ATTENTION

IN-PERSON AUDIENCES AT CITY COUNCIL MEETINGS HAVE BEEN SUSPENDED UNTIL FURTHER NOTICE

PARTICIPATION FOR PUBLIC HEARING ITEMS WILL BE PERMITTED BY PHONE, PLEASE SEE INSTRUCTIONS IN THE PUBLIC HEARING SECTION OF THE AGENDA

The meetings will continue to be live streamed on the city's website (https://www.flagstaff.az.gov/1461/Streaming-City-Council-Meetings)

The public can submit comments that will be read at the dais by a staff member to publiccomment@flagstaffaz.gov.

REGULAR COUNCIL MEETING
TUESDAY
JUNE 2, 2020

STAFF CONFERENCE ROOM
SECOND FLOOR - CITY HALL
211 WEST ASPEN AVENUE
3:00 P.M.

AGENDA
A M E N D E D

1. CALL TO ORDER

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. ROLL CALL

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

MAYOR EVANS
VICE MAYOR SHIMONI
COUNCILMEMBER ASLAN
COUNCILMEMBER MCCARTHY
COUNCILMEMBER ODEGAARD
COUNCILMEMBER SALAS
COUNCILMEMBER WHELAN

3. PLEDGE OF ALLEGIANCE AND MISSION STATEMENT

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life for all.

4. APPROVAL OF MINUTES FROM PREVIOUS MEETINGS

A. **Consideration and Approval of Minutes**: City Council Work Session of February 12, 2019, Special Meeting of February 13, 2019, Regular Meeting of February 19, 2019, Special Meeting of February 21, 2019, Regular Meeting of March 5, 2019, Regular Meeting of March 19, 2019, Combined Special Meeting/Work Session of March 26, 2019, Executive Session of October 8, 2019, Executive Session of October 29, 2019, and Work Session of November 26, 2019.

5. PUBLIC PARTICIPATION

Public Participation enables the public to address the Council about an item that is not on the agenda. Comments relating to items that are on the agenda will be taken at the time that the item is discussed. If you wish to address the Council at tonight's meeting, please complete a comment card and submit it to the recording clerk as soon as possible. Your name will be called when it is your turn to speak. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

6. CONSENT ITEMS

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

A. **Consideration and Approval of Contract:** Approve the construction contract with Western Utilities Contractors, LLC, dba Overley's in the amount of $1,359,657.00 for the Summit Water project.

STAFF RECOMMENDED ACTION:

1. Approve the construction contract with Western Utilities Contractors, LLC, dba Overley's in the amount of $1,359,657.00 and a contract duration period of 200 calendar days;
2. Approve a contract allowance of $67,982.85, which is 5% of the lowest responsive bid;
3. Approve Change Order Authority to the City Manager in the amount of $135,965.70 which is 10% of the lowest responsive bid;
4. Authorize the City Manager to execute the necessary documents.

B. **Consideration and Approval of Contract:** Approve the construction contract with Mountain High Excavation, LLC. in the amount of $577,804.00 for the Fir Avenue Waterline Replacement Project.

STAFF RECOMMENDED ACTION:

1. Approve the construction contract with Mountain High Excavation, LLC. in the amount of $577,804.00, and a contract time period of 120 calendar days;
2. Approve a contract allowance of $43,335.30, which is 7.5% of the lowest responsive bid;
3. Approve Change Order Authority to the City Manager in the amount of $57,780.40 (10% of the contract amount, less allowances); and
4. Authorize the City Manager to execute the necessary documents.

C. **Consideration and Approval:** Flagstaff Fire Department Fire Management Agreement with The Nature Conservancy

STAFF RECOMMENDED ACTION:

Approve the Fire Management Agreement between The Nature Conservancy and The City of Flagstaff Fire Department

D. **Consideration and Approval of Contract:** Approval of Fort Tuthill Well Cost Sharing and Construction Agreement for electrical line joint trench with DW Tower, LLC in an amount not to exceed $74,000.

STAFF RECOMMENDED ACTION:

1. Staff recommends that the City Council approve the Cost Sharing and Construction Agreement with DW Tower, LLC. in an amount not to exceed $74,000 to share the cost for design, construction and installation of the conduit containing needed electrical infrastructure from Highway 89 to a new second well site at Fort Tuthill (Ft. Tuthill Well #2); and
2. Authorize the City Manager to execute the necessary documentation.

E. **Consideration and Approval of Contract:** Cartegraph Software and Services Contract renewal for a 3-year term for a total cost of $187,613.64

STAFF RECOMMENDED ACTION:

1. Approve the Cartegraph Software and Services Contract renewal in the amount of $187,613.64 for an additional 3-year term commencing on July 1, 2020; and
2. Authorize the City Manager to execute the necessary documents.

7. PUBLIC HEARING ITEMS

IF YOU WISH TO PROVIDE PUBLIC COMMENT ON THE FOLLOWING ITEM PLEASE EMAIL PUBLICCOMMENT@FLAGSTAFFAZ.GOV WITH YOUR NAME, ITEM NUMBER, AND PHONE NUMBER. STAFF WILL CONTACT YOU VIA PHONE TO PROVIDE YOUR COMMENTS TO COUNCIL AND THE PUBLIC, AT WHICH TIME COUNCIL MAY ASK YOU QUESTIONS IF COUNCIL DESIRES .

A. **Consideration and Adoption of Ordinance No. 2020-13:** An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, Title 7 Health and Sanitation, Chapter 7-03 Water System Regulations, Section 7-03-001-0010, Subsection A Water Rates, to establish a new Water Resources Infrastructure Protection through Wildland Fire Management Fee; providing for penalties, repeal of conflicting ordinances, severability, and establishing an effective date.

STAFF RECOMMENDED ACTION:

At the June 2, 2020 Council Meeting:
1) Hold Public Hearing
2) Read Ordinance No. 2020-13 by title only for the first time
3) City Clerk reads Ordinance No. 2020-13 by title only (if approved above)
At the June 16, 2020 Council Meeting:
4) Hold Public Hearing
5) Read Ordinance No. 2020-13 by title only for the final time
6) City Clerk reads Ordinance No. 2020-13 by title only (if approved above)
7) Adopt Ordinance No. 2020-13

B. **Consideration and Adoption of Ordinance No. 2020-14:** An ordinance of the City Council of the City of Flagstaff amending the Flagstaff City Code, Title 7 Health and Sanitation, Section 7-04-001-0010 Fees, Subsection I, by restructuring the Environmental Management Fee; providing for penalties, repeal of conflicting ordinances, severability, and establishing an effective date

STAFF RECOMMENDED ACTION:

At the June 2, 2020 Council Meeting:
1) Hold the Public Hearing
2) Read Ordinance No. 2020-14 by title only for the first time
3) City Clerk reads Ordinance No. 2020-14 by title only (if approved above)

At the June 16, 2020 Council Meeting:
4) Hold Public Hearing
5) Read Ordinance No. 2020-14 by title only for the final time
6) City Clerk reads Ordinance No. 2020-14 by title only (if approved above)
7) Adopt Ordinance No. 2020-14

8. REGULAR AGENDA

A. **Consideration and Adoption:** City of Flagstaff Re-Entry Plan.

STAFF RECOMMENDED ACTION:

Staff is recommending City Council discuss and adopt the City of Flagstaff Re-Entry Plan.

B. **Consideration and Approval:** Legends Entertainment District Agreement (Advertising for Discover Flagstaff/CVB)

STAFF RECOMMENDED ACTION:

Approve the two-year renewal of the Legends Entertainment District advertising agreement with Discover Flagstaff in the amount of $78,000 per year for FY ’21 and FY ’22. This is the same amount as previously approved by City Council for FY’s 18 – 20 for the same downtown Phoenix billboard placement.

C. **Consideration and Approval of Lease Amendments:** Amendment of Flagstaff Airport Leases and Hangar Permits to offer rent abatement from a minimum of three (3) months or a maximum of six (6) months, due to the economic impacts of the COVID-19 pandemic.

STAFF RECOMMENDED ACTION:

1. Approve lease amendments with all of the airport tenants to abate rent for three (3) or six (6) months (copies of the lease amendments are attached).
2. Approve hangar permit amendments with all hangar tenants to abate rent for three (3) or six (6) months, and authorize the Airport Director to administratively approve these amendments (a sample amendment is attached)

D. **Consideration and Approval of Contract:** Cooperative Purchase Contract with Stifel, Nicolaus & Company, Inc. to provide Underwriting Services for issuing Certificates of Participation debt. The contract has a maximum total cost not to exceed $900,000.

STAFF RECOMMENDED ACTION:

1. Approve the Cooperative Purchase Contract for Bond Underwriting Services with Stifel, Nicolaus & Company, Inc. for a fee of $5.00 per $1,000 of bond par issuance for underwriting and $2.00 per $1,000 of bond par issuance for management services for a total of $875,000 plus regulatory and marketing expenses for a maximum total not to exceed an amount of $900,000 utilizing a cooperative contract through the Crane Elementary School District #13 RFP C-005-1718; and
2. Authorize the City Manager to execute the necessary documents.

E. **Consideration and Approval of Contract:** Cooperative Purchase Contract with Greenberg Traurig, LLP to provide Bond Counsel services for issuing Certificate of Participation debt in an amount not to exceed $125,000.

STAFF RECOMMENDED ACTION:

1. Approve the cooperative purchase contract for Bond Counsel services through Greenburg Traurig LLP for a fee of $1.00 per $1,000 of bond par issuance and an amount not to exceed $125,000 utilizing a cooperative purchase agreement through the Chandler Unified School District #80, RFP #01-18-022; and
2. Authorize the City Manager to execute the necessary documents.

F. **Consideration and Adoption of Resolution No. 2020-29:** A resolution of the City of Flagstaff, Arizona Mayor and Common Council, designating the Chief Fiscal Officer for officially submitting the Fiscal Year 2020 expenditure limitation report to the Arizona Auditor General

STAFF RECOMMENDED ACTION:

1) Read Resolution No. 2020-29 by title only
2) City Clerk reads Resolution No. 2020-29 by title only (if approved above)
3) Adopt Resolution No.2020-29

G. **Consideration and Adoption of ~~Ordinance/~~Resolution No. 2020-30:** A resolution of the City of Flagstaff, Arizona Mayor and Common Council designating the Chief Fiscal Officer for officially submitting the fiscal year 2021 expenditure limitation report to the Arizona Auditor General

STAFF RECOMMENDED ACTION:

1) Read Resolution No. 2020-30 by title only
2) City Clerk reads Resolution No. 2020-30 by title only (if approved above)
3) Adopt Resolution No. 2020-30

H. **Consideration and Adoption of Resolution No. 2020-31:** A resolution of the Council of the City of Flagstaff, Arizona adopting the tentative estimates of the amounts required for the public expense for the City of Flagstaff for Fiscal Year 2020-2021; adopting a Tentative Budget; setting forth the receipts and expenditures; the amount proposed to be raised by direct property taxation; giving notice of the time for hearing taxpayers, for adopting of Budget and for fixing the tax levies. ***(Adopt Tentative Budget for City FY 2020-2021)***

STAFF RECOMMENDED ACTION:

1) Read Resolution No. 2020-31 by title only
2) City Clerk reads Resolution No. 2020-31 by title only (if approved above)
3) Adopt Resolution No. 2020-31

9. DISCUSSION ITEMS

A. Library updates and discussion on adjusting hours of operation

B. Discussion regarding Governor Ducey's Declaration of State of Emergency

10. COUNCIL LIAISON REPORTS

11. FUTURE AGENDA ITEM REQUESTS

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

A. **Future Agenda Item Request (F.A.I.R.):** A request by Councilmember Whelan to place on a future agenda a discussion regarding the development of an online portal for citizens to submit and sign Citizen Petitions to the City Council.

B. **Future Agenda Item Request (F.A.I.R.)** A Citizens' Petition requesting that the Council to "examine Towns on Lone Tree/Tract 22 Student Housing Development (Symmetry/Valeo)"

12. CITY MANAGER REPORT

A. City Manager Report

i. Discussion and Possible Direction on Proposed Climate Resolution

13. COVID-19 UPDATES

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

15. ADJOURNMENT

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on _____, at _____ a.m./p.m. in accordance with the statement filed by the City Council with the City Clerk.

Dated this _____ day of _____, 2020.

_____
Stacy Saltzburg, MMC, City Clerk

4. A.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Stacy Saltzburg, City Clerk
Date:	05/27/2020
Meeting Date:	06/02/2020

TITLE

Consideration and Approval of Minutes: City Council Work Session of February 12, 2019, Special Meeting of February 13, 2019, Regular Meeting of February 19, 2019, Special Meeting of February 21, 2019, Regular Meeting of March 5, 2019, Regular Meeting of March 19, 2019, Combined Special Meeting/Work Session of March 26, 2019, Executive Session of October 8, 2019, Executive Session of October 29, 2019, and Work Session of November 26, 2019.

STAFF RECOMMENDED ACTION:

Approve the minutes of the City Council Work Session of February 12, 2019, Special Meeting of February 13, 2019, Regular Meeting of February 19, 2019, Special Meeting of February 21, 2019, Regular Meeting of March 5, 2019, Regular Meeting of March 19, 2019, Combined Special Meeting/Work Session of March 26, 2019, Executive Session of October 8, 2019, Executive Session of October 29, 2019, and Work Session of November 26, 2019.

EXECUTIVE SUMMARY:

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

INFORMATION:

Attachments:

02.12.2019.CCWS
02.13.2019.CCSM
02.19.2019.CCRM
02.21.2019.CCSM
03.05.2019.CCRM
03.19.2019.CCRM
03.26.2019.CCSWS
10.08.2019.CCSMES
10.29.2019.CCSMES

CITY COUNCIL WORK SESSION
TUESDAY, FEBRUARY 12, 2019
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN
6:00 P.M.

MINUTES

1. Call to Order

Mayor Evans called the Work Session of February 12, 2019, to order at 6:00 pm.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. Pledge of Allegiance and Mission Statement

The Council and audience recited the pledge of allegiance and Mr. Solomon read the Mission Statement of the City of Flagstaff.

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life for all.

3. Roll Call

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

PRESENT:	ABSENT:
MAYOR EVANS	
VICE MAYOR SHIMONI	
COUNCILMEMBER ASLAN	
COUNCILMEMBER MCCARTHY	
COUNCILMEMBER ODEGAARD	
COUNCILMEMBER SALAS	
COUNCILMEMBER WHELAN	

Others present: City Manager Barbara Goodrich; City Attorney Sterling Solomon

4. Public Participation

Public Participation enables the public to address the council about items that are not on the prepared agenda. Public Participation appears on the agenda twice, at the beginning and at the end of the work session. You may speak at one or the other, but not both. Anyone wishing to comment at the meeting is asked to fill out a speaker card and submit it to the recording clerk. When the item comes up on the agenda, your name will be called. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone to have an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

Rebecca Allen addressed Council asking that they consider paving Mountain Meadow Drive. The street is unpaved and has not been graded or maintained by the City in months. It is very narrow for a residential street and there are challenges with having two vehicles passing safely.

5. Review of Draft Agenda for the February 19, 2019 City Council Meeting

Citizens wishing to speak on agenda items not specifically called out by the City Council may submit a speaker card for their items of interest to the recording clerk.

None

6. Consideration of Memorandum of Understanding and License for Access and Seismic Testing on Red Gap Ranch, with Desert Mountain Energy Corporation (DMEC)

Ms. Goodrich provided a PowerPoint presentation that covered the following:

HELIUM EXPLORATION AT RED GAP RANCH
PRESENTERS
TONIGHT'S AGENDA
WHY?
HOW DID THE CITY BECOME INVOLVED?
CONSIDERATIONS

Real Estate Manager Charity Lee continued the presentation.

WHAT DUE DILIGENCE DID CITY UNDERTAKE?

Senior Assistant City Attorney Anja Wendel continued the presentation.

LICENSE ACROSS RED GAP
LEGAL CONSIDERATIONS FOR WHY GRANT ACCESS?
RED GAP RANCH WELL LOCATION MAP
LEGAL CONSIDERATIONS FOR WHY GRANT A LICENSE?
WHAT DOES THE LICENSE PROVIDE?
MEMORANDUM OF UNDERSTANDING
WHAT IS ITS PURPOSE?
PUBLIC CONCERNS?

Water Services Director Brad Hill continued the presentation.

SEISMIC TESTING
WHAT IS IT?
WHAT SEISMIC TESTING IS PROPOSED?
CITY SEISMIC TESTING ACTIVITIES AROUND FLAGSTAFF
ENSURING CULTURAL PROTECTIONS
PROTECTING CITY WATER RESOURCES
WHAT IF DME FINDS MARKETABLE HELIUM?

Ms. Wendel concluded the presentation.

COUNCIL DIRECTION
LICENSE ACROSS RED GAP

The following individuals addressed Council regarding the Memorandum of Understanding and License for Access:

- Dara Marks-Marino
- Joe Shannon
- Alicyn Gitlin
- Steve Hirst
- Taylor McKinnon
- Lisa Test
- Richard Brose, R.G.
- Andy Bessler
- Mary Sojourner
- Tyler Linner
- Katie Preston

The following comments were received:

- Seismic testing will inevitably lead to resource extraction.
- Hydrocarbon extraction leads to greenhouse gas emissions which is what the Climate Action and Adaptation Plan (CAAP) is working to prevent.
- Why do anything that puts the City's water resources in jeopardy?
- DME did not represent themselves truthfully if they only said they would be seismic testing.
- The City Manager should not have entered into the MOU or license agreement.
- This issue is not a policy issue it is a political issue.
- How much damage to the environment is too much?
- How is it known with any certainty that archeological sites will not be disrupted by DME?
- It is disappointing that the DME report was reviewed by all but sustainability and there was no mention of the CAAP.
- Cancel the MOU and license agreement.
- Citizens are outraged. City has violated public trust in allowing for helium and hydrocarbon exploration.
- It is the responsibility of the City to protect the groundwater at Red Gap Ranch.
- There was no notification or consultation with the Hopi and Navajo who have bordering native lands.
- Red Gap Ranch is private land and the citizens of Flagstaff are the owners and should be able to determine what happens on the property that they purchased.
- The MOU and agreement establish new policy for helium or energy development on or near Red Gap Ranch.
- Fracking can impact water quality.
- The government agencies that oversee this industry are grossly understaffed.

- The CAAP included public input and took time to get approved so why has the MOU received less input?
- The City already does seismic testing to find water wells, this would allow that work to be done at no cost to the City.
- The people who are doing this are well trained in running seismic lines and have to abide by many geological regulations and standards.
- This is an issue that should have been vetted through the Sustainability Section and the new Indigenous Coordinator should have been involved as well.
- DME's intent is to extract resources from the land.
- Flagstaff depends on Red Gap Ranch and anything that jeopardizes its future is not appropriate
- Many companies come in and frack without the appropriate permits.
- DME has other leases that are set up for fracking.

Written comment cards in opposition to the MOU and License for Access were submitted by the following individuals:

- J. Wynne Geikenjoyner
- Mark Geikenjoyner
- Kim Curtis
- Charlie Silver
- Dawn Dyer
- Dustin Kuluris
- Emily Davalos

Councilmember Aslan indicated that he would have preferred that the presentation and discussion happened prior to the approval of the permit. He expressed frustration with the process and concern about the breakdown of public trust that it created. He expressed further frustration with the differences between the CCR that was provided in January and the press release that went out in February, the scope of work and focus were completely opposite. The process demonstrated a complete lack of transparency.

A break was held from 7:23 p.m. through 7:31 p.m.

Councilmember Aslan indicated that he does not want to enter into an agreement that could potentially have such a negative impact on the environment. There are too many risks associated with the proposed activities and he would like for the agreement to be cancelled and no testing conducted.

Councilmember Whelan asked what the cost estimate is for running a pipeline from Red Gap Ranch to Flagstaff. Water Services Director Brad Hill stated that JACOBS Engineering is working on a feasibility study on the pipeline and there will be better estimates in the spring but the numbers out in the community are approximately $200 to $250 million.

Councilmember Whelan asked if the water from Red Gap Ranch will need to be cleaned. Mr. Hill explained that water quality is another element of the feasibility project, there is some clean up, but it is not yet known how much.

Councilmember Whelan stated that City Manager is responsible for approving license agreements for the use of real property and has the authority to enter into MOUs which are general expressions and not legally binding. That authority is granted by the Flagstaff City Charter, if there is a desire to change that it would require a charter amendment by election. She stated that there is a lot of fear surrounding the issue. There has been direction from Council to look at different options for Red Gap Ranch and this was an effort to look at what other options might be available.

Vice Mayor Shimoni stated that he would have liked the issue to have come to Council much sooner especially since it is such a sensitive topic in the community. He asked if there are any grazing permits at Red Gap Ranch. Ms. Wendel stated that there is a grazing lease in that area that is not currently being used. Vice Mayor Shimoni expressed concern about threats to the water supply, he asked what the benefits are of doing the testing.

Mr. Hill explained that one of the benefits would be that the City would have access to the results of the testing which would help staff understand the subsurface geology in the area. There would be no horizontal drilling as part of the seismic testing, only vertical.

Vice Mayor Shimoni asked how the company would access their land if the City did not authorize access. Ms. Wendel stated that they would use State land access and then the State could authorize access across the City's land.

Councilmember Odegaard stated that he would be supportive of terminating the Memorandum of Understanding and the License Agreement at this time.

Councilmember McCarthy indicated that he believes the decision to enter into the agreement was a policy decision and it should have come to Council for their consideration. He believes that there might be a risk to the City's water supply. There are still a lot of questions that need to be explored and answered before any of the work that was laid out in the MOU and license agreement were to move forward.

Councilmember Salas stated that there is a lot of passion and concern about protecting the future of Flagstaff's water supply. The City Council's main role is to adopt local policies and laws, approve the budget and appoint a City Manager who is in charge of day to day operations which includes the approval of MOUs and license agreements. The issue comes forward as a public trust issue with transparency and a need for public input before these agreements start. She suggested a review of the procedures and how and when items are engaged at public meetings. She recommended that the MOU and license agreement be terminated.

Mayor Evans stated that Council sets the policy and staff implements the policy. Over the last six years the City Council has directed the City Manager and staff to look at Red Gap Ranch and determine any economic opportunities that might exist and bring those back to Council for discussion. Staff is carrying out a directive from Council and it is clearly a directive that has caused concern. She indicated that she is supportive of terminating the MOU and the license agreement with a six month notice. She added that it is important that the City know what is under the surface so there is a baseline documented in the event that things happen on adjacent land the City can determine any impact. The City needs to have the seismic testing done because it validates the water supply.

A majority of Council was supportive of terminating the MOU and the license agreement with a six month notice.

7. Update to the Work Programs for Comprehensive Planning and Development Codes (Zoning, Subdivision, and Related Codes)

ITEM POSTPONED TO A LATER MEETING

8. Public Participation

None

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

None

10. Adjournment

The Flagstaff City Council Work Session of February 12, 2019, adjourned at 9:05 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CITY COUNCIL SPECIAL MEETING WITH STATE LEGISLATORS
WEDNESDAY, FEBRUARY 13, 2019
ARIZONA STATE CAPITOL
1700 WEST WASHINGTON
PHOENIX, ARIZONA
(MEETING AT FLAGSTAFF CITY HALL
211 WEST ASPEN AT 6:00 A.M.)

MINUTES

1. CALL TO ORDER

Councilmembers and staff met at 6:00 a.m. at Flagstaff City Hall and traveled to Phoenix at 8:30 a.m. Councilmembers and staff meet with the City's contracted State Lobbyist Richard Travis at the Arizona League of Cities and Towns building and then walked to the meeting location.

2. Roll Call

PRESENT:	ABSENT:
MAYOR EVANS COUNCILMEMBER ODEGAARD COUNCILMEMBER SALAS COUNCILMEMBER WHELAN	VICE MAYOR SHIMONI COUNCILMEMBER ASLAN COUNCILMEMBER MCCARTHY

Others present: City Manager Barbara Goodrich; City Attorney Sterling Solomon, Interim Assistant to the City Manager Cliff Bryson

3. Traveling (6:00 a.m.) and Meeting (1st meeting at 9:00 a.m.) with Arizona State Legislators.

9:00 a.m. Met with Representative I. Blanc representing District 26.

Representative Blanc stated she would attempt to present some amendments to Representative Kavanagh's Short-term rental bill (HB2672). Representative Blanc stated she is attempting to have her short-term rental bill heard in committee.

Mayor Evans discussed the impact short-term rentals were having not only in Northern Arizona, but statewide. She spoke about how the Greater Arizona Mayor's Association (GAMA) proposal differs from Representative Kavanagh's bill and that they are seeking an amendment to the bill.

Representative Blanc stated that it is a statewide issue and a large problem which needs to be addressed. Mayor Evans stated the City is not against short-term rentals, business, and individual rights, but is supportive of fair competition.

Mayor Evans talked about affordable housing and having a shortage of 6,000 affordable housing units in Flagstaff. Representative Blanc stated the affordable housing bill is a great idea, but it is more money out of the budget. She said an amendment needs to be added to eliminate the preemption in the rezoning issue for affordable housing.

9:30 a.m. Met with Representative M. Tsosie representing District 7.

Mayor Evans spoke about the short-term rental issue statewide and how 25% of houses in Flagstaff are second homes and 25% of houses in Flagstaff are AirBnB. Mayor Evans talked about the short-term rental resolution GAMA presented to Representative Blanc. Representative Tsosie stated he signed off on Representative Blanc's bill.

Mayor Evans talked about HB2365; the Affordable Housing Tax Credit bill, and how the bill would address affordable housing and the existing shortage. Mr. Travis explained the affordable housing tax credit provisions.

Councilmember Whelan spoke about the timeframes for tax credit reviewing and how those should be changed to encourage and increase affordable housing. Mayor Evans discussed the timeframes and deadlines that apply to affordable housing and tax credits.

Councilmember Odegaard discussed social services providers and the City's support for Senator Allen's social service provider funding bill SB1225. Mayor Evans stated the State needs to fully fund social service providers. Representative Tsosie said he would look into the social services and have a discussion with Senator Allen.

Representative Tsosie discussed his interest and involvement in the education system and its importance. Mr. Travis explained more details regarding Senator Allen's bill and Senator Brophy McGee's bill.

10:00 a.m. Met with Representative M.A. Teller representing District 7.

Representative Teller discussed the need for more funding for the aviation program and against the sweeps that have been taken with the program. He indicated that the funding is critical for airport development, improvement, and maintenance. The funding needs to be spread-out to the rural communities first to fund their airports. Representative Teller asked if the City could pass a resolution in support of the aviation funding.

Mayor Evans also discussed social service provider funding and road repairs for I-17.

10:30 a.m. Met with Representative L. Alston representing District 24.

Mayor Evans discussed the affordable housing and short-term rental issue statewide. Representative Alston said she is supportive of local control and cities making local decisions. Representative Alston stated that she is also supportive of stronger education and affordable housing.

Representative Alston stated that $1 million should be funded for true emergencies with the Department of Housing for the State. She said she supports greater amounts of funding for the housing department.

Councilmember Salas discussed digital goods and the importance of revenue collection for the cities.

11:15 a.m. Met with Representative B. Thorpe representing District 6.

Representative Thorpe said he had a meeting with ADOT personnel to discuss I-17 and that there has been no push back with the Governor's budget so far as it relates funding for I-17. He said he spoke during the Transportation Committee meeting about the amount of delay and how much it

impacts businesses if a major incident occurs on I-17.

Representative Thorpe described the upcoming fiscal year as being unique and he estimates about $1 billion in revenues. Councilmember Odegaard discussed the importance of HURF funds and eliminating the sweeps of those funds.

Mayor Evans spoke about Representative Thorpe's interest in dark skies and talked about working with ADOT on dark sky options. Representative Thorpe stated that he talked with the Director of the Naval Observatory and the problem with LED is multi-spectrum and Lowell is concerned with that different lighting in the area. Mayor Evans discussed the City funding a Dark Sky Specialist to help in lighting compliance throughout the City.

Representative Thorpe discussed justice reform and keeping people out of the correctional institutions. He currently has bill to increase the penalties against people that are neglectful and not responsible with wildfire safety which is he interested in having the Governor sign. Currently it is a misdemeanor and he would like the penalty to be a felony.

Representative Thorpe indicated that he has asked the Attorney General's Office to take action on the Environmental Protection Agency with regard to uranium mining and that there needs to be a relationship with the Native American Tribes on the issue. Mayor Evans discussed future energy sources and having a discussion on power plants and people in society coming together to assist in clean up.

12:00 p.m. Met with Senator R. Gray representing District 21.

Mayor Evans discussed the shortage of housing stock and the Airbnb issue in Flagstaff, Sedona, Page, and Winslow. Mayor Evans stated that there needs to be an increase in housing for the work force.

Mayor Evans discussed the challenging timeframes for submitting applications for the affordable housing tax credits.

Councilmember Odegaard discussed SB1460 and not supporting such a measure because it would negatively impact revenue funding and/or collection of such revenue.

Councilmember Odegaard expressed the City's support for SB1225 which supports the much need labor force funding for Northern Arizona social providers. Senator Gray also expressed his support for Senator Allen's bill (SB1225).

Mayor Evans discussed transportation and all roads leading to Flagstaff; the major issues that need to be addressed on I-17 and the need for funding for basic repairs and assistance. Councilmember Odegaard stated he attends the ADOT board meetings and stated Flagstaff is not considered rural which is challenging considering it is in the middle of a very rural county. Senator Gray agreed that transportation is a big issue that needs to be addressed.

12:30 p.m. Met with Representative Bolding representing District 27.

Mayor Evans discussed the issues of affordable housing and short-term rentals in Northern Arizona. Mayor Evans suggested City staff send the GAMA short-term rental resolution to Representative Bolding. Mayor Evans said Representative Blanc wants to place an amendment to Representative Kavanagh's bill to include the GAMA language. Councilmember Whelan added that investors are coming in and buying the properties for Airbnb businesses.

Mayor Evans and Councilmember Odegaard talked about HB2307 and making sure the Model City Tax Code is not eliminated.

Representative Bolding spokw about youth employment and the bill to address this issue.

Mayor Evans discussed the comprehensive impact study of the minimum wage that the City is looking to conduct and the tool kit to be developed to assist businesses.

1:00 p.m. Met with Senator Allen representing District 6.

Mayor Evans spoke about the affordable housing issues, tax credits for affordable housing, and short-term rentals. Senator Allen indicated that there needs to be a larger conversation regarding affordable housing, and she would like to have an affordable housing meeting conducted in Flagstaff with the Northern Arizona communities after the current session is complete. Mayor Evans noted that the City was supportive of the effort and offered to host the meeting in Flagstaff. Senator Allen would like community members and businesses to be involved in the meeting as well.

Councilmember Odegaard talked about the issues with the transportation infrastructure in Northern Arizona. Senator Allen expressed her support of transportation but does not know what to do about reform and fees for more money.

Councilmember Odegaard discussed digital goods and ensuring cities have proper revenue collections. Senator Allen agreed that there needs to be a more robust conversion regarding the topic.

1:30 p.m. Met with Representative Fernandez representing District 4.

The topics that were discussed included short-term rentals, housing stock, affordable housing tax credits, increases in the gas tax, and HURF funding.

3:00 p.m. Met with Senator Rios representing District 27.

Councilmember Odegaard discussed Wayfair and ensuring proper taxes are being collected so cities do not lose revenue.

Councilmember Salas discussed social service providers and the City's support for Senator Allen's SB1225 bill. Councilmember Sales stated the services need to be fully funded and need to be paid for. Senator Rios asked if the City has lost businesses to which Councilmember Salas responded yes.

Councilmember Odegaard discussed the gas tax and the possibility of doing small incremental steps towards increasing the tax.

Mayor Evans discussed affordable housing, the two tax credit bills, and having two application processes for better results.

Mayor Evans also spoke about the short-term rental issue, Representative Kavanagh's bill, and the proposed amendments that are coming forward.

4. ADJOURNMENT

The Flagstaff City Council Special Meeting with State Legislators of February 13, 2019, adjourned at 4:00 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, FEBRUARY 19, 2019
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN
4:30 P.M. AND 6:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Evans called the meeting of the Flagstaff City Council held February 19, 2019, to order at 4:30 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. ROLL CALL

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

PRESENT: ABSENT:

MAYOR EVANS
VICE MAYOR SHIMONI
COUNCILMEMBER ASLAN
COUNCILMEMBER MCCARTHY
COUNCILMEMBER ODEGAARD
COUNCILMEMBER SALAS
COUNCILMEMBER WHELAN

Others present: City Manager Barbara Goodrich; City Attorney Sterling Solomon.

3. PLEDGE OF ALLEGIANCE AND MISSION STATEMENT

The Council and audience recited the pledge of allegiance and Councilmember Odegaard read the Mission Statement of the City of Flagstaff.

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life for all.

4. PROCLAMATIONS AND RECOGNITIONS

The Mayor and City Council came down to the podium and presented the NPA Girls Soccer Team and Flagstaff High School Cross Country Team with an official recognition for their recent accomplishments.

A. **Recognition:** NPA Girls Soccer Team

Councilmember Salas read and presented the NPA Girls Soccer Team with an official recognition.

B. **Recognition:** Flagstaff High School Cross Country Team

Councilmember Odegaard read and presented the Flagstaff High School Cross Country Team with an official recognition.

5. PUBLIC PARTICIPATION

Public Participation enables the public to address the Council about an item that is not on the agenda. Comments relating to items that are on the agenda will be taken at the time that the item is discussed. If you wish to address the Council at tonight's meeting, please complete a comment card and submit it to the recording clerk as soon as possible. Your name will be called when it is your turn to speak. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

Jessica Mendoza addressed Council regarding her concerns and disapproval of the Youth Employment Bill HB2523.

Robert White addressed Council about the upcoming discussions regarding the Shultz Pass parcel. He indicated that a political action committee will soon be forming to ask for a ballot measure to protect that land as open space.

Steve Finch addressed Council in opposition to HB2523. He also mentioned the Airbnb bills, as well as the bill proposing assistance to the non-profits.

6. APPOINTMENTS

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

A. **Consideration of Appointments:** Beautification and Public Art Commission.

Moved by Councilmember Charlie Odegaard, **seconded by** Mayor Coral J. Evans to appoint Anthony Garcia to a term expiring June 2021.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Jamie Whelan, **seconded by** Councilmember Jim McCarthy to appoint Craig Webber to a term expiring June 2021.

Vote: 7 - 0 - Unanimously

Moved by Mayor Coral J. Evans, **seconded by** Councilmember Charlie Odegaard to appoint George Averbeck to a term expiring June 2021.

Vote: 7 - 0 - Unanimously

7. CONSENT ITEMS

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

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Charlie Odegaard to approve the Consent Agenda as presented.

Vote: 7 - 0 - Unanimously

A. **Consideration and Approval of Contract:** Arizona Water/Wastewater Agency Response Network Mutual Aid Agreement
Approve the amended Arizona Water/Wastewater Agency Response Network Mutual Aid Agreement finalized and dated December 12, 2018

8. ROUTINE ITEMS

A. **Consideration and Adoption of Resolution No. 2019-09:** A resolution approving an Intergovernmental Agreement between the City of Williams, the Sedona Fire District, the Pinewood Fire District, the Highlands Fire District, the Summit Fire and Medical District, Mormon Lake Fire District, the Ponderosa Fire District, and the City of Flagstaff to provide for Mutual Aid.

Moved by Councilmember Austin Aslan, **seconded by** Councilmember Jim McCarthy to read Ordinance No. 2019-09 by title only for the final time.

Vote: 7 - 0 - Unanimously

A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF WILLIAMS, THE SEDONA FIRE DISTRICT, THE PINEWOOD FIRE DISTRICT, THE HIGHLANDS FIRE DISTRICT, THE SUMMIT FIRE AND MEDICAL DISTRICT, MORMON LAKE FIRE DISTRICT, THE PONDEROSA FIRE DISTRICT, AND THE CITY OF FLAGSTAFF TO PROVIDE FOR MUTUAL AID

Moved by Councilmember Austin Aslan, **seconded by** Councilmember Regina Salas to adopt Resolution No. 2019-09.

Vote: 7 - 0 - Unanimously

B. **Consideration and Adoption of Resolution No. 2019-07:** A resolution to authorize entering an Intergovernmental Agreement (IGA) with State of Arizona Department of Veterans Services (ADVS) to provide Building Inspection Services for the construction of a new Veterans Home located at 2100 N. Gemini Drive on McMillan Mesa.

Moved by Councilmember Charlie Odegaard, **seconded by** Councilmember Jim McCarthy to read Resolution No. 2019-07 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF FLAGSTAFF AND THE STATE OF ARIZONA THROUGH THE ARIZONA DEPARTMENT OF VETERANS' SERVICES FOR THE CITY TO PROVIDE BUILDING INSPECTION SERVICES IN CONNECTION WITH THE PROPOSED VETERANS HOME TO BE BUILT IN FLAGSTAFF

Moved by Councilmember Regina Salas, **seconded by** Councilmember Jamie Whelan to adopt Resolution No. 2019-07.

Vote: 7 - 0 - Unanimously

C. **Consideration and Adoption of Resolution No. 2019-08:** A resolution approving an Intergovernmental Agreement between the City of Flagstaff and Coconino County for Hazardous Waste Services**.**

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Charlie Odegaard to read Resolution No. 2019-08 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF FLAGSTAFF AND COCONINO COUNTY FOR HAZARDOUS WASTE SERVICES

Moved by Councilmember Charlie Odegaard, **seconded by** Councilmember Regina Salas to adopt Resolution No. 2019-08.

Vote: 7 - 0 - Unanimously

D. **Consideration and Adoption of Resolution No. 2019-01 and Ordinance No. 2019-01:** A resolution of the City Council of the City of Flagstaff, Arizona declaring that certain document known as the "2019 City Tax Code Amendments - Codification of Election Results" as a Public Record, and providing for an effective date; and an ordinance of the City Council of the City of Flagstaff, Arizona, amending the Flagstaff City Code, Title 3, *Business Regulations,* Chapter 3-05, *Privilege and Excise Taxes*, by adopting "2019 City Tax Code Amendments - Codification of Election Results" as set forth in that public record on file with the City Clerk; providing for penalties, repeal of conflicting ordinances, severability, authority for clerical corrections, and establishing effective dates. ***(2019 City Tax Code Amendments - Codification of Election Results)***

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Jamie Whelan to adopt Resolution No. 2019-01.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Charlie Odegaard to read Ordinance No. 2019-01 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, AMENDING THE FLAGSTAFF CITY CODE, TITLE 3, BUSINESS REGULATIONS, BY ADOPTING "THE 2019 CITY TAX CODE AMENDMENTS – CODIFICATION OF ELECTION RESULTS" AS SET FORTH IN THAT PUBLIC RECORD ON FILE WITH THE CITY CLERK RELATING TO CODIFICATION OF THE PUBLIC TRANSIT SALES TAX, TRANSPORTATION SALES TAX, AND LONE TREE OVERPASS SALES TAX; PROVIDING FOR USE OF TAX REVENUES, PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING EFFECTIVE DATES

Moved by Councilmember Jamie Whelan, **seconded by** Councilmember Regina Salas to adopt Ordinance No. 2019-01.

Vote: 7 - 0 - Unanimously

E. **Consideration and Adoption of Resolution No. 2019-11:** A resolution approving an Intergovernmental Agreement between the City of Phoenix Police Department and the City of Flagstaff Police Department for the receipt of funding for the investigation of internet crimes against children.

Moved by Councilmember Jamie Whelan, **seconded by** Councilmember Jim McCarthy to read Resolution No. 2019-11 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF PHOENIX POLICE DEPARTMENT AND THE CITY OF FLAGSTAFF POLICE DEPARTMENT FOR THE RECEIPT OF FUNDING FOR THE INVESTIGATION OF INTERNET CRIMES AGAINST CHILDREN

Moved by Councilmember Austin Aslan, **seconded by** Councilmember Regina Salas to adopt Resolution No. 2019-11.

Vote: 7 - 0 - Unanimously

F. **Consideration and Possible Adoption**: City Council Rules of Procedure, as Amended.

City Clerk Stacy Saltzburg reviewed the following changes to the Rules of Procedure:

Section 4.02 - Future Agenda Item Requests (F.A.I.R.):

- The addition of a requirement for the requesting Councilmember to be present through each step of the F.A.I.R. process.
- The addition of the process for the disposition of F.A.I.R. items remaining from an outgoing Councilmember.
- Changing the number of Councilmembers needed to place an item on a future agenda from two to three.
- The addition of a process for changing the order of items in the F.A.I.R. Discussion Queue.

Section 4.03 - Removal of a F.A.I.R. Item

- The addition of the requirement for a Councilmember to request the removal of an agendized F.A.I.R. item at a public meeting.
- Updates to the number of Councilmembers needed to move an item forward from two to three.

Section 5.01 - Regular Meeting Agenda

- The addition of the Pledge of Allegiance to the 6:00 P.M. meeting agenda.

Section 6.03 - Selection of Vice Mayor

- New section regarding the selection process for the Vice Mayor.

Section 11.03 - No New Agenda Items after 9:30 p.m. except by Majority Vote.

- Clarification that agenda items not considered will be placed on the next Regular or Special Council meeting agenda.

Section 11.06 - Video Streaming, Recording, and Photography

- New section regarding video streaming, recording, and photography at Council meetings.

Councilmember McCarthy provided suggestions to be included with the F.A.I.R. provisions that provide clarification on what notification is to be provided if a Councilmember requests that their F.A.I.R. item be removed.

Council asked for staff to develop language that addresses Councilmember McCarthy's concerns and bring it back for Council review at the 6:00 portion of the meeting.

RECESS

The 4:30 p.m. portion of the February 19, 2019, Regular Council Meeting recessed into a employee reception at 5:32 p.m.

6:00 P.M. MEETING

RECONVENE

Mayor Evans reconvened the Regular Meeting of February 19, 2019, at 6:00 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

9. ROLL CALL

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

PRESENT: ABSENT:

MAYOR EVANS
VICE MAYOR SHIMONI
COUNCILMEMBER ASLAN
COUNCILMEMBER MCCARTHY
COUNCILMEMBER ODEGAARD
COUNCILMEMBER SALAS
COUNCILMEMBER WHELAN

Others present: City Manager Barbara Goodrich; City Attorney Sterling Solomon.

10. PLEDGE OF ALLEGIANCE

The Council and audience recited the pledge of allegiance.

11. PUBLIC PARTICIPATION

John Viktora addressed Council with concerns about fracking and the need to include the indigenous people in efforts to ban those types of activities.

Emily Davalos addressed Council with concerns about the tone of the meeting last week regarding the DME MOU and license agreement.

Anthony Garcia addressed Council concerning their relationship with their boards and commissions. He urged Council to become more involved with the commissions and seek to improve the relationships between them.

The following individuals addressed Council with concerns related to the closure of the DPS Dispatch Center:

- Sandy Thompson
- Shannon Clifford
- Scott Church
- Suzanne Holbert
- Alimah Damgaard

Elizabeth Curter submitted a written comment card regarding concerns about the closure of the DPS Dispatch Center.

Veronica Villegas addressed Council with concerns about fracking in and around Flagstaff.

Tyler Linner addressed Council with concerns about the process of approving MOUs and license agreements and asked that the Council require those to be available to the public before they are executed.

Khalif Durham addressed Council with suggestions about improving the relationship and

communication between the Council and boards and commissions.

Joe Galli with the Greater Flagstaff Chamber of Commerce addressed Council offering that the Chamber is working on a collaborative effort to find solutions for those who are affected by the DPS Dispatch closure.

12. CARRY OVER ITEMS FROM THE 4:30 P.M. AGENDA

A. **8-F: Consideration and Possible Adoption**: City Council Rules of Procedure, as Amended.

City Clerk Stacy Saltzburg reviewed the edited language that clarifies the process and notification related to removing a F.A.I.R. item.

A Councilmember who has previously requested a F.A.I.R. item may have it removed up until the time it appears on the agenda as a F.A.I.R. item. No other Councilmember is permitted to remove an item. If an item is removed prior to it appearing on an agenda, the City Manager will notify the Council of its removal at the next Council Meeting. If another Councilmember wants to retain the item, it shall retain its then-current place in the queue. Once on the agenda, the request to remove must be made during a public meeting.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Jamie Whelan to approve the City Council Rules of Procedure as amended.

Vote: 7 - 0 - Unanimously

13. PUBLIC HEARING ITEMS

A. **Public Hearing, Consideration and Possible Adoption of Ordinance No. 2019-02:** An ordinance amending the Flagstaff Zoning Map designation of approximately 14.51 acres of real property located at 825 and 829 E. Butler Ave. on parcel numbers 104-13-002B and 104-03-005B from Light Industrial (LI) and Heavy Industrial (HI) to 2.24 acres of Highway Commercial (HC) and 12.27 acres of High Density Residential (HR), for purposes of developing a multi-family residential and commercial project. **(McGrath Partners Zoning Map Amendment request for property located at 825 and 829 E. Butler Ave.)**

Mayor Evans opened the public hearing.

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

ZONING MAP AMENDMENT REQUEST
LOCATION & SURROUNDING USES
SUBJECT SITE – LOOKING SOUTHEAST
REQUEST
ZONING EXHIBIT
RENDERED SITE PLAN
ZONING CODE STANDARDS COMPARISON
ARCHITECTURAL ELEVATIONS
COMMERCIAL CORNER BUILDING
RESIDENTIAL BUILDINGS
PUBLIC SYSTEMS IMPACT ANALYSIS
DEVELOPMENT AGREEMENT
FOR DISCUSSION – REVISED UNIT MIX

Traffic Engineer Jeff Bauman continued the presentation.

FOR DISCUSSION - TRANSPORTATION
GOOGLE MAP – BUTLER AVE

Mayor Evans asked about the entrance and exit off of Butler. Mr. Bauman offered that there was a vehicle count done over the course of several days and those counts are depicted in the documents included with the staff summary. He added that Prop. 419 and Prop 420 will be improving the intersection with dual turn lanes and that is scheduled for a few years out. There will also be a change in the striping on Lone Tree for a two stage left turn and that will be put into place when the project is built.

Councilmember Whelan expressed concern with the right turn lane into the development and the need for greater deceleration opportunities. She also expressed concern about visibility for exiting along Butler. She indicated that safety should be the top priority.

Councilmember Aslan asked about impacts the development would have on the public safety officers using Sawmill Road. Mr. Bauman explained that Sawmill is currently carrying 3,500 cars per day and in the future, the projections are 5,560 cars per day which will keep the service levels at A and B.

Housing Director Sarah Darr continued the presentation.

FOR DISCUSSION – AFFORDABLE HOUSING

Mayor Evans stated that the reason many of the affordable units are smaller units is because that is what the greatest need is. Ms. Darr agreed stating that based on the waiting lists and industry trends smaller units are in highest demand.

Vice Mayor Shimoni asked if Ms. Darr had any thoughts about families or older individuals wanting to live in a complex such as what is being proposed. Ms. Darr explained that they have heard from people that they need a place to live and while they have a choice to apply for east or west side housing, they can also apply for both which is the most common scenario. It generally does not matter much when housing is so desperately needed. When looking for projects that could provide affordable housing options, they look for central locations near transit connections. Ms. Darr added that they do not force people to live somewhere, they get to choose where they live. There are so many different situations and elements within the community and that is why there is so much effort put into integrate affordable housing throughout the community and make different types of housing available.

Comprehensive Planning Manager Sara Dechter continued the presentation.

FLAGSTAFF REGIONAL PLAN 2030 – FUTURE GROWTH ILLUSTRATION MAP
FOR DISCUSSION – REGIONAL PLAN & EMPLOYMENT AREAS
FOR DISCUSSION – REGIONAL PLAN HIGH OCCUPANCY HOUSING

Vice Mayor Shimoni asked if student housing in the proposed area would reduce pressure elsewhere. Ms. Dechter explained that student housing was always part of the equation in the proposed area and the High Occupancy Housing Plan would encourage more density than what is currently proposed. All housing types were considered in the area however.

Councilmember Aslan asked about the history of the industrial use of the site; when it stopped

being used and how many applications were received for the parcel.

Ms. Averitt introduced General Manager Dan Wendt who stated that the property had been in use by Jeldwen since 1969 and they closed after the sawmill closed in 1993.

Councilmember Aslan asked if there were other kinds of light industrial uses proposed for the site. Mr. Wendt stated that the site has mainly been used for warehousing, there were some plans to try and develop the front of the property but it did not gain any traction. There is 120,000 square feet of space and finding people who need that kind of space has been a challenge. Walgreens and SCA Tissue both rented portions of the property at one time for warehousing. They have been trying to find other uses for the property over the last couple of years but have been unsuccessful.

Ms. Averitt continued the presentation.

RECOMMENDED ACTION

Mark Lindley with McGrath Real Estate Partners addressed Council stating that one of the things that did not get discussed at the last meeting was the total number of jobs created; there would be the addition of 50-60 jobs for the development.

Mr. Lindley stated that there was some discussion about the affordable unit mix and he understands the comments about desirability. He stated that the development agreement has some flexibility so if the Housing Department needs to make changes they can. The goal is to take 27 people and provide them with the great amenities, walkability, and central location offered to all the tenants of the property. They are willing to work with Housing staff and try to make sure they are happy with the location of those units.

The following individuals addressed Council concerning the Zoning Map Amendment:

- Susan Weitzler
- Justin Clifton
- Isha Braun
- Joe Galli
- Gaylene Soper
- Alicyn Gitlin

The following comments were received:

- Supportive of the McGrath development.
- The development is in an unobtrusive area of Flagstaff and the height will not be much higher than what is currently in the area.
- Students will be drawn to the location and out of the neighborhoods freeing up much needed single-family housing.
- The best and highest use is student housing and that is much better than a vacant, antiquated warehouse.
- Flagstaff is no longer a lumber or distribution city; it is a university town.
- The proposed driveway will create problems that the traffic engineers are not aware of.
- Vehicles traveling down Butler will have to decelerate quickly to turn into the development.
- This development will have an negative economic impact on surrounding businesses.
- If this development moves forward, there should be a condition that there are no left turns out of the property onto Butler.
- The traffic in the area is going to explode and access to neighboring streets will be very

difficult.
- Many trees will have to be removed and that is unfortunate to those living in the area.
- Please vote no on this request and please do not continue to approve developments that do nothing to support jobs and affordable housing.
- The developer has shown to be a good community partner.
- There is a lot of tax revenue and economic impact to consider.
- The proposed location would provide good synergy with the Aspen Place at the Sawmill.
- This project could be a great asset to the community.
- The developer has made a lot of concessions, but it is still sub-par because they will be getting tax credits.
- Retail space in similar developments are still empty.
- Flagstaff needs housing that is truly for families and retirees.
- There is a need for more housing but many of the new rezones have catered to a single population type.
- The City should rezone in a way that allows all citizens the opportunity to live there; student housing and industrial are not the only options.
- It is important to remember that if students move to the student housing developments it will free up other housing in the community.

Mayor Evans closed the public hearing.

A break held from 8:30 p.m. through 8:43 p.m.

Mayor Evans asked if there could be an amendment to the development agreement for there to be a right turn only out of the development and no left turn into the development from Butler except at Sawmill Road. Senior Assistant City Attorney Christina Rubalcava stated that it could be added as a condition of the ordinance.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Regina Salas to read Ordinance No. 2019-02 and include a condition of a right turn only out of the development.

Vote: 2 - 5

AYE: Councilmember Jim McCarthy
Councilmember Regina Salas

14. REGULAR AGENDA

A. **Consideration and Adoption of Resolution No. 2019-06:** A resolution authorizing the execution of a Development Agreement between Flag Holdings LLC and the City of Flagstaff related to the development of approximately 2.92 acres of vacant land (APN 107-16-008S) generally located at 1411 North Fourth Street.

Planning Development Manager Alaxandra Pucciarelli provided a PowerPoint presentation that covered the following:

TINY HOUSE VILLAGE DEVELOPMENT AGREEMENT
VICINITY PLAN
SITE PLAN APPROVAL
APPROVED SITE PLAN
APPROVED SITE PLAN: TINY HOUSE
APPROVED SITE PLAN: COMMUNITY CENTER
PLANNED CONSTRUCTION ALONG FOURTH STREET

CONSIDERATION AND ADOPTION OF RESOLUTION NO. 2019-06
COUNCIL OPTIONS

Vice Mayor Shimoni asked for a breakdown on the number of units. Ms. Pucciarelli stated that the site plan does not require a unit breakdown. The developer, David Carpenter stated that they are planning for 24 units that are traditional singlewides at 650-950 square feet. They are primarily one and two bedrooms with some three-bedroom units. There is also a community building planned for the site.

Councilmember McCarthy asked if the units will be on wheels or if they will have a foundation. Mr. Carpenter explained that there will be no foundations and the 24 units will arrive on wheels which would then be removed, but the six tiny houses will remain on wheels per the code.

Moved by Councilmember Charlie Odegaard, **seconded by** Councilmember Jim McCarthy to read Resolution No. 2019-06 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, AUTHORIZING A DEVELOPMENT AGREEMENT BETWEEN FLAG HOLDINGS, LLC AND THE CITY OF FLAGSTAFF RELATED TO THE DEVELOPMENT OF APPROXIMATELY 2.92 ACRES OF VACANT LAND LOCATED ALONG THE WEST SIDE OF FOURTH STREET, SOUTH OF I-40 AND NORTH OF SPARROW AVENUE; AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Charlie Odegaard, **seconded by** Councilmember Jim McCarthy to adopt Resolution No. 2019-06.

Vote: 7 - 0 - Unanimously

B. **Consideration and Possible Adoption Resolution No. 2019-10:** A resolution of the Mayor and City Council of Flagstaff, Arizona opposing Competitive Predator Hunt in Flagstaff, Arizona and Coconino County .

Ms. Goodrich presented a PowerPoint presentation that covered the following:

COMPETITIVE PREDATOR HUNT RESOLUTION
02-19-19 OUTLINE
OVERVIEW
ARIZONA GAME AND FISH DEPARTMENT
SIMILAR COMPETITIONS/RESOLUTIONS

Mayor Evans stated that back in 1999 Game and Fish decided to disallow these types of hunts and it went to the Governor's office for signature, but it was never signed into law. The issue has never come back up for consideration at the state level.

Councilmember Odegaard asked if the proposed Resolution is binding. Ms. Goodrich explained that the City does not have any ability to regulate Game and Fish or hunting regulations outside city limits. There are laws in place that address these kinds of activities within the city, the resolution would be a statement to the community.

The following individuals addressed Council regarding wildlife killing contests:

- Matt Francis
- Betsy Klein
- Cody Lee Bradshaw
- Gaylene Soper
- Tina Meredith
- Ruthanne Penn
- Betsy Klein
- Vincent Jones
- David Lash
- Mike Street
- Annette Sunda
- Douglas Whitehead
- Nathan Renn
- Emily Renn
- Jean Myers
- Alicyn Gitlin
- Rusty Personett
- Jim Parks

The following comments were received:

- Predators have a valid role in the balance of the eco-system.
- These contests are not about ranchers protecting their livestock.
- The indiscriminate killing of predators has no benefit.
- If predators are left alone, they will self-regulate.
- There are multiple contests in Arizona and the Game and Fish Department does not currently regulate them.
- There is legislation pending in six other states to ban wildlife killing contests.
- Hunters are the largest group of wildlife conservationists.
- The Council's time is better suited with leaving these issues to the professionals at the Game and Fish Department.
- The competitions raise money for non-profit and veteran organizations.
- Flagstaff is a Golden Rule City and slaughtering animals is not something it should be associated with.
- Tucson and Dewey-Humboldt have made statements against wildlife killing competitions.
- These competitions are wasteful and unnecessary, they are not going to save deer and livestock.
- If someone owns livestock and there is a problem coyote they deal with the single coyote, not all of them.
- Removing coyotes from one area creates over population in others.
- Please sign a resolution saying this behavior is wrong and it is not wanted anywhere in Arizona.
- Killing is not hunting, contestants do not eat the predators they kill.
- This is not population control.
- Activities such as these promote the thrill of the kill.
- Just because money is given to charity does not mean that the means of obtaining the money is noble.
- Wildlife killing contests are archaic.
- Contests like this should not be part of any progressive community.
- These contests put Mexican grey wolves at risk because they appear similar to coyotes.
- These contests are not the bloodbath they are being portrayed as.
- Please vote in opposition to the resolution.

- This agenda is being pushed by people outside of the City, the Council vote needs to reflect the position of those who elected you.
- Flagstaff has the opportunity to send a strong message to the state.
- Ranchers have many non-lethal tools at their disposal.
- Passing this resolution will send an ethical message to the Game and Fish Department that these types of activities need to be regulated.
- Wildlife is for everyone to enjoy.
- Killing animals is cruel and teaches children that violence and cruelty are fun.
- Hunting is a part of life but these are killing contests which makes the participants killers.
- Participants in the contests must abide by all Game and Fish Department laws and regulations which includes being properly licensed.
- These are not slaughters and there are not hundreds of animals being killed; at the last competition there were 32 two-man teams and seven animals came in for check in.
- The Game and Fish Department has the oversight to manage the wildlife population and should they come forward to regulate with permits or a moratorium then that would be respected.
- The main reason that the coyote callers are doing what they are doing is for the preservation and furtherment of antelope populations.
- The Game and Fish Department is beginning to look at making rules for the coyote calling contests.

Written comments in support of the resolution were submitted by the following:

- Joseph Shannon
- Emma Benenati
- Kay Bordwell
- Tyler Jones Wilson
- Diane Weinberg
- Deborah Sellers
- Deborah DeWolfe

Written comments in opposition of the resolution were submitted by the following:

- Kody Kelley
- Toni Seff
- Jason Manuell
- Jared McGraw
- Jeremy Street
- Laura Kelley
- Kim Horn
- Matthew Horn
- Julie Street
- James Herre
- Dave Pierce Jr.
- Dave Pierce
- Josh Brooks
- JR Flebotte

Councilmember Odegaard stated that he is not supportive of the Council participating in non-binding resolutions. He understands the passion behind the issue but it is outside of the jurisdiction of the City.

Councilmember Aslan stated that he agrees that hunters are important as a conservation group but there is no need to manage the predator population. This is a moral issue not a scientific one. He believes that a resolution has the potential to drive policy for the Game and

Fish Department, the more communities sign on to similar resolutions it will strengthen their voices on the issue.

Moved by Councilmember Austin Aslan, **seconded by** Councilmember Jim McCarthy to read Resolution No. 2019-10 by title only.

Councilmember McCarthy added that while he is not an expert on wildlife management he does support the resolution.

Vice Mayor Shimoni indicated that influencing change can be difficult, he is hopeful that the resolution will encourage Game and Fish to take action on the issue.

Councilmember Salas stated that it is a very emotional issue and the Game and Fish Department is getting into the process of rulemaking for this type of hunting. The resolution is non-binding and she would defer any decision until rules have been established by Game and Fish. There is no hunting allowed at all within City limits.

Vote: 5 - 2

NAY: Councilmember Charlie Odegaard
Councilmember Regina Salas

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF FLAGSTAFF, ARIZONA, OPPOSING COMPETITIVE PREDATOR HUNTS IN FLAGSTAFF, AZ AND COCONINO COUNTY

Moved by Councilmember Austin Aslan, **seconded by** Councilmember Jim McCarthy to adopt Resolution No. 2019-10.

Vote: 5 - 2

NAY: Councilmember Charlie Odegaard
Councilmember Regina Salas

15. DISCUSSION ITEMS

A. Discussion/Direction: Current Issues Before Arizona Legislature and Federal Issues.

ITEM POSTPONED TO ANOTHER DATE

B. City Council Fiscal Year 2020 Budget Retreat - Completion of February 7, 2019 Retreat

ITEM POSTPONED TO ANOTHER DATE

16. COUNCIL LIAISON REPORTS

None

17. FUTURE AGENDA ITEM REQUESTS

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

A. **Future Agenda Item Request (F.A.I.R.):** A request by Councilmember Whelan to place on a future agenda a discussion about continuing to communicate with the Arizona Board of Regents and invite them to a meeting or send a letter with our concerns about impact on our city.

ITEM POSTPONED TO ANOTHER DATE

B. **Future Agenda Item Request (F.A.I.R.):** A request by former Councilmember Putzova to place on a future agenda a discussion on changing the City's organizational structure to create a Sustainability division and elevate the function of the section.

ITEM POSTPONED TO ANOTHER DATE

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

None

19. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held February 19, 2019, adjourned at 10:48 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on February 19, 2019. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 2nd day of June, 2020.

_____
CITY CLERK

CITY COUNCIL SPECIAL MEETING
TUESDAY, FEBRUARY 21, 2019
CITY HALL
STAFF CONFERENCE ROOM
211 WEST ASPEN
11:00 A.M.

MINUTES

1. CALL TO ORDER

Vice Mayor Shimoni called the Special Meeting of the Flagstaff City Council held February 21, 2019, to order at 11:01 a.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. ROLL CALL

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

PRESENT:	ABSENT:
VICE MAYOR SHIMONI (telephonically) COUNCILMEMBER ASLAN (telephonically) COUNCILMEMBER MCCARTHY (telephonically) COUNCILMEMBER ODEGAARD (telephonically) COUNCILMEMBER SALAS (telephonically)	MAYOR EVANS COUNCILMEMBER WHELAN

Others present: City Manager Barbara Goodrich; City Attorney Sterling Solomon.

3. FEDERAL LEGISLATIVE UPDATE

Ms. Goodrich introduced the City's Federal Lobbyists Bob Holmes and Ana Ma who reviewed the City's federal priorities and the agenda for the upcoming Washington D.C. trip.

Mr. Homes stated that the City should focus on local priorities and parochial concerns such as the Rio de Flag, 4FRI, and DACA. Mr. Holmes then provided updates on the following items:

RIO DE FLAG
Rio de Flag received $1.3 million in FY 2018 work plan funding in May to complete 100% design. The Notice to Proceed (NTP) for the 100% design was issued on August 24, 2018 and it is expected to be completed in approximately 20 months. The City and the Corps have formalized an agreed to timeline with milestones. Commanding General of the Army Corps of Engineers,

Lieutenant General Todd Semonite, and District Commander, Colonel Aaron Barta, and key Corps staff will be touring and meeting with City officials on Wednesday, October 17, 2019. The goal for fiscal year 2019 work plan funds is to complete the Lower Reach up to the confluence which is estimated to cost approximately $40 million.

Deputy City Manager Shane Dille stated that the focus of the upcoming trip to Washington D.C. will be to join voices with the General's Office to get the desired allocation for the work plan.

Council agreed that the Rio de Flag should be the primary focus for the D.C. agenda.

FOURTH STREET PROJECT
The City has worked diligently to land a BUILD (formerly TIGER) grant for this project in the amount of $11.75 million. The project has continually gained momentum most recently landing on ADOT's Five-Year Plan.

Councilmember Odegaard stated that the City has been advocating for a long time on the project and have been passed over so many times, he asked if they should continue to advocate or look for another project. Mr. Holmes recommended sticking with the project until it is funded because if they leave it now it will take another decade to get back to where they are today. The City is getting close and is ready to go with support from ADOT.

Council agreed to make the Fourth Street Project the second priority on the list for the lobbying trip.

FLAGSTAFF AIRPORT
Pulliam Airport continues to receive ample funding. Just last week, the Federal Aviation Administration (FAA) awarded $1 million in Airport Improvement Program (AIP) funds to purchase an airport rescue vehicle that will replace two much older vehicles (14 and 30 years old). In addition, the airport used a SCADAP grant to lure United to fly into Flagstaff that will hopefully reduce ticket prices.

Mr. Holmes suggested that the third priority be Forest Health, behind the Airport. There will still be meetings with the FAA but that Forest Health should be a top priority.

Councilmember Odegaard stated that there are a lot of exciting things happening at the Airport and it is a good message to the community that Council continues to do everything it can to make it successful.

Councilmember Salas agreed and stated that she would like to continue to pursue the AIP request in 2020 along with advocating for Forest Health.

Council agreed to place Forest Health as priority three followed by the Airport.

SKILLED NURSING FACILITY FOR VETERANS
In 2015, the State Legislature appropriated $10 million for a 50-bed Veterans' Home in Flagstaff. The City set aside acreage at McMillan Mesa for the Veterans' home. Earlier this year, Congress included enough funding to provide the remaining $3 million for the home and increase the size of the facility to an 80-bed facility. Next year, ground will be broken for this new facility.

URANIUM MINING
Toward the end of President Obama's term, the Interior Department issued a moratorium on uranium mining in and around the Grand Canyon. There was concern that the Trump Administration would lift this moratorium. Last month, Secretary Zinke issued a vague statement saying that the Department of Interior would not lift the uranium moratorium.

Councilmember McCarthy stated that while it is an important issue, now is probably not the right time to push the issue. Mr. Holmes stated that there are some doable things with uranium, the ask can be that there are over 500 sites that have been identified that have never been cleaned up and the federal government has an obligation to clean them before starting others.

Councilmember McCarthy added that it will also be important to advocate for additional regulations on the transport of uranium.

Councilmember Aslan stated that there have been conversations with Grand Canyon Trust and their upcoming trips to Washinton D.C. to push for a ban on uranium mining around the Grand Canyon. The City will be providing copies of resolutions that support this effort to aid in their advocacy. Mr. Holmes stated that Congressman Grijalva will be going to the Grand Canyon to discuss the introduction of his bill to ban uranium mining and make the 20-year moratorium permanent. Because things are moving positively already, he suggests the City focus a majority of their efforts on the items previously discussed and include information about other issues important to Flagstaff within the briefing books provided.

STRENGTHEN URANIUM TRANSPORT STANDARDS
There is no federal rulemaking, legislation, nor proposals in Congress, that would strengthen uranium transport standards.

NATIONAL PARK SERVICE FEE INCREASE
Last year, the Interior Department issued a proposed rule that would have increased fees at 17 of the largest national parks by $75 to address the maintenance backlog at national parks. Flagstaff (through a letter during the comment period) objected to these increased fees and the Interior Department ultimately abandoned this proposal to increase Park Service fees.

GAS TAX
Congress continues to search for revenue to fund the highway trust fund. The gas tax, with increased fuel efficiency, hybrid and electric vehicles. is becoming a less viable option to fund the trust fund. Congress and the Administration are searching for other options to fund it such as user fees, but no proposal has gained momentum. Congress must reauthorize Surface Transportation reauthorization bill, known as the FAST Act, by September 30, 2020, so this issue will heat up next year.

Mr. Holmes suggested taking the gas tax off the list because there has been zero interest.

CARBON FEE AND DIVIDEND LEGISLATION
There are multiple pieces of legislation in Congress that would address carbon fees in the effort to combat climate change. However, the Trump administration and the majority in Congress remain opposed to these fees as "taxes" and unnecessary. There is very little chance of legislation passing in the near future.

TRANSFER OF FEDERAL LANDS
There is a move afoot to transfer federal lands from western states that, as part of the "Enabling Act" to become states, were forced to give millions of acres to the federal government back to the states. This proposal is very popular among western Republicans but doesn't have sufficient backing by a majority in Congress. It is highly unlikely that this proposal will make it out of Congress.

AFFORDABLE HOUSING
When the Council came to DC in March, we met with Peter Kahn of HUD, who head the Fair Market Rents (FMRs) for the Department. He has since visited with City officials in Flagstaff to

discuss this ongoing issue. They continue to work with him and his staff to resolve this issue of critical importance to the City.

In addition, Section 8 Public Housing vouchers have been consistently increased since sequestration that hurt the program's funding. In FY 2018, Congress provided an additional $450 million for this program for an estimated 56,000 new housing vouchers.

DEFERRED ACTION FOR CHILDHOOD ARRIVALS (DACA)
During the last year of President Obama's term, he instituted DACA to protect children who were born to illegal immigrants but who have lived and grown up in the U.S. In March 2017, President Trump announced an end to the program. It has been caught up in litigation since then. Currently, Homeland Security is processing applications and renewals for DACA recipients.

MEDICAID INSTITUTIONS FOR MENTAL DISEASES EXCLUSION
Congress has recently pushed an IMD exclusion bill through Congress specifically to address the opioid epidemic and the Administration has encouraged and allowed waivers for states for IMD exclusion. Thus far, 12 states have substance use disorder (SUDs) waivers and another 13 have applied. The bill has passed the House and the Senate is expected to pass it in the next two weeks and send it to the President for his expected signature.

Mr. Holmes suggested removing the IMD off the list because it was addressed last year.

Councilmember McCarthy indicated that he would like to keep the Amtrak issue of removing the line that runs through Flagstaff on the radar. It is important that Flagstaff not lose this route.
Mr. Holmes indicated that there was discussion with legislators last year and the effort to remove the line was not successful. It is something that they will continue to watch in case it becomes an issue in future sessions.

Mr. Holmes then reviewed the draft schedule for the upcoming trip to Washington D.C.

4. PUBLIC PARTICIPATION

None

5. ADJOURNMENT

The Special Meeting of the Flagstaff City Council held February 21, 2019, adjourned at 12:18 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, MARCH 5, 2019
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN
4:30 P.M. AND 6:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Evans called the meeting of the Flagstaff City Council held March 5, 2019, to order at 4:30 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. ROLL CALL

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

PRESENT: ABSENT:

MAYOR EVANS
VICE MAYOR SHIMONI (arrived at 4:32 p.m.)
COUNCILMEMBER ASLAN
COUNCILMEMBER MCCARTHY
COUNCILMEMBER ODEGAARD
COUNCILMEMBER SALAS
COUNCILMEMBER WHELAN

Others present: Interim Deputy City Manager Kevin Treadway; Deputy City Attorney Kevin Fincel.

3. PLEDGE OF ALLEGIANCE AND MISSION STATEMENT

The Council and audience recited the pledge of allegiance and Councilmember Whelan read the Mission Statement of the City of Flagstaff.

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life for all.

4. PUBLIC PARTICIPATION

Public Participation enables the public to address the Council about an item that is not on the agenda. Comments relating to items that are on the agenda will be taken at the time that the item is discussed. If you wish to address the Council at tonight's meeting, please complete a comment card and submit it to the recording clerk as soon as possible. Your name will be called when it is your turn to speak. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

None

5. APPOINTMENTS

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

A. Consideration of Appointments: Library Board.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Charlie Odegaard to appoint Holly Auler to a term expiring November 2021.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Regina Salas, **seconded by** Councilmember Charlie Odegaard to appoint Christine Dykman to a term expiring November 2020.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Jamie Whelan, **seconded by** Councilmember Regina Salas to appoint Dorothy Renstrom to a term expiring November 2020.

Vote: 7 - 0 - Unanimously

Moved by Vice Mayor Adam Shimoni, **seconded by** Councilmember Jim McCarthy to appoint Kim Owens to a term expiring November 2019.

Vote: 7 - 0 - Unanimously

B. Consideration of Appointments: Airport Commission.

Moved by Vice Mayor Adam Shimoni, **seconded by** Councilmember Regina Salas to appoint Amanda Shankland to a term expiring October 2021.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Jim McCarthy, **seconded by** Vice Mayor Adam Shimoni to appoint Miranda Sweet to a term expiring October 2021.

Vote: 7 - 0 - Unanimously

Moved by Mayor Coral Evans, **seconded by** Councilmember Charlie Odegaard to appoint Cal McLoy to a term expiring October 2019.

Vote: 7 - 0 - Unanimously

6. ROUTINE ITEMS

A. Consideration and Approval: Flagstaff Airport Air Carrier Incentive Policy

Moved by Councilmember Jamie Whelan, **seconded by** Councilmember Charlie Odegaard to approve the Flagstaff Airport Air Carrier Incentive Policy.

Vote: 7 - 0 - Unanimously

B. Consideration and Approval of Contract: Approve the Minimum Revenue Guarantee Agreement for air services between the City of Flagstaff and United Airlines.

Moved by Councilmember Jamie Whelan, **seconded by** Councilmember Regina Salas to approve the Minimum Revenue Guarantee Agreement for air services between the City of Flagstaff and United Airlines.

Vote: 7 - 0 - Unanimously

RECESS

The 4:30 p.m. portion of the March 5, 2019, Regular Council Meeting recessed at 4:49 p.m.

6:00 P.M. MEETING

RECONVENE

Mayor Evans reconvened the Regular Meeting of March 5, 2019, at 6:00 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

7. ROLL CALL

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

PRESENT:	ABSENT:
MAYOR EVANS	
VICE MAYOR SHIMONI	
COUNCILMEMBER ASLAN	
COUNCILMEMBER MCCARTHY	
COUNCILMEMBER ODEGAARD	
COUNCILMEMBER SALAS	
COUNCILMEMBER WHELAN	

Others present: Interim City Manager Kevin Treadway; Deputy City Attorney Kevin Fincel.

8. PLEDGE OF ALLEGIANCE

The Council and audience recited the pledge of allegiance.

9. PUBLIC PARTICIPATION

Richard Becher addressed Council expressing his interest in serving on the Flagstaff Planning and Zoning Commission.

Dr. Kevin Gibson addressed Council with concerns about fracking in Arizona and the recent DME agreement.

Brianda Torres-Traylor addressed Council in support of the Keep Families Free and Together ordinance.

Corrie Warman addressed Council with concerns regarding the appeal of a Planning and Zoning Commission decision regarding a telecommunication tower in a residential zone.

Brooks Hart addressed Council with concerns regarding the appeal of a Planning and Zoning Commission decision regarding a telecommunication tower in a residential zone.

Frankie Beesley addressed Council in support of the Keep Families Free and Together ordinance.

Gabriel Bluestar Sunrising addressed Council regarding the high costs of housing and rent in Flagstaff.

JR Murray addressed Council with information about Snowbowl operations over the season and their intent to remain open through March. He also indicated that they joined with the city minimum wage and are paying their employees $12 per hour.

Two individuals addressed Council and expressed their concerns about environmental impact of snowmaking.

Mayor Evans recognized boy scouts in the audience who were in attendance to work on a merit badge.

10. CARRY OVER ITEMS FROM THE 4:30 P.M. AGENDA

None

11. REGULAR AGENDA

A. **Consideration and Approval of Contract:** City Court Facility Project - Award of Amendment #1 to the Design-Build Services Agreement #2018-63. This amendment contains the Guaranteed Maximum Price (GMP) #1 agreement for preliminary construction work.

Capital Project Manager Christine Cameron provided a PowerPoint presentation that covered the following:

CITY COURT FACILITY PROJECT DESIGN-BUILD AMENDMENT GMP #1
OVERVIEW – TONIGHT'S DISCUSSION POINTS
PROJECT LOCATION
PROJECT ELEVATION DRAWING
PROJECT INFORMATION
CURRENT PLAN REVIEW STATUS
PUBLIC MEETING SUMMARY

Community Development Director Dan Folke indicated that there are concerns about parking and connections with the ballot language. When the court opens there will be 90 surface parking spaces at the old court location and there are 19 new spaces next to the new courthouse restricted for staff. An additional $2 million has been allocated for identifying alternative parking.

Councilmember McCarthy expressed concerns about no accessible parking spaces at the court facility. He indicated that having accessible parking two blocks away is problematic.

Councilmember Whelan indicated that there was discussion at one point about parking beneath the building. Ms. Cameron explained that there were significant budget constraints and it was not able to be included in the design.

Mr. Folke stated that staff will look at other options regarding accessible parking onsite.

Councilmember Whelan stated that the citizens passed a ballot measure in 2016 that approved a new courthouse and 200 additional parking spaces. She stated that it is necessary to figure it out and tell the citizens how long the 200 spaces are going to take to deliver.

Vice Mayor Shimoni indicated that he would like to get the appropriate parking onsite. He expressed concerns that parking was supposed to be part of the plan and now it is not.

Ms. Cameron offered that there is opportunity for parking with the nearby mixed use development.

Ms. Cameron continued the presentation.

AMENDMENT #1, GMP #1

Councilmember Whelan asked how much parking could be acquired for $2 million.
Ms. Cameron explained that staff's rough calculations for a parking garage is about $20,000 to $30,000 per parking space.

Councilmember Aslan asked how the demolition aligns with the Climate Action and Adaptation Plan (CAAP).

Ms. Cameron explained that Public Works is taking out all the useable materials as they can, and Community Development is working with the Landfill and Sustainability to identify options and reuse opportunities.

Mayor Evans indicated that parking continues to be a concern and she is excited to see the project move forward and to have a safe and functional facility for the community.

Councilmember McCarthy stated that it is a good and immediate project and appreciates staff looking into a way to accommodate ADA parking on site.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Charlie Odegaard to award the Design-Build Services Amendment GMP #1 to Kinney Construction Services, Inc. of Flagstaff Arizona in an amount not to exceed $1,518,175.00 with a 148 calendar-day contract period and authorize the City Manager to execute the necessary documents.

Councilmember Salas thanked staff for all the hard work and that she looks forward to further discussions with downtown on the parking issue. Mr. Folke indicated that staff has been working with the Downtown Business Alliance on a visioning process for a downtown master plan.

Vote: 7 - 0 - Unanimously

B. **Consideration and Approval of Contract:** Approve the construction contract with PCL Construction, Inc. in the amount of $1,067,535.00 for the Wildcat Hill Water Reclamation Plant Digester Gas Conveyance System Improvements Project.

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

WILDCAT HILL WRP DIGESTER GAS CONVEYANCE PROJECT
DIGESTER GAS SYSTEM
BACKGROUND
DIGESTER GAS SYSTEM
DESIGN BID-BUILD
ENERGY EFFICIENCY SAVINGS
NEXT STEPS
ANNUAL ENERGY SAVINGS
GREENHOUSE GAS EMISSIONS – ANNUAL

Councilmember McCarthy expressed concern about the life of the engine due to the corrosive compounds going into it. Mr. Roberts explained that it is a piston engine and the gas would be very corrosive if it was not treated and this project is to clean the gas. The technology has improved significantly and this will provide a good life expectancy of the equipment.

Moved by Councilmember Jamie Whelan, **seconded by** Councilmember Jim McCarthy to approve the contract with PCL Construction, Inc.("Contractor") in the amount of $1,067,535.00, which includes a contract allowance of $50,835.00 and a contract time of 365 calendar days and authorize the City Manager to execute the necessary documents.

Councilmember Odegaard asked if there is a rough estimate for Phase 2. Mr. Roberts stated that it will run approximately $600,000 for the engine and installation.

Councilmember Aslan asked about the life expectancy of the engine. Mr. Roberts stated that it is 20 to 25 years if properly maintained. The existing engine had a lot of problems operating in the room and one of the other things included in the project is to add better ventilation and airflow to prevent overheating.

Councilmember Aslan asked about the time it will take to recapture the cost of the investment. Mr. Roberts indicated that a co-gen system should be able to run 90% of the time which would equate to a five to six-year payback.

Vote: 7 - 0 - Unanimously

12. DISCUSSION ITEMS

A. Active Transportation/FUTS Master Plans

Martin Ince provided Council with a PowerPoint presentation that covered the following:

ACTIVE TRANSPORTATION/FUTS MASTER PLANS
TONIGHT
MASTER PLANS
POLICY FRAMEWORK
GUIDING PRINCIPLES
BENEFITS OF WALKING AND BIKING
ORGANIZED AROUND SEVEN GOALS
COMPLETE NETWORKS FOR WALKING/BIKING
TAKE CARE OF WHAT WE HAVE
BUILD A SUPPORTIVE COMMUNITY
IMPROVE SAFETY
PROMOTE SUPPORTIVE LAND USE, STREETS
MODE SHARE BY GEOGRAPHY
TRAVEL DEMAND MANAGEMENT
ASSESS HOW WE'RE DOING
COMMUNITY ENGAGEMENT TO DATE
PROCESS OUTLINE
PLAN SCHEDULE

Vice Mayor Shimoni asked if the Master Plan is integrated into the work being done as a result of Prop. 419. Mr. Ince stated that the money from Prop. 419 will start flowing in 2020 and the proposal is to have an allocation of that money for pedestrian, bike, and FUTS. There will need to be a Capital Improvement Plan (CIP) done for walking and biking and trails to prioritize the projects over the next five to ten years. This is the first step.

Vice Mayor Shimoni indicated that he would like to see disconnected bike lanes as well as bigger bike lanes. With regard to maintenance, he would like the street sweepers to be active in the high bike and pedestrian areas.

Councilmember Aslan indicated that he would like to look at moving to a snow removal process that does not leave a berm in every pedestrian and bike lane. There is a shift occurring in how people get around and if the City can front load that process the better off it will be. He also asked about a tunnel over or under the I-40 bridge onto campus from Ponderosa Trails.

Mr. Ince stated that FUTS trails are becoming a big community network and they are looking at whether some should be paved and lighted to allow for more nighttime use. Some of the trails are adjacent to streets and there is spill over to the lights but there are other areas that are not lit. He indicated that there has been good representation from neighborhoods like Ponderosa Trails and University Heights during the public outreach and there has been good discussion about better access to campus from south of I-40.

Councilmember Whelan asked about electric scooters and bikes and expressed concern with those coming into the City and causing issues on the sidewalks. Mr. Ince stated that there is discussion concerning electric bikes and scooters and potential revisions to the City Code to define where these devices would be permitted. These devices are competing for the same limited space and it will be important to consider how transportation works to

accommodate people safely.

Mr. Folke added that the discussion about electric bikes and scooters is scheduled for April. Mr. Ince also added that the Bicycle Advisory Committee and Pedestrian Advisory Committee will be discussing electric bikes and scooters at their meetings later this week and the next week.

Councilmember Salas asked about any plans to develop a regional strategy for trail management. Mr. Ince stated that the City is working with the Flagstaff Trails Initiative evaluate trail connections for commuters, maintenance, and enhancements.

