournment.

MOTION: Vice Mayor Kroyer made a motion to adjourn.

SECOND: Council Member D’Aliesio

VOTE: Approved 5-0-1.

Voting Member	Aye/Nay
Mayor John Crane	Aye
Vice Mayor Cheryl Kroyer	Aye
Sheila Amoroso	Aye
Vince D’Aliesio	Aye
Stephen Hatcher	Aye
Mike Johnson	Absent

ACTION: ADJOURNED AT 6:56 P.M.

DATED this 14th of July, 2023.

TOWN OF CAREFREE

BY:

Kandace French Contreras, Town Clerk/Treasurer

TOWN OF CAREFREE

John Crane, Mayor

Attest:

Kandace French Contreras, Town Clerk/Treasurer

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the Regular Meeting of the Town of Carefree held July 11, 2023. I further certify that the meeting was duly called and held and that a quorum was present.

Kandace French Contreras, Town Clerk

**TOWN OF CAREFREE
MINUTES**

MEETING DATE: August 01, 2023

SUBJECT: Approval of the July 11, 2023 Town Council Budget Hearing Minutes

PREPARED BY: Kandace French Contreras, Town Clerk / Treasurer

Attachments

7-11-23 TC Budget Meeting Minutes

**MINUTES OF THE BUDGET HEARING BEFORE
THE CAREFREE TOWN COUNCIL**

WHEN: TUESDAY, JULY 11, 2023

WHERE: CAREFREE TOWN COUNCIL CHAMBERS
33 EASY STREET, CAREFREE, AZ 85377

LIVESTREAM: CAREFREE YOUTUBE CHANNEL
<https://www.youtube.com/@CarefreeAZgov>

TIME: 4:30 P.M.

COUNCIL MEMBERS PRESENT:

Mayor John Crane
Vice Mayor Cheryl Kroyer
Councilmember Sheila Amoroso
Councilmember Vince D’Aliesio
Councilmember Stephen Hatcher

ABSENT:

Councilmember Mike Johnson

Staff Present:

Gary Neiss, Town Administrator; Michael Wright, Town Attorney; Kandace French Contreras, Town Clerk/Treasurer.

Mayor Crane called the meeting to order at 4:30 p.m.

ROLL CALL

A members of the Council may participate by technological means or methods pursuant to A.R.S. §38-431(4).

AGENDA:

ITEM #1 **PUBLIC HEARING: Discussion and possible action regarding approval of Resolution 2023-06: Determining and Adopting Estimates of Proposed Expenditures by the Town of Carefree for the Fiscal Year Beginning July 1, 2023 and Ending June 30, 2024 and Declaring that Such Shall Constitute the Budget for the Town of Carefree for Such Fiscal Year.**

Town Administrator, Gary Neiss, presented a Power Point and detailed information regarding the prior budget workshops and budget meetings. He reminded the Council that Resolution 2023-05 presented in July, 2023 detailed the tentative budget and was approved by the Council. Since that time there have been no changes.

MOTION: Council Member D’Aliesio made a motion to approve Resolution 2023-06 and the final budget for Fiscal Year 2023/2024 as presented.

SECOND: Vice Mayor Kroyer.

VOTE: Approved 5-0-1.

Voting Member	Aye/Nay
Mayor John Crane	Aye
Vice Mayor Cheryl Kroyer	Aye
Sheila Amoroso	Aye
Vince D’Aliesio	Aye
Stephen Hatcher	Aye
Mike Johnson	Absent

ITEM #2 **Adjournment.**

MOTION: Vice Mayor Kroyer made a motion to adjourn.

SECOND: Council Member D’Aliesio

VOTE: Approved 5-0-1.

Voting Member	Aye/Nay
Mayor John Crane	Aye
Vice Mayor Cheryl Kroyer	Aye
Sheila Amoroso	Aye
Vince D’Aliesio	Aye
Stephen Hatcher	Aye
Mike Johnson	Absent

ACTION: ADJOURNED AT 4:44 P.M.

DATED this 14th of July, 2023.

TOWN OF CAREFREE

BY: *Kandace French Contreras*
Kandace French Contreras, Town Clerk/Treasurer

Items may be taken out of sequence.

**TOWN OF CAREFREE
MINUTES**

MEETING DATE: August 01, 2023

SUBJECT: Acceptance into the public record of the July 2023 paid bills.

PREPARED BY: Kandace French Contreras, Town Clerk / Treasurer

Attachments

July 2023 Paid Bills

Check Register Report

ALL CHECKS JULY 2023

Date: 07/28/2023

Time: 11:09 am

Town Of Carefree

BANK: NATIONAL BANK OF ARIZONA

Page: 1

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
NATIONAL BANK OF ARIZONA Checks							
49430	07/07/2023	Printed		3595	AMAZON CAPITAL SERVICES	June 23 Office Sup Town&Court	1,240.03
49431	07/07/2023	Printed		3463	BUSTAMANTE & KUFFNER PC	Jun 23 Town Prosecutor Service	17,270.00
49432	07/07/2023	Printed		0389	CAREFREE WATER COMPANY, INC	Jul 23 Water All Depts	2,911.42
49433	07/07/2023	Printed		3299	CIRCLE K UNIVERSAL	June 23 Gasoline All Depts	1,289.28
49434	07/07/2023	Printed		1329	COLONIAL SUPPLEMENTAL INS	June 23 Supplemental Ins	57.82
49435	07/07/2023	Printed		1460	COX COMMUNICATIONS	July 23 Town Internet&Phones	1,011.89
49436	07/07/2023	Printed		3590	DH PACE COMPANY	Fire Stn Bay 1 Garage Door Rpr	1,121.41
49437	07/07/2023	Printed		3612	DOMENICO, DEBBIE	June 30 Office Supplies Reimb	96.25
49438	07/07/2023	Printed		1575	GRAINGER	3 Canvas Snake Gaiters Streets	239.80
49439	07/07/2023	Printed		3694	IMMENSE IMPACT, LLC	FY 2024 Web Site Hosting	1,105.00
49440	07/07/2023	Printed		3599	INDUSTRIAL COMMISSION OF ARIZ	FY2024 Firefighter Cancer Reim	9,375.74
49441	07/07/2023	Printed		1320	KARSTEN'S ACE HARDWARE	June 23 Pub Wrks Supplies	234.89
49442	07/07/2023	Printed		3584	KIMLEY-HORN AND ASSOCIATES, INC	CF Sign Plan thru 6/30/23	551.50
49443	07/07/2023	Printed		0079	MARICOPA ASSN. OF GOVERNMENTS	FY2024 MAG Dues	815.00
49444	07/07/2023	Printed		3221	NATIONAL BANK OF ARIZONA	June 23 Meeting Meals Conf	86.14
49445	07/07/2023	Printed		3221	NATIONAL BANK OF ARIZONA	Brush Trk Equip, PU Trk Tires	14,459.93
49446	07/07/2023	Printed		3403	PROSKILL PLUMBING, HEATING	Repl Faucet Women 8 Sundial	295.00
49447	07/07/2023	Printed		3010	REPUBLIC SERVICES #753	July 23 Trash PU 8 Sundial	728.37
49448	07/07/2023	Printed		3010	REPUBLIC SERVICES #753	June 23 Shop 40 Yrd Rolloffs	1,908.50
49449	07/07/2023	Printed		3527	RICK ENGINEERING CO - ARIZONA	Pedestrian Crosswalk to6/30/23	9,402.00
49450	07/07/2023	Printed		1691	SPARKLETT'S	June 23 Bottled Water All	274.86
49451	07/07/2023	Printed		3226	TECH 4 LIFE COMPUTERS	Reconnect Screen Council Chmbr	69.00
49452	07/07/2023	Printed		3461	TITAN COMMERCIAL CLEANING	Jun 23 Town, Gardens Cleaning	7,305.00
49453	07/07/2023	Printed		3287	TOSHIBA BUSINESS SOLUTIONS	Jun23 Twn Copier Maint&Lease	770.74
49454	07/14/2023	Printed		3504	AAA SMART HOME	Sec Sys Maint Maint Shop	641.67
49455	07/14/2023	Printed		0300	ARIZ PUBLIC SERVICE	July 23 Electric All Depts	3,287.24
49456	07/14/2023	Printed		0414	AZ MUN. RISK RETENTION POOL	AZ Ex Liability Polic 1QTRFY24	9,137.00
49457	07/14/2023	Printed		1470	BROWN & ASSOCIATES	Building Inspect 210 Hours	21,843.75
49458	07/14/2023	Printed		0389	CAREFREE WATER COMPANY, INC	Reimb Backhoe Rprs 25%	315.50
49459	07/14/2023	Printed		1058	DAILY JOURNAL CORPORATION	Legal Ad RFP Pavement Maint	3.02
49460	07/14/2023	Printed		2059	DESERT FOOTHILLS LANDSCAPE	July 23 Gardens Maint	2,000.00
49461	07/14/2023	Printed		2059	DESERT FOOTHILLS LANDSCAPE	July 23 Medians Maint	4,955.00
49462	07/14/2023	Printed		3210	ECOBLU POOLS MY POOL GAL, INC	July 23 Gardens Fountains Serv	600.00
49463	07/14/2023	Printed		3210	ECOBLU POOLS MY POOL GAL, INC	June 23 Gardens Fountains Serv	600.00
49464	07/14/2023	Printed		1575	GRAINGER	Brush Truck Supplies	230.43
49465	07/14/2023	Printed		1876	LOWE'S	June 30 Pub Works Supplies	453.57
49466	07/14/2023	Printed		3015	NOTHING BUT NET	June 23 Addtl Comp Maint.	990.00
49467	07/14/2023	Printed		2081	O'REILLY AUTO PARTS, INC	June 23 Pub Wrks Veh Maint	123.53
49468	07/14/2023	Printed		949	TARA. PARASCANDOLA	July 2023 Town Magistrate Serv	3,978.38
49469	07/14/2023	Printed		3425	RURAL ARIZ GROUP HEALTH	July 23 Med, Dental, Vision Ins	15,427.45
49470	07/14/2023	Printed		0668	RURAL METRO FIRE DEPT.	July 2023 Fire Contract	152,416.66
49471	07/14/2023	Printed		3720	STANLEY CONSULTANTS INC.	Flood Contrl Prj CF Dr to 6/3	9,464.25
49472	07/14/2023	Printed		3598	STORQUEST - CAREFREE-CC	Aug 23 Town Records Storage1	435.93
49473	07/14/2023	Printed		3623	TITAN STUCCO	Restucco West side Gardens 1/2	18,750.00
49474	07/14/2023	Printed		3352	UNUM LIFE INSURANCE COMPANY	Aug 2023 Short Term Disab Ins	479.17
49475	07/14/2023	Printed		3484	VSS INTERNATIONAL, INC.	Pavemt Prev Maint Inv #5 FY23	4,486.00
49476	07/17/2023	Printed		1575	GRAINGER	Brush Truck Warning Triangles	127.54
49477	07/17/2023	Printed		3592	SOUTHWEST CERAMIC COATINGS INC	Paint West Side of CFD Gardens	3,750.00
49478	07/17/2023	Printed		1794	STAPLES ADVANTAGE	Town Office Supplies	65.15
49479	07/21/2023	Printed		3625	AETNA LIFE INSURANCE CO	July 23 Supplemental Ins	209.87

Check Register Report

ALL CHECKS JULY 2023

Date: 07/28/2023

Time: 11:09 am

Page: 2

Town Of Carefree

BANK: NATIONAL BANK OF ARIZONA

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
NATIONAL BANK OF ARIZONA Checks							
49480	07/21/2023	Printed		3495	ASSURITY LIFE INSURANCE CO	July 23 Supplemental Ins	252.24
49481	07/21/2023	Printed		3293	CITI CARDS	Pub Wrks Uniforms,Gardns Radio	847.37
49482	07/21/2023	Printed		1460	COX COMMUNICATIONS	Jul23 Shop Internet & Phones	356.23
49483	07/21/2023	Printed		0155	IIMC	Clerks Dues FY2024 French,Keen	310.00
49484	07/21/2023	Printed		3360	LAW OFFICES OF KEVIN BREGER	Public Defender Service June23	325.00
49485	07/21/2023	Printed		1947	STUCKEY, KEVIN	Reissue Lost Check June 23 Sec	60.00
49486	07/21/2023	Printed		352	WESTERN STATES PETROLEUM INC.	Pub Works June 23 ICE	3.27
49487	07/28/2023	Printed		3504	AAA SMART HOME	Repl 2 four cell Battery Exit	175.00
49488	07/28/2023	Printed		1512	ARROW AWARDS	Name Plate C Miller	31.30
49489	07/28/2023	Printed		3629	DECKARD TECHNOLOGIES, INC.	RentalScape Monitoring 1 Yr	3,000.00
49490	07/28/2023	Printed		3174	DESERT DIGITAL IMAGING, INC.	TOC Inspection Request Forms	273.72
49491	07/28/2023	Printed		1993	GESELL, SAMANTHA	Mileage 7 Site Inspections	24.04
49492	07/28/2023	Printed		1575	GRAINGER	Brush Truck Equipment 3	61.51
49493	07/28/2023	Printed		3578	LIBERTY UTILITIES	June 23 Sewer Gardens	824.46
49494	07/28/2023	Printed		0010	MARICOPA COUNTY	Aug 23 MCSO Sheriff's Patrol	48,612.44
49495	07/28/2023	Printed		983	MARICOPA COUNTY ANIMAL CONTROL	1QTR FY2024 Animal Control	193.50
49496	07/28/2023	Printed		0091	MARICOPA COUNTY TREASURER	June 23 Court Remittance	666.43
49497	07/28/2023	Printed		2025	QUADIENT FINANCE USA	July 23 Postage Meter Refill	1,000.00
49498	07/28/2023	Printed		1075	SHERMAN & HOWARD LLC	General Legal through 6/30/23	1,960.25
49499	07/28/2023	Printed		1920	SOUTHWEST GAS	July 23 Gas All Depts	267.71
49500	07/28/2023	Printed		1794	STAPLES ADVANTAGE	Town Office Supplies	107.46
49501	07/28/2023	Printed		0021	STATE TREASURER	June 23 Court Remittance	5,021.09
49502	07/28/2023	Printed		3115	VERIZON WIRELESS	July 23 Mobile Phones All	779.35

Total Checks: 73 **Checks Total (excluding void checks):** 392,543.05

Total Payments: 73 **Bank Total (excluding void checks):** 392,543.05

Total Payments: 73 **Grand Total (excluding void checks):** 392,543.05

**TOWN OF CAREFREE
STAFF REPORT**

MEETING DATE: August 01, 2023

SUBJECT: Review and discussion related to the General Plan Update process as lead by Matt Klyszeiko, Michael Baker International, to include an overview of feedback from recent community workshops, presentation of draft structure and document outline, and discussion of key issues and working resolutions.

PREPARED BY: Stacey Bridge-Denzak, Planning Director & Zoning Administrator

SUMMARY:

Since the last General Plan Briefing, the project team has conducted two more Community Workshops. Community Workshop #3 focused on diving into General Plan policies from the goals most requested to be removed or revised from the previous workshop. The public was also polled to evaluate the draft vision statement and the General Plan structure. Community Workshop #4 was centered specifically on Open Space with an external presentation from the Arizona State Land Department. This workshop provided an opportunity to focus on review of the Open Space policies in the General Plan, evaluate open space preferences from the community, and map out areas for potential open space preservation. Collectively the input from the previous workshops were used to inform the draft document structure and craft a content outline, which is the next component leading up to the drafting of the new General Plan before the required 60-Day Review. This purpose of the discussion is two-fold: 1) Provide a summary as to where Carefree is in this update process; and 2) Ask questions and solicit feedback from Town Council and the public on the following:

- Overview of input from Community Workshop #3 and Community Workshop #4 Open Space
- Presentation of draft structure and document outline
- Discussion of key issues and working resolutions

ACTION NEEDED:

This is a work session, and no action is required at this time.

**TOWN OF CAREFREE
STAFF REPORT**

MEETING DATE: August 01, 2023

SUBJECT: Brief Economic Development Update and Review and Discussion on the Economic Development 24-Month Workplan

PREPARED BY: Steve Prokopek, Economic Development Director

SUMMARY:

In 2020, the Carefree Town Council created the Town Vision which is supported by 4 key Tasks. One of those tasks, due to the nature of Carefree being a sales tax driven economy, is Economic Development and Fiscal Sustainability. This specific task outlines the additional task of creating an Economic Development Workplan. To accomplish this task, Economic Development created a 24-Month Workplan (2021-2022), December 2020, centered around three objectives 1. Town Center 2. Destination Stay Tourism 3. Regional Retail. In the first 24 months, Economic Development (with assistance from other Town Staff).

- Created the Town Center Redevelopment Area
- Created a Special Planning Area for a future resort use at Tom Darlington and Carefree Highway
- Opened a new visitor center
- Worked with businesses to build events and activities like Third Thursday Art Walk
- Created relationships with property owners and businesses
- Received Planning and Zoning Approval for the Town Center Comprehensive Signage Plan
- Initiated the Town Center Circulation and Parking Plan
- Opened the Hampton Inn
- Evaluated State Land Parcel

In January 2022, the workplan was amended to exclude the State Land Parcel from a potential Special Planning Area consideration after evaluation with State Land, ASU Real Estate Department and community input. This property was to be left to the General Plan Update discussion, as the recommendation was to consider open space. Additionally, the plan was amended to designate the Planning and Zoning Commission as the Economic Development Advisory Board.

In late Fall of 2022, Economic Development began working with the Economic Development Advisory Board to create the 2023-2024 Economic Development, which was recommended for Council consideration. Attached is the recommended work plan, which also includes additional proposed amendments for consideration based upon further input from council members, staff and the public. The purpose of this meeting is to review the content of this plan, and allow Council the opportunity for any amendments and solicit public comment. It is anticipated to approve the plan in September 2023.

As part of the approval process, Economic Development will be requesting Town Council to consider the creation of a Town Center Revitalization committee to further gain input and create public opportunity to execute this vital component of the workplan.

ACTION NEEDED:

Review and comment on the 2023-2024 Economic Development Workplan and provide guidance on the creation of a Town Center Revitalization committee.

23-24 ED Workplan

Attachments

~~March 17, 2023~~ August 1, 2023

2023-2024 Strategic Economic Development Workplan

In 2020, The Town Council created a Work Plan and Guiding Principles document, designed to establish high level policies for the Town of Carefree. This document outlined Economic Development and Financial Stability as a Core Task, with creating an Economic Development Strategic Workplan, as one the two tasks. This Work Plan is to address the following:

1. Identify revenue targets
2. Outline strategic initiatives to reach revenue targets, business retention and attraction plans, primary trade analysis and outreach programs.
3. Cultivate relationships with trade organizations, real estate associations, and local business associations.

The Workplan process revolves around the creation of 24-Month Strategic Work Plans. The purpose is to outline the general activities and strategies to be addressed in that specific 24-Month Period. Each period may overlap with the previous period. Each strategy outlined will be further developed and vetted through the Economic Development Advisory Board (EDAB) (Planning and Zoning Commission), and the plan itself will be evaluated every 6-months to ensure its on task or needs further amending. The overarching goal is ensure an open and transparent discussion, and allow for inclusivity as the Town creates and implements the outlined strategies of this document.

In general, the Economic Development program is committed to improving quality of life of Carefree Residents, ensuring that new development fits in with a Carefree lifestyle, and increasing tax and non-tax revenues to the Town of Carefree.

Key accomplishments from the 2020-2021 Economic Development Workplan:

- Opened the Hampton Hotel
- Completed the General Plan amendment for the Northwest Corner of Tom Darlington and Carefree Highway
- Planning and Zoning Approval for the Comprehensive Signage Plan
- Planning and Zoning Approval for the Town Center Redevelopment Plan
- Implemented Third Thursday Art Walk
- Developed relationships with local area businesses
- Created a Carefree Visitor Center
- Managed the Town through the Pandemic, and worked to maintain events and activities in the Sanderson Lincoln Pavilion
- Expanded events and activities, including Friday Farmers Market
- Assisted with opening new businesses including Athens on Easy and Grind & Gears
- Developed key relationships with property owners in Town Center

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For this current plan period, the Economic Development Department is focused 3 key economic development strategies. The following outlines these strategies and the key activities related to accomplish these. Target dates for completion are included in parentheses, as well as anticipated financial outcomes. These are working time frames, and can be adjusted as necessary.

1. **Destination Stay Strategy** – As a deliverable to the 2020-22 Workplan, Economic Development has created a specific Destination Stay Strategy. This strategy is included as Attachment A. The strategy is designed to create a complimentary mix of destination stay opportunities to create direct sales tax revenue, and indirect discretionary retail spending to support local businesses. Additionally, Short Term Rentals have become an issue in Carefree, but they also present a potential revenue opportunity. As part of the strategy for the 2023-2024 period, staff will explore the possibility taking a more strategic approach to maximize the opportunity, while minimizing the neighborhood impacts.
 - Implement attached Destination Stay Strategy
 - Net New Revenue Target \$850,000 - Based upon estimated room revenue and restaurant/retail revenue
2. **Town Center Revitalization** – Ensure the continued growth and success of a unique destination, pedestrian retail environment. This includes developing infrastructure, property revitalization and creating events and activities that bring local, regional and out of state traffic.
 - Net New Revenue Target \$240,000 – Based Upon full build out, redevelopment of key sites, maximization of retail space, and performance improvement per square foot of retail sales.
 - Council ~~Approval~~ Consideration of the Comprehensive Signage Plan – Q3 2023
 - Create phasing plan and start implementation of the Signage Plan – Q4 2023
 - Planning and Zoning and Town Council ~~approval~~ Consideration of the ongoing Circulation and Parking Plan – Q4 2023
 - Complete Step 3 of the Kimley Horn contract to finalize the conceptual plan by Q2 2023 and Step 4, the final Technical Assessment by Q3 2023
 - Final approval from Town Council and implement the Village Center Redevelopment Plan (January 2023)
 - Implement priorities outlined in the Village Center Master Plan
 - Create RFP process for Town Hall site and solicit potential developers, to maximize the opportunity on the site for retail and provide a more functional municipal office space. Q2 2023, with the goal of issuing an RFP by Q4 2023
 - Evaluate future Town Hall locations as part of the Town Hall RFP process
 - Develop and ~~approve~~ evaluate revitalization programs through EDAB Town Council programs that encourage private reinvestment (Q3 through Q4 2023)

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- Implement revitalization programs starting Q1-2024
- Continue to engage property owners on revitalization improvements ~~(Ongoing)~~
- Work with Communications to develop and implement events, manage the Sanderson Lincoln Pavilion and operate the Visitor Center ~~(Ongoing)~~
- Work with Planning to evaluate and ~~implement present~~ zoning and design review changes ~~(Q2-2023 through Q3-2023)~~
- ~~Approve-Evaluate and Consider~~ Town Center Zoning and Design Guideline changes ~~(Q4-2023 through Q1-2024)~~
- Continue to enhance city owned rights of ways including streets, medians and alleys ~~(Ongoing)~~
- ~~Explore Federal and State Grants (Ongoing)~~
- Explore the creation of a Town Center Advisory Committee,

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3. **Neighborhood/Regional Retail** – Focused on the intersection of Cave Creek Road and Carefree Highway, this objective is to provide neighborhood and regional retail services to complement the existing retail at the intersection. Focus will be on uses compatible with the surrounding area as well as meeting additional needs not already provided within the Town Center.

- Net New Revenue Target \$1.2 Million – Based Upon revenue expectations per the approved site plan.
- Continue to work with interested developers to submit and approve a site plan that meets the goals established through the General Plan.
 - Work with property owner on marketing and outreach
- Targeted timeframe for development 2027.

4. Enhance Business Environment

- a. Continue to reach out directly to businesses ~~(Ongoing)~~
- b. Continue to work with Communications and business newsletter ~~(Ongoing)~~
- ~~c. Develop stronger relationship with local and regional partners such as the Cave Creek Tourism Board and Carefree-Cave Creek Chamber of Commerce. (Ongoing)~~

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45 Acre State Land Parcel

~~The 2021-22 Economic Development Workplan called for the evaluation and potential General Plan amendment of the 45 Acre State Land Parcel. After evaluation and public input, this objective was amended in 2022 to be excluded and maintain the anticipated land use recommendation of the 2030 General Plan document. This is to work with any future developer, interested in subdividing the property, to provide a usable open space element. Economic Development will continue to engage developers and maximize revenue potential if possible.~~

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Attachment A Destination Stay Tourism Strategy

As a strategy to the 2021-22 Economic Development Work Plan, the Economic Development Department has been in process of implementing a Destination Stay Tourism Strategy. This strategy is a key component to the overall Town strategy to increase and diversify the Town's tax base, as well as, support the local businesses community.

Destination Stay Tourism is a strategy built around in-community lodging opportunities, with a focus on short term rentals subject to a transient sales tax (bed tax). This tax is a 3% tax on gross rental revenues from hotels and resorts as well as short term rentals (STR). Note: owner occupied STRs with less than 50% annual occupancy, are not included. The combined tax on these rentals is 6%, when added to the general sales tax.

Vision

Provide a quality diversified mix of stay options for visitors to Carefree that complement each other, are designed appropriate for the area of context, maximize revenue while minimizing impacts, and offer a unique mix of services beneficial to Carefree residents and businesses.

Primary Destination Stay Development

Civana Wellness Resort – Originally built in 1959, the 176-room resort includes a spa and wellness services and offers an original Carefree experience.

Hampton Inn – Opened in 2022, the Hampton offers a quality room and meeting spaces with limited retail services, relying on the local Town Center restaurants and retail for services. The facility offers a more affordable and family friendly option for visitors and guests visiting local residents.

Northwest Corner of Tom Darlington and Carefree Highway – This site is anticipated to host a unique Sonoran Experience more in line the with a traditional resort, and an expectation for potential restaurant and services local residents can enjoy.