Mayor Evans stated that she gets numerous complaints about bicycle riders not following the rules of the road and doing things that put themselves and others in harms way. She would like to make sure that there is an educational component included with the discussions.

Tyler Lineer addressed Council with concerns about clearing bike lanes of snow and cinders. More needs to be done to address this issue in a more timely manner.

A break was held from 8:27 p.m. through 8:33 p.m.

B. **Discussion/Direction:** Current Issues Before Arizona Legislature and Federal Issues.

Interim Assistant to the City Manager Cliff Bryson introduced the City's Federal Lobbyist Bob Holmes who was present via phone. Mr. Holmes provided an update on federal issues.

The first issue is on the recent motion of disapproval of the emergency declaration at the border. The declaration passed the House last week and it will go to a Senate vote in a week or two. It will likely pass and they will send it back to the President and he will veto that bill and it will likely go to a court challenge to test the President's constitutional powers.

Senator Grijalva introduced his bill to ban uranium mining in and near the Grand Canyon. This would put into effect President Obama's 20-year moratorium that was rescinded by President Trump.

Mr. Holmes also reported that Congress passed the largest land package in forty years; 650 million acres are now federally protected and that included a permanent reauthorization of LWCF which as not happened since the fund was originally enacted in 1976.

The last item Mr. Holmes reported on was with regard to some of the inefficiencies in the modernization of the Forest Service. There are efforts to learn about the things that are working and not working in order to improve efficiencies and modernize services so projects such as FWPP and 4FRI are able to move forward more efficiently.

Mr. Bryson continued and reviewed a proposed letter to send to the City's State representatives regarding vacation rentals, digital goods, affordable housing, and Wayfair. He asked for Council suggestions to be provided to him by the end of the week.

Mr. Bryson reviewed a number of Bills that are currently moving through the legislature.

Councilmember Whelan stated that she attended the NACOG meeting where they discussed SB1225 and what they alluded to is that in the next five to ten years ADOT would be shifting to a maintenance only perspective. She requested additional information on that bill.

Councilmember Whelan also requested additional information on HB2526 with regard to the fuel tax that has been replaced by an inflation index as well as HB2109 regarding a transportation sales tax for rural and city roads.

Vice Mayor Shimoni expressed concern about HB2523 and suggested a letter to the City's representatives to voice its opposition to the bill. Council agreed and Mr. Bryson indicated that he will draft a letter for Council's review.

Vice Mayor Shimoni left the meeting 9:06 p.m.

13. COUNCIL LIAISON REPORTS

Councilmember Whelan reported that she attended the NACOG meeting and there was discussion about some available grant money for transportation for individuals with disabilities and it was focused on the non-profits. She also reported that NACOG approved a letter going to the Governor in support of taking away incentives for hybrid vehicles.

Councilmember Odegaard stated that the FMPO Executive Board will be meeting on Thursday and the Audit Committee will be meeting in two weeks.

Councilmember McCarthy stated that he attended the NAIPTA meeting where they discussed the downtown transfer station and where that could potentially be moved to.

14. FUTURE AGENDA ITEM REQUESTS

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

A. **Future Agenda Item Request (F.A.I.R.):** A request by Councilmember Whelan to place on a future agenda a discussion about continuing to communicate with the Arizona Board of Regents and invite them to a meeting or send a letter with our concerns about impact on our city.

At least three Councilmembers were supportive of moving the item forward to a future agenda.

B. **Future Agenda Item Request (F.A.I.R.):** A request by former Councilmember Putzova to place on a future agenda a discussion on changing the City's organizational structure to create a Sustainability division and elevate the function of the section.

Brian Petersen addressed Council and spoke on behalf of the Sustainability Commission and their support for changing the organizational structure to create a Sustainability Division to further elevate their function within the City.

There was not enough Councilmember support to move the item forward to a future agenda.

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

Councilmember Salas offered congratulations to all the Viola award awardees.

Councilmember Aslan stated that he attended the Sustainability Commission meeting, he indicated that there are a lot of exciting things happening.

Mayor Evans stated that she, along with many other Councilmembers, attended the Viola Awards. She stated that it is fortunate that Flagstaff has such a robust arts presence. She also reported that she went to Phoenix to attend the M3 McDowell Festival along with Gail Jackson and Trace Ward from the Economic Vitality Division. It was great to see City staff in action talking to businesses and individuals about all things Flagstaff. It was great that half of the proceeds of the event went to Habitat for Humanity in Flagstaff.

Councilmember McCarthy stated that there has been a move to get rid of the Amtrak connection between Chicago and LA which comes through Flagstaff twice per day. There has been pushback in Congress so Amtrak is at least committed through next year to maintain that route.

16. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held March 5, 2019, adjourned at 9:33 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on March 5, 2019. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 2nd day of June, 2020.

_____
CITY CLERK

CITY COUNCIL REGULAR MEETING
TUESDAY, MARCH 19, 2019
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN
4:30 P.M. AND 6:00 P.M.

MINUTES

1. CALL TO ORDER

Mayor Evans called the meeting of the Flagstaff City Council held March 19, 2019, to order at 4:30 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. ROLL CALL

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

PRESENT:	ABSENT:
MAYOR EVANS	COUNCILMEMBER ASLAN
VICE MAYOR SHIMONI	
COUNCILMEMBER MCCARTHY	
COUNCILMEMBER ODEGAARD	
COUNCILMEMBER SALAS	
COUNCILMEMBER WHELAN	

Others present: City Manager Barbara Goodrich; City Attorney Sterling Solomon.

3. PLEDGE OF ALLEGIANCE AND MISSION STATEMENT

The Council and audience recited the pledge of allegiance and Mr. Solomon read the Mission Statement of the City of Flagstaff.

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life for all.

4. PUBLIC PARTICIPATION

Public Participation enables the public to address the Council about an item that is not on the agenda. Comments relating to items that are on the agenda will be taken at the time that the item is discussed. If you wish to address the Council at tonight's meeting, please complete a comment card and submit it to the recording clerk as soon as possible. Your name will be called when it is your turn to speak. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

Alan Bonner addressed Council to thank the Planning and Zoning Commission for their decision on the Weitzel cell tower application.

Suzanne Bonner addressed Council regarding the Weitzel cell tower application and expressed concerns about the proposed location in a residential area.

Brooks Hart also addressed Council about the proposed cell tower indicating that there is not sufficient data to support a tower at the proposed location.

5. LIQUOR LICENSE PUBLIC HEARINGS

Mayor Evans opened the public hearing on both applications.

Sgt Colin Seay provided a brief description of the applications.

Councilmember Whelan inquired about the Legacy Beverage business and asked for the applicant to provide an overview of what the application entails. The applicant, Chris Otzen, offered that Legacy Beverage was formed a few years ago when three wholesalers merged and they are currently operating in two locations. The application is to open a third location to better accommodate their needs.

There being no further comments, Mayor Evans closed the Public Hearing.

Moved by Councilmember Regina Salas, **seconded by** Councilmember Charlie Odegaard to forward both applications to the State with a recommendation of approval.

Vote: 6 - 0 - Unanimously

A. **Consideration and Action on Liquor License Application:** Christian Otzen, "Legacy Beverage", 2400 N. Walgreens Blvd., Series 04 (wholesaler), New License.

B. **Consideration and Action on Liquor License Application:** David Ledbetter, Jr. "NiMarco's Pizza", 13715 N. Kaspar Drive, Series 12 (restaurant), New License.

6. CONSENT ITEMS

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

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Regina Salas to approve the Consent Agenda as presented.

Vote: 6 - 0 - Unanimously

A. **Consideration and Approval of Contract:** Water Services Well & Pump Maintenance Contract

1. Approve the contract award to Empire Pump Corporation out of Phoenix, Arizona for the purchase of Well and Pump Maintenance Services not to exceed $650,000 (Six hundred fifty thousand dollars) annually.
2. Authorize the City Manager to execute the necessary documents.

7. **ROUTINE ITEMS**

A. **Consideration and Approval of Purchase Through a Cooperative Purchase Contract:** To purchase one (1) 2020 International HV513 SFA Heavy Plow Truck from the RWC Group, LLC through a cooperative purchase contract with the Arizona Department of Administration, State Procurement Office in the amount of $259,572.23.

Public Works Streets Director Scott Overton addressed Council giving a brief description on the four pieces of equipment. He explained that some of the purchases had been budgeted for the last couple of years and were delayed for different reasons.

Councilmember Whelan asked what happens to the old equipment. Mr. Overton explained that the equipment will be evaluated by fleet to see if there is any need within other City operations. In the event that it cannot be repurposed within the City it would likely go to auction. There is no trade value on any of the equipment being replaced.

Moved by Councilmember Charlie Odegaard, **seconded by** Councilmember Jim McCarthy to approve the equipment purchase for one (1) 2020 International HV513 SFA Heavy Duty Plow Truck from RWC Group, LLC in the amount of $259,572.23, plus applicable taxes, through cooperative purchase contract #CTR42343/CTR041813 with the Arizona Department of Administration, State Procurement Office and authorize the City Manager to execute the necessary documents.

Vote: 6 - 0 - Unanimously

B. **Consideration and Approval of Purchase Through a Cooperative Purchase Contract:** To purchase two (2) 2020 Freightliner M2-106 Street Sweepers from Freightliner of Arizona, LLC, through a cooperative purchase contract with the Arizona Department of Administration, State Procurement Office in the amount of $540,940.40.

Vice Mayor Shimoni asked how many street sweepers are currently in the fleet. Mr. Overton stated that the current fleet is five; two of the sweepers are damaged with one being completely out of service. The purchase of these vehicles will replace the two damaged sweepers keeping the fleet at five. Four units would be used on the front line and one will be held in reserve.

Moved by Councilmember Regina Salas, **seconded by** Councilmember Jim McCarthy to approve the equipment purchase of two (2) 2020 Freightliner M2-106 Street Sweepers from Freightliner of Arizona LLC in the amount of $540,940.40, through cooperative purchase contract #CTR041810 with the Arizona Department of Administration, State Procurement Office and authorize the City Manager to execute the necessary documents.

Vote: 6 - 0 - Unanimously

C. **Consideration and Approval of a Cooperative Purchase Contract:** To purchase one (1) 2018 Caterpillar CC34B Asphalt Compactor from Caterpillar, Inc through a cooperative purchase contract with the City of Tucson (through the National Intergovernmental Purchasing Alliance) in the amount of $61,017.00.

Moved by Councilmember Jamie Whelan, **seconded by** Councilmember Charlie Odegaard to approve the equipment purchase for one (1) 2018 Caterpillar CC34B Asphalt Compactor from Caterpillar, Inc in the amount of $61,017.00, plus applicable taxes, through cooperative purchase contract #161534-01 with the City of Tucson (through the National Intergovernmental Purchasing Alliance) and authorize the City Manager to execute the necessary documents.

Vote: 6 - 0 - Unanimously

D. **Consideration and Approval of Purchase Through a Cooperative Purchase Contract:** To purchase one (1) Aerial Bucket Truck from Altec Industries, Inc through a cooperative purchase contract with Sourcewell (formerly NJPA) in the amount of $166,867.00.

Moved by Councilmember Charlie Odegaard, **seconded by** Vice Mayor Adam Shimoni to approve the equipment purchase for one (1) Chassis and Aerial Bucket from Altec Industries, Inc. in the amount of $166,867.00, plus applicable taxes, through cooperative purchase contract #012418-ALT with Sourcewell (formerly NJPA) and authorize the City Manager to execute the necessary documents.

Vote: 6 - 0 - Unanimously

E. **Consideration and Approval of Contract:**
Approve the Professional Services Contract with Beta Public Relations, LLC in the amount of $54,978.88 for the Rio de Flag Flood Control Project Public Outreach Campaign.

Capital Improvements Engineer Bret Peterson addressed the Council and provided a brief description of the public outreach campaign. The purpose of the Communication Plan is to inform and engage the public in the City's current efforts on the project. There will be public meetings, engagement with all stakeholders, periodic updates to City Council as well as regular updates to the City's website. They are also looking to incorporate social media into the outreach.

Vice Mayor Shimoni expressed a desire for videos to be included with the social media outreach.

Councilmember Whelan expressed concern about starting the outreach process when it is going to be at least three years to determine if the project will actually come to fruition. She also expressed concern about the project not having any public input on the design.

Mr. Petersen explained that the Army Corp of Engineers (ACE) is in control of the design; they have been taking input and staff wants to engage a public process, but it is unlikely that the input would have an impact to the design. These outreach efforts are to engage the community and communicate with them the ACE design plans.

Councilmember Whelan suggested that the outreach be tabled until the fall to determine if there is even going to be funding. The City has been working on this for at least 15 years, it should wait six months for a funding decision.

Councilmember McCarthy expressed that he had similar thoughts but believes that going forward is the best way to make sure the community knows what is happening and what will happen.

Mayor Evans stated that regardless of what ACE will or will not do there needs to be a community conversation about the billion-dollar issue that exists in the City. If for some reason ACE does not get funding, there will have been some outreach that can be used to further the conversation about fixing the issue ourselves and understanding what it will take to fund it.

Councilmember Salas offered that she believes it is time to start the outreach while there is momentum on the project.

Moved by Councilmember Charlie Odegaard, **seconded by** Councilmember Regina Salas to approve the Professional Services Contract with Beta Public Relations, LLC in the amount of $54,978.88 and a contract time frame of 1,095 calendar days and authorize the City Manager to execute the necessary documents.

Vice Mayor Shimoni asked what the termination policy is on the contract. Mr. Solomon explained that there is a termination for convenience clause with a 30-day notice. The City would be responsible for paying for all services already provided.

Councilmember Odegaard stated that so far ACE has done what has been expected of them to this point and that is what he is basing his decision on. It is important to do what needs to be done to be supportive.

Vote: 5 - 1

NAY: Councilmember Jamie Whelan

F. **Consideration and Acceptance:** Offer submitted by Woodshire on Butler, LLC regarding Solicitation No. 2019-67, without exceptions, for sale and development of approximately .74 acres of land located at 2989 E. Butler Avenue.

Real Estate Manager Charity Lee provided a PowerPoint presentation that covered the following:

POSSIBLE SALE OF CITY PROPERTY AND DEVELOPMENT OF AFFORDABLE HOUSING
BACKGROUND
2989 E BUTLER AVE
CITY PARCEL – OFF BUTLER AVENUE
OPPORTUNITY?
WOODSHIRE ON BUTLER
SOLICITATION NO. 2019-67
ONE OFFER RECEIVED
COUNCIL OPTIONS
NEXT STEPS

Councilmember Whelan expressed concerns about the roads in and around the development, there are winter weather condition concerns as well as a road that leads to nowhere.

Deputy City Manager Shane Dille explained that there is a roundabout planned for that area and there has been substantial work on the ingress and egress off of Butler. Community Development Director Dan Folke added that there is a lot of planning underway for the Butler corridor that would include a number of roundabouts in the area to ease many of the traffic

and safety concerns.

Moved by Councilmember Charlie Odegaard, **seconded by** Councilmember Regina Salas to accept the offer submitted by Woodshire on Butler, LLC without exceptions, authorize Staff to negotiate a Purchase Agreement and Development Agreement including affordable housing obligations, for sale of approximately .74 acres of City property located at 2989 E. Butler Avenue, subject to Council approval of the final documents and adoption of an Ordinance to transfer the property.

Vote: 6 - 0 - Unanimously

G. **Consideration and Action:** Joining an amicus brief in the case of New York v. United States Department of Commerce.

Mayor Evans moved this item to the Carryover section of the 6:00 p.m. meeting.

RECESS

The 4:30 p.m. portion of the March 19, 2019, Regular Council Meeting recessed at 5:43 p.m.

6:00 P.M. MEETING

RECONVENE

Mayor Evans reconvened the Regular Meeting of March 19, 2019, at 6:00 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

8. **ROLL CALL**

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

PRESENT:	ABSENT:
MAYOR EVANS	COUNCILMEMBER ASLAN
VICE MAYOR SHIMONI	
COUNCILMEMBER MCCARTHY	
COUNCILMEMBER ODEGAARD	
COUNCILMEMBER SALAS	
COUNCILMEMBER WHELAN	

Others present: City Manager Barbara Goodrich; City Attorney Sterling Solomon.

9. PLEDGE OF ALLEGIANCE

The Council and audience recited the Pledge of Allegiance.

10. PUBLIC PARTICIPATION

Emily Davalos addressed Council with concerns about improper staffing of the Labor Standards Office and the need for more staff and better outreach to the community.

Luke Pileggi addressed Council about the shrinking housing market and the need to raise the building height requirements in Flagstaff to encourage additional housing and density.

An unknown resident addressed Council regarding the proposed Weitzel cell tower and her concerns with the proposed location.

Written comment cards in support of a Keep Families Free and Together Ordinance were submitted by the following individuals:

- Josefina Montelongo
- Maria de Jesus Morales
- Emily Davalos

11. CARRY OVER ITEMS FROM THE 4:30 P.M. AGENDA

A. **Consideration and Action:** Joining an amicus brief in the case of New York v. United States Department of Commerce.

Ms. Goodrich stated that she had been approached by Felix Ortiz to see if the City of Flagstaff would be interested in joining an amicus brief in the case of New York v. United States Department of Commerce. The issue is surrounding not having a citizenship question included on the census questionnaire.

Moved by Councilmember Regina Salas, **seconded by** Councilmember Jim McCarthy to join the amicus brief in the case of New York v. United States Department of Commerce.

Vote: 6 - 0 - Unanimously

12. REGULAR AGENDA

A. **Consideration and Adoption of Resolution No. 2019-13:** A resolution of the Mayor and Council of the City of Flagstaff supporting Congressman Raul Grijalva's proposed house bill titled "Grand Canyon Centennial Protection Act," which will enact a permanent ban on uranium mining on more than one million acres of land around the Grand Canyon.

Moved by Councilmember Regina Salas, **seconded by** Councilmember Jamie Whelan to read Resolution No. 2019-13 by title only.

Vote: 6 - 0 - Unanimously

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF FLAGSTAFF SUPPORTING CONGRESSMAN RAUL GRIJALVA'S PROPOSED HOUSE BILL TITLED "GRAND CANYON CENTENNIAL PROTECTION ACT" WHICH WILL ENACT A PERMANENT BAN ON URANIUM MINING ON MORE THAN ONE MILLION ACRES OF LAND AROUND THE GRAND CANYON

Moved by Councilmember Regina Salas, **seconded by** Councilmember Jamie Whelan to adopt Resolution No. 2019-13.

Vote: 6 - 0 - Unanimously

13. DISCUSSION ITEMS

A. Discussion and Possible Direction: 2019/2020 Election Overview and Timeline Review

City Clerk Stacy Saltzburg provided a PowerPoint presentation the covered the following:

2019/2020 ELECTION OVERVIEW
ELECTION DATES
TYPES OF ELECTIONS
SPECIAL ELECTIONS
UPCOMING ELECTION DATES
INITIATIVE/REFERENDUM
2020 GENERAL ELECTION TIMELINE
POSSIBLE TIMELINE
FINANCIAL CONSIDERATIONS

The Council indicated that there is no need for a Special Election prior to 2020. Council asked for staff to come back to Council with a discussion about a plan to create a citizen commission as well as formulate a list of possible ballot items for Council to consider assigning to the citizen commission.

B. Discussion/Direction: Current Issues Before Arizona Legislature and Federal Issues.

Interim Assistant to the City Managr Cliff Bryson provided a PowerPoint presentation the covered the following:

03.19.19 LEGISLATIVE OVERVIEW
STATE LEGISLATIVE UPDATE
HB2320: HIGHWAY SAFETY FEE; REDUCTION (CAMPBELL)
HB2720: TPT, MARKETPLACE FACILITIES; NEXUS (TOMA)
SB1460: TPT; DIGITAL GOODS AND SERVICES (UGENTI-RITA)
HB2672: VACATION RENTALS; SHORT-TERM RENTALS; REGULATION (KAVANAGH)
SB1305: (LIVINGSTON) AND HB2559 (GRANTHAM): PEER-TO-PEER CAR SHARING
HB2115: LANDLORD TENANT; STATE PREEMPTION (GRIFFIN)
HB2047: HURF DISTRIBUTION; CITIES, TOWNS, COUNTIES (COOK)

Mr. Bryson indicated that they are looking to schedule a follow-up lobbying trip to the State in early April. He added that the materials for the Washington D.C. lobbying trip will be ready and distributed to the City Council in the next day or two.

Andy Fernandez addressed Council asking them to consider lobbying to ban the purchase of automatic weapons as well as making it illegal to own a weapon that has been modified.

14. COUNCIL LIAISON REPORTS

Councilmember Odegaard reported that the Audit Committee recently met to review the results of the audit. There was no opinion registered from the auditor which means there were no changes or amendments requested. This outcome speaks well for the transparency of the organization and the work of the staff.

15. FUTURE AGENDA ITEM REQUESTS

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

A. **Future Agenda Item Request (F.A.I.R.):** A request by former Councilmember Putzova to place on a future agenda a discussion about Affordable Housing ballot measure for 2020.

Devonna McLaughlin addressed Council in support of a future discussion about an affordable housing ballot measure for 2020.

Rick Lopez addressed Council in support of a future discussion and looks forward to identifying ways to improve on the 2018 ballot.

Andy Fernandez addressed Council in opposition to an affordable housing ballot measure.

Councilmember Whelan expressed her support to sponsor this F.A.I.R. item moving forward.

There were at least three Councilmembers in support of moving the item forward to a future agenda for discussion.

B. **Future Agenda Item Request (F.A.I.R.):** A request by Mayor Evans to place on a future agenda a discussion regarding establishing/creating the Affordable Housing Commission discussed in Prop 422.

Mayor Evans indicated that there is a need to establish an affordable housing commission to evaluate how to move forward strategically for the community. The commission could assist in identifying zoning code changes to make affordable housing more attractive to developers, or how to make building less expensive. The commission could also look at lending tools that are available or the different housing models used throughout the country. These recommendations could be forwarded to the Council for consideration and discussion. They could also look into why the last ballot measure failed and how a future question could be improved.

Rick Lopez addressed the Council indicating that it is important to convene this commission as soon as possible to be successful in bringing forward a question for 2020.

Andy Fernandez addressed Council in opposition of forming a commission.

There were at least three Councilmembers in support of moving the item forward to a future agenda for discussion.

Mayor Evans requested that the item be expedited.

A majority of Council was supportive of expediting the item and combining it with the previous item to develop an affordable housing ballot question for 2020.

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

Councilmember McCarthy reported that he went to a community meeting last week that discussed the concerns with fracking at the state and national levels. The No Fracking group has a website that indicates a number of things that need to be done.

Councilmember Odegaard requested a F.A.I.R. to discuss how the City can add more residential units within the single-family residential zoning parcels.

Councilmember Salas reported that she attended a business workshop hosted by the Flagstaff Lodging Restaurant and Tourism Association (FLRTA), the workshop provided interesting insights in terms of how restaurants in San Francisco have adjusted to their higher minimum wage. She is hopeful that the business community and the FLRTA will continue with the workshops to highlight resources for local business.

Councilmember Salas requested a F.A.I.R. item to hear from the City's commissions and if it is possible have them present every month on what they are doing. Ms. Goodrich indicated that staff is looking for ways to enhance communication with boards and commissions and it is scheduled for an upcoming agenda.

Ms. Goodrich reported that Community Development Director phone interviews are scheduled for next week and in person interviews the first week of April. She also reported that the City Manager's Office will be hiring two additional Management Analysts, one will be focusing on Labor Standards, one on legislative matters, and the other focused on City Manager Office scheduling and special projects.

Vice Mayor Shimoni requested regular reports on licenses that the State is issuing for drilling activities to help keep the Council apprised of those activities.

Councilmember Odegaard stated that the funeral of Officer Beckwith will be held tomorrow at the Church of the Nazarene. He offered his thoughts and prayers to the police force and the family of Officer Beckwith.

Mayor Evans asked that a conversation about drilling, seismic testing, and the City's authority to impact those activities be added to an upcoming Executive Session agenda.

17. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held March 19, 2019, adjourned at 7:39 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on March 19, 2019. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 2nd day of June, 2020.

_____

CITY CLERK

COMBINED SPECIAL MEETING/WORK SESSION
TUESDAY, MARCH 26, 2019
COUNCIL CHAMBERS
211 WEST ASPEN AVE.
6:00 P.M.

SPECIAL COUNCIL MEETING

1. Call to Order

Vice Mayor Shimoni called the Special Meeting of the Flagstaff City Council held March 26, 2019, to order at 6:00 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. Pledge of Allegiance and Mission Statement

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life for all.

3. ROLL CALL

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

PRESENT:	ABSENT:
VICE MAYOR SHIMONI	MAYOR EVANS
COUNCILMEMBER ASLAN	COUNCILMEMBER SALAS
COUNCILMEMBER MCCARTHY	COUNCILMEMBER WHELAN
COUNCILMEMBER ODEGAARD	

Others present: Acting City Manager Kevin Treadway; City Attorney Sterling Solomon.

4. Public Participation

Public Participation enables the public to address the council about items that are not on the prepared agenda. Public Participation appears on the agenda twice, at the beginning and at the end of the work session. You may speak at one or the other, but not both. Anyone wishing to comment at the meeting is asked to fill out a speaker card and submit it to the recording clerk. When the item comes up on the agenda, your name will be called. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone to have an opportunity to

speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

The following individuals addressed Council regarding the Keep Families Free and Together ordinance and asked that it be put back on the agenda.

- Emily Davalos
- Rebecca Ellerbroek
- Alejandra Becara

Stephen Puhr addressed Council asking the Council to approve the exclusivity agreement with NextEra that is scheduled on an upcoming agenda.

The following individuals addressed Council about the permit for a cell tower in a residential location and their concerns about safety and the proximity of the tower to a gas line. They urged the Council to deny the appeal.

- Eric Kolvig
- Robert Vane
- Brooks Hart

Luke Pileggi addressed Council asking that the building height cap be raised in Flagstaff to encourage building up rather than out.

Written comment cards asking for the Keep Families Free and Together ordinance to be put back on the agenda were submitted by the following individuals:

- John Meyer
- Lyrica Maldonado

5. Consideration and Approval of Contract: Lease Agreement with United Airlines

Moved by Councilmember Charlie Odegaard, **seconded by** Councilmember Jim McCarthy to approve the Lease Agreement and authorize the City Manager to make any non-substantive changes to the Lease Agreement.

Vote: 4 - 0 - Unanimously

6. Adjournment

The Flagstaff City Council Special Meeting of March 26, 2019, adjourned at 6:25 p.m.

WORK SESSION

1. Call to Order

Vice Mayor Shimoni called the Work Session of the Flagstaff City Council held March 26, 2019, to order at 6:25 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive

session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. Review of Draft Agenda for the April 2, 2019 City Council Meeting

Citizens wishing to speak on agenda items not specifically called out by the City Council may submit a speaker card for their items of interest to the recording clerk.

None

3. Discussion/Direction: Current Issues Before Arizona Legislature and Federal Issues.

Interim Assistant to the City Manager Cliff Bryson provided a PowerPoint presentation that covered the following:

STATE/FEDERAL LEGISLATIVE UPDATE
STATE LEGISLATIVE UPDATE
HB2109 – COUNTY TRANSPORTATION EXCISE TAX
HB2536 – FUEL; ELECTRIC CARS; HYBRIDS; TAXES
HB2115 – LANDLORD TENANT; STATE PREEMPTION
HB2672 – VACATION RENTALS; SHORT-TERM RENTALS; REGULATIONS
HB2559 – PEER TO PEER CAR SHARING
SB1001 – HIGHWAY SAFETY FEE; REPEAL; VLT
STATE LEGISLATIVE TRIP AGENDA

4. Public Participation

None

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

None

6. Adjournment

The Flagstaff City Council Work Session of March 26, 2019, adjourned at 6:32 p.m.

_____
MAYOR

ATTEST:

_____
CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of

the Council of the City of Flagstaff held on March 26, 2019. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 2nd day of June, 2020.

_____

CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, OCTOBER 8, 2019
STAFF CONFERENCE ROOM - SECOND FLOOR
FLAGSTAFF CITY HALL
211 WEST ASPEN AVENUE
4:00 P.M.

1. Call to Order

Mayor Evans called the Special Meeting (Executive Session) to order at 4:01 p.m.

2. Roll Call

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

PRESENT:	ABSENT:
MAYOR EVANS	
VICE MAYOR SHIMONI	
COUNCILMEMBER ASLAN	
COUNCILMEMBER MCCARTHY	
COUNCILMEMBER ODEGAARD	
COUNCILMEMBER SALAS	
COUNCILMEMBER WHELAN	

Others present: City Manager Greg Clifton and City Attorney Sterling Solomon.

3. Recess into Executive Session

Moved by Vice Mayor Adam Shimoni, **seconded by** Councilmember Jim McCarthy to recess into Executive Session.

Vote: 7 - 0 - Unanimously

4. Executive Session:

The Flagstaff City Council recessed into Executive Session at 4:03 p.m.

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

i. Legal advice on the High Occupancy Housing and Building Heights in the Community Commercial Zoning Code Amendments

5. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held October 8, 2019, reconvened into Open Session at 4:39 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

SPECIAL MEETING (EXECUTIVE SESSION)
TUESDAY, OCTOBER 29, 2019
STAFF CONFERENCE ROOM - SECOND FLOOR
FLAGSTAFF CITY HALL
211 WEST ASPEN AVENUE
4:30 P.M.

1. Call to Order

Vice Mayor Shimoni called the Special Meeting (Executive Session) to order at 4:32 p.m.

2. Roll Call

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

PRESENT:	ABSENT:
VICE MAYOR SHIMONI COUNCILMEMBER ASLAN COUNCILMEMBER MCCARTHY COUNCILMEMBER ODEGAARD COUNCILMEMBER WHELAN	MAYOR EVANS

Others present: City Manager Greg Clifton and City Attorney Sterling Solomon.

3. Recess into Executive Session

Moved by Councilmember Jamie Whelan, **seconded by** Councilmember Jim McCarthy to recess into Executive Session.

Vote: 6 - 0 - Unanimously

4. Executive Session:

The Flagstaff City Council recessed into Executive Session at 4:33 p.m.

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

i. Flag Policy

5. Adjournment

The Special Meeting (Executive Session) of the Flagstaff City Council held October 29, 2019, reconvened into Open Session at 5:35 p.m. at which time the meeting adjourned.

_____
MAYOR

ATTEST:

_____
CITY CLERK

6. A.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Jeremy DeGeyter, Project Manager
Date:	05/27/2020
Meeting Date:	06/02/2020

TITLE:

Consideration and Approval of Contract: Approve the construction contract with Western Utilities Contractors, LLC, dba Overley's in the amount of $1,359,657.00 for the Summit Water project.

STAFF RECOMMENDED ACTION:

1. Approve the construction contract with Western Utilities Contractors, LLC, dba Overley's in the amount of $1,359,657.00 and a contract duration period of 200 calendar days;
2. Approve a contract allowance of $67,982.85, which is 5% of the lowest responsive bid;
3. Approve Change Order Authority to the City Manager in the amount of $135,965.70 which is 10% of the lowest responsive bid;
4. Authorize the City Manager to execute the necessary documents.

Executive Summary:

Award of the construction contract to Western Utilities Contractors, LLC, dba Overley's, will authorize the construction of the Summit Water project in accordance with the approved public improvement plans prepared by Civil Design & Engineering (CD&E).

The general project scope includes demolition work, installation of 3,336 linear feet of new water main and associated water services, fire hydrants, and 11,110 square yards of new asphalt pavement. Please see the attached context and vicinity maps.

Financial Impact:

The project is funded by the Annual Waterline Replacement fund from the FY 2019-2020 authorized budget of $1,350,000 (Acct# 202-08-370-3435-0-4421) and $350,000 in additional FY 202-2021 funding (Acct# 202-08-370-3435-0-4421).

Policy Impact:

None

Connection to Council Goal, Regional Plan, CAAP, and/or Strategic Plan:

Council Goal - Transportation and Other Public Infrastructure
Deliver quality community assets and continue to advocate and implement a highly performing multi-modal transportation system.

Team Flagstaff Strategic Plan - Foster a Resilient and Economically Prosperous City
Deliver outstanding services through a healthy environment, resources, and infrastructure.

Regional Plan
Policy WR2.2 - Maintain and develop facilities to provide reliable, safe and cost-effective water, wastewater and reclaimed water services.

Has There Been Previous Council Decision on This:

Council has previously approved the FY 2019-2020 Capital Improvement 5-Year Plan and authorized the FY 2019-2020 budget for this project in the amount of $1,350,000. The project's FY 2020-2021 proposed funding is being requested in the upcoming FY 2020-2021 Capital Improvement 5-Year Plan which will be presented to Council.

Options and Alternatives:

- Approve the award for the construction contract as recommended. Approval will allow work on the project to move forward.
- Reject all bids. This action would delay the project.
    - If rejection occurs, possible options include;
    - Re-advertise the project and open new bids or
    - Suspend or cancel the project

Background/History:

The existing water system in this area ranges from 58 to more than 90 years old and has been identified as a high priority for replacement by the Water Services Annual Waterline Replacement program. The project will update the existing water mains, water services, and fire hydrants.

On April 2, 2020, the Purchasing Section posted an Invitation for Bids (IFB) solicitation for construction on the PlanetBids' website and advertised the IFB in the Arizona Daily Sun on April 5, and April 12, 2020. There were five (5) bids received and opened electronically on April 27, 2020. A summary of the bids received is identified in the Key Considerations section below. Western Utilities Contractors, LLC, dba Overley's was determined to be the lowest responsive and responsible bidder.

Key Considerations:

On April 27, 2020, bids were received to construct the Summit Water project. The summary results are listed below.

Company	Bid
Engineer's Estimate	*$1,656,165.00*
Western Utilities Contractors, LLC, dba Overley's	$1,359,657.00
Kinney Construction	$1,363,808.00
Lincoln Constructors	$1,399,164.00
Standard Construction	$1,797,031.00
Sellers & Sons	$1,830,732.00
Allowance at 5% of the low bid	*$67,982.85*

The contract allowance is established to address unanticipated items of work, unknown items of work

and/or differing field conditions and with authorization will be included in the contract amount. The allowance is used only at the City's discretion. See attached allowance justification form.

Change Order Authority establishes a dollar amount (10% of the contract amount) and provides the City Manager, on behalf of the Council, administrative authority to amend the contract amount in response to unforeseen costs that are more than the contracted amount.

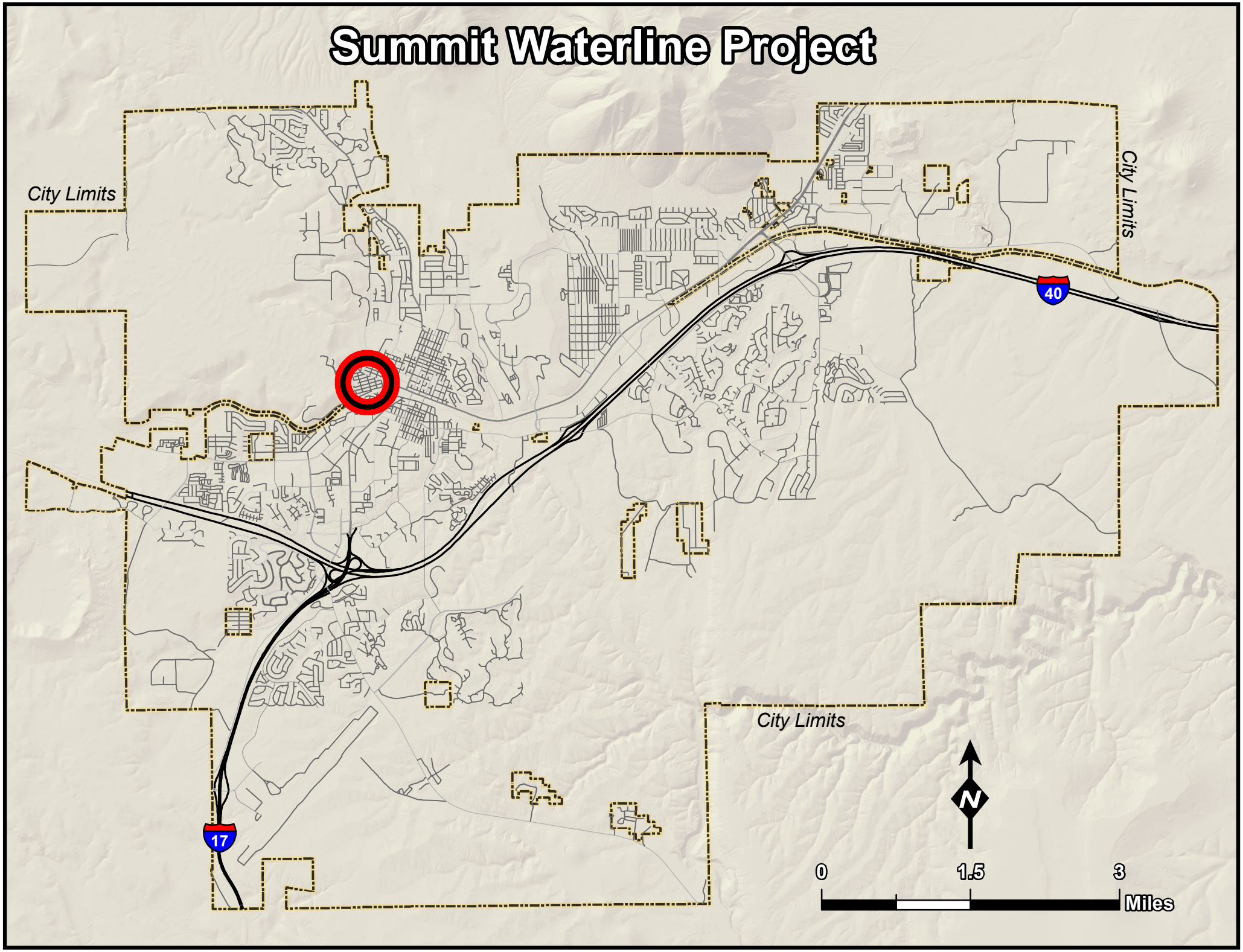
Community Benefits and Considerations:

The project will replace old waterlines (58-90+ years old), reducing failures and maintenance costs over time and provide the neighborhood with safe, consistent water delivery. New asphalt pavement will replace the existing pavement which is significantly past its service life.

Attachments:

Summit Context Map
Summit Vicinity Map
Signed Justification Form
Contract
Contract Exhibit A
Contract Exhibit B

Summit Waterline Project



WATER AND ROADWAY IMPROVEMENTS

Summit Waterline Project Vicinity Map

0 62.5 125 250 Feet

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CITY OF FLAGSTAFF

CONTRACT SUPPLEMENTARY JUSTIFICATION

☒ CONTRACT ALLOWANCE

☒ ADMINISTRATIVE CHANGE ORDER

PROJECT NO.	WA 3435	**PROJECT NAME**	Summit Waterline Project
FILE NO.	03-19007	**PROJECT MANAGER**	Jeremy M. DeGeyter
CONTRACTOR / CONSULTANT	Western Utilities Contractors, LLC, dba Overleys		

PROJECT DESCRIPTON

The general project scope includes demolition work, installation of 3,336 linear feet of new water main, including anticipated trench rock excavation, and associated water services, fire hydrants, and 11,110 square yards of new asphalt pavement. (Vicinity Map Attached)

JUSTIFICATION FOR USE & AMOUNT

Contract Allowance Amount $ 67,982.85 (5%)

Administrative Change Order Amount $135,965.70 (10%)

Justification

Request is to provide an allowance to accommodate unanticipated and/or unforeseen issues and for quantity adjustments. Plan quantities are considered accurate but final quantities are measured during construction. The contractor must be compensated for actual quantities of work (MAG 102.3). Quantities often change because of unknown and/or necessary field changes. Without an allowance, project work may need to be suspended until an agenda item can be brought before Council for consideration and approval. An allowance will provide needed flexibility in delivery of improvements, minimizing negative impacts to the community during construction. Any additional quantities needed do become an asset of the City and any unused fund allocation is returned to the program fund.

COST / BUDGET / FUNDING SOURCE ANALYSIS

Contract Allowance Amount $ 67,982.85 (5%)

Administrative Change Order Amount $135,965.70 (10%)

Justification

Allowance request is 5% and Change Order Amount is 10% of the $1,359,657.00 low bid from Western Utilities Contractors, LLC, dba Overleys. Adequate funding is provided by the Annual Waterline Replacement fund from the FY 20 authorized budget of $1,350,000 (Acct# 202-08-370-3435-0-4421) and $350,000 in additional FY 21 funding (Acct# 202-08-370-3435-0-4421).

APPROVALS

Project Manager	Jeremy DeGeyter Digitally signed by Jeremy DeGeyter DN: C=US, E=jdegeyter@flagstaffaz.gov, O=City of Flagstaff, OU=Engineering, CN=Jeremy DeGeyter Date: 2020.04.30 14:04:37-07'00'	Jeremy M. DeGeyter	04.30.2020
Program Manager		Bret C. Petersen	4/30/2020
Section Head	Richard A. Barrett	Richard A. Barrett	5/6/20
Division Head	Daniel Folke	Daniel Folke	5/06/2020
	Signature		Date

CONSTRUCTION CONTRACT #2020-111

City of Flagstaff, Arizona
and
Western Utility Contractors LLC dba, Overley's est 1959

This Construction Contract ("Contract") is made and entered into this _____ day of _____ 2020, by and between the City of Flagstaff, an Arizona municipal corporation with offices at 211 West Aspen Avenue, Flagstaff, Arizona ("Owner") and Western Utility Contractors LLC dba, Overley's est 1959 ("Contractor") with offices at 18616 S Lindsay Road, Gilbert, AZ 85297-2709. Contractor and the Owner may be referred to each individually as a "Party" and collectively as the "Parties."

RECITALS

A. Owner desires to obtain construction services; and

B. Contractor has available and offers to provide personnel and materials necessary to accomplish the work and complete the Project as described in the Scope of Work within the required time in accordance with the calendar days included in this Contract.

NOW, THEREFORE, the Owner and Contractor agree as follows:

1. Scope of Work. The Contractor shall furnish any and all labor, materials, equipment, transportation, utilities, services and facilities for the **Summit Water Project** (the "Project"). The Project scope is specific to the attached Special Provisions (Exhibit B). Contractor shall construct the Project for the Owner in a good, workmanlike and substantial manner and to the satisfaction of the Owner through its engineers and under the direction and supervision of the City Engineer, or his properly authorized agents including but not limited to project managers and project engineers. Contractor's work shall be strictly pursuant to and in conformity with the Contract.

1.1 A Pre-Construction Conference will be held with the successful Contractor after the Notice of Award is issued. The date and time of the Conference will be agreed upon between the Contractor and the Engineer. The meeting will be held at City Hall, 211 West Aspen Avenue, Flagstaff, AZ 86001. The purpose of the meeting is to outline specific construction items and procedures that the Owner feels require special attention on the part of the Contractor. The Contractor may also present any variations in procedures to improve the workability of the Project, reduce the cost, or reduce inconvenience to the public. The Contractor shall submit a written proposal at this conference outlining intended plans for pavement replacement, maintaining continuous access to residences and businesses along the construction site, and traffic control.

2. Contract; Ownership of Work. Contractor shall furnish and deliver all of the materials and perform all of the work in accordance with this Contract; Construction Plans; Special Provisions; the City of Flagstaff Engineering Design and Construction Standards and Specifications; the latest version of the Maricopa Association of Governments ("MAG")

Specifications for Public Works Construction and City revisions to the MAG Specifications for Public Works Construction ("Exhibit A"); and any Arizona Department of Transportation (A.D.O.T.) Standards that may be referenced on the Plans or in the specifications, incorporated in this Contract by reference, plans and associated documents. All provisions of the Invitation for Construction Bids, Performance Bond, Payment Bond, Certificates of Insurance, Addenda, Change Orders and Field Orders, if any, are hereby incorporated into this Contract. All materials, work, specifications and plans shall be the property of the Owner.

The following exhibits are incorporated by reference and are expressly made a part of this Contract:

2.1.1 Revisions of MAG Standard Specifications for Public Works Construction ("Flagstaff Addendum to MAG")	Exhibit A
2.1.2 Special Provisions	Exhibit B

3. Payments. In consideration of the faithful performance of the work described in this Contract, the Owner shall pay an amount not to exceed one million three-hundred fifty-nine thousand six-hundred fifty-seven dollars and zero cents ($1,359,657.00) to the Contractor for work and materials provided in accordance with the bid schedule, which amount includes all federal, state, and local taxes, as applicable. This amount shall be payable through monthly progress payments, subject to the following conditions:

3.1 Contractor shall promptly submit to the Owner all proper invoices necessary for the determination of the prices of labor and materials;

3.2 Progress payments shall be made in the amount of ninety percent (90%) of the value of labor and materials incorporated in the work, based on the sum of the Contract prices of labor and material, and of materials stored at the worksite, on the basis of substantiating paid invoices, as estimated by the Owner, less the aggregate of all previous payments, until the work performed under this Contract is fifty percent (50%) complete. When and after such work is fifty (50%) complete, the ten percent (10%) of value previously retained may be reduced to five percent (5%) of value completed if Contractor is making satisfactory progress as determined by the Owner, and providing that there is no specific cause or claim requiring a greater amount to be retained. If at any time the Owner determines that satisfactory progress is not being made, the ten percent (10%) retention shall be reinstated for all subsequent progress payments made under this Contract;

3.3 The City Engineer shall have the right to finally determine the amount due to Contractor;

3.4 Monthly progress payments shall be made by the Owner, on or before fourteen (14) calendar days after the receipt by the Owner of an approved estimate of the work completed;

3.5 Contractor agrees that title to materials incorporated in the work, and stored at the site, shall vest with the Owner upon receipt of the corresponding progress payment;

3.6 The remainder of the Contract price, after deducting all such monthly payments and any retention, shall be paid within sixty (60) days after final acceptance of completed work by the Owner. The release of retention or alternate surety shall be made following the Owner's receipt and acceptance of: Contractor's Affidavit Regarding Settlement of Claims, Affidavit of Payment, Consent of Surety for Final Payment, and Unconditional Full and Final lien waivers from all subcontractors and suppliers who have filed an Arizona Preliminary 20 Day Lien Notice in accordance with A.R.S. §§ 33-992.01 and 33-992.02.

4. Time of Completion. Contractor agrees to complete all work as described in this Contract within **two hundred (200) calendar days** from the date of the Owner's Notice to Proceed free of all liens, claims and demands of any kind for materials, equipment, supplies, services, labor, taxes and damages to property or persons, in the manner and under the conditions specified within the time or times specified in this Contract.

5. Performance of Work. All work covered by this Contract shall be done in accordance with the latest and best accepted practices of the trades involved. The Contractor shall use only skilled craftsmen experienced in their respective trades to prepare the materials and to perform the work.

6. Acceptance of Work; Non-Waiver. No failure of the Owner during the progress of the work to discover or reject materials or work not in accordance with this Contract shall be deemed an acceptance of, or a waiver of, defects in work or materials. No payment shall be construed to be an acceptance of work or materials which are not strictly in accordance with the Contract.

7. Delay of Work. Any delay in the performance of this Contract due to strikes, lockouts, fires, or other unavoidable casualties beyond the control of the Contractor and not caused by any wrongful act or negligence of the Contractor shall entitle the Contractor to an extension of time equal to the delay so caused. The Contractor shall notify the Owner in writing specifying such cause within twenty-four (24) hours after its occurrence. In the event such delay is caused by strikes, lockouts, or inability to obtain workmen for any other cause, the Owner shall have the right but shall not be obligated to complete the work on the same basis as is provided for in Section 13 below (Contract Violations).

8. Failure to Complete Project in Timely Manner. If Contractor fails or refuses to execute this Contract within the time specified in Section 4 above, or such additional time as may be allowed, the proceeds of Contractor's performance guaranty shall become subject to deposit into the Treasury of the municipality as monies available to compensate the Owner for damages as provided by A.R.S. § 34-201 for the delay in the performance of work under this Contract, and the necessity of accepting a higher or less desirable bid from such failure or refusal to perform this Contract as required. If Contractor has submitted a certified check or cashier's check as a performance guaranty, the check shall be returned after the completion of this Contract.

9. Labor Demonstration. It is understood that the work covered by this Contract is for the Owner's business purposes and that any unfavorable publicity or demonstrations in connection with

the work will have a negative effect upon the Owner. If Contractor's actions in performance of the Contract result in any public demonstration on behalf of the laborers or organized labor in the vicinity of the Owner's premises, whether such demonstration is in the form of picketing, posting of placards or signs, violence, threats of violence or in any other form, which in the Owner's judgment, might convey to the public the impression that the Owner or the Contractor or any subcontractor is unfair to laborers or to organized labor, the Owner shall have the right to terminate this Contract immediately, unless the Contractor shall have caused such demonstration to be discontinued within two (2) days after request of the Owner to do so. In the event any such demonstration is attended by violence, the Owner may fix lesser time within which a discontinuance shall be accomplished. In the event of Contract termination, the Contractor agrees to remove from the Premises within twenty-four (24) hours of termination, all machinery, tools, and equipment belonging to it or to its subcontractors. All obligations or liabilities of the Owner to the Contractor shall be discharged by such termination, except the obligation to pay to the Contractor a portion of the Contract price representing the value based upon the Contract prices of labor and materials incorporated in the work as established by the Owner, less the aggregate of all previous payments, but subject to all of the conditions pertaining to payments generally.

10. Material Storage. During the progress of the work, the Contractor shall arrange for office facilities and for the orderly storage of materials and equipment. Contractor shall erect any temporary structures required for the work at his or her own expense. The Contractor shall at all times keep the premises reasonably free from debris and in a condition which will not increase fire hazards. Upon completion of the work, the Contractor shall remove all temporary buildings and facilities and all equipment, surplus materials and supplies belonging to the Contractor. Contractor shall leave the Premises in good order, clean, and ready to use by the Owner. The establishment of any temporary construction yard, material storage area or staging area to be located within City of Flagstaff limits and outside the public right-of-way or Project limits generally requires a Temporary Use Permit. (See Exhibit A, Section 107.2.1.)

11. Maintenance During Winter Suspension of Work. A "Winter Shutdown" is the period of time typically including December through March during which no Work will be performed by any person or entity (including but not limited to the Contractor) on the Project and Contractor shall shutdown, properly insulate and shelter the Project in a safe and workmanlike manner pursuant to local, state and federal laws. Although December through March is typically the time frame, the City reserves the right to initiate and terminate a Winter Shutdown at the City's sole discretion in the event of adverse weather conditions. A Winter Shutdown may be declared by the City despite delays, *for any reason,* on the Project. City retains the right to declare a Winter Shutdown. If work has been suspended due to winter weather, the Contractor shall be responsible for maintenance and protection of the improvements and of partially completed portions of the work until final acceptance of the project. Winter Shutdown shall be by field order, change order or original contract. If repairs and/or maintenance are needed during the Winter Shutdown, the Contractor is required to perform the repairs and/or maintenance within twenty-four (24) hours of notification from the City. If the needed repairs and/or maintenance are not addressed within the timeframe, the City will accomplish the work and deduct the cost from monies due or become due to the Contractor.

The City shall provide snow removal operations on active traffic lanes only during the Winter Shutdown. All other snow removal and maintenance operations shall be the responsibility of the Contractor during the Winter Shutdown. All cost associated with snow removal and proper disposal shall be considered incidental to the work including repair of temporary surface improvements due to normal wear and snow removal operations during the Winter Shutdown.

12. Assignment. Contractor shall not assign this Contract, in whole or in part, without the prior written consent of the Owner. No right or interest in this Agreement shall be assigned, in whole or in part, by Contractor without prior written permission of the City and no delegation of any duty of Contractor shall be made without prior written permission of the Owner. The Owner shall not unreasonably withhold consent to such assignment. Contractor agrees that any assignment agreement between Contractor and the Assignee shall include and subject to the assignee to all obligations, terms and conditions of this Contract and that Contractor shall also remain liable under all obligations, terms and conditions of this Contract.

13. Notices. Many notices or demands required to be given, pursuant to the terms of this Contract, may be given to the other Party in writing, delivered in person, sent by facsimile transmission, emailed, deposited in the United States mail, postage prepaid, or deposited with any commercial air courier or express service at the addresses set forth below, or to such other address as the Parties may substitute by written notice, given in the manner prescribed in this paragraph. However, notices of termination, notices of default and any notice regarding warranties shall be sent via registered or certified mail, return receipt requested at the address set forth below ***and*** to legal counsel for the party to whom the notice is being given.

If to Owner:
Matthew Luhman, CPP, CPPB
Purchasing Manager
211 West Aspen Avenue
Flagstaff, AZ 86001

If to Contractor:

14. Contract Violations. In the event of any of the provisions of this Contract are violated by the Contractor or by any of Contractor's subcontractors, the Owner may serve written notice upon the Contractor and the Surety of its intention to terminate such Contract (the "Notice to Terminate"). The Contract shall terminate within five (5) days of the date Contractor receives the Notice to Terminate, unless the violation ceases and Contractor makes arrangements for correction satisfactory to the Owner. In the event of any such termination, the Owner shall immediately serve notice of the termination upon the Surety by registered mail, return receipt requested. The Surety shall have the right to take over and perform the Contract. If the Surety does not commence performance within ten (10) days from the date of receipt of the Owner's notice of termination, the Owner may complete the work at the expense of the Contractor, and the Contractor and his or her Surety shall be liable to the Owner for any excess cost incurred by the Owner to complete the work. If the Owner completes the work, the Owner may take possession of and utilize such materials, appliances and plants as may be on the worksite site and necessary for completion of the work.

15. Termination for Convenience. The Owner may terminate this contract at any time for any reason by giving at least **thirty (30) days** written notice to the Contractor. If termination occurs under this Section 15, the Contractor shall be paid fair market value for work completed by Contractor as of the date of termination. The parties agree that fair market value shall be determined based on the Contractor's original bid price, less any work not yet completed by the Contractor as of the date the written notice of termination is given to the Contractor.

16. Contractor's Liability and Indemnification. To the fullest extent permitted by law, Provider shall indemnify, save and hold harmless the City of Flagstaff and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against liabilities, damages, losses and costs, including reasonable attorney fees, but only to the extent caused by the, recklessness or intentional wrongful conduct of the contractor, subcontractor or design professional or other persons employed or used by the contractor, subcontractor or design professional in the performance of the contract. The amount and type of insurance coverage requirements set forth in the Contract (Section 103.6 of Exhibit A) will in no way be construed as limiting the scope of the indemnity in this paragraph.

17. Non Appropriation. In the event that no funds or insufficient funds are appropriated and budgeted in any fiscal period of the Owner to meet the Owner's obligations under this Contract, the Owner will notify Contractor in writing of such occurrence, and this Contract will terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Contract are exhausted. No payments shall be made or due to the other party under this Contract beyond these amounts appropriated and budgeted by the Owner to fund the Owner's obligations under this Contract.

18. Amendment of Contract. This Contract may not be modified or altered except in writing and signed by duly authorized representatives of the parties.

19. Subcontracts. Contractor shall not enter into any subcontract, or issue any purchase order for the completed work, or any substantial part of the work, unless in each instance, prior written approval shall have been given by the Owner. Contractor shall be fully responsible to the Owner for acts and omissions of Contractor's subcontractors and all persons either directly or indirectly employed by them.

20. Cancellation for Conflict of Interest. This Contract is subject to the cancellation provisions of A.R.S. § 38-511.

21. Compliance with All Laws. Contractor shall comply with all applicable laws, statutes, ordinances, regulations and governmental requirements in the performance of this Contract.

22. Employment of Aliens. Contractor shall comply with A.R.S. § 34-301, which provides that a person who is not a citizen or ward of the United States shall not be employed upon or in connection with any state, county or municipal public works project.

23. Compliance with Federal Immigration Laws and Regulations. Contractor warrants that it complies with all Federal Immigration laws and regulations that relate to its employees and complies with A.R.S. 23-214.A. Contractor acknowledges that pursuant to A.R.S. 41-4401 a breach of this warranty is a material breach of this contract subject to penalties up to and including termination of this contract, and that the City retains the legal right to inspect the papers of any employee who works on the contract to ensure compliance with this warranty.

24. Contractor's Warranty. Contractor warrants that it complies with all Federal Immigration laws and regulations that relate to its employees and complies with A.R.S. § 23-214.A, Verification of Employment Eligibility. Contractor shall not employ aliens in accordance with A.R.S. § 34-301, Employment of Aliens on Public Works Prohibited. Contractor acknowledges that pursuant to A.R.S. § 41-4401, Government Procurement; E-Verify Requirement; Definitions, a breach of this warranty is a material breach of this contract subject to penalties up to and including termination of this Contract, and that the Owner retains the legal right to inspect the papers of any employee who works on the Contract to ensure compliance with this warranty.

25. Jurisdiction and Venue. This Contract shall be administered and interpreted under the laws of the State of Arizona. The Contractor hereby submits itself to the original jurisdiction of those courts located within Coconino County, Arizona.

26. Attorney's Fees. If suit or action is initiated in connection with any controversy arising out of this Contract, the prevailing party shall be entitled to recover in addition to costs such sum as the court may adjudge reasonable as attorney fees, or in event of appeal as allowed by the appellate court.

27. Time is of the Essence. Contractor acknowledges that the completion of the Contract by the dates specified final completion is critical to the Owner, time being of the essence of this Contract.

28. No Third-Party Beneficiaries. The Parties acknowledge and agree that the terms, provisions, conditions, and obligations of this Contract are for the sole benefit of, and may be enforceable solely by, the Parties to this Contract, and none of the terms, provisions, conditions, and obligations of this Contract are for the benefit of, or may be enforced by, any person or entity not a party to this Contract.

29. Headings. The article and section headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provision of this Contract.

30. Severability. If any part of this Contract is determined by a court to be in conflict with any statute or constitution or to be unlawful for any reason, the parties intend that the remaining provisions of this Contract shall remain in full force and effect unless the stricken provision leaves the remaining Contract unenforceable.

31. Force Majeure. The parties acknowledge that there may be events that occur during the term of this Contract that are beyond the control of both the City and the Contractor, including events of war, floods, labor, disputes, earthquakes, epidemics, pandemics, adverse weather conditions not reasonably anticipated, forest fires, and other acts of God. These events may result in temporary delay or permanent shut down of the work that is the subject of this Contract, as set forth in Exhibit B. This may be caused by such things as stay-at-home orders, loss of labor force, supply chain delays, and other impediments to timely delivery of the Contract.

The parties agree that there will be no claims arising from a temporary delay or permanent shut down caused by the events described above and that the City will pay no additional costs incurred as a result of such events.

The parties agree to act in good faith to extend the Contract completion date without any penalty to the Contractor and that the extension will be in an amount of time equal to any temporary delay. This term supersedes all other terms regarding temporary delay, permanent shut down, or increased costs.

IN WITNESS WHEREOF, the Owner and Contractor, by their duly authorized representatives, have executed this Contract as of the date written above.

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

Owner, City of Flagstaff	**Contractor**
Greg Clifton, City Manager	Signature
Attest:	Printed Name
City Clerk	Title

Approved as to form:

City Attorney

CITY OF FLAGSTAFF, ARIZONA
PAYMENT BOND

PROJECT NAME: Summit Water Project
PROJECT NUMBER: 03-19007 **BID NUMBER:** 2020-111

STATUTORY PAYMENT BOND PURSUANT TO TITLE 34
CHAPTER 2, ARTICLE 2, OF THE ARIZONA REVISED STATUTES
(Penalty of this Bond must be 100% of the Contract Amount)

KNOW ALL MEN BY THESE PRESENTS:

That, _____

(Hereinafter called the Principal), as Principal, and, _____

_____, a corporation organized and existing under the laws of the State of _____, with its principal office in the City of _____ ("Surety"), as Surety, are held and firmly bound unto the City of Flagstaff, Arizona ("Obligee"), in the amount of _____

_____Dollars ($_____) for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written Contract with the Obligee, dated this _____ day of_____, 20___, to the City of Flagstaff which Contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

Now, therefore, the condition of this obligation is such, that if the principal promptly pays all monies due to all persons supplying labor or materials to the principal or the principal's subcontractors in the prosecution of the work provided for in the contract, this obligation is void. Otherwise it remains in full force and effect.

Provided, however, that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions, conditions and limitations of said Title and Chapter, to the same extent as if it were copied at length in this Contract.

The prevailing party in a suit on this bond shall recover as a part of the judgment reasonable attorney fees that may be fixed by a judge of the court.

Witness our hands this _____ day of _____ 20___.

_____	_____
Principal (Seal)	Surety (Seal)
By: _____	By: _____
_____	_____
Agency of Record	Agency Address

CITY OF FLAGSTAFF, ARIZONA
PERFORMANCE BOND

PROJECT NAME: Summit Water Project
PROJECT NUMBER: 03-19007 **BID NUMBER:** 2020-111

STATUTORY PERFORMANCE BOND PURSUANT TO TITLE 34
CHAPTER 2, ARTICLE 2, OF THE ARIZONA REVISED STATUTES
(Penalty of this Bond must be 100% of the Contract Amount)

KNOW ALL MEN BY THESE PRESENTS:

That, _____

(hereinafter called the Principal), as Principal, and, _____

_____, a corporation organized and existing under the laws of the State of _____

_____, with its principal office in the City of _____

("Surety"), as Surety, are held and firmly bound unto the City of Flagstaff, Arizona ("Obligee"), in the amount of _____Dollars ($_____

_____) for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written Contract with the Obligee, dated this ____day of _____ 20__ in the City of Flagstaff which Contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

Now, therefore, the condition of this obligation is such, that if the principal faithfully performs and fulfills all of the undertakings, covenants, terms, conditions and agreements of contract during the original term of the contract and any extension of the contract, with or without notice to the surety, and during the life of any guaranty required under the contract, and also performs and fulfills all of the undertakings, covenants, terms, conditions and agreements of all duly authorized modifications of the contract that may hereafter be made, notice of which modifications to the surety being hereby waived, the above obligation is void. Otherwise it remains in full force and effect.

Provided, however, that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, and all liabilities on this bond shall be determined in

accordance with the provisions of said Title and Chapter, to the extent as if it were copied at length in this Contract.

The prevailing party in a suit on this bond shall recover as part of the judgment reasonable attorney fees that may be fixed by a judge of the court.

Witness our hands this _____ day of _____20__.

_____	_____
Principal (Seal)	Surety (Seal)
By: _____	By: _____
_____	_____
Agency of Record	Agency Address

CITY OF FLAGSTAFF
AMENDMENTS
to
MAG STANDARD SPECIFICATIONS
FOR PUBLIC WORKS CONSTRUCTION
(General Provisions)

Amended May 2019

The
MAG UNIFORM STANDARD SPECIFICATIONS
for
PUBLIC WORKS CONSTRUCTION
is hereby amended to include the following:

PART 100 - GENERAL CONDITIONS

SECTION 102 - BIDDING REQUIREMENTS AND CONDITIONS

102.1 ELIGIBILITY AND PREFERENCE:
(revise to include the following)

If requested by the City, a Bidder shall furnish satisfactory evidence of the Bidder's competency to perform the proposed work. Such evidence of competency, unless otherwise specified, shall consist of statements covering the Bidder's experience on similar work, a list of equipment that would be available for the work and a list of key personnel that would be available.

In addition, if requested, a Bidder shall furnish the City of Flagstaff with satisfactory evidence of the Bidder's financial responsibility. Such evidence of financial responsibility, unless otherwise specified, shall consist of a confidential statement or report of the Bidder's financial resources and liabilities as of the last calendar year or the contractor's last fiscal year. Such statements or reports shall be certified by a public accountant. At the time of submitting such financial statements or reports, the Bidder shall further certify whether the Bidder's financial responsibility is approximately the same as stated or reported by the public accountant. If the Bidder's financial responsibility has changed, the Bidder shall qualify the public accountant's statement or report to reflect the Bidder's true financial condition at the time such qualified statement or report is submitted to the City of Flagstaff.

The Bidder shall submit such "evidence of competency" and "evidence of financial responsibility" to the City of Flagstaff no later than five (5) working days after receipt of a written request by the City of Flagstaff.

Each bidder, contractor and subcontractor shall possess and maintain the appropriate contractor's license for the work included in this contract. The appropriate license shall be as required by the Arizona State Registrar of Contractors and as required by Arizona Revised Statutes Chapter 10, Title 32.

102.2 CONTENTS OF PROPOSAL PAMPHLET:
(revise to include the following)

The Plans, Specifications and other Documents designated in the Contract Documents shall be considered a part of the Contract whether attached or not.
The City of Flagstaff reserves the right to refuse to issue a proposal form or accept a proposal form from a prospective Bidder if they are in default for any of the following reasons:

(A) Failure to comply with any prequalification regulations of the City of Flagstaff, if such regulations are cited or otherwise included in the Proposal as a requirement for bidding;

(B) Failure to pay or satisfactorily settle all bills due for labor and materials on former contracts in force (with the City of Flagstaff) at the time the City of Flagstaff issues the Proposal to a prospective Bidder;

(C) Contractor, as a company owner, has defaulted under previous contract(s) with the City of Flagstaff in the prior five calendar years;

(D) Record of unsatisfactory work on previous contract(s) with the City of Flagstaff in the prior five calendar years.

102.2 CONTENTS OF PROPOSAL PAMPHLET:
(third paragraph, revise last sentence to read as follows)

In the case of conflict, the following order of precedence shall govern:

1. Construction Plans and Addenda
2. Special Provisions
3. General Provisions and MAG Revisions
4. City of Flagstaff Standards and Specifications
5. MAG Standards and Specifications
6. ADOT Standards and Specifications
7. FHWA Manual of Uniform Traffic Control Devices

102.4 EXAMINATION OF PLANS, SPECIAL PROVISIONS AND SITE OF WORK:
(revise to include the following)

Before submitting a bid, each bidder shall examine the site and obtain information that pertains to the physical conditions of the site that may affect the cost, progress or performance of the work. Any restrictions or difficulties relating to the completion of the work shall be considered in accordance with the terms and conditions of the contract documents.

102.7 IRREGULAR PROPOSALS:
(revise to include the following)

The City of Flagstaff reserves the right to reject any irregular Proposal and the right to waive technicalities for acceptance of Proposals, if such waiver is in the best interest of the City of Flagstaff and conforms to local laws and ordinances pertaining to the letting of construction contracts. Proposals shall be considered irregular for the following additional reasons:

(A) If the Proposal contains unit prices that are obviously unbalanced.

(B) If the Proposal is not accompanied by the proposal guaranty specified by the City.

102.12 DISQUALIFICATION OF BIDDERS:
(revise to include the following)

A Bidder shall also be considered disqualified if the Bidder is considered in default for any reason specified in Subsection 102.2 as amended by this MAG Amendment.

102.13 SUCCESSFUL BIDDERS:
(revise paragraph to read as follows)

The City of Flagstaff shall provide six (6) sets of plans and Contract Documents at no cost. A direct expense fee shall be charged for any additional copies.

SECTION 103 - AWARD AND EXECUTION OF CONTRACT

103.6 CONTRACTOR'S INSURANCE:

103.6.1 GENERAL:
(revise subsection to read as follows)

The Contractor and its Subcontractors, at Contractor's and Subcontractors' own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. Rating of A-, 7, or approved by the City. The insurance company shall be licensed in the State of Arizona. Policies and forms shall be satisfactory to the City.

All insurance required herein shall be maintained in full force and effect until all work and/or services required to be performed, under the terms of the Contract, are satisfactorily completed and formally accepted. At the sole discretion of the City, failure to do so may constitute a material breach of this Contract.

The Contractor's insurance shall be primary insurance as respects the City. Any insurance or self-insurance maintained by the City shall not contribute to it.

Contractor shall not fail to comply with the claim reporting provisions of the insurance policies or cause a breach of any insurance policy warranty that would affect coverage afforded under insurance policies to protect the City.

The insurance policies (except Worker's Compensation) shall contain a waiver of transfer of rights of recovery (subrogation) against the City, its agents, representatives, directors, officers, and employees for any claims arising out of the Contractor's acts, errors, mistakes, omissions, work or service.

The insurance policies may provide coverage, which contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to the City under such policies. The Contractor shall be solely responsible for the deductible and/or self-insured retentions, and the City, at its option, may require the Contractor to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit.

The City reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. The City shall not be obligated, however, to review same or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of the City's right to insist on, strict fulfillment of Contractor's obligations under this Contract.

Except for Worker's Compensation, the insurance policies, required by this Contract shall name the City, its agents, representatives, officers, directors, officials and employees as additional insureds.

Required Coverage

A. Commercial General Liability

The Contractor shall maintain Commercial General Liability insurance with a limit of not less than $1,000,000 for each occurrence with a $2,000,000 Products/Completed Operations Aggregate and a $2,000,000 General Aggregate Limit. The Policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage. Coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00011093 or any replacements thereof. The coverage shall not exclude X, C, U.

Such policy shall contain a severability of interest provision and shall not contain a sunset provision or commutation clause, nor any provision, which would serve to limit third party action

over claims. The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc. Additional Insured, Form B, CG 20101185, and shall include coverage for Contractor's operations and products and completed operations.

B. Owners and Contractor's Protective Liability

The Contractor shall purchase and maintain, at all times during prosecution of the work, services or operations under this Contract, an Owner's and Contractor's Protective Liability insurance policy for bodily injury and property damage, including death, which may arise in the prosecution of the Work or Contractor's operations under this Contract. Coverage shall be on an occurrence basis with a limit not less than $1,000,000 per occurrence, and the policy shall be issued by the same insurance company that issues the Contractor's Commercial General Liability insurance.

C. Automobile Liability

Contractor shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than $1,000,000 each occurrence with respect to the Contractor's any auto, all owned autos, scheduled autos, hired autos, non-owned autos assigned to or used in performance of the Contractor's work. Coverage will be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc. Policy CA 00011293, or any replacements thereof). Such insurance shall include coverage for loading and off-loading hazards. If hazardous substances, materials or wastes are to be transported, MCS 90 endorsement shall be included and $5,000,000 per accident limits for bodily injury and property damage shall apply.

D. Worker's Compensation

The Contractor shall carry Worker's Compensation insurance to cover obligations imposed by federal and state statues having jurisdiction of Consultant's employees engaged in the performance of the work or services; and Employer's Liability insurance of not less than $100,000 for each accident, $100,000 disease for each employee, and $500,000 disease policy limit.

In case any work is subcontracted, the Contractor will require the Subcontractor to provide Worker's Compensation and Employer's Liability to at least the same extent as required of the Contractor.

E. Builder's Risk (Property) Insurance (As Required)

When the project includes construction of a new building, an addition to an existing building, modifications to an existing building, or as otherwise may be required by the contracting agency, the Contractor shall purchase and maintain, on a replacement cost basis, Builder's Risk insurance

in the amount of the initial Contract Amount as well as subsequent modifications thereto for the entire work at the site. At a minimum, the policy limits of such insurance shall be equal in face amount to the full Contract Amount. Such Builder's Risk insurance shall be maintained until final payment has been made or until no person or entity other than the City has an insurable interest in the property required to be covered, whichever is earlier. This insurance shall include interests of the City, the Contractor, and all Subcontractors and Sub-Subcontractors in the work during the life of the Contract and course of construction, and shall continue until the work is completed and accepted by the City. For new construction projects, the Contractor agrees to assume full responsibility for loss or damage to the work being performed and to the buildings under construction. For renovation construction projects, the Contractor agrees to assume responsibility for loss or damage to the work being performed at least up to the full Contract Amount, unless otherwise required by the Contract Documents or amendments thereto.

Builder's Risk insurance shall be on an all-risk policy form and shall cover false work and temporary buildings. Builder's Risk insurance shall insure against risk of direct physical loss or damage from external causes including debris removal, demolition occasioned by enforcement of any applicable legal requirements and shall cover reasonable compensation for Architect's service and expenses required as a result of such insured loss and other "soft costs" as required by the Contract.

Builder's Risk insurance must provide coverage from the time any covered property becomes Contractor's control and/or responsibility, and continue without interruption during construction or renovation or installation, including any time during which the covered property is being transported to the construction installation site, and while on the construction or installation site awaiting installation. The policy will provide coverage while the covered premises or any part thereof is occupied. Builder's Risk insurance shall be primary and not contributory.
If the Contract requires testing of equipment or other similar operations, at the option of the City, the Contractor will be responsible for providing property insurance for these exposures under a Boiler Machinery insurance policy.

Required coverage may be modified by an amendment to the Contract Documents.

Certificates of Insurance

Prior to commencing work or services under this Contract, Contractor shall furnish the City with Certificates of Insurance, or formal endorsements as required by the Contract, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect.

In the event any insurance policies required by this contract are written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of the Contractor's work or services and as evidenced by annual Certificates of Insurance.

If a policy does expire during the life of the Contract, a renewal certificate must be sent to the City fifteen (15) days prior to the expiration date.

All Certificates of Insurance shall be identified with bid/project number and project name. A $25.00 administrative fee will be assessed for all certificates received without the appropriate bid serial number and title.

Cancellation and Expiration Notice

Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days written notice to the City.

SECTION 104 - SCOPE OF WORK

104.1.3 WATER SUPPLY:
(revise to include the following)

The Contractor is advised that the use of fire hydrants as a source of construction water is not guaranteed and is subject to the restrictions, terms and conditions of the City of Flagstaff Utilities Department. Prior to submitting a bid, the Contractor shall determine such restrictions, terms and conditions and shall incorporate the costs thereof into his or her proposal.

If hydrants are not available as a source of construction water, reclaimed water is available at the Wildcat Hill Wastewater Treatment plant on East Highway 66 and at the south end of Babbitt Drive at the Rio De Flag Water Reclamation Plant. Additional reclaimed water bulk loading sites are located in other areas of the city. The contractor should obtain current locations from the Utilities Department. **Current rates for the reclaimed water shall apply**.

Prior to loading, hauling and applying reclaim water, the Contractor shall be required to obtain the necessary no fee permit at the Wildcat Hill Wastewater Treatment Plant or from the Rio De Flag plant and shall be responsible for complying with all permit and ADEQ requirements regarding the use of reclaim water.

104.2 ALTERATION OF THE WORK:

104.2.3 DUE TO EXTRA WORK:
(revise to include the following)

When Allowance and/or Contingency items are provided for in the contract, the funds are encumbered for use at the discretion of the Project Manager. The funds are to cover unanticipated costs to complete items of work not included in the Contract Documents or may be applied to any

work deemed necessary by the Owner. Work would include, but not limited to, unanticipated conditions, scope changes, addressing errors or omissions, and/or construction changes that are warranted for project completion consistent with the purpose of the work. The amount of the allowance item is determined by the City and is not subject to individual bid pricing. All bidders shall incorporate the amount pre-entered in the bid proposal and shall reflect the same in the total amount bid for the project.

The allowance item provides an estimated funding to cover unforeseen changes that may be encountered and corresponding extra work needed to complete the contract. Any work which is to be paid out of this allowance shall be authorized in writing and approved by Field Order prior to proceeding with the work. Extra work shall be paid for in the following order of precedence: 1.) by extension of unit bid prices, 2.) by negotiated price or 3.) by a time and materials basis in accordance with MAG Section 109.5.

It shall be understood that the amount for this item in the proposal is an estimate only and no guarantee is given that the full amount or any portion thereof will actually be utilized. It shall not be utilized without first obtaining an approved Field Order signed by the Contractor and the Project Manager.

105.2.1 RECORD DRAWING PREPARATION AND COORDINATION
(revise to include new subsection as follows)

Record drawing preparation shall be the obligation of the Contractor whose purpose is to accurately record and depict the as-built conditions. During the construction phase and prior to backfilling or covering of improvements, the Contractor shall have the work surveyed and recorded for record drawing preparation.

The Contractor shall maintain a redline working copy of the project plans which shall include changes made in construction of the project. The redline copy of the plans shall be updated weekly.

105.2.2 RECORD DRAWING (As-Built Plans)
(revise to include new subsection as follows)

The Contractor shall retain an Arizona licensed civil engineer to record as-built information per Arizona Revised Statute § 32-152. Water and sewer record drawing certification shall comply with ADEQ R18-5-508 (drinking water) and ADEQ R18-9-E301 (sewage collection) requirements for as-built drawings. Unless otherwise noted, the City will complete and submit the Engineer's Certificate of Completion to ADEQ.

Prior to the City's final approval and acceptance of public improvements (sanitary sewer, water, storm sewer, streets) as-built plans must be submitted to the City for review and acceptance per Engineering Standard Specifications.

Submittal shall be two sets of blue or black line paper sets, copied from the original mylar set. One set will be reviewed by the City and returned with applicable comments. Comments are to be addressed and two paper sets resubmitted for City's final approval. A reference checklist is available from the office of the City Engineer.

Upon City and ADEQ (when applicable) review and approval of the submittal, one set of mylars shall be submitted to the City as a permanent record. All record drawing plan sets shall contain a statement by a licensed professional engineer, currently registered to practice in Arizona, certifying that the drawings are per the as-built condition. The record set requires the seal and signature of the registrant.

Payment shall be lump sum for all work required to develop the necessary documents, including but not limited to coordination, field inspection, survey, drafting, printing and engineer's seal. The fee shall include as-built information for all record changes within the project area.

SECTION 105 - CONTROL OF WORK

105.8 CONSTRUCTION STAKES, LINES AND GRADES:
(revise entire subsection to read as follows)

The Contractor shall be responsible for all required construction staking, including preconstruction staking for relocation of existing utilities. All construction staking is to be done under the direct supervision of a Registered Land Surveyor or Civil Engineer. All costs associated with this work are to be included in the amount bid for the items of work to which it is incidental or appurtenant. No separate payment will be made for construction staking.

105.10 INSPECTION OF THE WORK
(revise to include the following)

The Contractor is responsible for Quality Control of the work. The City will perform Quality Assurance; frequency of testing will be determined by the City. The Contractor shall be responsible for coordinating and scheduling all inspections of the work and shall confirm that the required inspections and material testing are completed and accepted prior to proceeding with additional work. The Contractor is required to perform the work to a confidence level that the City's Quality Assurance will validate that the work meets specification(s).

105.11 REMOVAL OF UNACCEPTABLE AND UNAUTHORIZED WORK:
(revise to include the following)

Any work and/or materials condemned by the Project Manager as inferior or not in compliance with the Contract, Specifications and Plans shall be immediately removed by the Contractor. Materials and/or work so condemned shall be removed and promptly replaced and executed in accordance with the Contract, Specifications and Plans without any expense to the Owner. The Contractor shall bear the expense of making good on all work of other contractors destroyed or damaged by such removal and replacement.

105.12 MAINTENANCE DURING CONSTRUCTION:
(revise to include the following)

The Contractor is responsible to provide adequate drainage for the construction area at all times. Damage to any portion of the work caused by the Contractor's failure to provide adequate drainage of the construction area shall be repaired at the Contractor's expense. A contract time extension will not be granted for any additional time required to make such repairs.

The Contractor shall control open excavations and stockpiling in a manner to prevent water from running into excavations. Obstructions of surface drainage shall be avoided and means shall be provided whereby storm water and wastewater can flow uninterrupted in existing or established pipes, flow courses, other surface drains, temporary drains or channels.

Material for backfill or for protection of excavations within public roads or easements shall be placed and shaped to cause the least possible interference to public travel. In no event shall any flows be allowed to enter private property.

105.16 MAINTENANCE DURING WINTER SUSPENSION OF WORK
(revise to include new subsection as follows)

If work has been suspended due to winter weather, the Contractor shall be responsible for maintenance and protection of the improvements and of partially completed portions of the work until final acceptance of the project. Winter suspension shall be by field order, change order or original contract. City retains the right to declare a winter shutdown. If repairs and/or maintenance are needed during the suspension, the Contractor is required to perform the repairs and/or maintenance within twenty-four (24) hours of notification from the City. If the needed repairs and/or maintenance are not addressed within the timeframe, the City will accomplish the work and deduct the cost from monies due or become due to the Contractor.

The City shall provide snow removal operations on active traffic lanes only. All other snow removal and maintenance operations shall be the responsibility of the Contractor. All cost associated with

snow removal and proper disposal shall be considered incidental to the work including the repair of temporary surface improvements due to normal wear and snow removal operations.

SECTION 107 - LEGAL REGULATIONS AND RESPONSIBILITY TO THE PUBLIC

107.1 LAWS TO BE OBSERVED:
(revise to include the following)

(G) TAX EXEMPTION: Certain material, machinery and equipment to be installed in this project is exempt from sales tax or use tax as allowed in Arizona Revised Statutes Section 42-5061, 42-5009 and Section 42-5159 and by the Administrative Rules and Regulations of the Arizona Department of Revenue; ACC R15-5-608, R15-5-120 and R15-5-2314.

The City wishes to rely upon the expertise of the contractor in the purchase of items that qualify for the tax exemption. With respect to purchase of the qualifying items, the Contractor is authorized to act as an agent for the City. This agency agreement is strictly limited to the purchase of the qualifying items to be used in the construction of the project and will not otherwise affect or alter the respective rights, responsibilities and remedies of the parties as specified under this contract. The contractor shall furnish the City a list of suppliers and the material, machinery and equipment to be furnished by each. The City will then issue the materials and equipment exemption certificate to each supplier pursuant to A.R.S. §42-5009 (A) (2). The contractor's applicable unit bid prices for items qualifying for this tax exemption should not include sales or use tax. The materials, machinery and equipment that are a part of this project and to which the exemption applies are listed below:

1. Pipes, valves and appurtenances four (4) inches in diameter or larger used to transport potable water,
2. Any additional material, machinery or equipment identified in the Special Provisions.