Spirit in the Desert – Located in Carefree Town Center, on the former International Restaurant site, Spirit in the Desert is a faith-based wellness retreat for the spirit and mind. The facility offers a spiritual retreat experience with 35 guest rooms, multiple meeting spaces, restaurant, and outdoor meditation space, and brings thousands of visitors to Carefree from all across the United States.

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~~**Short Term Residential Rental**—The Town is exploring the potential development of neighborhoods that would accommodate short term rentals as a commercial type use in a residential area. The idea would be to consolidate short term rentals, maintain the residential character of the area and generate revenue. The demand for short term residential rentals is driven by families seeking alternatives for short term vacation rentals. Possible locations include Stage Creek Estates and the 40-acre State Land Parcel.~~

Analysis

To get an estimated direct sales tax revenue projection, we can look at the anticipated average per night revenue from existing and future hospitality developments.

	Per day Units	Estimated Revenue	Estimated Tax Revenue*
2021			
Hotel Rooms	176	\$400	\$1,080,000
2022			
Hotel Rooms	273	\$360	\$1,500,000
Future			
Hotel Rooms	393	\$390	\$2,350,000

*Estimated Tax Revenue is based upon 70% occupancy, and does not reflect actual tax revenue due to privacy issues.

Additionally, hotel guests spend about \$90 per person per day on food, entertainment and sales. Applying a 2 person per night stay with an assumed 30% capture rate equates to

	Total Units	Annual Stays	Anticipated Business Business	Estimated Tax Revenue
2021				
Hotel Rooms	176	90,000	\$2,430,000	\$73,000
2022				
Hotel Rooms	273	139,500	\$3,760,000	\$113,000
Future				
Hotel Rooms	393	200,800	\$5,400,000	\$160,000

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Short-Term Rentals

~~Short-Term Rentals (STR) present both a challenge and opportunity for Carefree. Town Staff will work with the EDAB and Planning to explore and potentially prepare an STR strategy that can minimize neighborhood impacts while potentially becoming a revenue source. At this time, it is estimated that the opportunity for STR revenue is approximately \$650,000 annually in direct sales tax.~~

Destination Stay Historical Context

Carefree was founded as a “model town” with a robust commercial core supported by the Desert Forest Inn. Carefree’s founders also opened the International Restaurant as a tourist destination. The hope was to bring people who would fall in love with the area. Original Carefree was a high-density commercial core, with two larger lots maintained, and allowed for hospitality use. Carefree Too, created in 1961, included the area bounded by Mule Train, Sundance Trail and Cave Creek Road. The area bounded by Tranquil Trail, Sun Dance Trail and Cave Creek Road was designated for high density residential, hotel, motel, school, hospital and entertainment like bowling and miniature golf. Much of the hospitality component was converted to residential over time.

In 1985, Carefree incorporated. The first attempt was to include the Boulder’s Resort, but Scottsdale beat Carefree through annexation. The first Carefree draft budget relied heavily on revenue from the Carefree Inn, which supported the necessary personnel and services transferred from the County to the New Town of Carefree.

In 2020, the Town of Carefree authorized the general plan amendment for the 21-acres on the northwest corner of Tom Darlington and Carefree Highway.

In 2022, the 97 room Hampton Inn opened in Carefree.

The Town of Carefree has always been dependent on Destination Stay Tourism. Destination Stay Tourism has always been an integral part of Original Carefree and the Town of Carefree. Neither would have existed without it, and it provides the least intrusive and highest value commercial use. Over time, the Town residential has grown, while the commercial has struggled to keep up. With the recent addition of the Hampton and the future of the Northwest Corner of Tom Darlington and Carefree Drive, the Town will have a healthier mix of commercial to residential, but still less intensive than neighboring communities. The new development will also have no additional impacts on the natural environment, and will continue to maintain the unique and quirky nature that Carefree was founded on.

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Benefits of Destination Stay Tourism

- Direct Sales Tax income from visitor stays
- Higher percentage of tourist discretionary spend in proximity of stay
- Complements Town Center retail
- Will assist in Town Center revitalization
- Destination stay visitors will drive a tenant mix more compatible with local retail demand
- Generates more revenue per visitor requiring the need for less visitors. To generate the same Tax revenue, Carefree would need to bring in 10 times the number of unique visitors. This increase traffic, demand on parking and additional cost
- Carefree is marketable area for destination tourism and offers a charm that places like Scottsdale and Paradise Valley can't offer
- Carefree residents will have local, in town, choices for visitors
- Provide revenue for needed and desired services
- Even if Carefree ever opts for a property tax, resort/hotel sales tax revenue will minimize impact and the commercial facility valuation and assessed value will further minimize residential tax impacts allowing for more services on less resident tax dollars

2023-2024 Objectives and Strategies

- Solicit developers for the Northwest Corner of Carefree Highway and Tom Darlington Drive and assist through zoning and development review.
 - ~~Anticipated Development to occur in 2024 with completion by 2026~~
 - Anticipated net new sales tax revenue \$850,000
- Explore the creation of a Destination Tourism Board funded by a portion of the Transient Sales Bed Tax ~~(Q1 2024 through Q2 2024)~~
 - Manage Visitor Center/local concierge program
 - Area Marketing
 - Event Planning
- ~~Vet the potential of consolidated short-term residential rentals (Q3 2023 through Q4 2024)~~
 - ~~Development of platted undeveloped communities~~
 - ~~State Land Parcel~~

**TOWN OF CAREFREE
STAFF REPORT**

MEETING DATE: August 01, 2023

SUBJECT: Review and approval of the contract outlining the terms for extending the naming rights of the Sanderson Lincoln Pavilion.

PREPARED BY: Steve Prokopek, Economic Development Director

SUMMARY:

Commencing July 1, 2013, the Town of Carefree and Sanderson Ford, Inc. d/b/a Sanderson Lincoln, entered into an agreement for naming rights of the town owned pavilion in the Carefree Gardens. The terms of this agreement included the installation of equipment, lighting, signage, shade structures and other AV equipment, changing the name to Sanderson Lincoln Pavilion, and for consideration Sanderson Lincoln made 10 annual payments of \$25,000.

The Town of Carefree and Sanderson Lincoln have agreed to continue the naming rights for an additional 10 years. Consideration for these naming rights is \$15,000 per year for an additional 10-year term, where the Town of Carefree agrees to continue to maintain the facility as an active event space. This term will start July 1, 2023 and end June 2033, at which time a new agreement will need to be negotiated.

The Town of Carefree has enjoyed a positive relationship with Sanderson Lincoln, which has also supported other community activities, events and programs including Desert Foothills Theater and the Desert Foothills Land Trust. Sanderson Lincoln is a fine community partner.

ACTION NEEDED:

Approve Resolution # authorizing the Mayor to enter into a 10-year contract with Sanderson Ford, Inc. d/b/a Sanderson Lincoln for the naming rights of Sanderson Lincoln Pavilion commencing July 1, 2023.

Attachments

Sanderson Resolution
Sanderson Agreement

RESOLUTION
A RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF
THE TOWN OF CAREFREE AUTHORIZING THE MAYOR OF THE TOWN OF
CAREFREE TO ENTER INTO A CONTRACT WITH SANDERSON FORD, INC d/b/a
SANDERSON LINCOLN AND THE TOWN OF CAREFREE, AN ARIZONA
COPORORATION FOR THE NAMING RIGHTS OF THE “SANDERSON LINCOLN
PAVILION”

WHEREAS, The Town of Carefree “Town” and Sanderson Ford, Inc. d/b/a Sanderson Lincoln “Sanderson” completed the 10-year term of a naming rights agreement on June 30, 2023,

WHEREAS, The Town and Sanderson received mutual benefit from the naming rights agreement

WHEREAS, The Town and Sanderson wish to execute a new 10-year naming rights agreement for the Sanderson Lincoln Pavilion to commence July 1, 2023 and terminate on June 30, 2033 (Attached)

WHEREAS, For consideration of the naming rights, the Town will receive \$15,000 annually

NOW, THEREFORE, IT IS RESOLVED by the Mayor and Town Council of the Town of Carefree, Arizona

Authorize the Mayor to enter into an agreement between Sanderson Ford, Inc. d/b/a Sanderson Lincoln and the Town of Carefree, an Arizona Municipal Corporation for the naming rights of the Sanderson Lincoln Pavilion

PASSED AND ADOPTED BY the Mayor and Town Council of the Town of Carefree, Arizona, this 1st day of August, 2023.

AYES _____ NOES _____ ABSTENTIONS _____ ABSENT _____
FOR THE TOWN OF CAREFREE ATTESTED TO:

John Crane, Mayor

Kandace French-Contreras,
Town Clerk

APPROVED AS TO FORM:

Michael Wright, Town Attorney

AGREEMENT

BETWEEN

SANDERSON LINCOLN

2121 W. Bell Road
Phoenix, AZ 85023

AND

THE TOWN OF CAREFREE

8 Sundial Circle
P. O. Box 740
Carefree, AZ 85377

AGREEMENT

THIS AGREEMENT ("Agreement"), effective as of this 1st day of July, 2023, between Don Sanderson Ford, Inc., an Arizona corporation, d/b/a Sanderson Lincoln ("Sanderson"), and CAREFREE, an Arizona municipal corporation ("Town") individually the "Party" and collectively the "Parties."

RECITALS

WHEREAS, Town owns and operates the Carefree Desert Gardens and an area within it known as the "Pavilion";

WHEREAS, in addition to the naming rights to the Pavilion, Town desires to grant certain sponsorship rights to Sanderson, and Sanderson desires to acquire certain sponsorship rights from Town to further promote their interests and give back to Arizona communities they service.

WHEREAS, Parties entered into a ten (10) year agreement expiring on June 30, 2023, for the sponsorship and naming rights of the Pavilion as the Sanderson Lincoln Pavilion;

WHEREAS, Parties find it mutually beneficial to continue the relationship and execute a new sponsorship and naming rights agreement for a period of ten (10) years.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, and intending to be legally bound, the Parties agree as follows:

1. Definitions. For purposes of this Agreement, the following capitalized terms will have the meanings set forth below:

"Advertising" means any words, slogans, handbill, sign, billboard, poster, display, banner, logos, designs, symbols, objects or comparable creative effort to be included in or incorporated into any advertisement, script, presentation, announcement, electronic message or image, promotion, email, website, video image or otherwise used in connection with the naming rights and the sponsorship rights.

"Affiliate" means a Person that directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, the Person specified,

"Agreement" shall have the meaning set forth in the preamble hereto.

"Claim" means a legal demand or assertion by a claimant for compensation, payment, or reimbursement for a loss or an injury

"Competing Business" means a Person who engages in the following activity as its primary business activity: new and used automobile sales.

"Contract Year" means the Initial Period, as defined below, and any annual period, thereafter from and including July 1 of a calendar year to and including the last day of June of the immediately following calendar year.

"Control" means, with respect to the relationship between or among two (2) or more Persons, the possession, directly or indirectly or as trustee, personal representative, or executor, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, as trustee, director, personal representative or executor, by contract, credit arrangement or otherwise.

"Default Amount" shall have the meaning set forth in Section 11 below.

"Default Rate" means an interest rate of 2% over the prime rate per annum as such interest rate is referenced and reported by the Wall Street Journal on the due date of a payment in default.

"Effective Date" shall have the meaning set forth in Section 2(a) below.

"Existing Sign" The "Sanderson Lincoln Pavilion" sign currently installed on the wall behind the stage in the Pavilion as depicted in Exhibit A.

"Force Majeure" shall mean an act of God, a natural disaster, catastrophe, accident, fire, labor dispute, lockout, strike, riot or civil commotion, act of public enemy, governmental act, regulation or rule, failure of technical facilities, a day of national mourning, emergency or other circumstance or event beyond the control of the Parties to this Agreement.

"Naming Rights" means the rights granted by Town to Sanderson hereunder with respect to the naming of the Pavilion, and use of the Pavilion as provided herein. .

"Sanderson" shall have the meaning set forth in the preamble hereto.

"Sanderson fee" means the amounts to be paid by Sanderson for the naming rights.

"Signage Structures" means the structures or attachments required to hold or support or display Sign Faces on which Sanderson is granted the right to display Advertising granted pursuant to the naming rights and sponsorship rights hereunder, which structures and attachments currently exist in the Pavilion.

"Party" means Sanderson, or Town individually, as the context shall require, and "Parties" means collectively.

"Pavilion" means the open and staged area of the Carefree Desert Gardens in the Carefree Town Center that is the subject of the naming rights. (Exhibit B)

"Pavilion Name" has the meaning set forth in Section 3.

"Person" means an individual, corporation, trade-name business, partnership, Limited Liability Company, joint venture, association, trust, unincorporated organization, non-profit organization, or other entity.

"Sign Faces" means and refers to the elements of Advertising which are affixed (or to be affixed) to the signs, billboards and similar structures in the Pavilion.

"Sponsored Event" means an event at the Pavilion that is held by or under the auspices of Sanderson.