107.2 PERMITS:
(revise to include the following)

The City of Flagstaff shall issue a no fee permit for work in City right-of-way for this Contract. The City shall work with the Contractor to obtain a permit for work in State of Arizona right-of-way from the Arizona Department of Transportation. The Contractor may not commence work until these permits are issued.

107.2.1 TEMPORARY USE PERMITS:
(revise to include new subsection as follows)

A Temporary Use Permit (and Above Ground Fuel Storage Permit if applicable) is required prior to the establishment of any temporary construction yard, material storage area or staging area located

within City limits and outside the public right-of-way or project limits. The Contractor is responsible for obtaining the necessary Temporary Use Permit from the agency with jurisdictional authority.

The time required to process the Temporary Use Permit is approximately twelve (12) calendar days. The Contractor shall submit the necessary permit application no later than ten (10) calendar days following the Notice of Award. Any delays experienced by the Contractor in acquiring the Temporary Use Permit shall not necessarily be grounds for delaying the project Notice to Proceed.

107.2.2 DISPOSAL OF WASTE AND SURPLUS MATERIAL:
(revise to include the following)

All disposal costs, regardless of disposal site, shall be included in the bid unit price for the related item of work and no direct payment will be made for disposal of waste or surplus materials. This right of disposal does not apply to any substance or items that are regarded as toxic and/or hazardous by the City, the State of Arizona or the United States Government.

Alternate disposal sites may be proposed by the Contractor but are subject to all applicable local ordinances and codes. In addition to the property owner's written authorization, all disposal sites within the city limits are subject to review and approval by the Temporary Use Permit process. The disposal of material at alternate disposal sites will not be allowed without written authorization of the owner, approval of the appropriate jurisdictional authority, and the issuance of all necessary permits.

107.2.3 ABOVE GROUND FUEL STORAGE PERMIT:
(revise to include new subsection as follows)

If required, Above Ground Fuel Storage Permits may be obtained from the City of Flagstaff Fire Department, located at 211 West Aspen Avenue, Flagstaff, AZ. The Contractor is responsible for obtaining the permit.

107.5 SAFETY, HEALTH, AND SANITATION PROVISIONS:

107.5.4 HANDLING, REMOVAL AND DISPOSAL OF SURPLUS MATERIAL AND ASBESTOS CONTAINING MATERIALS (ACM)
(revise to include new subsection as follows)

The Contractor is responsible for handling, removal and disposal of all soil material generated by the project as described in the General Provisions.

The City requires compliance with Environmental Protection Agency (EPA), Arizona Department of Environmental Quality (ADEQ) and Occupational Safety and Health Administration (OSHA) asbestos regulations for all City projects.

Utility pipes constructed of materials other than metal or polyvinyl chloride (PVC) require testing prior to any disturbance of the pipes to determine if regulated levels of asbestos are present in the pipe material. Suspect pipe materials requiring testing typically include vitrified clay and cement pipe (transite). Asbestos testing is not required for metal pipes.

City Public Works/Sustainability & Environmental Management staff are available to collect samples and submit the samples for analyses. **The City of Flagstaff will provide testing free of charge.** If the pipe does not contain regulated levels of asbestos, the contractor may disturb and remove the piping. If utility piping contains regulated levels of asbestos, an asbestos abatement contractor must perform any disturbance/removal of the pipe materials. This is required to ensure workers are not exposed to any asbestos fibers.

Work may require the proper handling, removal and disposal of regulated asbestos piping and materials generated by cutting or breaking the pipe to remove it from the ground. If asbestos containing materials (ACM) removal is necessary on the project, the City of Flagstaff requirements for handling, removal and disposal are as follows:

- If an infrastructure or building material that is not either wood, glass or metal is encountered during the project and has not yet been either assumed or positively identified to be ACM then the material(s) must be sampled in accordance with regulations generated by the EPA Asbestos Hazard and Emergency Response Act (AHERA) 40 CFR 763 as well as OSHA 29 CFR 1910.1101, by a certified AHERA Building Inspector and sent to a National Voluntary Laboratory Accreditation Program (NVLAP) certified laboratory for analysis.

- Once materials of concern are assumed or properly identified to be ACM then material removal is required according to OSHA 29 CFR 1910-1926.1101 by a certified asbestos abatement worker, and NOT a general contractor (GC). However, if the GC holds the appropriate asbestos certifications (AHERA Asbestos Operations and Maintenance), which the City would need to verify is current, then the GC could perform the asbestos abatement.

The City requires the General Contractor arrange for abatement of assumed and/or identified ACM by a certified asbestos abatement contractor and to arrange area and/or clearance air monitoring by a third party certified asbestos consultant. If applicable to the project, copies of abatement activities and air monitoring shall be provided to City of Flagstaff Environmental Management staff.

In the event of large disturbances to ACM, compliance with the National Emission Standards for Hazardous Air Pollutants (NESHAP) 40 CFR 61, Subpart M shall be followed. Notification would be required the Arizona Department of Environmental Quality 10 working days in advance of the start of a large project. This notification is not typically required for utility pipe work, but could

be required for a very large project involving numerous saw cuts of utility pipes. http://www.azdeq.gov/environ/air/asbestos/

If ACM removal is necessary on the project, the City of Flagstaff requirements for ACM disposal at the City's Cinder Lake Landfill are as follows:

Only non-friable asbestos waste is accepted for disposal at Cinder Lake Landfill. PRIOR to disposal of non-friable ACM, obtain the necessary forms, which are:

- Non-Friable Asbestos Waste Acceptance Application and accompanying instructions
- Non-Friable Asbestos Waste Shipment Record (WSR)

The Asbestos Waste Acceptance Application is available at the City of Flagstaff's website or by contacting the City of Flagstaff Environmental Management staff. A Waste Shipment Record is required to accompany each load of non-friable asbestos waste taken to the Cinder Lake Landfill.

Assure the non-friable ACM is properly handled and wrapped. Non-friable ACM must be thoroughly wetted using amended water PRIOR to being wrapped in 6-millimeter poly and be tightly sealed with duct tape. If the material is heavy (such as transite pipe), has sharp edges, or may easily puncture the poly wrap, a double layer of poly will be necessary. The Cinder Lake Landfill scale house attendant will inspect the load to ensure it is properly wrapped. Containers holding non-friable ACM shall be carefully unloaded and placed in a designated location. Dumping using a hydraulically lifted bed of a truck is not permitted (dump truck), as the poly wrap may be torn open.

If using a large bin for disposal, attach a copy of the Waste Shipment Record to the disposal bin. If not using a City of Flagstaff disposal bin, make sure the delivery driver takes a copy of the SIGNED Non-Friable Asbestos Waste Acceptance Application and the Waste Shipment Record to the Cinder Lakes Landfill with the waste delivery.

If using a City of Flagstaff disposal bin call City Environmental Services at (928) 774-0668 to schedule a pick-up for the disposal bin. Please be sure to provide the driver with the SIGNED Non-Friable Asbestos Waste Acceptance Application and the Waste Shipment Record and be sure to clarify if you would like the disposal bin emptied and removed, or emptied and returned to the work site. When disposal is completed, the Landfill Manager will sign the Waste Shipment Record and landfill staff will provide or mail a copy of the Waste Shipment Record.

Cutting of utility pipes generates Regulated Asbestos Containing Material (dust from cutting) and breaking pipes may generate RACM. RACM requires disposal at the Joseph City Landfill or at other landfills located in southern Arizona.

All work relating to the removal and disposal of unknown and/or unanticipated hazardous materials as described above shall be paid per MAG 109.4.3.

107.8 107 USE OF EXPLOSIVES:

(first paragraph, revise second sentence to read as follows)

The Contractor shall submit a blasting plan for approval and obtain a Blasting Permit from the City of Flagstaff Fire Department, located at 211 W. Aspen Avenue, Flagstaff, Arizona.

(revise to include the following)

The Contractor shall submit a copy of the approved blasting plan to the Project Manager. The plan shall include as a minimum; safety layout, drilling pattern, size and depth of bore, weight and type of charge, delay sequence, contractor's anticipated peak particle velocity at the right-of-way line or nearest structure, and the proposed seismograph locations.

A record of each blast shall be kept and all records including seismograph reports shall be available for inspection. Each record shall provide as a minimum; location, date and time of blast, name of person in charge, number of holes burdened, spacing, diameter and depth of holes, boring logs to determine top of rock, type and total amount of explosives used, direction and distance to nearest building, type of detonators and delay periods used, and exact locations of seismographs.

When blasting operations are to be conducted within 200 feet of a water line, sewer line or other underground utility, the Contractor shall take additional precautionary measures. The Contractor shall notify the owner of the facility a minimum of two weeks in advance that such blasting operations are intended. At their discretion, the Owner may perform pre-blast, post-blast pressure tests or other inspection of the facility. If any damage occurs because of blasting operations, the Contractor shall be responsible for the restoration of the facility to pre-blast conditions.

107.9 PROTECTION AND RESTORATION OF PROPERTY AND LANDSCAPE:

(revise to include the following)

The Contractor is responsible for replacing and/or restoring the site, landscaping and owner's improvements associated with the project to the pre-existing condition using in-kind materials. All cost shall be included in the bid as incidental to the work, unless otherwise specified in the bid schedule or plans.

Within easements, the Contractor is responsible for removing existing improvements and salvaging items (not identified for removal) for relocation after the public improvements are completed. Close coordination between the Contractor and property owners and/or residents is required.

107.11 CONTRACTOR'S RESPONSIBILITY FOR UTILITY PROPERTY AND SERVICES:
(revise to include the following)

All power poles, pedestals, guy wires and underground facilities shall be removed and/or relocated by the respective owners of the facilities. The contractor is responsible for the notification and coordination with the utility companies to ensure that this work is accomplished in a manner consistent with the construction schedule. Payment for Franchise Utility coordination and location is incidental to the cost of the work.

The Contractor shall perform utility potholes and identify potential conflicts prior to trenching. The utility pothole information and identification of potential conflicts shall be provided to the Project Manager at least two weeks prior to performing trenching or pipeline construction.

SECTION 108 - COMMENCEMENT, PROSECUTION AND PROGRESS

108.1 NOTICE TO PROCEED:
(revise to include the following)

Time is of the essence in submitting the initial and revised construction schedule and traffic control plan. Each is a requirement that precedes the Contractor's right and the City's obligation to proceed with the agreement.

The Notice to Proceed shall be issued for a start date no later than twenty-seven (27) calendar days following receipt of the Notice of Award. The Contractor shall be required to submit a construction schedule and traffic control plan in accordance with the Contract Documents and the following:

The Contractor shall within seven (7) calendar days of receiving the Notice of Award, submit a construction schedule and traffic control plan to the Project Manager. The Project Manager shall promptly review the construction schedule and traffic control plan and either approve them, or provide a written list of the items that will require revision. The Contractor shall submit the revised construction schedule and traffic control plan within five (5) calendar days of receiving the Project Manager's list of required revisions. The corrected construction schedule and traffic control plan submittal shall address all comments from the Project Manager's list of required revisions.

If the Project Manager approves the second submission of the construction schedule and traffic control plan, a notice will be issued specifying the date on which the Contractor may proceed with the work. If it is determined that the construction schedule and/or traffic control plan are not adequate to manage the contract, the Contractor shall be notified in writing. Within three (3) full business days following receipt of the notice, the Contractor shall elect to:

1. Submit a revised final construction schedule and traffic control plan together with a cashier's check or bank draft in the amount of two and one half (2 1/2) percent of the contract price as liquidated damages for the delay time lost to that date; or
2. Do nothing, in which case this contract shall be deemed terminated at the Contractor's election. The Contractor shall then have no right or duty to continue performance and the City shall be released from all liability to the Contractor under this agreement.

In the event the Contractor elects the first alternative, the Project Manager shall approve the final construction schedule and traffic control plan if acceptable, in which case the City shall be entitled to the liquidated damages or shall reject the construction schedule and traffic control plan and return the check or draft. In the latter event, the contract shall be deemed terminated, the liquidated damages provision shall not apply, and the City shall be entitled to recover its actual damages incurred for the Contractor's breach of agreement.

108.3 CORRESPONDENCE TO THE CONTRACTOR:
(revise to include the following)

In addition to written communication to the Project Manager, the Contractor shall provide and maintain a contact located within ten miles of the job site at all times throughout the duration of the Contract. The designated contact shall be accessible by telephone at all times to respond to agency requirements and emergencies. The local location and phone number(s) shall be provided to the Project Manager prior to issuance of the Notice to Proceed. Any changes of the location or phone number(s) shall be reported immediately to the Project Manager.

If a response is needed, the Contractor is required to respond and perform the repairs and/or maintenance within two (2) hours of notification from the City. If the needed repairs and/or maintenance are not addressed within the timeframe, the City will accomplish the work and deduct the cost from monies due or become due to the Contractor.

108.4 CONTRACTOR'S CONSTRUCTION SCHEDULE:
(revise to include the following)

The Contractor’s schedule shall include, as a minimum, the following:

- Identification of project tasks with assigned dates and durations, which reflect anticipated sequencing of construction activities on scheduled working days;
- All anticipated subcontractors that will be used during the course of the work;
- The anticipated number of crews to expedite the progress and ensure prompt completion of the work;

  Definition of a crew;
  - personnel *(e.g. operator, laborer)*

    - equipment *(e.g. Cat 325 Excavator, 950 Loader)*
    - workdays anticipated or scheduled per week (*e.g. Monday through Friday)*
    - work hours anticipated or scheduled per day *(e.g. 7:00 am to 3:30 pm)*
- Anticipated adverse weather days for weather dependent activities, weekends and holidays.
- Specific long lead times for delivery of equipment and materials;
- Critical path project schedules may be required as provided for by the Special Provisions or Project Addenda.

108.5 LIMITATION OF OPERATIONS:
(third paragraph, revise to read as follows)

Except in emergencies endangering life or property, written permission shall be obtained from the City prior to performing any work on weekends, legal holidays or after regular work hours (hereinafter defined as 7:00 a.m. to 5:00 p.m. - Monday through Friday). Inspection and testing will not be provided on Sundays or City legal holidays without prior approval from the Project Manager (72-hour advance notice) and total compensation by the Contractor for any necessary personnel, equipment and services.

Overtime compensation for City personnel shall be as follows:

Construction Supervisor @ $ 43.00/hour
Inspector II @ $ 35.00/hour
Inspector I @ $30.00/hour
Lab Tech I @ $ 25.00/hour
Vehicle @ $1.80/hour

108.7 DETERMINATION AND EXTENSION OF CONTRACT TIME:
(revise to include the following)

The contract time, including final clean-up of the project site and storage areas, may be extended because of weather conditions that cannot be reasonably anticipated. The number of actual days that the scheduled work is impacted by adverse weather shall be recorded weekly during the construction period.

The Contractor will be entitled to a contract time extension if the actual adverse weather days experienced during the work exceed the anticipated adverse weather days shown. The following is the monthly schedule of adverse weather days that shall be anticipated by the Contractor in scheduling the work:

TABLE 108.7 MONTHLY CALENDAR DAYS for ANTICIPATED ADVERSE WEATHER

MONTH	*JANUARY*	*FEBRUARY*	*MARCH*	*APRIL*	*MAY*	*JUNE*
Monthly Calendar Days for Anticipated Adverse Weather	7 Days	7 Days	8 Days	6 Days	4 Days	3 Days
Average Monthly Precipitation	1.98”	1.96”	2.05”	1.34”	0.68”	0.51”
MONTH	*JULY*	*AUGUST*	*SEPTEMBER*	*OCTOBER*	*NOVEMEBER*	*DECEMBER*
Monthly Calendar Days for Anticipated Adverse Weather	12 Days	11 Days	7 Days	5 Days	5 Days	6 Days
Average Monthly Precipitation	2.78”	2.68”	1.82”	1.52”	1.49”	1.90”

The above schedule of anticipated adverse weather days establishes the base line for the project's monthly weather impacts based on historical records, as recorded by the National Weather Service at Pulliam Airport, for precipitation in excess of 0.01 of an inch per calendar day.

The number of actual days that scheduled work is impacted by adverse weather as defined above shall be recorded weekly during the contract period. It is the Contractor's responsibility to request in writing any adverse weather delays experienced during the prior week no later than the normally scheduled weekly project meeting. Any adverse weather day requests that are not received, as stated above, shall neither be considered nor approved. Once the number of approved actual adverse weather days exceeds the number of anticipated adverse weather days in the schedule above, the Contractor is entitled to a contract time extension.

Actual adverse weather days must also prevent work for fifty (50) percent or more of the Contractor's work day and delay scheduled work critical to the timely completion of the project. The City will convert any delays meeting the above requirements to calendar days and extend the contract period as necessary. No additional compensation will be allowed for direct and indirect overhead expenses associated with any such contract time extensions. The Contractor's schedule must include the above anticipated adverse weather delays for all weather dependent activities and shall show all weekends and holidays.

108.8 GUARANTEE AND WARRANTY PROVISIONS:
(revise to include the following)

If requested by the City, the Contractor shall return to the project site eleven months after acceptance of the project and visually inspect, in the presence of the Owner's Representative, all accessible construction items and appurtenances. All defective materials and/or workmanship shall be satisfactorily repaired or replaced at the sole expense of the Contractor.

All costs for the 11-month inspection and repair shall be borne by the Contractor and in figuring his or her bid, the Contractor shall include an appropriate amount for such inspection and possible required repair, and no additional payment will be allowed.

108.10 FORFEITURE AND DEFAULT OF CONTRACT:
(revise to include new section)

Due to Failure to Prosecute the Work

If the Contractor fails to prosecute the work in accordance with the contract, including requirements of the progress schedule, the City may correct these deficiencies after three days after providing written notice to the Contractor. The cost of these remedies shall be charged against the Contractor. A change order may be issued to make the necessary changes in the contract and to make an appropriate reduction in the contract price. Such a change order shall not require the signature or approval of the Contractor. The remedy shall not prejudice the City's use of any other remedy, which the City may be entitled to use.

108.12 AUTHORIZED SIGNATURES:
(revise to include new section)

The Contractor shall provide a notarized list of all authorized signatures for project related documents. Only those individuals listed by the Contractor on the project Authorized Signature form shall be authorized to sign the contract, contract change orders, time extensions, bonds, securities, pay requests, certifications or other documents that affect the execution of the Contract.

108.13 SUBSTANTIAL COMPLETION:
(revise to include new section)

The project is substantially complete and liquidated damages will no longer be assessed when all of the following have occurred:

(A) All original bid items of work have been completed, accepted and pedestrian and vehicular traffic can move unimpeded through the project;

(B) The only work left for completion is incidental, causes no disruption to pedestrian and vehicular traffic, and does not affect the safety and convenience of the public;

The decision whether the project is substantially complete is within the sole discretion of the Project Manager.

Once substantial completion is granted, the Contractor shall actively work to achieve Final Acceptance of the construction phase of the Contract within 15-calendar days from the Substantial Completion date of that phase. Failure to prosecute the remaining work within this time-period will result in the resumption of time charges and the application of liquidated damages from the date scheduled for final acceptance.

The Contractor is responsible for maintenance and repairs of any project work until final acceptance, at which time the City will accept the improvements for operation and maintenance.

108.14 SUSPENSION and TERMINATION:
(revise to include new section)

City's Right to Stop Work

City may, at its discretion and without cause, order Contractor in writing to stop and suspend the Work. Such suspension shall not exceed one hundred and eighty (180) consecutive days.

Contractor may seek an adjustment of the Contract Price and/or Contract Time if its cost or time to perform the Work has been adversely impacted by any suspension or stoppage of Work by City.

Termination for Convenience

Upon receipt of written notice to Contractor, City may, at its discretion and without cause, elect to terminate this Agreement. In such event, City shall pay Contractor only the direct value of its completed Work and materials supplied as of the date of termination. Contractor shall be entitled to profit and overhead on completed Work only, but shall not be entitled to anticipated profit or anticipated overhead.

If the City suspends the Work for one hundred eighty-one (181) consecutive days or more, such suspension shall be deemed a termination for convenience.

Upon such termination, Contractor shall proceed with the following obligations.

1. Stop Work as specified in the notice.
2. Place no further subcontracts or orders.
3. Terminate all subcontracts to the extent they relate to the work terminated. Contractor shall ensure that all subcontracts contain this same termination for convenience provision.
4. At the City's sole discretion and if requested in writing by the City, assign to the City all right, title and interest of Contractor under the subcontracts subject to termination.
5. Take any action that may be necessary for the protection and preservation of the property related to this Agreement that is in the possession of Contractor and in which the City has or may acquire an interest.
6. Contractor shall submit complete termination inventory schedules no later than one hundred twenty (120) days from the date of the notice of termination.

The City shall pay Contractor the following:

1. The direct value of its completed Work and materials supplied as of the date of termination.
2. The reasonable and direct, actual costs and expenses attributable to such termination. Reasonable costs and expenses shall not include, among other things, anticipated profit, anticipated overhead, or costs arising from Contractor's failure to perform as required under this Agreement.
3. Contractor shall be entitled to profit and overhead on completed Work only, but shall not

be entitled to anticipated profit or anticipated overhead. If it is determined that Contractor would have sustained a loss on the entire Work had they been completed, Contractor shall not be allowed profit and the City shall reduce the settlement to reflect the indicated rate of loss.

Contractor shall maintain all records and documents for three (3) years after final settlement. These records shall be maintained and subject to auditing as prescribed in Section 7.7.

The City's Right to Perform and Terminate for Cause

If the City provides Contractor with a written order to provide adequate maintenance of traffic, adequate cleanup, adequate dust control or to correct deficiencies or damage resulting from abnormal weather conditions and Contractor fails to comply in a time frame specified, the City may have work accomplished by other sources at Contractor's sole expense.

If Contractor persistently fails to

1. provide a sufficient number of skilled workers,
2. supply the materials required by the Contract Documents,
3. comply with applicable Legal Requirements,
4. timely pay, without cause, sub-consultants and/or subcontractors,
5. prosecute the Work with promptness and diligence to ensure that the Work is completed by the Contract Time, as such times may be adjusted, or
6. perform material obligations under the Contract Documents, then the City, in addition to any other rights and remedies provided in the Contract Documents or by law, shall have the rights set forth below.

Upon the occurrence of an event set forth above, City may provide written notice to Contractor that it intends to terminate this Agreement unless the problem cited is cured, or commenced to be cured, within seven (7) days of Contractor's receipt of such notice.

If Contractor fails to cure, or reasonably commence to cure, such problem, then City may give a second written notice to Contractor of its intent to terminate within an additional seven (7) day period.

If Contractor, within such second seven (7) day period, fails to cure, or reasonably commence to cure, such problem, then City may declare this Agreement terminated for default by providing written notice to Contractor of such declaration.

Upon declaring this Agreement terminated and for the purpose of completing the Work, City may enter upon the premises and take possession of all materials, equipment, scaffolds, tools, appliances and other items thereon, which have been purchased or provided for the performance of the Work. Contractor hereby transfers, assigns and conveys all items, which have been purchased or provided for the performance of the Work to the City for such purpose and to employ any person or persons to complete the Work and provide all of the required labor, services, materials, equipment and other items.

In the event of such termination, Contractor shall not be entitled to receive any further payments under the Contract Documents until the Work shall be finally completed in accordance with the Contract Documents. At such time, Contractor shall be entitled to be paid only for Work performed and accepted by the City prior to its default.

If City's cost and expense of completing the Work exceeds the unpaid balance of the Contract Price, then Contractor shall be obligated to pay the difference to City. Such costs and expenses shall include not only the cost of completing the Work, but also losses, damages, costs and expense, including attorneys' fees and expenses, incurred by City in connection with the re-procurement and defense of claims arising from Contractor's default.

If City improperly terminates the Agreement for cause, the termination for cause shall be converted to a termination for convenience in accordance with the provisions of 108.14

SECTION 109 - MEASUREMENTS AND PAYMENTS

109.1 MEASUREMENT OF QUANTITIES:
(revise to include the following)

It is the responsibility of the Contractor to conform to the Contract Documents, including plans, typical sections and specifications including but not be limited to dimensions, materials, application rates and densities. The Contractor shall take all actions necessary to ensure that the work conforms to the contract documents. The Contractor shall cooperate fully with the Project Manager or Project Manager's representative to correct any known nonconformity to the contract documents.

109.1 MEASUREMENT OF QUANTITIES:
(delete the second paragraph)

Unless otherwise specified, longitudinal and surface (plane) measurements will be made in a horizontal plane.

PART 200 - EARTHWORK

SECTION 201 - CLEARING AND GRUBBING

201.3 CONSTRUCTION METHODS:
(revise to include the following)

The Contractor shall make every effort possible to avoid damaging existing trees. In the event that any trees suffer limb damage, the Contractor shall cut branches to the nearest branch crotch or to the branch collar at the trunk.

No separate payment will be made for trimming trees. The cost shall be considered incidental to the work.

SECTION 205 – ROADWAY EXCAVATION

205.1 DESCRIPTION
(revise to include the following)

The bid schedule unit cost for excavation, backfill and embankment work shall include the cost of rock excavation, handling rock or disposing of rock and no separate measurement or payment shall be made. Rock shall be defined as any highly cemented or hard material that may require additional efforts for removal, handling or disposal.

205.2 UNSUITABLE MATERIAL:
(third paragraph, revise to read as follows)

Should unsuitable material be encountered at subgrade elevation in cut areas or at existing grade in fill areas, the unsuitable material shall be removed and replaced with suitable fill material in accordance with MAG Section 210 and MAG Section 211.

Determination of unsuitable material and the limits and depths of required removal and replacement shall be at the sole discretion of the Project Manager. In no case shall any unsuitable material be removed without prior written consent of the Project Manager.

Measurement and payment for removal and replacement of unsuitable material will be by the cubic yard as shown in the proposal. Payment shall be compensation in full for the work complete and in-place including any borrow, permits, pit royalties, all excavation, hauling, placing, compacting, conditioning, watering and proper disposal, together with all appurtenant costs.

205.3 MEASUREMENT
(revise to include the following)
Earthwork is incidental to the roadway construction and no additional payment will be made for roadway excavation. The Contractor shall be responsible for estimating and accounting for earthwork import and haul off. It is recommended that the Contractor review the report on geotechnical investigation and sampling results.

PART 300 -- STREETS AND RELATED WORK

SECTION 301 - SUB-GRADE PREPARATION

301.1 DESCRIPTION:
(revise to include the following)
The untreated base or prepared subgrade shall be test rolled in the presence of the Project Manager prior to the placement of asphalt paving materials. The equipment used to perform the

test roll shall be approved by the Project Manager. The Contractor shall be responsible for scheduling this test roll with the Inspector during regularly scheduled work. All costs associated with the test roll shall be considered incidental to and included in the cost of sub-grade preparation.

SECTION 336 - PAVEMENT MATCHING AND SURFACING REPLACEMENT

336.1 DESCRIPTION:
(first paragraph, revise to include the following)

The exact points of pavement matching shall be determined in the field by the Project Manager.

336.2 MATERIALS AND CONSTRUCTION METHODS:

336.2.1 PAVEMENT WIDENING OR EXTENSIONS:
(first paragraph, revise second sentence to read as follows)

The minimum depth of cut shall be four (4) inches or Depth/4, whichever is greater.

PART 400 -- RIGHT-OF-WAY AND TRAFFIC CONTROL

SECTION 401 - TRAFFIC CONTROL

401.5 GENERAL TRAFFIC REGULATIONS:
(revise to include the following)

Within seven (7) calendar days following receipt of the Notice of Award and in accordance with Section 108.1 of these General Provisions, the Contractor shall submit to the Project Manager a traffic control plan that shows the control of traffic in accordance with Part VI of the FHWA Manual on Uniform Traffic Control Devices for all phases of the work. The plan should include nights, weekends, shut down periods and an approximate schedule of street closures and detours.

The Traffic Control Plan is to detail the Contractor's proposal for routing traffic and pedestrians around the areas of construction. The Plan shall be coordinated with the proposed construction schedule and show how the locations of the various traffic and pedestrian control devices will change as construction progresses. The Plan shall allow for complete detours around the work areas.

Private and commercial driveways shall not be closed for any period exceeding eight hours during any twenty-four-hour period. The affected resident and the City shall be notified 48 hours in advance of any closure. Convenient access to driveways, houses and buildings along the line of work shall be maintained and temporary crossings or alternate access shall be provided and maintained in good condition, except during that period mentioned above. **Business access shall be maintained at all times by at least one driveway.**

(eleventh paragraph, revise to read as follows)

The Contractor will reinstall all permanent traffic control devices as required by the approved construction plans and specifications.

(twelfth paragraph, delete the last sentence)

Delete - The Traffic Engineering Department will reinstall all traffic signs.

401.7 PAYMENT:
(revise paragraph to read as follows)

Payment for all work and materials required to prepare a traffic control plan and provide traffic control during construction shall be made at the lump sum price shown on the Bid Schedule. Full compensation for any required traffic control devices, flaggers, uniformed off-duty law enforcement officers, pilot cars and drivers shall be included in the lump sum contract price and no additional payment shall be allowed. Progress payments shall be made based on the Contractor's estimate for percent complete as approved by the Owner.

SECTION 425 TOPSOIL

425.2 MATERIALS:
(revise to read as follows)

Overburden topsoil shall be salvaged and reused when possible. All topsoil, whether overburden or imported, shall be free of roots, heavy clay, clods, noxious weed seeds, coarse sand, large rocks, sticks, brush, litter and other deleterious material and meet the requirements of MAG Section 795. The Project Manager's approval of the proposed topsoil shall be obtained before delivery to the project.

425.4 MEASUREMENT:
(revise paragraph to read as follows)

Topsoil shall be measured lump sum, complete and in place unless indicated otherwise by the bid schedule.

425.5 PAYMENT:
(revise to read as follows)

Topsoil will be paid for in accordance with the contracted price for furnishing and placing topsoil, as described and specified. Progress payment shall be made based on the Contractor's estimate for percent complete as approved by the Owner.

SECTION 431 – EROSION CONTROL
(revise to include new section as follows)

431.1 DESCRIPTION

Erosion control applies to improvements within the city and as part of the erosion control section of a Storm Water Pollution Prevention Plan (SWPPP). Materials, means and methods for erosion control and stabilization, Best Management Practices (BMPs), Erosion Control Plans (ECPs) and SWPPPs are described in the City of Flagstaff Stormwater Design Manual.

The Contractor shall stabilize all disturbed areas within the project site and as shown on the plans. Work shall be performed according to the provisions of this Section and shall include but not be limited to the furnishing, hauling, placement and application of erosion control materials.

The Contractor is responsible for complying with the requirements of the National Pollutant Discharge Elimination System (NPDES) permit program. This generally includes submittal of a Notice of Intent to the Arizona Department of Environmental Quality (ADEQ) and Notice of Termination to ADEQ for the project. Preparation and implementation of a Storm Water Pollution Prevention Plan (SWPPP) for the site is required per ADEQ and City of Flagstaff standards.

The cost for complying with the NPDES permit and the SWPPP, including the erosion control devices, shall be included in the NPDES & SWPPP Requirements portion of the Contractor's bid. It is recommended that contractors see the ADEQ Smart NOI (Notice of Intent) program website (http://az.gov/webapp/noi/main.do) for information and processes.

Progress payment shall be made based on the Contractor's estimate for percent complete as approved by the Owner.

432.1 NATIVE SEEDING

All areas to be seeded that are accessible to machinery shall be tilled to a minimum depth of four (4) inches. Areas inaccessible to machinery shall be hand tilled and prepared to a minimum depth

of two (2) inches. Cut slopes of 2:1 or steeper do not require tilling. Cultivation on sloping terrain shall run perpendicular to the direction to the slope. If weeds or herbaceous plant material interferes with proper seedbed preparation, the contractor shall remove them from the seedbed.

Contractor shall remove and dispose of all debris and other objectionable material that may interfere with seeding operations.

The area to be seeded shall be relatively smooth and all surface irregularities (e.g. rills, tire marks) shall be filled and firmed to conform to the desired cross sections. The seedbed shall be rolled both before and after the seeding operation with a minimum of one pass of a cultipacker or drag harrow.

Seed shall be sown when conditions will promote germination and growth. Normal non-irrigated permanent native seed application dates are between April 1 and June 15, between August 15 and September 20 and after the first frost (recurring overnight temperature of 28 degrees F) until snowfall. Seeding work shall be performed only after planting and other work affecting ground surface is complete.

To assist in establishment of the permanent seed mix, a nurse crop shall be used for this work. Preapproved nurse crop seed shall be one of the following, incorporated with the specified permanent seed mix;

Annual ryegrass	*(Lolium multiflorum)*	30 lbs/acre
Oats	(*Avena sativa)*	60 lbs/acre
Regreen©	(*Triticum aestivum x Elytrigia elongata)*	30 lbs/acre

Alternative species may be acceptable but are subject to prior approval from the City Project Manager or duly authorized representative.

When cut or fill slopes are greater than six (6) feet in height and steeper than 3H:1V, the seeded area shall be covered with American Excelsior Company straw/coconut blanket or an approved equal. Installation shall be per the manufacturer's written directions.

440.10. (D) SEQUENCING
(add the following section)

The irrigation system shall be installed, inspected, approved and operable prior to the installation of plant materials, landscape fabric and ground plane treatments (*decomposed granite, landscape rock, mulch, etc.)*

PART 600 - WATER AND SEWER

SECTION 601 - TRENCH EXCAVATION, BACKFILLING AND COMPACTION

601.2 EXCAVATION:

601.2.1 GENERAL:
(revise to include the following)

All excavation, including trench excavation, shall be performed in any substance and material encountered. The cost is considered incidental to and is to be included in the price for the bid item to be constructed or installed. No special payment shall be made for trench excavation other than rock excavation as specified under Trench Rock Excavation.

Trench Rock Excavation
Trench rock is defined as consolidated igneous, metamorphic and/or sedimentary material in the original bed and/or in well-defined ledges that cannot be removed by a mechanical method and therefore requires pneumatic hammering, drilling or blasting for removal. Example of mechanical methods include hand tools, trenching machine, backhoe, ≥195 horsepower hydraulic excavator with ripping teeth or equivalent.

Boulders and pieces of rock having a volume of more than 27 cubic feet (1 cubic yard) shall be considered rock.

For projects where trench rock excavation is anticipated, the estimated contingent quantity is shown in the proposal under the applicable bid item. The contingency quantity is an estimate only and no guaranty is given that any portion will be utilized. Trench rock excavation will be paid for separately at the unit price bid per cubic yard for Trench Rock Excavation.

Measurement of Trench Rock Excavation shall be per cubic yard in place. This volume of rock will be measured by the City representative, using the maximum trench width allowed in accordance with MAG Table 601-1, the lineal footage of actual rock excavation required and the actual depth of rock as determined by inspection of the trench after rock excavation and before backfilling.

SECTION 710 - ASPHALT CONCRETE

710.1 GENERAL:
(revise to include the following)

The asphaltic concrete designation shall be 3/4 inch, except as required by the project plans or Special Provisions.

End of Document

SPECIAL PROVISIONS
SUMMIT WATER
IMPROVEMENT PROJECT

Date: March 9th, 2020

Owner:
City of Flagstaff
211 W. Aspen Ave.
Flagstaff, AZ 86001

Prepared by:

Civil Design & Engineering, Inc.

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CITY OF FLAGSTAFF, ARIZONA

SUMMIT WATER IMPROVEMENT PROJECT

C.O.F. FILE NO. 03-19007

M.A.G. UNIFORM STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION (with revisions through 2011) ARE HEREBY AMENDED TO INCLUDE THE FOLLOWING:

SECTION 100 – GENERAL CONDITIONS

- **SECTION 104 – SCOPE OF WORK**
    - 104.1.2 MAINTENANCE OF TRAFFIC

Prior to the Notice to Proceed, the Contractor shall furnish to the City a traffic control plan for the project that includes all traffic control for street/lane closures, work phasing, detours, etc.

Access to all residential driveways shall be provided during non-working hours. Where property has more than one driveway, no more than one access will be restricted or closed at one time. Should it be necessary to close access to a private property, business, driveway, or alley entrance, the closure must be for as short a time as possible and be restored at the end of the work shift. If primary access cannot be restored, the Contractor shall provide an alternative, which will be coordinated with the resident and preapproved by the City's Project Manager prior to any restrictions being implemented.

Existing pedestrian and bicycle facilities shall be continued and signed through or around the construction zone. Any full street closures will require the approval of the City and involve adequate re-routing through the neighborhood to the north, notification of media, notification of emergency responders, notification of residents and businesses in the project area and along the proposed route, and adequate temporary signage/signals. Traffic control may require custom signage, temporary signals, or digital message boards, and assistance from City of Flagstaff Police Department to facilitate traffic flow.

All street restrictions or closures must be coordinated with emergency responders. The Contractor shall be required to provide no less than one (1) week advance written notice of all street closures and traffic restrictions to all affected property owners, business owners, and residents, including those properties on a detour route. The notice shall be submitted to the City for review and shall include the projected date, and duration of the closure and alternate detour routes. Each notice shall include the Contractor's name, contact person and local 24-hour telephone number as well as the City Project Manager's name and telephone number.

Business Access:
The Contractor shall provide access to businesses in and adjacent to the project area during hours of operations including keeping all driveways, alleys, parking lots, etc. clear for vehicular and pedestrian traffic during hours of deliveries, occupancy, and operation. Should it be necessary to restrict access, the closure must be for as short a time as possible and the Contractor shall provide an alternative access, if possible, which must be coordinated with the business owner and pre-approved by the City's Project Manager prior to any restrictions being implemented. The Contractor shall provide business access signs during construction.

Construction Schedule/Phasing Plan:
A detailed Construction Schedule/Phasing Plan must accompany the Traffic Control Plan submitted to the City. This phasing plan must show the schedule, duration, and location of all construction items and activities on a daily basis throughout completion of the project. The phasing plan must coordinate with the Traffic Control plan and show closures, reroutes, and lane restrictions.

The Contractor will be required to present the plans to the City within seven (7) days of Notification of Award. The City's Project Manager shall promptly review the plans and either approve them, or provide a written list of the items that will require revision.

The Contractor shall submit the corrected construction schedule and traffic control plan within seven (7) calendar days of receiving the City's list of required revisions. The corrected phasing

plan shall address all comments from the City's list of required revisions. Weather days per Special Provision 108.7 shall be included in the phasing plan schedule.

The Contractor shall be required to maintain 2-way traffic to the greatest extent possible. Pavement removal and roadway construction activity will be restricted to reduce impacts to the neighborhood and to provide cover protection for subgrade. Maintaining on-street parking in active work zones is not required. Installation of underground utilities will be permitted throughout the full project area, provided that trenches are promptly backfilled and trench patches are maintained. Through traffic may be detoured to the north side streets for a limited duration as approved by the City. Payment for saw cutting, trench patching and maintenance of patching shall be incidental to the bid items of work for which the saw cutting, trench patching, and maintenance is required.

Traffic Safety:
At the time of the pre-construction conference, the Contractor shall designate an employee who is qualified and experienced in construction traffic control and safety, to be available on the project site during all periods of construction to coordinate and maintain safe barricading whenever construction restricts traffic. This person shall be available during non-construction hours in case of any traffic control and/or safety items that need to be handled in an urgent manner. Traffic control shall include pedestrian, bicycle and vehicular traffic.

Sanitation Pickup:
Regular residential sanitation pickup in the area of this project is scheduled every Tuesday (Recycle) and Wednesday (Trash). Dumpster pick up varies from location to location; coordinate with the City's Environmental Division and the property owner for pick-up days. When construction activity interferes with sanitation pickup, the Contractor shall provide for sanitation vehicle access to the affected properties or relocate the trash containers where access is acceptable. The contact number for the Environmental Division of the Public Works Department is 928-774-0668. The contact number for Waste Management is (928) 779-6050.

Emergency Access:
All roadway closures shall be coordinated by the Contractor with Traffic Engineering and the City's Project Manager at least 1 week in advance of the closures. The Contractor shall submit the closure for approval to the Traffic Engineer, copy the information to the City's Project Manager, and forward the street closure information to the Fire Department, Police Department, and Emergency Medical Services after approval.

US Postal Service Access:
The Contractor shall be responsible for maintaining access for postal service within the project area at all times. The Contractor shall coordinate this work to avoid interruption of mail service. Should an existing mailbox be damaged by construction activity, the Contractor shall promptly remove and replace the damaged mailbox, including post and foundation in-kind, at no cost to the resident or the City.
The Contractor shall maintain mailboxes so that no disruption of mail service shall occur. If mail disruption is anticipated, the Contractor shall notify the City's Project Manager, Inspector, affected property owner and/or resident(s) at least 48 hours in advance.

- 104.2.3 Due to Extra Work

The following contract contingencies are included and hereby incorporated into the contract documents as follows:

Trench Rock Excavation shall include all equipment, labor and materials necessary to conduct trenching activities sufficient to install all proposed underground improvements. The Trench Rock Contingency bid item includes an estimated quantity in the Bid Schedule and has the same requirements and restrictions as the Contract Allowance. Trench Rock Excavation shall NOT be

considered for construction associated with water service lines and fire hydrants. See City of Flagstaff Amendments to MAG Standard Specifications Section 601.2.1.

Unsuitable Material shall include all equipment, labor and materials necessary to remove unsuitable materials and replace with materials that conform to the project specifications. The Unsuitable Material bid item includes an estimated quantity in the Bid Schedule and has the same requirements and restrictions as the Contract Allowance.

Pipe Utility Conflict shall include all equipment, labor and materials necessary to address and coordinate the successful solution to any and all pipe utility conflicts as shown on the plans or discovered through the efforts of construction. The pipe utility bid item includes an estimated quantity in the Bid Schedule and has the same requirements and restrictions as the Contract Allowance.

- **SECTION 105 – CONTROL OF WORK**

  - 105.2 PLANS AND SHOP DRAWINGS

    The Contractor shall submit three (3) hard copies and one electronic copy of each shop drawing, product data, or mix design to the City for review. Only materials to be used on this specific construction project shall be submitted. The General Contractor shall review and stamp all shop drawings and product data for conformance with the construction documents prior to submission. Any shop drawings or product data not reviewed and stamped by the General Contractor will be returned without review. Items not in accordance with the contract drawings shall be so noted upon the Contractor's review.

  - 105.5 Cooperation of Contractor

    The Contractor's Project Manager and Project Superintendent shall attend weekly construction progress meetings. The Contractor shall be prepared to discuss construction schedule, construction activities planned for the upcoming two (2) weeks (submit proposed two (2) week schedule), problems, issues, any information required by the City's Project Representative, construction staking, business/residence/citizen complaints, safety, traffic control and pedestrian access requirements, weather delays experienced during the previous week, disposal of materials, access/construction coordination with businesses/residences, inspection/testing, overtime worked during the previous week, payments, water/sewer service disruption, submittals, field orders/field changes and any other business as necessary. The Contractor shall prepare meeting agendas and meeting minutes. Minutes shall be distributed within four (4) working days after the meeting.

    Public Involvement: At the time of the Pre-construction Conference, the Contractor shall designate an employee that is fully responsible for coordination with the public, including but not limited to; the property owners, the business owners, renters, leasers, Public media, the City of Flagstaff Public Information Officer and Mayor/Council. This person shall be qualified and experienced in public coordination and shall be available during all periods of construction to coordinate any issues.

    In addition to the requirements of the preceding paragraph if requested by the city, the Contractor shall actively participate in a public meeting PRIOR to any work commencing. The public meeting shall be at a date, time and location as designated by the City of Flagstaff Project Manager. At a minimum, the Contractor shall have the project Superintendent, Project Manager, and Safety Officer attend the meeting to answer questions of the public.

    Protection of Work: The Contractor is required to protect work during inclement weather. The Contractor shall grade areas to drain and utilize pumps to remove ponding water immediately during all stages of construction during both working and non-working hours.

- 105.8 Construction Stakes, Lines and Grades

  Unless noted otherwise in the contract documents, the Contractor shall lay out the work from the lines, grades and dimensions shown on the drawings. The Contractor shall be responsible for all such work for the duration of the project. Any dimension or grade errors shall be immediately transmitted in writing to the City's Project Manager for clarification, before proceeding with the work.

- **SECTION 107 – LEGAL RELATIONS AND RESPONSIBILITY TO THE PUBLIC**

  - 107.5.1 ASBESTOS MATERIALS
    (revise to include the following)

    Handling, Removal and Disposal of Surplus Material and Asbestos Containing Materials
    The City requires compliance with Environmental Protection Agency (EPA), Arizona Department of Environmental Quality (ADEQ) and Occupational Safety and Health Administration (OSHA) asbestos regulations for all City projects.

    Utility pipes constructed of materials other than metal and polyvinyl chloride (PVC) require testing prior to any disturbance of the pipes to determine if regulated levels of asbestos are present in the pipe material. Suspect pipe materials requiring testing typically include vitrified clay and cement pipe (transite). Asbestos testing is not required for metal pipes.

    City Public Works/Sustainability & Environmental Managements staff are available to collect samples and submit the samples for analyses with small charges for the testing. If the pipe does not contain regulated levels of asbestos the contractor may disturb and remove the piping.

    If utility piping contains regulated levels of asbestos, any materials generated by cutting or breaking the pipe to remove it from the ground must be handled, removed, and disposed of in accordance with City of Flagstaff requirements. If asbestos containing materials (ACM) removal is necessary on the project, the City of Flagstaff requirements for handling, removal and disposal are as follows:

    If any infrastructure or building material that is not either wood, glass or metal is encountered during the project and has not yet been either assumed or positively identified to be ACM then the material(s) must be sampled in accordance with regulations generated by the EPA Asbestos Hazard and Emergency Response Act (AHERA) 40 CFR 763 as well as OSHA 29 CFR 1910.1101, by a certified AHERA Building Inspector and sent to a National Voluntary Laboratory Accreditation Program (NVLAP) certified laboratory for analysis.

    Once materials of concern are either agreed to be assumed or properly identified to be ACM then the material is required to be removed according to OSHA 29 CFR 1910-1926.1101 by a certified asbestos abatement worker, and NOT a general contractor (GC). However, if the GC holds the appropriate asbestos certifications (AHERA Asbestos Operations and Maintenance), which the City would need to verify is current, then the GC could perform the asbestos abatement.

    The City requires the GC arrange for abatement of assumed and/or identified ACM by a certified asbestos abatement contractor as well as arrange area and /or clearance air monitoring by a third party asbestos consultant. If applicable to the project, copies of abatement activities and air monitoring shall be provided to City of Flagstaff Environmental Management staff.
    In the event of large disturbances to ACM, compliance with the National Emission Standards for Hazardous Air Pollutants (NESHAP) 40 CFR 61, Subpart M shall be followed. Notification would be required with the ADEQ http://www.azdeq.gov/environ/air/asbestos/ 10 working days in advance of the start of a large project. This notification is not typically required for utility pipe work, but could be required for a very large project involving numerous saw cuts of utility pipes.

If ACM removal is necessary on the project, the City of Flagstaff requirements for ACM disposal at the City's Cinder Lake Landfill are as follows:

Only non-friable asbestos waste is accepted for disposal at Cinder Lake Landfill. Prior to disposal of non-friable ACM, obtain the necessary forms, which are:

1. Non-Friable Asbestos Waste Acceptance Application and accompanying instructions
2. Non-Friable Asbestos Waste Shipment Record (WSR)

The Asbestos Waste Acceptance Application is available at the City of Flagstaff's website http://www.flagstaff.az.gov/indes.aspx?NID=929 or by contacting the City of Flagstaff Environmental Management staff at (928)213-2146 or 2151. Fax the completed Non-Friable Asbestos Waste Acceptance Application to (928) 213-3636. Once faxed to the EM Office the application will be reviewed, signed and faxed back to you, normally within one (1) working day. A Waste Shipment Record is required to accompany each load of non-friable asbestos waste taken to the Cinder Lake Landfill. Forms contain multiple carbon copy sheets and need to be obtained from the Cinder Lake Landfill (928)527-1927 or City of Flagstaff Environmental Management staff.

Assure the non-friable ACM is properly handled and wrapped. Non-Friable ACM must be thoroughly wetted using amended water prior to being wrapped in 6-milimeter poly and be tightly sealed with duct tape. If the material is heavy (such as transite pipe), has sharp edges, or may easily puncture the poly wrap, a double layer of poly will be necessary. The Cinder Lake Landfill scale house attendant will inspect the load to ensure it is properly wrapped. Containers holding non-friable ACM shall be carefully unloaded and placed in a designated location. Dumping using a hydraulically lifted bed of a truck is not permitted (dump truck), as the poly wrap may be torn open.

If using a large bin for disposal, attach a copy of the Waste Shipment Record to the disposal bin. If not using a City of Flagstaff disposal bin, make sure the delivery driver takes a copy of the signed Non-Friable Asbestos Waste Acceptance Application and the Waste Shipment Record to the Cinder Lakes Landfill with the waste delivery. If using a City of Flagstaff disposal bin call City Environmental Services at (928)774-0668 to schedule a pickup for the disposal bin. Please be sure to provide the driver with the signed Non-Friable Asbestos Waste Acceptance Application and the Waste Shipment Record and be sure to clarify if you would like the disposal bin emptied and removed, or emptied and returned to the work site. When disposal is completed, the Landfill Manager will sign the Waste Shipment Record and landfill staff will provide or mail a copy of the Waste Shipment Record.

Cutting of utility pipes generates Regulated Asbestos Containing Material (RACM) (dust from cutting) and breaking pipes may generate RACM. RACM requires disposal at the Joseph City Landfill or at other landfills located in southern Arizona.

- 107.6 PUBLIC CONVENIENCE AND SAFETY
  (revise to include the following)

The contractor shall give written notice, describing the proposed work and parking restrictions, to each adjacent business or residence. Written notice (with specific dates of anticipated construction work) shall be given at least 48 hours in advance of the work and no more than three working days before the work is scheduled to begin. In the event that the work requires removal of parked vehicles, they will be removed to the nearest convenient side street at the contractor's expense. No separate payment will be made for this work.

The contractor shall give written notification to each affected resident at least 48 hours prior to any disruption to water of sewer service in the construction area. The notice must include the exact

time of the disruption and the expected duration of the loss of service. Disruption of water or sewer services shall only be between the hours of 9am and 4pm.

- 107.9 PROTECTION AND RESTORATION OF PROPERTY AND LANDSCAPE
  (revise to include the following)

  The contractor shall shore all adjacent building walls and trench walls to protect all adjacent building walls and footings during trenching and backfilling operations. All shoring plans need to be designed a sealed by a registered professional engineer in the state of Arizona and submitted to the City for approval prior to construction.

  The contractor shall take special care to control construction-related dust and noise and to keep the project site cleaned up to the greatest extent possible. The contractor is responsible to coordinate alternate measures for any impacted operations as mentioned which are acceptable to the parties involved.

  Survey monuments and property corners shall be protected and not disturbed unless specifically called out on the plans for replacement. All costs associated with protecting or re-establishing disturbed survey monuments and property corners shall be borne solely by the contractor.

  Concrete curb and gutter that is not designated for removal and replacement shall be protected. All costs associated with unauthorized removal and replacement or damage shall be borne solely by the contractor.

  The contractor is responsible for replacing and/or restoring landscaping (including but not limited to fences (any type), plantings, retaining walls, pea gravel, grass (sod and Seeded), brick pavers, concrete driveways, asphalt driveways and landscape rock walls) and owner improvements associated with the project. All cost shall be included in the bid. The contractor is responsible for removing existing improvements and salvaging items for replacement at the same location or relocation as directed by the owner after the public improvements are finished. The contractor is responsible for replacing material in like kind. This may necessitate close coordination with the property owners.

- 107.11 CONTACTOR'S RESPONSIBILITY FOR UTILITY PROPERTY AND SERVICES
  (revise to include the following)

  The contractor is responsible for providing written notification to each affected resident at least 48 hours prior to any disruption of water or sewer service in the construction area. The notice must include the exact time of the disruption of service and the expected duration of the loss of service. Any night or weekend work request shall be submitted to the owner in writing 48 hours prior and approved before the construction activity is performed.

  The contractor shall protect existing water, sewer, gas, or other service lines where the proposed work crosses individual service lines. Not all service lines are shown on the plans and it is the contractor's responsibility to determine their location in the field. Protection or repair of existing service lines not in conflict with the work is considered incidental. In the event that there is a physical conflict between an existing service line and the proposed work, the contractor shall immediately notify the owner of the conflict. The owner will make a determination as to how the conflict will be resolved. Any extra work required as a result of an unforeseen service conflict will be ordered and paid for in accordance with Revisions of M.A.G. Standard Specifications Section 104.2.3 Protection of existing utilities during the contractor's operation is considered incidental to the line item that is being performed in the area of the existing utility.

- **SECTION 108 – COMMENCEMENT, PROSECUTION AND PROGRESS**

  - 108.5 LIMITATIONS OF OPERATIONS

(revise to include the following)

Work on Saturdays will be permitted, as necessary, as approved by the City's Engineering Inspection Supervisor. 72 hours advance notice will be required. Work on Sundays and legal City Holidays will not be permitted except in emergencies or as approved by the owner.

- 108.7 DETERMINATIONS AND EXTENSIONS OF CONTRACT TIME
(delete the second paragraph of General Provisions Section 108.7 and replace with the following)

The contract time, including final cleanup of the project site and storage areas, may be extended as a result of weather conditions that cannot be reasonably anticipated. The number of actual days that the scheduled work is actual impacted by adverse weather shall be recorded monthly during the construction period. The contractor shall submit claims for the delay of critical work within two working days of experiencing adverse weather and associated project delays.

The contractor will be entitled to a contract time extension if the actual adverse weather days experienced during the work exceed the anticipated adverse weather days shown. The following is the monthly schedule of adverse weather days that shall be anticipated by the contractor in scheduling the work.

Table 108.7 Monthly Anticipated Adverse Weather Calendar Days

Month	January	February	March	April	May	June
Monthly anticipated adverse weather calendar days	7 days	7 days	8 days	6 days	4 days	3 days
Average Monthly Precipitation	1.98"	1.96"	2.05"	1.34"	0.68"	0.51"
Month	July	August	Sept.	Oct.	Nov.	Dec.
Monthly anticipated adverse weather calendar days	12 days	11 days	7 days	5 days	5 days	6 days
Average Monthly Precipitation	2.78"	2.68"	1.82"	1.52"	1.49"	1.90"

The above schedule of anticipated adverse weather days establishes the base line for the project's monthly weather impacts, based on historical records, as recorded by the National Weather Service at Pulliam Airport, for precipitation in excess of 0.01 of an inch per calendar day.

The number of actual days that scheduled work is impacted by adverse weather as defined above shall be recorded weekly during the contract period. It is the contractor's responsibility to request in writing any adverse weather delays experienced during the prior week no later than the normally scheduled weekly project meeting. Any adverse weather day requests that are not received as stated above shall not be considered nor approved. Once the number of approved actual adverse weather days exceeds the number of anticipated adverse weather days in the schedule above, the contractor is entitled to a contract time extension. Actual adverse weather days must also prevent work for fifty (50) percent or more of the contractor's work day and delay scheduled work critical to the timely completion of the project. The city will convert any delays meeting the above requirements to calendar days and extend the contract period as necessary. No additional compensation will be allowed for direct and indirect overhead expenses associated with any such contract time extensions.

The contractor's schedule must reflect the above anticipated adverse weather delays on weather dependent activities and must show all weekends and holidays. The contractor shall protect construction work for storm damage. Additional time or compensation will not be given for replacement of repair of work items not protected from damage.

SECTION 200 – EARTHWORK

- **SECTION 225 – WATERING**

  - 225.2 WATER SUPPLY
    (revise to read as follows)

    The contractor is advised that except for public water main flushing and testing, the City will not authorize the use of potable water for construction purposes. Prior to submitting a bid contractors shall determine the availability of reclaimed water for construction purposes by contacting the City of Flagstaff Water Services Department.

    Prior to loading, hauling, and applying reclaim water, the contractor shall be required to obtain the necessary permit (no fee) at the Wildcat Hill Wastewater Treatment Plant and will be responsible for complying with all permit requirements.

  - 225.4 MEASURMENT
    (revise to read as follows)

    No measurement for construction water shall be made.

  - 225.5 PAYMENT
    (revise to read as follows)

    No separate payment shall be made for construction water needs.

SECTION 300 – STREETS/RELATED WORK

- **SECTION 301 – SUBGRADE PREPARATION**
    - 301.2.2 UNSTABLE SUBGRADE
      (revise to include the following)

      If it is determined by the owner's representative that the subgrade is unstable for compaction placement of aggregate base the contractor shall use one of the following methods to make subgrade stable.

      Remove unsuitable subgrade and replace with additional subbase (minimum of 2 feet of stockpiled asphalt millings or (ABC) or as directed by Engineer. Contractor should consult with Engineer prior to performing work.

      Once the suspect areas are stabilized to the satisfaction of the engineer, the normal ABC subbase should then be installed. The contractor shall take all reasonable efforts to eliminate or reduce construction traffic on the repaired areas.

      Payment will be made on a cubic yard unit basis from the bid item or Remove and Replace Unsuitable Subgrade Contingency.

    - 301.4 SUBGRADE TOLERANCES
      (revise to read as follows)

      Subgrade upon which pavement, sidewalk, curb and gutter, driveways, or other structures are to be directly placed shall not vary more than ¼ inch from the specified grade and cross-section. Subgrade upon which subbase or base material is to be placed shall not vary more than ¼ inch from the specified grad and cross-section. Variations within the above specified tolerances shall be compensating so that the average grade and cross-section specified are met.

- **SECTION 305 – STREET REBUILDING/PATCH BACK**
    - 305.1 DESCRIPTION

      Certain small areas of the streets are to be rebuilt for the service trenching. This work shall consist of removal and disposal of existing materials, subgrade preparation, and furnishing and placing asphaltic concrete.

    - 305.2 CONSTRUCTION

      The areas will vary in size. The existing pavement and base will be removed to below the existing pavement base layer. The subgrade will be compacted. The existing pavements shall be wheel or saw cut back to a neat straight line. The asphaltic concrete (19mm or ¾") will be placed and compacted so that it meets the following requirements.

      1. The density of the asphaltic concrete is as specified under Section 321.
      2. The finished grade of new asphalt is ¼" above the adjacent existing pavement or as directed by owner's representative.
      3. The minimum thickness of the new asphaltic concrete is 4" placed in 1 lift or as necessary to match existing pavement grade.

- 305.3 MEASUREMENT AND PAYMENT

  Measurement and payment will be made at the contract unit price for each square yard of pavement removed and replaced as directed by the engineer. Payment will be accepted as full compensation as for all equipment, labor and materials used under this item.

- **SECTION 310 – UNTREATED BASE**

  - 310.2 PLACEMENT AND CONSTRUCTION
    (revise 3rd paragraph to read)

    After placement, the aggregate base course surface shall be true, even and uniform conforming to the grade and cross-section specified. In no case shall the aggregate base course vary by more than ¼ inch above or below required grade.

    Untreated base compaction shall be 95% under curb and gutter, sidewalk, driveway and alley entrances, handicap ramps, and catch basins.

- **SECTION 345 – ADJUSTING FRAMES, COVERS, VALVE BOXES, AND WATER METER BOXES**

  - 345.1 DESCRIPTION
    (revise to include the following)

    The adjustment of manhole frames and covers and water valve boxes shall be done in accordance with City Standard Drawing 9-03-060 and 9-03-062. The contractor is cautioned that only straight, centered valve boxes that conform to City Detail 9-03-060 will be acceptable. The engineer will provide the contractor necessary direction for the appropriate adjustment or replacement of each valve box and cover.

    The contractor is to supply and install a new valve box and cover, as directed by the engineer, to replace existing tops that are broken, non-standard or defective. Payment for furnishing and installation of new valve boxes and covers as shown on the plans or as directed by the engineer shall be at the bid unit price for Install New Water Valve Box & Cover.

    If during construction the contractor breaks or damages an otherwise acceptable valve box and/or cover then the contractor shall supply and install a new valve box and cover at no additional cost. Payment for adjustment of existing valve box and cover shall be per the bid unit price for Adjust Water Valve Box.

    When the entire existing valve box and cover is found to be unacceptable or not centered over the valve nut, the entire valve box and cover shall be excavated, removed and replaced under the Remove, Replace & Adjust Valve Box & Cover bid item. This item includes excavation to the valve nut, removal of the old box and cover, a new complete valve box and cover as well as the adjustment to grade.

    Any usable valve box and covers removed under this contract shall remain the property of the City. The water valve box and covers that require removal and replacement shall be excavated and installed prior to the overlay. Final adjustments shall be made after repair and resurface of existing pavement.

    The contractor will be required to keep a record of locations of each frame or box as per the following:

1. For those boxes and frames readily visible, the contractor will make reference points which will allow him to accurately locate frames and boxes after they are covered. It will be the contractor's responsibility to preserve these reference points.
2. For those boxes and frames not visible before surface treatment, utilities representatives will locate frames and boxes, making a mark at each location. It will be the contractor's responsibility to preserve these marks and all reference marks as required and identified in item 1 above.

SECTION 400 – RIGHT-OF-WAY TRAFFIC CONTROL

- **SECTION 401 – TRAFFIC CONTROL**
    - 401.4 TRAFFIC CONTROL MEASURES
      (revise to include the following)

      Contractor shall provide traffic control for both delivery vehicles into the alleyway and pedestrian traffic.

- **SECTION 405 – MONUMENTS**
    - 405.4 INSTALLATION
      (revise this section to read)

      As part of the contract work, existing survey monuments may be reestablished by a surveyor registered in the State of Arizona. The surveyor shall provide reference marks and dimensions to the survey monuments. A minimum of two "permanent" reference marks shall be established for each right-of-way control monument. The angle formed by the control point and the two reference points shall be approximately 90 degrees. Examples of permanent reference marks include an "x" chiseled into the curb, pk nail in concrete and a nail in a power pole. Any suitable reference marks found to be existing may be used. No new survey monuments shall be incorporated into this project without prior approval from the City Engineer or representative. New survey monuments shall be reinstalled ¼" minimum below new pavement grade at the accurate location. An elevation shall be established on survey monuments that replace survey monuments with a City established elevation. This work shall be done in accordance with good surveying practices and shall be in accordance with City Detail 11-01-010. The surveyor shall prepare and record a Results of Survey map showing the monuments found and set. This map shall include the City's unique identifying number for each point. The Results of Survey shall be reviewed and accepted by the City prior to recordation.

      Any survey monuments with boxes and covers shall be raised to grade by the contractor without disturbing the survey monument. This work will be paid at the contract unit price for raising survey monument boxes and covers.

SECTION 600 – WATER AND SEWER

- **SECTION 601 – TRENCH EXCAVATION, BACKFILLING AND COMPACTION**

  - 601.2.3 TRENCH GRADE
    (revise first sentence of first paragraph to read)

    Alignment and elevation stakes shall be furnished by the contractor at a minimum 50 foot intervals and agreed upon offsets.

    (revise First sentence of second paragraph to read)

    For all pipe or conduit, the contractor shall excavate for and provide an initial granular bedding of at least 6 inches thick; per the details shown on the plans; or ½ the OD of the pipe; whichever is greater.

  - 601.2.9 SHORING AND SHEETING
    (modify to add)

    It shall be the contractor's responsibility to provide such trench bracing, sheeting, or shoring as may be necessary to protect existing improvements outside the trench and to support and ensure the ground alongside the excavation will not slide or settle. Existing improvements outside the trench, either public or private, damaged due to lack of adequate trench bracing, sheeting, or shoring shall be removed and replaced in kind at the contractor's expense.

    The contractor shall shore all adjacent building walls and trench walls to protect all adjacent building walls and footings during trenching and backfilling operations. All shoring plans need to be designed and sealed by a registered professional engineer in the State of Arizona and submitted to the City for approval prior to construction.

  - 601.2.10 OPEN TRENCH
    (modify to add)

    All trenches shall be covered by prefabricated chain-link fence and/or traffic panels, or completely and securely fenced off during nights, weekends, and other times when construction is not underway.

  - 601.3 PROTECTION OF EXISTING UTILITIES:
    (revise to include the following)

    The Contractor shall protect existing water, sewer, gas, communications, or other service lines where the proposed work crosses individual service lines. Not all service lines are shown on the plans and it is the contractor's responsibility to determine their location in the field. Protection or repair of existing service lines not in conflict with the work is considered incidental. In the event that there is a physical conflict between an existing service line and the proposed work, the contractor shall immediately notify the owner of the conflict. The owner will make a determination as to how the conflict will be resolved. Any extra work required as a result of an unforeseen service conflict will be ordered and paid for in accordance with Revisions of MAG Standard Specifications Section 104.2.3. Protection of existing utilities during the contractor's operations is considered incidental to the line item that is being performed in the area of the existing utility. Franchise utilities are obligated to move their facilities at no cost to the City if within ROW.

  - 601.4.2 BEDDING
    (first paragraph)

Revise maximum size of granular material to ¾ inch.

Aggregate base in accordance with Section 702 of the Standards Specifications shall also be acceptable as bedding material.

- 601.4.3 BACKFILL
  (revise to include the following)

  Per MAG 702: RAP meeting the requirements of Section 701.5 can be utilized in base material up to 100% and may be used in roadway applications or where otherwise specified by project plans or special provisions.

  RAP should meet or exceed testing requirements per applicable sections of MAG 701 or 702.

  (revise second paragraph to read)

  Water consolidation (flooding, jetting, or similar methods) shall not be permitted.

  (revise fourth paragraph to read)

  When mechanical compaction is used, backfill shall not be placed in lifts exceeding one foot in compaction height, regardless of pipe size, material, or backfill type.

- 601.4.5 COMPACTION METHODS
  (revise second paragraph to read)

  Jetting and/or water settling will not be allowed.

- **SECTION 604 – PLACEMENT OF CONTROLLED LOW STRENGTH MATERIAL**

  - 604.1 DESCRIPTION
    (modify to add)

    Controlled low strength material shall be used in areas specified to receive slurry backfill on the plans. CLSM used for encasement shall be 1.5-sack mix in accordance with section728.

- **SECTION 610 – WATER LINE CONSTRUCTION**

  - 610.1 DESCRIPTION
    (modify to add)

    The contractor is to conform to the requirements of the Arizona Department of Environmental Quality for all water construction. Reference: Bulletin 10. Where ADEQ construction requirements differ from the requirements of the Standard Specifications, or these Specification Amendments, the more restrictive provisions shall apply.

  - 610.2 GENERAL
    (modify to add)

    Contractor shall maintain full water service to the adjacent community, with the exception of minimal shutdown as required to install new service connections and to tie into the existing line.

    The contractor may have to utilize an above ground temporary main line to maintain water services to the adjacent residences and businesses. Temporary lines will have to be approved by the City of Flagstaff.

- 610.3 MATERIALS
  (revise items (A) and (B) under this subsection to read)

  8" diameter water main pipe will be PVC C900, in accordance with section 610.6, except where a particular material is specified.

  Ductile Iron water pipe shall be pressure class 350, Cement Mortar Lined and Polyethylene wrapped, NSF approved, in accordance with ANSI/AAWWA C151.

  All joints at fittings must be mechanically restrained. All joints within the restrain length of the fitting shall also be mechanically restrained. Joint restraint shall be provided through use either an approved manufacturer's proprietary system or through the use of approved exterior restraints (Ebaa Iron "Megalug" or approved equivalent system).

  All valves and fittings shall be ductile iron encased in polyethylene.

  Water service connections shall be ¾" – 2" copper lines.

  Underground marking tape shall be a 4" width detectable marking tape, with a minimum 5.0 mil overall thickness. Tape shall be manufactured using a clear virgin polypropylene film, reverse printed and laminated to an aluminum foil core, and then laminate to a clear virgin polyethylene film. Tape shall be printed using a diagonal striped design for maximum visibility and meet the APWA Color-Code standard for identification of buried utilities.

  All main line water pipes must have tracer wire taped to the top center of the main with 10 mil PVC tape on 4' center.

- 610.4 CONSTUCTION METHODS
  (modify to add)

  Deflected ductile iron and PVC pipe shall be installed with a deflection of not greater than ½ the manufacturer's recommended deflection, horizontally and vertically, based upon pipe sizing and jointing method.

  Stake and maintain waterline grades as shown on the drawings. Eliminate localized highs where unvented air may accumulate.

  All underground ductile iron pipe and ductile iron fitting shall receive polyethylene wrap, in accordance with section 610.6.

- 610.11 METER SERVICE CONNECTIONS
  (revise to include the following)

  City of Flagstaff utility tapping fees are the responsibility of the Contractor. Fee rates may be obtained from the counter. All cost and fees for the utility for the utility tap work shall be included in the line item for the installation of new services, including but not limited to all labor and materials for installation, repair of any associated abandoned tap and fees. The contractor shall perform all work and coordinate payment directly with the Water Services Department counter in the City Hall Lobby.

  Contractor shall provide the City with two copies of the pre-construction video survey/log of the construction area. The video cannot be done by vehicle and must capture existing conditions of resident's driveways, yards, landscaping and adjacent property.

The City will provide the contractor with Temporary Rights of Entry for the water service connection, replacement/adjustment of water meter boxes and associated work. If the contractor needs to go outside the Temporary Right of Entry limits they will have to provide the City with written permission from the property owner prior to conducting the work.

A residential plumber's license will be required for all work that is done on the private service side of the meter.

All water service connections shall be complete in place. A new service saddle, copper service line (type k), corp. stop, quick compression unit, Ford curb stop or equal, UF-600 direct bury 12 Ga. Min. or copper wire w/ blue insulation, and meter box shall be provided by the contractor. All service connections shall conform to the City of Flagstaff Section 13-09-003-0007 and Standard Detail 9-03-070 for the ¾" – 1" connections and 9-03-071 for the 1.5" – 2.5" connections. The Meter box shall be H2O rated and conform to the City of Flagstaff Standard Detail 9-03-080.

The water meters within the public right of way are to be left in their existing location. All meters on private property must be removed, salvaged and placed within the public right of way. All meters must be adjusted to grade after final grading is done. The contractor will re-establish the landscaping in like kind in the area vacated by the old water meter in addition to the disturbed area in the new location.
Once the contractor is finished with all the new service connections, the landscape on city property and private property shall be replaced to reconstructions conditions or better. All costs associated with this work are to be included in the amount bid for the project.

The contractor will maintain As-Built drawings and allow the City Inspectors to review them no less than twice a month. The contractor will provide a final field set of As-Built plans to the City for verification. As-Built plans shall clearly illustrate all work constructed as well as existing utilities throughout the project. Please see City's As-Built check list, as well as City of Flagstaff General Provisions 105.2.1 and 105.2.2. The As-Built drawing shall be clear and neatly noted. There will be no separate payment for this item.

SECTION 700 – MATERIALS

- **SECTION 725 – PORTLAND CEMENT CONCRETE**

  - 725.1.1 CLASSES OF CONCRETE
    (revise subsection (1) third paragraph to read)

    Class AA concrete shall be used for all concrete.

    (revise Table 725 to read)

Class of Concrete	Minimum Cement Content-lbs per Cubic Yard	Minimum Strength at 28 days Compressive (1)
AA	600	4,000 psi

  - 725.6 ADMIXTURES
    (revise second paragraph to read)

    All concrete shall contain not less than 5% and not more than 7% entrained air by volume. Air entraining admixtures shall conform to the requirements of AASHTO M-154. Contractor shall furnish certificates of compliance for each type of admixture furnished. All admixtures shall be stores in suitable containers in accordance with manufacturer's recommendations. Liquid admixtures that have been frozen shall be used. Any admixture shall be measured accurately be mechanical means into each batch by equipment and in a method approved by the Engineer. Cost of admixtures used shall be incorporated into the bid price for the appropriate item.

  - 725.7 PROPORTIONING
    (revise last paragraph to read)

    At least two weeks prior to the appropriate concreting operation, the contractor shall furnish a mix design for each class of concrete and each strength of concrete for review and approval. More than one design for each class of concrete and each strength of concrete may be submitted for approval provided specific items and locations of intended uses accompany the design. The contractor shall substantiate each mix design by furnishing test data and providing all details of the mixtures proposed for use.

    The completed solid volume mix designs submitted for approval shall include all weights and volumes of all ingredients. The brand, type and source of hydraulic cement and admixtures, the coarse aggregate size number designation, source of aggregates, the specific gravity's of all ingredients, the proposed slump, a code number to identify the mix design, and the intended use of the each mix design shall be an integral part of each mix design.

    No changes in the approved mix designs or code numbers shall be made by the contractor except by approval of the Engineer. A new mix design shall be submitted for approval any time the contractor requests a change in materials or proportioning of the materials form that given in each approved mix design. In no case shall the approval of a mix design relieve the contractor of the responsibility for the results obtained by the use of such approved mix design.

    Mix designs from previous or concurrent projects may be submitted at any time for approval. The Engineer reserves the right to require trial batches at any time.

    A new mix design shall be submitted for approval any time the test results of an approved mix design indicate that the concrete will not meet the required 28 day compressive strength.

- 725.10 TESTS
  (modify to add)

  Notwithstanding any provisions of this section, no concrete supplied for this project shall have slump, as determined in the field, of greater than 4 inches, unless such excess slump has been specifically approved by the Engineer at the time of the mix design. Excess slump concrete shall be rejected, and shall not be incorporated into the work.

- **SECTION 750 IRON WATER PIPE AND FITTINGS**

  - 750.2 DUCTILE IRON WATER PIPE
    (modify this section as indicated)

    Ductile iron water pipe shall be pressure class 350, Cement Mortar Lined and Polyethylene wrapped, NSF approved, in accordance with ANSI/AWWA C151. All underground ductile iron pipe shall receive polyethylene wrap, in accordance with Section 610.6. All joints must be mechanically restrained.

    (revise to include the following)

    Pipe shall be pressure class 350 psi.

  - 750.3 JOINT REQUIREMENTS: FITTINGS
    (remove first paragraph and replace with)

    Push-on-joints will not be allowed.

    (revise to include the following)

    All joints shall be mechanical joints, Megalug or approved equal.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Trevor Henry, Project Manager
Date:	05/27/2020
Meeting Date:	06/02/2020

TITLE:

Consideration and Approval of Contract: Approve the construction contract with Mountain High Excavation, LLC. in the amount of $577,804.00 for the Fir Avenue Waterline Replacement Project.

STAFF RECOMMENDED ACTION:

1. Approve the construction contract with Mountain High Excavation, LLC. in the amount of $577,804.00, and a contract time period of 120 calendar days;
2. Approve a contract allowance of $43,335.30, which is 7.5% of the lowest responsive bid;
3. Approve Change Order Authority to the City Manager in the amount of $57,780.40 (10% of the contract amount, less allowances); and
4. Authorize the City Manager to execute the necessary documents.

Executive Summary:

The contract award of $577,804.00 to Mountain High Excavation, LLC. is proposed to complete the Fir Avenue Waterline Replacement Project which includes new water mains, new water services, new fire hydrants, roadway match up pavement and concrete driveways, curb, gutter, and sidewalk for selected sections. The project is scheduled to begin as soon as allowed. The project includes Fir Avenue and Mesa Drive, located in the Mount Elden Park Subdivision.

Financial Impact:

The Fir Avenue Waterline Replacement Project is funded by the total budget appropriations of $1,593,400.00 which is programmed in the FY2019-20 Water Fund 5-Year plan under the Drinking Water category (account # 202-08-370-3434-0).

Policy Impact:

No

Connection to Council Goal, Regional Plan, CAAP, and/or Strategic Plan:

REGIONAL PLAN: POLICY WR.2.2

Maintain and develop facilities to provide reliable, safe, and cost-effective water, wastewater, and reclaimed water services.

TEAM FLAGSTAFF: FOSTER A RESILIENT and ECONOMICALLY PROSPEROUS CITY

Deliver outstanding services through a healthy environment, resources and infrastructure.

Has There Been Previous Council Decision on This:

Council has previously approved the FY 2019-2020 Capital Improvement 5-Year Plan and authorized the FY 2019-2020 budget for this project in the amount of $1,593,400.

Options and Alternatives:

1. Approve the award as recommended. Approval will allow work to move forward in calendar year 2020; or
2. Reject all bids. This action would delay the project. If rejection occurs, possible options Include:

   a) Re-advertise the project and open new bids;
   b) Suspend or cancel the project.

Background/History:

The project has a general scope to upgrade the existing water mains, services and fire hydrants in Fir Avenue and Mesa Drive combined. Fir Avenue and Mesa Drive will receive the standard trench asphalt pavement patch.

Construction impacts may include traffic detours, temporary lane closures with traffic flagging and restricted access to parcels with signage. Coordination with property owners will be made for water service disconnects and reconnects.

With Council approval of the contract, work is scheduled to begin this summer 2020. The project is included in a Fund that has been programmed in the Capital Improvement 5-year plan.

Staff posted the Invitation for Bids (IFB) solicitation for construction on April 1, 2020 on the City website and Purchasing's electronic bidding website. There were six bids received on the opening date of April 24, 2020 and staff determined that Mountain High Excavation, Inc. is the lowest responsive and responsible bidder.

Key Considerations:

The existing water mains in this area of the Mountain Elden Park subdivision are aging and are in need of replacement. The water mains were constructed in 1962. The City Water Services Division has approved funding for improvements in order to reduce the maintenance cost and improve service to the community.

Expanded Financial Considerations:

Below is a summary of the bids received.

Mountain High Excavation, LLC.	**$577,804.00**
Western Utility Construction, LLC.	**$641,098.00**
Sellers and Sons, Inc.	**$725,526.00**
Lincoln Construction	**$751,199.00**
Kinney Construction, Inc.	**$786,079.00**
Engineer's Estimate	***$790,038.00***

Standard Construction Co., Inc.	**$1,204,896.00**
Contract Allowance at 7.5% of $577,804	**$43,335.30**

The contract allowance is established to address unanticipated items of work, unknown items of work and/or differing field conditions and with authorization will be included in the contract amount. The allowance is used only at the City's discretion. See attached allowance justification form.

Change Order Authority establishes a dollar amount (10% of the contract amount, less allowance) and provides the City Manager, on behalf of the Council, authority to amend the contract amount in response to unforeseen costs that are more than the contracted amount and in excess of the contract allowance.

Community Involvement:

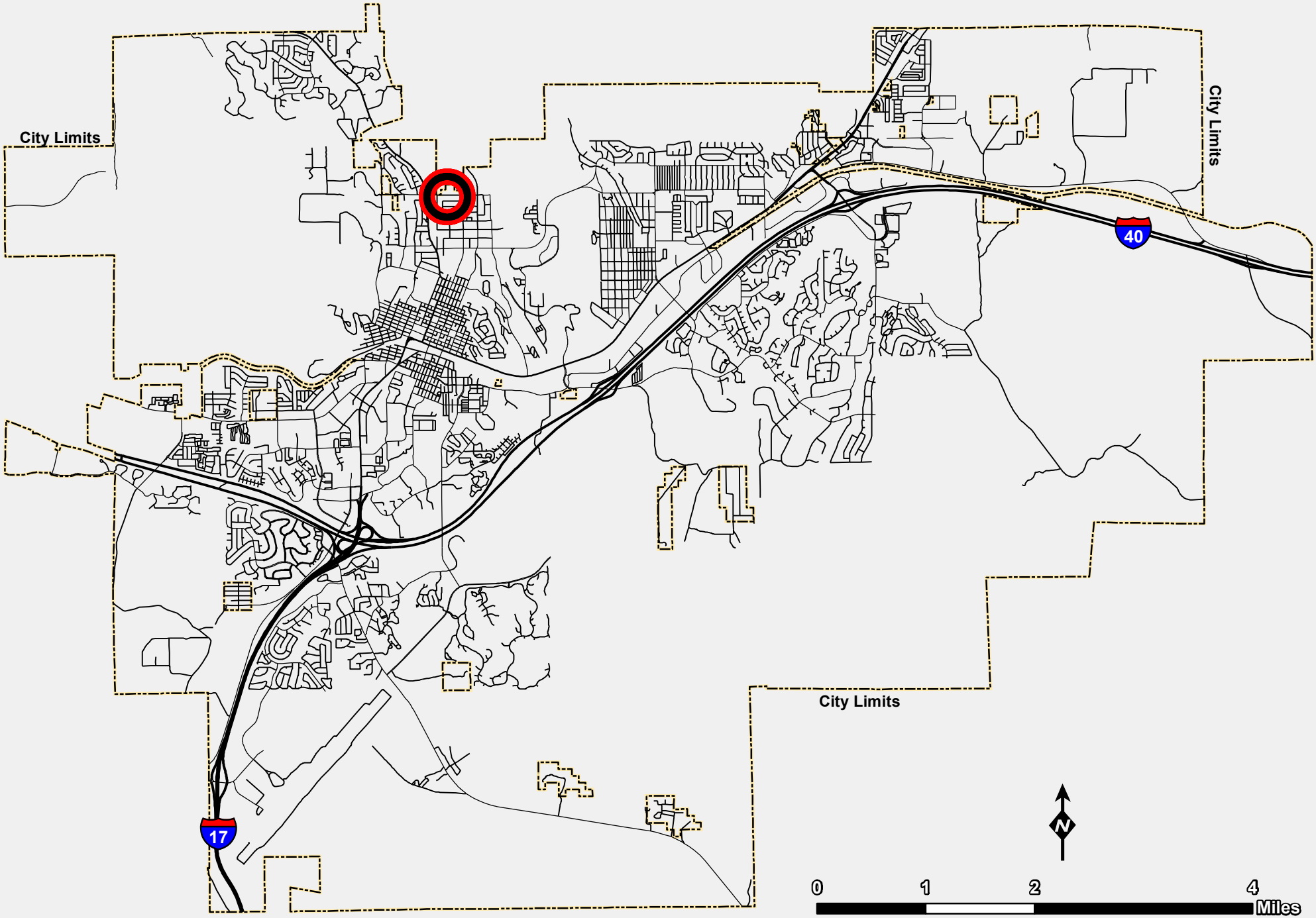
The Community benefits of this project include better service from the water distribution infrastructure. Additional project information and traffic restriction advisories will be provided during construction via local media and through the City Manager's office as needed. The project will replace old waterlines (58 years old), reducing failures and maintenance costs over time and provide the neighborhood with safe, consistent water delivery.

Expanded Options and Alternatives:

1. Approve the award as recommended. This would allow the project to be constructed in 2020.
2. Reject all bids. This option would delay the construction start and possibly cause the work to be deferred until 2021.

Attachments: Context Map
Vicinity Map
CA COA Justification Form
Contract

Fir Avenue Waterline Replacement Project



VICINITY MAP

Fir Avenue Waterline Replacement Project
03-19013 WA 3434

ISSUED FOR PERMITTING ONLY	☐	DATE
ISSUED FOR BIDDING ONLY	☐	DATE
ISSUED FOR CONSTRUCTION	☒	DATE 01/15/2020
AS-BUILT PLAN	☐	DATE
NOT FOR CONSTRUCTION UNTIL SO NOTED		

STEPHEN C. IRWIN — 1/15/20

C.O.F. PROJECT # 03-19013

FLAGSTAFF ARIZONA

MESA DRIVE AND FIR AVENUE

WATER LINE REPLACEMENT
KEY MAP & SURVEY CONTROL

JOB NO: 18187
DATE: JAN 20
SCALE: AS SHOWN
DRAWN: SJV
DESIGN: SJV
CHECKED: SJV/AW

SVI
Shephard Wesnitzer, Inc.
75 Kolbf Place
Sedona, AZ 86336
928.282.1061
928.282.2038 fax
www.swiaz.com

NO.	DESCRIPTION	DATE	BY
	REVISIONS		

Call at least two full working days before you begin excavation.
ARIZONA811
Dial 8-1-1 or 1-800-STAKE-IT (782-5348)

DRAWING NO.
KM01

SHT NO. 5 OF 11

PLOTTED: Jan 15, 2020 @ 20min
FILE: P:\2018\18187\DRAWINGS\CONSTRUCTION PLANS\KEYMAP - 18187.DWG KBAYER

CITY OF FLAGSTAFF

CONTRACT SUPPLEMENTARY JUSTIFICATION

☒ CONTRACT ALLOWANCE

☒ ADMINISTRATIVE CHANGE ORDER

PROJECT NO.	WA 3434	**PROJECT NAME**	Fir Avenue Waterline Replacement
FILE NO.	03-19013	**PROJECT MANAGER**	Trevor Henry
CONTRACTOR / CONSULTANT	Mountain High Excavation, LLC.		

PROJECT DESCRIPTON

The general project scope includes demolition work, installation of 3,062 LF of new water main and 26 water services, 6 fire hydrants, match up pavement patches, curb & gutter, driveway approaches and sidewalk. (Vicinity Map Attached)

JUSTIFICATION FOR USE & AMOUNT

Contract Allowance Amount $ 43,335.30 (7.5%)

Administrative Change Order Amount $57,780.40 (10%)

Justification

Request is to provide an allowance to accommodate unanticipated and/or unforeseen issues and for quantity adjustments. Plan quantities are considered accurate but final quantities are measured during construction. The contractor must be compensated for actual quantities of work (MAG 102.3). Quantities often change because of unknown and/or necessary field changes. Without an allowance, project work may need to be suspended until an agenda item can be brought before Council for consideration and approval. An allowance will provide needed flexibility in delivery of improvements, minimizing negative impacts to the community during construction. Any additional quantities needed do become an asset of the City and any unused fund allocation is returned to the program fund.

COST / BUDGET / FUNDING SOURCE ANALYSIS

Contract Allowance Amount $ 43,335.30 (7.5%)

Administrative Change Order Amount $57,780.40 (10%)

Justification

Allowance request is 7.5% and Change Order Amount is 10% of the $577,804 low bid from Mountain High Excavation, LLC. Adequate funding is in the FY 20 authorized budget of $1,593,400, Water Services Category, Drinking Water Fund (202-08-370-3434-4421). The budget accommodates design, construction estimated cost, permitting, testing and inspection, chip seal fund payment, soft costs, Capital Improvements project management costs.

APPROVALS

	Signature		Date
Project Manager		Trevor Henry	05.08.2020
Program Manager		Bret C. Petersen	5/8/2020
Section Head		Richard A. Barrett	5/11/20
Division Head	Daniel Folke	Daniel Folke	05/11/2020

POINT TABLE				
POINT #	NORTHING	EASTING	ELEVATION	DESCRIPTION
100	79306.87	59872.08	0.00	CALCULATED
101	79322.00	62472.04	0.00	CALCULATED
2000	78471.19	60377.65	7055.52	CPR 2IN AC COF 25083
2001	79309.31	60372.08	7064.03	CPR 2IN AC COF 25083
2003	79223.44	61622.71	7055.92	CPR 2IN AC COF 25083
2004	79318.31	62005.17	7017.27	CPR 2IN AC COF 25083
2005	79336.98	60341.79	7061.22	CPR 2IN AC COF 1\4 59510

ISSUED FOR PERMITTING ONLY ☐ DATE
ISSUED FOR BIDDING ONLY ☐ DATE
ISSUED FOR CONSTRUCTION ☒ 01/15/2020 DATE
AS-BUILT PLAN ☐ DATE
NOT FOR CONSTRUCTION UNTIL SO NOTED

STEPHEN C. [illegible] 1/15/20

C.O.F. PROJECT # 03-19013

FLAGSTAFF ARIZONA

MESA DRIVE AND FIR AVENUE

WATER LINE REPLACEMENT
KEY MAP & SURVEY CONTROL

JOB NO.: 18187
DATE: JAN '20
SCALE: AS SHOWN
DRAWN: SJV
DESIGN: SJV
CHECKED: SO/ASF

REVISIONS

NO.	DESCRIPTION	DATE	BY

SWI
Shephard Wesnitzer, Inc.
75 Knoll Place
Sedona, AZ 86336
928.282.1061
928.282.2058 fax
www.swiaz.com

Call at least two full working days before you begin excavation. ARIZONA BLUE STAKE, INC. 811 or 1-800-STAKE-IT (782-5348)

DRAWING NO.
KM01

SHT NO. 5 OF 11

PLOTTED: Jan 15, 2020 - 8:20am

FILE: P:\2018\18187\DRAWINGS\CONSTRUCTION PLANS\XS\MAP-18187-DWG XREF

CONSTRUCTION CONTRACT #2020-117

City of Flagstaff, Arizona
and
Mountain High Excavating, LLC

This Construction Contract ("Contract") is made and entered into this _____ day of _____ 2020, by and between the City of Flagstaff, an Arizona municipal corporation with offices at 211 West Aspen Avenue, Flagstaff, Arizona ("Owner") and Mountain High Excavating, LLC ("Contractor") with offices at 4183 East Huntington Drive Flagstaff, AZ 86004. Contractor and the Owner may be referred to each individually as a "Party" and collectively as the "Parties."

RECITALS

A. Owner desires to obtain construction services; and

B. Contractor has available and offers to provide personnel and materials necessary to accomplish the work and complete the Project as described in the Scope of Work within the required time in accordance with the calendar days included in this Contract.

NOW, THEREFORE, the Owner and Contractor agree as follows:

1. Scope of Work. The Contractor shall furnish any and all labor, materials, equipment, transportation, utilities, services and facilities for the **Fir Avenue Waterline Replacement Project** (the "Project"). The Project scope is specific to the attached Special Provisions (Exhibit B). Contractor shall construct the Project for the Owner in a good, workmanlike and substantial manner and to the satisfaction of the Owner through its engineers and under the direction and supervision of the City Engineer, or his properly authorized agents including but not limited to project managers and project engineers. Contractor's work shall be strictly pursuant to and in conformity with the Contract.

1.1 A Pre-Construction Conference will be held with the successful Contractor after the Notice of Award is issued. The date and time of the Conference will be agreed upon between the Contractor and the Engineer. The meeting will be held at City Hall, 211 West Aspen Avenue, Flagstaff, AZ 86001. The purpose of the meeting is to outline specific construction items and procedures that the Owner feels require special attention on the part of the Contractor. The Contractor may also present any variations in procedures to improve the workability of the Project, reduce the cost, or reduce inconvenience to the public. The Contractor shall submit a written proposal at this conference outlining intended plans for pavement replacement, maintaining continuous access to residences and businesses along the construction site, and traffic control.

2. Contract; Ownership of Work. Contractor shall furnish and deliver all of the materials and perform all of the work in accordance with this Contract; Construction Plans; Special Provisions; the City of Flagstaff Engineering Design and Construction Standards and Specifications; the latest version of the Maricopa Association of Governments ("MAG")

Specifications for Public Works Construction and City revisions to the MAG Specifications for Public Works Construction ("Exhibit A"); and any Arizona Department of Transportation (A.D.O.T.) Standards that may be referenced on the Plans or in the specifications, incorporated in this Contract by reference, plans and associated documents. All provisions of the Invitation for Construction Bids, Performance Bond, Payment Bond, Certificates of Insurance, Addenda, Change Orders and Field Orders, if any, are hereby incorporated into this Contract. All materials, work, specifications and plans shall be the property of the Owner.

The following exhibits are incorporated by reference and are expressly made a part of this Contract:

2.1.1 Revisions of MAG Standard Specifications for Public Works Construction ("Flagstaff Addendum to MAG") Exhibit A

2.1.2 Special Provisions Exhibit B

3. Payments. In consideration of the faithful performance of the work described in this Contract, the Owner shall pay an amount not to exceed five hundred seventy-seven thousand eight hundred four dollars ($577,804) to the Contractor for work and materials provided in accordance with the bid schedule, which amount includes all federal, state, and local taxes, as applicable. This amount shall be payable through monthly progress payments, subject to the following conditions:

3.1 Contractor shall promptly submit to the Owner all proper invoices necessary for the determination of the prices of labor and materials;

3.2 Progress payments shall be made in the amount of ninety percent (90%) of the value of labor and materials incorporated in the work, based on the sum of the Contract prices of labor and material, and of materials stored at the worksite, on the basis of substantiating paid invoices, as estimated by the Owner, less the aggregate of all previous payments, until the work performed under this Contract is fifty percent (50%) complete. When and after such work is fifty (50%) complete, the ten percent (10%) of value previously retained may be reduced to five percent (5%) of value completed if Contractor is making satisfactory progress as determined by the Owner, and providing that there is no specific cause or claim requiring a greater amount to be retained. If at any time the Owner determines that satisfactory progress is not being made, the ten percent (10%) retention shall be reinstated for all subsequent progress payments made under this Contract;

3.3 The City Engineer shall have the right to finally determine the amount due to Contractor;

3.4 Monthly progress payments shall be made by the Owner, on or before fourteen (14) calendar days after the receipt by the Owner of an approved estimate of the work completed;

3.5 Contractor agrees that title to materials incorporated in the work, and stored at the site, shall vest with the Owner upon receipt of the corresponding progress payment;

3.6 The remainder of the Contract price, after deducting all such monthly payments and any retention, shall be paid within sixty (60) days after final acceptance of completed work by

the Owner. The release of retention or alternate surety shall be made following the Owner's receipt and acceptance of: Contractor's Affidavit Regarding Settlement of Claims, Affidavit of Payment, Consent of Surety for Final Payment, and Unconditional Full and Final lien waivers from all subcontractors and suppliers who have filed an Arizona Preliminary 20 Day Lien Notice in accordance with A.R.S. §§ 33-992.01 and 33-992.02.

4. Time of Completion. Contractor agrees to complete all work as described in this Contract within **one hundred twenty (120) calendar days** from the date of the Owner's Notice to Proceed free of all liens, claims and demands of any kind for materials, equipment, supplies, services, labor, taxes and damages to property or persons, in the manner and under the conditions specified within the time or times specified in this Contract.

5. Performance of Work. All work covered by this Contract shall be done in accordance with the latest and best accepted practices of the trades involved. The Contractor shall use only skilled craftsmen experienced in their respective trades to prepare the materials and to perform the work.

6. Acceptance of Work; Non-Waiver. No failure of the Owner during the progress of the work to discover or reject materials or work not in accordance with this Contract shall be deemed an acceptance of, or a waiver of, defects in work or materials. No payment shall be construed to be an acceptance of work or materials which are not strictly in accordance with the Contract.

7. Delay of Work. Any delay in the performance of this Contract due to strikes, lockouts, fires, or other unavoidable casualties beyond the control of the Contractor and not caused by any wrongful act or negligence of the Contractor shall entitle the Contractor to an extension of time equal to the delay so caused. The Contractor shall notify the Owner in writing specifying such cause within twenty-four (24) hours after its occurrence. In the event such delay is caused by strikes, lockouts, or inability to obtain workmen for any other cause, the Owner shall have the right but shall not be obligated to complete the work on the same basis as is provided for in Section 13 below (Contract Violations).

8. Failure to Complete Project in Timely Manner. If Contractor fails or refuses to execute this Contract within the time specified in Section 4 above, or such additional time as may be allowed, the proceeds of Contractor's performance guaranty shall become subject to deposit into the Treasury of the municipality as monies available to compensate the Owner for damages as provided by A.R.S. § 34-201 for the delay in the performance of work under this Contract, and the necessity of accepting a higher or less desirable bid from such failure or refusal to perform this Contract as required. If Contractor has submitted a certified check or cashier's check as a performance guaranty, the check shall be returned after the completion of this Contract.

9. Labor Demonstration. It is understood that the work covered by this Contract is for the Owner's business purposes and that any unfavorable publicity or demonstrations in connection with the work will have a negative effect upon the Owner. If Contractor's actions in performance of the Contract result in any public demonstration on behalf of the laborers or organized labor in the vicinity of the Owner's premises, whether such demonstration is in the form of picketing, posting of placards or signs, violence, threats of violence or in any other form, which in the Owner's judgment, might convey to the public the impression that the Owner or the Contractor or any subcontractor is

unfair to laborers or to organized labor, the Owner shall have the right to terminate this Contract immediately, unless the Contractor shall have caused such demonstration to be discontinued within two (2) days after request of the Owner to do so. In the event any such demonstration is attended by violence, the Owner may fix lesser time within which a discontinuance shall be accomplished. In the event of Contract termination, the Contractor agrees to remove from the Premises within twenty-four (24) hours of termination, all machinery, tools, and equipment belonging to it or to its subcontractors. All obligations or liabilities of the Owner to the Contractor shall be discharged by such termination, except the obligation to pay to the Contractor a portion of the Contract price representing the value based upon the Contract prices of labor and materials incorporated in the work as established by the Owner, less the aggregate of all previous payments, but subject to all of the conditions pertaining to payments generally.

10. Material Storage. During the progress of the work, the Contractor shall arrange for office facilities and for the orderly storage of materials and equipment. Contractor shall erect any temporary structures required for the work at his or her own expense. The Contractor shall at all times keep the premises reasonably free from debris and in a condition which will not increase fire hazards. Upon completion of the work, the Contractor shall remove all temporary buildings and facilities and all equipment, surplus materials and supplies belonging to the Contractor. Contractor shall leave the Premises in good order, clean, and ready to use by the Owner. The establishment of any temporary construction yard, material storage area or staging area to be located within City of Flagstaff limits and outside the public right-of-way or Project limits generally requires a Temporary Use Permit. (See Exhibit A, Section 107.2.1.)

11. Maintenance During Winter Suspension of Work. A "Winter Shutdown" is the period of time typically including December through March during which no Work will be performed by any person or entity (including but not limited to the Contractor) on the Project and Contractor shall shutdown, properly insulate and shelter the Project in a safe and workmanlike manner pursuant to local, state and federal laws. Although December through March is typically the time frame, the City reserves the right to initiate and terminate a Winter Shutdown at the City's sole discretion in the event of adverse weather conditions. A Winter Shutdown may be declared by the City despite delays, *for any reason,* on the Project. City retains the right to declare a Winter Shutdown. If work has been suspended due to winter weather, the Contractor shall be responsible for maintenance and protection of the improvements and of partially completed portions of the work until final acceptance of the project. Winter Shutdown shall be by field order, change order or original contract. If repairs and/or maintenance are needed during the Winter Shutdown, the Contractor is required to perform the repairs and/or maintenance within twenty-four (24) hours of notification from the City. If the needed repairs and/or maintenance are not addressed within the timeframe, the City will accomplish the work and deduct the cost from monies due or become due to the Contractor.

The City shall provide snow removal operations on active traffic lanes only during the Winter Shutdown. All other snow removal and maintenance operations shall be the responsibility of the Contractor during the Winter Shutdown. All cost associated with snow removal and proper disposal shall be considered incidental to the work including repair of temporary surface improvements due to normal wear and snow removal operations during the Winter Shutdown.

12. Assignment. Contractor shall not assign this Contract, in whole or in part, without the prior written consent of the Owner. No right or interest in this Agreement shall be assigned, in whole or in part, by Contractor without prior written permission of the City and no delegation of any duty of Contractor shall be made without prior written permission of the Owner. The Owner shall not unreasonably withhold consent to such assignment. Contractor agrees that any assignment agreement between Contractor and the Assignee shall include and subject to the assignee to all obligations, terms and conditions of this Contract and that Contractor shall also remain liable under all obligations, terms and conditions of this Contract.

13. Notices. Many notices or demands required to be given, pursuant to the terms of this Contract, may be given to the other Party in writing, delivered in person, sent by facsimile transmission, emailed, deposited in the United States mail, postage prepaid, or deposited with any commercial air courier or express service at the addresses set forth below, or to such other address as the Parties may substitute by written notice, given in the manner prescribed in this paragraph. However, notices of termination, notices of default and any notice regarding warranties shall be sent via registered or certified mail, return receipt requested at the address set forth below ***and*** to legal counsel for the party to whom the notice is being given.

If to Owner:	**If to Contractor:**
Matthew Luhman, CPP, CPPB	Joseph Dutson, Project Manager
Purchasing Manager	Mountain High Excavating, LLC
211 West Aspen Avenue	4183 East Huntington Drive
Flagstaff, AZ 86001	Flagstaff, AZ 86004

14. Contract Violations. In the event of any of the provisions of this Contract are violated by the Contractor or by any of Contractor's subcontractors, the Owner may serve written notice upon the Contractor and the Surety of its intention to terminate such Contract (the "Notice to Terminate"). The Contract shall terminate within five (5) days of the date Contractor receives the Notice to Terminate, unless the violation ceases and Contractor makes arrangements for correction satisfactory to the Owner. In the event of any such termination, the Owner shall immediately serve notice of the termination upon the Surety by registered mail, return receipt requested. The Surety shall have the right to take over and perform the Contract. If the Surety does not commence performance within ten (10) days from the date of receipt of the Owner's notice of termination, the Owner may complete the work at the expense of the Contractor, and the Contractor and his or her Surety shall be liable to the Owner for any excess cost incurred by the Owner to complete the work. If the Owner completes the work, the Owner may take possession of and utilize such materials, appliances and plants as may be on the worksite site and necessary for completion of the work.

15. Termination for Convenience. The Owner may terminate this contract at any time for any reason by giving at least **thirty (30) days** written notice to the Contractor. If termination occurs under this Section 15, the Contractor shall be paid fair market value for work completed by Contractor as of the date of termination. The parties agree that fair market value shall be determined based on the Contractor's original bid price, less any work not yet completed by the Contractor as of the date the written notice of termination is given to the Contractor.

16. Contractor's Liability and Indemnification. To the fullest extent permitted by law, Provider shall indemnify, save and hold harmless the City of Flagstaff and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against liabilities, damages, losses and costs, including reasonable attorney fees, but only to the extent caused by the, recklessness or intentional wrongful conduct of the contractor, subcontractor or design professional or other persons employed or used by the contractor, subcontractor or design professional in the performance of the contract. The amount and type of insurance coverage requirements set forth in the Contract (Section 103.6 of Exhibit A) will in no way be construed as limiting the scope of the indemnity in this paragraph.

17. Non Appropriation. In the event that no funds or insufficient funds are appropriated and budgeted in any fiscal period of the Owner to meet the Owner's obligations under this Contract, the Owner will notify Contractor in writing of such occurrence, and this Contract will terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Contract are exhausted. No payments shall be made or due to the other party under this Contract beyond these amounts appropriated and budgeted by the Owner to fund the Owner's obligations under this Contract.

18. Amendment of Contract. This Contract may not be modified or altered except in writing and signed by duly authorized representatives of the parties.

19. Subcontracts. Contractor shall not enter into any subcontract, or issue any purchase order for the completed work, or any substantial part of the work, unless in each instance, prior written approval shall have been given by the Owner. Contractor shall be fully responsible to the Owner for acts and omissions of Contractor's subcontractors and all persons either directly or indirectly employed by them.

20. Cancellation for Conflict of Interest. This Contract is subject to the cancellation provisions of A.R.S. § 38-511.

21. Compliance with All Laws. Contractor shall comply with all applicable laws, statutes, ordinances, regulations and governmental requirements in the performance of this Contract.

22. Employment of Aliens. Contractor shall comply with A.R.S. § 34-301, which provides that a person who is not a citizen or ward of the United States shall not be employed upon or in connection with any state, county or municipal public works project.

23. Compliance with Federal Immigration Laws and Regulations. Contractor warrants that it complies with all Federal Immigration laws and regulations that relate to its employees and complies with A.R.S. 23-214.A. Contractor acknowledges that pursuant to A.R.S. 41-4401 a breach of this warranty is a material breach of this contract subject to penalties up to and including termination of this contract, and that the City retains the legal right to inspect the papers of any employee who works on the contract to ensure compliance with this warranty.

24. Contractor's Warranty. Contractor warrants that it complies with all Federal Immigration laws and regulations that relate to its employees and complies with A.R.S. § 23-

214.A, Verification of Employment Eligibility. Contractor shall not employ aliens in accordance with A.R.S. § 34-301, Employment of Aliens on Public Works Prohibited. Contractor acknowledges that pursuant to A.R.S. § 41-4401, Government Procurement; E-Verify Requirement; Definitions, a breach of this warranty is a material breach of this contract subject to penalties up to and including termination of this Contract, and that the Owner retains the legal right to inspect the papers of any employee who works on the Contract to ensure compliance with this warranty.

25. Jurisdiction and Venue. This Contract shall be administered and interpreted under the laws of the State of Arizona. The Contractor hereby submits itself to the original jurisdiction of those courts located within Coconino County, Arizona.

26. Attorney's Fees. If suit or action is initiated in connection with any controversy arising out of this Contract, the prevailing party shall be entitled to recover in addition to costs such sum as the court may adjudge reasonable as attorney fees, or in event of appeal as allowed by the appellate court.

27. Time is of the Essence. Contractor acknowledges that the completion of the Contract by the dates specified final completion is critical to the Owner, time being of the essence of this Contract.

28. No Third-Party Beneficiaries. The Parties acknowledge and agree that the terms, provisions, conditions, and obligations of this Contract are for the sole benefit of, and may be enforceable solely by, the Parties to this Contract, and none of the terms, provisions, conditions, and obligations of this Contract are for the benefit of, or may be enforced by, any person or entity not a party to this Contract.

29. Headings. The article and section headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provision of this Contract.

30. Severability. If any part of this Contract is determined by a court to be in conflict with any statute or constitution or to be unlawful for any reason, the parties intend that the remaining provisions of this Contract shall remain in full force and effect unless the stricken provision leaves the remaining Contract unenforceable.

31. Force Majeure. The parties acknowledge that there may be events that occur during the term of this Contract that are beyond the control of both the City and the Contractor, including events of war, floods, labor, disputes, earthquakes, epidemics, pandemics, adverse weather conditions not reasonably anticipated, forest fires, and other acts of God. These events may result in temporary delay or permanent shut down of the work that is the subject of this Contract, as set forth in Exhibit B. This may be caused by such things as stay-at-home orders, loss of labor force, supply chain delays, and other impediments to timely delivery of the Contract.

The parties agree that there will be no claims arising from a temporary delay or permanent shut down caused by the events described above and that the City will pay no additional costs incurred as a result of such events.

The parties agree to act in good faith to extend the Contract completion date without any penalty to the Contractor and that the extension will be in an amount of time equal to any temporary delay. This term supersedes all other terms regarding temporary delay, permanent shut down, or increased costs.

IN WITNESS WHEREOF, the Owner and Contractor, by their duly authorized representatives, have executed this Contract as of the date written above.

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

Owner, City of Flagstaff	**Contractor**
Greg Clifton, City Manager	Signature
Attest:	Printed Name
City Clerk	Title
Approved as to form:	
City Attorney	

CITY OF FLAGSTAFF, ARIZONA
PAYMENT BOND

PROJECT NAME: Fir Avenue Waterline Replacement Project
PROJECT NUMBER: 03-19013 **BID NUMBER:** 2020-117

STATUTORY PAYMENT BOND PURSUANT TO TITLE 34
CHAPTER 2, ARTICLE 2, OF THE ARIZONA REVISED STATUTES
(Penalty of this Bond must be 100% of the Contract Amount)

KNOW ALL MEN BY THESE PRESENTS:

That, _____
(Hereinafter called the Principal), as Principal, and, _____
_____, a corporation organized and existing under the laws of the State of _____, with its principal office in the City of _____ ("Surety"), as Surety, are held and firmly bound unto the City of Flagstaff, Arizona ("Obligee"), in the amount of _____
_____Dollars ($_____) for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written Contract with the Obligee, dated this _____ day of_____, 20___, to the City of Flagstaff which Contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

Now, therefore, the condition of this obligation is such, that if the principal promptly pays all monies due to all persons supplying labor or materials to the principal or the principal's subcontractors in the prosecution of the work provided for in the contract, this obligation is void. Otherwise it remains in full force and effect.

Provided, however, that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions, conditions and limitations of said Title and Chapter, to the same extent as if it were copied at length in this Contract.

The prevailing party in a suit on this bond shall recover as a part of the judgment reasonable attorney fees that may be fixed by a judge of the court.

Witness our hands this _____ day of _____ 20___.

_____	_____
Principal (Seal)	Surety (Seal)
By: _____	By: _____
_____	_____
Agency of Record	Agency Address

CITY OF FLAGSTAFF, ARIZONA
PERFORMANCE BOND

PROJECT NAME: Fir Avenue Waterline Replacement Project
PROJECT NUMBER: 03-19013 **BID NUMBER:** 2020-117

STATUTORY PERFORMANCE BOND PURSUANT TO TITLE 34
CHAPTER 2, ARTICLE 2, OF THE ARIZONA REVISED STATUTES
(Penalty of this Bond must be 100% of the Contract Amount)

KNOW ALL MEN BY THESE PRESENTS:

That, _____
(hereinafter called the Principal), as Principal, and, _____
_____, a corporation organized and existing under the laws of the State of _____
_____, with its principal office in the City of _____
("Surety"), as Surety, are held and firmly bound unto the City of Flagstaff, Arizona ("Obligee"), in the amount of _____Dollars ($_____
_____) for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written Contract with the Obligee, dated this ____day of _____ 20__ in the City of Flagstaff which Contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

Now, therefore, the condition of this obligation is such, that if the principal faithfully performs and fulfills all of the undertakings, covenants, terms, conditions and agreements of contract during the original term of the contract and any extension of the contract, with or without notice to the surety, and during the life of any guaranty required under the contract, and also performs and fulfills all of the undertakings, covenants, terms, conditions and agreements of all duly authorized modifications of the contract that may hereafter be made, notice of which modifications to the surety being hereby waived, the above obligation is void. Otherwise it remains in full force and effect.

Provided, however, that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, and all liabilities on this bond shall be determined

in accordance with the provisions of said Title and Chapter, to the extent as if it were copied at length in this Contract.

The prevailing party in a suit on this bond shall recover as part of the judgment reasonable attorney fees that may be fixed by a judge of the court.

Witness our hands this _____ day of _____20__.

_____	_____
Principal (Seal)	Surety (Seal)
By: _____	By: _____
_____	_____
Agency of Record	Agency Address

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Neil Chapman, Forest Health Supervisor
Date:	05/27/2020
Meeting Date:	06/02/2020

TITLE:

Consideration and Approval: Flagstaff Fire Department Fire Management Agreement with The Nature Conservancy

STAFF RECOMMENDED ACTION:

Approve the Fire Management Agreement between The Nature Conservancy and The City of Flagstaff Fire Department

Executive Summary:

This agreement will facilitate cooperation of the two parties in wildland fire management through the use of prescribed fire (to include associated wildfire suppression efforts), and forest stewardship activities. The agreement provides for the limited interchange of personnel, equipment, and information to obtain this goal.

Financial Impact:

This agreement will increase the capacity of the City of Flagstaff to implement fire management projects without adding additional costs. This agreement does not approve the direct exchange of funds.

Policy Impact:

Implementation of this agreement will meet Council goals related to environment and natural resources as well as Public Safety.
1. Supports the Regional Plan (2013)
2. Supports the Climate Adaptation and Action Plan (2018)
3. Supports the Greater Flagstaff Community Wildfire Protection Plan (2005/2018)
4. Supports the Wildland - Urban Interface Code (2008)

Connection to Council Goal, Regional Plan, CAAP, and/or Strategic Plan:

Council Goals:

- ENVIRONMENTAL & NATURAL RESOURCES - AGGRESSIVELY SUPPORT EFFORTS FOR FOREST HEALTH, PRESERVE NATURAL RESOURCES https://www.flagstaff.az.gov/DocumentCenter/View/54535/8-MATRIX---Environmental-and-Natural-Resources?bidId=
- CLIMATE CHANGE - DEVELOP AND IMPLEMENT A CLIMATE ACTION PLAN https://www.flagstaff.az.gov/DocumentCenter/View/54533/6-MATRIX---Climate-Change?bidId=

Regional Plan:

- Policy E&C.1.5. Seek feasible alternatives to reduce the smoke produced through prescribed burns and slash piles while continuing efforts to return fire to its natural role in the ecosystem.
- Policy E&C.2.2. Promote investments that strengthen climate resiliency.
- Policy E&C.3.2. Review and revise existing regulations, standards, and plans (codes, ordinances, etc.) to reduce the community's vulnerability to climate change impacts.
- Policy E&C.3.3. Invest in forest health and watershed protection measures.
- Policy E&C.3.4. Increase the region's preparedness for extreme climate events
- Policy E&C.4.1. Assess vulnerabilities and risks of Flagstaff's natural resources.
- Policy E&C.6.1. Encourage public awareness that the region's ponderosa pine forest is a fire-dependent ecosystem and strive to restore more natural and sustainable forest composition, structure, and processes.
- Policy E&C.6.2. Encourage all landowners and land management agencies to emphasize forest ecosystem restoration and catastrophic fire risk reduction for the lands under their respective jurisdictions.
- Policy E&C.6.3. Promote protection, conservation, and ecological restoration of the region's diverse ecosystem types and associated animals.
- Policy E&C.6.4. Support collaborative efforts to return local native vegetation, channel structure and, where possible and applicable, preservation and restoration of in-stream flows to the region's riparian ecosystem.
- Policy E&C.6.5. Preserve Flagstaff's wetland areas and discourage inappropriate development that may adversely affect them and the ecosystem services they provide.
- Policy E&C.6.6. Support cooperative efforts for forest health initiatives or practices, such as the Four Forest Restoration Initiative (4FRI), to support healthy forests and protect our water system.
- Policy E&C.10.2. Protect, conserve, and when possible, enhance and restore wildlife habitat on public land.

This effort supports the Team Flagstaff Strategic Plan Mission and Vision. Protecting our watersheds and water infrastructure from the impacts of catastrophic wildfire enhances the quality of life for Flagstaff citizens while providing "a balance of economic, environmental, educational and cultural opportunities" for all.

Has There Been Previous Council Decision on This:

No.This is a new agreement.

Options and Alternatives:

Two options exist:

1. Approve agreement, permitting collaborations to take place
2. Reject agreement

Background/History:

The City and The Nature Conservancy have been collaborating on forest restoration and fire management projects for over 20 years. The management of many Conservancy and City lands requires proper use of fire including prescribed burning and wildfire suppression, in a manner that considers natural resource needs. The Conservancy and the City have expertise in fire management, including prescribed burning and wildfire suppression, and currently employ or have under contract personnel and equipment capable of performing wildland fire management activities. The City and the Conservancy benefit from experiences and training gained during wildland fire management activities.

Key Considerations:

This agreement will permit fire collaborations that will:

1. Increase the acres treated by the City of Flagstaff at no additional cost
2. Support training opportunities for the application of controlled burns in the wildland urban interface
3. Help transform reactive fire management systems to proactive systems that favor resiliency and adaptation to fire
4. Restore landscapes such that they can be maintained with ecologically appropriate fire, and when undesired fire occurs, suffer less damage and pose less risk to communities and fire manager
5. Enable and inspire Flagstaff to increase its capacity and ability to co-exist with – and have a role in the management of – fire in our landscape.

Expanded Financial Considerations:

In discussions between the City and The Nature Conservancy regarding how best to manage fire collaborations, it was decided that this agreement was needed to document organizational roles and responsibilities.

Community Benefits and Considerations:

This agreement will support fire operations that enhance the protection of our forests, adjacent neighborhoods, and the community's viewshed, while promoting the vigor, resiliency, and sustainability of the ecosystem.

The proposed agreement is in-alignment with The National Cohesive Wildland Fire Management Strategy and US Forest Service fire management efforts. It will complement the implementation of the Flagstaff Watershed Protection Project and the Four Forest Restoration Initiative. It is in accordance with the Greater Flagstaff Area Community Wildfire Protection Plan (CWPP) and supports the City's Wildland Urban Interface Fire Code (WUI), adopted by Council in 2005 and 2008, respectfully.

Community Involvement:

Over the last 6 months, Wildland Fire Management Staff have led several targeted discussions with partners about this agreement. Information was shared, feedback was requested and received, and opportunities for expanded collaborations were discussed.

Attachments: FFD-TNC fire agreement

FIRE MANAGEMENT AGREEMENT
Between
THE NATURE CONSERVANCY
And
THE CITY OF FLAGSTAFF - FLAGSTAFF FIRE DEPARTMENT

This is a Fire Management Agreement AGREEMENT between The Nature Conservancy, hereinafter referred to as the "Conservancy," and the City of Flagstaff hereinafter referred to as the "City" " This agreement is to facilitate cooperation of the two parties in wildland fire management through the use of prescribed fire (to include associated wildfire suppression efforts), and forest stewardship activities. The agreement provides for the limited interchange of personnel, equipment, and information to obtain this goal. The City and the Conservancy shall be referred to individually hereinafter as a "Party" and collectively as the "Parties."

WITNESSETH:

WHEREAS, The Conservancy's mission is to conserve the lands and waters on which all life depends. Specifically, the Conservancy owns and manages conservation lands in the State of Arizona.

WHEREAS, The City manages public and/or private lands throughout the City of Flagstaff that promote, create and maintain a sustainable healthy forest ecosystem and a FireWise community, and engages with others outside the City to do the same, thereby protecting and enhancing public safety and community well-being.

WHEREAS, The management of many Conservancy and City lands requires proper use of fire management including prescribed burning and wildfire suppression, in a manner that considers natural resource needs.

WHEREAS, The Conservancy and the City have expertise in fire management, including prescribed burning and wildfire suppression, and currently employ or have under contract personnel and equipment capable of performing wildland fire management activities.

WHEREAS, The City and the Conservancy benefit from experiences and training gained during wildland fire management activities.

NOW, THEREFORE, in consideration of the above premises, the parties hereto agree as follows:

1. The following terms shall have the following meanings as used in this AGREEMENT:

    a. Assisting Party: Party that provides employees or volunteers to assist the Jurisdictional Party with fire activities.

    b. Jurisdictional Party: The Party that possesses ownership of and/or management authority over the land involved in the fire activities.

    c. Burn Boss: Person responsible for supervising a prescribed fire from ignition through mop-up, on behalf of and at the request of the Jurisdictional Party.

d. Chief-of-Party: Designated leader of Assisting Party for a particular fire activity.

e. Project Officer: Individual for each Party that is responsible for implementation of this AGREEMENT.

f. Incident Commander: Person determined by local jurisdiction to be responsible for overall management under this AGREEMENT of a particular suppression incident. The Burn Boss shall be responsible for oversight of the suppression action until the Incident Commander arrives on site. The Incident Commander may assign one or more deputies from the Jurisdictional Party and/or from an Assisting Party to assist in suppression action.

g. Conservancy Fire Manager: Conservancy employee who provides overall fire management supervision and coordination on behalf of the Conservancy for a particular geographic area.

h. Prescribed Fire: Any fire ignited by management actions to meet specific objectives.

i. Wildfire: For this Agreement, "wildfire" is defined as an unwanted fire resulted from an escaped prescribed fire, where the the objective is to put the fire out.

2. Upon request, personnel and equipment may be provided by the City to the Conservancy, or the Conservancy to the City pursuant to the terms and conditions outlined in this AGREEMENT. Provision of personnel and equipment shall be at the discretion of each individual Party, depending on workloads, priorities, fire danger or other factors which affect availability at any given time. Staff and equipment provided under this AGREEMENT may be used for, but are not limited to, the following purposes:

   a. Technical assistance including preparation or review of site or landscape-level fire management plans and prescribed burn unit plans, forest and other management plans, inventories and analysis.

   b. Preburn preparations including vegetation and fuel load sampling, control line construction and maintenance, environmental monitoring, and fuels manipulation.

   c. Burn implementation including project supervision, ignition, holding, fire behavior and weather monitoring, logistical support and mop-up, to include suppression actions required as a direct result of any prescribded fire operations where one party was assisting the other.

   d. Post-burn monitoring and evaluation.

   e. Fire management training, annual refresher, and annual physical fitness testing.

3. The Jurisdictional Party will identify and designate a Burn Boss for any given prescribed fire. The Burn Boss may, if agreeable to both parties, be from the other/non-jusrisdictional party. The Burn Plan will be developed by the Jurisdictional Party prior to burn implementation. In addition, the Burn Boss must be provided an opportunity to review the Burn Plan prior to burn implementation. For burns in which the Conservancy is the Jurisdictional Party, the Burn Plan must be approved by the designated Conservancy Fire Manager. Any Burn Plan must address at a minimum the information listed in Appendix A or follow the National Wildland Fire Coordination Group (NWCG) burn plan template. In addition, when the Conservancy is the Jurisdictional Party and/or when the Conservancy prepares the Burn Plan, the Conservancy will complete an internal consequence analysis for the proposed burn, in accordance with Conservancy policies and procedures.

4. Each Burn Plan shall contain sufficient specificity with regard to objectives, responsibilities for various activities, projected total costs, any reimbursement of costs to be made to the other party upon completion, and each Party's role in particular tasks. The Burn Plan must be prepared with a high regard for safety and shall require implementation by an experienced Burn Boss. The Burn Plans shall identify the qualifications of burn personnel needed to implement the burn. Contingency planning in the event of an escaped fire will be an essential element of each Burn Plan. The Jurisdictional Party will only implement the Burn Plan they developed and will not use any other parties Burn Plan.

5. In the event of an escaped fire, the Burn Boss shall declare the escape and notify local suppression authorities. The Conservancy will support local fire suppression agencies as requested based on skills and qualifications of available personnel. Conservancy properties have a Wildfire Response Plan (WRP) that considers the ecologically sensitive areas that are important to biodiversity and provides guidance for wildfire suppression. The Parties will request that the Incident Commander, of the local fire suppression authorities, follow these plans to the extent practicable when suppressing wildfires involving Conservancy properties. A Conservancy representative may fill the role of resource advisor and provide guidance identified in the WRP as requested by the suppression organization, however, the Incident Commander has the ultimate authority on how the fire will be suppressed.

6. The Burn Boss will be an employee, volunteer or contractor of either of the Parties with approval of the Jurisdictional Party. A Chief-of-Party shall be designated for the purpose of overseeing the Assisting Party's employees and equipment. The Chief-of-Party shall work closely with the Burn Boss and the Jurisdictional Party. Members of the Assisting Party shall follow instructions of the Burn Boss when implementing this AGREEMENT, provided, however, that if the Chief-of-Party determines that the proposed burn or wildfire suppression is unsafe or has serious concerns about the advisability of burning or engaging in specific wildfire suppression tactics, and is unable to reach a satisfactory agreement with the Burn Boss or Incident Commander to rectify the situation, he or she retains the option of refusing the assignment. Individual crew members of the Assisting Party shall have the right to refuse assignments or directives during a burn that they deem to be unsafe. Such individuals shall report their safety concerns to the Chief-of-Party.

7. The Jurisdictional Party for the burn shall be responsible for consulting with local fire districts, air quality departments, and sheriff offices, for getting necessary permits, licenses, and authorizations (including but not limited to obtaining any necessary governmental burn permits, air quality permits, and other required authorizations) at its own expense, for obtaining access, and for serving as the principal point of contact with third parties.

8. Unless expressly agreed to in a written addendum to this AGREEMENT, and idenrified in the Burn Plan (see Item 4 above), each Party shall pay all salaries and benefits to its own employees and shall cover the costs of operation and maintenance of its own equipment, and there shall be no exchange of funds for the obligations described herein.

9. Each Party will adhere to qualification standards of the National Interagency Incident Management System Wildland Fire Qualification System Guide, PMS 310-1 (June 2009 or later version) for the positions that they will occupy; in addition, City employees will also adhere standards established by the State of AZ Dept of Forestry & Fire Management (DFFM) SOG-804 (latest version).

   Each Party shall cooperate regarding fire management training opportunities. The Agency and the Conservancy agree to encourage interagency participation in sponsoring and coordinating training activities. This may include sharing instructors, providing slots in each other's training sessions, and, for NWCG qualified personnel, initialing successful completion of tasks in Position Task Books.

10. Each PARTY to this Agreement shall indemnify, defend and hold harmless the other PARTIES, their members, directors, officers, employees, agents, attorneys and assigns from and against any and all claims, losses, liability, costs or expenses resulting from the negligence or willful misconduct of the indemnifying PARTY or PARTIES, provided however, nothing herein shall be construed to expand the liability of any PARTY or its employees beyond the gross negligence/intentional misconduct standard applicable to emergency medical technicians or paramedics providing emergency medical aid as provided for in A.R.S. §48-818. This indemnification shall survive termination of this Agreement or the termination of the participation of any of its PARTIES.

11. Unless otherwise expressly provided by law, personnel or volunteers of one Party shall not be considered to be agents or employees of the other Party for any purpose, and no joint venture or principal-agent relationship shall be deemed to exist. Each Party shall carry appropriate workers compensation coverage for its employees participating in fire management activities under this AGREEMENT.

12. The Parties to this AGREEMENT appoint the following Project Officers for implementation of this AGREEMENT:

Jeremy Bailey	Paul Oltrogge
Director of Prescribed Fire Training	Fire Management Officer
The Nature Conservancy	Flagstaff Fire - Summit Fire & Medical Dept
801-599-1394	928.213.2509
jeremy_bailey@tnc.org	poltrogge@flagstaffaz.gov

13. In the event of injury to personnel or volunteers of any participating Party, the Burn Boss or Incident Commander, as appropriate, shall provide or arrange for immediate medical treatment of any injuries incurred at the scene. Serious accident investigations (including but not limited to escaped prescribed fire, and accidents involving hospitalization or fatalities) will be undertakenjointly by the Parties. All Parties will cooperate in any such investigation. In the event that the Assisting Party's equipment is excessively damaged (i.e., in excess of $1000.00) or destroyed, a joint investigation shall be conducted in accordance with the Jurisdictional Party's policy and procedures. The investigation will produce a recommendation for reimbursement, replacement or repair. The Project Officers shall communicate promptly regarding any injury to personnel or damage to equipment and documentation shall be provided as requested.

14. Each PARTY warrants that it complies with any state and federal laws, rules and regulations which mandate that all persons, regardless of race, color, pregnancy, religion, sex, sexual orientation, gender identify, genetic information, age, national origin, disability, veterans status, care-giving responsibilities, or familial status shall have equal access to employment opportunities. Each PARTY shall take affirmative action to ensure that it will not participate either directly or indirectly in the discrimination prohibited by or pursuant to Title VI of the Civil Rights Act of 1964, Pregnancy Discrimination Act of 1978, Americans with Disabilities Act of 2008 as amended, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Age Discrimination Act of 1975, Age Discrimination and Employment Act of 1967 as amended, Genetic Information Nondiscrimination Act of 2008.

15. Each PARTY shall bear the risk of its own actions and shall determine for itself an appropriate level of liability insurance coverage and maintain such coverage. Nothing in this Agreement shall be construed as a waiver of any limitation on liability that may apply to a PARTY.

16. This AGREEMENT shall be effective from signature date by both Parties and, unless terminated earlier shall continue in effect until November 1st, 2024. This AGREEMENT supersedes all prior or contemporaneous communications and negotiations, both oral and written and constitutes the entire agreement between the Parties relating to the work set out above. No amendment shall be effective except in writing signed by all Parties. Any party may withdraw from this AGREEMENT thirty days following written notification to all the other Parties.

17. This AGREEMENT shall be interpreted, construed and governed by the laws of the State of Arizona and such laws of the United States as may be applicable. In the event of any litigation over the interpretation or application of any of the terms or provisions of this AGREEMENT, the Parties agree that litigation shall be conducted in the State of Arizona. Each PARTY shall comply with all federal, state, and local laws, rules and regulations.

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

19. The PARTIES to this Agreement are not precluded from participating in additional or supplemental IGA's or contracts as deemed appropriate by the PARTIES. Nothing in this Agreement shall limit the ability of a PARTY to provide or collaborate with another jurisdiction, which is not a participant in this Agreement.

20. The City is required to comply with A.R.S. §41-4401, and hereby warrants that they will, at all times during the term of this Agreement, comply with all federal immigration laws applicable to the employment of their respective employees, the requirements of A.R.S. §41-4401, and with the e-verification requirements of A.R.S. §23-214(A) (together the "state and federal immigration laws"). Parties further agree to ensure that each subcontractor that performs any work under this Agreement likewise complies with the state and federal immigration laws. A breach of a warranty regarding compliance with the state and federal immigration laws shall be deemed a material breach of the Agreement and the Party who breaches may be subject to penalties up to and including termination of the Agreement. Each Party retains the legal right to inspect the papers of any contractor or subcontract employee working under the terms of the Agreement to ensure that the other Party is complying with the warranties regarding compliance with the state and federal immigration laws.

21. This Agreement is subject to cancellation for conflict of interest pursuant to A.R.S. § 38-511

22. If any provision of this AGREEMENT is held invalid by a court of competent jurisdiction, the other provisions shall not be deemed invalid as a result, and the Parties shall revise this AGREEMENT as necessary consistent with the intent of the Parties. Any recital or preliminary statement in this AGREEMENT and all Exhibits referred to in this AGREEMENT are an integral part of this AGREEMENT and are incorporated by reference into this AGREEMENT.

23. This AGREEMENT may be executed in counterparts, each of which when executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Parties have executed this AGREEMENT, effective as of the last date written below.

CITY OF FLAGSTAFF	THE NATURE CONSERVANCY
By: _____	By: _____
Coral Evans Mayor	Name: _____ Title: _____
Date:_____	Date:_____

APPENDIX A:
MINIMUM PRESCRIBED BURN PLAN COMPONENTS:

- Signature Page
- Description of burn area (geographic location, vegetation and fuels, narrative description of area to be burned)
- Goals and objectives
- Prescription (fuels, weather, timing or seasonality, narrative description of desired fire behavior)
- Smoke Management
- Personnel and Equipment (number and types, crew organization and PPE)
- Pre-burn preparations (site prep, permits, notifications, weather forecasts)
- Communications (on-site, sources of emergency assistance, public relations)
- Safety and Medical
- Ignition
- Holding (procedures, mop-up standards, backup source of water supply)
- Contingency (location and response time of emergency resources, secondary control lines, triggers for declaring escapes and associated crew assignments)
- Monitoring (on-site weather, fire behavior and smoke)
- Post-burn activities (ensure monitoring until burn area is out)
- Attachment: Go/No Go Checklist (including: Go/No-Go, briefing, test fire and post-burn checks)
- Attachment: Complexity Analysis
- Attachment: TNC Documentation (Consequence Analysis, Review of Laws, TNC Fire Management Guideline exemptions and justifications, Conflict of Interest and Private Benefits screenings, landowners permissions and waivers)
- Attachment: Maps
- Attachment: Technical Reviewer Checklist (*when required*)

Appendix B

BURN BOSS TYPE 3 (RXB3)

The Conservancy RXB3 position directs prescribed fire operations on some low complexity burns. This position differs significantly from the RXB3 of some US government agencies in that the Conservancy requires additional training and experience. A person qualified by an agency as an RXB3 is not necessarily qualified for use as a Conservancy RXB3 because of additional qualifications requirements, found in the TNC Fire Management Manual here.

Criteria for RXB3 use:

- Complexity Analysis final ranking of "low" using either *NWCG complexity analysis*, or TNC complexity analysis.
- Conservancy Consequence Analysis ranking of "not high"
- No aerial ignition
- Prescribed Burn Plan limits prescription parameters to those that provide for wide safety margins. E.g. plans consider: conservative yet effective fire behavior prescriptions; wide fire breaks; and more personnel than minimally adequate.
- Prescribed Burn Unit Plan must explicitly list RXB3 as acceptable

Responsibility and Authority:

- Directs prescribed fire operations on some low complexity burns
- Directs Non-broadcast burns
- Coordinates necessary fire suppression activities, e.g. prescribed fire contingency response
- Confirms crew member training, qualifications and position currency
- Prepares Prescribed Burn Plans and assists with other planning
- Serves as instructor for entry to mid-level wildland fire courses
- Responsible for safe and effective fire operations
- Instructs the science and practice of ecological burning

PRESCRIBED FIRE CREW MEMBER (RXCM)

The Conservancy RXCM position participates in prescribed fire operations, including: ignition, holding, mop-up, monitoring, etc. All Conservancy staff and volunteers actively participating on a prescribed burn must be qualified as either a Firefighter Type 2 (FFT2) or RXCM. The principal difference between FFT2 and RXCM is the lower minimum fitness requirement for RXCM. Qualifications requirements are found in the TNC Fire Management Manual here.

6. D.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Erin Young, Water Resources Manager
Co-Submitter:	Ryan Roberts
Date:	05/27/2020
Meeting Date:	06/02/2020

TITLE:

Consideration and Approval of Contract: Approval of Fort Tuthill Well Cost Sharing and Construction Agreement for electrical line joint trench with DW Tower, LLC in an amount not to exceed $74,000.

STAFF RECOMMENDED ACTION:

1. Staff recommends that the City Council approve the Cost Sharing and Construction Agreement with DW Tower, LLC. in an amount not to exceed $74,000 to share the cost for design, construction and installation of the conduit containing needed electrical infrastructure from Highway 89 to a new second well site at Fort Tuthill (Ft. Tuthill Well #2); and
2. Authorize the City Manager to execute the necessary documentation.

Executive Summary:

The City intends to drill a second well at Fort Tuthill (known as Ft. Tuthill Well #2), as early as this calendar year and will need a power source for the well once drilling is complete. There is currently inadequate power to the site. This Cost Sharing and Construction Agreement with DW Tower, LLC will give the City the ability to collaborate and cost-share the expense of adding electrical power to the site through an electrical line joint trench. Without the benefit of this Cost Sharing and Construction Agreement, the City would bear 100% of the cost to provide the electrical infrastructure to the well site in the near future.

DW Tower, LLC currently has approval from Coconino County to install a new Verizon cell phone tower adjacent to the City's new well site. This scope of work includes trenching from Highway 89 to the site. DW Tower, LLC is already working with a contractor approved by APS to complete the work. The Cost Sharing and Construction Agreement is a sole-source proposal as DW Tower, LLC already has approval from Coconino County to design, construct and install the cell phone tower and is contracted to oversee the electrical needs to the site.

Financial Impact:

The cost estimate obtained through DW Tower, LLC to design, construct, and install the electrical infrastructure is $148,000. The agreement drafted between the City of Flagstaff and DW Tower, LLC is for a not-to-exceed amount of $74,000 (one-half of the cost for the activity) and the City will be invoiced upon completion of the work. Water Services has $1.805 million in 202-08-370-3350-0 for well drilling and equipping.

Policy Impact:

Connection to Council Goal, Regional Plan, CAAP, and/or Strategic Plan:

Providing electrical services to a new well supports these following City policies and strategies:

- supports council-adopted (2014) Water Policy F1 for providing adequate water system capacity redundancy for the community
- allows Water Services to meet our Water Services Strategic Plan 2025 standard to ensure the risk of a sustained water delivery shortage is extremely low

Has There Been Previous Council Decision on This:

On September 4, 2018, the Flagstaff City Council approved a contract for hydrogeological services to oversee a water supply well drilling project. City staff are working through Coconino County to drill a second water well at Fort Tuthill. Electricity will be needed at the site to pump water from that well into the City's water distribution system.

Options and Alternatives:

An alternative to the Cost Sharing and Construction Agreement with DW Tower, LLC would be for the City to be solely responsible for the expense of the design, construction, and installation of conduit to the well site at a later date.

Background/History:

Staff has been working with Coconino County on a second well location at Fort Tuthill for about one year. A previous agreement with the County allows for the City to drill another well within a certain distance of Fort Tuthill Well #1. The City contracted with a hydrogeological firm (ATC Group Services, LLC) to locate a final well site based on a subsurface geophysical survey. During this process, the City was approached by the Coconino County and DW Tower, LLC to discuss electrical needs for the well. With a Verizon cellular tower being constructed adjacent to the well site, with the electrical work being installed in May 2020, the parties asked whether the City would collaborate and share costs to install the electrical utilities.

Community Benefits and Considerations:

This project benefits our water customers by saving on the cost to bring electrical services to this new water well.

Attachments: Agreement
Sole Source Justification

COST SHARING AND CONSTRUCTION AGREEMENT

THIS COST SHARING AND CONSTRUCTION AGREEMENT ("Agreement") is entered into this ___ day of _____, 2020, by and between City of Flagstaff, Water Services Division ("City") and DW Tower, LLC, a Delaware limited liability company ("DW") together referred to as "Parties" herein.

WHEREAS, pursuant to that certain Option and License Agreement (the "Use Agreement") dated April 7, 2020, between DW Tower, LLC ("Sublandlord"), and Coconino County, a political subdivision of the State of Arizona, that certain real property located in the State of Arizona, County of Coconino commonly known as a portion of Assessor's Parcel Number 116-13-008A (the "Site"); and

WHEREAS, DW agrees that City may tie into and use the Shared Facilities herein described as conduit containing utility infrastructure and depicted on Exhibit A, in exchange for the sharing of the cost to build the utility route and upon the terms set forth in this Agreement;

WHEREAS, DW has determined that due to the sensitive nature of the Site and relationship with the Use Agreement, all construction at the Site shall be conducted by a single source and controlled by DW;

NOW, THEREFORE, in consideration of their mutual promises, and subject to the terms and conditions stated herein, the Parties agree as follows:

1. **Use.** City shall have the right to use the Shared Facilities in conjunction with the City Premises. The right of City to use the Shared Facilities is expressly contingent upon City paying its proportionate share of the costs for installing the Shared Facilities as set forth in paragraph 2 herein below. DW hereby represents and warrants that the Shared Facilities will be constructed and installed in accordance with all applicable ordinances, codes and laws applicable thereto. Each party agrees that it will use the Shared Facilities in a manner that will not interfere with the use of the Shared Facilities by the other parties.

2. **Payment of Construction Costs.** City shall pay to DW not to exceed seventy-four thousand dollars ($74,000) which is fifty percent (50%) of the costs for the design, construction and installation of the Shared Facilities, including, without limitation, the material, labor and contractor fees associated with such work (collectively, "Construction Costs") as shown on the attached Exhibit B. Payment of the Construction Costs or any portion thereof shall be within thirty (30) days following receipt of an invoice from DW, accompanied by reasonable supporting documentation.

3. **Term**. The right of City to use the Shared Facilities shall commence upon the payment of its share of the Construction Costs, and such right shall terminate for City on the date that the Use Agreement expires or earlier terminates or upon an event of default as described in Paragraph 5 herein below (the "Term").

4. **Maintenance**. City agrees that it shall share in the costs to maintain and repair the Shared Facilities during the Term of this Agreement. In the event either City or DW determines that maintenance and/or repairs to the Shared Facilities are required, then it shall advise the other party in writing. Thereafter, the parties shall agree in writing that such maintenance and repairs are required and shall further agree in writing as to the cost of such repairs and maintenance. Each party agrees to reimburse to the other party, respectively, an amount equal to an agreed upon proportionate share of the cost of such maintenance and repair actually paid within thirty (30) days after receipt of an invoice including all reasonable supporting documentation, provided such costs are previously approved by all parties in writing. Notwithstanding the foregoing, neither party shall have any obligation to reimburse the other party for any repair costs resulting from damage to the Shared Facilities caused by the negligent acts or omissions or intentional misconduct of the other party or its employees, officers, agents or contractors. In the event the Shared Facilities are damaged by the negligent acts or omissions or intentional misconduct of City or DW, then the party which caused such damage shall be responsible for the sole cost and expense within thirty (30) days after the date of such damage. Each party agrees that it shall be responsible at its sole cost and expense for maintaining its own connection with the Shared Facilities, and its on-going utility services accessed through the Shared Facilities.

5. **Termination**. This Agreement may be terminated by any non-defaulting party without further liability on thirty (30) days prior written notice upon a default of any covenant or term hereof by the other party, which default is not cured within thirty (30) days of receipt of written notice of default; provided that the defaulting party shall have such extended period as may be required beyond the thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days and the defaulting party commences the cure within the thirty (30) day period and thereafter diligently pursues the cure to completion; and provided further that the grace period for any monetary default is fifteen (15) days from

receipt of written notice. This Agreement shall automatically terminate upon the expiration or earlier termination of either the City Lease or the Prime Lease.

6. Assignment, Use of Joint Facilities by Non-Parties.

This Agreement may be assigned by either party without the other party's consent, provided Assignee assumes all of the Assignor's rights and obligations herein.

7. Contingencies. This Agreement is subject to the following contingencies:

The ability of City and DW to obtain all certificates, permits and other approvals ("Governmental Approvals") that may be required by any Federal, State or Local authorities which will permit the use of the Shared Facilities as described above; and

8. **Insurance**. City and DW hereby waive and release any and all rights of action for negligence against the other which may hereafter arise on account of damage to the Site or the Shared Facilities, resulting from any fire, or other casualty of the kind covered by standard fire insurance policies with extended coverage, regardless of whether or not, or in what amounts, such insurance is now or hereafter carried by the parties, or either of them. These waivers and releases shall apply between the parties and shall also apply to any claims under or through either party as a result of any asserted right of subrogation. City and DW each agree that at its own cost and expense, each will maintain commercial general liability and property liability insurance with liability limits of not less than $1,000,000 for injury to or death of one or more persons in any one occurrence and $500,000 for damage or destruction to property in any one occurrence. DW agrees that City may self-insure against any loss or damage which could be covered by a commercial general liability insurance policy. All policies of insurance covering property damage obtained by either party concerning the Site and the Shared Facilities shall waive the insurer's right of subrogation against the other party.

9. Indemnity. Subject to Paragraph 8 above, each party shall indemnify and hold the other harmless against any claim of liability or loss (including reasonable attorneys' fees and costs) from personal injury or property damage resulting from or arising out of the use and occupancy of the Site or the Shared Facilities by the indemnifying party, its servants or agents, excepting, however, such claims or damages as may be due to or caused by the acts or omissions of the other party, or its servants or agents.

10. Environmental.

(a) Each party will be responsible for all obligations of compliance with any and all environmental and industrial hygiene laws, including any regulations, guidelines, standards or policies of any governmental authorities regulating or imposing standards of liability or standards of conduct with regard to any environmental or industrial hygiene conditions or concerns as may now or at any time hereafter be in effect, that are or were in any way related to activity now conducted in, on, or in any way related to the Shared Facilities, unless such conditions or concerns are caused by the activities of the other.

(b) Each party shall hold the other harmless and indemnify the other from and assume all duties, responsibility and liability at its sole cost and expense, for all duties, responsibilities, and liability (for payment of penalties, sanctions, forfeitures, losses, costs or damages) and for responding to any action, notice, claim, order, summons, citation, directive, litigation, investigation or proceeding which is in any way related to: a) such party's failure to comply with any environmental or industrial hygiene law, including without limitation any regulations, guidelines, standards, or policies of any governmental authorities regulating or imposing standards of liability or standards of conduct with regard to any environmental or industrial hygiene concerns or conditions as may now or at any time hereafter be in effect; and b) any environmental conditions arising out of or in any way related to the condition of the Shared Facilities or activities conducted thereon by such party, unless such environmental or industrial hygiene conditions are caused by the other.

11. Destruction or Condemnation of Shared Facilities. If all or part of the Shared Facilities are destroyed and cannot be repaired or the property on which the Shared Facilities are located is taken by condemnation, then this Agreement shall terminate. If the Shared Facilities are damaged and can be repaired, then the Shared Facilities shall be repaired in accordance with the terms of Paragraph 4, above. DW and City agree to share any condemnation award received for the Shared Facilities in accordance with their proportionate investment in the Shared Facilities.

12. **Notice**. All notices hereunder must be in writing and shall be deemed validly given if sent by certified mail, return receipt requested or by commercial courier, provided the courier's regular business is delivery service and provided further

that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender, addressed as follows (or any other address that the party to be notified may have designated to the sender by like notice):

City:	City of Flagstaff, Water Services Division 2323 North Walgreens Street, Suite 1 Flagstaff, AZ 86004 Attention: Erin Young
DW:	DW Tower, LLC 1603 Golf Course RD, SE, Suite A4 Rio Rancho, NM 87124 Attention : Dale Wilson

Notice shall be effective upon actual receipt or refusal of receipt as shown on the receipt obtained pursuant to the foregoing.

13. **Integration**. It is understood and agreed that this Agreement contains all agreements, promises and understandings between City and DW and that no verbal or oral agreements, promises or understandings shall be binding upon either City or DW in any dispute, controversy or proceeding at law, and any addition, variation or modification to this Agreement shall be void and ineffective unless made in writing and signed by the parties. In the event any provision of this Agreement is found to be invalid or unenforceable, such finding shall not effect the validity and enforceability of the remaining provisions of this Agreement. The failure of either party to insist upon strict performance of any of the terms or conditions of this Agreement or to exercise any of its rights under this Agreement shall not waive such rights and such party shall have the right to enforce such rights at any time and take such action as may be lawful and authorized under this Agreement, either in law or in equity.

14. **Successors**. This Agreement shall extend to and bind the heirs, personal representatives, successors and assigns of the parties hereto.

15. **Governing Law**. This Agreement shall be governed by the laws of the State of Arizona without regard to its conflicts of laws provisions.

16. **Recitals**. The Recitals set forth on the first page of this Agreement are incorporated herein by reference.

17. **Submission of Agreement**. The submission of this Agreement for examination does not constitute an offer to contract and this Agreement becomes effective only upon the full execution of this Agreement by the parties. If any provision herein is invalid, it shall be considered deleted from this Agreement and shall not invalidate the remaining provisions of this Agreement. Each of the parties hereto warrants to the other that the person or persons executing this Agreement on behalf of such party has the full right, power and authority to enter into and execute this Agreement on such party's behalf and that no consent from any other person or entity is necessary as a condition precedent to the legal effect of this Agreement.

18. **Survival**. The provisions of this Agreement relating to indemnification from one party to the other party shall survive any termination or expiration of this Agreement. Additionally, any provisions of this Agreement which require performance subsequent to the termination or expiration of this Agreement shall also survive such termination or expiration.

19. **Captions**. The captions contained in this Agreement are inserted for convenience only and are not intended to be part of this Agreement. They shall not affect or be utilized in the construction or interpretation of this Agreement.

20. **Cancellation for Conflict of Interest (A.R.S. § 38-511)**. The City may cancel this Agreement within three (3) years after its execution, without penalty or further liability to DW.

21. **Termination for Non-appropriation of Funds**. The City may terminate all or a portion of this Agreement due to budget constraints and non-appropriation of funds for the following fiscal year.

22. **Force Majeure**.

(a) There may be events that occur during the term of this Agreement that are beyond the control of both the City and DW, including events of war, floods, labor, disputes, earthquakes, epidemics, pandemics, adverse weather conditions not reasonably anticipated, forest fires, and other acts of God. These events may result in a temporary delay of contractual deliverables, or the permanent inability to provide the contractual deliverables that are the subject of this Agreement.

(b) There will be no claims arising from a temporary delay of contractual deliverables, or the permanent inability to provide the contractual deliverables caused by the events described above, and the City will pay no additional costs incurred as a result of such events.

(c) The parties agree to act in good faith to extend the Agreement completion date without any penalty to either Party and that the extension will be in an amount of time equal to any temporary delay. This term supersedes all other terms regarding temporary delay, permanent shut down, or increased costs.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth herein above.

City of Flagstaff,	**DW Tower, LLC:**
By _____ its	By: _____
Name: _____	Name: Dale Wilson
Title: _____	Title: Managing Member
Date: _____	Date: _____

EXHIBIT A

DESCRIPTION OF THE SHARED FACILITIES
AND THE LOCATION OF THE SHARED FACILITIES ON THE SITE

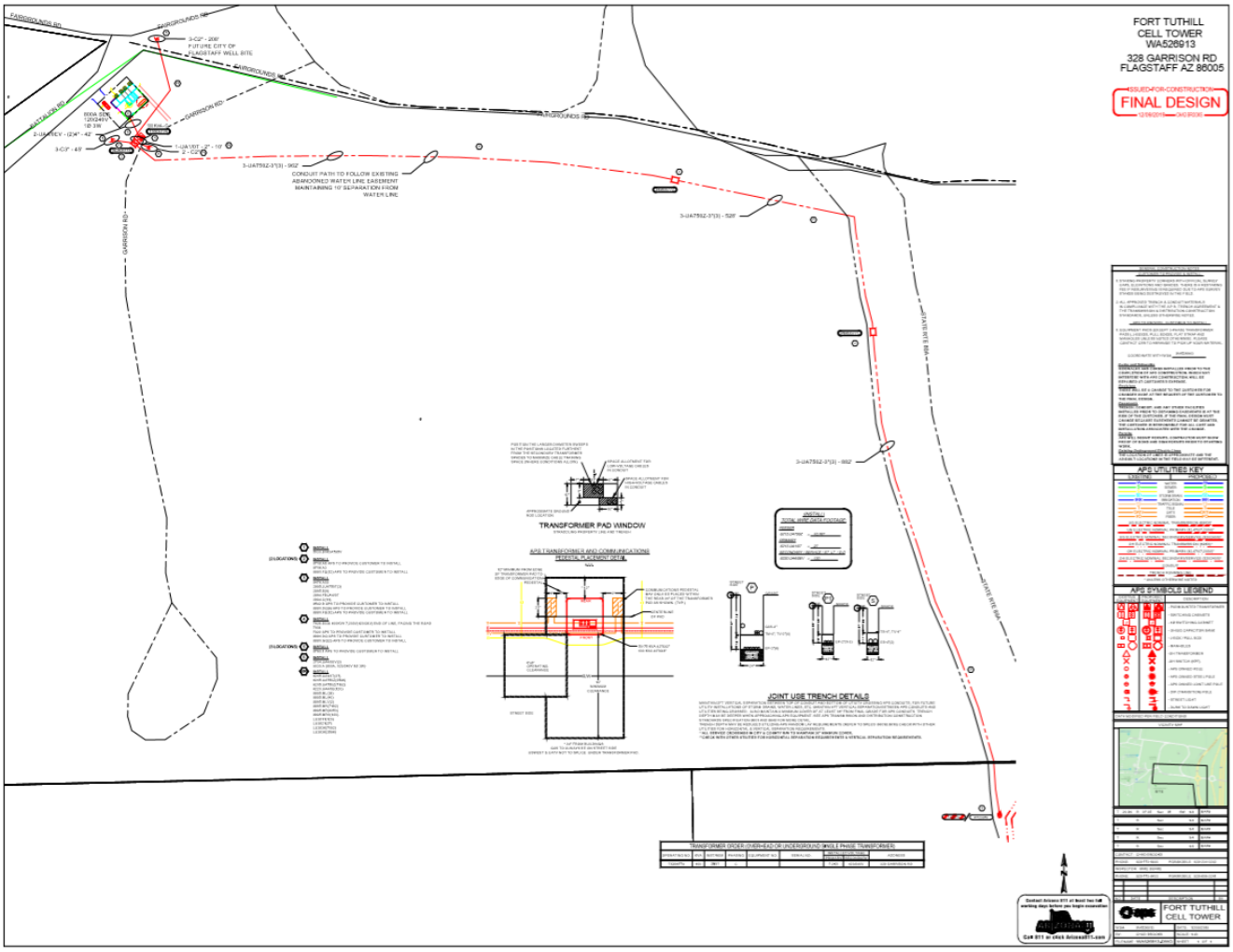


EXHIBIT B

CONSTRUCTION COSTS

11909 S. 202nd Place
Mesa, AZ 85212
PHONE: (480) 632-0020
FAX: (480) 632-0030
L-11 #126436
B-1 #126435

HIGH DESERT COMMUNICATIONS

Date: 11-19-2019

Proposal For: DW Tower

Attn: Jacki M

Project: Fort Tuthill Power

Please consider the following proposal: Trench and install conduit per APS spec @ 2485' Install pull boxes and pull mule tape.

Labor	$95,000
Equipment	$28,000
Material	$25,000

Total $148,000

CITY OF FLAGSTAFF
Purchasing Section

Special Procurement Justification (check applicable box below)

Divisions/Sections Requesting Sole Source, Proprietary or Emergency Procurement Must Complete This Form

_x_ Sole Source Procurement Justification
_____Proprietary Procurement Justification
_____Emergency Procurement Justification

TO: Purchasing Section Buyer

PREPARER: Erin Young **DIVISION/SECTION**: Water Services

DATE SUBMITTED:

Is this a sole source procurement? "Sole Source" is defined as a product or service available from only one known source. *Please answer the 4 questions below and attach all documentation and sign.*

Is this a proprietary procurement? A proprietary specification restricts the acceptable product(s) or service(s) to one manufacturer or vendor. A common example would be specification by brand name which excludes consideration of approved "equals". Although all sole source specifications are proprietary, all proprietary specifications are not necessarily sole source. Proprietary items may be available from several distributors. If available, please attach a list of proprietary suppliers which might assist in expediting this procurement. *Please answer the 4 questions below and attach all documentation and sign.*

Is this an emergency procurement? "Emergency" *is a threat to public health, welfare, or safety. Emergency procurements shall be made with such competition as is practicable under the circumstances. Please answer the 3 questions below and attach all documentation and sign.*

City Policy is to maximize competition in the procurement process. Exceptions to competition (sole source/propriety procurement/emergency) must be fully justified, documented, and pre-approved. The following is a list of questions which will substantiate a Sole Source, Proprietary or Emergency Procurement. It will help expedite processing if you provide thorough and sufficient detail when answering each of these questions. Please use additional sheets and attach all additional information to this form if necessary.

Sole Source/Proprietary Justification

1. Briefly, what is the scope of the project in which this product or service will be used.

   Water Services will be drilling a new well at Ft. Tuthill and it will need a power source. There is currently inadequate power to the site. We can cost share the expense of adding electrical to the site with DW Tower. They are contracted with the County to install a new Verizon cell phone tower adjacent to the well site. DW Tower already has approval from the county to trench from Highway 89 to the site and a contractor approved by APS to trench and install the electrical material.

2. Who is the identified vendor and why is this the only product or service that can meet the City's requirements? Uniqueness? Compatibility? Integral component? Availability? Delivery Date? If purchase qualifies as proprietary and there are multiple Distributors, why is this the only Distributor who can satisfy the City's purchasing request?

DW Tower has already been approved as the vendor to install the Verizon cell phone tower. DW Tower has selected an APS-approved contractor, High Desert Communications, to do the work. There are no other options for the City to cost share this expense with anyone else. If the City elects to not cost share with DW Tower, the City will be faced with 100% of the cost to install electrical service to the well site at a later date.

3. Why is this vendor the only available source from which to obtain this product or service? You must provide clear and convincing evidence.
   The City only has one option for cost sharing this expense, which is to cost share with DW Tower. They are already selected to install the Verizon Tower and provide power to the site.

4. What efforts have been made to obtain the best price possible? Why do you feel this price is fair and reasonable?
   Water Services checked the quote with Tata and Howard consultants and outside contractors who regularly do this type work and are familiar with the cost to install the high voltage electrical utility infrastructure and the cost estimate of $148,000 was considered fair and reasonable for the scope of work. Water Services believes the shared cost of approximately $75,000 will be a significant cost savings to the city.

Emergency Justification

1. Briefly, what is the scope of the project or emergency related issue in which this product or service will be used.

2. What is the threat to the health, safety or welfare of the public and/or staff? Clearly describe the potential danger from a health, safety or welfare perspective if not corrected.

3. Who is the identified vendor and why were they chosen? Example: Only vendor available or most available? Already onsite and mobilized? Have provided same work on this site in past?

This justification is valid through _____ **(TO BE DETERMINED BY BUYER).**
(Maximum 3 years)

5-8-2020

Authorized Signature — Date — Purchasing Section Buyer's Signature

RYAN ROBERTS ACTING DIRECTOR

Printed Name — Title

Printed Name — Title

Purchasing Director Signature — Date

6. E.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Scott Overton, Streets Section Director
Co-Submitter:	Emily Markel
Date:	05/27/2020
Meeting Date:	06/02/2020

TITLE:

Consideration and Approval of Contract: Cartegraph Software and Services Contract renewal for a 3-year term for a total cost of $187,613.64

STAFF RECOMMENDED ACTION:

1. Approve the Cartegraph Software and Services Contract renewal in the amount of $187,613.64 for an additional 3-year term commencing on July 1, 2020; and
2. Authorize the City Manager to execute the necessary documents.

Executive Summary:

Cartegraph is a management software that has been used by the City of Flagstaff Streets Section for over 20 years for pavement inspections. Updates that the Contractor has made to this software has allowed staff to continue to use Cartegraph for pavement assessments and the tracking of assets and management of work. This has been utilized for increased asset management of street lighting, sidewalk program, stormwater infrastructure, striping and markings and asphalt repairs. With the Cartegraph software, the Street Section has compiled a comprehensive list of assets, asset condition, asset cost, and needed maintenance items. The software has also allowed the Streets Section to use this information to track areas of work completed by staff and the associated costs of the work. Renewal of the Cartegraph contract will give the Street Section uninterrupted use of the software and further opportunity to continue to expand upon its current uses.

Financial Impact:

The cost of the renewal is $60,698.70 for the first year, $62,519.65 in year 2 and $64,395.29 in the final year for a total cost of $187,613.64. The software costs are funded with Highway User Revenue Funds (HURF) in the 2020-2021 Streets Section budget Acct# 040-06-161-0610-6-4343.

Policy Impact:

Connection to Council Goal, Regional Plan, CAAP, and/or Strategic Plan:

Transportation and other public infrastructure - Deliver quality community assets and continue to advocate and implement a highly performing multi-modal transportation system.

Has There Been Previous Council Decision on This:

The Council has discussed the Cartegraph program in years past and all members were introduced to the software during the Council orientations and tour of the Streets operations.

Options and Alternatives:

1. Approve the software contract renewal with Cartegraph.
2. Do not approve the software renewal and provide staff with modified direction.
3. Discontinue the use of Cartegraph and investigate alternative software asset management tools.

Background/History:

Twenty years ago, the City of Flagstaff Street Section purchased Cartegraph Navigator from Cartegraph Systems, Inc. Since that time, Cartegraph has been used annually to collect data on the condition of pavement around the city. Staff does annual pavement inspections and generates an Overall Condition Index (OCI) for each road within city limits. OCIs quantify the performance of the pavement, allowing staff to identify the treatment needed to extend the life of the road. These figures have been the driving figure in the Pavement Preservation Program and, more recently, the Road Repair and Street Safety Initiative (Proposition 406).

In 2015, the Flagstaff Metropolitan Planning Organization (FMPO) hired a professional consultant to evaluate Streets Maintenance performance at the City of Flagstaff and Coconino County in what is known as the Operations and Maintenance (O&M) Study. LA Consulting had 48 recommendations to help improve workflow and decrease inefficient practices, one of which included implementing the use of a software management tool. Staff looked into Cartegraph, City Works (which Utilities uses), Lucity (County system), PubWorks, and Enterprise Asset Management. The result was that while each program had it's strengths, Cartegraph provides the right combination of assets as needed by the section. In addition, staying with Cartegraph allowed the Streets Section to operate out of one software program for pavement and asset management instead of two separate software programs. In 2017 an upgrade to the Operations Management System (OMS) of Cartegraph occurred resulting that the City would be able to track assets and work while still having access to previous years' pavement data.

In the past years of 2018 and 2019, funds were appropriated to an administrative position in Streets specifically to assist in the implementation of Cartegraph. This employee emphasis provided additional administrative support to the Streets Section during the implementation. The position was vacant for some time before being a reduced FTE last year.

The City of Flagstaff Procurement team and Public Works determined this purchase to be a sole source.

Community Benefits and Considerations:

Asset management and work programming is a critical function in the Streets Section. Identifying efficiencies and good management continue to be a strong method to utilize assets and employee talent to its greatest potential. The Streets Section continues to improve in the use of Cartegraph and the tracking of work from an initial call from a citizen through to the costing and calculating of the completed task.

Attachments: Cartegraph Renewal

Sole Source Form

Cartegraph

City of Flagstaff

Cartegraph Software and Services Contract

PA#:
PA-2335

Date:
12/11/2019

Cartegraph Systems LLC
3600 Digital Drive
Dubuque, IA 52003

cartegraph.com

800 688.2656
563 556.8120
Fax 563 556.8149

Purchase Agreement

Cartegraph is pleased to present this Purchase Agreement for the implementation of world class technology solutions. This Purchase Agreement is made and entered into between **City of Flagstaff** (hereinafter referred to as **Customer**) and **Cartegraph Systems LLC** (hereinafter referred to as **Cartegraph**). In the case that any terms or conditions provided in the Cartegraph Solutions Agreement different from, are provided in more detail by, or are made irrelevant by the terms and conditions provided in this Purchase Agreement, the terms in this Purchase Agreement shall control. For all terms and conditions not addressed by this Purchase Agreement, the Cartegraph Solutions Agreement shall control.

CUSTOMER ADDRESS:

City of Flagstaff
211 West Aspen Ave
Flagstaff, AZ
86001

LICENSEE ADDRESS:

City of Flagstaff
211 West Aspen Ave
Flagstaff, AZ
86001

Investment Summary

The addendums attached here to include:

Addendum A - Support Services

Product		Year 1	Year 2	Year 3
OMS Plus	Quantity	1.00	1.00	1.00
	Price	USD 16,358.42	USD 16,849.17	USD 17,354.65
Facilities	Quantity	1.00	1.00	1.00
	Price	USD 5,305.43	USD 5,464.59	USD 5,628.54
Flood Protection	Quantity	1.00	1.00	1.00
	Price	USD 2,210.60	USD 2,276.92	USD 2,345.23
Parks & Recreation	Quantity	1.00	1.00	1.00
	Price	USD 2,210.60	USD 2,276.92	USD 2,345.23
Sanitary Sewer	Quantity	1.00	1.00	1.00
	Price	USD 5,305.43	USD 5,464.59	USD 5,628.54
Signal	Quantity	1.00	1.00	1.00
	Price	USD 2,652.72	USD 2,732.30	USD 2,814.27
Stormwater	Quantity	1.00	1.00	1.00
	Price	USD 5,305.43	USD 5,464.59	USD 5,628.54
Transportation	Quantity	1.00	1.00	1.00
	Price	USD 3,979.08	USD 4,098.45	USD 4,221.40
Walkability	Quantity	1.00	1.00	1.00
	Price	USD 1,326.36	USD 1,366.15	USD 1,407.13
Water Distribution	Quantity	1.00	1.00	1.00
	Price	USD 5,305.43	USD 5,464.59	USD 5,628.54
OMS User	Quantity	50.00	50.00	50.00

Product		Year 1	Year 2	Year 3
	Price	USD 10,739.20	USD 11,061.38	USD 11,393.22
	TOTAL:	USD 60,698.70	USD 62,519.65	USD 64,395.29

NOTES:

- The pricing listed above does not include applicable sales tax.
- The Cartegraph OMS pricing listed above does not include Esri ArcGIS licenses.
- Hosting includes 250GB of available file storage. If additional storage is required, the Organization can purchase in 1TB increments.
- Shared Hosting included
- Contract Start Date 7/31/2020

Payment Terms and Conditions

In consideration for the Solutions and Services provided by **Cartegraph** to **Customer**, **Customer** agrees to pay **Cartegraph** the Fees in U.S. Dollars as described below:

I. DELIVERY

Customer shall be provided with the ability to access and use the Solutions upon execution of this Purchase Agreement. If applicable, Services will be scheduled and delivered upon your acceptance of this Purchase Agreement, which will be considered as your notification to proceed.