"Sponsorship Rights" means the rights that Town has granted to Sanderson to advertise, and display and promote Sanderson's name, all on the terms and as more specifically described in Appendix 1 hereto.

"Temporary Signs" means the temporary signage used by Town's Public Works Department or authorized vendors performing maintenance and/or repairs.

"Term" shall have the meaning set forth in Section 2(a) below.

2. Term. This Agreement shall, unless sooner terminated in accordance with the provisions set forth elsewhere in this Agreement, be effective July 1, 2023 (the "Effective Date") and shall terminate as of the end of business after a ten (10) year period on June 30, 2033 (the "Term"). After the fifth (5th) anniversary the agreement, and every subsequent year, either Party can request to terminate the Agreement. Such request shall be made in writing no more than 90 days and no less than 60 days in advance of June 30 of that year. The Agreement will then terminate on June 30 of that year.
3. Naming Rights. Sanderson has designated "Sanderson Lincoln Pavilion" as the "Pavilion Name". Town shall cause the name of the Pavilion to be so designated and will not employ nicknames or encourage others to employ nicknames or other names for the Pavilion. Town acknowledges that a significant value acquired by Sanderson relates to the identification of its services or products with the venue at which Town events take place. In order to protect this value, Town agrees to identify the location or area in which the Pavilion is located as Sanderson Lincoln Pavilion. This undertaking shall not restrict Town in granting naming rights for other areas within Town Center or Carefree Desert Gardens, provided Town shall not grant such naming rights to a Competing Business. Sanderson shall have the right to continue to display the Pavilion Name the "Existing Sign" located on the wall of the Pavilion stage per Exhibit B.
4. Naming Rights and Sponsorship Rights Fees. Sanderson shall acquire the naming rights and sponsorship rights granted hereunder during and throughout the Term. In consideration for such rights, the sufficiency of such consideration is hereby acknowledged and agreed upon by Town. Sanderson shall perform those obligations and undertakings as set forth herein.
 - a. Sanderson shall pay Town annually \$15,000 (Fifteen Thousand Dollars). Due on the first business day of July each year of the Agreement, for a total of 10 payments. Town shall provide an invoice to Sanderson with directions as to the

manner of payment (e.g., by USPS) and address to which each such payment of the Sanderson fee should be paid. The Sanderson fee shall be absolutely net of all fees and commissions payable to third Persons engaged by or claiming through Sanderson or any of its Affiliates, which shall be the sole responsibility of, and paid by, Sanderson. Sanderson shall be liable for all applicable federal, state or local taxes or charges, if any, levied, assessed or otherwise due with respect to the payments made by Sanderson hereunder. Any installment of the Sanderson fee or other payment required to be made by Sanderson to Town hereunder, which is not paid when due shall bear interest at the Default Rate from the due date to the date of payment.

- b. Sanderson shall be solely responsible for all costs and expenses (i) incurred in conceiving, creating, and design of the Advertising that is displayed or used as part of the naming rights or sponsorship rights; (ii) Sanderson shall be solely responsible for all costs and expenses incurred in the replacement of the Existing Sign with any new Sign Structures; and (iii) Sanderson shall be solely responsible for all costs and expenses incurred by or at the direction of Sanderson in respect of promoting its sponsorship of any Sponsored Event or otherwise in utilization of the sponsorship rights. Any replacement sign must be approved by Town.
- c. Town shall perform all repairs and maintenance of the Existing Sign or any new Signage Structures so that the name of Sanderson can be always displayed in accordance with this Agreement. With respect to illuminated signage, the Parties agree that all signage that is prominently visible from outside of the Pavilion shall be always illuminated after dark in accordance with current industry standards with respect to illumination of Sanderson's signage. For purposes of clarification, the Parties agree, without limitation, that the Sanderson Lincoln Sign Face shall be always illuminated after dark.
- d. Town will, in order to enhance and protect Sanderson's goodwill embodied in the Pavilion, operate the Pavilion in good working order, condition and repair, including Town's obligations for the surface of the Pavilion, replacement of parts and equipment, all plumbing, irrigation and sewage facilities nearby the Pavilion, fixtures, electrical systems, structural supports, lighting and seating, audio and visual equipment including PA system and drop down screen, and signage (in addition to the actual advertisement itself) in a clean, sanitary and safe condition in accordance with all applicable laws, ordinances, and regulations. Such operation shall always be performed to the standards set forth, normal wear and tear and normal replacement excepted.
- e. Town shall not, and Town shall instruct patrons not to remove, wrap, cover or otherwise obstruct in any way any Sign Face signage located in the Pavilion which bear or displays Sanderson, other than "Temporary Signs" as such term is defined in Definitions, with the exception the Pavilion stage is to be used for live theater events, to which the lighting and signage would prohibit the performance. In these exceptions, where the wall mounted Sanderson Lincoln Pavilion sign must be covered, the Town shall provide three temporary signs, each located at one of the three entrances into the Pavilion. Each sign must be at minimum three foot by two foot, with the words "Sanderson Lincoln Pavilion".

5. Exclusivity. Town acknowledges the right of Sanderson as the exclusive automotive sponsor of the Pavilion and no other Competing Business will be allowed on-site for events, sponsorships, promotions, and or displays of any kind without first obtaining written approval from Sanderson which shall be in its sole discretion.
 - a. Sanderson acknowledges the right of Town to grant use of the Pavilion to entities other than a Competing Business.
 - b. Town acknowledges the right of Sanderson to be notified of any Competing Business, events, promotions, and or displays of any kind in the Carefree Desert Gardens or Carefree Town Center.
 - c. Sanderson shall receive the right to use the Pavilion and surrounding area for six (6) events per contractual year at no additional charge. Sanderson is responsible for all outside costs associated with events, promotions or displays sponsored by Sanderson. Scheduling of Sanderson events will be upon availability and the event must have prior approval from the Town.
6. Advertising and Promotion. The Parties acknowledge and agree that a portion of the value of the rights acquired by Sanderson hereunder may be due to television exposure of the Sign Faces. To the extent that each has the control to do so, Town and Sanderson agree it shall not cause, permit or allow the use of blocking or insertion technology on the Sign Faces during any televised or otherwise viewable broadcast of events in the Pavilion.
 - a. Town acknowledges that Sanderson or its designated advertiser has the option to display up to four (4) vehicles with signage at any and all events at the Pavilion, or surrounding area upon coordinated and prior approval of Town.
 - b. In all agreements entered with a third-party for the use of the Pavilion, Town shall instruct that all advertising copy reference to the Pavilion shall be designated as the "Sanderson Lincoln Pavilion."
 - c. Except as set forth in this Section 6, Sanderson shall not use or sublicense to any Person other than Sanderson or Town the right to use the Pavilion.
7. Usage Right. Sanderson shall have the right to use portions of the Carefree Desert Gardens designated below, for purposes of hosting Sanderson's corporate and related events: (i) the area referred to as the Sanderson Lincoln Pavilion; (ii) with prior written approval by Town, the area referred to as the Sundial.; (iii) with prior written approval by Town, the area referred to as the Carefree Desert Gardens.
 - a. Sanderson acknowledges that, other than the right to use certain areas of the Pavilion, nothing herein shall be construed to grant to Sanderson any ownership or possessory interest in the Pavilion or any portion of the Carefree Desert Gardens thereof. Sanderson further acknowledges that Town maintains control of the use of the Pavilion and portions thereof. Sanderson may use the Pavilion solely in accordance with the instructions, rules and policies that may be established from time to time by Town, as the case may be. Notwithstanding anything to the contrary herein, Sanderson's right to use such areas of the Pavilion shall be subject to the rights of Town and their respective designees, the

availability of the Carefree Desert Gardens or relevant portions thereof, and any prior commitments or previously scheduled events. Subject to availability as determined by Town and the restrictions set forth herein, the Pavilion areas designed above can be used by Sanderson for reasonable corporate purposes as frequently as required. Sanderson shall give not less than sixty (60) days advance notice to Town of the Dates it requests to use the area(s) and its requirements for such use. Sanderson shall be responsible for all staging, food, beverage, security, repair, cleanup costs with the respect to any such use.

- b. Town agrees that the charges to Sanderson for rental of the above spaces incurred in connection with corporate uses will be free of charges normally made in respect to other entities similar uses.

8. Indemnification.

- a. Sanderson will indemnify and hold Town harmless from and indemnify and defend Town and its employees and agents from and against any and all damages that result from, arise out of or relate to (i) any claims of infringement by third parties relating to the use of the Pavilion Name in accordance with the terms of this Agreement or any exhibit or schedule thereto; (ii) any breach by Sanderson of any of Sanderson's obligations, covenants, representations or warranties herein; and (iii) the negligent acts or omissions of Sanderson, its sub licensees, employees, servants and agents which directly cause damage to patrons or Town.
- b. Town will indemnify and hold Sanderson harmless and defend Sanderson and its respective subsidiaries, employees, agents and assigns from and against any and all damages that result from, arise out of or relate to (i) any breach of Town's obligations, representations or warranties herein; (ii) Town's operation of the Pavilion, including but not limited to, erecting signage containing Sign Faces; and (iii) the negligent acts or omissions of Town or its employees which cause damage to patrons or Sanderson. Notwithstanding anything to the contrary herein, Town's indemnification is governed and limited by the provisions of Arizona statutes (the provisions and limitations of which are not waived, altered, or expanded by anything.)
- c. Promptly after the incurrence of any Damages by the Party seeking indemnification hereunder, including, without limitation, any claim by a third party, which might give rise to indemnification hereunder or the discovery of any facts or circumstances that a Party believes may result in an indemnification claim hereunder, the indemnitee shall deliver to the Party from which indemnification is sought a notice identifying for such Party the nature of the claims and the basis for the indemnitor's indemnification obligation. Any failure on the part of the indemnitee to provide prompt notice shall not limit any of the obligations of the indemnitor (except to the extent such failure prejudices the defense of such claim). The indemnitor will assume the defense of any claim, demand or action against such indemnitee(s) and will, upon the request of an indemnitee, allow the requesting indemnitee to participate in the defense thereof, such participation to be at the expense of such indemnitee. Indemnitees will in any case cooperate fully with the indemnitor in the defense and will, at indemnitor's expense, provide all relevant documents, witnesses and other assistance within its possession or control upon the

reasonable request of the indemnitor. Settlement by an indemnitee without the indemnitor's prior written consent shall release the indemnitor from the indemnity only as to the settling indemnitee claim, demand or action so settled. The indemnitor shall obtain the prior written consent of the indemnitee (which shall not be unreasonably withheld) before entering into any settlement of such claim if the settlement does not release the indemnitee from all liabilities and obligations with respect to such claim, or the settlement imposes injunctive or other equitable relief against the indemnitee. Termination of this Agreement shall not affect the continuing obligations of each of the parties as indemnitors hereunder with respect to those acts, breaches, failures or omissions falling within the purview of the foregoing indemnities and which shall have occurred prior to such termination.

9. Insurance. Town is a body politic and corporate of the State of Arizona, and as such, is subject to the provisions of Section 6-859 Arizona Statutes. Accordingly, Town maintains a program of self-insurance that will respond to any tort liability of Town arising under this Agreement. The naming rights Sponsor understands and agrees that Town's self-insurance coverage will not cover physical damage, theft or other loss of the property or equipment of Sanderson stored or used at the Pavilion (or otherwise) except and only to the extent Town is responsible for such loss or damage as provided in this Agreement.
10. Dispute Resolution. The Parties agree that the dispute resolution procedures set forth in this Section 10 shall apply to all Claims.
 - a. Notice of Claim. Any Party who contends or alleges to have a Claim (a "Claimant") against any other Party (a "Respondent") shall notify each Respondent in writing of the Claim (the "Claim Notice"), stating plainly and concisely: (i) the nature of the Claim, including date, time, location, persons involved and Respondent's role in the Claim; (ii) the factual and legal basis of the Claim; and (iii) what Claimant wants Respondent to do or not do to resolve the Claim.
 - b. Mediation. Claimant and Respondent shall negotiate in good faith to resolve the claim. If the Parties do not resolve the Claim through negotiation within thirty (30) days after the date of the Claim Notice or within such longer period as may be agreed upon by the Parties ("Termination of Negotiations"), Claimant shall have thirty (30) additional days within which to submit the Claim to a private mediation service as may be mutually acceptable to Claimant and Respondent. If Claimant does not submit the Claim to mediation within thirty (30) days after Termination of Negotiations, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim. If the Parties do not settle the claim within thirty (30) days after submission of the matter to the mediation process, or within such time as determined reasonable or appropriate by the mediator, the mediator shall issue a notice of termination of the mediation proceedings ("Termination of Mediation Notice"). The Termination of Mediation Notice shall set forth when and where the Parties met, that the Parties are at an impasse, and the date that mediation was terminated.
 - c. Binding Arbitration. In the event a Claim is not resolved by mediation, Claimant shall have fifteen (15) days after the date of the Termination of Mediation Notice to submit the Claim to private binding arbitration in accordance with this Section 10. If Claimant fails to timely submit the Claim to arbitration, then the Claim shall

be deemed waived and abandoned and Respondent shall be relieved of any and all liability to Claimant arising out of the Claim. The Parties shall cooperate in good faith to assure that all necessary and appropriate persons and entities are included in the arbitration proceedings. No Party shall be required to participate in the arbitration proceeding if all persons and entities against who the Party would have necessary or permissive crossclaims, counterclaims or third-party claims are not or cannot be joined in the arbitration proceeding. If Claimant submits the Claim to binding arbitration in accordance with this Section 10, the arbitration shall be conducted in accordance with the AAA Commercial Arbitration Rules.