II. SERVICES SCHEDULING

Customer agrees to work with Cartegraph to schedule Services in a timely manner. All undelivered Services shall expire 365 days from the signing of this Purchase Agreement.

III. SOLUTIONS INVOICING

The fee for solutions will be due in annual installments 15 days prior to the anniversary of the initial term as follows:

1. $60,698.70 due upon execution of the Purchase Agreement.
2. $62,519.65 due 15 days prior to 1st year anniversary of term start date.
3. $64,395.29 due 15 days prior to 2nd year anniversary of term start date.

VI. PAYMENT TERMS

All payments are due Net 30 days from start date of invoice.

BY SIGNING BELOW, THE PARTIES AGREE THAT ALL USE AND ACCESS TO THE SOLUTIONS DESCRIBED IN THIS PURCHASE AGREEMENT SHALL BE GOVERNED BY THE CARTEGRAPH SOLUTIONS AGREEMENT, WHICH CAN BE REVIEWED AT: https://www.cartegraph.com/solutions-agreement/. THE PARTIES AGREE TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CARTEGRAPH SOLUTIONS AGREEMENT AND THIS PURCHASE AGREEMENT REFERENCED HEREIN.

CARTEGRAPH:	CUSTOMER:
Cartegraph Systems LLC	**City of Flagstaff**
By: _____ (Signature)	By: _____ (Signature)
Mitch Bradley (Type or Print Name)	_____ (Type or Print Name)
Title: SVP of Sales & Marketing	Title: _____
Date: _____	Date: _____

Cartegraph Systems LLC
Addendum A - Support Services
Cartegraph Support and Training Services – Scope of Work
The Support Services listed in the Investment Summary of the Purchase Agreement are specific Cartegraph Services which will be delivered to the Customer based on the descriptions below and on the terms and conditions and subject to the limitations set forth in this Addendum A, the applicable Purchase Agreement, and the Cartegraph Solutions Agreement. Cartegraph will coordinate with the Customer on service delivery expectations and timeframes.
As part of Customer's subscription to access and use of the Cartegraph Solutions, Customer will receive:

1. Support Services

a. Campus – www.campus.cartegraph.com

Our User Assistance area is a convenient and easily-shareable resource designed to help you and your co-workers better understand the functions and capabilities of your Cartegraph Solutions. Instantly access user tips, step-by-step instructions, videos, and more.

b. Dedicated, Unlimited, Toll-free Phone Support - 877.647.3050 and Live Chat

When questions need answers and difficulties arise, count on our industry-leading Support team to provide the guidance and assistance you need. Reach us as often as you need Monday-Friday, 7:00 am-7:00 pm CT. Live Chat is available within the product or through Campus.

c. Support via Case Submittal or Email

If a phone call or live chat is not your best option, you can always request support via our online case submittal form available in Campus or via email. Email support is available at support@cartegraph.com.

2. Training & Education Services

a. Convenient Online Resources*:*

All the information you need, one click away. Take advantage of online training opportunities, tutorial videos, upcoming event information, and more.

b. Customer Led User Groups

: Meet and network with similar Cartegraph users in your region. Customer led User Groups allow you to find out what other organizations are doing to get more from their Cartegraph solutions and services.

3. Releases & Upgrades

a. New Releases:

Cartegraph is continuously innovating and enhancing the Cartegraph OMS collection of products. As a customer with an active subscription, you will receive each new release of the software.

i. Cloud-hosted customers: Your cloud-hosted site will be upgraded by our Cartegraph System Consultants after the release is available.

ii.

On-premise customers: For your on-premises installation, our Technical Consultants will work with your organization's IT staff to deliver the latest software release. Software will be made available after installation to the Cartegraph cloud-hosted customers.

b. Service Packs:

A Service Pack consists of lower-severity bug fixes and/or small platform updates.

i.

If required, cloud-hosted sites will receive Service Packs as needed. These Service Packs are installed by the Cartegraph System Consultants.

ii. On-premises customers that contacted Cartegraph Technical Support about an issue that is resolved with the Service Pack, will be provided the service pack for installation. These on-premises customers can then schedule a time to install the Service Pack with our Technical Support team

c. Hot Fixes:

If an issue is determined to be a defect and falls outside the standard release cycle, Cartegraph will issue a hot fix and provide application specialists with detailed levels of product knowledge to work with you in achieving a timely and effective resolution

Cartegraph will provide the Support Services only to Customer, provided that Cartegraph reserves the right to contact any third party as necessary to facilitate the delivery of Support Services or other services relating to the Solutions. Said support applies only to the most current version of the product and the previous version in succession.

All Support Services are dependent upon the use by Customer of the Solutions in accordance with Cartegraph's documentation and specifications. Cartegraph is under no obligation to modify the Solutions so that the modified Solutions would depart from Cartegraph's published documentation and specifications for such Solutions.

CITY OF FLAGSTAFF
Purchasing Section

Special Procurement Justification (check applicable box below)

Divisions/Sections Requesting Sole Source, Proprietary or Emergency Procurement Must Complete This Form

_X_ Sole Source Procurement Justification
_____Proprietary Procurement Justification
_____Emergency Procurement Justification

TO: Purchasing Section Buyer

PREPARER: Scott Overton **DIVISION/SECTION**: Streets

DATE SUBMITTED: 4/28/2020

Is this a sole source procurement? "Sole Source" is defined as a product or service available from only one known source. *Please answer the 4 questions below and attach all documentation and sign.*

Is this a proprietary procurement? A proprietary specification restricts the acceptable product(s) or service(s) to one manufacturer or vendor. A common example would be specification by brand name which excludes consideration of approved "equals". Although all sole source specifications are proprietary, all proprietary specifications are not necessarily sole source. Proprietary items may be available from several distributors. If available, please attach a list of proprietary suppliers which might assist in expediting this procurement. *Please answer the 4 questions below and attach all documentation and sign.*

Is this an emergency procurement? "Emergency" *is a threat to public health, welfare, or safety. Emergency procurements shall be made with such competition as is practicable under the circumstances. Please answer the 3 questions below and attach all documentation and sign.*
City Policy is to maximize competition in the procurement process. Exceptions to competition (sole source/propriety procurement/emergency) must be fully justified, documented, and pre-approved. The following is a list of questions which will substantiate a Sole Source, Proprietary or Emergency Procurement. It will help expedite processing if you provide thorough and sufficient detail when answering each of these questions. Please use additional sheets and attach all additional information to this form if necessary.

Sole Source/Proprietary Justification

1. Briefly, what is the scope of the project in which this product or service will be used.

   The City of Flagstaff Street Section seeks to continue use of the Cartegraph system for the department, as the department has been pleased with its diverse capabilities thus-far. The City of Flagstaff Public Works Street Section has been operating the Cartegraph software to assist with asset and work management, largely through use of the system's work order, request, and task tracking features for personnel. The Cartegraph software has allowed the Street Section to compile a comprehensive list of assets, asset condition, asset cost, and needed maintenance items. The software has also allowed the department to use this information to track diverse areas of work completed by staff and the associated costs of said work. Renewal

of the Cartegraph contract will allow the Street Section uninterrupted use of the software and further opportunity to continue to expand upon its current uses.

2. Who is the identified vendor and why is this the only product or service that can meet the City's requirements? Uniqueness? Compatibility? Integral component? Availability? Delivery Date? If purchase qualifies as proprietary and there are multiple Distributors, why is this the only Distributor who can satisfy the City's purchasing request?

Cartegraph Systems, Inc. will be the Vendor fully providing the services needed. The Street Section has been successfully using the Cartegraph software to track pavement Overall Condition Index (OCI) for the last 23 years. The Street Section plans to utilize Cartegraph Systems robust capabilities to continue to efficiently track assets and manage work for the aforementioned and additional work items related to culverts, drainage issues, erosion, pavement marking/striping, potholes, rideability, sidewalks, sign repairs/replacements, streetlight outages, storm drains, traffic signals, utility work, vegetation issues, and more.

Because the City has used Cartegraph for the last 23 years for OCIs, degradation curves have been created to help in the initiative to make improvements to all City roads. It was with this program and history that Proposition 406 for Road Repair and Street Safety Initiative was passed. Starting over with a new program would mean starting over from Ground Zero. The contract renewal will allow the City to keep the current information while continuing to expand capabilities, especially in terms of tracking items related to the improved Sidewalk Repair Program efforts in association with Ordinance No. 2020-02. As part of the Sidewalk Repair Program workflow, the Street Section plans to further update Cartegraph asset inventories with GIS and develop a plan to phase GIS layers into Cartegraph.

Cartegraph continues to offer the most comprehensive services as needed by the Street Section. Programs previously explored for tracking assets and work items included City Works, PubWorks, Lucity, and Enterprise Asset Management. Cartegraph is the only software which provided all assets (72 total assets and custom entry capabilities) that staff have been successfully utilizing after full implementation of the software. Many of the other programs previously explored concentrated on only one (1) area (City Works – Utilities, PubWorks – Transportation, etc.). Cartegraph offers a combination of areas with assets in stormwater, transportation, facilities, fleet, walkability, parks and recreation, sewer, signals, and flood protection. The possibilities for this program extend beyond that of just the Street Section.

3. Why is this vendor the only available source from which to obtain this product or service? You must provide clear and convincing evidence.

It is clear to the Street Section that continued use of a program is needed to track all assets and manage all work completed by the department. As mentioned above, Cartegraph is the clear choice for the City of Flagstaff Street Section. 1. Cartegraph is not the purchase of a new software. It is a continuation of the current software the City has been using for 23 years (Cartegraph Navigator). This allows staff to continue expanding upon its robust capabilities and compiling OCIs using the system that brought Proposition 406. 2. The number and nature of the assets included in Cartegraph best fit the Street Section's needs (Pavement, Signals, Signs and Markings, Storm Water, Walkability, etc.). The system also has a broader Public Works appeal as it contains many assets that will increase efficiency throughout all of Public Works (Facilities, Fleet, Parks and Recreation, and more). For example, Parks and Recreation has expressed interest in utilizing the Cartegraph system to catalog and track damage to trees, replacements of trees, and specifies types in order to lead to further diversification in the town.

4. What efforts have been made to obtain the best price possible? Why do you feel this price is fair and reasonable?

Several conversations have occurred between Cartegraph Account Executives and Street Section Staff. The price for the current software remains fair for several reasons. 1) The price includes continued, unlimited, immediate, toll-free support from experts of the software, the Cartegraph Support Group. The offered support includes access to additional features – Cartegraph Campus (tips, step-by-step instructions, videos, and more), support via Case Submittal, Email, or Live Chat. 2) The price includes several training days where experts can be present on-site to further teach City Staff the ins and outs of the current version of the Software. Additionally, the price includes access to convenient online training opportunities, tutorial videos, and upcoming event information, as well as customer led user groups allowing the Street Section to learn from other users in the region. 3) The price allows for access to ALL assets the program offers and allows for up to 50 named users, meaning the entire Street Section Staff can access the program. Additionally, as a customer with an active subscription, the Street Section will receive new releases of the software and support for low-severity bug fixes as well as more in-depth resolutions.

Emergency Justification

1. Briefly, what is the scope of the project or emergency related issue in which this product or service will be used.

2. What is the threat to the health, safety or welfare of the public and/or staff? Clearly describe the potential danger from a health, safety or welfare perspective if not corrected.

3. Who is the identified vendor and why were they chosen? Example: Only vendor available or most available? Already onsite and mobilized? Have provided same work on this site in past?

This justification is valid through _____(3) three years_____ **(TO BE DETERMINED BY BUYER).** (Maximum 3 years)

4/29/20	4.48.2020
Authorized Signature / Date	Purchasing Section Buyer's Signature / Date
Scott Overton / Streets Director	Emily Markel Procurement Specialist
Printed Name / Title	Printed Name / Title

7. A.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Neil Chapman, Forest Health Supervisor
Co-Submitter:	Nicole Antonopolous
Date:	05/27/2020
Meeting Date:	06/02/2020

TITLE:

Consideration and Adoption of Ordinance No. 2020-13: An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, Title 7 Health and Sanitation, Chapter 7-03 Water System Regulations, Section 7-03-001-0010, Subsection A Water Rates, to establish a new Water Resources Infrastructure Protection through Wildland Fire Management Fee; providing for penalties, repeal of conflicting ordinances, severability, and establishing an effective date.

STAFF RECOMMENDED ACTION:

At the June 2, 2020 Council Meeting:

1) Hold Public Hearing
2) Read Ordinance No. 2020-13 by title only for the first time
3) City Clerk reads Ordinance No. 2020-13 by title only (if approved above)

At the June 16, 2020 Council Meeting:

4) Hold Public Hearing
5) Read Ordinance No. 2020-13 by title only for the final time
6) City Clerk reads Ordinance No. 2020-13 by title only (if approved above)
7) Adopt Ordinance No. 2020-13

Executive Summary:

The Water Resource & Infrastructure Protection Fee will establish a sustainable and stable watershed management fund to be implemented by the Wildland Fire Management program, effective 8/1/2020. The Water Resource & Infrastructure Protection Fee is a joint effort between Management Services, Legal, Water Services, Sustainability, and Fire.

Financial Impact:

Staff recommends implementing a $0.52 fee based on monthly water consumption to the municipal services bill to provide sustainable funding for all water resources and infrastructure protection including water, wastewater, reclaimed water and stormwater. The program will be managed by the Wildland Fire Management program which protects our resources and infrastructure through effective wildland fire mitigation efforts. The proposed fee will increase to $0.53 effective July 1, 2022 to maintain the level of service.

Policy Impact:

If approved the Water Resource & Infrastructure Protection initiative would:

1. Adhere to the Regional Plan (2013)
2. Advance the Climate Adaptation and Action Plan (2018)
3. Advance the Greater Flagstaff Community Wildfire Protection Plan (2005/2018)
4. Adhere to the Wildland-Urban Interface Code (2008).

Connection to Council Goal, Regional Plan, CAAP, and/or Strategic Plan:

Council Goals:

- High Performing Governance
- Safe & Healthy Community
- Livable Community

Regional Plan:

- Policy E&C.1.5. Seek feasible alternatives to reduce the smoke produced through prescribed burns and slash piles while continuing efforts to return fire to its natural role in the ecosystem.
- Policy E&C.2.2. Promote investments that strengthen climate resiliency.
- Policy E&C.3.2. Review and revise existing regulations, standards, and plans (codes, ordinances, etc.) to reduce the community's vulnerability to climate change impacts.
- Policy E&C.3.3. Invest in forest health and watershed protection measures.
- Policy E&C.3.4. Increase the region's preparedness for extreme climate events
- Policy E&C.4.1. Assess vulnerabilities and risks of Flagstaff's natural resources.
- Policy E&C.6.1. Encourage public awareness that the region's ponderosa pine forest is a fire-dependent ecosystem and strive to restore more natural and sustainable forest composition, structure, and processes.
- Policy E&C.6.2. Encourage all landowners and land management agencies to emphasize forest ecosystem restoration and catastrophic fire risk reduction for the lands under their respective jurisdictions.
- Policy E&C.6.3. Promote protection, conservation, and ecological restoration of the region's diverse ecosystem types and associated animals.
- Policy E&C.6.4. Support collaborative efforts to return local native vegetation, channel structure and, where possible and applicable, preservation and restoration of in-stream flows to the region's riparian ecosystem.
- Policy E&C.6.5. Preserve Flagstaff's wetland areas and discourage inappropriate development that may adversely affect them and the ecosystem services they provide.
- Policy E&C.6.6. Support cooperative efforts for forest health initiatives or practices, such as the Four Forest Restoration Initiative (4FRI), to support healthy forests and protect our water system.
- Policy E&C.10.2. Protect, conserve, and when possible, enhance and restore wildlife habitat on public land.

This effort supports the Team Flagstaff Strategic Plan Mission and Vision. Protecting our watersheds and water infrastructure from the impacts of catastrophic wildfire enhances the quality of life for Flagstaff citizens while providing "a balance of economic, environmental, educational and cultural opportunities" for all.

Has There Been Previous Council Decision on This:

Yes.

At the Fiscal Year 2020-21 Budget Retreat on February 4, 2020, Council directed staff to pursue the recommendations presented.

On March 17, 2020 Council approved Resolution 2020-11 to adopt the Notice of Intent to raise water or

wastewater rates or rate components, fees or service charges and set a date for a public hearing on June 2, 2020.

On May 12, 2020 staff gave a presentation to Council on the Water Resource and Infrastructure Protection Fee.

Options and Alternatives:

Council has three options: 1. Approve the Water Resource & Infrastructure Protection Fee 2. Reject the Water Resource & Infrastructure Protection Fee 3. Approve the Water Resource & Infrastructure Fee at a rate higher or lower than staff's recommendation and provide staff direction

Background/History:

A sustainable, healthy forest is the very backdrop of our area, and the reason many call the Flagstaff area home. Our watershed protection efforts managed by the Wildland Fire Management (WFM) program are a unique effort to ensure the safety and water security of our greater community. It is a national model for others who face similar challenges. Destructive wildfire is a significant natural threat facing us and it has potential to inflict long-lasting damage to the community. It also is a recurring, annual threat that is identifiable, predictable, and solvable. Following a damaging wildfire, post-fire impacts, notably uncontrolled flooding, is a real possibility. These events often continue for years after the fire and are often more destructive than the fire. Once the ecosystem begins to unravel, it is very difficult to protect those impacted and even harder to restore. To protect our community and promote healthy, sustainable forests, our WFM program, first initiated in 1997, acts throughout the Flagstaff Wildland/Urban Interface (WUI), an area that encompasses several jurisdictions and ownerships and can extend for miles outside our jurisdictions. Over the past 22 years, the community has made a major investment in this effort, one that must continue if we are to protect our watersheds, water supply, and water infrastructure.

Over the past 2-3 years, Staff has discussed, with both the Budget Team and City Council, the rapidly approaching need to establish a sustainable, stable, and long-term fund to support and continue the Wildland Fire Management program. At the February 4, 2020 Budget Workshop, staff provided greater detail on potential options. On March 17, 2020 Council approved Resolution 2020-11 to adopt the Notice of Intent to raise water or wastewater rates or rate components, fees or service charges and set a date for a public hearing on June 2, 2020 related to the program.

Key Considerations:

The City's Wildland Fire Management Division is the only local fire and fuels management resource reporting to City Leadership.

Expanded Financial Considerations:

City Staff has completed a financial analysis of the proposed fee. The report is attached to this staff summary. Based on this financial analysis, we are providing some high-level customer impacts below.

Residential and Commercial Customers: Based on a $0.52 rate, residential and commercial customers that consume 3,500 gallons of water monthly will see a fee of $1.82 per month. Residential and commercial customers that consume 10,000 gallons of water monthly will see a fee of $5.20 per month.

Long-time support by Flagstaff residents for forest protection efforts is well documented:

- In 2001, 2006, and again 2013, city-sponsored surveys consistently showed that 85%+ of respondents understood forest issues and supported efforts to address wildfire risk.

- In 2005 the Community Wildfire Preparedness Plan was adopted without a single dissenting voice from the community: this was followed in 2008 by adoption of the Wildland-Urban Interface Code, again without a single dissenting voice from the community.
- In 2010, the Southern Fire Exchange, in a national survey, ranked Flagstaff as one of the few "upper-tier" communities in terms of acceptance and support for prevention and preparedness efforts;
- A 2012 NAU "willingness to pay" survey showed that residents were willing to pay an average of $4.50 more per month to protect forests and water infrastructure.
- Later in 2012, Proposition 405 (now known as FWPP) was approved by 74% of voters.
- In 2018, two Flagstaff focus-groups hosted by the National Forest Foundation and the Trust for Public Lands revealed that households were willing to pay an average of $50 per year for forest and water infrastructure protection.

In 2019, following the Museum Fire, NAU undertook a community survey that disclosed:

- 70% of respondents want to see more forest management work around Flagstaff
- 84% of respondents felt forest management should be a priority of local officials
- Less than 40% of respondents feel like enough is being done to address fire risk
- In all income strata's ($0-$100K in $20K increments; and $100K-$250K+ per year in $50K increments), folks were willing to pay between $5-$100/month to support forest management efforts in the Flagstaff area.

Of significance, the 2012 and 2019 surveys, and the 2018 focus group, all revealed the willingness of residents to pay roughly $50/year for the services provided by the WRIP fee, nearly twice the proposed rate for a single-family residence.

Community Benefits and Considerations:

Since the formation of the Wildland Fire Management Program, the number, size and intensity of wildfires burning within the City has decreased. Without the Program in place we can expect to see an increase in number, size and intensity of wildfires within the greater Flagstaff area and negative impacts to the water-security of our city.

Community Involvement:

Staff will present the fee structure to both the Water Commission , Open Spaces Commission and the Sustainability Commission for review and feedback. Comments from both Commissions will be included during the fee adoption in June.

The public will have the opportunity to provide comments at the public hearings on June 2 and June 16, 2020. Notice of these public hearings was posted on the City website 60 days in advance, and a newspaper notice was published on or about May 18, 2020.

The Fire Department will coordinate with the Sustainability Section to develop and manage a public outreach effort, recognizing the reality of COVID-19 social distancing guidelines. Coordinated efforts will include a combination of social media platforms, list serves, monthly newsletters, community forum, community partners, direct/electronic mailing where possible (ex: notice in water bills), and volunteer corps (Master Recyclers, Sustainability Leaders, Community Stewards, Climate Leaders, and Climate Ambassadors) . A series of short YouTube videos are being developed for public distribution.

In addition, multiple partners have been engaged in the Water Resource & Infrastructure Protection efforts in our community for 20+ years, to include the US Forest Service, Greater Flagstaff Forests Partnership, the NAU Ecological Restoration Institute, AZ Game & Fish, US Fish and Wildlife Service, AZ State Dept of Forestry & Fire Management, neighborhood associations, volunteers, and other citizen groups.

Attachments: WRIP Fee Analysis
Ord. 2020-13

City of Flagstaff, Arizona

Water Resources and Infrastructure Protection through Wildland Fire Management Financial Plan and Fee Analysis Report

Flagstaff Sustainability Program

"We are Water"

Management Services Division, Sustainability Section,
Fire Department and Water Services Division

April 2020

Executive Summary

Over the past 2-3 years, Staff has had periodic discussions with both the Budget Team and City Council on the rapidly approaching need to establish a sustainable, stable, and long-term fund to support and continue the Wildland Fire Management PROGRAM (priority focus). At the same time, all have been kept apprised of the accomplishment/status of Flagstaff Watershed Protection PROJECT (FWPP) and the projected draw-down/shortfall of the associated bond supporting this work.

Staff provided a formal presentation to City Council on September 10, 2019, which outlined the financial needs of both the PROGRAM and the PROJECT. A funding option to support each was via establishment of a Water Resource and Infrastructure Protection Fund, part of a restructure of the existing/monthly Environmental Management Fee.

At the February 4, 2020 Budget Workshop, staff provided greater detail on this potential approach. Council's direction was to limit the new fund to the PROGRAM, and to seek needed funding to complete the PROJECT via the upcoming 2020 bond election. On March 17, 2020 Council approved Resolution 2020-11 to adopt the Notice of Intent to raise water or wastewater rates or rate components, fees or service charges and set a date for a public hearing on June 2, 2020 related to the PROGRAM. Subsequently, on March 31, 2020, as a result of COVID-19, Council stepped-back from endorsing any 2020 bond issues, leaving PROJECT funding considerations (options, timing, etc.) to future discussions.

This report presents two funding scenarios.

Option 1: The first, and still-the-primary focus, is to establish the necessary fund to support and continue the Fire Department's Wildland Fire Management (WFM) PROGRAM. This effort is responsible for healthy forests and a firewise/fire-adapted community, is a national model, and is the only forest management and wildfire response team in the Greater Flagstaff Area directed by City leadership and Council priorities. The most significant threats to the City of Flagstaff are the social, environmental and economic impacts associated with unnatural, catastrophic wildfire, especially within our watersheds and to our water/stormwater infrastructure. The City's Climate Adaptation and Action Plan recognizes that "A longer warm season and drier climate are likely to reduce overall forest health, lead to more damaging and hazardous wildfires and floods, and enable worsening pine beetle infestations. Forest management and emergency response systems will need to be ready to respond to these growing threats." Water Services Strategic Plan 2025 identifies wildland fire/watershed management as one of our Division's Top 10 issues to work on in the next five (5) years.

Option 2: This option being provided is to include additional capacity in the Fee to support important water resource protection projects in the Upper Lake Mary (ULM) watershed, an essential water source to Flagstaff residents. This includes not only the planned Phase III FWPP work on Mormon Mountain, but also the City Water Services Paired-Watershed project immediately adjacent to the FWPP footprint. A catastrophic wildfire within the watershed would render the City's only surface water supply and infrastructure unusable until remediation work occurred. The most likely needs would be to dredge the reservoir itself to remove sediment and restore storage capacity and to reengineer/upgrade the Lake Mary Treatment Plant to handle chemical changes to the water itself. Both processes would take some

time to complete, and both would be extremely expensive: the 2014 *FWPP Cost Avoidance Study* documented the expected costs to cost between $84 - $215 million. In the immediate aftermath of such a fire, while the remediation work is underway, it was estimated that 11 new wells would be required, a costly proposition in itself. By investing management resources in targeted areas of the ULM watershed, we can reduce the costly wildfire risk while gathering important data that helps us better understand, and value, the connections between healthy forests, aquifer recharge, and water yield to Lake Mary for decades to come

Development of both scenarios has been jointly developed by Legal, Management Services, Sustainability, Water Services and the Fire Department.

Public Support

Long-time support by Flagstaff residents for forest protection efforts is well documented:

- In 2001, 2006, and again 2013, city-sponsored surveys consistently showed that 85%+ of respondents understood forest issues and supported efforts to address wildfire risk.
- In 2005 the *Community Wildfire Preparedness Plan* was adopted without a single dissenting voice from the community: this was followed in 2008 by adoption of the *Wildland-Urban Interface Code,* again without a single dissenting voice from the community. In both cases, this is the first-and-only time in AZ (and perhaps beyond) where this has occurred when either was being considered by a community;
- In 2010, the Southern Fire Exchange, in a national survey, ranked Flagstaff as one of the few "upper-tier" communities in terms of acceptance and support for prevention and preparedness efforts;
- A 2012 NAU "willingness to pay" survey showed that residents were willing to pay an average of $4.50 more per month to protect forests and water infrastructure.
- Later in 2012, Proposition 405 (now known as FWPP) was approved by 74% of voters.
- In 2018, two Flagstaff focus-groups hosted by the *National Forest Foundation* and the *Trust for Public Lands* revealed that households were willing to pay an average of $50 per year for forest and water infrastructure protection.
- In 2019, following the Museum Fire, NAU undertook a community survey that disclosed:
    - 70% of respondents want to see more forest management work around Flagstaff;
    - 84% of respondents feel forest management should be a priority of local officials;
    - Less than 40% of respondents feel like enough is being done to address fire risk;
    - 39% of respondents remembered and voted in-favor of Question 405 in 2012, while only 2% remembered the item but voted in opposition to it: the remainder either didn't remember the question, how they voted, or did not live in Flagstaff at the time);
    - 73% of respondents would support future initiatives like FWPP; and that
    - In all income strata's ($0-$100K in $20K increments; and $100K-$250K+ per year in $50K increments), folks were willing to pay between $5-$100/month to support forest management efforts in the Flagstaff area.

Regardless of option, the rate is still well-below the documented level of residents "willingness to pay", the community's investment tolerance per recent studies. In addition, this investment in our future results in significant benefits to all in terms of social and economic stability/gains associated with a healthy forest and water infrastructure protection.

Established Principles & Guidelines

For this fee analysis, staff will apply guidelines from the American Water Works Association (AWWA) establishes a general set of principles to develop fees in the M1 Manual – Principles of Water Rates, Fees and Charges. These guiding principles help to ensure there is a consistent global approach that is employed by all utilities in the development of their rates, fees and charges (water and water-related utilities including sewer, reclaimed water and stormwater).

Provided below is a short summary listing key guidelines around which public utilities should consider when setting their rates, fees and charges. These closely reflect the City's specified objectives.

- Rates, fees and charges should be cost-based and equitable and set at a level such that they provide revenue sufficiency.
- Rates, fees and charges should provide reliable, stable and adequate revenue to meet the utility's financial, operation, and regulatory requirements.
- Rate, fee and charge levels should be stable from year to year.
- Rates, fees and charges should be easy to understand and administer.

These guidelines, along with the City's objectives, were utilized within this report to help develop the proposed Water Resource and Infrastructure Protection Fee.

Revenue Requirements

The method used by most public utilities to establish their revenue requirements is called the "cash basis" approach of setting fees. As the name implies, a public utility combines its cash expenditures over a period of time to determine their required revenues from user fees and other forms of income. The figure below presents the "cash basis" methodology.

Overview of the "Cash Basis" Design
+ Operation and Maintenance Expenses
+ Transfers
+ Capital Additions Financed with Fee Revenue
+ Debt Service (Principal and Interest)
= Total Revenue Requirements

Based on the revenue requirement analysis, the utility can determine the overall level of fee adjustment needed in order for the utility to meet its overall expenditure needs.

Water Resource and Infrastructure Protection Fee Analysis Development and Results

General Methodology

In order to develop fees that generate sufficient revenue to meet the fiscal requirements of the Water Resource and Infrastructure Protection plan, a determination of the annual revenue from fees which, combined with other sources of funds, will provide sufficient funds to meet those fiscal requirements must first be completed. This process is typically referred to as a Revenue Sufficiency Analysis.

The process employed in the Revenue Sufficiency Analysis resulted in the identification of revenue requirements of the system, such as operating expenses, capital expenses (minor and major), debt service expense (including a provision for debt service coverage, as applicable), transfers out and the maintenance of both restricted and unrestricted reserves at appropriate levels. These revenue requirements were then compared to the total sources of funds during each year of the forecast period to determine the adequacy of projected revenues to meet requirements. To the extent that the existing revenue stream was not sufficient to meet the annual revenue requirements of the system, a series of fee revenue increases were calculated to provide revenue sufficient to meet those needs.

Financial Management Goals of the Water Resource and Infrastructure Protection Fee

The financial management goals of the City's new fund for Water Resource and Infrastructure Protection operations are described below.

General Assumptions

In order to develop the financial and fee projections, certain assumptions were made with regard to elements of the Revenue Sufficiency Analysis. For the financial analysis, staff is using the same annual growth projections as were provided in the previous fee study. We assume approximately 1% annual growth in utility customer base during the forecast period. Staff had also reviewed the average water consumption billed on an annual basis. The City has billed an average of 2,350,000 gallons over the past three fiscal years. For the operation expenditures, staff recommends a 3% growth in personnel costs and a 2% growth on contractual and commodities.

Minimum Unrestricted Operating Reserve Fund Balance

In order to maintain a certain level of liquidity, utilities typically establish some form of unrestricted operating reserve fund balance target. Staff recommends a 15% minimum fund balance requirement for this analysis. While Water Services funds have a policy to maintain a minimum 25% fund balance,

we believe it is best to start a new fee at the 15% level and provide time for the new fund to develop. This plan meets that recommendation.

Operating Capital Requirements

The 10-year should provide resources for replacement of critical equipment needed to deliver the objectives of the fund. Operating capital are in value of $5,000 or greater with a useful life in excess of 2 years. Staff will utilize these funds to replace vehicles/wildland engines, chain saws, and other applicable equipment/supplies required to for water resources and infrastructure protection.

Debt Service Management

Oftentimes it is difficult to fully fund the significant capital requirements, whether driven by growth, regulatory pressures and/or system repair and maintenance, without the measured use of debt. As a means of controlling the debt load of the Water, Sewer, and Reclaimed Water utilities the City has established a debt policy to not exceed 25% of ongoing operating revenues.

Staff is presenting an alternate to General Obligation Bond financing which is the resources used for the initial $10 Million approved by voters for forest health initiative known as the Flagstaff Watershed Protection Project (FWPP).

Water Resource and Infrastructure Protection Fee Analysis Options

Option 1: Water Resource and Infrastructure Protection Revenue Sufficiency: Recommendation

Based on revenue requirements to deliver a Water Resource and Infrastructure Protection program through Wildland Fire Management, staff recommends a fee of $0.52 per 1,000 gallons of water use with an effective date of 8/1/2020 and a fee increased to $0.53 effective 7/1/2022.

Revenue Requirements for a new Water Resource and Infrastructure Protection Fee

The first step in developing the revenue requirements is to develop the costs related to delivering the program in at a sustainable level for 10 years. Staffed worked to develop the staffing levels, operational expenses and capital replacement program for a sustainable program. Then we applied the annual estimated water consumption billing to develop a fee per 1,000 gallons of use.

Summary of Operational Expenditures

The table below summarizes the operational expenditure required to deliver a sustainable Water Resource and Infrastructure Protection program:

Operating Expenses	2020-21	2021-22	2022-23	2023-24	2024-25
Personnel	$ 901,640	$ 910,660	$ 919,766	$ 928,964	$ 938,254
Contractuals	33,610	34,300	35,000	35,710	36,440
Commodities	104,850	106,960	109,110	111,290	113,510
Indirect Costs	-	52,596	106,388	107,596	108,820
Total Operations Expense	$ 1,040,100	1,104,516	1,170,264	1,183,560	1,197,024

Personnel expenses include full-time staff (Wildland Fire Manager, Crew Supervisor, Forest Health Supervisor, and Firewise Specialist) as well as all seasonal employees (5 eight-month and 8 six-month positions).

Contractual costs include items such as maintenance of equipment, training and medical fees. Commodities costs include items such as gas, tools, uniforms, and safety supplies.

Indirect costs include supporting operational costs. As with most special revenue funds and enterprise funds, the organization will allocate overhead costs to the funds based on levels of service provided. These costs are calculated based on generally accepted accounting principles (GAAP) and are allocated base on benefits received for services such as legal, human resources, and finance.

Summary of Revenue Requirement and Cash Flow

We can demonstrate the fee meets the cash flow requirements of the Water Resource and Infrastructure Protection Fund while meeting the objectives mentioned earlier.

Financial Plan	2020-21	2021-22	2022-23	2023-24	2024-25
Fund Balance	-	181,900	211,604	211,875	211,555
Resources					
Water Resource Protection Fee	1,222,000	1,234,220	1,270,535	1,283,240	1,296,072
Total Resources and Fund Balance	1,222,000	1,416,120	1,482,139	1,495,115	1,507,627
Uses of Funds					
Operations	1,040,100	1,104,516	1,170,264	1,183,560	1,197,024
Capital	-	100,000	100,000	100,000	100,000
Total Uses	1,040,100	1,204,516	1,270,264	1,283,560	1,297,024
Ending Fund Balance	181,900	211,604	211,875	211,555	210,603
% of Operating Revenues	15%	17%	17%	16%	16%

Summary of Fee Analysis Recommendations

Based on the financial plan and fee analysis, staff recommend a new fee increase that is sufficient to maintain a sustainable program to protect our water resources and infrastructure though Wildland Fire Management. The fee schedule below demonstrates the current and proposed fees to be implemented.

Water Resource and Infrastructure Protection Fee Schedule			
Effective Date	Current Fee Per 1,000 gallons	Proposed Fee Per 1,000 gallons	Change Per 1,000 gallons
August 1, 2020	$0.00	$0.52	$0.52
July 1, 2022	$0.52	$0.53	$0.01

Summary of Impacts to Customers

Based on the fee recommendation, the following summarizes the impact to water customers:

Customer Impacts	Effective 8/1/2020		Effective 7/1/2022	
Gallons of Monthly Consumption	Monthly Impact	Annual Impact	Monthly Impact	Annual Impact
1,000	0.52	6.24	0.53	6.36
3,500	1.82	21.84	1.86	22.26
5,000	2.60	31.20	2.65	31.80
10,000	5.20	62.40	5.30	63.60
25,000	13.00	156.00	13.25	159.00

Option 2: Flagstaff Watershed Protection Project though Water Resource and Infrastructure Protection Fee: Alternate Financing for Capital Improvement Plan

This alternative rate analysis is being provided for consideration of furthering the Flagstaff Watershed Protection Project for capital work to complete critical forest health measures in additional areas around our water resources. Items considered are the Upper and Lower Lake Mary watersheds and the Lake Mary water wells. Staff estimates an additional $5 Million would be needed to complete these areas. These projects would be revenue debt financed. Staff is providing this alternate to seeking voter approval on a ballot measure to fund with general obligation bonds.

Additional Revenue Requirements Including the Flagstaff Watershed Protection Projects

This option being provided is for work above and beyond delivering the Water Resource and Infrastructure Protection program, this program is the priority for the proposed fee.

The additional revenue requirements would be related to debt service repayment on a $5 Million revenue bond issued and backed with the fee being considered.

Summary of Revenue Requirement and Cash Flow

We can demonstrate the fee meets the cash flow requirements of the Water Resource and Infrastructure Protection Fund and the Flagstaff Watershed Protection Project while meeting the objectives mentioned earlier.

Financial Plan	2020-21	2021-22	2022-23	2023-24	2024-25
Fund Balance	-	207,900	263,864	260,003	259,494
Resources					
Water Resource Protection Fee	1,248,000	1,260,480	1,664,803	1,681,451	1,698,265
Bond Revenue	-	5,000,000	-	-	-
Total Resources and Fund Balance	1,248,000	6,468,380	1,928,667	1,941,454	1,957,759
Uses of Funds					
Operations	1,040,100	1,104,516	1,170,264	1,183,560	1,197,024
Debt Service	-	-	398,400	398,400	398,400
Capital	-	5,100,000	100,000	100,000	100,000
Total Uses	1,040,100	6,204,516	1,668,664	1,681,960	1,695,424
Ending Fund Balance	207,900	263,864	260,003	259,494	262,335
% of Operating Revenues	17%	21%	16%	15%	15%

Summary of Fee Analysis Recommendations

To include the Flagstaff Watershed Protection Projects, staff recommend a new fee increase that is sufficient to maintain a sustainable program to protect our water resources and infrastructure though Wildland Fire Management and pay for the debt service related to the capital projects. The fee schedule below demonstrates the current and proposed fees to be implemented.

Water Resource and Infrastructure Protection Fee Schedule Option 2: With $5M for Flagstaff Watershed Projection Projects				
Effective Date	Current Fee Per 1,000 gallons	Proposed Fee Per 1,000 gallons	Change Per 1,000 gallons	Change Over Base Plan
August 1, 2020	$0.00	$0.52	$0.52	$0.00
July 1, 2022	$0.52	$0.68	$0.16	$0.15

Summary of Impacts to Customers

To include the Flagstaff Watershed Protection Projects, the fee recommendation, the following summarizes the impact to water customers:

Customer Impacts	Effective 8/1/2020		Effective 7/1/2022	
	Monthly Impact	Annual Impact	Monthly Impact	Annual Impact
Gallons of Monthly Consumption				
1,000	0.52	6.24	0.68	8.16
3,500	1.82	21.84	2.38	28.56
5,000	2.60	31.20	3.40	40.80
10,000	5.20	62.40	6.80	81.60
25,000	13.00	156.00	17.00	204.00

Water Resource and Infrastructure Protection Fee Future Meetings

Water Commission and Sustainability Commission Meetings

Staff will present the fee restructure to both the Water Commission (May 21,2020) and the Sustainability Commission (May 28, 2020) for review and feedback. Comments from both Commissions will be included during the fee adoption in June.

Public Outreach

The Flagstaff Fire Department will coordinate with Sustainability and Water Services to craft and manage a public outreach effort, recognizing the reality of COVID-19 social distancing guidelines. Coordinated efforts will include a combination of social media platforms, list serves, monthly newsletters, community forum, community partners, direct/electronic mailing where possible (ex: notice in water bills), and volunteer corps (Master Recyclers, Sustainability Leaders, Community Stewards, Climate Leaders, and Climate Ambassadors) . Staff will provide a virtual roundtable for an open discussion. In addition, a series of short YouTube videos is being developed for public distribution and will be made available by mid-May.

City Council Meetings

Per Arizona Revised Statue 9-511.01, the City is required to complete certain requirements. The first requirement is for the Council to adopt a Notice of Intent to raise water or wastewater rates or rate components, fees or service charges and set a date for a public hearing. On March 17, 2020 Council approved Resolution 2020-11 to adopt the Notice of Intent.

On May 12,2020, staff is planning to present the fee analysis to Council. Staff will be seeking Council direction on the proposed fees. Staff will utilize this direction for the fee adoption.

On June 2, 2020, at the Council meeting staff will present an ordinance along with the rate analysis information to the Council. Council could accept staff recommendation or adjust, such as increasing or decreasing the fee. Or the Council could choose to not read the ordinance the first time and direct staff to bring the item back with amendments. If Council completes the first read of the ordinance, on June 16, 2020 the Council will hold a public hearing and a second read to adopt the new fee. To meet the funding outlined in this analysis, the fee rates would need to be effective August 1, 2020.

ORDINANCE NO. 2020-13

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 7 HEALTH AND SANITATION, SECTION 7-03 WATER SYSTEM REGULATIONS, SECTION 7-03-001-0010, SUBSECTION A WATER RATES, TO ESTABLISH A NEW WATER RESOURCES INFRASTRUCTURE PROTECTION THROUGH WILDLAND FIRE MANAGEMENT FEE; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

RECITALS:

WHEREAS, the Flagstaff City Council has determined that approval of a new Water Resources Infrastructure Protection through Wildland Fire Management is necessary in order to continue efforts to protect water services;

WHEREAS, on March 17, 2020 the Flagstaff City Council adopted Resolution No. 2020-11 providing notice of intent to adopt a new Water Resources Infrastructure Protection through Wildland Fire Management and has published such resolution in a newspaper of general circulation of the City all in accordance with A.R.S. § 9-511.01 for changes in water services rates;

WHEREAS, on April 17, 2020 notice of a proposed new Water Resources Infrastructure Protection through Wildland Fire Management Fee was posted on the home page of the City of Flagstaff website, along with a written report and data to support the fee, and notice has been distributed through City social media, in accordance with A.R.S. § 9-499.15 at least 60 days prior to approval of any new or increased fee;

WHEREAS, on June 2 and June 16, 2020 a public hearing was held regarding the proposed new Water Resources Infrastructure Protection through Wildland Fire Management Fee;

ENACTMENTS:

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. In General.

The Flagstaff City Code, Title 7 Health and Sanitation, Chapter 7-03 City Water System Regulations, Section 7-03-001-0010, Subsection A Water Rates Volume Charge Table is hereby amended as follows (deletions shown as stricken, additions shown in capitalized, underlined text):

7-03-001-0010 WATER RATES

A. Inside City Limits: The following monthly charges shall be effective with bills rendered on and after January 1, 1991.

Applicable sales taxes will be in addition to these charges.

Charge per one thousand (1,000) gallons of measured or estimated water use per month.

VOLUME CHARGE

Monthly Water Use Gallons	**Volume Charge $/1,000 gal**				
Single Family - Block Rate					
Single Family	**7-1-16**	**1-1-17**	**1-1-18**	**1-1-19**	**1-1-20**
Tier 1 (0-3,500)	$2.89	$3.02	$3.15	$3.29	$3.44
Tier 2 (3,501-6,200)	$3.75	$3.91	$4.09	$4.26	$4.45
Tier 3 (6,201-11,500)	$5.77	$6.03	$6.29	$6.57	$6.86
Tier 4 (Over 11,500)	$11.55	$12.05	$12.59	$13.14	$13.72
Multi-family, Apts., Mobile home	$3.72	$3.88	$4.05	$4.23	$4.42
Commercial, Schools	$3.95	$4.12	$4.30	$4.49	$4.69
Northern Arizona University	$3.62	$3.78	$3.95	$4.12	$4.30
Manufacturing	$3.89	$4.07	$4.24	$4.43	$4.63
Lawn Meters	$3.95	$4.12	$4.30	$4.49	$4.69
Hydrant meter	$6.03	$6.30	$6.58	$6.87	$7.17
Standpipe – Water haulers	$6.03	$6.30	$6.58	$6.87	$7.17
Energy Component:					
Charge per one thousand (1,000) gallons, applied to all customer classes (refer to subsection (D) of this section)					

Energy component cost will be calculated annually based on a one (1) year rolling average of water related energy costs as per subsection (D) of this section.

WATER RESOURCES AND INFRASTRUCTURE PROTECTION THROUGH WILDLAND FIRE MANAGEMENT COMPONENT:

IN ADDITION TO ALL VOLUME CHARGES, EACH CUSTOMER SHALL PAY AN ADDITIONAL FEE BASED ON WATER CONSUMPTION AS FOLLOWS:

EFFECTIVE 8-1-20 $0.52 PER 1,000 GALLONS

EFFECTIVE 7-1-22 $0.53 PER 1,000 GALLONS

THIS FEE SHALL BE USED TO PROTECT FLAGSTAFF ALL WATER RESOURCES AND INFRASTRUCTURE FROM WILDLAND FIRES INCLUDING WATER, WASTEWATER, RECLAIMED WATER AND STORMWATER.

SECTION 2. Penalties.

Any person convicted of a violation of this ordinance is guilty of a misdemeanor and shall be fined a sum not to exceed two thousand five hundred dollars ($2,500.00) and may be sentenced to confinement in jail for a period not to exceed ninety (90) days for any one offense, all in accordance with the Flagstaff City Code Chapter 1-04. Any violation which is continuing in nature shall constitute a separate offense on each successive date the violation continues, unless otherwise provided.

SECTION 3. Repeal of Conflicting Ordinances.

All ordinances and parts of ordinances in conflict with the provisions of this ordinance or any part of the code adopted herein by reference are hereby repealed.

SECTION 4. Severability.

If any section, subsection, sentence, clause, phrase or portion of this ordinance or any part of the code adopted herein by reference is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 16th day of June, 2020.

_____
MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

7. B.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Nicole Antonopoulos, Sustainability Manager
Date:	05/27/2020
Meeting Date:	06/02/2020

TITLE:

Consideration and Adoption of Ordinance No. 2020-14: An ordinance of the City Council of the City of Flagstaff amending the Flagstaff City Code, Title 7 Health and Sanitation, Section 7-04-001-0010 Fees, Subsection I, by restructuring the Environmental Management Fee; providing for penalties, repeal of conflicting ordinances, severability, and establishing an effective date

STAFF RECOMMENDED ACTION:

At the June 2, 2020 Council Meeting:

1) Hold the Public Hearing
2) Read Ordinance No. 2020-14 by title only for the first time
3) City Clerk reads Ordinance No. 2020-14 by title only (if approved above)

At the June 16, 2020 Council Meeting:

4) Hold Public Hearing
5) Read Ordinance No. 2020-14 by title only for the final time
6) City Clerk reads Ordinance No. 2020-14 by title only (if approved above)
7) Adopt Ordinance No. 2020-14

Executive Summary:

The Environmental Management Fee is intended to correlate the environmental and natural resource impact and programming necessary to mitigate these impacts. In many cases, the fee is not distributed equitably among service addresses. The proposed restructuring will result in greater equity in terms of paying a fair share of the cost of environmental and natural resource management.

Financial Impact:

Staff recommends restructuring the current $4.00 monthly fee per municipal services bill to a consumption-based model that assesses fee of $0.035 on services provided from water, sewer, stormwater, trash, and recycling services (“core services”). The goal is to maintain the same level of annual Environmental Management revenues for Citywide environmental and natural resource management programming.

Policy Impact:

1. Adhere to the Regional Plan (2013)
2. Advance the Climate Adaptation and Action Plan (2018)

Connection to Council Goal, Regional Plan, CAAP, and/or Strategic Plan:

Council Goals:
High Performing Governance
Safe & Healthy Community
Sustainable, Innovative Infrastructure
Livable Community

Regional Plan:

- Policy E&C.2.2. Promote investments that strengthen climate resiliency.
- Policy E&C.3.2. Review and revise existing regulations, standards, and plans (codes, ordinances, etc.) to reduce the community's vulnerability to climate change impacts.
- Policy E&C.3.3. Invest in forest health and watershed protection measures.
- Policy E&C.3.4. Increase the region's preparedness for extreme climate events
- Policy E&C.4.1. Assess vulnerabilities and risks of Flagstaff's natural resources.
- Policy E&C.6.1. Encourage public awareness that the region's ponderosa pine forest is a fire-dependent ecosystem and strive to restore more natural and sustainable forest composition, structure, and processes.
- Policy E&C.6.3. Promote protection, conservation, and ecological restoration of the region's diverse ecosystem types and associated animals.
- Policy E&C.6.4. Support collaborative efforts to return local native vegetation, channel structure and, where possible and applicable, preservation and restoration of in-stream flows to the region's riparian ecosystem.
- Policy E&C.6.5. Preserve Flagstaff's wetland areas and discourage inappropriate development that may adversely affect them and the ecosystem services they provide.
- Policy E&C.10.2 – Protect, conserve, and when possible, enhance and restore wildlife habitat on public land.

Has There Been Previous Council Decision on This:

Yes. At the Fiscal Year 2020-21 Budget Retreat on February 4, 2020, Council directed staff to pursue the recommendations presented. In addition, staff presented to City Council at the May 4, 2020 work session to review the proposed fee structure.

Options and Alternatives:

1. Approve the Environmental Management Fee restructure.
2. Approve the Environmental Management Fee restructure with an increased or decreased fee and provide staff direction.
3. Reject the Environmental Management Fee restructure.

Key Considerations:

The City desires to assess the Environmental Management Fee on a more equitable basis. Currently customers are billed a $4 fee per monthly municipal utility services bill or account. Examples: the owner of a single-family home with four (4) residents pays $4 per month; the owner of a multiple-family housing development capable of housing 150 residents, has one account, also pays $4 per month; the owner of a high-density housing development in Flagstaff capable of housing 900 residents has five (5) accounts, and the owner pays only $20 per month.

Additionally, the City has core services customers per contract and/or miscellaneous billings and these customers currently do not pay the fee at all. In sum, this places a disproportionate burden on single-family residences.

Expanded Financial Considerations:

City Staff has completed a financial analysis of the proposed fee restructure. The report is attached to this staff summary. Based on this financial analysis we are providing some high level customer impacts below.

Residential Customers: Based on a $0.035 rate, residential customers that consume 3,500 gallons of water monthly should see in a lower assessment ($2.03 versus $4.00). Residential customers that consume 10,000 gallons of water monthly will see a higher assessment ($4.77 versus $4.00).

Commercial Customers: Based on a $0.035 rate, commercial customers that consume 3,500 gallons of water monthly should see in a higher assessment ($10.30 versus $4.00). Commercial customers that consume 10,000 gallons of water monthly will see a higher assessment ($12.39 versus $4.00).

Community Benefits and Considerations:

The Environmental Management Fees collected are used for protecting and enhancing the City's core services (water, wastewater, reclaimed water, stormwater, trash and recycling services). Additionally, customers will have some ability to reduce their monthly fee, by consuming less.

Community Involvement:

Staff will present the proposed restructuring to the Open Space, Sustainability, and Water Commissions. Staff will also conduct outreach through social media platforms, electronic mailing, and direct contact key program partners.

The public will have the opportunity to provide comments at the public hearings on June 2nd and June 16th, 2020. Notice of these public hearings was posted on the City website 60 days in advance, and a newspaper notice was published on or about May 18th, 2020.

Attachments: Ord. 2020-14
Environmental Management Fee Financial Report
Presentation

ORDINANCE NO. 2020-14

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 7 HEALTH AND SANITATION, SECTION 7-04-001-0010 FEES, SUBSECTION I, BY RESTRUCTURING THE ENVIRONMENTAL MANAGEMENT FEE; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

RECITALS:

WHEREAS, the Flagstaff City Council has determined that restructure of the Environmental Management Fee will provide for more equitable distribution of the costs of providing environmental management and sustainability program services related to providing water, reclaimed water, sewer, stormwater, trash and/or recycling ("core services") to customers;

WHEREAS, on March 17, 2020 the Flagstaff City Council adopted Resolution No. 2020-11 providing notice of intent to restructure the Environmental Management Fee, and has published such resolution in a newspaper of general circulation of the City all in accordance with A.R.S. § 9-511.01 for changes in water services rates;

WHEREAS, on April 17, 2020 notice of a proposed new or increased Environmental Management Fee was posted on the home page of the City of Flagstaff website, along with a written report and data to support the fee, and notice has been distributed through City social media, in accordance with A.R.S. § 9-499.15 at least 60 days prior to approval of any new or increased fee;

WHEREAS, on June 2 and June 16, 2020 a public hearing was held regarding the proposed restructured Environmental Management Fee;

ENACTMENTS:

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. In General.

The Flagstaff City Code, Title 7 Health and Sanitation, Chapter 7-04 Municipal Solid Waste Collection System, Section 7-04-001-0010 Fees, subsection I is hereby amended as follows (deletions shown as stricken, additions shown in capitalized, underlined text):

I. Environmental Management Fee: An environmental management fee ~~of four dollars ($4.00) per month per City utility bill~~ IS HEREBY SET AT $0.035 MULTIPLIED BY THE CUSTOMER'S CHARGES FOR SERVICES RELATED TO WATER, RECLAIMED WATER, SEWER, STORMWATER, TRASH AND/OR RECYCLING SERVICES ("CORE SERVICES"). THE ENVIRONMENTAL MANAGEMENT FEE CHARGED TO EACH CUSTOMER IS BASED ON CHARGES BILLED AND shall be charged to fund City~~wide~~

environmental programs RELATED TO PROVIDING CORE SERVICES TO THE CUSTOMER, including, but not limited to, environmental management, ~~brownfield land~~ WASTE REDUCTION, recycling, sustainability, CLIMATE CHANGE, environmental code enforcement, and conservation education programs.

The environmental management fee applies to all ~~utility~~ CORE SERVICES bills ~~calculated and sent to customers on a monthly basis~~.

SECTION 2. Penalties.

Any person convicted of a violation of this ordinance is guilty of a misdemeanor and shall be fined a sum not to exceed two thousand five hundred dollars ($2,500.00) and may be sentenced to confinement in jail for a period not to exceed ninety (90) days for any one offense, all in accordance with the Flagstaff City Code Chapter 1-04. Any violation which is continuing in nature shall constitute a separate offense on each successive date the violation continues, unless otherwise provided.

SECTION 3. Repeal of Conflicting Ordinances.

All ordinances and parts of ordinances in conflict with the provisions of this ordinance or any part of the code adopted herein by reference are hereby repealed.

SECTION 4. Severability.

If any section, subsection, sentence, clause, phrase or portion of this ordinance or any part of the code adopted herein by reference is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 16th day of June, 2020.

_____
MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

City of Flagstaff, Arizona

Environmental Management Fee Restructure Analysis Report

Flagstaff Sustainability Program

Management Services, Sustainability Section and Fire Department

April 2020 (revised 5/6/2020)

Executive Summary

The City Management Services Division, in coordination with the Sustainability Section, is proposing a restructure of the Environmental Management Fee. This fee restructure analysis report was developed pursuant to City Council direction at the Fiscal Year 2020-21 Budget Retreat on February 4, 2020.

The City is proposing to replace the current flat $4.00 fee per municipal services bill to a consumption-based fee. This restructure of the fee formula will result in greater equity in terms of paying fair share of the cost of environmental and natural resource management. In Fiscal Year 2019-20, the Environmental Management Fee generated an estimated $1.02 Million. Under the restructure, the City protects that overall fee revenues will remain about the same but recommends that the fee be adjusted over time to account for inflation.

The Environmental Management Fee was established in 2002 and is authorized in the Solid Waste Code Section 7-04-001-0010 FEES. As defined in the Code, "a fee of $4.00 per month per City utility bill shall be charged to fund citywide environmental programs, including, but not limited to, Environmental Management, Brownfield Land Recycling, Sustainability, Environmental Code Enforcement, and Conservation Education Programs".

Today, the fee provides revenues for the majority of the Sustainability Section programs, which are further described on the City of Flagstaff website and in the annual adopted Budget of the City. The City is proposing to restructure the Environmental Management Fee so that the fee will be a percentage assessed on services provided from water, sewer, stormwater, trash and recycling services ("core services"). As a result, utility customers will have some ability to reduce or lower their monthly fee, by consuming less. Arizona laws allow cities and towns to charge fees for the provision of these core services. The Environmental Management Fees collected are used for protecting and enhancing our core services. The City Sustainability also provides additional services that are funded by the General Fund, grants, and other funding sources.

Environmental Management Fee Restructure Analysis and Proposed Change

Overview of Existing Fee Structure

The Environmental Management Fee is billed at a flat monthly rate of $4.00 per City Municipal Bill. The fee was designed to fund a variety of city-wide environmental programs including but not limited to, environmental management, brownfield land recycling, sustainability, environmental code enforcement, and conservation education programs. These programs benefit all utility customers, including Northern Arizona University and the City as they are both major utility customers.

Purpose for Restructured Environmental Management Fee

The intent for restructuring the fee is rooted in equitable distribution. Currently the fee is assessed per the monthly municipal services bill and is intended to correlate between the environmental impact and programming necessary to mitigate these impacts of the service address. However, in some instances, the correlation seems less equitable. For example, a single-family residence with four habitants, is assessed at $4 monthly per bill. While a high occupancy housing unit with 150 habitants, is assessed at $4 monthly per bill. A specific example is a high-density unit in Flagstaff with 900+ residents, that pays five municipal services bills, therefore paying only $20 monthly toward the Environmental Management Fund. Also, currently we provide some services per contract and/or miscellaneous billings and these customers currently do not pay the Environmental Management Fee.

This fee restructure is intended to provide resources, educate, and mitigate impacts at each service address in an equitable manner.

Environmental Management is about all City Resources

Services funded through the fee span all City core services. Examples of this include materials management policy development to reduce materials delivered to the landfill in an effort to extend the life of the landfill. Recycling education to reduce contamination in the recycling stream and increase the value of the City's recycling stream. Resiliency planning in water and storm water to prepare the community and municipality for changing environmental conditions. Efficiency upgrades for municipal facilities, water production and water processing to reduce expenditures and create redundancy in services.

Proposed Restructured Fee

Services to Apply an Environmental Management Fee

Staff is recommending that the restructured fee is applied to several city services that are billed to customers. Further we are not limiting the fee to those billed on a Municipal Services Bill as that bill does not capture all the services being provided. For example, some customers with special billing needs for trash services are being billed on a Miscellaneous Accounts Receivable statement. Therefore, those customers also have an impact to equity in billing and would be billed the Environmental Management Fee. The following table provides an estimate of the annual revenues from these services:

Revenue Analysis	2020-21	2021-22	2022-23	2023-24	2024-25
Annual Revenues					
Refuse Charges Commercial	$ 2,600,000	$ 2,626,000	$ 2,652,300	$ 2,678,800	$ 2,705,600
Commercial Recycling	490,000	494,900	499,800	504,800	509,800
Hoist and Haul	225,000	227,300	229,600	231,900	234,200
Refuse Charges Residential	3,900,000	4,095,000	4,299,800	4,342,800	4,386,200
Residential Recycling	2,000	2,000	2,000	2,000	2,000
Curbside Glass	43,000	43,400	43,800	44,200	44,600
Water Charges	9,700,000	9,797,000	9,895,000	9,994,000	10,093,900
Wastewater Charges	9,800,000	9,898,000	9,997,000	10,097,000	10,198,000
Reclaimed Water Charges	560,000	565,600	571,300	577,000	582,800
Stormwater Charges	2,600,000	2,626,000	2,652,300	2,678,800	2,705,600
	$ 29,920,000	$ 30,375,200	$ 30,842,900	$ 31,151,300	$ 31,462,700

The Environmental Fee will be based on the annual estimated revenues from the above services. These services bill approximately $30 Million annually through the Municipal Service Statement, Miscellaneous Accounts Receivable Statement, and at the Landfill.

Proposed Fee

The goal of the Environmental Fee restructure is to maintain the same level of annual revenues. The first step in this analysis is to look at what is currently projected from the flat $4.00 per Municipal Billing Statement. The current fee is estimated to bring in approximately $1,042,000 annual revenues and the five-year plan shows a 2% annual increase. This sets forth our baseline for the restructure of the fee.

Then next step is to consider which charges to include in the calculation of the restructured fee. Solid waste, water, wastewater, reclaimed water and stormwater charges are the basis of the new fee structure.

From there, we look at what time of fee would be needed to bring in as much or close to the same level of revenues. We calculate that an Environmental Management Fee would need to be set at $0.035 of the charges being billed to customers. The following table demonstrates the fee setting calculations:

Revenue Restructure	2020-21	2021-22	2022-23	2023-24	2024-25
Current Fee					
Current Fee per Municipal Bill	$ 4	$ 4	$ 4	$ 4	$ 4
Estimated Annual Number of Bills	260,500	265,750	271,000	276,500	282,000
Estimated Annual Revenue	1,042,000	1,063,000	1,084,000	1,106,000	1,128,000
Restructured Fee					
Solid Waste Charges	$ 7,260,000	$ 7,488,600	$ 7,727,300	$ 7,804,500	$ 7,882,400
Water Charges	$ 9,700,000	$ 9,797,000	$ 9,895,000	$ 9,994,000	$ 10,093,900
Wastewater Charges	$ 9,800,000	$ 9,898,000	$ 9,997,000	$ 10,097,000	$ 10,198,000
Reclaimed Water Charges	$ 560,000	$ 565,600	$ 571,300	$ 577,000	$ 582,800
Stormwater Charges	$ 2,600,000	$ 2,626,000	$ 2,652,300	$ 2,678,800	$ 2,705,600
Total Estimate Revenues	$ 29,920,000	$ 30,375,200	$ 30,842,900	$ 31,151,300	$ 31,462,700
Fee Requirement	$ 0.035	$ 0.035	$ 0.035	$ 0.036	$ 0.036
Estimated Annual Revenues	$ 1,047,200	$ 1,063,132	$ 1,079,502	$ 1,121,447	$ 1,132,657
Change in Revenues	$ 5,200	$ 132	$ (4,499)	$ 15,447	$ 4,657

Due to rounding of the rate, there will be a slight increase, it is projected to have a slight increase in the annual revenues. While there may be a need for a rate increase in Fiscal Year 2024-25, staff is not recommending including this rate increase in the adopted fee restructure.

Summary of Impacts to Customers

The restructure of the Environmental Management Fee is estimated to have the following impact to customers. The fee proposed will be based on the amount of services consumed by our customers.

Residential Customers: Single family residential customers are billed monthly for trash, recycling, water, wastewater, and stormwater services. The variable to these customer classes is the water consumption and stormwater. For the following examples we assume the stormwater charge is for 1 equivalent runoff unit (1,500 square feet of impervious property).

Residential Customer Impacts	Current Bill	Proposed Bill	Change
Customer 1: Average Monthly Consumption 3,500			
Total bill w/o Environmental Fee	$ 77.46	$ 77.46	$ -
Amount of Environmental Fee	$ 4.00	$ 2.03	$ (1.97)
Customer 3: Average Monthly Consumption 10,000			
Total bill w/o Environmental Fee	$ 161.10	$ 161.10	$ -
Amount of Environmental Fee	$ 4.00	$ 4.77	$ 0.77

Commercial Customers: Commercial customers are different than residential customers because they have an option of municipal trash and recycling services. All other services apply to commercial customers. For the example below we used the assumptions of a 6 yard trash service picked up twice a week and a 4 yard recycling service picked up once a week and the stormwater charge is for 5 equivalent runoff unit (7,500 square feet of impervious property).

ORIGINAL TABLE:

Commercial Customer Impacts	Current Bill	Proposed Bill	Change
~~Customer 1: Average Monthly Consumption 3,500~~			
~~Total bill w/o Environmental Fee~~	~~$ 313.79~~	~~$ 313.79~~	~~$ -~~
~~Amount of Environmental Fee~~	~~$ 4.00~~	~~$ 4.77~~	~~$ 0.77~~
Customer 3: Average Monthly Consumption 10,000			
Total bill w/o Environmental Fee	$ 379.08	$ 379.08	$ -
Amount of Environmental Fee	$ 4.00	$ 12.39	$ 8.39

CORRECTED TABLE:

Commercial Customer Impacts	Current Bill	Proposed Bill	Change
Customer 1: Average Monthly Consumption 3,500			
Total bill w/o Environmental Fee	$ 313.79	$ 313.79	$ -
Amount of Environmental Fee	$ 4.00	$ 10.30	$ 6.30
Customer 3: Average Monthly Consumption 10,000			
Total bill w/o Environmental Fee	$ 379.08	$ 379.08	$ -
Amount of Environmental Fee	$ 4.00	$ 12.39	$ 8.39

Environmental Management Fee Restructure Future Meetings

Sustainability Commission and Water Commission Meetings

Staff will present the fee restructure to both the Water Commission (May 21,2020) and the Sustainability Commission (May 28, 2020) for review and feedback. Comments from both Commissions will be included during the fee adoption in June.

Public Outreach Meetings

The Sustainability Section will coordinate with Fire Department and Water Services to develop and manage a public outreach effort, recognizing the reality of COVID-19 social distancing guidelines. Coordinated efforts will include a combination of social media platforms, list serves, monthly newsletters, community forum, community partners, direct/electronic mailing where possible (ex: notice in water bills), and volunteer corps (Master Recyclers, Sustainability Leaders, Community Stewards, Climate Leaders, and Climate Ambassadors) . Staff will provide a virtual roundtable for an open discussion. In addition, a series of short YouTube videos is being developed for public distribution and will be made available by mid-May.

City Council Meetings

Per Arizona Revised Statue 9-511.01, the City is required to complete certain requirements. The first requirement is for the Council to adopt a Notice of Intent to raise water or wastewater rates or rate components, fees or service charges and set a date for a public hearing. On March 17, 2020 Council approved Resolution 2020-11 to adopt the Notice of Intent.

On May 12,2020, staff is planning to present the fee analysis to Council. Staff will be seeking Council direction on the proposed fees. Staff will utilize this direction for the fee adoption.

On June 2, 2020, at the Council meeting staff will present an ordinance along with the rate analysis information to the Council. Council could accept staff recommendation or adjust, such as increasing or decreasing the fee. Or the Council could choose to not read the ordinance the first time and direct staff to bring the item back with amendments. If Council completes the first read of the ordinance, on June 16, 2020 the Council will hold a public hearing and a second read to adopt the new fee structure. To meet the funding outlined in this analysis, the fee rates would need to be effective August 1, 2020.

Water Resource and Infrastructure Protection Initiative through Wildland Fire Management and Restructuring Environmental Management Fees

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Discussion

- Water Resource and Infrastructure Protection
  - Proposed fee
  - Customer impacts
  - Long-term needs
- Environmental Management Fee
  - Proposed fee restructure
  - Customer impact scenarios
- Outreach and timeline
- Building Community Together

Water Resource & Infrastructure Protection

Background

- Watershed protection and Wildfire risk reduction program established in 1997 by Council
- Now recognized as a national model with proven success
- Currently funded by General Fund, grants & most recently FWPP bond
- The FWPP bond, a project specific funding source, will be fully encumbered/spent within the next 6-10 months
- Recognized need for sustainable ongoing program and project specific funding to protect our community, forests, watersheds and infrastructure

Water Resource & Infrastructure Protection

Ongoing Wildland Fire Management Program Funding

Will be funded through Ordinance 2020-XX Water Resource and Infrastructure Protection Initiative via Wildland Fire Management

<u>Wildland Fire Management Mission</u>: Protect our community from catastrophic wildfire:

Wildfire Management

Five Program Areas

1. Unplanned Fire Prevention
2. Community Preparedness
3. Hazard Mitigation
4. Incident Response
5. Incident Recovery

Key Projects Not Funded in Program

1. Flagstaff Watershed Protection
2. Upper Lake Mary Paired Watershed
3. Community Hazard Tree Program
4. Community Smoke Mitigation:
   - Clean Air Hub
   - Hepa Filter Loan

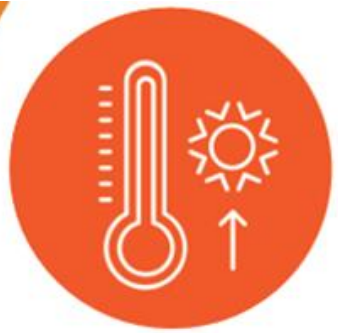
Water Resource & Infrastructure Protection

Customer Impact – Financial Scenarios

- Effective 8/1/2020: $0.52 per 1,000 Gallons
- Effective 7/1/2022: $0.53 per 1,000 Gallons

CLIMATE CHANGE IN FLAGSTAFF

Compared to today, by 2050 we expect to have, on average...



- **Hotter** temperatures.
- Increased **risk of disease or illness from mosquitoes** and other pests.

- **Less snowpack.**
- **More rainfall** instead of snowfall.

- Increased **high-severity wildfire risk.**
- Increased **damage from forest pests** due to drought-stressed trees.

- More severe **drought** conditions as temperatures rise.
- **Lower water quality** of reservoirs.

Vulnerabilities: What is at risk?

Tourism & Economy

Water

Land Use & Housing

Health

Climate change poses risks to everything from our **health** and **infrastructure** to local **ecosystems.**

Restructuring the Environmental Management Fee

Environmental Management Fee

A Fee Restructure – Why?

The fee is intended to correlate between the environmental and natural resource impact and programming necessary to mitigate these impacts. In many cases the fee is not distributed equitably among service addresses. For example:

- A high-density unit in Flagstaff with ~ 900 residents pays $20 per month for 5 bills at the unit
- The City provides some services per contract and/or miscellaneous billings and these customers currently do not pay the fee at all

Environmental Management Fee

Proposed Fee Restructure

- Restructure the fee to be $0.035 rate assessed on charges from water, wastewater, reclaimed water, stormwater, trash and recycling services (“core services”)
- Restructure would keep the Environmental Management Fund flat, not increasing the annual revenue
- The fees collected are used for protecting and enhancing our core services
- Customers will have some ability to reduce their monthly fee, by consuming less

Environmental Management Fee

Residential Customer Impact Example

With Typical Municipal Bill Services

Residential Customer Impacts	Current Bill	Proposed Bill	Change
Customer 1: Average Monthly Consumption 3,500			
Total bill w/o Environmental Fee	$ 77.46	$ 77.46	$ -
Amount of Environmental Fee	$ 4.00	$ 2.03	$ (1.97)
Customer 3: Average Monthly Consumption 10,000			
Total bill w/o Environmental Fee	$ 161.10	$ 161.10	$ -
Amount of Environmental Fee	$ 4.00	$ 4.77	$ 0.77

Environmental Management Fee

Commercial Customer Impact Example*

With Municipal Trash and Recycling Service

Commercial Customer Impacts	Current Bill	Proposed Bill	Change
Customer 1: Average Monthly Consumption 3,500			
Total bill w/o Environmental Fee	$ 313.79	$ 313.79	$ -
Amount of Environmental Fee	$ 4.00	$ 10.30	$ 6.30
Customer 3: Average Monthly Consumption 10,000			
Total bill w/o Environmental Fee	$ 379.08	$ 379.08	$ -
Amount of Environmental Fee	$ 4.00	$ 12.39	$ 8.39

*** Example shows a Commercial customer with City trash service (6 yard bin 2 times per week) and City recycling service (4 yard bin 2 times per week).**

EMF/WRIP Residential Impact Summary

Residential Consumption 3,500 gallons

- Environmental Management Fee = $2.03 ($1.97 decrease from current fee)
- Water Resource and Infrastructure Protection Fee = $1.82
- Total = **$3.85** per month
  - $0.15 monthly savings
  - $1.80 annual savings

Residential Consumption 10,000 gallons

- Environmental Management Fee = $4.77 ($0.77 increase from current fee)
- Water resource and Infrastructure Protection Fee = $5.20
- Total = **$9.97** per month
  - $5.97 monthly cost
  - $71.64 annual cost

Timeline

Outreach

- Commissions: Open Space, Sustainability, Water
- Social media
- Direct/electronic mailing
- Volunteer corps
- Other – Key Program Partners, etc.

Ordinance

- June 16, 2020 2nd read

Building Community Together

Advancing City Initiatives

- Regional Plan
- City Council Goals
- Climate Action and Adaptation Plan
- Wildland Urban Interface Code
- Greater Flagstaff Community Wildfire Protection Plan
- Rethink Waste Plan

Thank you.
Questions?
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ARIZONA
ESTABLISHED 1882
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8. A.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Shannon Anderson, Deputy City Manager
Date:	05/29/2020
Meeting Date:	06/02/2020

TITLE:

Consideration and Adoption: City of Flagstaff Re-Entry Plan.

STAFF RECOMMENDED ACTION:

Staff is recommending City Council discuss and adopt the City of Flagstaff Re-Entry Plan.

Executive Summary:

The Re-Entry Team has been working over the last few weeks to create a Re-Entry Plan capturing the feedback received from City Council during the COVID-19 updates and review of CDC and White House guidance. Dr. David Engelthaler will join City Council and staff for a discussion about monitoring criteria. This monitoring criteria will be used to determine the safest time to move from phase 2 to phase 3 in the Plan. Once monitoring criteria is crafted, staff will review the other components of the Plan with the Council for their feedback and adoption.

Financial Impact:

Potential financial impacts due to the COVID-19 pandemic have been discussed with City Council in previous presentations. There is no cost for the Plan itself, but the PPE, posters and other materials described in the plan do have a financial impact on the City's budget.

Policy Impact:

There is no policy impact.

Connection to Council Goal, Regional Plan, CAAP, and/or Strategic Plan:

The Re-Entry Plan supports the City's mission to protect and enhance the quality of life for all.

Previous Council Decision on This:

No.

Attachments: Presentation
Re-Entry Plan

Re-Entry Plan

June 2, 2020

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Agenda

- Monitoring Criteria
- Re-Entry Plan Introduction
- Summary of Phases 1 – 4
- CDC Guidelines
- Employee & Workplace Safety

Monitoring Criteria

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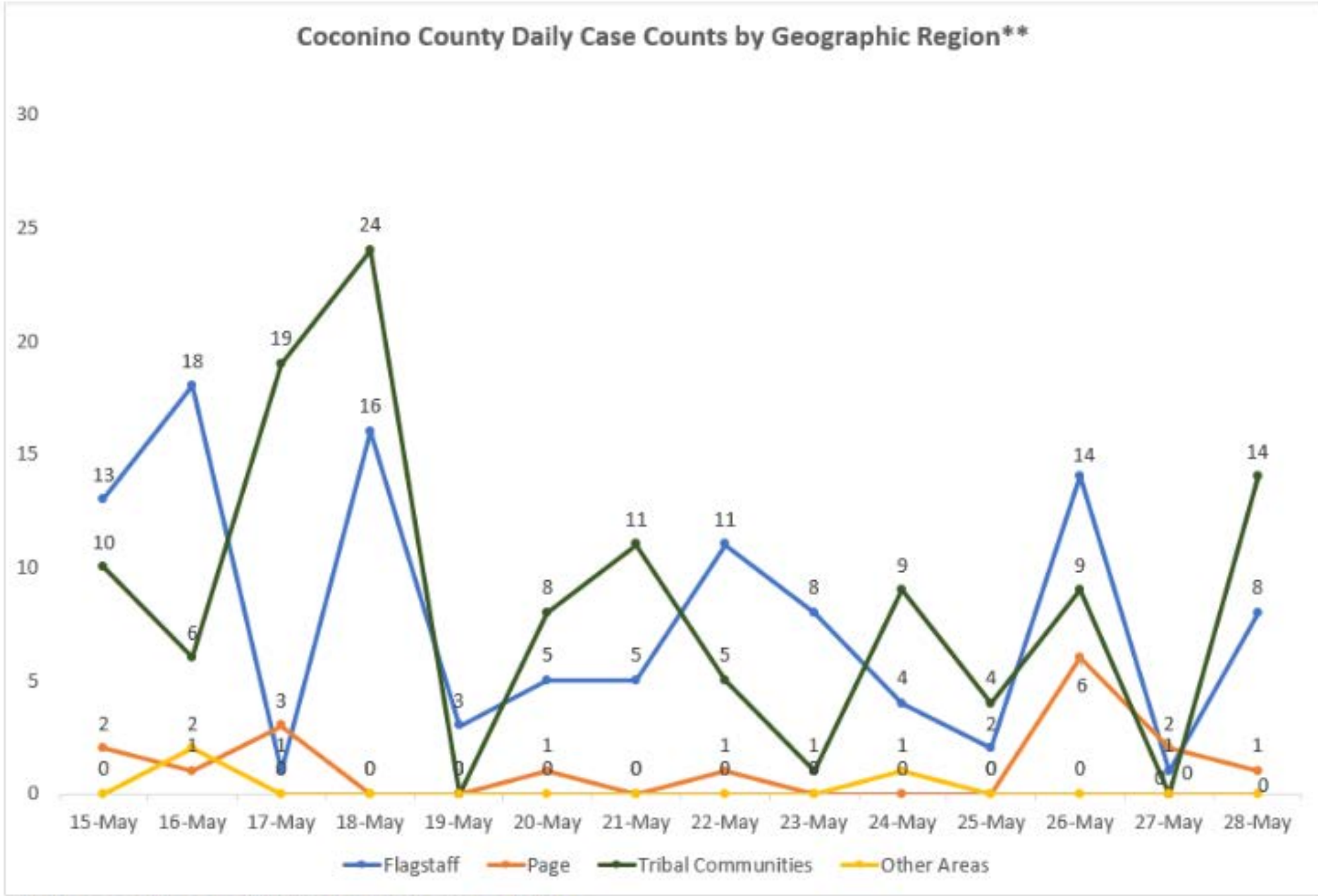
Introduction

- Council chooses the methodology to monitor the risk of transmission
- Focus on two choices outlined in White House document “Opening up America”
- Welcome Dr. David Engelthaler

Monitoring Criteria

Number of Cases

- Downward trajectory of documented cases within a 14-day period
- 14-day continuous decline
- Flagstaff area information available (86001, 86004, 86005)
- County dashboard updated Monday, Wednesday & Friday
- Graphs can change due to reporting delays
- Daily numbers continue to fluctuate



** Daily case counts are updated Mondays,Wednesdays, and Fridays

Monitoring Criteria

Percent of Positive Tests

- Downward trajectory of positive tests as a percent of total tests within a 14-day period
- 14-day continuous decline
- County dashboard is not currently readily available
- Percentages impacted by increased testing

Discussion with Council & Dr. Engelthaler

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Council Direction

- What monitoring criteria do we want to use?
  - Number of Cases
  - Percent of Positive Tests
- If using downward trajectory, how is it defined or used?
- What data will be used to monitor the numbers?

Draft Monitoring Criteria

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Re-Entry Plan

Plan for re-entry into City facilities and properties

- General Guidance with four phases
- CDC Guidelines
- Employee Safety Protocol and Resources
- Workplace Safety Checklist
- Exposure Procedures for Employees
- Specific City Facility Plans – Coming Soon
- Public Affairs Team – covidquestions@flagstaffaz.gov

Phase I

Significant risk of transmission requires significant mitigation

- Facilities are closed to public
- Outdoor sport court, park amenities and ramadas closed
- Remote Customer Service
- Appointments with CDC adherence
- Continue essential service in-person
- 10 people for Special Events/Permits
- Public Meetings are suspended, Reduced and/or Remote
- Travel suspended
- Group gatherings suspended

Phase II

Less significant risk of transmission requires less significant mitigation

- Restrictions in Phase I still apply
- Outdoor Park sport court and amenities open
- Park ramadas remain closed
- Limited opening of the Visitors Center
- Furloughed staff may be returned to work
- Enhanced custodial and sanitation services
- Installation of temporary restrooms in downtown area

Phase III

Moderate risk of transmission requires moderate mitigation

- Restrictions in Phase I & II still apply
- Limited services in most facilities
- Common areas will remain closed
- Increased cleaning & sanitization
- Emphasis on remote work
- Indoor recreation may begin staged opening
- 50 people for Special Events/Permits
- Remote public meetings
- Restricted travel
- Encourage wearing of masks

Phase IV

Low risk of transmission requires low mitigation

- End of COVID pandemic
- Majority of operations resume
- Phased out PPE in accordance with CDC guidelines
- Public Meetings occur on regular basis
- New protocols and provisions
- Monitor for any reoccurrences

Special Events & Permits

- Phased in size based on size of gathering and following CDC guidelines
- Permits include tournaments and youth sports
- No City sponsorship for large private events
- Marketing of attractions and events

CDC Guidelines

How to Safely Wear and Take Off a Cloth Face Covering

Accessible: https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/diy-cloth-face-coverings.html

WEAR YOUR FACE COVERING CORRECTLY

- Wash your hands before putting on your face covering
- Put it over your nose and mouth and secure it under your chin
- Try to fit it snugly against the sides of your face
- Make sure you can breathe easily
- Do not place a mask on a child younger than 2

USE THE FACE COVERING TO PROTECT OTHERS

- Wear a face covering to protect others in case you're infected but don't have symptoms
- Keep the covering on your face the entire time you're in public
- Don't put the covering around your neck or up on your forehead
- Don't touch the face covering, and, if you do, clean your hands

FOLLOW EVERYDAY HEALTH HABITS

- Stay at least 6 feet away from others
- Avoid contact with people who are sick
- Wash your hands often, with soap and water, for at least 20 seconds each time
- Use hand sanitizer if soap and water are not available

TAKE OFF YOUR CLOTH FACE COVERING CAREFULLY, WHEN YOU'RE HOME

- Untie the strings behind your head or stretch the ear loops
- Handle only by the ear loops or ties
- Fold outside corners together
- Place covering in the washing machine
- Wash your hands with soap and water

CDC

Cloth face coverings are not surgical masks or N-95 respirators, both of which should be saved for health care workers and other medical first responders.

For instructions on making a cloth face covering, see: cdc.gov/coronavirus

Stop the Spread of Germs

Help prevent the spread of respiratory diseases like COVID-19.

Stay at least 6 feet (about 2 arms' length) from other people.

Cover your cough or sneeze with a tissue, then throw the tissue in the trash and wash your hands.

When in public, wear a cloth face covering over your nose and mouth.

Do not touch your eyes, nose, and mouth.

Clean and disinfect frequently touched objects and surfaces.

Stay home when you are sick, except to get medical care.

Wash your hands often with soap and water for at least 20 seconds.

CDC

cdc.gov/coronavirus

Employee & Workplace Safety

- Common areas & shared devices
- Social distancing
- Wearing a mask in public
- Wearing eye protection or face shield
- Wearing gloves
- Checking your temperature
- Practicing good hygiene
- Disinfect your area and equipment
- Employee training resources
- Workplace safety checklist
- Exposure procedures
- When tested positive

City of Flagstaff
Re-Entry Plan

The City's Re-Entry Plan (Plan) is broken out into four phases. Each phase will be implemented incrementally, dependent upon circumstances and benchmarks as indicated. The Plan contains the following documents:

- General Guidance
- Monitoring Criteria
- CDC Guidelines
- Employee Safety Protocol and Resources
- Workplace Safety Checklist
- Exposure Procedures for Employees
- Specific City Facility Plans – Coming Soon

Any questions about this plan or COVID-19 related concerns should be directed to the Public Affairs Team at covidquestions@flagstaffaz.gov.

General Guidance

During Phase One, Phase Two, and Phase Three of this Plan, the CDC Guidelines, Employee Safety Protocol, Exposure Procedures for Employees, and Workplace Safety Checklist, as set forth below, shall apply. This Plan shall not apply to the Municipal Court operations, which will follow Administrative Orders as directed.

Phase One

City facilities will remain closed to in-person business with the continued effort to address customer service needs remotely. For business that needs to be done in person with the public, this will be done on an appointment basis adhering to CDC guidelines (see below).

Outdoor sport court amenities, park amenities and ramadas will be closed for public use.

Essential services will be performed in-person and on-site as needed. These will include, by way of example, emergency services (police and fire), public works (facilities, streets, solid waste), utilities (water, wastewater), and building inspection.

Operations within the City organization will function remotely where possible. Staff meetings and meetings with the public will be conducted with utilization of remote meetings and remote correspondence. Human interaction will be minimized, with adherence to CDC guidelines and Employee Safety Protocol.

Special events and other permits for activities on City property will be limited and/or modified to minimize gatherings to 10 people or less. Special event permits on City property for gatherings of more than 10 people will be postponed.

City Council meetings may be reduced in number, and when scheduled, will be performed remotely. Recognitions and Proclamations may be deferred, and agenda items will focus upon time-sensitive matters. City Council meetings may be reduced in frequency and duration.

Intergovernmental meetings necessary to address COVID-19 response and information sharing will be performed remotely. Other intergovernmental meetings and community meetings may be suspended. Board and Commission meetings may be suspended, and when scheduled, will be performed remotely.

Travel for employees and City Officials will be suspended. City celebratory functions, events, and group gatherings will be suspended or held remotely using a virtual meeting platform.

Phase Two

Except as otherwise provided below, all restrictions in Phase One will still apply.

Outdoor sport court amenities will reopen, including tennis courts, skate parks, BMX park, dog parks, outdoor courts, play structures, swing sets, water fountains, and restrooms. Outdoor park amenities will include signage reminding visitors of the need to social distance and follow CDC guidelines, and to identify that usage is at the risk of each user. The park ramadas will remain closed at this time given the tendency to draw crowds.

The City Visitor's Center will open on a limited basis taking into consideration the visiting public's needs. The guidelines as outlined in the Visitor's Center specific plan below will be followed.

Staffing required to provide service and maintenance to the limited openings referenced above will be scheduled. The return of some furloughed employees may be considered to support these services.

Custodial and sanitation services will be enhanced with respect to these limited openings. The temporary installation of additional public restrooms may be considered for strategic locations in the downtown area.

Phase Three

Except as otherwise provided below, all restrictions in Phase One and Phase Two will still apply.

Upon the Mayor's directive and following the monitoring guidelines as set forth below, Phase Three will be implemented. Most City facilities will open to public entry and begin limited public services. Hours of operation may be curtailed and building capacities for visitors and users may be limited.

Lobbies and public areas will incorporate queuing mechanisms with tape, signage and ground markings. Common seating areas will be closed to personnel and visitors to discourage congregating and interaction. Secured doors and accesses will remain closed.

Sanitizing liquids and/or wipes will be provided throughout City facilities and increased cleanings and sanitation will be performed. When possible, protective shields will be installed at customer service counters.

Some staff occupation of City facilities will occur, with emphasis being placed upon continued working from home by those who are able to perform their job duties remotely. Because each division's business needs and physical spaces are different, the number of employees transitioning back to in-office work, which may include alternative work schedules, will be determined on a division-by-division basis. The City will notify employees when to return to work and will attempt to provide at least two weeks advance notice. Employees who are concerned about returning to work should work with their Supervisor and Human Resources.

Indoor City recreational facilities, including the Aquaplex, recreation centers, and gyms, may continue to be closed. Please see site specific plans for the phased re-entry of these facilities.

Special events and other permits for activities on City property will be limited and/or modified to minimize gatherings to 50 people or less. Special event permits on City property for gatherings of more than 50 people will be postponed. At its discretion, the City Council may allow for special events and permits up to 250 people with adherence to CDC guidelines. (Resources: Opening Up America https://www.whitehouse.gov/openingamerica/ and CDC Guideline for Large Gatherings https://www.cdc.gov/coronavirus/2019-ncov/community/large-events/mass-gatherings-ready-for-covid-19.html)

City Council meetings will occur weekly and will continue be performed remotely. Recognitions and Proclamations may be scheduled pursuant to guidance from the Mayor; agenda items and presentations will be regular in scope and consistent with the Working Calendar.

Intergovernmental meetings will continue to occur remotely. Board and Commission meetings will occur on a regular basis and be performed remotely.

Travel for employees and City Officials will avoid those jurisdictions that still have a moderate or significant transmission of COVID-19. Any work-related travel needed for critical infrastructure is exempt from these restrictions.

The public will be encouraged to wear masks when entering City facilities. Meetings with public customers will continue to be performed remotely when applicable and in-person meetings will be minimized. When an in-person meeting with a customer is required, customers may be required to wear a mask. City staff should inform the customer of this requirement when scheduling the meeting. If the customer does not have a mask, a mask may be provided to them by City staff. If the customer is not willing to wear a mask, a virtual meeting may be offered as an alternative. In no event shall a City employee be required to meet with a customer in-person if that customer refuses to wear a mask. The provisions herein shall not apply in all cases, including but not limited to, the provision of emergency response.

Phase Four

At the end of the pandemic situation, upon the Mayor's directive, Phase Four will be implemented.

In this phase most City facilities will return to pre-COVID-19 business hours and operations. This final phase will see the majority of City operations resume and the public will be permitted to re-enter open facilities.

The required use of PPE by City employees will be phased out in accordance with applicable CDC guidelines.

City Council, Intergovernmental and Board and Commission meetings will occur on the regular schedule. New protocols and provisions related to remote meetings and working from home may be explored on an ongoing basis in the pursuit of efficiency and productivity.

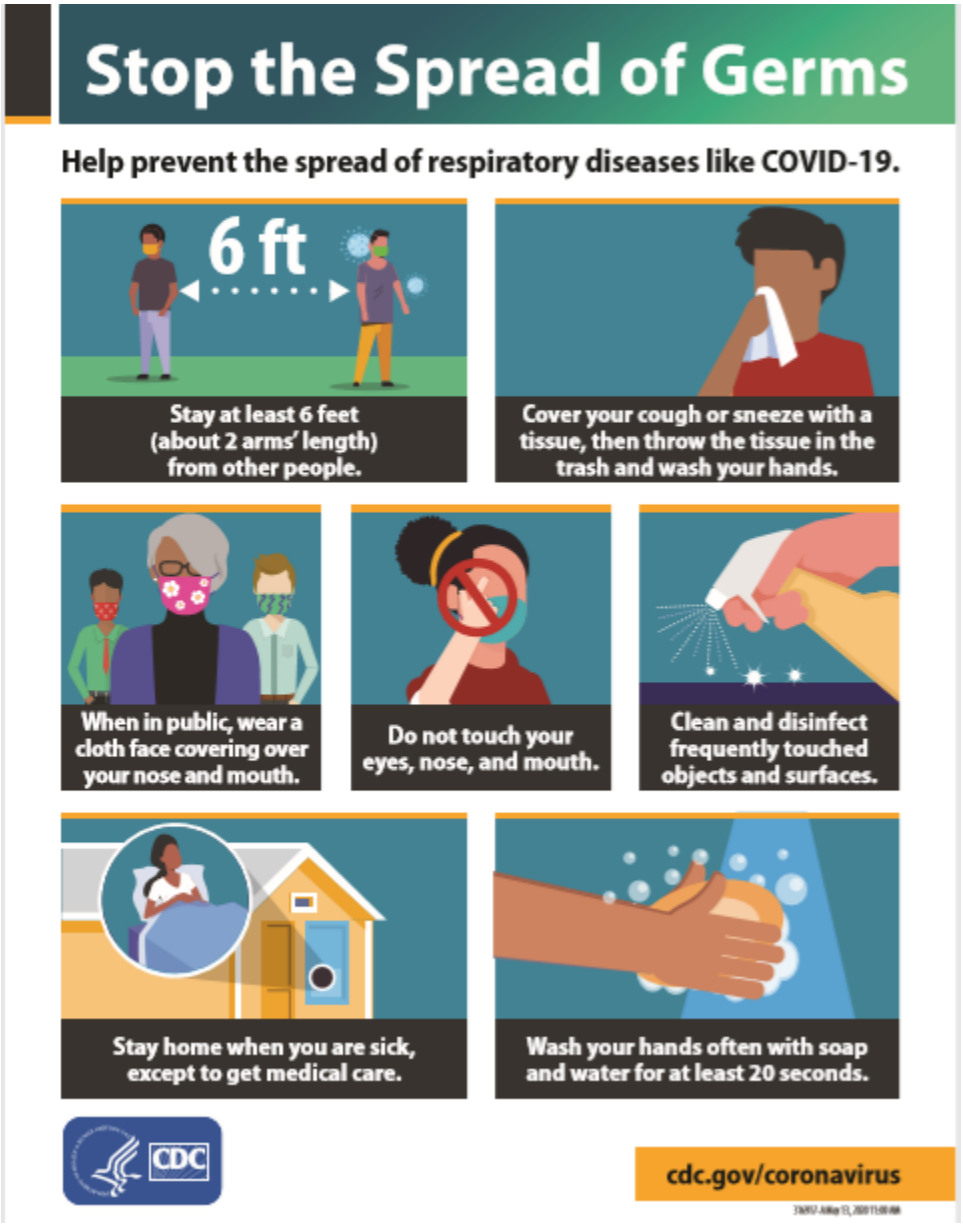
The City will continue to monitor conditions and take steps it deems necessary to mitigate the risk of COVID-19 exposure and spread within City facilities.

Monitoring Criteria

(Please note: This information will be added after discussion with City Council during the Council meeting on Tuesday, June 2, 2020.)

CDC Guidelines

These guidelines should be used in the first three phases of the re-entry plan and should be posted in all City facilities in building entrances and employee areas.


Stop the Spread of Germs
Help prevent the spread of respiratory diseases like COVID-19.
6 ft
Stay at least 6 feet (about 2 arms' length) from other people.
Cover your cough or sneeze with a tissue, then throw the tissue in the trash and wash your hands.
When in public, wear a cloth face covering over your nose and mouth.
Do not touch your eyes, nose, and mouth.
Clean and disinfect frequently touched objects and surfaces.
Stay home when you are sick, except to get medical care.
Wash your hands often with soap and water for at least 20 seconds.
CDC
cdc.gov/coronavirus

Employee Safety Protocols and Resources

Common Areas & Shared Devices

- As more employees are returning to work, we discourage staff from using vending machines, push button drinking fountains, breakrooms, and other shared devices such as refrigerators and microwaves. These devices are more difficult to keep clean and avoid the spread of germs to ensure they are safe for all. We are encouraging employees to pack in and pack out all necessary food and drink without using these devices during the first three stages of this plan.

Social distancing

- COVID-19 is a respiratory virus that is mainly spread through droplets created when a person who is infected coughs, sneezes, or talks. You can protect yourself by maintaining social distance (at least 6 feet) from others.
- Staff are encouraged to continue remote meetings or phone calls with co-workers and customers as much as possible.

Wearing a mask in all public places

- Wear a mask when you are in a public area, outside of your office, in a meeting with others, in a vehicle with others, and when in contact with the public. Employees do not have to wear a mask when working alone in their office or are able to be six feet or further from one another, working in a Fire station, driving alone in a City vehicle, or outside and adhering to social distancing guidelines. Employees who are unable to wear a mask, or whose essential job duties are impeded by the wearing of a mask, should speak to their supervisor and Human Resources about available accommodations.
- Have a different mask for each day of the week. After use, place in a brown paper bag for at least 24 hours (this will allow any contaminates to die off prior to wearing again the following week).
- The City is providing staff with surgical or N-95 type masks. N-95 type masks have a higher level of protection than surgical masks, which have a higher level of protection than cloth masks.
- If you choose to wear your own cloth mask (not supplied by the City), it should be washed or decontaminated after each use.
- Wash your hands before and after putting on or taking off a mask. Don't touch your eyes.

Wearing eye protection/ face shields

- Safety glasses are provided by the City and suggested to be worn whenever you are outside of your office or in a group/public setting.
- Safety glasses should be cleaned and disinfected daily or after individual use.
- Face Shields may be provided to employees who have frequent face to face contact with the public when a protective barrier is not available. The face shields are to be worn over your safety glasses and mask.

Wearing gloves

- Disposable nitrile gloves are provided by the City and should be worn if you often have physical hand contact with the public or others, handle money, or handle equipment from the public or others during work.
- Be aware that while wearing gloves, you should not touch personal objects (pens, keyboards, etc.) or equipment prior to doffing and washing your hands as the virus could be on your gloves.
- Gloves are not recommended by the CDC if you are not in contact with the public. If you are not in contact with the public, the preferred method is washing or sanitizing your hands often. Consider having a wipe or paper towel in your hand when opening or grabbing handles in leu of wearing gloves.

Checking your temperature

- The employee is encouraged to check their temperature prior to arriving to work.
- Check your temperature if you feel any changes in your temperature or have cause for concern.
- Anyone with a temperature above 100 degrees should be sent home to self-assess.
- Please refer to the instruction sheet provided by the City to ensure you are taking your temperature accurately.

Practicing good personal hygiene

- Wash your hands often, especially after touching any frequently used item or surface like handrails, pens, or any handle.
- Use hand sanitizer if washing your hands is impractical.
- Avoid touching your face.
- Sneeze or cough with a mask on or into your elbow (if you are not wearing a mask).
- Assume everyone, including yourself, has the virus (symptomatic or not).

Disinfecting your area and equipment

- Wipe down any pens or equipment handled by others after each use.
- Disinfect your office space routinely throughout the day.
- Disinfect your keyboard, phone, coffee cup, desk, counter tops, mouse, door handle and switches before and after each day's use or as needed.
- Regularly clean personal or business cell phones based on the number of times they are being handled or used.
- Don't share laptops with others if possible.
- Wipe down your vehicle just like you would your office space.

Employee Training Resources

Proper Handwashing to Prevent Germs

Donning and Doffing Gloves

Workplace Safety Checklist

Safety measures might include:

- Implementing employee health screening procedures.
- Developing an exposure-response plan that addresses:
    - Isolation, containment and contact tracking procedures.
    - Stay-at-home requirements.
    - Exposure communications to affected staff.
- Providing personal protective equipment (PPE) such as:
    - Masks, gloves, face shields, etc.
    - Personal hand sanitizer.
- Detailing cleaning procedures and procuring ongoing supplies.
- Establishing physical distancing measures within the workplace:
    - Staggered shifts and lunch/rest breaks.
    - Rotating weeks in the office and working remotely.
    - Moving workstations to increase separation distance.
    - Implementing one-way traffic patterns throughout workplace.
- Restricting business travel:
    - Start with essential travel only and define what that is.
    - Follow government guidance to ease restrictions over time.
- Defining customer and/or visitor contact protocols such as:
    - Directing customer traffic through workplace.
    - Limiting the number of customers in any area at one time.
    - No handshake greetings, remain 6 feet apart.
    - Using video or telephone conferencing instead of in-person client meetings.
    - Providing contactless pickup and delivery of products.
- Understanding and complying with Occupational Safety and Health Administration (OSHA) record-keeping and reporting obligations:
    - Identify positions, if any, with the potential for occupational exposure to the coronavirus.
    - Review OSHA regulation 29 CFR § 1904 to determine work-relatedness of illnesses.

Exposure Procedures for Employees

When an employee reports exposure to COVID at work

- The employee will complete an Exposure Report Form and articulate how the exposure occurred at work (e.g., shook hands, spit on, in confined space together, etc.) and the Form will be sent to Risk Management.
- Risk Management will share information with HR.
- If the exposure was likely caused at work, then the City's response would depend on the extent of the exposure (e.g., not wearing PPE and they sneezed on me).
- Risk Management will evaluate the extent of the exposure to determine if testing or staying at home is appropriate. Employees may also choose to test regardless of exposure or suspected exposure.
- If the employee is recommended for testing based on extent of the exposure, the employee will be sent to the County Health Department for testing and will be reimbursed for any out-of-pocket expenses for testing.
- If it is suggested the employee remain home until testing is received based on the extent of the exposure, the employee will remain on Sick Industrial paid leave until the test results are received.

When an employee reports testing positive to COVID

- The employee will not report to work.
- The employee will contact Human Resources.
- Human Resources will notify the employee's supervisor.
- Human Resources will provide support to the Supervisor if a work group expresses concern about exposure given an employee report.
- The employee will work with their Supervisor, Risk Management and Human Resources prior to returning to work.
- The employee is eligible to use accrued leave during this time.
- If the employee has no leave available, the employee may request donated leave or leave without pay.

8. B.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Lori Pappas, Marketing and Media Relations Mgr.

Co-Submitter: Trace Ward

Co-Submitter: Heidi Hansen

Date: 05/27/2020

Meeting Date: 06/02/2020

TITLE:

Consideration and Approval: Legends Entertainment District Agreement (Advertising for Discover Flagstaff/CVB)

STAFF RECOMMENDED ACTION:

Approve the two-year renewal of the Legends Entertainment District advertising agreement with Discover Flagstaff in the amount of $78,000 per year for FY '21 and FY '22. This is the same amount as previously approved by City Council for FY's 18 – 20 for the same downtown Phoenix billboard placement.

Executive Summary:

Discover Flagstaff is requesting the renewal of a two-year contract for an outdoor billboard located in downtown Phoenix to inspire and motivate Flagstaff visitation from our #1 drive market. And now, more than ever, this tactic supports the marketing plan to target metro-Phoenix as they will be the very first market to visit Flagstaff as we recover from the COVID set-backs.

The static board measures 18' x 84' and is strategically located to capture visitors and residents alike delivering an audience of 13.7 million annual impressions. The board is in a premiere intersection at 4th Street and Jefferson, between Talking Stick Resort Arena (Phoenix Suns, high profile concerts and events) and Chase Field (AZ Diamondbacks).

The Legends Entertainment District operates within a special City of Phoenix entitlement area called the Jefferson Street Signage District. This advertising is being procured as a sole source since the types of displays managed within Legends Entertainment District are not permitted around any nearby surrounding areas in Phoenix.

The renewal of the Legends Entertainment District partnership was discussed and unanimously supported and recommended by the Tourism Commission retreat in December 2019.

Financial Impact:

The cost agreed upon represents a 25% discount from the established market rate and staff has negotiated a rate with no price increase from the previous agreement. Additionally, our vendor would cover vinyl production costs for one new creative change-out.

Policy Impact:

Economic Development: Grow and strengthen a more equitable and resilient economy.

Connection to Council Goal, Regional Plan and/or Team Flagstaff Strategic Plan: Economic Development: Grow and strengthen a more equitable and resilient economy.

Has there been previous Council decision on this: There was Council discussion and approval of the previous two-year contract. This installation continues to be successful, so staff and the Tourism Commission are recommending to continue in the Legends Entertainment District due to the attention it garners, an appreciation for the size, the ability to have a unique and special 3-D element, and the premiere location we receive.

Connection to Council Goal, Regional Plan, CAAP, and/or Strategic Plan:

Connection to Council Goal, Regional Plan and/or Team Flagstaff Strategic Plan: Economic Development: Grow and strengthen a more equitable and resilient economy.

Previous Council Decision on This:

There was Council discussion and approval of the previous two-year contract. This installation continues to be successful, so staff and the Tourism Commission are recommending to continue in the Legends Entertainment District due to the attention it garners, an appreciation for the size, the ability to have a unique and special 3-D element, and the premiere location we receive.

Options and Alternatives:

1) Approve the two-year agreement with Legends Entertainment District
2) Ask Discover Flagstaff to sign a one-year agreement with Legends Entertainment District (this option would not provide a 25% discount or vinyl installation)
3) Not approve the agreement with Legends Entertainment District

Background/History:

Discover Flagstaff (Flagstaff CVB) contracted with Legends Entertainment District for FY ’16 to install a vinyl wrap on one of the main entrances for AZ Diamondbacks/Chase Field with images of the San Francisco Peaks, zip lining, hiking in the Ponderosa pine forest, historic downtown Flagstaff and other tourism-related imagery. The installation included outdoor cooling misters and was branded “The Cool Zone.” This proved successful in reaching the traveling public within the Phoenix metro area, giving Discover Flagstaff an area where they could do live activation with industry partners, a platform for discussion on social media, and allowed us to receive nearly 12 million impressions from foot and auto traffic.

Key Considerations:

Discover Flagstaff’s mission is to encourage visitation, as our stakeholders rely on our year-round marketing efforts. Results or ROI metrics from the installation have provided:

- 13.7M annual impressions
- 7M annual visitors
- 3M sports venue attendees
- 1.1M theater attendees
- 66K employees within a one-mile radius
- 130K employees within a two-mile radius
- 9K residential population within Legends Entertainment District area of 1.7 square miles

Expanded Financial Considerations:

This billboard installation is already budgeted in the base tourism budget so no additional expenses will be needed. This contract is budgeted in account 053-07-214-0851-4-4271.

Community Benefits and Considerations:

The community benefit is this installation helps assist our stakeholders and partners (accommodations, bars, restaurants, campgrounds, and attractions) with marketing the destination year-round to the city's largest target audience in the Phoenix area that has historically demonstrated high foot and auto traffic.

Community Involvement:

In December 2019, the Tourism Commission unanimously recommended the continuation of this out-of-home tactic.

Attachments: City Council Legends District
Contract
Sole Source Form

Legends Entertainment District Agreement

Flagstaff CVB | 06-02-20

TEAM FLAGSTAFF
WE MAKE THE CITY BETTER

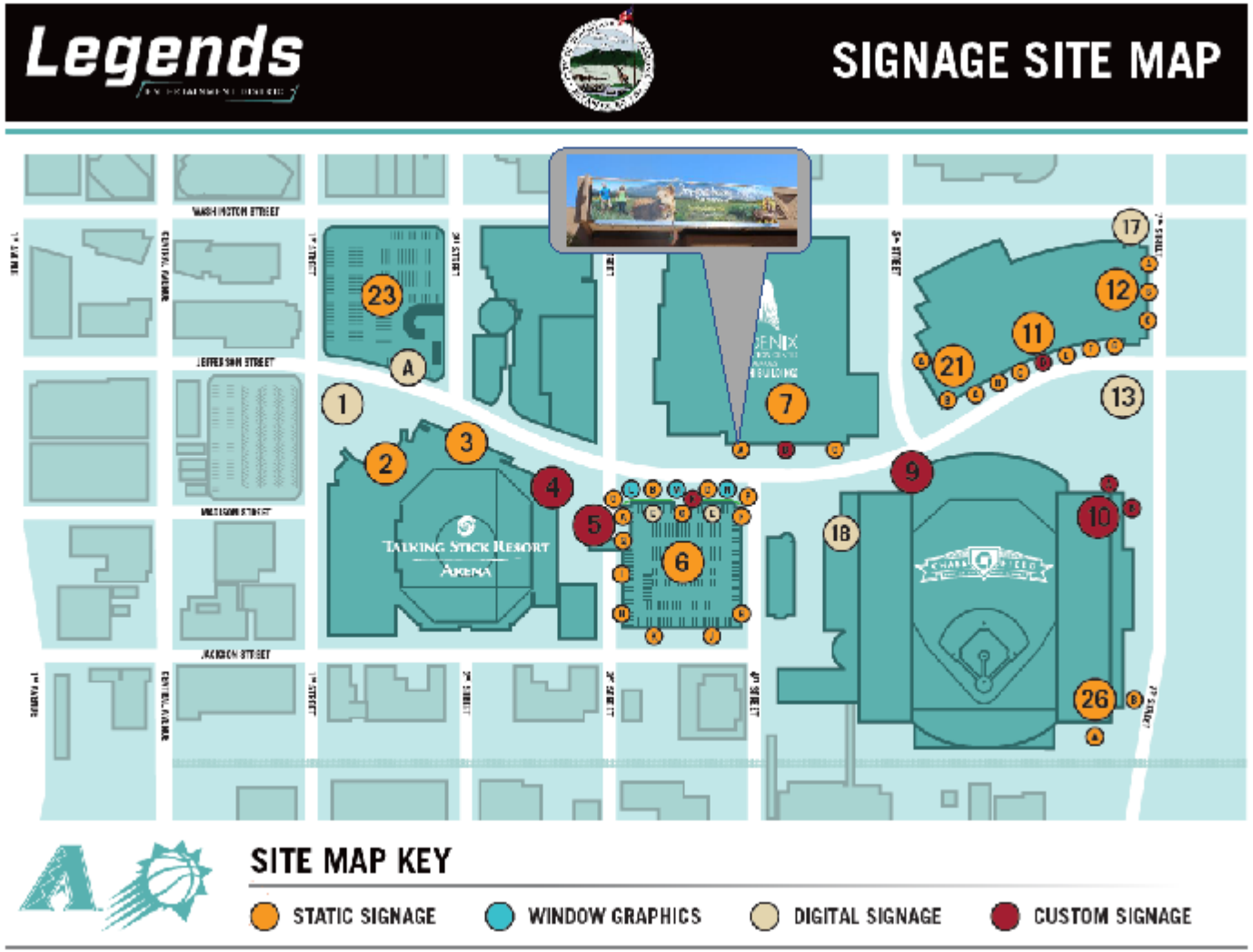
Current out-of-home creative

Current out-of-home creative

Vehicle and foot traffic in #1 Drive Market

Request to renew contract

Request to renew contract



NAU is represented on multiple digital Legends locations marked as 1, 13, 18, and a static board marked 4.

Arizona Snowbowl has previously marketed in the Legends District as well.

Other Flagstaff Representation

Request to renew contract

Legends Entertainment District

- Budget
  - $78,000 annually, payable FY ‘21 and FY ‘22
  - 25% discount from the current rate card
  - Negotiations:
    - No increase compared to the same program we’ve contracted since July ’17
    - Legends District will provide one vinyl change-out

Legends Entertainment District

TEAM FLAGSTAFF
WE MAKE THE CITY BETTER

Thank you.

LEGENDS ENTERTAINMENT DISTRICT
MARKETING PARTNERSHIP AGREEMENT (#2020-128)

This Legends Entertainment District Marketing Partnership Agreement ("Agreement") is entered into as of _____, 2020, between City of Flagstaff Convention and Visitors Bureau, and Arizona state agency ("Partner"), and Jefferson Street Signage District, LLC, an Arizona limited liability company, *dba* Legends Entertainment District ("Legends").

RECITALS:

A. Legends serves as the entity which has the authority to develop, manage, sell, and maintain certain signage assets within a specific area of downtown Phoenix, Arizona known as the Legends Entertainment District ("District"), as shown on Exhibit A.

B. Partner desires to promote its business within the District.

C. The City of Flagstaff Addendum is attached hereto as Exhibit B, and incorporated herein by this reference.

AGREEMENT:

1. Term. The term of this Agreement will begin as of July 1, 2020, and end on June 30, 2022, unless sooner terminated as provided in this Agreement ("Term").

2. Advertising and Promotion. Subject to the terms and conditions hereof, Partner will receive the following advertising and promotion elements at the location designated below within the District and as shown in Exhibit A:

(A) Super Graphic.

(i) Location 7(A). Location 7(A), – including one (1) 18" x 84' illuminated super graphic sign. Signage at this Location 7(A) shall occur from July 1, 2020 – June 30, 2022.

3. Payments.

(A) Amount and Billing. For the advertising and promotional rights described in this Agreement, Partner will pay Legends $156,000.00, net of taxes and charges as set forth in Section 3(B) below. Legends shall issue invoices to Partner on July 1, 2020 and July 1, 2021. Payment will be made in two (2) equal installments of $78,000.00 on September 1, 2020 and September 1, 2021 (each a "Due Date"). At Legends' option, any invoices remaining unpaid ten (10) days after the Due Date will accrue interest at the rate of one and one-half percent (1.5%) per month. The payment obligations set forth in this Section 3 shall survive the termination or expiration of this Agreement.

(B) Taxes. Any and all taxes and other charges levied, assessed or otherwise due (other than income taxes of the Legends) in connection with the advertising, promotions,

signage or other arrangements described herein by any federal, state, or local governmental authority will be paid by Partner. Any such taxes will be charged to Partner annually or on the invoices to be submitted to Partner.

4. Entire Agreement. This Agreement, including its Recitals, the Terms & Conditions, and any Exhibits attached hereto (all of which are incorporated herein by this reference), contains the entire agreement and understanding of the parties as to the matters contained in this Agreement, and it may not be amended except by a writing signed by all parties. There are no oral or written representations, agreements, understandings or circumstances which modify any of the provisions hereof. In the event of a conflict between this Agreement and any other agreement between the parties including, without limitation, Partner's issued invoices, affidavits, and/or any other documents arising from the advertising elements described herein, this Agreement shall control.

5. Duplicates; Counterparts. This Agreement shall be executed in duplicate, each of which may be executed in any number of counterparts, all of which, when taken together as a whole, shall constitute a single, binding instrument. Facsimile and electronic copies of a fully executed Agreement shall be deemed an original.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the date first above written.

Partner: **City of Flagstaff Convention and Visitors Bureau**,
an Arizona state agency

By:_____

Name:_____

Title:_____

Legends: **Jefferson Street Signage District, LLC**,
an Arizona limited liability company,
dba **Legends Entertainment District**

By:_____
Blake Edwards
General Manager

LEGENDS ENTERTAINMENT DISTRICT
MARKETING PARTNERSHIP AGREEMENT

TERMS & CONDITIONS

1. General Advertising and Promotion Provisions.

(A) Legends Approval, Advertising Guidelines and Approval Procedure. The content of all advertising and promotions provided for herein is subject to Legends' approval. Legends reserves the right to refuse to display all or a portion of any advertising if Legends reasonably determines that the advertising fails to conform substantially with standards of quality advertising, conflicts with other advertising or agreements of Legends, is in bad taste, or is otherwise reasonably objectionable. Partner must submit all proposed advertising that it intends to use at least ten (10) calendar days before intended use. Notwithstanding the foregoing, the final design and placement of all signage contemplated herein will be subject to normal governmental approval, including but not limited to, approval by the City of Phoenix.

(B) Cost of Signage; Changes in Signage. The initial cost of the signage and one (1) vinyl change-out will be paid by Legends. Partner may make additional changes to the content of the signage at its own expense (which work shall be done by Legends and billed to Partner at actual cost), subject to Legends' prior approval as described in Section 1(A) of these Terms & Conditions. Legends reserves the right to replace, upgrade or alter any signage contained in this Agreement; however, regardless of any upgrade or change, Partner will continue to receive the equivalent advertising exposure provided for in this Agreement.

2. Indemnification.

(A) Partner. Partner at its own expense will defend, indemnify and hold Legends (and its owners, partners, members, managers, officials, officers, employees and agents) harmless from all third-party claims, demands, suits, actions, proceedings, losses, fines, expenses, costs, and damages of every kind and description, including reasonable attorneys' fees and litigation expenses (collectively, "Claims"), which may be brought or made against or incurred by Legends, arising out of: (i) the use of any trademark, copyright or other intellectual property right arising out of, or connected with the signage, advertising or promotional materials; or (ii) the accuracy, character, form and subject matter of any signage, advertising or promotional materials, provided such signage, advertising or promotional materials is in a form exactly as provided in writing by Partner.

(B) Mutual. The parties will each indemnify, defend and save harmless each other (and their respective partners, members, managers, officials, officers, employees and agents) from all Claims made against or suffered by the other party because of or based upon the indemnifying party's (or its officers', managers', members', employees', agents', independent contractors' or promoters') misrepresentations, negligence, intentional act or omission, unlawful act or omission, or failure to perform any obligation under this Agreement.

(C) Party Obligations. Each party will give the other party prompt written notice of any claim or suit coming within the scope of these indemnities. Upon the written request of an indemnitee, the indemnitor will assume the defense of any claim, demand or action against the indemnitee and will permit the indemnitee, at the indemnitee's expense, to participate in the defense of the claim. Settlement by the indemnitee without the indemnitor's prior written consent, which will not be unreasonably withheld, will release the indemnitor from the indemnity as to the claim, demand or action so settled. Termination of this Agreement will not affect the continuing obligations of the parties as indemnitors under this Agreement.

3. Governing Law and Arbitration. This Agreement shall be governed and controlled by the substantive laws of the State of Arizona. Any and all disputes (except for a default by Partner for failure to timely make payments, which may, at Legends' option, be resolved by a court of competent jurisdiction) arising under this Agreement (including issues regarding the interpretation of any provision of this Agreement and determinations of whether any issue arising from or related to this Agreement is subject to arbitration) shall be resolved by arbitration in accordance with the Commercial Rules of the American Arbitration Association. Arbitration proceedings shall occur before a single arbitrator and take place in Phoenix, Arizona. The outcome of such arbitration proceedings shall be binding on the parties. If a party wishes to seek interim relief, whether affirmative or prohibitive, in the form of a temporary restraining order, preliminary injunction or other interim equitable relief concerning the

dispute, including, without limitation, provisional remedies, special action relief or stay proceedings in connection with special action relief, either before commencing or at any point in the arbitration proceedings concerning such dispute, such party may initiate the appropriate litigation to obtain such relief, which may be subject to and controlled by the ultimate decision in the arbitration proceedings. The prevailing party in any court or arbitration proceeding shall be entitled to recovery of reasonable attorney's fees and costs.

4. Default and Remedies.

(A) Default. If: (i) any party fails to pay any fees or other sums when due under this Agreement; (ii) any party fails to comply with or perform any of the provisions of this Agreement; (iii) Partner becomes insolvent; or (iv) a petition is filed by or against Partner under any foreign, federal or state statute (including, without limitation, Title 11 of the United States Code) for the benefit of creditors such as debt adjustment, liquidation, winding up, dissolution, reorganization or bankruptcy, or a custodian (as defined in 11 U.S.C. § 101), receiver or liquidator takes charge of any of Partner's property, whether by judicial appointment, agreement or operation of law; then such party will be in default of this Agreement. However, if the non-defaulting party is not precluded by law from issuing notice of the default, the defaulting party will have ten (10) days after written notice is given within which to cure the default.

(B) Legends' Remedies. If under Section 4(A) of these Terms & Conditions, a notice of default is not required or if notice is given and a default by Partner is not cured within the time provided, then (i) Legends will be excused from further performance under this Agreement; (ii) Legends may treat this Agreement as having been terminated as of the time of default; (iii) without further notice and with or without terminating this Agreement, Legends may remarket Partner's signage and other rights or otherwise mitigate damages; (iv) Legends may, without further notice or demand, declare any earned portion of the entire amount set forth in this Agreement that is unpaid (irrespective of the payment due date) immediately due and payable in either trade value or cash (at Legends' election); and (v) Legends may recover from Partner all losses and damages it suffers by reason of a default, including any costs of finding a substitute Partner. In the alternative, at its option, Legends may continue this Agreement and recover all damages resulting from the default. Partner acknowledges that Legends has other available advertising and promotional inventory that Legends sells to other advertisers. Partner understands that, in the event of a default by Partner, Legends may continue to sell other available inventory, and shall have no obligation to sell Partner's inventory first.

(C) Partner Remedies. If, under Section 4(A) of these Terms & Conditions, a notice of default is not required or if notice is given and a Legends default is not cured within the time provided, Partner may: (i) treat the Agreement as having been terminated as of the time of default and may be excused from further performance under this Agreement; or (ii) continue this Agreement and recover all damages resulting from the default. In no event shall Legends be liable or responsible for any lost income, profits or consequential damages of Partner or any person or entity.

5. Miscellaneous.

(A) Force Majeure. In the event Legends is unable to perform its obligations under this Agreement because of fire, the elements, mob, riot, national or local emergency, strikes, lockouts, failure of negotiations between broadcast parties, calamity, epidemic, war, terrorism, or for any other reason outside the control of Legends, at its option Legends may provide additional advertising, sponsorship, or promotional rights, provide Partner with a refund or rebate, or extend the Term to compensate Partner for lost rights. In no event will any such event constitute an event of default by Legends which would permit Partner to terminate this Agreement pursuant to Section 4 of these Terms & Conditions or otherwise.

(B) Independent Contractors. The parties are independent contractors and are solely responsible for the conduct of their respective employees and agents in connection with the performance of their obligations under this Agreement.

(C) Assignment. Partner will not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of Legends. This Agreement inures to the benefit of, and is binding upon, the parties and their respective permitted successors and assigns. Legends may make a collateral assignment of its rights under this Agreement to a financial institution ("Lender"), and Partner consents to the grant by Legends to Lender of a first priority security interest in the interest of Legends under this Agreement. Upon foreclosure by Lender on Legends' interest in this Agreement, Partner consents to the transfer of Legends' right, title and interest in this Agreement (and related rights

and interest) to Lender (or other party designated by Lender).

(D) Waiver. The delay or failure of a party to assert or exercise any right, remedy or privilege under this Agreement or to insist on strict and prompt performance of the covenants and agreements herein, does not constitute a waiver of any right, remedy, or failure to perform, nor will it be construed as a waiver or relinquishment of the party's right to later enforce the same according to its rights under this Agreement if there is a continuous or later default. No waiver is effective unless in writing, and then only in the specific instance for which it was given.

(E) Notice. Any notices, consents or approval required or permitted under this Agreement will be properly given if in writing, whether personally delivered, delivered by facsimile machine or forwarded by mail or overnight courier, postage prepaid, addressed to the following addresses (or such other addresses as may from time to time be designated in writing by each party):

To Legends:
Jefferson Street Signage District, LLC
Attn: Jason Rowley
201 East Jefferson Street
Phoenix, Arizona 85004

and:
Jefferson Street Signage District, LLC
Attn: Blake Edwards
401 East Jefferson Street
Phoenix, Arizona 85004

With a copy to:
Jefferson Street Signage District, LLC
Attn: Cullen Maxey
401 East Jefferson Street
Phoenix, Arizona 85004

and:
Jefferson Street Signage District, LLC
Attn: Nona M. Lee
401 East Jefferson Street
Phoenix, Arizona 85004

To Partner:
City of Flagstaff Convention
and Visitors Bureau
Attn: Trace Ward
211 West Aspen Avenue
Flagstaff, Arizona 86001

(F) Time. Time is of the essence in this Agreement.

(G) Reservation of Rights. Legends reserves all rights hereunder which are not expressly granted to Partner.

(H) Authority. Each individual executing this Agreement on behalf of, or as representative for, a person, partnership, corporation or other entity represents that he or she is duly authorized to execute and deliver this Agreement on behalf of such person or entity and that this Agreement is binding upon such person or entity in accordance with its terms.

(I) Interpretation. The parties acknowledge and confirm that each of their respective attorneys has participated jointly in the review and revision of this Agreement and that it has not been written solely by counsel for one party. The parties hereto therefore stipulate and agree that the rule of construction to the effect that any ambiguities are to be or may be resolved against the drafting party shall not be employed in the interpretation of this Agreement to favor any party against another.

(J) Severability. If any provision of this Agreement is determined to be illegal or unenforceable by an arbitrator, court or government agency of competent jurisdiction, this Agreement shall remain valid as though such provision had not been contained herein.

(K) League Governance. Partner acknowledges and agrees that this Agreement is subject to the rules, policies, and mandates of Major League Baseball and/or the National Basketball Association ("League Rules"). In the event the League Rules materially affect this Agreement, the parties shall negotiate in good faith for an appropriate remedy for Partner, consistent the remedies set forth in Section 4(C) above of these Terms & Conditions.

END OF TERMS & CONDITIONS

Exhibit A

(Location of Advertising and Promotion Elements)

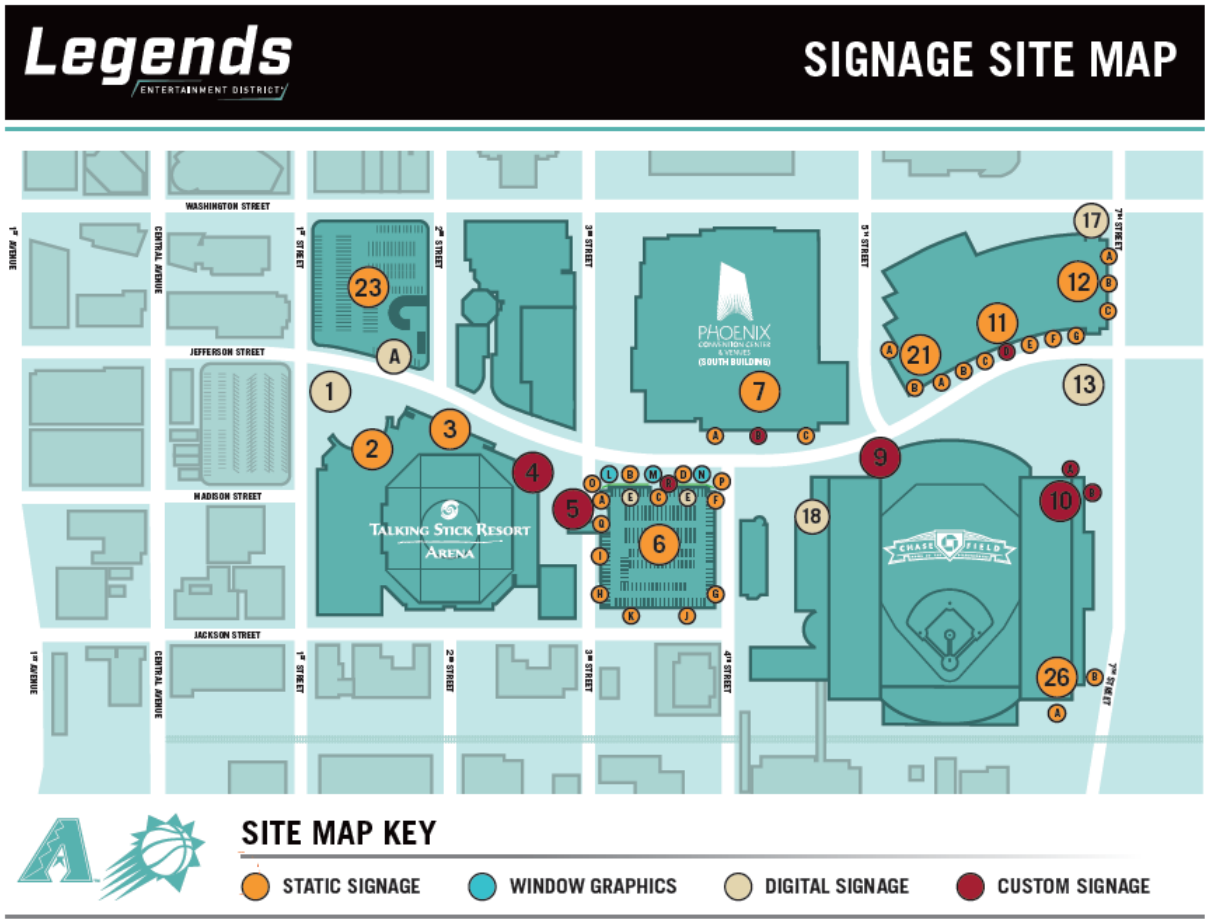


EXHIBIT B

CITY OF FLAGSTAFF
ADDENDUM

1. **CANCELLATION FOR CONFLICT OF INTEREST (A.R.S. § 38-511):** The City may cancel this Contract within three (3) years after its execution, without penalty or further liability to Contractor.

2. **CONFIDENTIAL INFORMATION:** The Customer will comply with this Section to the extent permitted by and consistent with the requirements of Arizona Public Records Law.

3. Customer will receive a credit if publisher/broadcaster/media is unable to publish the advertising.

4. Customer is not responsible for payment of taxes unless separately stated in the invoice.

5. Vendor is responsible for notifying Advertiser in writing of any omissions, problems or defects in the Advertising Services provided as soon as vendor becomes aware of any such issue, and what vendor actions will be taken to remedy the situation.

Contractor Signature	City of Flagstaff Signature
Printed Name and Title	Printed Name and Title

CITY OF FLAGSTAFF
Purchasing Section

Special Procurement Justification (check applicable box below)

Divisions/Sections Requesting Sole Source, Proprietary or Emergency Procurement Must Complete This Form

✓ **Sole Source Procurement Justification**
____Proprietary Procurement Justification
____Emergency Procurement Justification

TO: Purchasing Section Buyer

PREPARER: Sabrina Beard **DIVISION/SECTION**: EVD/CVB

DATE SUBMITTED: 3/3/2020

Is this a sole source procurement? "Sole Source" is defined as a product or service available from only one known source. *Please answer the 4 questions below and attach all documentation and sign*.

Is this a proprietary procurement? A proprietary specification restricts the acceptable product(s) or service(s) to one manufacturer or vendor. A common example would be specification by brand name which excludes consideration of approved "equals". Although all sole source specifications are proprietary, all proprietary specifications are not necessarily sole source. Proprietary items may be available from several distributors. If available, please attach a list of proprietary suppliers which might assist in expediting this procurement. *Please answer the 4 questions below and attach all documentation and sign.*

Is this an emergency procurement? "Emergency" *is a threat to public health, welfare, or safety. Emergency procurements shall be made with such competition as is practicable under the circumstances. Please answer the 3 questions below and attach all documentation and sign*.
City Policy is to maximize competition in the procurement process. Exceptions to competition (sole source/propriety procurement/emergency) must be fully justified, documented, and pre-approved. The following is a list of questions which will substantiate a Sole Source, Proprietary or Emergency Procurement. It will help expedite processing if you provide thorough and sufficient detail when answering each of these questions. Please use additional sheets and attach all additional information to this form if necessary.

Sole Source/Proprietary Justification

1. Briefly, what is the scope of the project in which this product or service will be used.

The CVB is requesting a renewal of the FY'19 two-year contract for an outdoor billboard located in downtown Phoenix to inspire and motivate Flagstaff visitation. The static board measures 18' x 84' and is strategically located to capture visitors and local residents alike delivering nearly 13.7 million annual impressions. The board is located in a premiere intersection at 4th Street and Jefferson, between Talking Stick Resort Arena (Phoenix Suns, high profile concerts and events) and Chase Field (AZ Diamondbacks). The board is also two (2) blocks away from the newly opened Block 23 at Cityscape multi-use project, including downtown's first grocery store (Fry's), a 330-unit luxury apartment complex, over 200k square ft. of creative office, restaurant & retail space.

2. Who is the identified vendor and why is this the only product or service that can meet the

City's requirements? Uniqueness? Compatibility? Integral component? Availability? Delivery Date? If purchase qualifies as proprietary and there are multiple Distributors, why is this the only Distributor who can satisfy the City's purchasing request?

Vendor: Legends Entertainment District. The Legends Entertainment District is a special entitlement area in downtown Phoenix that allows for marketing executions unavailable anywhere else in the State. The Legends District offers the ability to deliver large-format, high-impact and dynamic out-of-home messaging including unique opportunities for creative enhancements such as display extensions and multi-dimensional add-ons. This platform allows us to meet our marketing objectives via a unique display in a high density and energetic environment. Upon renewal, this board will permit Flagstaff a fluid and seamless continuation of an already existing Discover Flagstaff message.

3. Why is this vendor the only available source from which to obtain this product or service? You must provide clear and convincing evidence.

As mentioned above, the Legends Entertainment District operates under special permits as granted by the City of Phoenix. These permits are exclusive to the area in which the Legends Entertainment District operates, and we would be unable to execute this same marketing program in the same area without the partnership of the Legends Entertainment District.

4. What efforts have been made to obtain the best price possible? Why do you feel this price is fair and reasonable?

The price that has been proposed represents a 25% discount from the established market rate. Additionally, we have been able to negotiate a rate with NO price increase compared to the same program we contracted for from July 1, 2017 through June 30, 2018. Lastly, we have negotiated for the vendor to cover certain production hard costs with an associated value of over $15,000. The FY '21 – FY '22 price will remain the same as negotiated and contracted in FY '19.

This justification is valid through May 22, 2023 (Maximum 3 years).

Heidi Hansen 5-22-2020

Authorized Signature Date

Heidi Hansen Economic Vitality Director

Printed Name Title

Purchasing Section Buyer's Signature Date

Matthew Luhman, Purchasing Manager

Printed Name Title

Purchasing Director Signature Date

8. C.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Stacey Brechler-Knaggs, Grants and Contracts Manager

Co-Submitter: Barney Helmick, Airport Director

Co-Submitter: Barney Helmick

Date: 05/19/2020

Meeting Date: 06/02/2020

TITLE:

Consideration and Approval of Lease Amendments: Amendment of Flagstaff Airport Leases and Hangar Permits to offer rent abatement from a minimum of three (3) months or a maximum of six (6) months, due to the economic impacts of the COVID-19 pandemic.

STAFF RECOMMENDED ACTION:

1. Approve lease amendments with all of the airport tenants to abate rent for three (3) or six (6) months (copies of the lease amendments are attached).
2. Approve hangar permit amendments with all hangar tenants to abate rent for three (3) or six (6) months, and authorize the Airport Director to administratively approve these amendments (a sample amendment is attached)

Executive Summary:

Many of the Flagstaff Airport tenants have requested rent abatement because of the economic impacts to their businesses as a result of the COVID-19 pandemic.

City staff is recommending that the City abate rent for a maximum period from April 1, 2020 through September 30, 2020.

Please note that government agencies were excluded. As drafted, lease amendments will require pass through of the rental abatement savings to the sublesses known to be operating their businesses at the Airport.

All proposed lease amendments are in draft form, and final versions will be attached prior to the June 2, 2020 Council Agenda.

At the May 19, 2020 City Council Meeting some hangar tenants requested rent abatement due to changed economic circumstances. Hangar tenants include businesses and private airplane owners who keep their airplanes at the airport. As a result, City staff is recommending all hangar tenants receive rent abatement for a 6-month period at maximum. All hangar permit amendments may be administratively approved by the City Manager or his designee.

Financial Impact:

If rent abatement for the six (6) months (maximum) is approved, City staff estimates the Flagstaff Airport will not receive airport lease revenues of approximately $400,000 and hangar/general aviation revenues of approximately $220,000.

The Flagstaff Airport will be receiving an $18.1 million CARES (Coronavirus Aid, Relief, and Economic Security) Act federal grant may be used to pay for Airport operational expenses. City will have increased operational expenses as a result of the rent abatements.

The $18.1 million CARES Act grant award amount Flagstaff is receiving was derived from the fact we offer commercial airline service. Our commercial service is met through our airline partners, American and United Airlines and involves the increase in overall enplanements we have currently experienced and hope to experience in the future. Other smaller airports in Arizona, that only have general aviation activity, also received monies but they were not in the realm of millions. With that said, it is important to note that having this commercial service currently has helped the Flagstaff Airport with achieving a larger grant amount.

The Flagstaff Airport plays a critical role in offering a multi-modal transportation system in our community for both leisure and business travel. This grant funding will help us pay for staff wages and benefits, terminal upgrades, hangar improvements, and much more. The full scope of how the airport plans to utilize the grant funding over the four-year period will be brought back to Council in an upcoming meeting.

Staff is bringing forward the rent abatements only at this time as they are crucial to our airport tenants in determining next steps and services they can or can't offer at the airport moving forward.

Policy Impact:

A decision to abate rents (including "minimum annual guarantees" and encompassing fees) is a local decision. Rent abatement will be tied to the changed circumstances caused by the COVID-19 public health emergency.

Connection to Council Goal, Regional Plan, CAAP, and/or Strategic Plan:

Goal: Transportation and Other Public Infrastructure: Provide airport infrastructure to enhance tenant and patron experience and secure a second airline.

Has There Been Previous Council Decision on This:

Yes, at the May 19, 2020 City staff proposed that the City abate rent for American Airlines, United Airlines, the car rental agencies, and the café operating out of the Flagstaff Airport. At that meeting, the City received comments from several of our hangar permitee, who pay to park their private airplanes at the Airport. Some expressed that their businesses were also suffering, and some expressed that the hangars are in need of repairs. As a result, the Council postponed the rent abatement discussion to June 2, 2020 and requested that staff consider more rent abatement options. Also per Council direction, the proposed lease amendments no longer include a provision allowing the City Manager to extend the rent abatement period.

Options and Alternatives:

Staff has weighed the Council's decision to bring back new options for approval. After much consideration, the staff is recommending only three options. These options either include all Flagstaff Airport tenants getting the same consideration or none of our tenants receiving rent abatement. Reason for our recommendation is that all our tenants play a role in keeping our airport vibrant and economically stable.

Option 1: Approve the COVID-19 Rent Abatement for all airport tenants for three (3) months only.
Option 2: Approve the COVID-19 Rent Abatement for all airport tenants for six (6) months only.
Option 3: Not Approve the COVID-19 Rent Abatement for all airport tenants.

Background/History:

On January 31, 2020 U.S. Secretary of Health and Human Services declared a public health emergency as a result of the COVID-19 pandemic; on March 11, 2020 Arizona Government Douglas Ducey declared a state public health emergency, and on March 15, 2020 Flagstaff Mayor Coral Evans declared a local public health emergency. Since April 2020 airline passenger traffic through the Flagstaff Airport has practically ceased due to the COVID-19 pandemic, causing an associated decline in flight revenues.

On April 4, 2020 the Federal Aviation Administration ("FAA") issued "Information for airport sponsors considering COVID-19 restrictions or accommodations" which states that "a decision to abate rent…is a local decision" and provides guidance for any abatement. The Guidance states that airports are "encouraged to consider the business situation of the tenant; the changed circumstances created by the public health emergency; the desirability of having solvent tenants that can resume normal operations when the emergency ends; the availability of other governmental or insurance relief that such relief; and possible subsequent conditions that, if triggered, would end the abatement." The FAA Guidance also "encourages sponsors to carefully balance and consider the equities between all airport users."

Key Considerations:

The City of Flagstaff Economic Vitality Division has been working for years to secure a second airline for our community as well as increase routes overall. This has been accomplished through attending several airline conferences, asking for airline corporate meetings, creating three major marketing campaigns that were both inward and outward facing, and working with our top 20 employers on their continued growth. All these factors played into receiving an additional route to Dallas Fort Worth and a seasonal route to Los Angeles from American Airlines and a route to Denver with United Airlines joining our airport family. It's important to keep these routes intact and to continue our outreach to secure additional routes with these partners. Our rental car agencies support the airlines daily and increased their hours of operation and fleet to accommodate these changes in our routes and schedules. With the recent crisis, this has put these partners in a dire position financially. This rent abatement will provide much needed relief to our current tenants so when circumstances improve, the Flagstaff Airport can go back to normal operations.

Community Benefits and Considerations:

This rent abatement will assist our goal in keeping our tenants solvent to ensure that the airport can remain open and operating safely.

Expanded Options and Alternatives:

ENPLANEMENTS:
The Flagstaff Airport has shown a major dip in airport enplanement activity since the COVID-19 pandemic altered air travel. As you can see from the chart attached, calendar year 2019 had 28,424 enplanements compared to calendar year 2020 YTD where we had 25,810. What's more telling is that in March we did experience a decrease when the pandemic began and in April, we see a huge loss in passenger enplanements with only 513 totals in April 2020 YTD compared to 11,670 in April 2019 YTD. It is vital for Flagstaff to continue to offer several modes of transportation to our residents and businesses. Flagstaff is a gateway to the Grand Canyon National Park that serves over 5.5 million visitors per year, and we have several business sectors that utilize us for business commerce and day-to-day travel. (Enplanement Chart attached)

AIRPORT TENANT FUNDING RELIEF:
Currently, the Flagstaff Airport has heard that our airline partners will be receiving grant monies from their corporate offices that will only cover personnel wages and benefits and small business loans, not day-to-day operations. Our rental car agencies have not received any relief funding at this time. Our hangar tenants and other general aviation partners represent a mix of personal and business use at the airport. At this time, we do not know if they have received or will receive funding personally or for their business.

CARES ACT GRANT FUNDING AND WHERE IT WILL BE SPENT:
Our staff is creating a detailed spreadsheet to share with Council at another meeting in June, 2020 where we will recommend how else the grant monies could be used. Below are some examples of what will be included on the spreadsheet.

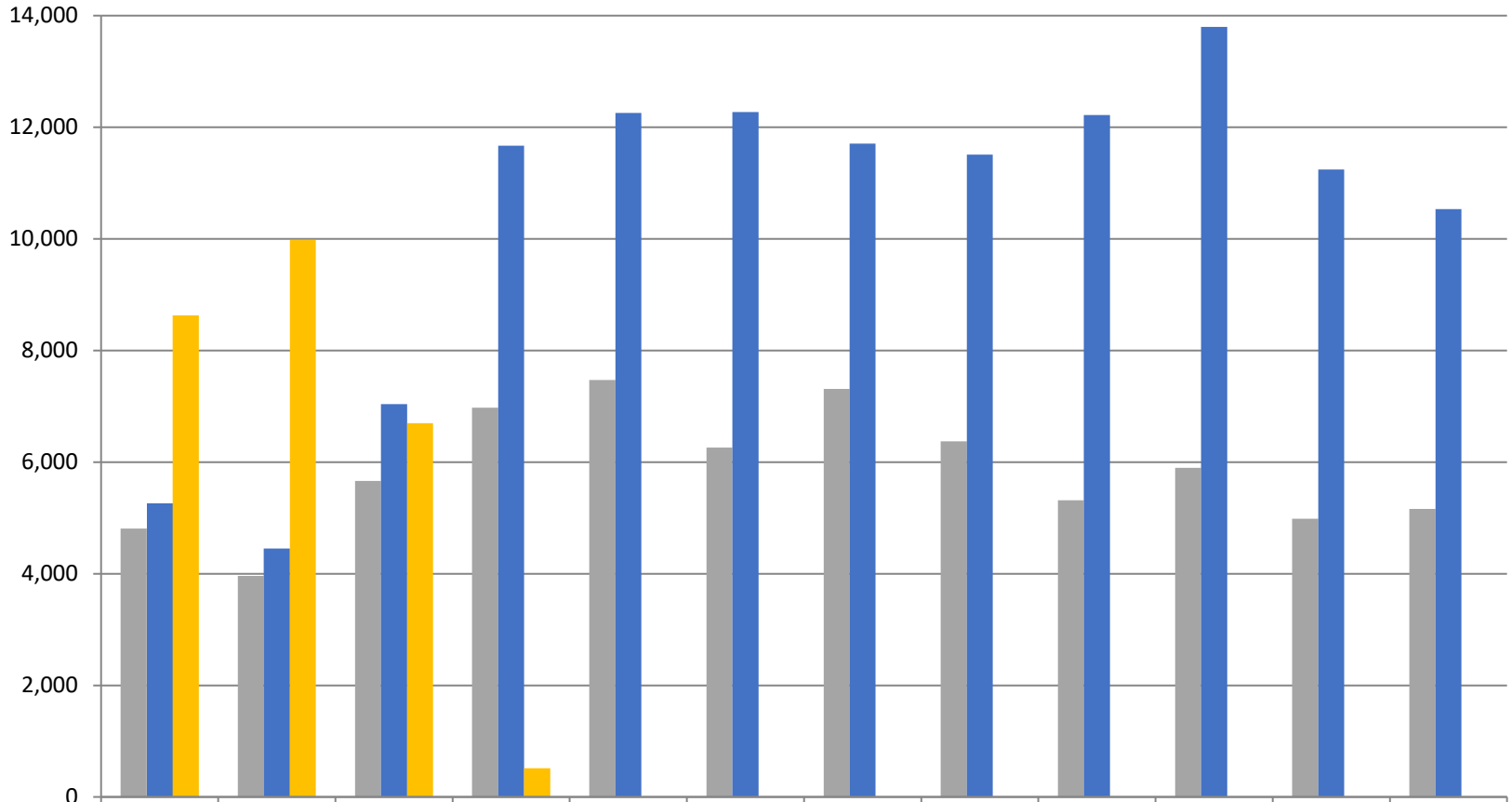
- If approved, rent abatement for all airport tenants up to six months
- Airport Payroll
- Hangar Repairs (a repair spreadsheet has been previously established and will be revised with any necessary additions as well as estimates will be added as a line item to the overall grant spreadsheet – our recommendation at this time is to secure $250,000 per year for four years to fix all hangar needs).
- Terminal Upgrades
- Law Enforcement Officers assigned to Airport
- Project Manager position
- Federal Aviation Administration required work
- Existing facilities, maintenance, repairs and upgrades

At this future council meeting, where staff will present the spreadsheet, we will include the category, descriptions, and overall costs to the best of our ability. Please know that many of the costs will be estimates as we must follow our City of Flagstaff procurement practices in retaining bids and more.

Attachments:
Enplanements Report 2020 Jan-April
CCR Airport Tenants CARES ACT Response
Air Cafe license amendment
American Airlines amendment
Avis Budget amendment
Enterprise amendment
Guardian amendment
Hertz amendment
Pulliam amendment
Pulliam II amendment

Pulliam III amendment
Pulliam V amendment
Pulliam IV amendment
Thompson amendment
United Airlines amendment
Wiseman fuel farm amendment
Wiseman hangar offices amendment
Sample Hangar Permit amendment

ENPLANEMENTS
2018-2020



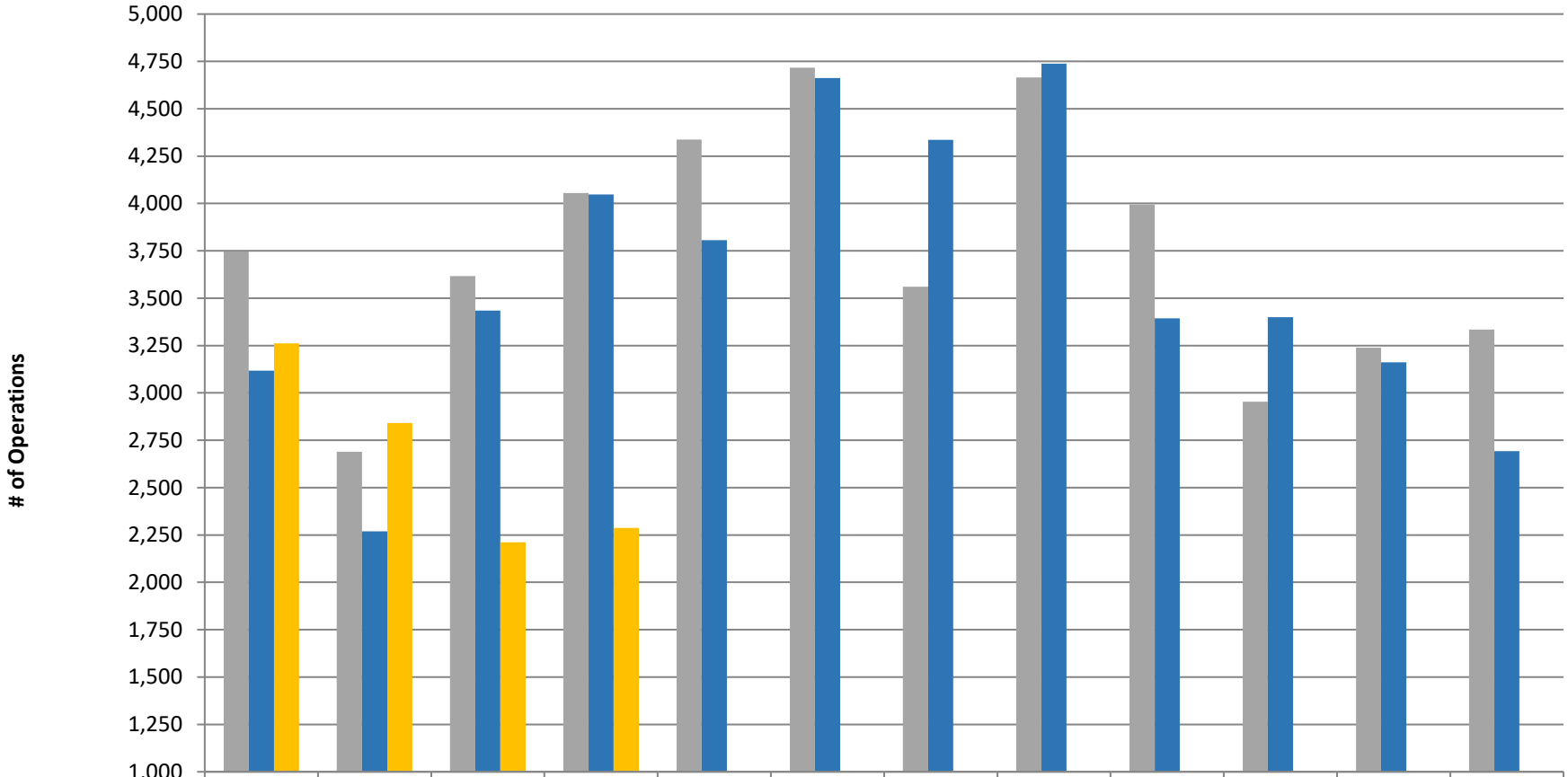
	JAN	FEB	MAR	APR	MAY	JUN	JLY	AUG	SPT	OCT	NOV	DEC
2018	4,808	3,961	5,663	6,973	7,470	6,262	7,310	6,370	5,317	5,899	4,983	5,160
2019	5,265	4,449	7,040	11,670	12,257	12,273	11,704	11,510	12,217	13,799	11,240	10,533
2020	8,626	9,976	6,695	513								

TOTALS

2018: 8,769 8.5% increase from 2017

2019: 9,714 11% increase from 2018

TOTAL OPERATIONS
2018-2020



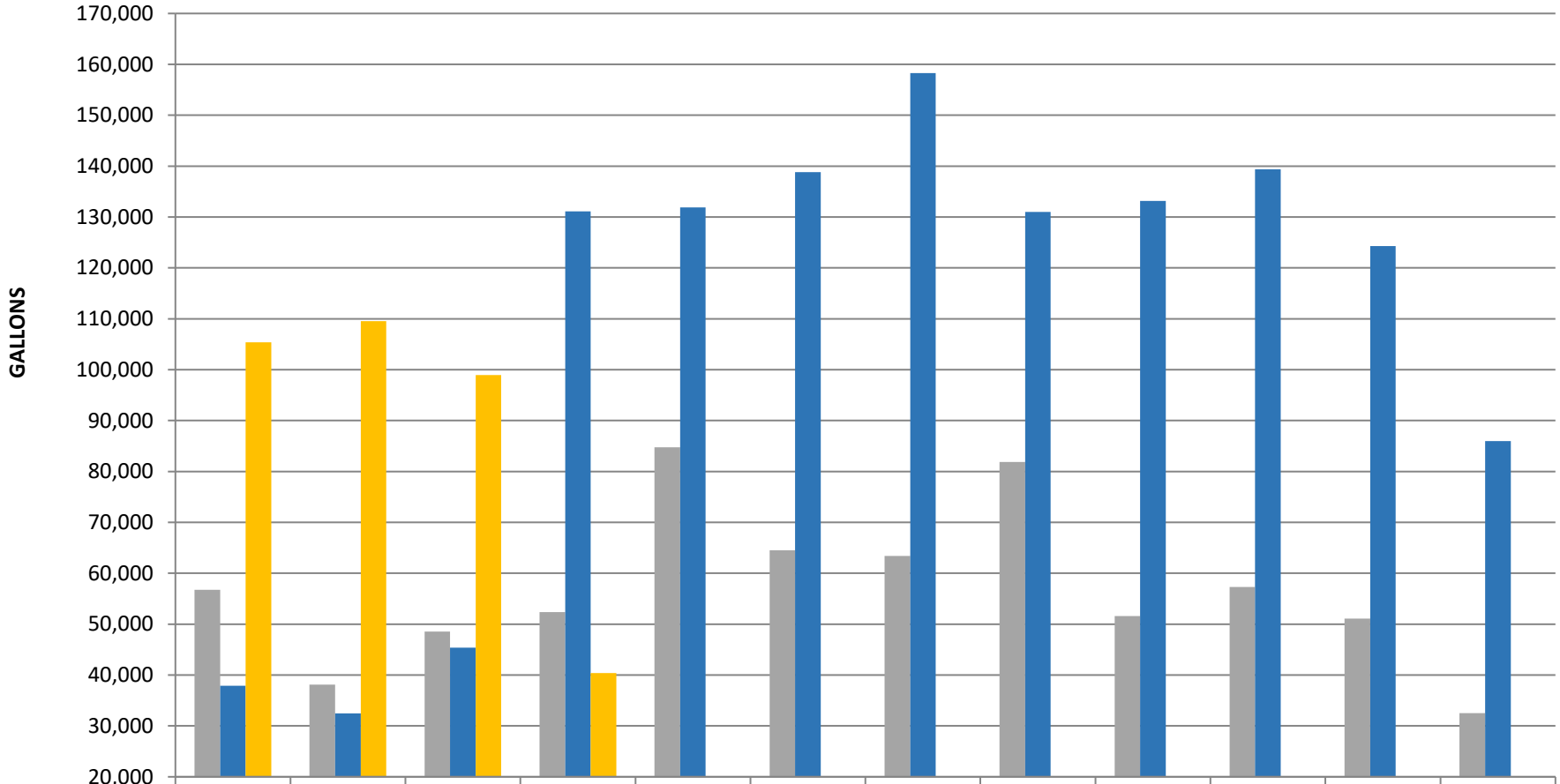
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018	3,747	2,689	3,617	4,055	4,337	4,717	3,560	4,666	3,994	2,954	3,239	3,334
2019	3,118	2,269	3,435	4,047	3,806	4,663	4,336	4,738	3,394	3,400	3,161	2,692
2020	3,262	2,841	2,212	2,287								

TOTALS

2018: 3747 7% decrease from 2018

2019: 3118 3% increase from 2019

FUEL FLOWAGE
2018-2020



	JAN	FEB	MAR	APR	MAY	JUN	JLY	AUG	SPT	OCT	NOV	DEC
2018	56,724	38,129	48,538	52,362	84,771	64,508	63,410	81,859	51,568	57,322	51,094	32,500
2019	37,911	32,451	45,402	131,120	131,903	138,843	158,290	130,989	133,144	139,390	124,311	85,994
2020	105,399	109,565	98,977	40,374								

TOTALS

2018: 94,853 66% increase from 2017

2019: 70,362 26% decrease from 2018

CITY COUNCIL REPORT

DATE: May 18, 2020

TO: Mayor, Vice Mayor, and Councilmembers

FROM: Barney Helmick, Flagstaff Airport Director

CC: Greg Clifton, Shane Dille, Shannon Anderson, Heidi Hansen, Stacy Brechler-Knaggs, Anja Wendel

SUBJECT: Federal funding relief to support Flagstaff Airport operations

This City Council Report is to address questions regarding federal funding available to help American and United Airlines, car rental agencies, and our fixed fuel base operator (FBO), that are essential to our Flagstaff Airport operations.

1. City CARES Act funding

The City will be receiving about $18.1 million in federal funding to help support Flagstaff Airport operations. This funding is being awarded under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

City staff is proposing to amend our leases with American Airlines, United Airlines, car rental agencies, fixed base fuel operator, and a concessionaire to provide rent relief. These amendments are because airline travel has virtually ceased since mid-March 2020 due to the COVID-19 flu pandemic. City staff is proposing that lessees be provided rent relief for six (6) months, at a cost of approximately $356,785. If conditions merit, rent relief may be provided for up to one year. City staff proposes to use CARES Act funding to abate rent in consideration for lessee commitments to continue operations at the Flagstaff Airport.

The City's goal in assisting our airlines is to sustain our two carriers that we have worked years to obtain for Flagstaff business and leisure travel. When Horizon Air left our market, staff spent years attending airline conferences, establishing and implementing marketing strategies, adding enhancements to our airport terminal, and more in order to secure additional service and keep our current service. During that time, we shared with several airlines the growth of our University and student population, our top 20 employers, visitation, and our advancing business sectors. These factors all played a key role in the service we have currently with American and United.

In order to have our smaller airport continue receiving airline service, we need to be the best partners we can be so they will continue to invest in Flagstaff by offering routes. The airlines are having to make hard decisions on where they can continue service and the larger hubs will more than likely receive most of the routes, pilots, and planes. Therefore, Flagstaff needs to remain competitive and show we understand the dilemma they are facing and be willing to work with them during this unprecedented time. It's important to also note that the airline service and car rental agencies also assist in getting our visitors to the Grand Canyon National Park which is an overall economic driver for our community. The Grand Canyon has no night life amenities and we are fortunate to have so many visitors take a day trip to this natural wonder and choose to spend their evenings in Flagstaff.

Federal Aviation Administration (FAA) Guidance dated April 4, 2020 to airport sponsors provides that considering the COVID-19 flu pandemic a decision to abate rent including waiver of minimum annual guarantees (MAG) and encompassing fees, is a local decision.

2. Airlines CARE Act funding

Airlines have received financial assistance in the form of both grants and loans from the Payroll Support Program (PSP) created through the CARES Act. However, these funds are targeted to support team member salaries and benefits only. The airlines are not able to use their federal funding to cover other kinds of operational costs, rent, or debt payments.

Car rental agencies, the fixed fuel base operator, and our sole concessionaire (beverage and food service) at the Flagstaff Airport have not received direct grants or loans under the CARES Act.

Under all the lease amendments, the City will require the lessees to notify the City if, and when they do receive additional financial relief due to the COVID-19 flu pandemic. The City will then decide whether it remains appropriate to continue providing rent relief.

Information only.

AIRPORT RESTAURANT LICENSE

AMENDMENT No. 2
(COVID-19 Rent Relief)

This Amendment No. 2 is entered into this _____ day of _____, 2020 by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City"), and Air Café, an Arizona corporation ("Licensee"), to amend the Airport Restaurant License Agreement dated February 19, 2013, as previously amended by Amendment I dated March 25, 2015 (hereafter "the License").

WHEREAS, on January 31, 2020 the U.S. Secretary of Health and Human Services declared a public health emergency as a result of the COVID-19 flu pandemic; on March 11, 2020 Arizona Governor Douglas Ducey declared a state public health emergency; and on March 15, 2020 Flagstaff Mayor Coral Evans declared a local public health emergency;

WHEREAS, since April 2020 airline passenger traffic through the Flagstaff Pulliam Airport has practically ceased due to the COVID-19 flu pandemic, and causing an associated decline in flight revenues;

WHEREAS, on April 4, 2020 the Federal Aviation Administration ("FAA") issued "Information for airport sponsors considering COVID-19 restrictions or accommodations" states that "a decision to abate rent… is a local decision" and provides guidance for any abatement;

WHEREAS, Licensee has requested, and City desires to provide financial relief to the Licensee to help continue airport related operations to the extent feasible at the Flagstaff Pulliam Airport;

For valid consideration, the receipt of which is hereby acknowledged, the parties agree that the License is hereby amended to read as follows (additions shown as capitalized text, and deletions shown as stricken).

ARTICLE IV. PAYMENTS FOR LICENSE is amended by adding the following:

I. PAYMENT ABATEMENT

A. DUE TO THE COVID-19 FLU PANDEMIC, FIXED PAYMENT (AS DEFINED IN SECTION IV.A. OF THE AIRPORT RESTAURANT LICENSE AGREEMENT) AND PERCENTAGE PAYMENT (AS DEFINED IN SECTION IV.B. OF AIRPORT RESTAURANT LICENSE AGREEMENT) SHALL BE ABATED COMMENCING APRIL 1, 2020 AND CONTINUING THROUGH SEPTEMBER 30, 2020 ('"ABATEMENT PERIOD"), AND NO PAYMENT, LATE PENALTY OR INTEREST SHALL BE OWED OR PAYABLE FOR THIS PERIOD; PROVIDED, HOWEVER:

(a) IN THE EVENT LICENSEE RECEIVES OTHER GOVERNMENTAL RELIEF OR INSURANCE RECOVERY RELATED TO THE COVID-19 PANDEMIC, LICENSEE SHALL PROMPTLY NOTIFY CITY;

(b) IN THE EVENT LICENSEE BECOMES INSOLVENT, OR IS NAMED AS THE DEBTOR IN A VOLUNTARY OR INVOLUNTARY BANKRUPTCY PROCEEDING, THIS SECTION I OF ARTICLE IV IS VOID AND PAYMENT WILL RESUME UNDER ARTICLE IV ON THE FIRST DAY OF THE FOLLOWING MONTH;

(c) LICENSEE IN ITS DISCRETION MAY CONTINUE TO OPERATE ITS FOOD AND BEVERAGE, TAKE-OUT, AND/OR CATERING SERVICES AT AIR CAFÉ DURING THE ABATEMENT PERIOD.

B. MUTUAL WARRANTIES.

EACH PARTY CONFIRMS AND WARRANTS, WITHOUT INVESTIGATION, TO THE OTHER PARTY:

- PAYMENT RELIEF IS NECESSARY DUE TO CHANGED CIRCUMSTANCES CAUSED BY THE PUBLIC HEALTH EMERGENCY;
- IN THE EVENT PAYMENT RELIEF WILL HAVE THE EFFECT OF SHIFTING COSTS BETWEEN AIRPORT TENANTS AND USERS, THE PARTIES WILL MEET TO DISCUSS THE EQUITIES, ENDEAVOR TO REACH A CONSENSUS BETWEEN ALL AIRPORT USERS AND ADJUST PAYMENT OBLIGATIONS ACCORDINGLY;
- THERE IS A REASONABLE BASIS FOR PAYMENT RELIEF BECAUSE UNDERLYING AIRLINE PASSENGER VOLUMES AND, THUS, REVENUES THAT ARE A BASIS FOR THE CURRENT PAYMENT HAVE SIGNIFICANTLY DECLINED.

EACH PARTY UNDERSTANDS THAT THE PAYMENT RELIEF PROVIDED HEREIN MUST NOT HAVE THE AFFECT OF CAUSING ANY VIOLATION OF THE GRANT ASSURANCES 22 AND 24 (AS WELL AS RELATED STATUTES) AND EACH PARTY AGREES THAT IF THE PAYMENT RELIEF CONTEMPLATED IN THIS AGREEMENT DOES VIOLOATE GRANT ASSURANCES 22 AND/OR 24 THAT THE PARTIES SHALL MEET TO DISCUSS HOW TO RESOLVE THE VIOLATION.

All other terms and conditions of the License shall remain in full force and effect.

LICENSEE: AIR CAFÉ

By: _____

Its: _____

LICENSOR: CITY OF FLAGSTAFF

By: _____

Mayor Coral Evans

Attest:

By: _____

Stacy Saltzburg, City Clerk

Approved as to form:

By: _____

City Attorney's Office

PULLIAM AIRPORT LEASE AGREEMENT

AMENDMENT NO. 1
(COVID-19 Rent and Fee Relief)

This Amendment No. 1 is entered into this _____ day of _____, 2020 by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City") and American Airlines, a Delaware corporation ("Airline"), to amend the Pulliam Airport Lease Agreement dated May 1, 2019 ("the Lease").

WHEREAS, on January 31, 2020 U.S. Secretary of Health and Human Services declared a public health emergency as a result of the COVID-19 flu pandemic; on March 11, 2020 Arizona Government Douglas Ducey declared a state public health emergency, and on March 15, 2020 Flagstaff Mayor Coral Evans declared a local public health emergency; and

WHEREAS, since April 2020 airline passenger traffic through the Flagstaff Pulliam Airport has practically ceased due to the COVID-19 flu pandemic, and causing an associated decline in flight revenues;

WHEREAS, on April 4, 2020 the Federal Aviation Administration ("FAA") issued "Information for airport sponsors considering COVID-19 restrictions or accommodations" states that "a decision to abate rent… is a local decision" and provides guidance for any abatement;

WHEREAS, Airline has requested, and City desires to provide financial relief to the Airline to help continue airport related operations to serve the traveling public at the Flagstaff Pulliam Airport;

For valid consideration, the receipt of which is hereby acknowledged, the parties agree that the Lease is hereby amended to read as follows (additions shown as capitalized text, and deletions shown as stricken);

Article 6. Rents, Fees and Utilities is amended by adding the following text (additions are shown as capitalized, underlined text, deletions are shown as stricken):

6.07. RENTAL AMOUNT. STORAGE, AND LANDING FEES ABATEMENT. DUE TO THE COVID-19 FLU PANDEMIC, COMMENCING APRIL 1, 2020 AND CONTINUING THROUGH SEPTEMBER 30, 2020 ("ABATEMENT PERIOD") NO RENTAL AMOUNT, STORAGE FEE, LANDING FEE (AS DEFINED IN SECTION 6.1, 6.01.1, AND 6.02 RESPECTIVELY), NOR LATE PENALTY OR INTEREST SHALL BE OWED OR PAYABLE; PROVIDED, HOWEVER:

(a) IN THE EVENT AIRLINE RECEIVES OTHER GOVERNMENTAL RELIEF OR INSURANCE RECOVERY RELATED TO THE COVID-19 PANDEMIC, AIRLINE SHALL PROMPTLY NOTIFY CITY;

(b) IN THE EVENT AIRLINE BECOMES INSOLVENT, OR IS NAMED AS THE DEBTOR IN A VOLUNTARY OR INVOLUNTARY BANKRUPTCY PROCEEDING THIS SECTION 6.07 IS VOID AND ALL PAYMENTS SHALL RESUME UNDER ARTICLE 6 ON THE FIRST DAY OF THE FOLLOWING MONTH;

(c) AIRLINE SHALL CONTINUE TO OFFER FLIGHTS TO THE TRAVELING PUBLIC TO AND FROM THE FLAGSTAFF PULLIAM AIRPORT DURING THE ABATEMENT PERIOD.