- d. Initiation of Arbitration. The arbitration shall be initiated by either Party delivering to the other a Notice of Intention to Arbitrate as provided for in the AAA Commercial Arbitration Rules, as amended from time to time (the "Rules").

11. End of Term and Termination.

- a. Upon the expiration or earlier termination of this Agreement, Town shall cease to use the Sanderson Lincoln Pavilion name, including, but not limited to, making necessary physical changes to the Pavilion and its components and the discontinuance of advertising and promotional materials then on hand. In the event of a termination under paragraph (b) below, Town shall have a reasonable time, not to exceed thirty (30) days, in which to comply with the foregoing sentence. During the period prior to termination or expiration of this Agreement, the Parties will each comply with all the requirements of this Agreement.
- b. Neither Party shall be in breach of this Agreement if an act is prevented or preempted because of an act of Force Majeure. In the event of any Force Majeure event, Town shall, in good faith, confer with Sanderson concerning a pro-rata reduction in the fees otherwise payable to Town under this Agreement. If the Parties are unable to reach an agreement on a suitable reduction within thirty days from the date of the Force Majeure event, the matter shall be dealt with as provided in Section 10 of this Agreement.
- c. The following shall constitute "Sanderson Defaults:"
 - i. Sanderson fails to make any payment hereunder within thirty (30) days after such payment is due, if such failure is not cured within sixty (60) days after the day such payment is due. If payment is not made when due, Town shall give Sanderson written notice of non-payment within 10 days of the payment due date;
 - ii. Other than a failure caused by, or resulting, from a Force Majeure event or a failure to make payment, Sanderson fails to comply with any material obligation of Sanderson set forth in this Agreement (including any representations and warranties of Sanderson under this Agreement), and

such failure continues for a period of sixty (60) days after Town's written notice to Sanderson; provided, however, if such default is incapable of being cured, with the exercise of reasonable diligence within such sixty (60) day period, and Sanderson notifies Town to such effect promptly upon becoming aware thereof, Sanderson shall have such further time to cure such default as is reasonably necessary, provided, further that (A) no other default by Sanderson exists and is continuing, (B) no other default by Sanderson occurs after such date and prior to the date the original default is fully cured, and (C) at all times prior to and after giving such notice, Sanderson takes all reasonable steps necessary to promptly cure such default; or

- iii. Sanderson makes an assignment for the benefit of creditors, or a trustee, receiver or similar officer of any court is appointed for Sanderson or for a substantial part of its property, whether with or without its consent, or an action for receivership, bankruptcy, composition, reorganization, insolvency or liquidation proceedings is instituted by or against Sanderson, if such proceedings shall not be dismissed within sixty (60) days from the date of the institution thereof.
- d. In the event of the occurrence of a Sanderson Default, Town shall have the right to exercise any or all the following remedies:
- i. If such failure is material, (A) to cause this Agreement to end on a date designated in a written notice to Sanderson, which date may be not less than thirty (30) days after the date of such notice; and (B) except as provided in (ii) below to declare all unpaid amounts for the remainder of the Term (the "Default Amount") to be due by Sanderson. Sanderson shall be obligated to pay the Sanderson Default Amount on such dates as such amounts would otherwise have been payable by Sanderson hereunder, had Sanderson not defaulted;
 - ii. Notwithstanding anything to the contrary contained in this Agreement, Sanderson shall have the right to terminate this Agreement and its responsibilities and obligations hereunder (A) in the event that Ford Motor Company no longer manufactures and sells for domestic United States distribution a "Lincoln" trademarked automobile; or (B) in the event Don Sanderson Ford no longer has franchise rights to distribute "Lincoln" trademarked automobiles (as a result of the termination of its franchise from Ford Motor Company for any reason including, without limitation, a transfer in controlling ownership of Don Sanderson Ford's common stock, the sale of substantially all of its assets, or the termination by Ford Motor Company of its franchise), or (C) in the event Ford Motor Company prohibits Don Sanderson Ford from displaying "Lincoln" trademarked

automobiles in the Town of Carefree or eliminates the Town of Carefree from Don Sanderson Ford's primary market area). The right to terminate this Agreement shall be effective thirty (30) days after the date of the event permitting Don Sanderson Ford's termination of this Agreement and shall be conditioned upon payment of the Sanderson fee earned and due through the date of termination (on a prorated basis) plus payment of the Sanderson fee for one additional Contract Year.

- e. Other than any failure caused by or resulting from a Force Majeure event, it shall constitute a "Town Default" if Town fails to comply with its obligations under this Agreement, and such failure shall continue for a period of thirty(30) days after notice thereof to Town from Sanderson;
 - i. If such Town Default is material, terminate this Agreement by written notice to Town; and
 - ii. Seek any other or additional appropriate legal or equitable remedy from a court of competent jurisdiction.
- f. In the event that a Party is successful in a court of competent jurisdiction or in binding arbitration provided for hereunder, in obtaining legal or equitable relief from a default by another Party, the successful Party shall be entitled to recover the fees and expenses of its Counsel in such proceedings.

12. Limitation on Assignment.

- a. Subject to the terms and conditions of this Section 12, this Agreement and all of the terms and provisions hereof will be binding upon, enforceable against, and will inure to the benefit of, the parties hereto and their respective successors and assigns.
- b. Except as provided below, neither Town nor Sanderson may assign this Agreement without the written consent of the other Party, and any assignment of this Agreement without the consent of the other Party shall be void at law.

13. Independent Contractor. The parties shall be and act as independent contractors, and under no circumstances shall this Agreement be construed as one of agency, partnership, joint venture or employment between the parties. The parties shall each be solely responsible for the conduct of their respective employees, agents and contractors in connection with the performance of their obligations hereunder.

14. Notices. All notices, offers, consents, or other communications required or permitted hereunder shall be in writing and shall be deemed duly given if delivered personally, or by messenger, or if sent by certified mail, or by a nationally recognized overnight courier postage fully prepaid, addressed to the appropriate address set forth below, or to such other

person or address as either Party may designate by notice to the other Party given as herein provided:

If to Sanderson:

Sanderson Lincoln
2121 W. Bell Road
Phoenix, AZ 85023
Attention: General Manager

With a copy to:

Stephen P. Linzer, Esq.
Tiffany & Bosco
2525 E Camelback Road
Phoenix AZ 85018

If to Town:

Town of Carefree
8 Sundial Circle
Carefree, AZ 85377
Attention: Mayor

With a copy to:

Town of Carefree
8 Sundial Circle
Carefree, AZ 85377
Attention: Town Administrator

With an additional copy to:

Town of Carefree
8 Sundial Circle
Carefree, AZ 85377
Attention: General Counsel

15. Representations and Warranties.

- a. Sanderson represents, warrants and covenants to Town as follows:
 - i. It has been duly organized, is validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation, as the case may be, and has all requisite corporate or other power and authority and, to the best of its knowledge, possesses all permits necessary to enable it to use its corporate or trade name and to own and to carry on its business as currently conducted, except where the failure to possess such permits, individually or in the aggregate, would not have a material adverse effect upon Sanderson or prevent or materially impair the ability of Sanderson to perform its obligations under this Agreement or prevent or materially impede, hinder or delay the consummation of the transactions contemplated hereby.
 - ii. It has the full right and legal authority to enter into and fully perform this Agreement in accordance with its terms.
 - iii. This Agreement, when executed and delivered by Sanderson, will be its legal, valid and binding obligation enforceable against Sanderson in accordance with its terms, except to the extent that enforcement thereof

may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally.

- iv. The execution and delivery of this Agreement has been duly authorized by Sanderson, and such execution and delivery and the performance by Sanderson of its obligations hereunder do not and will not violate or cause a breach of any other agreements or obligations to which it is a party or by which it is bound, and no approval or other action by any third Person, including any governmental authority or agency is required in connection herewith.
- v. Each of the foregoing representations warranties and covenants shall be always true during the term hereof. Sanderson acknowledges that each of such representations, warranties and covenants are deemed to be material and have been relied upon by Town notwithstanding any investigation made by Town.

b. Town represents, warrants and covenants to the Sanderson as follows:

- i. It has the full right and legal authority to enter into and fully perform this Agreement in accordance with its terms.
- ii. It has the right to grant the Naming Rights to Sanderson.
- iii. This Agreement, when executed and delivered by Town, will be its legal, valid and binding obligation, enforceable against Town in accordance with its terms, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally.
- iv. The execution and delivery of this Agreement has been duly authorized by Town, and such execution and delivery and the performance by Town of its obligations hereunder do not and will not violate or cause a breach of any other agreements or obligations to which it is a party or by which it is bound, and no approval or other action by any governmental authority or agency is required in connection herewith.
- v. Each of the foregoing representations warranties and covenants shall be always true during the term hereof. Town acknowledges that each of such representations, warranties and covenants are deemed to be material and have been relied upon by the Sanderson notwithstanding any investigation made by the Sanderson.

16. Compliance with the Law. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement or the application thereof to any Party or circumstance is prohibited by or invalid under applicable law, that provision shall be effective only to the extent of such prohibition or invalidity, without invalidating the remainder of such

provision or the remaining provisions of this Agreement or the application of such provision to other parties or circumstances.

17. Governing Law. This Agreement will be deemed to have been executed and delivered in the State of Arizona and will be construed and interpreted according to the laws of that State. The parties agree that the State of Arizona shall have exclusive jurisdiction of any dispute or action arising out of or in any connected with this Agreement. Venue shall lie in Maricopa County, Arizona.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives on the date first above written, and each of the Parties represents, and each of the individuals executing this Agreement certifies that he or she is duly authorized to do so.

DON SANDERSON FORD, INC.
d/b/a/ SANDERSON LINCOLN

TOWN OF CAREFREE

Name: Patrick Heigl
Title: Brand Manager

Name: John Crane
Title: Mayor, Carefree, AZ

ATTEST:
TOWN OF CAREFREE
An Arizona Municipal Corporation

By: _____
Name: Gary Neiss
Title: Town Administrator

EXHIBIT A
EXISTING SIGN



EXHIBIT B
PAVILION



APPENDIX 1 SPONSORSHIP RIGHTS

1. SPONSORSHIP RIGHTS. Sanderson shall be entitled to the following naming, signage, exclusivity, advertising, and usage rights each Contract Year.

a. NAMING RIGHT

- i. Sanderson shall be entitled to name the Pavilion the "Sanderson Lincoln Pavilion" for a period often (10) years in exchange for an annual donation of \$15,000 to be paid on July 1 of each contractual year.

b. FIXED SIGNAGE

- i. Sanderson shall be entitled to display one (1) signage display with LED backlighting of a size appropriate to the wall behind the Pavilion stage. The display shall be the agreed upon Pavilion name, "Sanderson Lincoln Pavilion."

c. PAVILION EXCLUSIVE USE

- i. Sanderson Lincoln will be the exclusive automotive partner of the Pavilion and no other automotive sponsors will be allowed on-site in the Carefree Desert Gardens for events, sponsorships, promotions, and or displays of any kind without first obtaining written approval from Sanderson Lincoln.
- ii. Sanderson Lincoln has the option to display up to four (4) vehicles with signage at any and all events at the Pavilion or surrounding area with prior approval of Town.
- iii. Sanderson Lincoln has the option to hold up to six (6) corporate events free of charge with 60 days prior notice and scheduling approval from Town.

d. ADVERTISING

- i. In all agreements entered with a third-party for the use of the Pavilion, Town shall instruct that all advertising copy reference to the Pavilion shall be designated as the "Sanderson Lincoln Pavilion."

e. LOGO

- i. Sanderson may create a "Logo" with the words "Sanderson Lincoln Pavilion", which could incorporate the Sanderson Lincoln logo. Sanderson would be required to, at its cost:
 1. Create and furnish the Town, the Logo in a high-resolution digital format.
 2. Trademark the Logo
 3. Allow the Town to use the Logo in its obligations under this agreement
- ii. The Town shall require the logo to be used:
 1. In all advertising as referenced in (d.) above
 2. On any Town promotional materials regarding the Pavilion

iii. The Logo shall be the property of Sanderson

**TOWN OF CAREFREE
STAFF REPORT**

MEETING DATE: August 01, 2023

SUBJECT: Initial Review of the Carefree Traffic Calming Program.

PREPARED BY: Mark Milstone, Town Engineer/Public Works

SUMMARY:

The Town of Carefree is interested in formulating a Traffic Calming Program. The attached draft document is an initial draft of the proposed policy which is being submitted, at this time, for review and comments to the town council as well as any interested citizens. After review and/or revisions the policy document will be submitted during the September Town Council meeting for approval.