6.07.1. MUTUAL WARRANTIES. EACH PARTY CONFIRMS AND WARRANTS, WITHOUT INVESTIGATION, TO THE OTHER PARTY:

- RENT RELIEF IS NECESSARY DUE TO CHANGED CIRCUMSTANCES CAUSED BY THE PUBLIC HEALTH EMERGENCY;
- IN THE EVENT RENT RELIEF WILL HAVE THE EFFECT OF SHIFTING COSTS BETWEEN AIRPORT TENANTS AND USERS, THE PARTIES WILL MEET TO DISCUSS THE EQUITIES, ENDEAVOR TO REACH A CONSENSUS BETWEEN ALL AIRPORT USERS AND ADJUST RENT OBLIGATIONS ACCORDINGLY;
- THERE IS A REASONABLE BASIS FOR RENT RELIEF BECAUSE UNDERLYING AIRLINE PASSENGER VOLUMES AND, THUS, REVENUES THAT ARE A BASIS FOR THE CURRENT RENT HAVE SIGNIFICANTLY DECLINED.

EACH PARTY UNDERSTANDS THAT THE RENT RELEIF PROVIDED HEREIN MUST NOT HAVE THE AFFECT OF CAUSING ANY VIOLATION OF THE GRANT ASSURANCES 22 AND 24 (AS WELL AS RELATED STATUTES) AND EACH PARTY AGREES THAT IF THE RENT RELIEF CONTEMPLATED IN THIS AGREEMENT DOES VIOLOATE GRANT ASSURANCES 22 AND/OR 24 THAT THE PARTIES SHALL MEET TO DISCUSS HOW TO RESOLVE THE VIOLATION.

IN ADDITION, LESSEE WARRANTS TO CITY THAT LESSEE IS SEEKING RENT RELIEF FROM ALL LANDLORDS OF LESSEE LEASES LOCATED WITHIN TWO (2) MILES OF AIRPORTS IN ARIZONA, AND UPON REQUEST OF CITY, LESSEE WILL PROVIDE CITY WITH INFORMATION AS TO RENT RELIEF BEING PROVIDED.

All other terms and conditions of the Lease shall remain in full force and effect.

LESSOR: AMERICAN AIRLINES

By:_____

Title:_____
Its authorized representative

LESSEE: CITY OF FLAGSTAFF

By:_____
Mayor Coral Evans

Attest:

By: _____
Stacy Saltzburg, City Clerk

Approved as to form:

By:_____
City Attorney's Office

RENTAL CAR/CONCESSION LEASE AGREEMENT

AMENDMENT NO. 3
(COVID-19 Rent Abatement)

This Amendment No. 3 is entered into this _____ day of _____, 2020 by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City") and Avis Budget Car Rental, LLC, a New Jersey limited liability company ("Lessee"), to amend the Rental Car Concession/Lease Agreement dated February 1, 2011, as previously amended by Amendment No. 1 dated April 18, 2014, and Amendment No. 2 dated May 30, 2017 (hereafter "the Lease").

WHEREAS, on January 31, 2020 U.S. Secretary of Health and Human Services declared a public health emergency as a result of the COVID-19 flu pandemic; on March 11, 2020 Arizona Government Douglas Ducey declared a state public health emergency, and on March 15, 2020 Flagstaff Mayor Coral Evans declared a local public health emergency; and

WHEREAS, since April 2020 airline passenger traffic through the Flagstaff Pulliam Airport has practically ceased due to the COVID-19 flu pandemic, causing an associated decline in flight revenues; and

WHEREAS, on April 4, 2020 the Federal Aviation Administration ("FAA") issued "Information for airport sponsors considering COVID-19 restrictions or accommodations" which states that "a decision to abate rent…is a local decision" and provides guidance for any abatement; and

WHEREAS, Lessee has requested and City desires to provide financial relief to the Lessee to help continue airport related operations to the extent feasible at the Flagstaff Pulliam Airport.

For valid consideration, the receipt of which is hereby acknowledged, the parties agree that the Lease is hereby amended to read as follows (additions shown as capitalized text, and deletions shown as stricken).

ARTICLE IV - RENTS is amended by adding the following text (additions are shown as capitalized, underlined text, deletions are shown as stricken):

H. RENT ABATEMENT.

1. DUE TO THE COVID-19 FLU PANDEMIC, FIXED RENT (AS DEFINED IN SECTION IV.A OF THE RENTAL CAR CONCESSION/LEASE AGREEMENT) AND MINIMUM ANNUAL GUARANTEE (AS DEFINED IN SECTION IV.B.2 OF THE RENTAL CAR CONCESSION/LEASE AGREEMENT) SHALL BE ABATED COMMENCING APRIL 1, 2020 AND CONTINUING THROUGH SEPTEMBER 30, 2020 ('"ABATEMENT PERIOD"), AND NO RENT, LATE PENALTY OR INTEREST SHALL BE OWED OR PAYABLE FOR THIS PERIOD; PROVIDED, HOWEVER:

   (a) IN THE EVENT LESSEE RECEIVES OTHER GOVERNMENTAL RELIEF OR INSURANCE RECOVERY RELATED TO THE COVID-19 PANDEMIC, LESSEE SHALL PROMPTLY NOTIFY CITY;

   (b) IN THE EVENT LESSEE BECOMES INSOLVENT, OR IS NAMED AS THE DEBTOR IN A VOLUNTARY OR INVOLUNTARY BANKRUPTCY PROCEEDING THIS SECTION H

OF ARTICLE IV IS VOID AND RENT WILL RESUME UNDER ARTICLE IV ON THE FIRST DAY OF THE FOLLOWING MONTH;

(c) LESSEE SHALL CONTINUE TO OFFER RENTAL CARS TO THE TRAVELING PUBLIC TO AND FROM THE FLAGSTAFF PULLIAM AIRPORT DURING THE ABATEMENT PERIOD;

(d) LESSEE SHALL CONTINUE TO MAKE CONCESSION FEE PAYMENTS AS REQUIRED UNDER SECTION IV.B.1

2. MUTUAL WARRANTIES.

EACH PARTY CONFIRMS AND WARRANTS, WITHOUT INVESTIGATION, TO THE OTHER PARTY:

- RENT RELIEF IS NECESSARY DUE TO CHANGED CIRCUMSTANCES CAUSED BY THE PUBLIC HEALTH EMERGENCY;
- IN THE EVENT RENT RELIEF WILL HAVE THE EFFECT OF SHIFTING COSTS BETWEEN AIRPORT TENANTS AND USERS, THE PARTIES WILL MEET TO DISCUSS THE EQUITIES, ENDEAVOR TO REACH A CONSENSUS BETWEEN ALL AIRPORT USERS AND ADJUST RENT OBLIGATIONS ACCORDINGLY;
- THERE IS A REASONABLE BASIS FOR RENT RELIEF BECAUSE UNDERLYING AIRLINE PASSENGER VOLUMES AND, THUS, REVENUES THAT ARE A BASIS FOR THE CURRENT RENT HAVE SIGNIFICANTLY DECLINED.

EACH PARTY UNDERSTANDS THAT THE RENT RELEIF PROVIDED HEREIN MUST NOT HAVE THE AFFECT OF CAUSING ANY VIOLATION OF THE GRANT ASSURANCES 22 AND 24 (AS WELL AS RELATED STATUTES) AND EACH PARTY AGREES THAT IF THE RENT RELIEF CONTEMPLATED IN THIS AGREEMENT DOES VIOLOATE GRANT ASSURANCES 22 AND/OR 24 THAT THE PARTIES SHALL MEET TO DISCUSS HOW TO RESOLVE THE VIOLATION.

IN ADDITION, LESSEE WARRANTS TO CITY THAT LESSEE IS SEEKING RENT RELIEF FROM ALL LANDLORDS OF LESSEE LEASES LOCATED WITHIN TWO (2) MILES OF AIRPORTS IN ARIZONA, AND UPON REQUEST OF CITY, LESSEE WILL PROVIDE CITY WITH INFORMATION AS TO RENT RELIEF BEING PROVIDED.

All other terms and conditions of the Lease shall remain in full force and effect.

LESSOR: AVIS BUDGET CAR RENTAL, LLC

By:_____

Title:_____
Its authorized representative

LESSEE: CITY OF FLAGSTAFF

By:_____
Mayor Coral Evans

Attest:

By: _____
Stacy Saltzburg, City Clerk

Approved as to form:

By:_____
City Attorney's Office

RENTAL CAR/CONCESSION LEASE AGREEMENT

AMENDMENT NO. 3
(COVID-19 Rent Relief)

This Amendment No. 3 is entered into this _____ day of _____, 2020 by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City") and Enterprise Leasing Company of Phoenix, LLC, a Delaware limited liability company d/b/a Alamo Rent a Car and National Car Rental ("Lessee"), to amend the Rental Car Concession/Lease Agreement dated February 1, 2011, as previously amended by Amendment No. 1 dated April 18, 2014, and Amendment No. 2 dated May 30, 2017 (hereafter "the Lease").

WHEREAS, on January 31, 2020 the U.S. Secretary of Health and Human Services declared a public health emergency as a result of the COVID-19 flu pandemic; on March 11, 2020 Arizona Governor Douglas Ducey declared a state public health emergency, and on March 15, 2020 Flagstaff Mayor Coral Evans declared a local public health emergency;

WHEREAS, since April 2020 airline passenger traffic through the Flagstaff Pulliam Airport has practically ceased due to the COVID-19 flu pandemic, and causing an associated decline in flight revenues;

WHEREAS, on April 4, 2020 the Federal Aviation Administration ("FAA") issued "Information for airport sponsors considering COVID-19 restrictions or accommodations" states that "a decision to abate rent… is a local decision" and provides guidance for any abatement;

WHEREAS, Lessee has requested, and City desires to provide financial relief to the Lessee to help continue airport related operations to the extent feasible at the Flagstaff Pulliam Airport;

For valid consideration, the receipt of which is hereby acknowledged, the parties agree that the Lease is hereby amended to read as follows (additions shown as capitalized text, and deletions shown as stricken);

ARTICLE IV - RENTS is amended by adding the following text (additions are shown as capitalized, underlined text, deletions are shown as stricken):

H. RENT ABATEMENT.

1. DUE TO THE COVID-19 FLU PANDEMIC, FIXED RENT (AS DEFINED IN SECTION IV.A OF THE RENTAL CAR CONCESSION/LEASE AGREEMENT) AND MINIMUM ANNUAL GUARANTEE (AS DEFINED IN SECTION IV.B.2 OF THE RENTAL CAR CONCESSION/LEASE AGREEMENT) SHALL BE ABATED COMMENCING APRIL 1, 2020 AND CONTINUING THROUGH SEPTEMBER 30, 2020 ("ABATEMENT PERIOD"), AND NO RENT, LATE PENALTY OR INTEREST SHALL BE OWED OR PAYABLE FOR THIS PERIOD; PROVIDED, HOWEVER:

   (a) IN THE EVENT LESSEE RECEIVES OTHER GOVERNMENTAL RELIEF OR INSURANCE RECOVERY RELATED TO THE COVID-19 PANDEMIC, LESSEE SHALL PROMPTLY NOTIFY CITY.

   (b) IN THE EVENT LESSEE BECOMES INSOLVENT, OR IS NAMED AS THE DEBTOR IN A VOLUNTARY OR INVOLUNTARY BANKRUPTCY PROCEEDING THIS SECTION H

OF ARTICLE IV IS VOID AND RENT WILL RESUME UNDER ARTICLE IV ON THE FIRST DAY OF THE FOLLOWING MONTH;

(c) LESSEE SHALL CONTINUE TO OFFER RENTAL CARS TO THE TRAVELING PUBLIC TO AND FROM THE FLAGSTAFF PULLIAM AIRPORT DURING THE ABATEMENT PERIOD.

(d) LESSEE SHALL CONTINUE TO MAKE CONCESSION FEE PAYMENTS AS REQUIRED UNDER SECTION IV.B.1

2. MUTUAL WARRANTIES.

EACH PARTY CONFIRMS AND WARRANTS, WITHOUT INVESTIGATION, TO THE OTHER PARTY:

- RENT RELIEF IS NECESSARY DUE TO CHANGED CIRCUMSTANCES CAUSED BY THE PUBLIC HEALTH EMERGENCY;
- IN THE EVENT RENT RELIEF WILL HAVE THE EFFECT OF SHIFTING COSTS BETWEEN AIRPORT TENANTS AND USERS, THE PARTIES WILL MEET TO DISCUSS THE EQUITIES, ENDEAVOR TO REACH A CONSENSUS BETWEEN ALL AIRPORT USERS AND ADJUST RENT OBLIGATIONS ACCORDINGLY;
- THERE IS A REASONABLE BASIS FOR RENT RELIEF BECAUSE UNDERLYING AIRLINE PASSENGER VOLUMES AND, THUS, REVENUES THAT ARE A BASIS FOR THE CURRENT RENT HAVE SIGNIFICANTLY DECLINED.

EACH PARTY UNDERSTANDS THAT THE RENT RELIEF PROVIDED HEREIN MUST NOT HAVE THE AFFECT OF CAUSING ANY VIOLATION OF THE GRANT ASSURANCES 22 AND 24 (AS WELL AS RELATED STATUTES) AND EACH PARTY AGREES THAT IF THE RENT RELIEF CONTEMPLATED IN THIS AGREEMENT DOES VIOLOATE GRANT ASSURANCES 22 AND/OR 24 THAT THE PARTIES SHALL MEET TO DISCUSS HOW TO RESOLVE THE VIOLATION.

IN ADDITION, LESSEE WARRANTS TO CITY THAT LESSEE IS SEEKING RENT RELIEF FROM ALL LANDLORDS OF LESSEE LEASES LOCATED WITHIN TWO (2) MILES OF AIRPORTS IN ARIZONA, AND UPON REQUEST OF CITY, LESSEE WILL PROVIDE CITY WITH INFORMATION AS TO RENT RELIEF BEING PROVIDED.

All other terms and conditions of the Lease shall remain in full force and effect.

LESSEEE: ENTERPRISE LEASING COMPANY OF PHOENIX, LLC D/B/A ALAMO RENT A CAR AND NATIONAL CAR RENTAL

By:_____
Kevin Cooper, Vice President/General Manager

LESSEE: CITY OF FLAGSTAFF

By:_____
Mayor Coral Evans

Attest:

By: _____
Stacy Saltzburg, City Clerk

Approved as to form:

By:_____
City Attorney's Office

_____AIRPORT LEASE AGREEMENT

This _____ is entered into this _____ day of June, 2020 by and between the CITY OF FLAGSTAFF, a municipal corporation organized and existing under the laws of the State of Arizona (the "City") and Flagstaff Medical Center, DA, Guardian Air, an Arizona not for profit corporation ("Lessee"), to the Airport Lease Agreement dated July 16, 1997, as amended by the First Addendum dated September 21, 2009.

RECITALS:

WHEREAS, on January 31, 2020 U.S. Secretary of Health and Human Services declared a public health emergency as a result of the COVID-19 flu pandemic; on March 11, 2020 Arizona Government Douglas Ducey declared a state public health emergency, and on March 15, 2020 Flagstaff Mayor Coral Evans declared a local public health emergency;

WHEREAS, since April 2020 airline passenger traffic through the Flagstaff Pulliam Airport has practically ceased due to the COVID-19 flu pandemic, causing an associated decline in flight revenues; and

WHEREAS, on April 4, 2020 the Federal Aviation Administration ("FAA") issued "Information for airport sponsors considering COVID-19 restrictions or accommodations" which states that "a decision to abate rent…is a local decision" and provides guidance for any abatement; and

WHEREAS, the City desires to provide financial relief to the Lessee to help preserve continued airport related operations to the extent feasible at the Flagstaff Pulliam Airport;

NOW, THEREFORE, for valid consideration, the receipt of which is hereby acknowledged, the parties agree that the Lease is hereby amended as follows.

Article IV RENTAL AND FEES is amended by adding the following text (additions are shown as capitalized, underlined text, deletions are shown as stricken):

4.1.5 TEMPORARY RENT ABATEMENT

4.1.5.1 ABATEMENT.

(a) DUE TO THE COVID-19 FLU PANDEMIC, RENTAL AND FEES, GROUND RENTAL, FUEL FLOWAGE FEES, BUILDING RENT, NOR LATE PAYMENTS (ALL AS DEFINED IN SECTION 4.1) SHALL BE ABATED COMMENCING APRIL 1, 2020 AND CONTINUING THROUGH SEPTEMBER 30, 2020 ("ABATEMENT PERIOD"), AND RENTAL AND FEES, GROUND RENTAL, FUEL FLOWAGE FEES, BUILDING RENT, NOR LATE PAYMENTS, SHALL BE OWED OR PAYABLE FOR THIS PERIOD; PROVIDED, HOWEVER:

(b) IN THE EVENT LESSEE RECEIVES OTHER GOVERNMENTAL RELIEF OR INSURANCE RECOVERY RELATED TO THE COVID-19 PANDEMIC, LESSEE SHALL PROMPTLY NOTIFY CITY.

(c) IN THE EVENT LESSEE BECOMES INSOLVENT, OR IS NAMED AS THE DEBTOR IN A VOLUNTARY OR INVOLUNTARY BANKRUPTCY PROCEEDING, THIS SECTION OF ARTICLE IV IS VOID AND ALL PAYMENT OBLIGATIONS WILL RESUME UNDER ARTICLE IV ON THE FIRST DAY OF THE FOLLOWING MONTH.

4.1.5.2. MUTUAL WARRANTIES.

EACH PARTY WARRANTS, WITHOUT INVESTIGATION, TO THE OTHER PARTY:

- RENT RELIEF IS NECESSARY DUE TO CHANGED CIRCUMSTANCES CAUSED BY THE PUBLIC HEALTH EMERGENCY;
- IN THE EVENT RENT RELIEF WILL HAVE THE EFFECT OF SHIFTING COSTS BETWEEN AIRPORT TENANTS AND USERS, THE PARTIES WILL MEET TO DISCUSS THE EQUITIES, ENDEAVOR TO REACH A CONSENSUS BETWEEN ALL AIRPORT USERS AND ADJUST RENT OBLIGATIONS ACCORDINGLY;
- THERE IS A REASONABLE BASIS FOR RENT RELIEF BECAUSE UNDERLYING AIRLINE REVENUES THAT ARE A BASIS FOR THE CURRENT RENT HAVE SIGNIFICANTLY DECLINED.

EACH PARTY UNDERSTANDS THAT THE RENT RELIEF PROVIDED HEREIN MUST NOT HAVE THE EFFECT OF CAUSING ANY VIOLATION OF THE GRANT ASSURANCES 22 AND 24 (AS WELL AS RELATED STATUTES) AND EACH PARTY AGREES THAT IF THE RENT RELIEF CONTEMPLATED IN THIS AGREEMENT DOES VIOLATE GRANT ASSURANCES 22 AND/OR 24, THAT THE PARTIES SHALL MEET TO DISCUSS HOW TO RESOLVE THE VIOLATION.

LESSEE WARRANTS TO CITY THAT LESSEE IS SEEKING RENT RELIEF FROM ALL LANDLORDS OF LESSEE AT AIRPORTS IN ARIZONA, IF ANY. UPON REQUEST OF CITY, LEESSEE WILL PROVIDE CITY WITH INFORMATION AS TO RENT RELIEF BEING PROVIDED.

All other terms and conditions of the Lease remain unchanged.

LESSEE: Flagstaff Medical Center, DBA
Guardian Air

By: _____
Title: _____
Its authorized representative

LESSOR: CITY OF FLAGSTAFF

By: _____
Coral Evans, Mayor

Attest:

By: _____
Stacy Saltzburg, City Clerk

Approved as to form:

By: _____
City Attorney's Office

RENTAL CAR/CONCESSION LEASE AGREEMENT

AMENDMENT NO. 3
(COVID-19 Rent Abatement)

This Amendment No. 3 is entered into this _____ day of _____, 2020 by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City") and The Hertz Corporation, a New Jersey corporation ("Lessee"), to amend the Rental Car Concession/Lease Agreement dated February 1, 2011, as previously amended by Amendment No. 1 dated April 18, 2014, and Amendment No. 2 dated May 30, 2017 (hereafter "the Lease").

WHEREAS, on January 31, 2020 U.S. Secretary of Health and Human Services declared a public health emergency as a result of the COVID-19 flu pandemic; on March 11, 2020 Arizona Government Douglas Ducey declared a state public health emergency, and on March 15, 2020 Flagstaff Mayor Coral Evans declared a local public health emergency; and

WHEREAS, since April 2020 airline passenger traffic through the Flagstaff Pulliam Airport has practically ceased due to the COVID-19 flu pandemic, causing an associated decline in flight revenues; and

WHEREAS, on April 4, 2020 the Federal Aviation Administration ("FAA") issued "Information for airport sponsors considering COVID-19 restrictions or accommodations" which states that "a decision to abate rent…is a local decision" and provides guidance for any abatement; and

WHEREAS, Lessee has requested and City desires to provide financial relief to the Lessee to help continue airport related operations to the extent feasible at the Flagstaff Pulliam Airport.

For valid consideration, the receipt of which is hereby acknowledged, the parties agree that the Lease is hereby amended to read as follows (additions shown as capitalized text, and deletions shown as stricken).

ARTICLE IV - RENTS is amended by adding the following text (additions are shown as capitalized, underlined text, deletions are shown as stricken):

H. RENT ABATEMENT.

1. DUE TO THE COVID-19 FLU PANDEMIC, FIXED RENT (AS DEFINED IN SECTION IV.A OF THE RENTAL CAR CONCESSION/LEASE AGREEMENT) AND MINIMUM ANNUAL GUARANTEE (AS DEFINED IN SECTION IV.B.2 OF THE RENTAL CAR CONCESSION/LEASE AGREEMENT) SHALL BE ABATED COMMENCING APRIL 1, 2020 AND CONTINUING THROUGH SEPTEMBER 30, 2020 ('"ABATEMENT PERIOD"), AND NO RENT, LATE PENALTY OR INTEREST SHALL BE OWED OR PAYABLE FOR THIS PERIOD; PROVIDED, HOWEVER:

   (a) IN THE EVENT LESSEE RECEIVES OTHER GOVERNMENTAL RELIEF OR INSURANCE RECOVERY RELATED TO THE COVID-19 PANDEMIC, LESSEE SHALL PROMPTLY NOTIFY CITY;

   (b) IN THE EVENT LESSEE BECOMES INSOLVENT, OR IS NAMED AS THE DEBTOR IN A VOLUNTARY OR INVOLUNTARY BANKRUPTCY PROCEEDING THIS SECTION H

OF ARTICLE IV IS VOID AND RENT WILL RESUME UNDER ARTICLE IV ON THE FIRST DAY OF THE FOLLOWING MONTH;

(c) LESSEE SHALL CONTINUE TO OFFER RENTAL CARS TO THE TRAVELING PUBLIC TO AND FROM THE FLAGSTAFF PULLIAM AIRPORT DURING THE ABATEMENT PERIOD;

(d) LESSEE SHALL CONTINUE TO MAKE CONCESSION FEE PAYMENTS AS REQUIRED UNDER SECTION IV.B.1

2. MUTUAL WARRANTIES.

EACH PARTY CONFIRMS AND WARRANTS, WITHOUT INVESTIGATION, TO THE OTHER PARTY:

- RENT RELIEF IS NECESSARY DUE TO CHANGED CIRCUMSTANCES CAUSED BY THE PUBLIC HEALTH EMERGENCY;
- IN THE EVENT RENT RELIEF WILL HAVE THE EFFECT OF SHIFTING COSTS BETWEEN AIRPORT TENANTS AND USERS, THE PARTIES WILL MEET TO DISCUSS THE EQUITIES, ENDEAVOR TO REACH A CONSENSUS BETWEEN ALL AIRPORT USERS AND ADJUST RENT OBLIGATIONS ACCORDINGLY;
- THERE IS A REASONABLE BASIS FOR RENT RELIEF BECAUSE UNDERLYING AIRLINE PASSENGER VOLUMES AND, THUS, REVENUES THAT ARE A BASIS FOR THE CURRENT RENT HAVE SIGNIFICANTLY DECLINED.

EACH PARTY UNDERSTANDS THAT THE RENT RELIEF PROVIDED HEREIN MUST NOT HAVE THE AFFECT OF CAUSING ANY VIOLATION OF THE GRANT ASSURANCES 22 AND 24 (AS WELL AS RELATED STATUTES) AND EACH PARTY AGREES THAT IF THE RENT RELIEF CONTEMPLATED IN THIS AGREEMENT DOES VIOLOATE GRANT ASSURANCES 22 AND/OR 24 THAT THE PARTIES SHALL MEET TO DISCUSS HOW TO RESOLVE THE VIOLATION.

IN ADDITION, LESSEE WARRANTS TO CITY THAT LESSEE IS SEEKING RENT RELIEF FROM ALL LANDLORDS OF LESSEE LEASES LOCATED WITHIN TWO (2) MILES OF AIRPORTS IN ARIZONA, AND UPON REQUEST OF CITY, LESSEE WILL PROVIDE CITY WITH INFORMATION AS TO RENT RELIEF BEING PROVIDED.

All other terms and conditions of the Lease shall remain in full force and effect.

LESSSEE: The Hertz Corporation

By:_____

Title:_____
Its authorized representative

LESSOR: CITY OF FLAGSTAFF

By:_____
Mayor Coral Evans

Attest:

By: _____
Stacy Saltzburg, City Clerk

Approved as to form:

By: _____
City Attorney's Office

AIRPORT LEASE AGREEMENT

AMENDMENT
(COVID-19 Rent Relief)

This Amendment is entered into this _____ day of _____, 2020 by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City"), and F.W. and Pulliam L.L.C., an Arizona limited liability company ("Lessee"), to amend the Lease Agreement dated _____ (hereafter "the Lease").

WHEREAS, on January 31, 2020 the U.S. Secretary of Health and Human Services declared a public health emergency as a result of the COVID-19 flu pandemic; on March 11, 2020 Arizona Governor Douglas Ducey declared a state public health emergency; and on March 15, 2020 Flagstaff Mayor Coral Evans declared a local public health emergency;

WHEREAS, since April 2020 airline passenger traffic through the Flagstaff Pulliam Airport has practically ceased due to the COVID-19 flu pandemic, and causing an associated decline in flight revenues;

WHEREAS, on April 4, 2020 the Federal Aviation Administration ("FAA") issued "Information for airport sponsors considering COVID-19 restrictions or accommodations" states that "a decision to abate rent… is a local decision" and provides guidance for any abatement;

WHEREAS, the City desires to provide financial relief to the Lessee to help continue airport related operations to the extent feasible at the Flagstaff Pulliam Airport;

For valid consideration, the receipt of which is hereby acknowledged, the parties agree that the Lease is hereby amended to read as follows (additions shown as capitalized text, and deletions shown as stricken).

ARTICLE II. GENERAL TERMS OF LEASE OF PROPERTY is amended by adding the following text (additions are shown as capitalized, underlined text, deletions are shown as stricken):

Section 2.2 Rental.

(D) PAYMENT ABATEMENT

I. DUE TO THE COVID-19 FLU PANDEMIC, THE RENTAL PAYMENT (AS DEFINED IN SECTION 3.7.1 OF THE LEASE) SHALL BE ABATED COMMENCING APRIL 1, 2020 AND CONTINUING THROUGH SEPTEMBER 30, 2020 ('"ABATEMENT PERIOD"), AND NO PAYMENT, LATE PENALTY OR INTEREST SHALL BE OWED OR PAYABLE FOR THIS PERIOD; PROVIDED, HOWEVER:

A. IN THE EVENT LESSEE RECEIVES OTHER GOVERNMENTAL RELIEF OR INSURANCE RECOVERY RELATED TO THE COVID-19 PANDEMIC, LICENSEE SHALL PROMPTLY NOTIFY CITY;

B. IN THE EVENT LESSEE BECOMES INSOLVENT, OR IS NAMED AS THE DEBTOR IN A VOLUNTARY OR INVOLUNTARY BANKRUPTCY PROCEEDING,

THIS SECTION IS VOID AND PAYMENT WILL RESUME ON THE FIRST DAY OF THE FOLLOWING MONTH;

C. LESSEE SHALL APPLY 100% OF THE RENTAL PAYMENT ABATEMENT SAVINGS TO REDUCE RENT OWED TO LESSEE BY ITS SUBLESSEE(S) FOR LEASE OF THE PROPERTY DURING THE ABATEMENT PERIOD, AND PROVIDE DOCUMENTATION OF THIS TO THE CITY.

II. MUTUAL WARRANTIES.

EACH PARTY CONFIRMS AND WARRANTS, WITHOUT INVESTIGATION, TO THE OTHER PARTY:

- PAYMENT RELIEF IS NECESSARY DUE TO CHANGED CIRCUMSTANCES CAUSED BY THE PUBLIC HEALTH EMERGENCY;
- IN THE EVENT PAYMENT RELIEF WILL HAVE THE EFFECT OF SHIFTING COSTS BETWEEN AIRPORT TENANTS AND USERS, THE PARTIES WILL MEET TO DISCUSS THE EQUITIES, ENDEAVOR TO REACH A CONSENSUS BETWEEN ALL AIRPORT USERS AND ADJUST PAYMENT OBLIGATIONS ACCORDINGLY;
- THERE IS A REASONABLE BASIS FOR PAYMENT RELIEF BECAUSE UNDERLYING AIRLINE PASSENGER VOLUMES AND, THUS, REVENUES THAT ARE A BASIS FOR THE CURRENT PAYMENT HAVE SIGNIFICANTLY DECLINED.

EACH PARTY UNDERSTANDS THAT THE PAYMENT RELIEF PROVIDED HEREIN MUST NOT HAVE THE AFFECT OF CAUSING ANY VIOLATION OF THE GRANT ASSURANCES 22 AND 24 (AS WELL AS RELATED STATUTES) AND EACH PARTY AGREES THAT IF THE PAYMENT RELIEF CONTEMPLATED IN THIS AGREEMENT DOES VIOLOATE GRANT ASSURANCES 22 AND/OR 24 THAT THE PARTIES SHALL MEET TO DISCUSS HOW TO RESOLVE THE VIOLATION.

All other terms and conditions of the Lease shall remain in full force and effect.

By: Pulliam LLC

Title:_____
Its authorized representative

CITY OF FLAGSTAFF

By:_____
Mayor Coral Evans

Attest:

By: _____

Stacy Saltzburg, City Clerk

Approved as to form:

By:_____
City Attorney's Office

AIRPORT LEASE AGREEMENT

AMENDMENT
(COVID-19 Rent Relief)

This Amendment is entered into this _____ day of _____, 2020 by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City"), and Pulliam II, L.L.C., an Arizona limited liability company ("Lessee"), to amend the Lease Agreement dated January 9, 2003 and previously amended by the First Amendment to Lease Agreement dated June 16, 2005 (hereafter "the Lease").

WHEREAS, on January 31, 2020 the U.S. Secretary of Health and Human Services declared a public health emergency as a result of the COVID-19 flu pandemic; on March 11, 2020 Arizona Governor Douglas Ducey declared a state public health emergency; and on March 15, 2020 Flagstaff Mayor Coral Evans declared a local public health emergency;

WHEREAS, since April 2020 airline passenger traffic through the Flagstaff Pulliam Airport has practically ceased due to the COVID-19 flu pandemic, and causing an associated decline in flight revenues;

WHEREAS, on April 4, 2020 the Federal Aviation Administration ("FAA") issued "Information for airport sponsors considering COVID-19 restrictions or accommodations" states that "a decision to abate rent… is a local decision" and provides guidance for any abatement;

WHEREAS, the City desires to provide financial relief to the Lessee to help continue airport related operations to the extent feasible at the Flagstaff Pulliam Airport;

For valid consideration, the receipt of which is hereby acknowledged, the parties agree that the Lease is hereby amended to read as follows (additions shown as capitalized text, and deletions shown as stricken).

ARTICLE II. GENERAL TERMS OF LEASE OF PROPERTY is amended by adding the following text (additions are shown as capitalized, underlined text, deletions are shown as stricken):

Section 2.2 Rental.

(E) PAYMENT ABATEMENT

I. DUE TO THE COVID-19 FLU PANDEMIC, THE RENTAL PAYMENT (AS DEFINED IN SECTION 2.2 OF THE LEASE) SHALL BE ABATED COMMENCING APRIL 1, 2020 AND CONTINUING THROUGH SEPTEMBER 30, 2020 ('"ABATEMENT PERIOD"), AND NO PAYMENT, LATE PENALTY OR INTEREST SHALL BE OWED OR PAYABLE FOR THIS PERIOD; PROVIDED, HOWEVER:

A. IN THE EVENT LESSEE RECEIVES OTHER GOVERNMENTAL RELIEF OR INSURANCE RECOVERY RELATED TO THE COVID-19 PANDEMIC, LICENSEE SHALL PROMPTLY NOTIFY CITY;

B. IN THE EVENT LESSEE BECOMES INSOLVENT, OR IS NAMED AS THE DEBTOR IN A VOLUNTARY OR INVOLUNTARY BANKRUPTCY PROCEEDING,

THIS SECTION IS VOID AND PAYMENT WILL RESUME ON THE FIRST DAY OF THE FOLLOWING MONTH;

C. LESSEE SHALL APPLY 100% OF THE RENTAL PAYMENT ABATEMENT SAVINGS TO REDUCE RENT OWED TO LESSEE BY ITS SUBLESSEE(S) FOR LEASE OF THE PROPERTY DURING THE ABATEMENT PERIOD, AND PROVIDE DOCUMENTATION OF THIS TO THE CITY.

II. MUTUAL WARRANTIES.

EACH PARTY CONFIRMS AND WARRANTS, WITHOUT INVESTIGATION, TO THE OTHER PARTY:

- PAYMENT RELIEF IS NECESSARY DUE TO CHANGED CIRCUMSTANCES CAUSED BY THE PUBLIC HEALTH EMERGENCY;
- IN THE EVENT PAYMENT RELIEF WILL HAVE THE EFFECT OF SHIFTING COSTS BETWEEN AIRPORT TENANTS AND USERS, THE PARTIES WILL MEET TO DISCUSS THE EQUITIES, ENDEAVOR TO REACH A CONSENSUS BETWEEN ALL AIRPORT USERS AND ADJUST PAYMENT OBLIGATIONS ACCORDINGLY;
- THERE IS A REASONABLE BASIS FOR PAYMENT RELIEF BECAUSE UNDERLYING AIRLINE PASSENGER VOLUMES AND, THUS, REVENUES THAT ARE A BASIS FOR THE CURRENT PAYMENT HAVE SIGNIFICANTLY DECLINED.

EACH PARTY UNDERSTANDS THAT THE PAYMENT RELIEF PROVIDED HEREIN MUST NOT HAVE THE AFFECT OF CAUSING ANY VIOLATION OF THE GRANT ASSURANCES 22 AND 24 (AS WELL AS RELATED STATUTES) AND EACH PARTY AGREES THAT IF THE PAYMENT RELIEF CONTEMPLATED IN THIS AGREEMENT DOES VIOLOATE GRANT ASSURANCES 22 AND/OR 24 THAT THE PARTIES SHALL MEET TO DISCUSS HOW TO RESOLVE THE VIOLATION.

All other terms and conditions of the Lease shall remain in full force and effect.

By: Pulliam II, LLC

Title:_____
Its authorized representative

CITY OF FLAGSTAFF

By:_____
Mayor Coral Evans

Attest:

By: _____

Stacy Saltzburg, City Clerk

Approved as to form:

By:_____
City Attorney's Office

AIRPORT LEASE AGREEMENT

AMENDMENT
(COVID-19 Rent Relief)

This Amendment is entered into this _____ day of _____, 2020 by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City"), and Pulliam III, L.L.C., an Arizona limited liability company ("Lessee"), to amend the Lease Agreement dated July 12, 2005 and previously amended by the First Amendment to Lease Agreement dated October 5, 2007 (hereafter "the Lease").

WHEREAS, on January 31, 2020 the U.S. Secretary of Health and Human Services declared a public health emergency as a result of the COVID-19 flu pandemic; on March 11, 2020 Arizona Governor Douglas Ducey declared a state public health emergency; and on March 15, 2020 Flagstaff Mayor Coral Evans declared a local public health emergency;

WHEREAS, since April 2020 airline passenger traffic through the Flagstaff Pulliam Airport has practically ceased due to the COVID-19 flu pandemic, and causing an associated decline in flight revenues;

WHEREAS, on April 4, 2020 the Federal Aviation Administration ("FAA") issued "Information for airport sponsors considering COVID-19 restrictions or accommodations" states that "a decision to abate rent… is a local decision" and provides guidance for any abatement;

WHEREAS, the City desires to provide financial relief to the Lessee to help continue airport related operations to the extent feasible at the Flagstaff Pulliam Airport;

For valid consideration, the receipt of which is hereby acknowledged, the parties agree that the Lease is hereby amended to read as follows (additions shown as capitalized text, and deletions shown as stricken).

ARTICLE II. GENERAL TERMS OF LEASE OF PROPERTY is amended by adding the following text (additions are shown as capitalized, underlined text, deletions are shown as stricken):

Section 2.2 Rental.

(E) PAYMENT ABATEMENT

I. DUE TO THE COVID-19 FLU PANDEMIC, THE RENTAL PAYMENT (AS DEFINED IN SECTION 2.2 OF THE LEASE) SHALL BE ABATED COMMENCING APRIL 1, 2020 AND CONTINUING THROUGH SEPTEMBER 30, 2020 ('"ABATEMENT PERIOD"), AND NO PAYMENT, LATE PENALTY OR INTEREST SHALL BE OWED OR PAYABLE FOR THIS PERIOD; PROVIDED, HOWEVER:

A. IN THE EVENT LESSEE RECEIVES OTHER GOVERNMENTAL RELIEF OR INSURANCE RECOVERY RELATED TO THE COVID-19 PANDEMIC, LICENSEE SHALL PROMPTLY NOTIFY CITY;

B. IN THE EVENT LESSEE BECOMES INSOLVENT, OR IS NAMED AS THE DEBTOR IN A VOLUNTARY OR INVOLUNTARY BANKRUPTCY PROCEEDING,

THIS SECTION IS VOID AND PAYMENT WILL RESUME ON THE FIRST DAY OF THE FOLLOWING MONTH;

C. LESSEE SHALL APPLY 100% OF THE RENTAL PAYMENT ABATEMENT SAVINGS TO REDUCE RENT OWED TO LESSEE BY ITS SUBLESSEE(S) FOR LEASE OF THE PROPERTY DURING THE ABATEMENT PERIOD, AND PROVIDE DOCUMENTATION OF THIS TO THE CITY.

II. MUTUAL WARRANTIES.

EACH PARTY CONFIRMS AND WARRANTS, WITHOUT INVESTIGATION, TO THE OTHER PARTY:

- PAYMENT RELIEF IS NECESSARY DUE TO CHANGED CIRCUMSTANCES CAUSED BY THE PUBLIC HEALTH EMERGENCY;
- IN THE EVENT PAYMENT RELIEF WILL HAVE THE EFFECT OF SHIFTING COSTS BETWEEN AIRPORT TENANTS AND USERS, THE PARTIES WILL MEET TO DISCUSS THE EQUITIES, ENDEAVOR TO REACH A CONSENSUS BETWEEN ALL AIRPORT USERS AND ADJUST PAYMENT OBLIGATIONS ACCORDINGLY;
- THERE IS A REASONABLE BASIS FOR PAYMENT RELIEF BECAUSE UNDERLYING AIRLINE PASSENGER VOLUMES AND, THUS, REVENUES THAT ARE A BASIS FOR THE CURRENT PAYMENT HAVE SIGNIFICANTLY DECLINED.

EACH PARTY UNDERSTANDS THAT THE PAYMENT RELIEF PROVIDED HEREIN MUST NOT HAVE THE AFFECT OF CAUSING ANY VIOLATION OF THE GRANT ASSURANCES 22 AND 24 (AS WELL AS RELATED STATUTES) AND EACH PARTY AGREES THAT IF THE PAYMENT RELIEF CONTEMPLATED IN THIS AGREEMENT DOES VIOLOATE GRANT ASSURANCES 22 AND/OR 24 THAT THE PARTIES SHALL MEET TO DISCUSS HOW TO RESOLVE THE VIOLATION.

All other terms and conditions of the Lease shall remain in full force and effect.

By: Pulliam III, LLC

Title:_____
Its authorized representative

CITY OF FLAGSTAFF

By:_____
Mayor Coral Evans

Attest:

By: _____

Stacy Saltzburg, City Clerk

Approved as to form:

By:_____
City Attorney's Office

AIRPORT LEASE AGREEMENT

AMENDMENT
(COVID-19 Rent Relief)

This Amendment is entered into this _____ day of _____, 2020 by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City"), and Pulliam V, L.L.C., an Arizona limited liability company ("Lessee"), to amend the Lease Agreement dated April 30, 2017 (hereafter "the Lease").

WHEREAS, on January 31, 2020 the U.S. Secretary of Health and Human Services declared a public health emergency as a result of the COVID-19 flu pandemic; on March 11, 2020 Arizona Governor Douglas Ducey declared a state public health emergency; and on March 15, 2020 Flagstaff Mayor Coral Evans declared a local public health emergency;

WHEREAS, since April 2020 airline passenger traffic through the Flagstaff Pulliam Airport has practically ceased due to the COVID-19 flu pandemic, and causing an associated decline in flight revenues;

WHEREAS, on April 4, 2020 the Federal Aviation Administration ("FAA") issued "Information for airport sponsors considering COVID-19 restrictions or accommodations" states that "a decision to abate rent… is a local decision" and provides guidance for any abatement;

WHEREAS, the City desires to provide financial relief to the Lessee to help continue airport related operations to the extent feasible at the Flagstaff Pulliam Airport;

For valid consideration, the receipt of which is hereby acknowledged, the parties agree that the Lease is hereby amended to read as follows (additions shown as capitalized text, and deletions shown as stricken).

ARTICLE II. GENERAL TERMS OF LEASE OF PROPERTY is amended by adding the following text (additions are shown as capitalized, underlined text, deletions are shown as stricken):

Section 2.2 Rental.

(E) PAYMENT ABATEMENT

I. DUE TO THE COVID-19 FLU PANDEMIC, THE RENTAL PAYMENT (AS DEFINED IN SECTION 2.2 OF THE LEASE) SHALL BE ABATED COMMENCING APRIL 1, 2020 AND CONTINUING THROUGH SEPTEMBER 30, 2020 ('"ABATEMENT PERIOD"), AND NO PAYMENT, LATE PENALTY OR INTEREST SHALL BE OWED OR PAYABLE FOR THIS PERIOD; PROVIDED, HOWEVER:

A. IN THE EVENT LESSEE RECEIVES OTHER GOVERNMENTAL RELIEF OR INSURANCE RECOVERY RELATED TO THE COVID-19 PANDEMIC, LICENSEE SHALL PROMPTLY NOTIFY CITY;

B. IN THE EVENT LESSEE BECOMES INSOLVENT, OR IS NAMED AS THE DEBTOR IN A VOLUNTARY OR INVOLUNTARY BANKRUPTCY PROCEEDING,

THIS SECTION IS VOID AND PAYMENT WILL RESUME ON THE FIRST DAY OF THE FOLLOWING MONTH;

C. LESSEE SHALL APPLY 100% OF THE RENTAL PAYMENT ABATEMENT SAVINGS TO REDUCE RENT OWED TO LESSEE BY ITS SUBLESSEE(S) FOR LEASE OF THE PROPERTY DURING THE ABATEMENT PERIOD, AND PROVIDE DOCUMENTATION OF THIS TO THE CITY.

II. MUTUAL WARRANTIES.

EACH PARTY CONFIRMS AND WARRANTS, WITHOUT INVESTIGATION, TO THE OTHER PARTY:

- PAYMENT RELIEF IS NECESSARY DUE TO CHANGED CIRCUMSTANCES CAUSED BY THE PUBLIC HEALTH EMERGENCY;
- IN THE EVENT PAYMENT RELIEF WILL HAVE THE EFFECT OF SHIFTING COSTS BETWEEN AIRPORT TENANTS AND USERS, THE PARTIES WILL MEET TO DISCUSS THE EQUITIES, ENDEAVOR TO REACH A CONSENSUS BETWEEN ALL AIRPORT USERS AND ADJUST PAYMENT OBLIGATIONS ACCORDINGLY;
- THERE IS A REASONABLE BASIS FOR PAYMENT RELIEF BECAUSE UNDERLYING AIRLINE PASSENGER VOLUMES AND, THUS, REVENUES THAT ARE A BASIS FOR THE CURRENT PAYMENT HAVE SIGNIFICANTLY DECLINED.

EACH PARTY UNDERSTANDS THAT THE PAYMENT RELIEF PROVIDED HEREIN MUST NOT HAVE THE AFFECT OF CAUSING ANY VIOLATION OF THE GRANT ASSURANCES 22 AND 24 (AS WELL AS RELATED STATUTES) AND EACH PARTY AGREES THAT IF THE PAYMENT RELIEF CONTEMPLATED IN THIS AGREEMENT DOES VIOLOATE GRANT ASSURANCES 22 AND/OR 24 THAT THE PARTIES SHALL MEET TO DISCUSS HOW TO RESOLVE THE VIOLATION.

All other terms and conditions of the Lease shall remain in full force and effect.

By: Pulliam V, LLC

Title:_____
Its authorized representative

CITY OF FLAGSTAFF

By:_____
Mayor Coral Evans

Attest:

By: _____

Stacy Saltzburg, City Clerk

Approved as to form:

By:_____
City Attorney's Office

AIRPORT LEASE AGREEMENT

AMENDMENT
(COVID-19 Rent Relief)

This Amendment is entered into this _____ day of _____, 2020 by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City"), and Pulliam III, L.L.C., an Arizona limited liability company ("Lessee"), to amend the Lease Agreement dated July 12, 2005 and previously amended by the First Amendment to Lease Agreement dated October 5, 2007 (hereafter "the Lease").

WHEREAS, on January 31, 2020 the U.S. Secretary of Health and Human Services declared a public health emergency as a result of the COVID-19 flu pandemic; on March 11, 2020 Arizona Governor Douglas Ducey declared a state public health emergency; and on March 15, 2020 Flagstaff Mayor Coral Evans declared a local public health emergency;

WHEREAS, since April 2020 airline passenger traffic through the Flagstaff Pulliam Airport has practically ceased due to the COVID-19 flu pandemic, and causing an associated decline in flight revenues;

WHEREAS, on April 4, 2020 the Federal Aviation Administration ("FAA") issued "Information for airport sponsors considering COVID-19 restrictions or accommodations" states that "a decision to abate rent… is a local decision" and provides guidance for any abatement;

WHEREAS, the City desires to provide financial relief to the Lessee to help continue airport related operations to the extent feasible at the Flagstaff Pulliam Airport;

For valid consideration, the receipt of which is hereby acknowledged, the parties agree that the Lease is hereby amended to read as follows (additions shown as capitalized text, and deletions shown as stricken).

ARTICLE II. GENERAL TERMS OF LEASE OF PROPERTY is amended by adding the following text (additions are shown as capitalized, underlined text, deletions are shown as stricken):

Section 2.2 Rental.

(E) PAYMENT ABATEMENT

I. DUE TO THE COVID-19 FLU PANDEMIC, THE RENTAL PAYMENT (AS DEFINED IN SECTION 2.2 OF THE LEASE) SHALL BE ABATED COMMENCING APRIL 1, 2020 AND CONTINUING THROUGH SEPTEMBER 30, 2020 ('"ABATEMENT PERIOD"), AND NO PAYMENT, LATE PENALTY OR INTEREST SHALL BE OWED OR PAYABLE FOR THIS PERIOD; PROVIDED, HOWEVER:

A. IN THE EVENT LESSEE RECEIVES OTHER GOVERNMENTAL RELIEF OR INSURANCE RECOVERY RELATED TO THE COVID-19 PANDEMIC, LICENSEE SHALL PROMPTLY NOTIFY CITY;

B. IN THE EVENT LESSEE BECOMES INSOLVENT, OR IS NAMED AS THE DEBTOR IN A VOLUNTARY OR INVOLUNTARY BANKRUPTCY PROCEEDING,

THIS SECTION IS VOID AND PAYMENT WILL RESUME ON THE FIRST DAY OF THE FOLLOWING MONTH;

C. LESSEE SHALL APPLY 100% OF THE RENTAL PAYMENT ABATEMENT SAVINGS TO REDUCE RENT OWED TO LESSEE BY ITS SUBLESSEE(S) FOR LEASE OF THE PROPERTY DURING THE ABATEMENT PERIOD, AND PROVIDE DOCUMENTATION OF THIS TO THE CITY.

II. MUTUAL WARRANTIES.

EACH PARTY CONFIRMS AND WARRANTS, WITHOUT INVESTIGATION, TO THE OTHER PARTY:

- PAYMENT RELIEF IS NECESSARY DUE TO CHANGED CIRCUMSTANCES CAUSED BY THE PUBLIC HEALTH EMERGENCY;
- IN THE EVENT PAYMENT RELIEF WILL HAVE THE EFFECT OF SHIFTING COSTS BETWEEN AIRPORT TENANTS AND USERS, THE PARTIES WILL MEET TO DISCUSS THE EQUITIES, ENDEAVOR TO REACH A CONSENSUS BETWEEN ALL AIRPORT USERS AND ADJUST PAYMENT OBLIGATIONS ACCORDINGLY;
- THERE IS A REASONABLE BASIS FOR PAYMENT RELIEF BECAUSE UNDERLYING AIRLINE PASSENGER VOLUMES AND, THUS, REVENUES THAT ARE A BASIS FOR THE CURRENT PAYMENT HAVE SIGNIFICANTLY DECLINED.

EACH PARTY UNDERSTANDS THAT THE PAYMENT RELIEF PROVIDED HEREIN MUST NOT HAVE THE AFFECT OF CAUSING ANY VIOLATION OF THE GRANT ASSURANCES 22 AND 24 (AS WELL AS RELATED STATUTES) AND EACH PARTY AGREES THAT IF THE PAYMENT RELIEF CONTEMPLATED IN THIS AGREEMENT DOES VIOLOATE GRANT ASSURANCES 22 AND/OR 24 THAT THE PARTIES SHALL MEET TO DISCUSS HOW TO RESOLVE THE VIOLATION.

All other terms and conditions of the Lease shall remain in full force and effect.

By: Pulliam IV, LLC

Title:_____
Its authorized representative

CITY OF FLAGSTAFF

By:_____
Mayor Coral Evans

Attest:

By: _____
Stacy Saltzburg, City Clerk

Approved as to form:

By:_____
City Attorney's Office

AIRPORT GROUND LEASE

AMENDMENT
(COVID-19 Rent Relief)

This Amendment is entered into this _____ day of _____, 2020 by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City"), and F.W. and Dorothy Thompson ("Lessee"), to amend the Ground Lease dated November 21, 2008 (hereafter "the Lease").

WHEREAS, on January 31, 2020 the U.S. Secretary of Health and Human Services declared a public health emergency as a result of the COVID-19 flu pandemic; on March 11, 2020 Arizona Governor Douglas Ducey declared a state public health emergency; and on March 15, 2020 Flagstaff Mayor Coral Evans declared a local public health emergency;

WHEREAS, since April 2020 airline passenger traffic through the Flagstaff Pulliam Airport has practically ceased due to the COVID-19 flu pandemic, and causing an associated decline in flight revenues;

WHEREAS, on April 4, 2020 the Federal Aviation Administration ("FAA") issued "Information for airport sponsors considering COVID-19 restrictions or accommodations" states that "a decision to abate rent… is a local decision" and provides guidance for any abatement;

WHEREAS, the City desires to provide financial relief to the Lessee to help continue airport related operations to the extent feasible at the Flagstaff Pulliam Airport;

For valid consideration, the receipt of which is hereby acknowledged, the parties agree that the Lease is hereby amended to read as follows (additions shown as capitalized text, and deletions shown as stricken).

ARTICLE III. GENERAL TERMS OF LEASE OF PREMISES is amended by adding the following text (additions are shown as capitalized, underlined text, deletions are shown as stricken):

3.7.5. PAYMENT ABATEMENT

A. DUE TO THE COVID-19 FLU PANDEMIC, THE RENTAL PAYMENT (AS DEFINED IN SECTION 3.7.1 OF THE LEASE) SHALL BE ABATED COMMENCING APRIL 1, 2020 AND CONTINUING THROUGH SEPTEMBER 30, 2020 ('"ABATEMENT PERIOD"), AND NO PAYMENT, LATE PENALTY OR INTEREST SHALL BE OWED OR PAYABLE FOR THIS PERIOD; PROVIDED, HOWEVER:

   (a) IN THE EVENT LESSEE RECEIVES OTHER GOVERNMENTAL RELIEF OR INSURANCE RECOVERY RELATED TO THE COVID-19 PANDEMIC, LICENSEE SHALL PROMPTLY NOTIFY CITY;

   (b) IN THE EVENT LESSEE BECOMES INSOLVENT, OR IS NAMED AS THE DEBTOR IN A VOLUNTARY OR INVOLUNTARY BANKRUPTCY PROCEEDING, THIS SECTION IS VOID AND PAYMENT WILL RESUME ON THE FIRST DAY OF THE FOLLOWING MONTH;

B. MUTUAL WARRANTIES.

EACH PARTY CONFIRMS AND WARRANTS, WITHOUT INVESTIGATION, TO THE OTHER PARTY:

- PAYMENT RELIEF IS NECESSARY DUE TO CHANGED CIRCUMSTANCES CAUSED BY THE PUBLIC HEALTH EMERGENCY;
- IN THE EVENT PAYMENT RELIEF WILL HAVE THE EFFECT OF SHIFTING COSTS BETWEEN AIRPORT TENANTS AND USERS, THE PARTIES WILL MEET TO DISCUSS THE EQUITIES, ENDEAVOR TO REACH A CONSENSUS BETWEEN ALL AIRPORT USERS AND ADJUST PAYMENT OBLIGATIONS ACCORDINGLY;
- THERE IS A REASONABLE BASIS FOR PAYMENT RELIEF BECAUSE UNDERLYING AIRLINE PASSENGER VOLUMES AND, THUS, REVENUES THAT ARE A BASIS FOR THE CURRENT PAYMENT HAVE SIGNIFICANTLY DECLINED.

EACH PARTY UNDERSTANDS THAT THE PAYMENT RELIEF PROVIDED HEREIN MUST NOT HAVE THE AFFECT OF CAUSING ANY VIOLATION OF THE GRANT ASSURANCES 22 AND 24 (AS WELL AS RELATED STATUTES) AND EACH PARTY AGREES THAT IF THE PAYMENT RELIEF CONTEMPLATED IN THIS AGREEMENT DOES VIOLOATE GRANT ASSURANCES 22 AND/OR 24 THAT THE PARTIES SHALL MEET TO DISCUSS HOW TO RESOLVE THE VIOLATION.

All other terms and conditions of the Lease shall remain in full force and effect.

F.W. and Dorothy Tompson

By:_____

Title:_____
Its authorized representative

CITY OF FLAGSTAFF

By:_____
Mayor Coral Evans

Attest:

By: _____
Stacy Saltzburg, City Clerk

Approved as to form:

By:_____

City Attorney’s Office

PULLIAM AIRPORT LEASE AGREEMENT

AMENDMENT NO. 1
(COVID-19 Rent and Fee Relief)

This Amendment No. 1 is entered into this _____ day of _____, 2020 by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City") and United Airlines, Inc., an Illinois corporation ("Airline"), to amend the Pulliam Airport Lease Agreement dated March 31, 2019 ("the Lease").

WHEREAS, on January 31, 2020 U.S. Secretary of Health and Human Services declared a public health emergency as a result of the COVID-19 flu pandemic; on March 11, 2020 Arizona Government Douglas Ducey declared a state public health emergency, and on March 15, 2020 Flagstaff Mayor Coral Evans declared a local public health emergency; and

WHEREAS, since April 2020 airline passenger traffic through the Flagstaff Pulliam Airport has practically ceased due to the COVID-19 flu pandemic, causing an associated decline in flight revenues; and

WHEREAS, on April 4, 2020, the Federal Aviation Administration ("FAA") issued "Information for airport sponsors considering COVID-19 restrictions or accommodations" which states that "a decision to abate rent…is a local decision" and provides guidance for any abatement; and

WHEREAS, Airline has requested and City desires to provide financial relief to the Airline to help continue airport related operations to serve the traveling public at the Flagstaff Pulliam Airport;

For valid consideration, the receipt of which is hereby acknowledged, the parties agree that the Lease is hereby amended to read as follows (additions shown as capitalized text, and deletions shown as stricken).

Article 6. Rents, Fees and Utilities is amended by adding the following text (additions are shown as capitalized, underlined text, deletions are shown as stricken): the following:

6.07 RENTAL AMOUNT. STORAGE, AND LANDING FEES ABATEMENT. DUE TO THE COVID-19 FLU PANDEMIC, COMMENCING APRIL 1, 2020 AND CONTINUING THROUGH SEPTEMBER 30, 2020 ("ABATEMENT PERIOD"), NO RENTAL AMOUNT, STORAGE FEE, LANDING FEE (AS DEFINED IN SECTIONS 6.01, 6.01.1, AND 6.02 RESPECTIVELY), NOR LATE PENALTY OR INTEREST SHALL BE OWED OR PAYABLE; PROVIDED, HOWEVER:

(a) IN THE EVENT AIRLINE RECEIVES OTHER GOVERNMENTAL RELIEF OR INSURANCE RECOVERY RELATED TO THE COVID-19 PANDEMIC, AIRLINE SHALL PROMPTLY NOTIFY CITY.

(b) IN THE EVENT AIRLINE BECOMES INSOLVENT, OR IS NAMED AS THE DEBTOR IN A VOLUNTARY OR INVOLUNTARY BANKRUPTCY PROCEEDING, THIS SECTION 6.07 IS VOID AND ALL PAYMENTS SHALL RESUME UNDER ARTICLE 6 ON THE FIRST DAY OF THE FOLLOWING MONTH.

(c) AIRLINE SHALL CONTINUE TO OFFER FLIGHTS TO THE TRAVELING PUBLIC TO AND FROM THE FLAGSTAFF PULLIAM AIRPORT DURING THE ABATEMENT PERIOD.

6.07.1 MUTUAL WARRANTIES. EACH PARTY CONFIRMS AND WARRANTS, WITHOUT INVESTIGATION, TO THE OTHER PARTY:

- RENT RELIEF IS NECESSARY DUE TO CHANGED CIRCUMSTANCES CAUSED BY THE PUBLIC HEALTH EMERGENCY;
- IN THE EVENT RENT RELIEF WILL HAVE THE EFFECT OF SHIFTING COSTS BETWEEN AIRPORT TENANTS AND USERS, THE PARTIES WILL MEET TO DISCUSS THE EQUITIES, ENDEAVOR TO REACH A CONSENSUS BETWEEN ALL AIRPORT USERS AND ADJUST RENT OBLIGATIONS ACCORDINGLY;
- THERE IS A REASONABLE BASIS FOR RENT RELIEF BECAUSE UNDERLYING AIRLINE PASSENGER VOLUMES AND, THUS, REVENUES THAT ARE A BASIS FOR THE CURRENT RENT HAVE SIGNIFICANTLY DECLINED.

EACH PARTY UNDERSTANDS THAT THE RENT RELIEF PROVIDED HEREIN MUST NOT HAVE THE AFFECT OF CAUSING ANY VIOLATION OF THE GRANT ASSURANCES 22 AND 24 (AS WELL AS RELATED STATUTES) AND EACH PARTY AGREES THAT IF THE RENT RELIEF CONTEMPLATED IN THIS AGREEMENT DOES VIOLOATE GRANT ASSURANCES 22 AND/OR 24 THAT THE PARTIES SHALL MEET TO DISCUSS HOW TO RESOLVE THE VIOLATION.

IN ADDITION, LESSEE WARRANTS TO CITY THAT LESSEE IS SEEKING RENT RELIEF FROM ALL LANDLORDS OF LESSEE LEASES LOCATED WITHIN TWO (2) MILES OF AIRPORTS IN ARIZONA, AND UPON REQUEST OF CITY, LESSEE WILL PROVIDE CITY WITH INFORMATION AS TO RENT RELIEF BEING PROVIDED.

All other terms and conditions of the Lease shall remain in full force and effect.

LESSEE: UNITED AIRLINES, INC.

By:_____

Title:_____
Its authorized representative

LESSOR: CITY OF FLAGSTAFF

By:_____
Mayor Coral Evans

Attest:

By: _____
Stacy Saltzburg, City Clerk

Approved as to form:

By:_____
City Attorney's Office

SECOND ADDENDUM TO THE AIRPORT LEASE AGREEMENT
(Fixed Base Operator – COVID-19 Rent Abatement)

This Second Addendum is entered into this _____ day of _____, 2020 by and between the CITY OF FLAGSTAFF, a municipal corporation organized and existing under the laws of the State of Arizona (the "City") and Wiseman Aviation, Inc., an Arizona corporation ("Lessee"), to the Airport Lease Agreement dated July 16, 1997, as amended by the First Addendum dated September 21, 2009, and as extended on April 1, 2017 through July 15, 2022 (hereafter "the Lease").

RECITALS:

WHEREAS, on January 31, 2020 U.S. Secretary of Health and Human Services declared a public health emergency as a result of the COVID-19 flu pandemic; on March 11, 2020 Arizona Government Douglas Ducey declared a state public health emergency, and on March 15, 2020 Flagstaff Mayor Coral Evans declared a local public health emergency;

WHEREAS, since April 2020 airline passenger traffic through the Flagstaff Pulliam Airport has practically ceased due to the COVID-19 flu pandemic, causing an associated decline in flight revenues; and

WHEREAS, on April 4, 2020 the Federal Aviation Administration ("FAA") issued "Information for airport sponsors considering COVID-19 restrictions or accommodations" which states that "a decision to abate rent…is a local decision" and provides guidance for any abatement; and

WHEREAS, Lessee has requested and City desires to provide financial relief to the Lessee to help preserve continued airport related operations to the extent feasible at the Flagstaff Pulliam Airport;

NOW, THEREFORE, for valid consideration, the receipt of which is hereby acknowledged, the parties agree that the Lease is hereby amended as follows.

Article V RENTAL AND FEES is amended by adding the following text (additions are shown as capitalized, underlined text, deletions are shown as stricken):

5.0 TEMPORARY RENT ABATEMENT

5.0.1 ABATEMENT.

DUE TO THE COVID-19 FLU PANDEMIC, BASE RENTAL, ADDITIONAL RENTAL, FUEL FLOWAGE FEES, TIE DOWN FEES, AND MINIMUM PAYMENT (ALL AS DEFINED IN SECTION 5.1) SHALL BE ABATED COMMENCING APRIL 1, 2020 AND CONTINUING THROUGH SEPTEMBER 30, 2020 ('"ABATEMENT PERIOD"), AND NO BASE RENTAL, ADDITIONAL RENTAL, FUEL FLOWAGE FEES, TIE DOWN FEES, MINIMUM PAYMENT, NOR LATE PENALTY OR INTEREST, SHALL BE OWED OR PAYABLE FOR THIS PERIOD; PROVIDED, HOWEVER:

(a) IN THE EVENT LESSEE RECEIVES OTHER GOVERNMENTAL RELIEF OR INSURANCE RECOVERY RELATED TO THE COVID-19 PANDEMIC, LESSEE SHALL PROMPTLY NOTIFY CITY.

(b) IN THE EVENT LESSEE BECOMES INSOLVENT, OR IS NAMED AS THE DEBTOR IN A VOLUNTARY OR INVOLUNTARY BANKRUPTCY PROCEEDING, THIS SECTION 5.0 OF ARTICLE V IS VOID AND ALL PAYMENT OBLIGATIONS WILL RESUME UNDER ARTICLE V ON THE FIRST DAY OF THE FOLLOWING MONTH.

(c) LESSEE SHALL CONTINUE TO OFFER FIXED BASE OPERATOR SERVICES AT THE FLAGSTAFF PULLIAM AIRPORT DURING THE ABATEMENT PERIOD.

(d) FUEL FLOWAGE FEES SHALL NOT BE ABATED UNLESS THE CITY COUNCIL, IN ITS SOLE DISCRETION, AMENDS THE CITY CODE TO ALLOW SUCH ABATEMENT.

5.0.2 MUTUAL WARRANTIES.

EACH PARTY WARRANTS, WITHOUT INVESTIGATION, TO THE OTHER PARTY:

- RENT RELIEF IS NECESSARY DUE TO CHANGED CIRCUMSTANCES CAUSED BY THE PUBLIC HEALTH EMERGENCY;
- IN THE EVENT RENT RELIEF WILL HAVE THE EFFECT OF SHIFTING COSTS BETWEEN AIRPORT TENANTS AND USERS, THE PARTIES WILL MEET TO DISCUSS THE EQUITIES, ENDEAVOR TO REACH A CONSENSUS BETWEEN ALL AIRPORT USERS AND ADJUST RENT OBLIGATIONS ACCORDINGLY;
- THERE IS A REASONABLE BASIS FOR RENT RELIEF BECAUSE UNDERLYING AIRLINE REVENUES THAT ARE A BASIS FOR THE CURRENT RENT HAVE SIGNIFICANTLY DECLINED.

EACH PARTY UNDERSTANDS THAT THE RENT RELIEF PROVIDED HEREIN MUST NOT HAVE THE EFFECT OF CAUSING ANY VIOLATION OF THE GRANT ASSURANCES 22 AND 24 (AS WELL AS RELATED STATUTES) AND EACH PARTY AGREES THAT IF THE RENT RELIEF CONTEMPLATED IN THIS AGREEMENT DOES VIOLATE GRANT ASSURANCES 22 AND/OR 24, THAT THE PARTIES SHALL MEET TO DISCUSS HOW TO RESOLVE THE VIOLATION.

LESSEE WARRANTS TO CITY THAT LESSEE IS SEEKING RENT RELIEF FROM ALL LANDLORDS OF LESSEE AT AIRPORTS IN ARIZONA, IF ANY. UPON REQUEST OF CITY, LEESSEE WILL PROVIDE CITY WITH INFORMATION AS TO RENT RELIEF BEING PROVIDED.

5.1 Rental and Fees. The Lessee agrees to pay the Lessor, for the use and enjoyment of the Premises, Public Airport Facilities, rights, licenses, services and privileges granted hereunder, the following rentals, fees, and charges.

5.1.1 Base Rental. The Lessee agrees to pay $373.00 per month for the first twelve (12) months after the date Lessee commences any aviation related business on the Premises pursuant to the terms of this Agreement. The Lessee agrees to pay $745.00 per month for the second twelve (12) month period and $1,117.00 per month for the third twelve (12) month period and $1,489.00 per month for the fourth twelve (12) month period and $1,861.00 per month for the fifth (12) month period for the Property. Each monthly payment together with any additional rental as provided herein shall be payable in advance on the first day of each month, with the first month's rental to be pro-rated on a daily basis, if appropriate. If, during the remaining term of this Agreement, beginning at the commencement of the sixth (6) year and each succeeding year, the National Consumer Price Index, published by the United States Bureau of Labor Statistics, shows a rise in the cost of living index for , the Lessee shall pay to the Lessor, as additional base rental, such percentage of the rent as is proportional to the rise in such index from its level for each year remaining under this Agreement. In no event shall the base rental for year six through the duration of the Lease term be less than the rental amount established for the fifth year of this Agreement.

5.1.2 Additional Rental. In addition to the Base Rental, the Lessee shall pay to the Lessor, as additional rental, an amount representing Five Dollars ($5.00) for each rental tie-down unit on the Premises payable within thirty (30) days after each calendar month of the term hereof; provided, however, that said additional rental amount shall be paid to the Lessor only if the tie-down is rented to a third party on a long term lease (defined as a term of one month or more) and the City tie-downs are not fully utilized.

5.1.3 Business Permits. The Lessee agrees to pay the Lessor an Annual Airport Business Permit fee of One Hundred and Twenty Dollars ($120.00) and each Sublease Tenant shall pay an Annual Airport Business Permit fee of Three Hundred Dollars ($300.00) payable on or before the fifteenth day of January for each year the Lessee and any sublease tenants conduct business operations on the Premises.

5.1.4 Fuel Supply Farm. The Lessee may construct, maintain, and operate a fuel supply farm on the Premises. In the alternative, Lessee may lease tankage space from the City at a rate to be agreed upon by the companies.

5.1.5 Fuel Flowage Fees. The following fuel flowage fees shall be paid on a cumulative basis to Lessor during Lessor's fiscal year for each year Lessee conducts operations pursuant to this Agreement based on the Lessee's bid:

1. 0 - 100,000 gallons $.10
2. 100,001 - 150,000 gallons $.09

3. 150,001 - 200,000 gallons $.08

4. 200,001 gallons and above $.07

All fuel flowage fees shall be paid within thirty (30) days following receipt of Lessor's monthly invoice respecting same.

All rates agreed upon by the parties relative to fuel flowage fees shall be subject to an annual rise in the cost of living for Flagstaff Arizona based on the National Consumer Price Index, published by the United States Bureau of Labor Statistics commencing after the fifth year of Lessee's operations.

5.1.6 Tie Down Fees. The Lessee agrees to pay Lessor one-half (1/2) of all tie down fees received in connection with the tie down of aircraft for any period of time under three consecutive months. Lessee acknowledges that the owners/operators of aircraft that utilize any portion of the Public Airport Facilities for tie down services in excess of three (3) consecutive months shall be considered a permanent user of the Airport and, as such, become the sole customer of the Lessor. Lessor is entitled to receive all tie down fees in connection with tie down services provided to permanent users. Lessee shall report all tie down fees received on a monthly basis to Lessor and shall remit 50% of said tie down fees to Lessor within 30 days after each calendar month of the term of this Agreement.

5.1.7 Minimum Payment Required. In recognition of the Lessee's financial constraints and desire to continue providing services at Flagstaff Pulliam Airport, the Lessor agrees to allow Lessee to make minimum monthly payments on its outstanding balance in the amount of $3,780.00 beginning September 20, 2009 and due on or before the 20th of each subsequent month. Said payments shall continue for a period of 18 months or until such time as the outstanding balance is paid in full. Further, Lessee agrees to submit timely payments for current monthly rent and fuel flowage fees due on or before the 20th of each month. The Lessee shall make the following payments to the Lessor on or before the 20th of each month:

Arrearage Payment.	3780.00	
Base Rental.....	2161.40	(to be adjusted yearly per the CPI formula set forth in Section 5.1.1 of the Lease Agreement)
Fuel Flowage Fees	TBD	(based on rates set forth in Section 5 .1.5 of the Lease Agreement)

The Lessee acknowledges and agrees that Lessee's failure to make timely payments to the Lessor, as provided herein, shall constitute a material breach of the Lease Agreement and shall entitle the Lessor to seek the rights and remedies set forth in Article XV, TERMINATION BY LESSOR, of the Lease Agreement.

All other terms and conditions of the Lease remain unchanged.

LESSEE: Wiseman Aviation, Inc.

By: _____
Title: _____
Its authorized representative

ACKNOWLEDGMENT. On this ____ day of _____, 2020, before me, a Notary Public, personally appeared_____ , known to be or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the same on behalf of Peabody Western Coal Company, for the purposes therein contained.

_____
Notary Public

My Commission Expires:

_____

LESSOR: CITY OF FLAGSTAFF

By: _____
Coral Evans, Mayor

STATE OF ARIZONA }
} ss.
County of Coconino }

ACKNOWLEDGMENT. On this ____ day of _____, 2020, before me, a Notary Public, personally appeared Coral Evans, known to be or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument and acknowledged that she executed the same on behalf of the City of Flagstaff, for the purposes therein contained.

_____
Notary Public

My Commission Expires:

_____

Attest:

By: _____
Stacy Saltzburg, City Clerk

Approved as to form:

By: _____
City Attorney's Office

SECOND AMENDMENT TO THE AIRPORT LEASE AGREEMENT
(Hangar, Offices, Fuel Supply Farm – COVID-19 Rent Abatement)

This Second Amendment to the Airport Lease Agreement dated November 14th, 2000 ("Lease"), as amended by the First Amendment dated November 19, 2019 is entered into this _____ day of _____, 2020 by and between the CITY OF FLAGSTAFF, a municipal corporation organized and existing under the laws of the State of Arizona (the "City") and Wiseman Aviation, Inc., an Arizona corporation ("Lessee"), as successor in interest to Peabody Western Coal Company.

RECITALS:

WHEREAS, on January 31, 2020 U.S. Secretary of Health and Human Services declared a public health emergency as a result of the COVID-19 flu pandemic; on March 11, 2020 Arizona Government Douglas Ducey declared a state public health emergency, and on March 15, 2020 Flagstaff Mayor Coral Evans declared a local public health emergency;

WHEREAS, since April 2020 airline passenger traffic through the Flagstaff Pulliam Airport has practically ceased due to the COVID-19 flu pandemic, causing an associated decline in flight revenues; and

WHEREAS, on April 4, 2020 the Federal Aviation Administration ("FAA") issued "Information for airport sponsors considering COVID-19 restrictions or accommodations" which states that "a decision to abate rent…is a local decision" and provides guidance for any abatement; and

WHEREAS, the City desires to provide financial relief to the Lessee to help preserve continued airport related operations to the extent feasible at the Flagstaff Pulliam Airport;

NOW, THEREFORE, for valid consideration, the receipt of which is hereby acknowledged, the parties agree that the Lease is hereby amended as follows.

Article IV is amended by adding the following text (additions are shown as capitalized, underlined text, deletions are shown as stricken):

4.0 TEMPORARY RENT ABATEMENT

4.0.1 ABATEMENT.

DUE TO THE COVID-19 FLU PANDEMIC, GROUND RENTAL, FUEL FLOWAGE FEES, (ALL AS DEFINED IN SECTION 4.1) SHALL BE ABATED COMMENCING APRIL 1, 2020 AND CONTINUING THROUGH SEPTEMBER 30, 2020 ("'ABATEMENT PERIOD"), AND NO GROUND RENTAL, FUEL FLOWAGE FEES, NOR LATE PENALTY OR INTEREST, SHALL BE OWED OR PAYABLE FOR THIS PERIOD; PROVIDED, HOWEVER:

(a) IN THE EVENT LESSEE RECEIVES OTHER GOVERNMENTAL RELIEF OR INSURANCE RECOVERY RELATED TO THE COVID-19 PANDEMIC, LESSEE SHALL PROMPTLY NOTIFY CITY.

(b) IN THE EVENT LESSEE BECOMES INSOLVENT, OR IS NAMED AS THE DEBTOR IN A VOLUNTARY OR INVOLUNTARY BANKRUPTCY PROCEEDING, THIS SECTION 4.0 OF ARTICLE IV IS VOID AND ALL PAYMENT OBLIGATIONS WILL RESUME UNDER ARTICLE IV ON THE FIRST DAY OF THE FOLLOWING MONTH.

(c) LESSEE SHALL CONTINUE TO OFFER SERVICES AT THE FLAGSTAFF PULLIAM AIRPORT DURING THE ABATEMENT PERIOD.

(d) FUEL FLOWAGE FEES SHALL NOT BE ABATED UNLESS THE CITY COUNCIL, IN ITS SOLE DISCRETION, AMENDS THE CITY CODE TO ALLOW SUCH ABATEMENT.

4.0.2 MUTUAL WARRANTIES.

EACH PARTY WARRANTS, WITHOUT INVESTIGATION, TO THE OTHER PARTY:

- RENT RELIEF IS NECESSARY DUE TO CHANGED CIRCUMSTANCES CAUSED BY THE PUBLIC HEALTH EMERGENCY;
- IN THE EVENT RENT RELIEF WILL HAVE THE EFFECT OF SHIFTING COSTS BETWEEN AIRPORT TENANTS AND USERS, THE PARTIES WILL MEET TO DISCUSS THE EQUITIES, ENDEAVOR TO REACH A CONSENSUS BETWEEN ALL AIRPORT USERS AND ADJUST RENT OBLIGATIONS ACCORDINGLY;
- THERE IS A REASONABLE BASIS FOR RENT RELIEF BECAUSE UNDERLYING AIRLINE REVENUES THAT ARE A BASIS FOR THE CURRENT RENT HAVE SIGNIFICANTLY DECLINED.

EACH PARTY UNDERSTANDS THAT THE RENT RELIEF PROVIDED HEREIN MUST NOT HAVE THE EFFECT OF CAUSING ANY VIOLATION OF THE GRANT ASSURANCES 22 AND 24 (AS WELL AS RELATED STATUTES) AND EACH PARTY AGREES THAT IF THE RENT RELIEF CONTEMPLATED IN THIS AGREEMENT DOES VIOLATE GRANT ASSURANCES 22 AND/OR 24, THAT THE PARTIES SHALL MEET TO DISCUSS HOW TO RESOLVE THE VIOLATION.

LESSEE WARRANTS TO CITY THAT LESSEE IS SEEKING RENT RELIEF FROM ALL LANDLORDS OF LESSEE AT AIRPORTS IN ARIZONA, IF ANY. UPON REQUEST OF CITY, LEESSEE WILL PROVIDE CITY WITH INFORMATION AS TO RENT RELIEF BEING PROVIDED.

4.1 Rental and Fees.

The Lessees agrees to pay the City, for the use and enjoyment of the Premises, Public Airport Facilities, rights, licenses, service and privileges granted hereunder the following rentals, fees, and charges.

4.1.1 Ground Rental

Lessee shall pay to the City ground rental, plus any applicable transaction privilege taxes. Rent is due annually in advance. As of November 14, 2019 rent will be the sum of twenty-five thousand eleven dollars and 80 cents ($25,011.80), or approximately $ .291 per square foot. Rent will increase by 2% annually on the Lease anniversary date.

4.1.3 Fuel Flowage Fees.

The fuel flowage fees per gallon as of November 14, 2019 are:

1-100,000 gallons:	$0.1345
100,001-150,000 gallons:	$0.1207
150,001-200,000 gallons:	$0.1072
200,001- above gallons:	$0.0940

Lessee shall pay the following fuel flowage fees on a cumulative basis to the City during the City's fiscal year for each year Lessee conducts operations pursuant to this Lease based on the current rate at the time. Fuel flowage fees will not be combined with any other lease.

Lessee shall pay all fuel flowage fees within thirty (30) days following receipt of the City's monthly invoice respecting the same.

All rates agreed upon by the parties relative to fuel flowage fee shall be subject to escalation based upon the annual rise in the cost of living for Flagstaff, Arizona, based on the National Consumer Price Index, published by the United States Bureau of Labor Statistics.

If the City Airport Commission approves a flat fuel flowage fee, the parties may amend this lease to reflect the flat fee.

All other terms and conditions of the Lease remain unchanged.

LESSEE: Wiseman Aviation, Inc.

By: _____
Title: _____

ACKNOWLEDGMENT. On this ____ day of _____, 2020, before me, a Notary Public, personally appeared_____ , known to be or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the same on behalf of Wiseman Aviation, Inc., for the purposes therein contained.

_____
Notary Public

My Commission Expires:

_____

LESSOR: CITY OF FLAGSTAFF

By: _____
Coral Evans, Mayor

STATE OF ARIZONA }
} ss.
County of Coconino }

ACKNOWLEDGMENT. On this ____ day of _____, 2020, before me, a Notary Public, personally appeared Coral Evans, known to be or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument and acknowledged that she executed the same on behalf of the City of Flagstaff, for the purposes therein contained.

_____
Notary Public

My Commission Expires:

_____

Attest:

By: _____
Stacy Saltzburg, City Clerk

Approved as to form:

By: _____
City Attorney's Office

RENT ABATEMENT AMENDMENT

FLAGSTAFF PULLIAM AIRPORT
6200 South Pulliam Drive, Suite 204
Flagstaff, AZ 86001
AIRCRAFT STORAGE PERMIT

Aircraft Storage Area Number _____ Effective Date _____
Aircraft Make/Model/Registration#1_____#2_____ #3_____
Permittee(s) Name _____
Billing Address _____
Permanent Address_____
Phone Business _____Residence_____ *email* _____
Initial Monthly Fee $_____ Security Deposit $_____GATE CARD #_____

THE CITY OF FLAGSTAFF AND PERMITTEE AGREE AS FOLLOWS:

WHEREAS, on January 31, 2020 the U.S. Secretary of Health and Human Services declared a public health emergency as a result of the COVID-19 flu pandemic; on March 11, 2020 Arizona Governor Douglas Ducey declared a state public health emergency; and on March 15, 2020 Flagstaff Mayor Coral Evans declared a local public health emergency;

WHEREAS, since April 2020 airline passenger traffic through the Flagstaff Pulliam Airport has practically ceased due to the COVID-19 flu pandemic, and causing an associated decline in flight revenues;

WHEREAS, on April 4, 2020 the Federal Aviation Administration ("FAA") issued "Information for airport sponsors considering COVID-19 restrictions or accommodations" states that "a decision to abate rent… is a local decision" and provides guidance for any abatement;

WHEREAS, the City desires to provide financial relief to the Licensee to help continue airport related operations to the extent feasible at the Flagstaff Pulliam Airport;

For valid consideration, the receipt of which is hereby acknowledged, the parties agree that the Permit is hereby amended to read as follows.