ACTION NEEDED:

The action required is to review, digest, and respond with comments to the attached Carefree Traffic Calming Program document. This will allow the Town to update the policy document for possible Town Council approval in the September 5, 2023 meeting.

Fiscal Impact

Fiscal Year: 2024
Amount Requested: \$ 10,000
Budgeted Y/N: N
Account(s):
FISCAL IMPACT:

Attachments

Traffic Calming Policy
Power Point Presentation



Engineering Department
8 Sundial Circle
PO Box 740
Carefree, AZ 85377

480-488-3686



Neighborhood Traffic Calming Policy

DRAFT August 2023





Engineering Department
8 Sundial Circle
PO Box 740
Carefree, Arizona 85377
480-488-3686

TRAFFIC CALMING POLICY

DRAFT
August 2023

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POLICY GOALS AND OBJECTIVES

This policy defines the procedures and criteria involved in the Town of Carefree’s Neighborhood Traffic Calming Program (TCP). The goal of the TCP is to reduce neighborhood vehicle speeding and safety concerns by achieving better speed limit compliance on residential, local and minor collector streets and to ensure that the needs of all stakeholders are met. The mitigation efforts will be performed on public streets only. No private streets will be affected. The TCP aims to achieve this goal by incorporating the following:

- Specific traffic volume and speed criteria that define acceptable standards for local streets
- Consideration of distinct traffic and neighborhood features, such as the following:
 - High volume of pedestrians or bicycles
 - Very high speeds with very low traffic volume
- Review and approval of project plans by Rural Metro, MCSO, Carefree Water Department and Public Works Department
- Review and approval of projects that advance past the petition phase by the Town Council
- Notification and outreach to affected areas

PROGRAM COMPONENTS

Recognizing that there is no one-size-fits-all solution to speed concerns, the TCP takes a comprehensive approach. The TCP consists of two components - neighborhood speed awareness and neighborhood traffic calming that encompass the three “E’s” of traffic safety: education, enforcement, and engineering.

Neighborhood Speed Awareness (Education and Enforcement)

The neighborhood speed awareness component focuses primarily on education and enforcement. For example, residents are encouraged to educate their neighbors about speeding concerns through the process of filling out a Letter of Interest Form (see page 10). Other residents can sign the form to show their support for initiating the TCP in their neighborhood. Residents can also request a temporary speed feedback sign to educate drivers about their travel speeds and speed limits in the neighborhood. Finally, residents can request an hour of MCSO patrol to both enforce speeds and educate drivers.

Neighborhood Traffic Calming (Engineering)

The neighborhood traffic calming component focuses primarily on engineering. Once the Letter of Interest Form has been provided to the Engineering and Streets Department, the town will collect traffic volume and speed data to compare with policy criteria for potential installation of permanent or semi-permanent traffic calming devices. Generally, data will be obtained through contracting with a traffic engineering firm. The costs for these studies will vary and will be shareable funding with the affected residents who reside on the impacted streets. A resident may also request changes to traffic signs and markings on their street, which may not require collection of traffic data.

TRAFFIC CALMING PROGRAM - STEP BY STEP

Step 1 – Contact the town.

The resident must initiate contact with the Town Engineer.

Step 2 – Discuss concerns and potential solutions with town staff.

The Town Engineer will reach out to the residents to acquire more details about the concern and discuss potential solutions and policy criteria.

Step 3 – Collect signatures on a Letter of Interest Form and submit it to the town.

If the Town Engineer indicates that initial criteria for traffic calming are met and the resident wishes to pursue permanent or semi-permanent traffic calming, the resident must submit a completed Letter of Interest Form (see page 10) to the Town Engineer to initiate a formal study of traffic conditions. The Letter of Interest Form must include signatures from at least 3 current residents or property owners or from at least 50% of the residents or property owners along the street section under consideration for traffic calming.

Step 4 – Review traffic data.

The Town Engineer will collect and processes traffic data and then sends a formal email to the resident documenting the outcome of the data collection and whether it meets policy criteria for the requested traffic calming device(s).

Step 5 – Initiate a neighborhood petition.

If the street segment meets policy criteria, the Town Engineer and the residents will work together to create a concept plan, define the affected and notification areas, and create a petition form. The residents will then be responsible for acquiring signatures from a minimum of 60% of the addresses within the affected area and 80% of the addresses within 1000 feet of the proposed traffic calming devices and the board of the impacted associations. Refer to the petition process section on page 8 for more details.

Step 6 – Obtain Town Council approval for construction of the project.

The final step requires approval of the project by the Town Council. The Town Engineer will prepare a presentation of all relevant information related to the project and request approval for construction of the project from the council. Construction will be completed at no direct cost to the resident.

BENEFITS AND DEFICIENCIES OF TRAFFIC CALMING

Before requesting permanent or semi-permanent traffic calming devices, it is important for the resident to understand all potential benefits and deficiencies of these devices.

Potential Benefits of Traffic Calming

Below are the expected potential benefits of traffic calming devices. However, benefits are not guaranteed and what some may see as a benefit, others may see as a drawback.

- Substantially reduces number of vehicles traveling more than 35 mph
- Noticeably reduces number of vehicles traveling more than 30 mph
- May noticeably reduce number of vehicles traveling on a street
- Present 24 hours-per-day, 365 days-per-year
- Enhanced neighborhood appeal
- Improved comfort for bicycles and pedestrians

- Increased driver awareness

Potential Deficiencies of Traffic Calming

Along with the potential benefits of traffic calming devices, there are also some potential deficiencies. Again, not everyone will see all of these as deficiencies.

- Continued vehicle speeds over 35 mph
- May delay emergency vehicle response
- Increased vehicle noise
- Requirement of some residents to travel through speed calming devices whenever they drive to or from home
- May result in debris accumulation
- May detract from neighborhood appeal
- May impact driveway access

TRAFFIC CALMING CRITERIA BY DEVICE TYPE

Specific criteria and conditions must be met for each type of permanent or semi-permanent traffic calming device to be installed in the Town of Carefree.

Vertical Realignment Criteria (Speed Cushions or Speed Tables)

- The street segment being considered for traffic calming is 660 to 5,280 feet in length.
- The street is paved and a public throughfare.
- The street is planned for only one through motor vehicle lane per direction.
- The street has 300 to 3,000 vehicles per day.
- The following two speed conditions are met:
 - At least 40% of traffic travels at speeds of 5 mph or more above the speed limit.
 - At least 20% of traffic travels at speeds of 10 mph or more above the speed limit.
- Taking both sides of the street into consideration, the street has more than 50% direct residential access. Exceptions may be given to streets adjacent to a school or park or to streets designated as a pedestrian or bicycle route.

Horizontal Realignment Criteria (Median or Side Islands)

- The street segment being considered for traffic calming is 660 to 5,280 feet in length.
- The street is paved and a public throughfare.
- The street is planned for only one through motor vehicle lane per direction.
- The street has 300 to 3,000 vehicles per day.
- The following two speed conditions must be met:
 - At least 40% of traffic travels at speeds of 5 mph or more above the speed limit.
 - At least 20% of traffic travels at speeds of 10 mph or more above the speed limit.
- Taking both sides of the street into consideration, the street has more than 50% direct residential access. Exceptions may be given to streets adjacent to a school or park or to streets designated as a pedestrian or bicycle route.

- The street does not qualify or is unacceptable for vertical realignment.

Speed Feedback Sign Criteria and Conditions

- The street has 300 or more vehicles per day.
- The following two speed conditions must be met:
 - At least 30% of traffic travels at speeds of 5 mph or more above the speed limit.
 - At least 15% of traffic travels at speeds of 10 mph or more above the speed limit.
- Conditions where a speed feedback sign is not appropriate:
 - Speed feedback signs should not be installed on a significant horizontal or vertical curve.
 - Solar speed feedback signs should be used.
- Speed feedback signs are considered semi-permanent solutions and may be relocated after a period of three years if they are deemed to be ineffective.
- The use of speed feedback signs is subject to the availability of Traffic Calming Program funds, and locations will be determined by priority if sufficient funds do not exist.
- Due to the high visibility of speed feedback signs, efforts shall be made to locate the sign where it creates the least impact to surrounding property owners. Before installation all property owners within visual proximity of the proposed sign location shall be notified. If staff receives concerns, then a determination will be made as to whether the sign should be relocated or not installed.

Route Restricting Traffic Calming Criteria

- Adjacent non-residential routes can accommodate diverted traffic.
- The street segment is 0.5 to 2 miles in length.
- The street is paved.
- The street is planned for only one through motor vehicle lane per direction.
- The street has 300 to 2,000 vehicles per day.
- The following two speed conditions must be met:
 - At least 40% of traffic travels at speeds of 5 mph or more above the speed limit.
 - At least 20% of traffic travels at speeds of 10 mph or more above the speed limit.
- Taking both sides of the street into consideration, the street has more than 50% direct residential access. Exceptions may be given to streets adjacent to a school or park, or to streets designated as a pedestrian or bicycle route.

PETITION PROCESS

The petition process is largely driven by the residents with support from town staff and is the last major hurdle before project implementation. Below is a list of roles and responsibilities for completing the petition:

- Town staff determines notification and affected areas.
- Town staff provides resident(s) with the following:
 - Petition form with proposed traffic calming project plan on back
 - Information packet
 - Notification area map(s)
- Town staff includes specific project information on the town website.
- Town staff posts project notification signs at identified street or neighborhood entry that includes town website project information.
- Resident(s) circulates petition in affected area and returns petition to the town.
- Town staff evaluates petition to make sure the following conditions are met:
 - 60% of addresses (either owners or long-term tenants) in affected area must sign. One signature is allowed per household or property.
 - Vacant homes or properties are excluded from affected area and petition.
 - 80% of addresses (either owner or long-term tenants) within 1000 feet of proposed traffic calming devices must sign petition and a letter from the of support from the impacted HOA Board will be required.
- Town staff may contact individual signatories.
- Impacted residents will be required to share in the data collection, design, and construction fees required to implement the improvements. The fees will vary based on the size, type, and costs for each individual improvement area. Fees and cost sharing will be set after the petition has been accepted and will need to be approved, with the impacted parties, prior to entering into a contract with a design firm.
- An annual budget amount, for traffic calming installations, will be included in each year and the funds will be allocated on a first come basis.

The town typically defines the affected area(s) and notification area(s) as follows:

Affected Area

- Residents adjacent to the street
- Residents/institutions/businesses adjacent to the street that have no alternative route
- Residents that are most likely to choose the route being considered for traffic calming for access to their home
- Residents that are not separated from the area by a minor collector or larger designated street

Notification Area

- The affected area
- Residents on streets likely to experience increases in traffic volumes or travel speeds of 10% or more due to traffic calming implementation

- Residents on streets within ¼ to ½ mile of the street(s) being considered for traffic calming implementation
- Residents that are not separated by a major collector or larger designated street
- Drivers/other users of the street notified by driver-visible signage posted on streets proposed for devices

PROJECT PRIORITIZATION

Construction of approved traffic calming projects will be based upon available funding and the following prioritization factors in order of importance:

- Percentage of speeding vehicles
- Daily traffic volume
- Street is adjacent to a school or park or adjacent to a designated pedestrian or bicycle route.

The Town Council will determine which projects are priorities if there is limited funding available for project requests. Carefree will require a flat fee of \$500 to begin the traffic calming process. This fee shall be deducted from the agreed upon sharing costs associated with the improvements.

DEVICE REMOVAL OR MODIFICATION

Requests to remove traffic calming devices can be made no earlier than 12 months after the project has been completed. The process to remove the traffic calming devices is the same as the petition process to install the devices. Exceptions may be made by the Town Council.

Requests for modifications to a traffic calming project can be made at any time to the Engineering Department. The town engineer will determine if a petition process is necessary for a requested modification. Installing additional traffic calming devices to an existing project may be considered if the street qualifies for the speed and volume criteria 12 months after project completion.

A device may be removed or modified if it causes stormwater or emergency response issues or if it has adverse impacts on adjacent streets.

Traffic Calming Program Letter of Interest Form

FROM: _____

ADDRESS: _____

PHONE NUMBER: _____

E-MAIL: _____

DATE: _____

We, the undersigned, are interested in neighborhood traffic management for the following street. Please submit a separate form for each street. Please only one signature per address.

Street: _____ **from** _____ **to** _____

	<u>PRINTED NAME</u>	<u>ADDRESS</u>	<u>E-MAIL OR PHONE</u>	<u>SIGNATURE</u>
1)	_____	_____	_____	_____
2)	_____	_____	_____	_____
3)	_____	_____	_____	_____
4)	_____	_____	_____	_____
5)	_____	_____	_____	_____
6)	_____	_____	_____	_____
7)	_____	_____	_____	_____
8)	_____	_____	_____	_____
9)	_____	_____	_____	_____
10)	_____	_____	_____	_____

Return to: Town of Carefree Engineering Department,
8 Sundial Circle,
PO Box 740,
Carefree, AZ 85377
480-488-3686

Engineering Department - received by: _____

Date: _____



Traffic Calming Program Petition

Street: _____ from _____ to _____

Residents of your neighborhood requested traffic calming improvements as shown on the back of this petition. The Carefree Engineering Department requests resident approval of the installation. The Town of Carefree, under this program, expects the impacted residents to share in the funding of projects. The costs for the resident's share shall be determined once the petition has been accepted by the Town and the costs have been estimated.

Signatures must be either the property owner's or property residents, and the signer must be 18 years old or older. Only one signature, will be allowed, per property.

The Town of Carefree Traffic Calming Program is available for review at <https://www.carefree.org/engineering-streets-and-right-of-way>. By signing, those named below support the traffic calming plan shown on the back of this petition. For additional information, contact the Carefree Engineering Department at 480-488-3686.

	<u>PRINTED NAME</u>	<u>SIGNATURE</u>	<u>ADDRESS</u>	<u>DATE</u>
1)	_____	_____	_____	_____
2)	_____	_____	_____	_____
3)	_____	_____	_____	_____
4)	_____	_____	_____	_____
5)	_____	_____	_____	_____
6)	_____	_____	_____	_____
7)	_____	_____	_____	_____
8)	_____	_____	_____	_____
9)	_____	_____	_____	_____
10)	_____	_____	_____	_____
11)	_____	_____	_____	_____
12)	_____	_____	_____	_____
13)	_____	_____	_____	_____
14)	_____	_____	_____	_____
15)	_____	_____	_____	_____

Petitions without a map on reverse will not be accepted.

Petition circulator: _____

Engineering Department received: _____



Figure 1, Figure 2, and Figure 3 provide hypothetical examples of affected areas and notification areas for small, medium, and large neighborhoods.

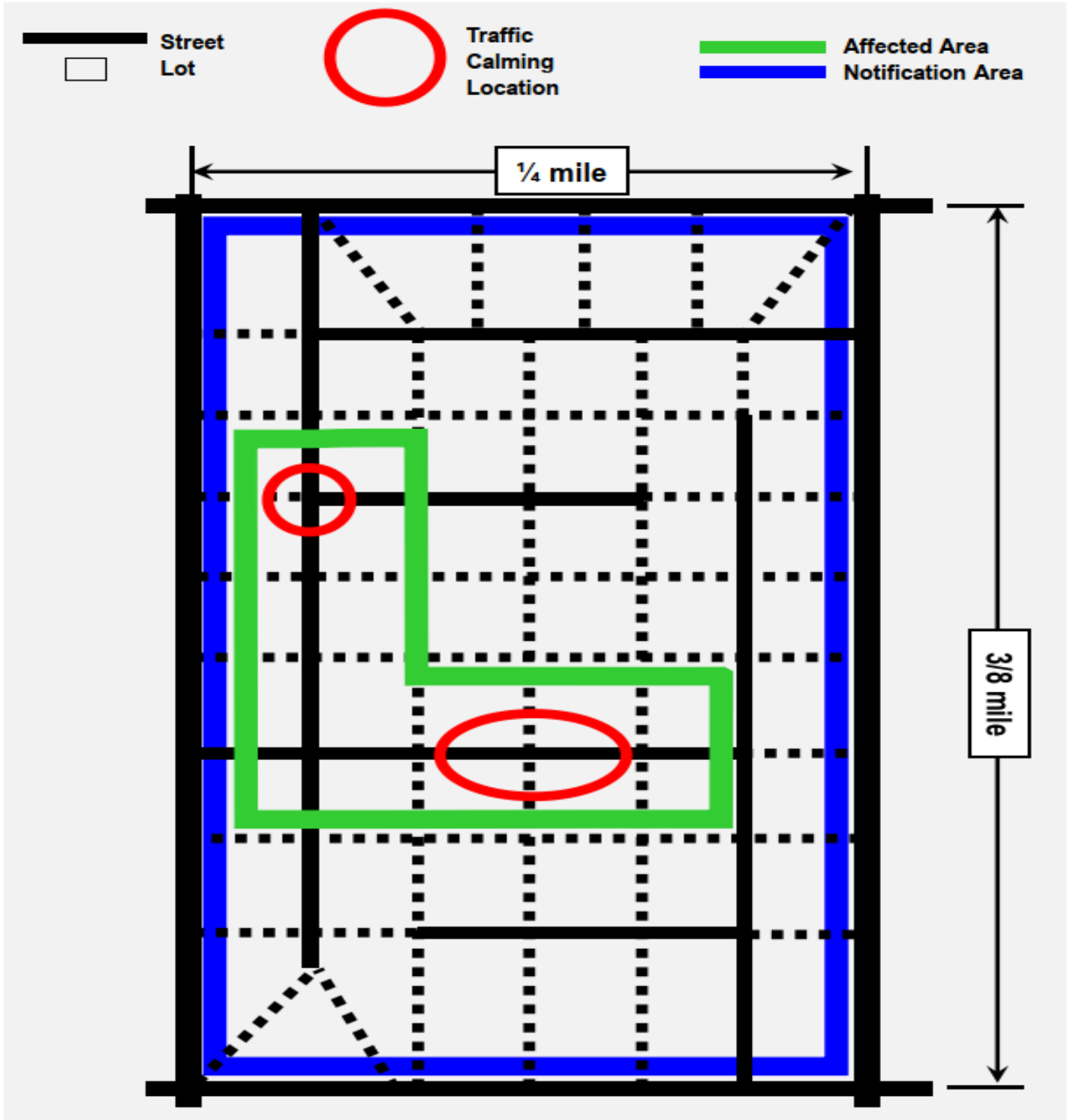


Figure 1: Affected and Notified Areas for Small Neighborhood

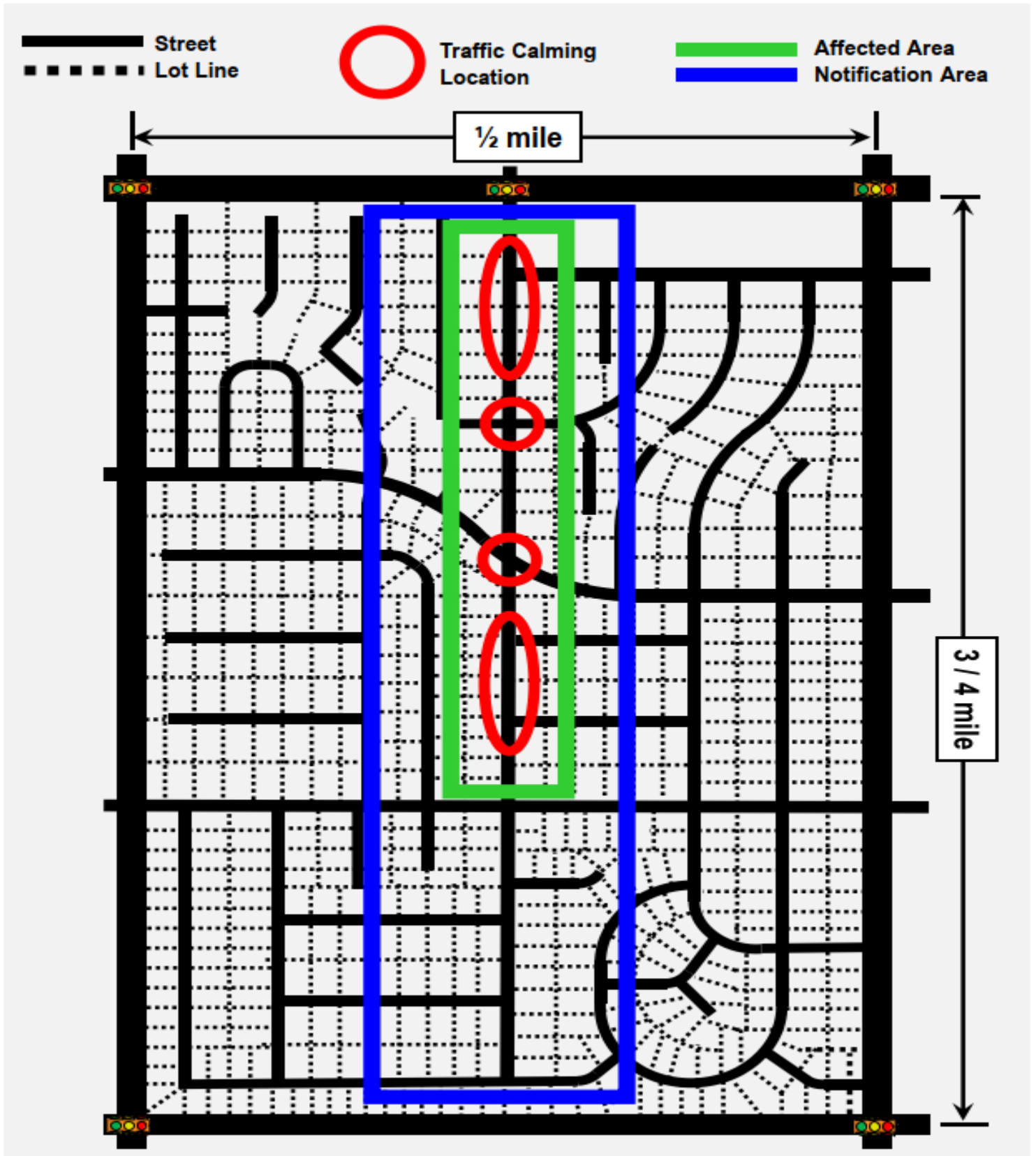


Figure 2: Affected and Notified Areas for Medium Neighborhood

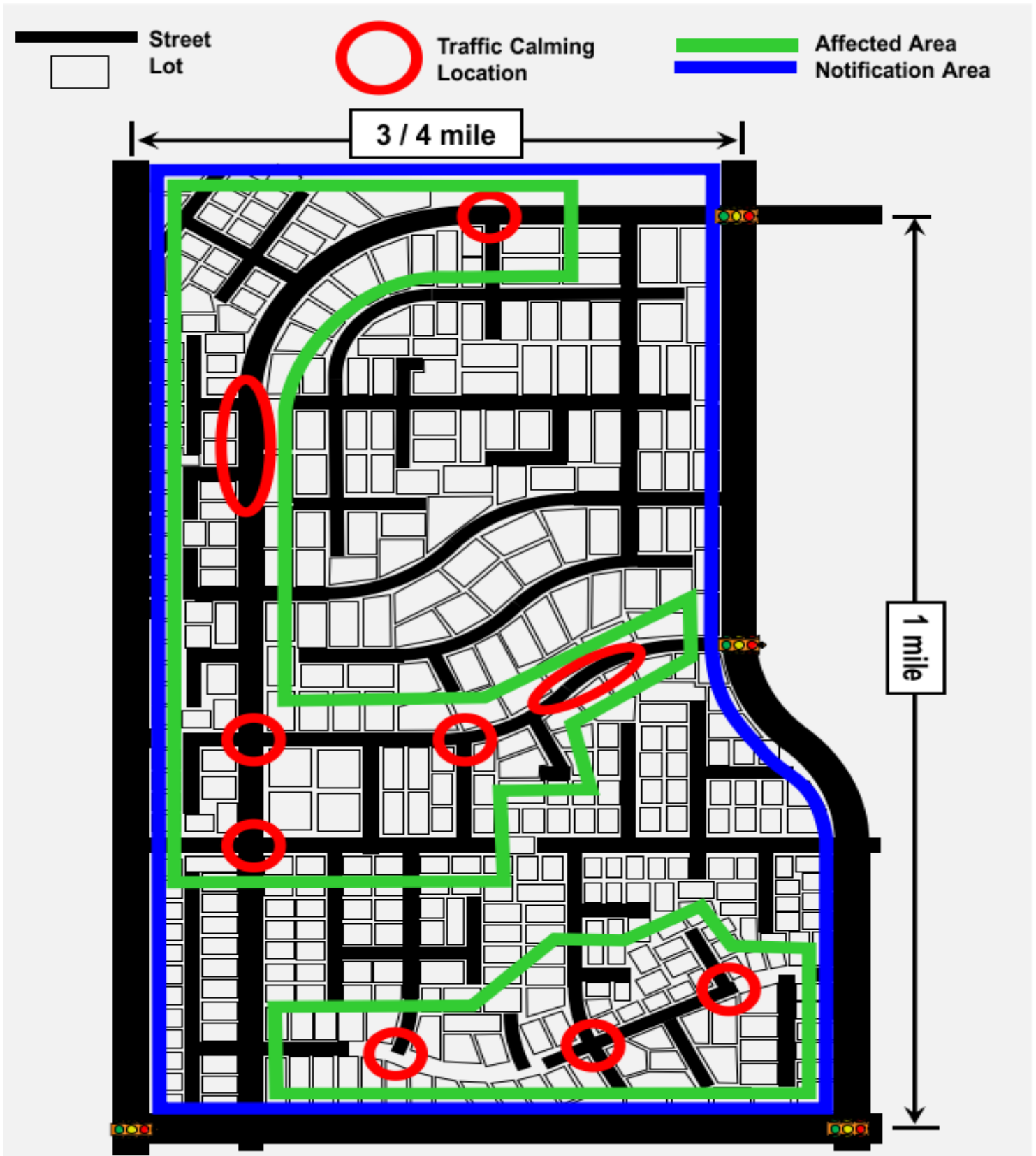


Figure 3: Affected and Notified Areas for Large Neighborhood

Carefree Traffic Calming Program



TOWN COUNCIL
August 1, 2023



Carefree Traffic Calming Policy

July 2023



Traffic Calming Program Letter of Interest Form

FROM: _____

ADDRESS: _____

PHONE NUMBER: _____

E-MAIL: _____

DATE: _____

We, the undersigned, are interested in neighborhood traffic management for the following street. Please submit a separate form for each street. Please only one signature per address.

Street: _____ **from** _____ **to** _____

	<u>PRINTED NAME</u>	<u>ADDRESS</u>	<u>E-MAIL OR PHONE</u>	<u>SIGNATURE</u>
1)	_____	_____	_____	_____
2)	_____	_____	_____	_____
3)	_____	_____	_____	_____
4)	_____	_____	_____	_____
5)	_____	_____	_____	_____
6)	_____	_____	_____	_____
7)	_____	_____	_____	_____
8)	_____	_____	_____	_____
9)	_____	_____	_____	_____
10)	_____	_____	_____	_____

Return to: Town of Carefree Engineering Department,
8 Sundial Circle,
PO Box 740,
Carefree, AZ 85377
480-488-3686

Engineering Department - received by: _____
Date: _____

Traffic Calming Program Petition

Street: _____ from _____ to _____

Residents of your neighborhood requested traffic calming improvements as shown on the back of this petition. The Carefree Engineering Department requests resident approval of the installation. The Town of Carefree, under this program, expects the impacted residents to share in the funding of projects. The costs for the resident's share shall be determined once the petition has been accepted by the Town and the costs have been estimated.

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	<u>PRINTED NAME</u>	<u>SIGNATURE</u>	<u>ADDRESS</u>	<u>DATE</u>
1)	_____	_____	_____	_____
2)	_____	_____	_____	_____
3)	_____	_____	_____	_____
4)	_____	_____	_____	_____
5)	_____	_____	_____	_____
6)	_____	_____	_____	_____
7)	_____	_____	_____	_____
8)	_____	_____	_____	_____
9)	_____	_____	_____	_____
10)	_____	_____	_____	_____
11)	_____	_____	_____	_____
12)	_____	_____	_____	_____
13)	_____	_____	_____	_____
14)	_____	_____	_____	_____
15)	_____	_____	_____	_____
16)	_____	_____	_____	_____

Petitions without a map on reverse will not be accepted.
Petition circulator: _____



EXISTING POORLY DESIGNED TRAFFIC CALMING



ATTEMPTS TO FIX THE PROBLEM



3-5 MPH Speed Bump



10-15 MPH Speed Bump Middle- 12" Wide



FROM THIS TO



THIS

PROPOSED TYPES OF IMPROVEMENTS

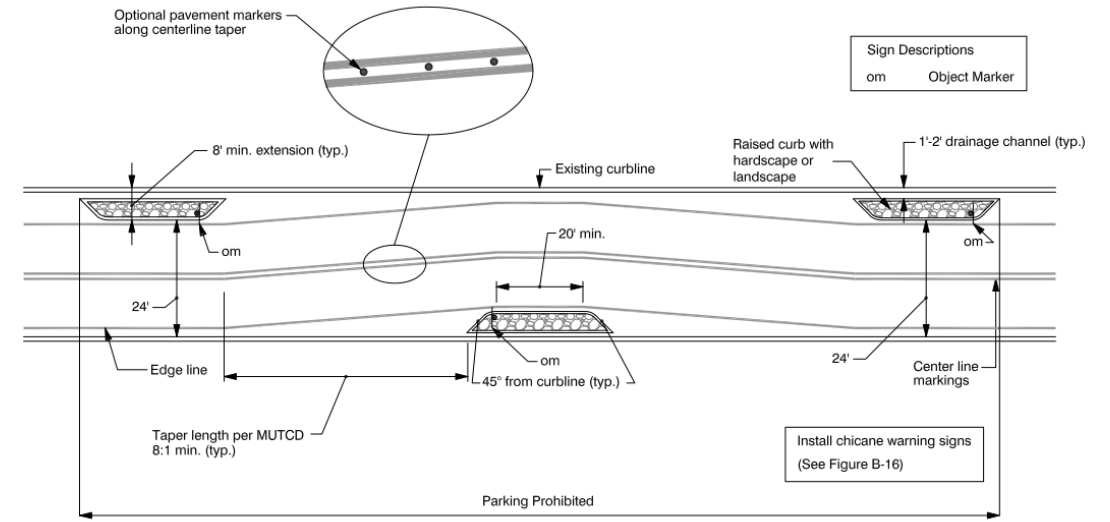
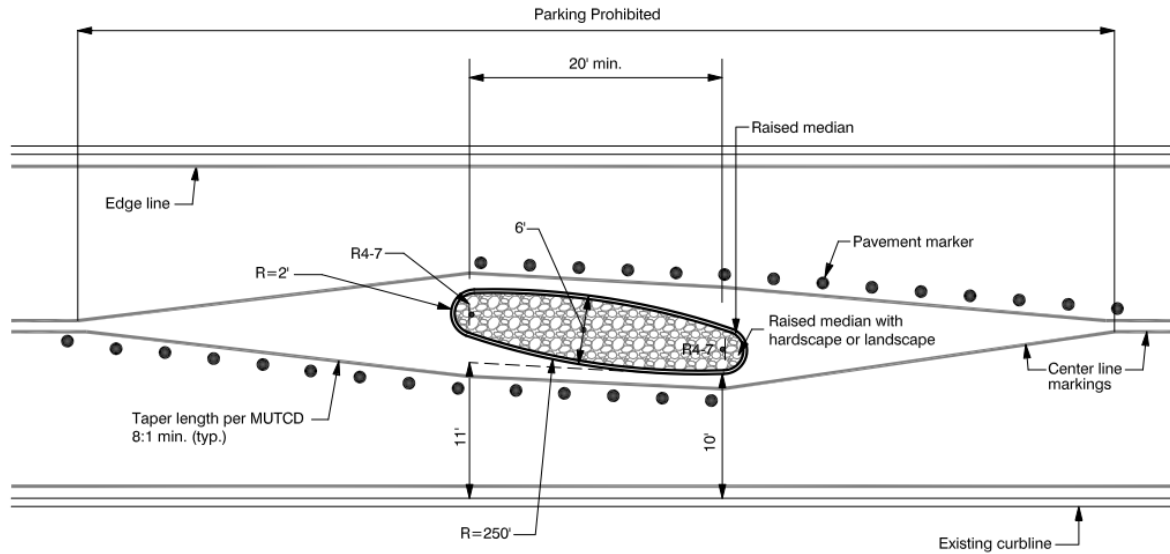


PROPOSED TYPES OF IMPROVEMENTS

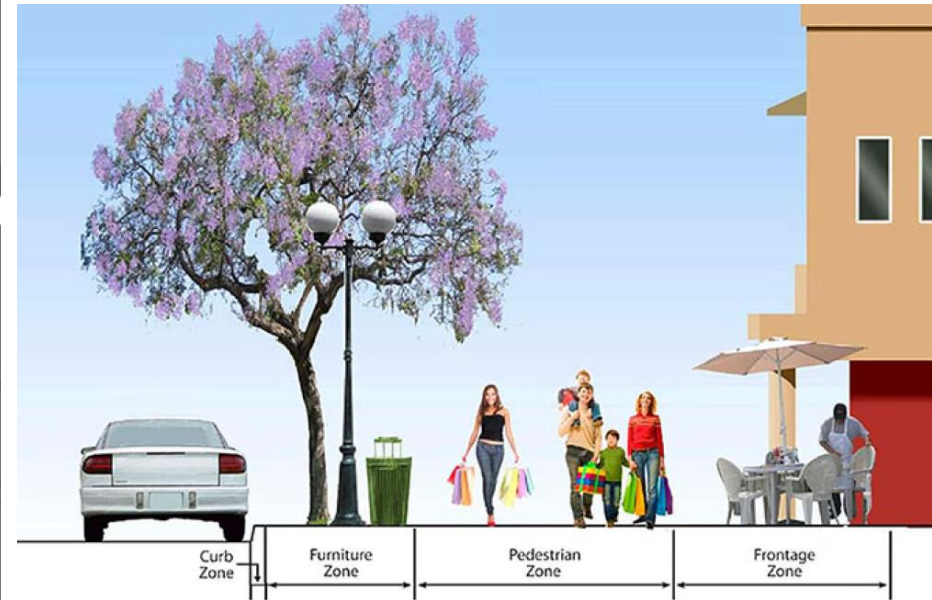
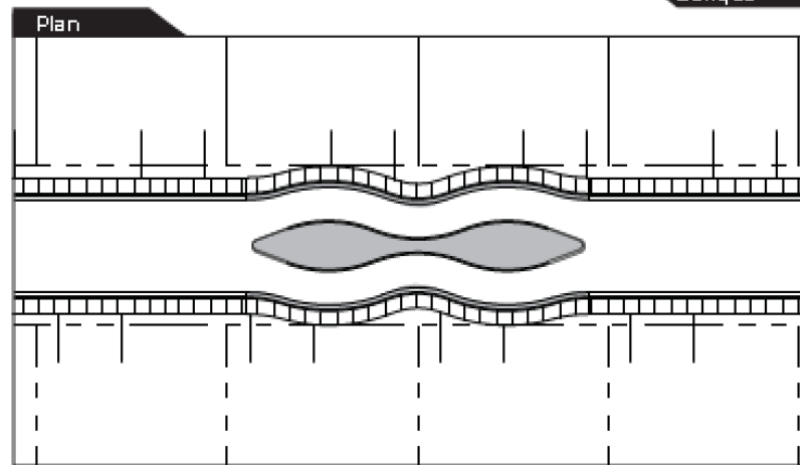
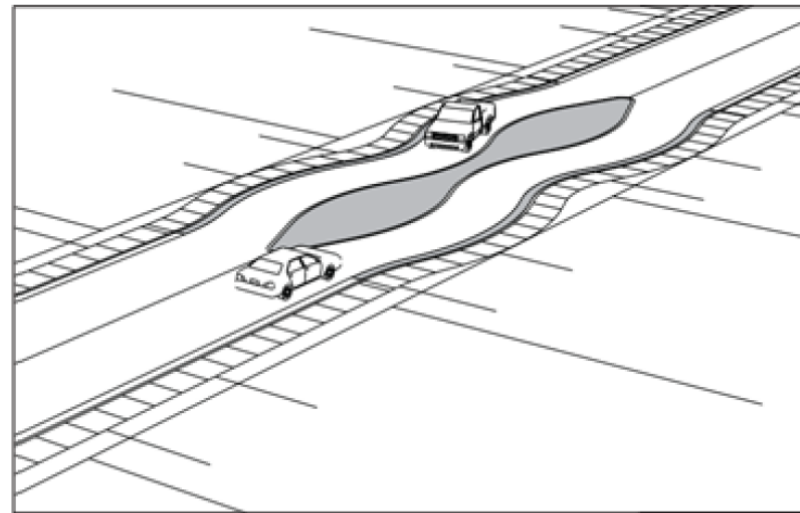
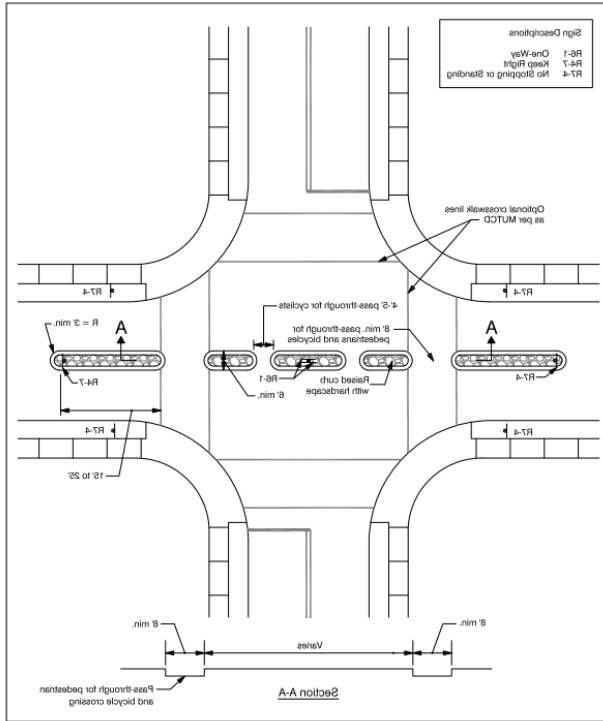


PROPOSED TYPES OF IMPROVEMENTS

Sign Description
R4-7 Keep Right



PROPOSED TYPES OF IMPROVEMENTS



REASONS FOR TRAFFIC CALMING



CAREFREE TRAFFIC CALMING PROGRAM