SECTION 3. FEE AND SECURITY DEPOSIT of the Permit is amended by adding the following text (additions are shown as capitalized, underlined text):

3. FEE AND SECURITY DEPOSIT

D. PAYMENT ABATEMENT. DUE TO THE COVID-19 PANDEMIC, THE FEE, AS DEFINED IN THE PERMIT, SHALL BE ABATED COMMENCING APRIL 1, 2020 AND CONTINUING THROUGH SEPTEMBER 30, 2020 (ABATEMENT PERIOD), AND NO FEE, LATE PENALTY OR INTEREST SHALL BE OWED OR PAYABLE FOR THIS PERIOD.

All other terms and conditions of the Permit shall remain in full force and effect.
PERMITTEE HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS AMENDMENT AND BY SIGNATURE AGREES TO ABIDE BY THE TERMS OF THE PERMIT AND THE FLAGSTAFF PULLIAM AIRPORT RULES AND REGULATIONS.

Permittee: _____ Date:_____

Airport Manager_____ Date: _____

8. D.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Rick Tadder, Management Services Director
Date:	05/27/2020
Meeting Date:	06/02/2020

TITLE:

Consideration and Approval of Contract: Cooperative Purchase Contract with Stifel, Nicolaus & Company, Inc. to provide Underwriting Services for issuing Certificates of Participation debt. The contract has a maximum total cost not to exceed $900,000.

STAFF RECOMMENDED ACTION:

1. Approve the Cooperative Purchase Contract for Bond Underwriting Services with Stifel, Nicolaus & Company, Inc. for a fee of $5.00 per $1,000 of bond par issuance for underwriting and $2.00 per $1,000 of bond par issuance for management services for a total of $875,000 plus regulatory and marketing expenses for a maximum total not to exceed an amount of $900,000 utilizing a cooperative contract through the Crane Elementary School District #13 RFP C-005-1718; and
2. Authorize the City Manager to execute the necessary documents.

Executive Summary:

The City of Flagstaff is anticipating issuing approximately $125 million in Certificates of Participation (COP) Bonds, Series 2020 in the fiscal year 2020-21. These COPs are being issued to pay down the Public Safety Personnel Retirement System Unfunded Actuarial Accrued Liability (UAAL) for both Fire and Police plans. When issuing COPs of this type, it is not only considered customary but in the best interest of the agency issuing the bonds to contract with an Underwriting firm such as Stifel, Nicolaus & Company, Inc. ("Stifel or Underwriting Firm"). The scope of services to be rendered to the City, by the managing Underwriting Firm will include, but not limited to, the following:

1. Assist the City with distributing the Official Statement (offering document) to prospective investors across the country.
2. Develop a pre-pricing marketing strategy to educate prospective investors on the offering, including additional information on the City of Flagstaff (economy, budget, liquidity, management, and debt structure).
3. Manage meetings/conference calls with credit rating agencies, insurance companies, and specific investors to address all credit questions in connection with the transaction.
4. Underwrite (sell COPs) in the public securities market. Set final interest rates and the amortization schedule consistent with financial planning in connection with the transaction.
5. Assist with closing the transaction and wiring COP proceed funds to PSPRS and related Contingency Reserve Funds to the City for investment.
6. Serve the City with ongoing assistance in connection with the transaction including semi-annual reviews or as required.

Financial Impact:

Fees paid to the Underwriting Firm for services rendered are based on the par amount of each bond transaction. These fees are allocated to the specific projects or the purpose that the bonds are issued for. Given the anticipated bond issuance of approximately $125 million, in Certificate of Participation Bonds, the Underwriter fee is approximately $625,000 and the Management fee is approximately $250,000. The not to exceed amount is $900,000.

Policy Impact:

None.

Connection to Council Goal, Regional Plan, CAAP, and/or Strategic Plan:

Council Goals:

- Personnel: Attract and retain quality staff - Evaluate ways to pay down unfunded pension liabilities in a quick manner

Strategic Plan for Team Flagstaff:

- Invest in Our People
- Foster a Resilient and Economically Prosperous City

Has There Been Previous Council Decision on This:

No.

Options and Alternatives:

- Approve the cooperative purchase contract as recommended,
- Conduct our own City procurement process. This will substantially delay the timing of issuing debt to pay down our pension liability.
- Not approve the proposed cooperative purchase contract. This stops the process of issuing pension bonds until further direction is provided.

Background/History:

The City of Flagstaff has been seeing a continual increase in our Unfunded Actuarial Accrued Liability (UAAL). Since June 30, 2002, the UAAL has increase to a June 30, 2019, UAAL of $111,827,764. There have been administrating policy to help address the annual growth. For the fiscal year 2020, the Council adopted its first pension policy.

During this fiscal year, there have been several Council discussions about our PSPRS UAAL and Council was seeking staff recommendations to address the UAAL. Staff introduced Pension Bonds opportunities as part of the potential 2020 Ballot Measures. Since that point, staff has worked with Stifel and PSPRS Administration to discuss how Pension Bonds could address the UAAL. Staff came forward at the April Budget Retreat and provided the option of issuing Pension Bonds in the form of Certificate of Participation debt. Staff received direction from Council to bring forward an ordinance to issue Certificate of Participation debt to address our UAAL with the potential of having both Fire and Police plans move from less than 40% funded to 100% funded.

Issuing contracts for Underwriting Services and for Bond Counsel is the first step to move forward.

Expanded Financial Considerations:

Staff worked with Stifel and negotiated a fee for this debt issuance. Per the Cooperative Purchase Contract, the fees set forth include an adjustment for the length of debt and credit ratings. Based on staff experience and plan for the debt issuance, the rate would have been estimated at $9.50 per $1,000 of bond par issuance which would have been an estimated cost of $1,187,500 based on $125 million of par bonds issued. Staff negotiated the fees for the services will be saving $312,500 based on the $125 million of par bonds issued for a total of $875,000 plus regulatory and marketing expenses for a total not to exceed the amount of $900,000.

Community Benefits and Considerations:

By utilizing businesses that specialize in the underwriting of pension bonds, the city benefits by having the assurance that the transactions are in the best interest of the City and provide the best overall interest rates on out debt issuance.

By issuing pension bond debt the City is able to address the PSPRS UAAL and provide level debt service payments. Without the pension bonds, the City could see the UAAL continue to increase and the annual required minimum payment increase.

Community Involvement:

Inform.

Attachments: Stifel Co-Op

COOPERATIVE PURCHASE CONTRACT
Contract No. 2020-123

This Cooperative Purchase Contract is made and entered into this _____ day of _____, 20_____by and between the City of Flagstaff, Arizona, a political subdivision of the State of Arizona ("City") and Stifel, Nicolaus & Company, Inc., a Missouri corporation ("Contractor").

RECITALS:

A. Contractor has Contract No. C-005-1718 with Crane Elementary School District No. 13 to supply materials and/or services ("Agency Contract"), which was awarded through a competitive and open procurement process;

B. The City has authority to enter into a cooperative purchase contract with Contractor utilizing the Agency Contract;

AGREEMENT:

NOW THEREFORE, in consideration for the mutual promises contained herein, the parties agree as follows:

1. Materials and or Services Purchased. Contractor shall provide to City the materials and or services, as specified in the Purchase Order(s) submitted by the City in accordance with the Agency Contract. General description of materials and or services being purchased:

INVESTMENT BANKING SERVICES

2. Specific Requirements of City. Contractor shall comply with all specific purchase and delivery requirements and/or options of City, as specified in the Purchase Order(s) submitted to Contractor or *Exhibit A* attached hereto and incorporated by reference.

3. Payment. Payment to the Contractor for the materials and or services provided the amount shall not exceed nine hundred thousand dollars ($900,000) in accordance with the price list and terms set forth in the Agency Contract.

4. Terms and Conditions of Agency Contract Apply. All provisions of the Agency Contract documents, including any amendments, are incorporated in and shall apply to this Contract as though fully set forth herein. The Agency Contract is attached hereto as *Exhibit B.* Contractor is responsible for promptly notifying City in writing of any changes to the Agency Contract.

5. Certificates of Insurance. All insurance provisions of the Agency Contract shall apply, including any requirement to name the City as an additional insured. Prior to commencing performance under this Contract, Contractor shall furnish City with a copy of the current Certificate of Insurance required by the Agency Contract.

6. Term. This Cooperative Purchase Contract shall commence upon execution by the parties and shall continue until expiration or termination of the underlying Agency Contract, unless sooner terminated by City in writing.

7. Renewal. This Cooperative Purchase Contract shall be automatically renewed if the underlying Agency Contract is renewed, for the same renewal period, unless City provides advance written notice to Contractor of its intention to non-renew.

Stifel, Nicolaus & Company, Inc.:

By:_____

Title:_____

CITY OF FLAGSTAFF

By:_____

Title:_____

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____
City Attorney's Office

EXHIBIT A
SCOPE OF WORK

(ATTACHED)

Notices: All notices to City shall be sent to:

Buyer: Liane Garcia
Purchasing Department
211 W. Aspen Ave.
Flagstaff, Arizona 86001
(928) 213-2279

Attach: Certificate of Insurance

STIFEL

2325 E. Camelback Road, Suite 750, Phoenix, Arizona 85016

May 19, 2020

Mr. Rick Tadder
Management Services Director/Treasurer
City of Flagstaff
211 W. Aspen Avenue
Flagstaff, AZ 86001

Re: SAVE RFP – Stifel Underwriting Fees, $125,000,000 (estimated), Certificates of Participation, Taxable Series 2020

Dear Mr. Tadder:

In regards to the Underwriting Fees pursuant to the SAVE RFP and our discussions held in connection therewith, we have outlined below a summary in connection with the transaction:

$125,000,000 (estimated), COPs, Taxable Series, 2020 – Underwriting Fee Components	
Underwriting Fee (takedown component)	$5.00 per $1,000
Management Fee	$2.00 per $1,000
Total Fee (takedown and management fee):	$7.00 per $1,000

As negotiated, Stifel hereby agrees to cap the above fees at $875,000 in the event the par size of the transaction increases due to increased PSPRS liability or contingency reserve fund sizing. The above fees do not include the standard regulatory and marketing expenses associated with a transactions which is estimated to approximate $13,000.

We are privileged to serve as Underwriter to the City of Flagstaff on this very important financing and look forward to a successful sale of COPs soon. If you have any questions or require additional information, please don't hesitate to contact us.

Sincerely,

Mark Reader
Managing Director

cc: Omar Daghestani, Managing Director, Stifel

EXHIBIT B
AGENCY CONTRACT

(ATTACHED)

Award to Stifel, Nicolaus & Company, Inc. of RFP C-005-1718 from Crane Elementary School District No. 13

Proposal from Stifel, Nicolaus & Company, Inc. to Crane Elementary School District No. 13 RFP C-005-1718

Notice of Contract Renewal of RFP C-005-1718

Thompson, Ruth L (Public Finance)

From: Mercedes Villafana <MVillafana@craneschools.org>
Sent: Wednesday, June 27, 2018 3:06 PM
To: Thompson, Ruth L (Public Finance)
Subject: Award of RFP C-005-1718 Investment Banking Services

6/27/2018

Stifel, Nicolaus & Company, Inc.
2325 E. Camelback Road, Suite 750
Phoenix , AZ 85016 USA

Dear: Ruth Thompson:

Congratulations!

The Crane Elementary School District No. 13 Governing Board has awarded RFP C-005-1718 Investment Banking Services to Stifel, Nicolaus & Company, Inc..

Please be aware that this is not a notice to proceed, but rather, a formal notification regarding the Governing Board"s decision. We appreciate your interest in the District and look forward to a great working relationship. If you have any questions, please contact me at (928) 373-3415.

Sincerely,

Mercedes Villafana
Procurement Manager

P.S. Information regarding current solicitations can be found at www.azpurchasing.org.

MERCEDES VILLAFAÑA
PROCUREMENT MANAGER
900 South Avenue C · Yuma, AZ 85364
(928) 373-3415 (928) 783-8465
mvillafana@craneschools.org
www.craneschools.org

Original

CRANE ELEMENTARY SCHOOL DISTRICT NO. 13

Request for Proposal
RFP: C-005-1718
Project: Investment Banking Services

SEALED PROPOSAL DUE:
WEDNESDAY, MAY 2, 2018 AT 2:00 P.M. MOUNTAIN STANDARD TIME
Proposal Effective as of the Date of this Response through the Contract Period of July 2018-June 2019
Optional Annual Renewal for Four (4) Additional Years

Michael LaVallee| **Managing Director**
Stifel, Nicolaus & Company, Incorporated
Direct: 602.794.4008 | **Fax**: 602.794.4046
E-mail: mlavallee@stifel.com | www.stifel.com
2325 E. Camelback Road, Suite 750 | Phoenix, AZ 85016

STIFEL

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May 2, 2018

Ms. Mercedes Villafana
Crane Elementary School District No. 13
J. Michael Wicks Support Services Center
900 S. Avenue C
Yuma, AZ 85364

RE: Crane Elementary School District No. 13
RFP: C-005-1718
Project: Investment Banking Services

Dear Ms. Villafana:

On behalf of Stifel, Nicolaus & Company, Incorporated ("Stifel" or the "Firm"), we appreciate the opportunity to respond to Request for Proposal No. C-005-1718 for Investment Banking Services (the "RFP") and are pleased to submit our credentials for your consideration. If selected, we look forward to serving the Crane Elementary School District No. 13 (the "District" or "Crane ESD") as well as other members of the Strategic Alliance for Volume Expenditures ("SAVE") and the Yuma Educational Purchasing Association ("YEPA"). Bankers at the Firm have had the pleasure of working with the District and staff for over ten years dating back to 2005 when the District passed its $11.87 million bond election. We assisted the District with both the 2005 and 2014 bond elections which successfully passed. In addition, we worked closely with staff and the financing team to underwrite bonds to finance capital projects, as well as on two separate refunding transactions that saved District taxpayers over $300,000 of net present value debt service.

Stifel, founded in 1890, is a wholly owned subsidiary of Stifel Financial Corp. With over 7,200 employees we are one of the largest full-service broker dealers in the country, providing investment banking, trading, securities brokerage, investment advisory, and related financial services to municipalities, investors, professional money managers and businesses. Although this vast level of national resources is certainly noteworthy, Stifel prides itself on regional focus. Our philosophy is to maximize the resource benefits associated with being a national firm, while offering relevant, local and relationship based service in the regional markets in which we operate. We believe this unique combination of Firm characteristics greatly benefits our Arizona public finance clients and ultimately enhances Stifel's success.

Highlights of our proposal are below.

- **Stifel Advantage Services.** We believe the Stifel Advantage Services offered to our Arizona school district and municipal jurisdiction clients sets the Firm apart from all other investment banking firms. Stifel takes pride in this distinction and our professionals continually adapt the services we provide to the pace, process and needs of our Arizona municipal clients. In addition to providing services not available from other investment banking firms, Stifel believes our Advantage Services also means executing traditional banking functions to the highest level possible for our clients, and we take this level of commitment to execution seriously. Stifel's capable team includes in-state professionals with not only proven investment banking talent and experience, but also unique capabilities in the areas of legislation, research, education finance, tax analysis and public policy. These important Advantage Services have proven very valuable to our clients both within the scope of debt financings and as our clients continually work to maximize available capital resources. (Samples of Stifel Advantage Services materials are available upon request.)

STIFEL

- **Local Arizona and Yuma Area Presence.** The Stifel Public Finance office in Phoenix is the largest and most active public finance practice in the State serving school districts, municipalities, special tax districts, colleges, universities and State agencies. Additionally, Stifel has the largest and most active municipal underwriting desk in the West. The expertise of the Stifel Team with Arizona school capital finance is unmatched amongst competitors. Stifel's Phoenix banking team has a total of eight senior professionals and over 30 years of continuous focus on providing Arizona municipal jurisdictions the services described in the RFP and who pride themselves on face-to-face interactions. For Arizona school districts, in addition to working with our clients to execute bond transactions, this service has meant on-going and continual support of education organizations, technical assistance with K-12 capital finance legislative issues, dedicated assistance with bond and override elections, and finding unique financing solutions during challenging economic and State budget periods.

  As previously mentioned, the Firm and bankers have a long history servicing Crane ESD. In addition, the Firm underwrote a $14.6 million bond issue for Yuma ESD in 2017, and a $21 million bond issue in 2015. Stifel has also worked with other school districts, cities and the county in Yuma with bond elections and/or investment banking services including Gadsden ESD, Antelope UHSD, City of San Luis, City of Yuma and Yuma County.

- **Leading Broker Dealer Firm.** With more than 350 retail offices and over 2,200 registered representatives (19 in Arizona), Stifel has been a force for tax-exempt bonds issued in the United States for more than eight decades. Stifel has a unique understanding of the municipal market because of the Firm's extensive tenure in the industry and vast local financing experience in Arizona and other states served. Through assisting with hundreds of transactions each year totaling several billion dollars, Stifel has maintained a familiar name with municipal issuers, all the leading institutional bond investors and thousands of retail investors alike, who appreciate the higher level of service a municipal bond specialist can provide. The consistent volume of pricing activity keeps our underwriters and sales professionals in constant touch with all major institutional Arizona bond investors. Our extensive capital markets experience and local market knowledge as one of the top underwriters in Arizona greatly enhances our services to municipal issuers. On a national level in 2017, Stifel was ranked as the 7th most active underwriter by par amount ($18.1 billion) and ranked 1st by number of deals (781) for negotiated transactions. In Arizona, Stifel ranked #1 both by par amount ($965.7 million) and number of transaction (48) as lead manager for negotiated transactions.

- **No. 1 Underwriter for K-12 School Finance.** K-12 public school district finance has always been a cornerstone of Stifel's municipal practice. In recent years, the Firm has been consistently ranked among the top U.S. underwriting firms by number of transactions and par amount of K-12 public school financings. From 2014 through April 20, 2018, Stifel served as lead underwriter for 1,916 K-12 transactions with a total par value of over $33 billion. This far exceeded the underwriting activity of our closest competitors. In Arizona, for the same time period, Stifel served as lead manager for 108 K-12 transactions with a par value of over $2.4 billion. Again, far exceeding the underwriting activity of our closest competitors. *Stifel is the clear leader in providing underwriting services to school districts in Arizona and nationally*.

STIFEL

- **Community Involvement.** In tandem with our investment banking services provided to school districts and other municipal jurisdictions in Arizona, Stifel is committed to supporting our clients in their larger efforts to provide services to the citizens of Arizona. To this end, Stifel has long been engaged with numerous client organizations. This involvement includes supporting conferences, educational presentations and community service activities. There organizations include:

    - Arizona Association of School Business Officials (AASBO)
    - Arizona School Administrators Association (ASA)
    - Arizona School Boards Association (ASBA)
    - Government Finance Officers Association of Arizona (GFOAz)
    - Arizona City/County Managers Association (ACMA)
    - Arizona Town Hall
    - Arizona League of Cities and Towns

Thoughtful banking service and efficient market distribution are embedded in the foundation of Stifel's Public Finance practice. We are confident we can offer the highest quality services, augmented by decades of capital markets expertise in conjunction with this RFP. We have one of the largest, most experienced Public Finance staffs in the State and ample resources to help our clients accomplish their financing objectives in the most cost-effective and timely fashion possible.

We appreciate the opportunity to present our credentials and will give every engagement our highest commitment. We believe you will find the depth of our experience, our approach, and the quality of our execution provide the right combination for Stifel to serve the District, and the members of SAVE and YEPA. If you should have any further questions or need additional information, please feel free to contact us. We look forward to hearing from you.

Sincerely,

Robert Casillas
Managing Director

Grant Hamill
Managing Director

Mike LaVallee
Managing Director

Bryan Lundberg
Managing Director

Mark Reader
Managing Director

Erika Coombs
Director

Randie Stein
Director

Sandra Day
Vice President

STIFEL ON-GOING SERVICES AND STIFEL ADVANTAGE SERVICES SUMMARY

Services	Investment Banking	Stifel Advantage Services	Stifel Advantage Services Description
Bond and Override Election Assistance	X	X	In addition to basic election assistance and preparation of required tables, Stifel works closely with local bond counsel each year to ensure recent legislative changes are properly incorporated into the election resolution and voter pamphlet documents.
Preparation/Facilitation for Bond Sales	X		Our staff is diligent, organized and pays careful attention to detail to ensure smooth execution.
Credit Rating Assistance	X		We have assisted with numerous credit rating presentations over the years. We bring this collective experience to enhance the process for each issuer.
Assistance with Bond Related Reports	X		This service is available as needed and we are pleased to assist our clients.
Periodic Analyses of Refinancing Savings Potential	X		Recognizing the importance of taxpayer dollars and efficient district and government operations, we routinely review our clients' outstanding debt for possible refunding opportunities.
Assistance with Annual Bond Related Budgeting and Tax Calculations	X		We join with our clients to provide information and verify calculations in an attempt to avoid issues during the budgeting and property tax rate setting processes.
Facilitation/Interpretation with Arbitrage Consultants	X		We monitor developments relating to this aspect of the bond issuance process to keep our clients informed and ahead of the requirements.
Cash Flow/TANS/Advance State Aid Analyses		X	We have assisted school districts throughout our tenure with cash flow analyses for advance State Aid, when available, applications and justification of the issuance of TANS.
Annual Reminders for Continuing Disclosure and State Bond/Override Public Meetings		X	Reminders are e-mailed to clients with appropriate summaries, and Stifel contact information if direct conversation would be useful.
In-Depth Property Tax Analyses		X	Part of the Stifel on-going commitment to our clients is staying abreast of property tax changes and the potential impact on K-12 districts and municipal governments.
Exclusive Topical Seminars (3-4 per year for school districts)		X	Seminar topics vary but always include timely and useful information. Sample topics include: election results, property taxation, Arizona state budget update, continuing disclosure.
School Capital Legislative Updates		X	Reports sent periodically during the legislative session to keep clients informed about potential changes in the area of school capital finance and Arizona property taxation.
Periodic School Facilities Board/School Finance Updates		X	Stifel services include constant monitoring of the school capital finance issues affecting our clients. Information is periodically distributed by e-mail, as situations warrant.
Legislative Assistance		X	The Stifel Team is uniquely qualified and dedicated to assisting our clients with Legislative issues as they arise. Our extensive experience with State statutes, school finance, state revenue and taxation issues and our modeling ability is a resource only available to Stifel clients.

STIFEL

Crane Elementary School District No. 13
RFP: C-005-1718
Project: Investment Banking Services

COVER LETTER

Stifel On-Going Services and Stifel Advantage Services Summary

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DISCLOSURE: As outlined in the SEC's Municipal Advisor Rule, Stifel, Nicolaus & Company, Incorporated ("Stifel") is providing the attached material and all information and advice contained therein in response to a request for proposals or request for qualifications (the "RFP") by a municipal issuer or obligated person with respect to a specific issue of municipal securities. Stifel has not acted, and will not act, as your municipal advisor with respect to the issuance of the municipal securities that is the subject to the RFP.

Stifel is providing information and is declaring to the proposed municipal issuer and any obligated person that it has done so within the regulatory framework of MSRB Rule G-23 as an underwriter (by definition also including the role of placement agent) and not as a financial advisor, as defined therein, with respect to the referenced proposed issuance of municipal securities. The primary role of Stifel, as an underwriter, is to purchase securities for resale to investors in an arm's- length commercial transaction. Serving in the role of underwriter, Stifel has financial and other interests that differ from those of the issuer. The issuer should consult with its' own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate.

These materials have been prepared by Stifel for the client or potential client to whom such materials are directly addressed and delivered for discussion purposes only. All terms and conditions are subject to further discussion and negotiation. Stifel does not express any view as to whether financing options presented in these materials are achievable or will be available at the time of any contemplated transaction. These materials do not constitute an offer or solicitation to sell or purchase any securities and are not a commitment by Stifel to provide or arrange any financing for any transaction or to purchase any security in connection therewith and may not relied upon as an indication that such an offer will be provided in the future. Where indicated, this presentation may contain information derived from sources other than Stifel. While we believe such information to be accurate and complete, Stifel does not guarantee the accuracy of this information. This material is based on information currently available to Stifel or its sources and is subject to change without notice. Stifel does not provide accounting, tax or legal advice; however, you should be aware that any proposed indicative transaction could have accounting, tax, legal or other implications that should be discussed with your advisors and /or counsel as you deem appropriate.

ATTESTATION OF MANDATORY QUALIFICATIONS AND STIFEL EQUAL EMPLOYMENT OPPORTUNITY AND ANTI-HARASSMENT AND ANTI-DISCRIMINATION POLICIES

Mandatory Qualifications

Stifel is in compliance with all the stated mandatory requirements.

1. Evidence of successful financial services in the sale of bonds or debt obligations for Arizona school districts is included in the proposal.
2. Stifel has maintained a public finance office within Arizona over the last five (5) years and has public finance officers in Arizona with a Series 53 or Series 24 license.
3. Evidence of capabilities in debt structuring, advising and issuance of the sale of bonds for school districts is included in the proposal.
4. Stifel is able to provide evidence of liability and errors and omissions insurance or self-insurance in the minimum amount of $1,000,000.

Equal Employment Opportunity Policy. (*excerpted language from the Stifel Associate Handbook January 2018.)*
Stifel is committed to providing equal employment opportunities (EEO) to all associates, applicants for employment, and individuals providing services in the workplace without regard to actual or perceived race, color, religion, creed, gender, pregnancy (including childbirth, lactation, child-bearing capacity, sterilization, fertility, past pregnancy condition and the potential or intention to become pregnant and related medical condition), sexual orientation, gender identity and gender expression (including transgender individuals who are transitioning, have transitioned, or are perceived to be transitioning to the gender with which they identify), national origin, ancestry, age, disability, weight, genetic information, marital status, citizenship status, familial status, homelessness (i.e., lack of a permanent mailing address or a mailing address that is a shelter or social services provider), status as a covered veteran or any other protected criteria in accordance with applicable federal, state and local laws. Stifel complies with applicable state and local laws governing non-discrimination in employment applicable to each location in which the Firm operates. Stifel strictly prohibits any form of unlawful discrimination.

Equal opportunity extends to all aspects of the employment relationship, including hiring, transfers, promotions, training, termination, working conditions, compensation, benefits, and other terms and conditions of employment. All Stifel associates are responsible for implementing this EEO policy in their daily actions, conduct and decisions. All associates are expected to treat each other with respect and professionalism.

Associates are encouraged to contact Human Resources regarding any potential violation of this policy as soon as possible. Stifel strictly prohibits any type of retaliation against an individual who in good faith reports a violation of this policy, raises a complaint or concern regarding discrimination or harassment, or otherwise engages in protected activity under the law.

Stifel will also comply with the applicable provisions of the Americans with Disabilities Act (ADA) and state and local laws, and it will not discriminate against any qualified associate or applicant because of a disability. Stifel will make reasonable accommodations for qualified associates or applicants with disabilities or for pregnancy consistent with applicable law. Retaliation for requesting an accommodation for a disability or pregnancy is prohibited.

Anti-Discrimination and Anti-Harassment Policy. (*excerpted language from the Stifel Associate Handbook January 2018).*
Stifel is committed to a work environment where all individuals are treated with respect and dignity. Every individual has the right to work in a professional atmosphere where equal opportunity is encouraged and promoted, where diversity is accepted and valued, and where discriminatory practices, including harassment, are prohibited.

Discrimination and harassment are violations of our Code of Conduct. Therefore, Stifel expects that all interactions and relationships among individuals who conduct business for and with the Firm will be professional and free of bias, prejudice and harassment. These individuals include, but are not limited to, all associates (including supervisors and managers), clients, contractors, vendors, outside agencies, etc. from engaging in conduct prohibited by the law. Incidents of discrimination, harassment and inappropriate behavior will not be tolerated and will be addressed appropriately.

Unlawful discrimination is defined as behavior that displays prejudice towards an associate based on age, ancestry, citizenship status, color, gender, gender expression, gender identity, genetic information, marital status, medical condition, military or veteran status, national origin, physical and mental disability, pregnancy, race, religious creed, sex, sexual orientation, weight or any other basis protected by federal, state or local laws. Unlawful discrimination will not be tolerated. Unlawful harassment is unwelcome conduct toward an individual because of his or her age, ancestry, citizenship status, color, gender, gender expression, gender identity, genetic information, marital status, medical condition, military or veteran status, national origin, physical and mental disability, pregnancy, race, religious creed, sex, sexual orientation, weight or any other basis protected by federal, state or local laws, when the conduct creates an intimidating, hostile or offensive work environment that causes work performance to suffer and/or negatively affects job opportunities.

Each new hire is required to complete "Workplace Harassment & Discrimination," a web-based training course designed to increase awareness and knowledge of applicable laws within the first 30 days of employment.

STIFEL

***Tab 1: The Firm**: A brief summary of the Investment Banking Firm.*

1. *Firm department organization and management relative to serving YEPA and SAVE members.*

2. *Qualifications and experience of your firm providing similar services of this nature. Include in this section, relevant general obligation and other debt obligation financings for Arizona school districts, municipalities, state agencies, etc. The District considers Arizona experience most relevant.*

CORPORATE OVERVIEW

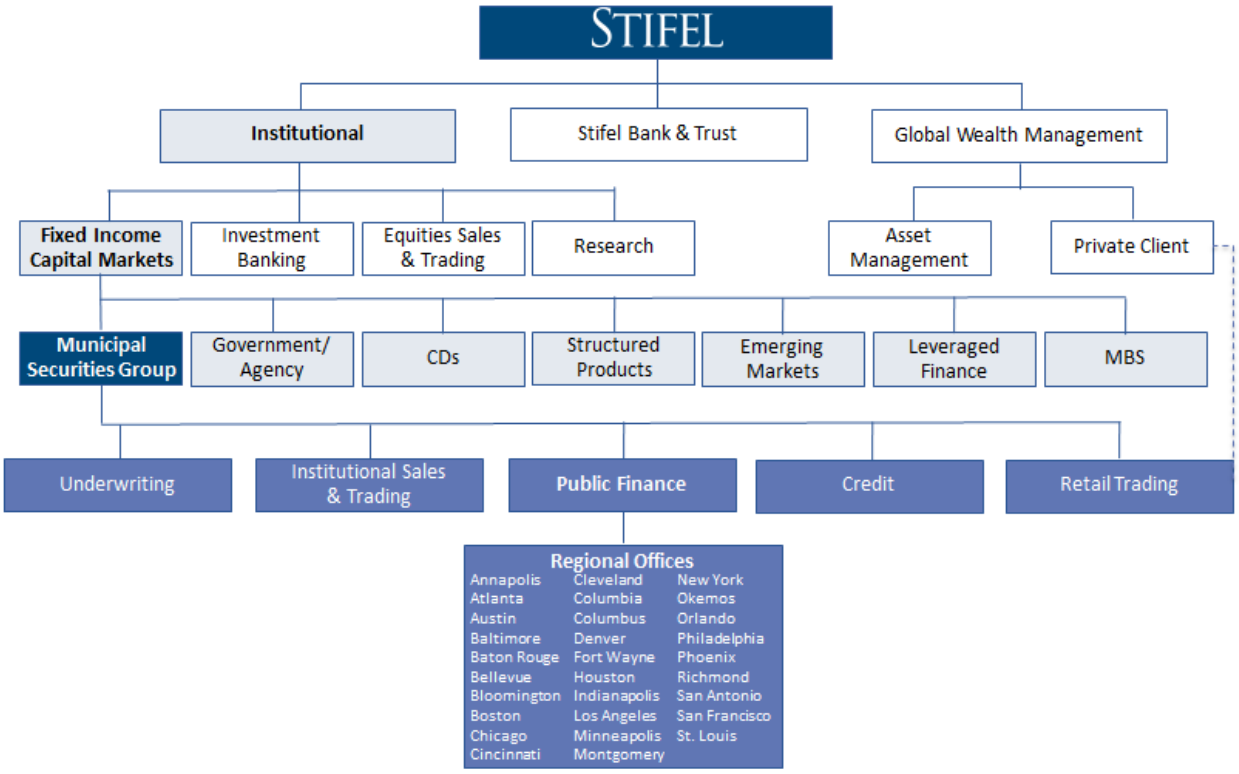
Stifel, Nicolaus & Company, Incorporated ("Stifel" or the "Firm") is a wholly-owned subsidiary of Stifel Financial Corp., a Delaware corporation, a publicly-traded company with more than 7,200 employees worldwide. Stifel's primary business is wealth management (i.e. retail brokerage business) which employees nearly 50% of the Firm's headcount. The Fixed Income Capital Markets group employs more than 570 individuals, including Stifel's Public Finance group of 148 professionals working out of 29 offices in 22 states, with six municipal underwriting desks nationwide.

- **NYSE Ticker:** SF
- **SEC Registrations:** 8-1447, 801-10746
- **FINRA Registration:** 793
- **Founded:** 1890
- **Headquartered:** St. Louis, MO
- **Services:** Brokerage, investment banking, trading, investment advisory and related financial services
- **Client Assets Under Management:** $283 billion
- Annual Reports and 10-K filings: https://www.stifel.com/investor-relations/annual-reports

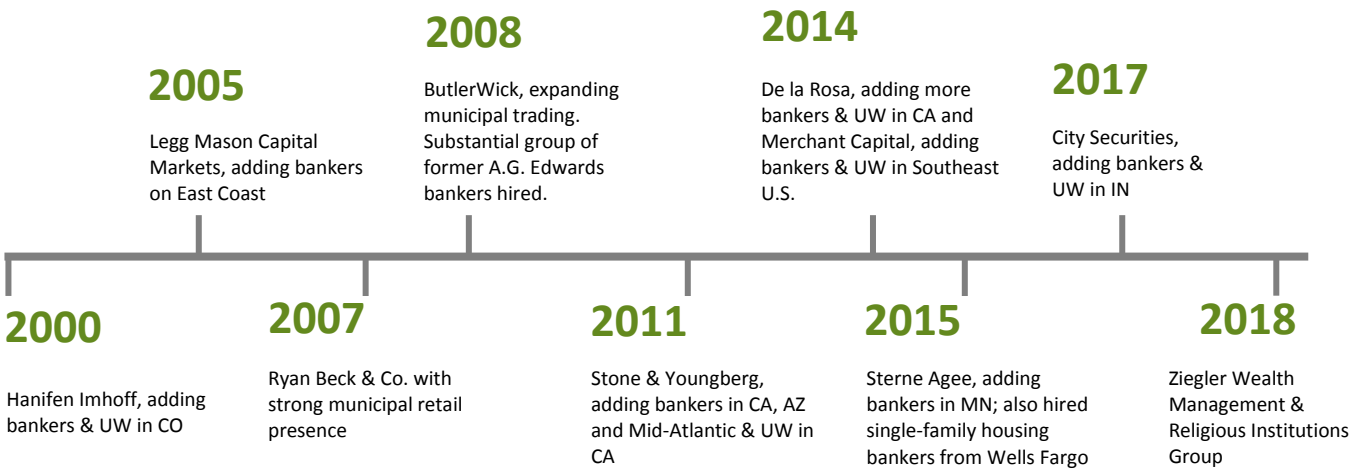
ORGANIZATION STRUCTURE

Stifel organizes its resources to serve local government issuers through two core areas: (1) the Fixed Income Capital Markets group which includes banking, institutional sales and underwriting resources and (2) the Global Wealth Management group which includes over 2,200 retail sales brokers managing almost 1.3 million accounts for individual investors. Stifel's top management, including our President and CEO, view public finance as a core line of business.

The Municipal Securities Group (MSG) employs 250 people, including Public Finance bankers, and municipal bond salespeople, traders and underwriters and is run by Peter Czajkowski, based in St. Louis, and Steve Heaney, based out of Los Angeles. Mr. Czajkowski and Mr. Heaney report directly to the CEO and provide senior oversight to the department. They have been instrumental in Stifel's public finance growth for more than a decade. The management structure allows the department significant flexibility with its capital available to public finance. The Firm and public finance is organized as highlighted in the following organizational chart.



The size, scope and capabilities of the Firm have been enhanced significantly over the past two decades as a result of the strategic acquisitions identified below.



Our Firm's growth is also a reflection of our ability to deliver more balanced distribution than our Wall Street competition and broader distribution than our regional bank competition. Thoughtful banking service and efficient market distribution are cornerstones of Stifel's Public Finance practice.

NATIONAL PUBLIC FINANCE

Commitment & Reputation. Stifel's commitment to public finance is evident in its continued investment in this sector. Stifel's approach to the business of public finance is to always emphasize long-term client relationships. At Stifel, we pride ourselves on not only being able to assist clients through the bond financing process, but also being long-term partners to our clients before, during and long after their bond financings close.

Public Finance is a core line of business for Stifel and we are committed to dedicating all resources available to best serve our clients' needs. In 2017, Stifel was the nation's 7th largest municipal senior manager for negotiated bonds. Stifel has ranked the #1 underwriter for K-12 school districts in the nation based on both par amount and number of issues since 2014 and #1 in number of issues Nationally since 2010 (per SDC, negotiated deals). Our banking force now includes 148 individuals in 29 offices in 22 states nationwide. Strategic locations across the country provide our clients with exceptional service and market knowledge. We are a highly experienced Firm with seasoned bankers at the national and local levels. Stifel's approach to public finance is one of long-term client relationships, which sets this Firm apart from many of our "transactionally" motivated industry peers. Every bond issue we work on is unique and has specific strengths and challenges. We take it as our personal mission to maximize those strengths and tackle the challenges head on. Stifel believes that this approach to doing business provides our clients with the best possible pricing results and unsurpassed ongoing services. We work with our clients to manage the entire financing process to help ensure that their goals and objectives are met while minimizing the efforts and personnel resources required of our clients.

Public Finance Presence

Public Finance Banking	
Offices	29
Professionals	148
States	22
Ranking by Par[1]	7th
Ranking by Issues[1]	1st

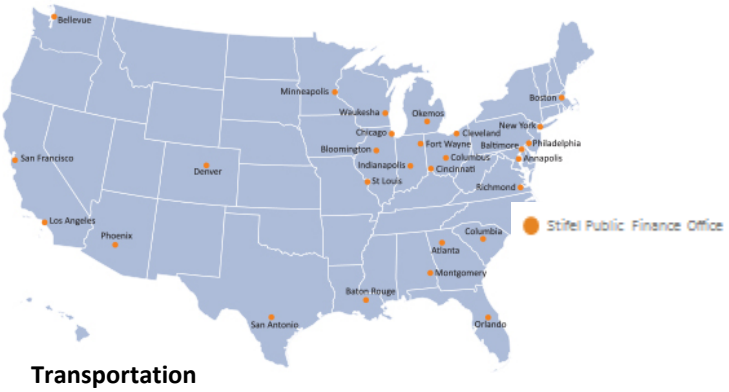
Private Client Group	
Offices	351
Professionals	2,227
States	43
Client Assets	$283bn
Client Accounts	1.3m

Institutional Sales & Trading	
Committing Centers	6
Muni Underwriters	11
Muni Institutional Sales	23
Muni Institutional Trading	6
Global Fixed Income Sales	197

[1]Source: SDC National Senior Manager Rankings (Full to book, equal if joint)

Public Finance Platform

- **National public finance platform**
- **Local knowledge and expertise**



Client Expertise

- **K-12 School Districts**
- **State & Local Government**
- **Real Estate Development/Redevelopment**
- **Charter Schools**
- **Cultural Institutions**
- **Higher Education**
- **Senior Living**
- **Housing**
- **Utilities**
- **Transportation**
- **Development/Project Finance**
- **Redevelopment Project Finance**
- **Religious Institutions**

Underwriting Experience. Stifel dominates the public finance landscape in the U.S. *For every year since 2010, Stifel has underwritten more negotiated municipal bond transactions than any other firm in the country. In 2017 alone, Stifel was the #1 ranked bond underwriter both nationwide and in Arizona based on the number of issues sold as lead manager*. Because we bring more clients to market annually than any of our competitors, our clients receive the best audience for their bond sales. Our sales people have the strongest and deepest relationships with every possible investor on Wall Street (as well as many other non-traditional investors that other firms do not cover).

Stifel sold an average of 15 bond issues per week, every week, in 2017; ranging in principal amount from less than $1 million to over $1.6 billion. This market presence affords unmatched insight into market conditions and investor needs. Stifel Underwriters are communicating with investors daily gaining key pricing feedback relating to preferred structures, couponing and lowest acceptable yields.

Underwriting Rankings – All Public Finance Bonds

National Lead Managed Financings
2017 Negotiated Issues (Top 10 Ranked by # of Issues)

Rank	Firm	Par Amount (in billions)	# of Issues	Market Share
1	Stifel	$18.1	781	12%
2	RBC	24.3	526	8%
3	Raymond James	11.9	407	6%
4	Piper	12.7	397	6%
5	DA Davidson	4.6	352	5%
6	Citi	35.8	350	5%
7	BAML	41.5	322	5%
8	Baird	3.0	275	4%
9	JP Morgan	28.6	246	4%
10	Morgan Stanley	21.2	205	3%

Arizona Lead Managed Financings
2017 Negotiated Issues (Top 10 Ranked by Par Amount)

Rank	Firm	Par Amount (in millions)	# of Issues	Market Share
1	Stifel	$965.7	48	17%
2	JP Morgan	903.5	8	16%
3	Goldman Sachs	735.2	1	13%
4	RBC	682.6	26	12%
5	Citi	611.3	7	11%
6	Morgan Stanley	449.5	6	8%
7	KeyBanc Capital	251.2	5	5%
8	BB&T Capital	203.5	2	4%
9	Piper	146.4	6	3%
10	BAML	122.9	2	2%

Source: SDC Thomson Reuters. 2014 through April 20, 2018.

Below is a summary of our National financing experience since 2014.

National Stifel Experience by Role
(2014 – 2018 YTD)

	Lead/Senior Underwriter		Co-Managing Underwriter		Financial Advisor		Placement Agent	
Year	# of Issues	Par Amount ($Mil)	# of Issues	Par Amount ($Mil)	# of Issues	Par Amount ($Mil)	# of Issues	Par Amount ($Mil)
2018 YTD	155	$2,784.5	139	$14,649.4	10	$498.8	52	$191.9
2017	854	21,374.2	563	58,627.8	34	863.7	204	2,088.5
2016	1,017	19,492.5	843	62,716.3	46	1,002.3	214	1,235.6
2015	1,015	19,204.2	896	55,355.9	38	1,888.7	203	1,662.8
2014	782	13,666.1	810	47,620.5	30	1,272.3	135	1,063.2
TOTAL:	**3,823**	**$76,521.5**	**3,251**	**$238,969.9**	**158**	**$5,525.8**	**808**	**$6,242.0**

Source: SDC Thomson Reuters and Firm records. 2014 through April 20, 2018.

ARIZONA PUBLIC FINANCE

Arizona Commitment. Stifel has maintained an office in Arizona since 2008 and expanded to include public finance bankers in 2011 with its acquisition of Stone & Youngberg, LLC (which opened its Arizona Public Finance office in 2002). Stifel bankers have specific relevant expertise and extensive exposure to all aspects of managing and executing a financing. Our team provides the full range of investment banking services necessary and appropriate for the completion of the client's financing(s). *Our philosophy is to provide strategic advice and superior customer service.* We differentiate ourselves from our competitors by providing intensive support to our clients. Because of our Arizona office location this support includes in person attendance at meetings and for Governing Board presentations.

Our team encompasses a diverse group of skilled and thoughtful individuals – many of whom are Arizona natives with decades of experience in public finance with immense exposure in the State. As our references will attest, we are "hands on" bankers, paying attention to details in preparing legal documents and disclosure materials, structuring the financing program and engaging at all levels of the financing process. *Stifel's Phoenix Public Finance office includes five managing directors, two directors, one vice president, two associates and one public finance assistant. Our office is the largest and most active operation in the State.*

We strive to make the bond issuance process transparent and organized and we are committed to perform all the necessary services in a timely and cost effective manner. We are available to educate Issuer team members, and provide the highest level of customer service to make a complex process as user-friendly as possible. Our extensive experience, market knowledge, issuance process expertise and familiarity with Arizona public policy issues results in efficiently priced and carefully executed financings for our clients. We are a resource to our clients as well as many client organizations in the State and are a proud sponsor of the following groups:

Arizona Experience. As is evident on the following pages, Stifel's Public Finance practice in Arizona covers the full range of municipal clients as well as all types of financings. Our extensive client list includes numerous school districts, cities and towns, counties, colleges and universities, state agencies and special districts. Stifel's financing experience encompasses:

- General Obligation Bonds
- Federal Tax Credit Bonds
- Energy Saving Lease Purchase Agreements
- Improvement Districts – Special Assessment Bonds
- Excise Tax Secured Revenue Bonds
- Water and Wastewater Utility Revenue Bonds
- State Financing Authorities (WIFA, GADA, DOA and ADOT)
- Certificates of Participation (Lease Purchase & Excise Tax)
- Federal Financing Programs (USDA, EPA, NAD BANK)
- Street and Highway User Revenue Bond
- Community Facilities Districts – General Obligation Bonds and Special Assessment Bonds

The following table summarizes the types of Arizona financings that the Firm has been involved with including new money issues, refundings or a combination of both issued on a negotiated, competitive or private placement basis. Our office works with issuers of all sizes and our deals have ranged from under $250,000 to several hundred million dollars. Please see Appendix A for a complete listing of the Firm's Arizona financing experience.

Arizona Stifel Experience by Role
Includes School District, City/Town, County, Higher Ed, State Agency and Special District Issues
(2014 – 2018 YTD)

	Lead/Senior Underwriter		Co-Managing Underwriter		Financial Advisor		Placement Agent	
Year	# of Issues	Par Amount ($Mil)	# of Issues	Par Amount ($Mil)	# of Issues	Par Amount ($Mil)	# of Issues	Par Amount ($Mil)
2018 YTD	13	$239.4	4	$240.1	4	$229.4	11	$26.9
2017	48	965.7	3	603.8	15	443.1	18	102.1
2016	43	908.4	11	946.1	20	430.6	16	105.4
2015	37	985.2	8	787.2	18	790.6	22	91.4
2014	26	397.4	4	712.9	22	803.2	11	81.2
TOTAL:	**167**	**$3,496.1**	**30**	**$3,290.1**	**79**	**$2,696.9**	**78**	**$407.1**

Source: SDC Thomson Reuters and Firm records. 2014 through April 20, 2018.

Arizona Relevant K-12 Experience. *Since January 2014, the Firm's Arizona office has been involved with more than 170 Arizona school district bond issues for over $4.3 billion,* leading all firms for several years running. Our experience with school districts includes developing master financing and election plans, advising on capital funding alternatives, and assisting with the sale of debt including general obligation bonds, leases, certificates of participation, Build America Bonds, Qualified School Construction Bonds, Qualified Zone Academy Bonds, Impact Aid Revenue Bonds and bond refundings or restructurings. The following table recaps our Arizona K-12 experience by number of deals and par amounts since 2014.

Arizona Stifel K-12 Experience by Role
(2014 – 2018 YTD)

	Lead/Senior		Co-Managing		Financial Advisor		Placement Agent	
Year	# of Issues	Par Amount ($Mil)	# of Issues	Par Amount ($Mil)	# of Issues	Par Amount ($Mil)	# of Issues	Par Amount ($Mil)
2018 YTD	10	$220.2	1	$23.0	3	$223.6	1	$3.3
2017	28	709.5	1	22.1	6	212.6	4	27.9
2016	27	623.4	1	49.2	6	182.5	4	31.7
2015	24	622.0	1	42.3	10	412.4	4	21.3
2014	19	228.4	1	34.6	17	644.6	4	54.4
TOTAL:	**108**	**$2,403.5**	**5**	**$171.2**	**42**	**$1,675.7**	**17**	**$138.6**

Source: SDC Thomson Reuters and Firm records. 2014 through April 20, 2018.

Stifel is also very active with assistance for various elections for Arizona municipalities. Our work in this area includes tax rate calculations and preparation of tables required for voter pamphlets. While Stifel regularly assists cities, towns and special districts with bond, override, and primary property tax levy elections, Stifel's assistance for school districts is unmatched. A summary of our Arizona election assistance is below.

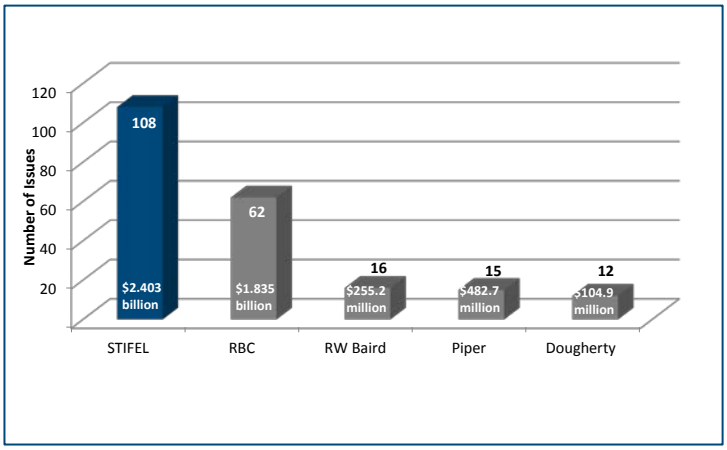
Arizona Stifel Election Experience
(2014 – 2017)

	Bond		M&O Override	DAA Override
Year	# of Questions	Par Amount ($Mil)	# of Questions	# of Questions
2017	20	$1,080.7	25	2
2016	22	1,132.1	20	2
2015	15	914.7	19	4
2014	15	554.0	27	4
TOTAL:	**72**	**3,681.5**	**91**	**12**

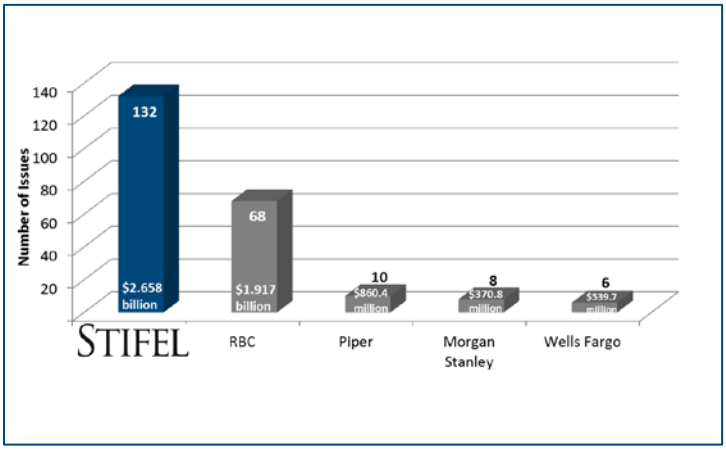
Source: Firm records.

STIFEL STATISTICS

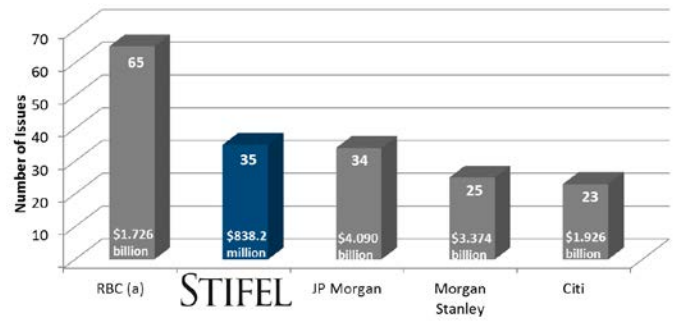
Lead Underwriting Rankings – Arizona K-12 Bonds (2014 – 2018 YTD)



Lead Underwriting Rankings – Arizona General Obligation Bonds (2014 – 2018 YTD)

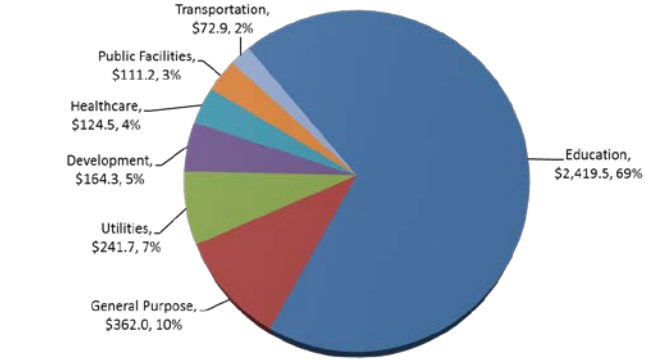


Lead Underwriting Rankings – Arizona Revenue Bonds (2014 – 2018 YTD)



(a) Includes 24 charter school revenue financings with a total par amount of $708.8 million.

Lead STIFEL Underwriting Arizona Issuance by Use of Proceeds (2014 – 2018 YTD)



#1 Senior Underwriter for Arizona K-12, by # of issues and par since 2014
#1 Senior Underwriter for Arizona General Obligation Bonds, by # of issues and par since 2014
#2 Senior Underwriter for Arizona Revenue Bonds, by # of issues since 2014

Source: SDC Thomson Reuters and Firm records. 2014 through April 20, 2018. Rankings measured by number of issues allocated to lead investment bank. Includes only top five underwriters by number of issues.

Financial Advisory Experience. For our Financial Advisory clients, Stifel offers the highest quality advisory services, augmented by decades of capital markets expertise that independent advisory firms and other less active regional firms are not able to provide. As further discussed in the Scope of Services, Stifel provides a range of financial advisory services necessary for the completion of each financing. Since 2014, Stifel has served as financial advisor for 79 Arizona municipal transactions with a total par amount of almost $2.7 billion.

Placement Agent Experience. One area that has gained popularity among issuers, and an area where Stifel has significant experience, is the private placement market. This market has grown rapidly the past few years for several reasons:

- Favorable interest rates: banks, doing their own due diligence, are pricing debt aggressively, near public offering yields
- Longer term availability: bank willingness on final amortization has extended from five years out to 10 or 15 years
- Reduced issuance costs: no need for credit ratings
- Expediency: Without offering document and traditional public sale disclosure requirements, the amount of time needed to execute the transaction is decreased

Our team has worked with banks and also with counties on private placements. Stifel executed more than 75 private placement transactions for Arizona issuers since 2014. Both the private placement and public markets are dynamic and need to be carefully analyzed and discussed for each transaction.

Non-Traditional Issues. Stifel has expertise with not only traditional fixed rate tax-exempt financings but also variable rate issues, "stepped coupon" structures, taxable issues, lease purchases, private placements and other financing structures for issuers to consider in addressing their capital improvement needs in a challenging fiscal environment. Stifel's professionals are continually immersed in solving the critical financing issues that face Arizona issuers year after year. Many solutions have required the development of unique financing structures mechanisms, and many have included legislative innovations. Please see Appendix B for Stifel's Arizona school district non-traditional financing experience.

COMPLIANCE

3. *MSRB Rule G-37, disclose any political contributions within the past two years to any official of the District. Within the past 5 years, has your firm and/or any of its principals been the subject of any investigation relating to the municipal industry by the SEC, NASD, NYSE or any other Federal organization that oversees, regulates, licenses or is otherwise responsible for the municipal industry? Within the past 5 years, has your firm and/or any of its principals been involved in any litigation, arbitration, disciplinary or other action arising from the firm's underwriting, management or handling of municipal securities?*

Stifel has no fees or contributions to disclose in response to this question.

Stifel, Nicolaus & Company, Incorporated ("Stifel") is an investment banking and securities firm providing investment services to individuals and institutional clients, investment banking, and related services including the day-to-day purchase and sale of securities. Stifel is a wholly-owned subsidiary of Stifel Financial Corp. (SF). In the normal course of business, at any given time, Stifel is subject to a number of claims and disputes, as well as regulatory matters including examinations, reviews, investigations, or formal actions. All required disclosures of material litigation and regulatory matters are made in Stifel Financial Corp.'s public filings with the SEC and other regulatory authorities, such as its Form 10-K and the most recent Form 10-Q filed with the U.S. Securities and Exchange Commission (the "SEC"), 8-K's, and in other regulatory filings, such as Form B/D, as amended. You are further referred to the FINRA website, where you can access Broker Check reports for Stifel, Nicolaus & Company, Incorporated which may be located with the following hyperlink: http://brokercheck.finra.org/Firm/Summary/793.

This contains the regulatory reports on Stifel's disciplinary disclosures. These disclosures include our voluntary participation in the SEC's MCDC initiative, inadvertent de minimis violations of the MSRB's rule on minimum denominations, and an alleged violation of MSRB Rule G-23.

Tab 2: Personnel:

1. *The names of persons authorized to represent the firm, their titles, addresses, telephone numbers and email addresses.*
2. *The banker(s)/consultant(s) who will be serving the YEPA & SAVE members.*
3. *A background of the banker(s)/consultant(s) experience specifically relating to the services to be provided in this field, including a brief bio and table listing YEPA and/or SAVE member clients and associated services provided to YEPA and/or SAVE clients.*
4. *Provide a table listing the number of municipal sales representatives and the number of municipal trading and underwriting professionals assigned to support the sales, trading, and underwriting of debt obligations of YEPA and/or SAVE members.*

The following table is the bankers and consultants who will be serving the YEPA and SAVE members. The lead banking and consulting personnel are authorized to represent the Firm. Our lead underwriter for Arizona, Mike Imhoff, is an integral piece of the Stifel team. In addition to underwriting, his expertise related to the municipal bond market, bond structuring, and sale timing and preparation is a key resource for our clients. Finally our additional banking support rounds out the Stifel team. Brief bios, including background and experience information, for each of the bankers and consultants follows.

LEAD BANKING AND CONSULTING PERSONNEL		
Bob Casillas	602-794-4001	rcasillas@stifel.com
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Mark Reader	602-794-4011	mreader@stifel.com
Erika Coombs	602-794-4030	ecoombs@stifel.com
Randie Stein	602-794-4002	rstein@stifel.com
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PRIMARY PRINCIPAL UNDERWRITING		
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ADDITIONAL BANKING SUPPORT		
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Jack Leeper	602-794-4052	jleeper@stifel.com
Dawn Castro	602-794-4026	castrod@stifel.com

Robert Casillas
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Licenses issued by FINRA:
Series 7, Series 50, Series 53, Series 63

Robert Casillas joined Stifel in 2002 and brings with him over 34 years of experience in the Arizona public finance industry. His responsibilities include identifying and coordinating bond issue design for school districts, universities, counties, cities, towns and special districts. Mr. Casillas also plans, organizes and coordinates bond elections and works directly with the bond rating agencies and insurance companies for the benefit of the clients. His financing experience covers the broad spectrum of municipal finance, which includes general bonds, revenue obligation bonds, special assessment and community facilities debt, certificate of participation and lease purchase transactions.

Political subdivisions for which Mr. Casillas has experience include Crane Elementary School District, Yuma Elementary School District, Gadsden Elementary School District, Tucson Unified School District, Sunnyside Unified School District, Antelope Union High School District, Fountain Hills Unified School District, Murphy Elementary School District, Queen Creek Unified School District, Phoenix Elementary School District, Sedona-Oak Creek Joint Unified School District, City of San Luis, City of Tolleson, Town of Prescott Valley and the City of Litchfield Park, to name a few.

Mr. Casillas holds a Bachelor's degree in Management, a Master's degree in Business Administration and a Juris Doctorate degree from Arizona State University. Mr. Casillas practiced law prior to becoming an investment banker in 1984. He has been a supporter of various foundations and professional organizations in Arizona including the Arizona School Board Association, Arizona School Business Officials Organization, the Boys & Girls Club, the Southwest Leadership Program, the Arizona League of Cities and Towns and the Arizona City Managers Association.

Grant Hamill
Managing Director

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Grant Hamill joined Stifel in 2002 and is a Managing Director and Manager of the Phoenix Public Finance office. With over 30 years of experience in public finance in Arizona, Mr. Hamill has served as Financial Advisor or Underwriter on several hundred transactions totaling several billion dollars in par value. His vast experience covers all aspects of new-issue municipal bonds including revenue bonds, general obligation bonds, certificates of participation, lease revenue obligations, utility revenue bonds, tax anticipation notes, municipal property corporation financings and community facilities districts (CFDs).

Mr. Hamill's clients have included the State of Arizona Department of Administration, the cities of Phoenix, Scottsdale, Tucson and Cottonwood; Yavapai County; the Arizona School Facilities Board; the Arizona Department of Transportation; the Water Infrastructure Financing Authority (WIFA); the Greater Arizona Development Authority (GADA); and various school districts including Chandler Unified School District, Mesa Public Schools, Gilbert Public Schools and the Phoenix Union High School District. Mr. Hamill serves as a board member for the City of Phoenix Long Term Disability and Risk Management trust programs. Mr. Hamill is currently advising Maricopa County Integrated Health System (MIHS) on its $935 million general obligation bond program that was approved by voters in November, 2014.

Mr. Hamill earned a Master's in Business Administration from the University of California, Berkeley and a Bachelor of Arts in Administrative Studies at the University of California, Riverside.

Michael LaVallee
Managing Director

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Michael LaVallee is a Managing Director with Stifel and has more than 22 years serving as either financial advisor or underwriter on several hundred Arizona bond issues. Mr. LaVallee manages various public finance accounts with a heavy emphasis in K-12 (non-charter) school districts and fire districts. He has considerable experience managing Bond and override elections along with multi-year and phased bonding programs.

In addition to the many traditional debt issuances, Mr. LaVallee specializes in unique financing solutions to solve tax rate management challenges associated with hyper-economic growth or economic decline through the use of stepped-coupon bonds, impact aid revenue bonds, debt refundings/restructurings and lease purchase/certificates of participation.

Political subdivisions served by Mr. LaVallee as lead banker include the Arlington Elementary School District, Benson Unified School District, Buckeye Elementary School District, Buckeye Union High School District, Casa Grande Union High School District, Catalina Foothills Unified School District, Chino Valley Unified School District, Colorado River Union High School District, Coolidge Unified School District, Cottonwood Oak Creek Elementary School District, Florence Unified School District, Glendale Elementary School District, Higley Unified School District, Humboldt Unified School District, J.O. Combs Unified School District, Kyrene Elementary School District, Lake Havasu Unified School District, Liberty Elementary School District, Maricopa Unified School District, Mingus Union High School District, Nogales Unified School District, Oracle Elementary School District, Osborn Elementary School District, Page Unified School District, Payson Unified School District, Prescott Unified School District, Santa Cruz Valley Union High School District, Sierra Vista Unified School District, Snowflake Unified School District, Union Elementary School District, Willcox Unified School District, Avra Valley Fire District, Buckeye Valley Fire District, Bullhead City Fire District, Central Yavapai Fire District, Chino Valley Fire District, Daisy Mountain Fire District, Green Valley Fire District, Rincon Valley Fire District, Rio Rico Fire District, Sedona Fire District, Three Points Fire District, Tubac Fire District and the City of Kingman.

Mr. LaVallee is an active member of and frequent speaker for the Arizona Association of School Business Officials, Arizona Superintendents Association and the Arizona Fire District Association. Mr. LaVallee serves on the Board of Downtown Urban Community Kids (DUCK), an organization providing after-school programs and other resources to urban Phoenix children. He is an Arizona native and a graduate of Arizona State University with a Bachelor of Arts Degree in Finance.

Bryan Lundberg
Managing Director

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Bryan Lundberg has assisted Arizona municipal issuers for over 22 years. His expertise includes debt and tax analysis, elections, bond structuring and marketing, credit analysis, bond refinancing and official statement disclosure.

Mr. Lundberg is a recognized Arizona School District banker whose experience includes assistance with over 60 Class B bond elections since the onset of Student's FIRST in 1998, numerous budget override elections and well over 150 separate sales of school improvement and refunding bonds. Mr. Lundberg is lead banker to numerous school districts throughout the State. His lead school district engagements over the past 10 years have included Agua Fria Union High School District, Amphitheater Unified School District, Avondale Elementary School District, Casa Grande Elementary School District, Cave Creek Unified School District, Concho Elementary School District, Dysart Unified School District, Fountain Hills Unified School District, Glendale Elementary School District, Globe Unified School District, Heber-Overgaard Unified School District, Joseph City Unified School District, Kayenta Unified School District, Litchfield Elementary School District, Marana Unified School District, Nadaburg Unified School District, Paradise Valley Unified School District, Peoria Unified School District, Pima Unified School District, Roosevelt Elementary School District, Round Valley Unified School District, Safford Unified School District, Sahuarita Unified School District, Scottsdale Unified School District, Sunnyside Unified School District, Tempe Elementary School District, Tolleson Elementary School District, Tolleson Union High School District, Toltec, Elementary School District, Washington Elementary School District, WestMEC and Wickenburg Unified School District.

Mr. Lundberg also serves as lead banker to fire districts including Arizona City Fire District, Mountain Vista Fire District, North County Fire District, Summit Fire District, Superstition Fire District and Sun City Fire District.

Mr. Lundberg serves as member of the City of Phoenix Health Insurance Trust Board and is a member of Arizona Association School of Business Officials (AASBO), Arizona School Administrators Association (ASA), Arizona Fire District Association (AFDA), Government Finance Officers Association of Arizona (GFOAZ) and Arizona City/County Managers Association (ACMA).

Prior to his experience with the Firm, Mr. Lundberg played minor league baseball for the Philadelphia Phillies and served as a teacher in the Peoria Unified School District. His education background includes a Bachelor of Science in Mathematics from Grand Canyon University.

Mark Reader
Managing Director

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Mark Reader is a Managing Director with over 27 years of Arizona public finance experience, starting in 1989. His primary focus is Arizona Cities/Towns/CFDs, School Districts and Counties where he has developed a passion and expertise within this specialized area of Public Finance, consistently managing approximately 25 Arizona financings per year. During this time, he has structured and managed a wide variety of traditional tax-exempt bond transactions including general obligation bonds, excise tax revenue bonds, water and sewer utility revenue bonds, special assessment bonds, HURF bonds and Certificates of Participation over the years. Over the past 12-years, Mr. Reader has developed an expertise in the specialized sector of CFD bonds (general obligation and special assessment) and is involved in most CFD transactions in the State of Arizona as Financial Advisor or underwriter. In the past 5-years or so, Mr. Reader has also developed an expertise in the Arizona Private Placement market alternative where he and his Arizona Stifel colleagues structure and manage more transactions than any other Firm.

Mr. Reader's Financial Advisor or Underwriter clients include the Vail Unified School District, Glendale Union High School District, Littleton Elementary School District, Show Low Unified School District, Blue Ridge Unified School District, Santa Cruz Valley Unified School District, City of Avondale, City of Buckeye, City of Peoria (CFDs), Town of Camp Verde, City of Goodyear, City of Flagstaff, Town of Florence (Merrill Ranch CFD No. 1 & No. 2), City of Yuma (recent $38 million private placement representation), Town of Marana, Town of Oro Valley, Regional Transportation Authority of Pima and Pinal County, Metropolitan Domestic Water Improvement District and Lake Havasu City (where Mr. Reader recently represented the City as Financial Advisor on a $250 million wastewater revenue restructuring) and Pinal County.

Mr. Reader graduated from the University of Arizona with a bachelor of science in Finance and Accounting. Mr. Reader is a University of Arizona Eller Associate where he has participated in interviewing and assisting undergraduate business students. He is also a member of GFOA, GFOAz and ACMA (and volunteer for the Harvard Scholarship Program). Mr. Reader is a passionate advocate for Arizona Cities and Towns and is actively involved in legislative issues as requested by his clients and other organizations such as the League and County Supervisors Association.

Erika Coombs
Director

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Erika Coombs has assisted Arizona municipal issuers for more than 15 years and has experience with a wide variety of credit types and municipal bonds transactions in Arizona and New Mexico. Ms. Coombs is involved with every aspect of the financing, including capital planning, tax analysis, bond structuring/refinancing, marketing and credit analysis. Her expertise includes debt and tax analysis, elections, bond structuring and marketing, credit analysis and bond refinancing. She contributes to all stages of the debt issuance process, including evaluation of structuring options, preparation and review of offering documents, continuing disclosure, closings, and execution of bond sales and private placements.

Ms. Coombs's experience includes assistance with more than 75 bond and override elections and more than 200 financings. Ms. Coombs serves as the lead banker on the following clients: Alhambra Elementary School District, Pima Community College District, Sunnyside Unified School District and she previously served as Financial Advisor for Washington Elementary School District. Ms. Coombs also co-banks the following Arizona issuers, including: Balsz Elementary School District, the City of El Mirage, the City of Flagstaff, the Town of Florence (including the CFDs), Glendale Union High School District, Littleton Elementary School District, Paradise Valley Unified School District, Peoria Unified School District, the City of Peoria (including CFDs), the City of Phoenix, Phoenix Elementary School District, Quail Creek CFD, Rancho Sahuarita CFD, Ray Unified School District, Scottsdale Unified School District and Union Elementary School District. Recent election experience includes: Alhambra Elementary School District, Balsz Elementary School District, Blue Ridge Elementary School District, Catalina Foothills Unified School District, Chandler Unified School District, the City of Flagstaff, Glendale Union High School District, Kyrene Elementary School District, Littleton Elementary School District, Northwest Fire District, Phoenix Elementary School District, Queen Creek Unified School District, Union Elementary School District and Vail Unified School District.

Ms. Coombs is a member of the Arizona Association of School Business Officials (AASBO), National Federation of Municipal Analysts (NFMA), Government Finance Officers Association of Arizona (GFOAZ) and the Arizona City/County Managers Association (ACMA). Ms. Coombs is a past Board member of Women in Public Finance (WPF), President of the Mountain Region Chapter WPF and on the Board of Directors for The Junior League of Phoenix and Scottsdale Art's Young Professional program, AG2. She is also a graduate of Valley Leadership Institute Class 38 and Scottsdale Leadership Class 32.

Ms. Coombs is a graduate of the Barrett Honors College at Arizona State University with a Bachelor of Arts degree. She also holds a Master's degree in Public Administration with an emphasis in Urban Management from Arizona State University. She is an Arizona native.

Randie Stein
Director

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Randie Stein is a Director and has been with the Firm since 2004. Ms. Stein has 14 years municipal finance experience. Her previous experience includes 10 years as a key fiscal analyst for the Arizona State Senate and 5 years as a public policy consultant. Ms. Stein assists with bond transactions including preparation of rating agency materials, conducting specialized financial studies and research, and developing financial models. Areas of expertise include Arizona revenue and taxation, State land trust, and property taxation, and substantial Arizona legislative experience. Ms. Stein's municipal finance experience includes general obligation bonds, revenue bonds and certificates of participation. Ms. Stein is co-banker for the Arizona School Facilities Board, Pima County Regional Transportation Authority, Maricopa Integrated Health System and Yavapai County, and works with numerous school district and city/town clients around the State. She has expertise with school district elections and Arizona School Facilities Board funding issues.

Ms. Stein served as a member of the Senate Staff (1989-1998). Prior to joining the Senate Staff, she worked for three years at the Phoenix Chamber of Commerce and for one legislative session as an Economist/Budget Analyst with the Joint Legislative Budget Committee.

Ms. Stein is a graduate of the University of Arizona where she received her Bachelor of Arts Degree in Economics and Arizona State University where she received her Master's Degree in Economics.

Ms. Stein actively participates with numerous Arizona school district and municipal organizations. She previously served as a member of the Board of Trustees for the Arizona Public Safety Personnel Retirement System, on the Governor's Citizens' Finance Review Commission, on the Commission on Salaries for Elected State Officers and as the Interim Executive Director of the Arizona School Facilities Board.

Sandra Day
Vice President

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Sandra Day joined Stifel in 2002 and has over 16 years of public finance experience in Arizona. Ms. Day provides quantitative analysis and transactional support, assisting in various aspects of municipal debt financings including structural and refunding analyses, preparation, review and distribution of offering documents, bond closings, election pamphlets and client and rating presentation materials. Ms. Day's experience in municipal finance includes general obligation bonds, revenue bonds, special assessment bonds, and certificates of participation for school districts, counties, cities/towns, community facilities and special districts, fire districts, and various agencies in the State of Arizona, including the Arizona Department of Administration and Arizona School Facilities Board.

Ms. Day has provided bond transaction and election assistance to many jurisdictions in the State over her career. Such clients include, but are not limited to: Crane Elementary School District, Yuma Elementary School District, Queen Creek Unified School District, Phoenix Union High School District, Buckeye Elementary School District, Buckeye Union High School District, Sierra Vista Unified School District, Sedona-Oak Creek Joint Unified School District, Mesa Unified School District, Higley Unified School District, Sahuarita Unified School District, Tucson Unified School District, Florence Unified School District, Coolidge Unified School District, J.O. Combs Unified School District, Town of Prescott Valley (including CFDs), City of Scottsdale, City of Tucson, Buckeye Valley Fire District, City of Kingman, Green Valley Fire District, Tubac Fire District, Rio Rico Fire District and City of Tolleson.

Ms. Day is a graduate of Northwestern University with a Bachelor of Arts degree in Political Science. She also holds a Master's degree in Business Administration with an emphasis in Finance from Arizona State University.

Ms. Day is a member of Arizona Association of School Business Officials (AASBO) and Government Finance Officers Association of Arizona (GFOAZ). She is also a member of the Women's Leadership Council for the Valley of the Sun United Way.

Ken Cherevka
Associate

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Licenses issued by FINRA:
Series 50, Series 52, Series 63

Ken Cherevka joined Stone & Youngberg (now Stifel) in 2003 as an IT specialist and application developer. He brought his analytical skills to the public finance department in July of 2016. Mr. Cherevka provides quantitative analysis and assists in various aspects of municipal debt financings including structuring and refunding analyses, tax impact analysis, preparation and distribution of offering documents, and client and rating presentation materials.

Mr. Cherevka's experience in municipal finance includes general obligation bonds, revenue bonds, and lease-purchase agreements for school districts, cities, towns, counties, improvement districts, fire districts and jail districts through public bond offerings and private placements. Assisting the lead banker, Mr. Cherevka has worked with a large number of school districts and municipal entities throughout Arizona.

Mr. Cherevka is a graduate of Arizona State University with a Bachelor of Science degree in Computer Science.

Jack Leeper
Associate

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Licenses issued by FINRA:
Series 50, Series 52, Series 63

Jack Leeper joined Stifel in 2015. He contributes to all stages of the debt issuance process, including elections, evaluation of structuring options, preparation and review of offering documents, continuing disclosure, closings, and execution of bond sales and private placements.

Mr. Leeper's experience in municipal finance includes general obligation, sales tax, utility system, and special assessment revenue secured transactions. He has worked with school districts, cities, towns, counties, special districts and fire districts on their public bond offerings and private placement transactions. Assisting the lead banker, Mr. Leeper has worked with a large number of school districts and municipal entities throughout Arizona.

Mr. Leeper is a graduate of the University of Arizona with a Bachelor of Science degree in Business Administration.

Michael Imhoff
Managing Director
Denver

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Licenses issued by FINRA:
Series 7, 8, 24, 53 and 63

Michael Imhoff is a Managing Director of Fixed Income Capital Markets for Stifel. He is responsible for Municipal Institutional Syndication. Mr. Imhoff serves on the Board of Directors for the broker dealer. In 2017, Stifel served as the lead underwriter on 781 issues (ranking first nationally) totaling over $18.1 billion in par amount (ranking seventh nationally) of municipal debt. Mr. Imhoff currently serves on the SIFMA Municipal Executive Committee. Throughout his career Mr. Imhoff has also been active with the Municipal Securities Rulemaking Board, FINRA, and The Bond Market Association. He is also a member of the Governor's Transportation Finance Taskforce.

Mr. Imhoff makes capital commitments on behalf of the Firm. Mr. Imhoff serves on the Board of Directors for the broker dealer. He currently serves on the SIFMA Municipal Executive Committee. Throughout his career Mr. Imhoff has also been active with the Municipal Securities Rulemaking Board, FINRA, and The Bond Market Association. He is also a member of the Governor's Transportation Finance Taskforce (Colorado).

Betsy Kiehn
Managing Director
San Francisco

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Licenses issued by FINRA:
Series 7 and 63

Betsy Kiehn joined Stifel/S&Y in 2004. Ms. Kiehn is the co-head of California municipal underwriting for Stifel. In this role, she makes commitments on nearly 200 new issues totaling more than $5 billion each year. Ms. Kiehn plays a key role in recommending preferred debt structures and sale timing, and offers keen insight related to anticipated investor interest. Ms. Kiehn is a member of Stifel's Credit Committee and maintains oversight of the firm's short-term underwriting and remarketing desk. In addition to other responsibilities, Ms. Kiehn is noted for her expertise in non-rated land-secured financings.

Ms. Kiehn is a graduate of University of Vermont with a Bachelor of Science degree.

The following table lists the various Arizona municipal clients (and SAVE and YEPA members) served by the lead banking members of the Stifel team, including the Stifel role for each client.

CLIENTS SERVED AND SERVICES PROVIDED
(Including YEPA and/or SAVE Members)

LEGEND		
IB	-	Services provided to client only by Stifel and included all services described within the RFP
UW	-	Services provided to client were limited to underwriting of debt securities
FA	-	Services provided to client were limited to financial advisory assistance

Client	Sector	Role
Arizona School Facilities Board	AGENCY	FA
Arizona Department of Administration	AGENCY	FA
Maricopa Integrated Health System	AGENCY	FA
Regional Transportation Authority (RTA)	AGENCY	FA
Client	**Sector**	**Role**
Apache County Library District	CITY/TOWN/COUNTY	IB
Avondale (C of)	CITY/TOWN/COUNTY	FA
Bisbee (C of)	CITY/TOWN/COUNTY	IB
Buckeye (C of)	CITY/TOWN/COUNTY	UW
Camp Verde (T of)	CITY/TOWN/COUNTY	IB
Chandler (C of)	CITY/TOWN/COUNTY	UW
Chino Valley (T of)	CITY/TOWN/COUNTY	IB
Clarkdale (T of)	CITY/TOWN/COUNTY	IB
Clifton (T of)	CITY/TOWN/COUNTY	IB
Cochise County	CITY/TOWN/COUNTY	IB
Cottonwood (C of)	CITY/TOWN/COUNTY	IB
El Mirage (C of)	CITY/TOWN/COUNTY	UW
Flagstaff (C of)	CITY/TOWN/COUNTY	FA
Florence (T of)	CITY/TOWN/COUNTY	IB
Fountain Hills (T of)	CITY/TOWN/COUNTY	IB
Gila County	CITY/TOWN/COUNTY	IB
Glendale (C of)	CITY/TOWN/COUNTY	UW
Goodyear (C of)	CITY/TOWN/COUNTY	UW
Kingman (C of)	CITY/TOWN/COUNTY	UW
La Paz County	CITY/TOWN/COUNTY	IB
Lake Havasu City (C of)	CITY/TOWN/COUNTY	FA
Marana (T of)	CITY/TOWN/COUNTY	UW
Mesa (C of)	CITY/TOWN/COUNTY	UW
Mohave County	CITY/TOWN/COUNTY	FA
Oro Valley (T of)	CITY/TOWN/COUNTY	IB
Parker (T of)	CITY/TOWN/COUNTY	IB
Payson (T of)	CITY/TOWN/COUNTY	IB
Peoria (C of)	CITY/TOWN/COUNTY	UW
Phoenix (C of)	CITY/TOWN/COUNTY	UW
Pima County	CITY/TOWN/COUNTY	UW
Pinal County	CITY/TOWN/COUNTY	IB

Client	Sector	Role
Prescott Valley (T of)	CITY/TOWN/COUNTY	IB
Safford (C of)	CITY/TOWN/COUNTY	IB
Sahuarita (T of)	CITY/TOWN/COUNTY	FA
San Luis (C of)	CITY/TOWN/COUNTY	UW
Scottsdale (C of)	CITY/TOWN/COUNTY	UW
Sedona (C of)	CITY/TOWN/COUNTY	IB
Show Low (C of)	CITY/TOWN/COUNTY	IB
Somerton (C of)	CITY/TOWN/COUNTY	IB
Surprise (C of)	CITY/TOWN/COUNTY	UW
Taylor (T of)	CITY/TOWN/COUNTY	IB
Tolleson (C of)	CITY/TOWN/COUNTY	IB
Tucson (C of)	CITY/TOWN/COUNTY	UW
Willcox (C of)	CITY/TOWN/COUNTY	IB
Winslow (C of)	CITY/TOWN/COUNTY	IB
Yavapai County	CITY/TOWN/COUNTY	IB
Yuma (C of)	CITY/TOWN/COUNTY	IB
Yuma County	CITY/TOWN/COUNTY	IB
Client	**Sector**	**Role**
Avra Valley Fire District	FIRE DISTRICT	IB
Buckeye Valley Fire District	FIRE DISTRICT	IB
Bullhead City Fire District	FIRE DISTRICT	IB
Central Yavapai Fire District	FIRE DISTRICT	IB
Chino Valley Fire District	FIRE DISTRICT	IB
Corona de Tucson Fire District	FIRE DISTRICT	IB
Daisy Mountain Fire District	FIRE DISTRICT	IB
Drexel Heights Fire District	FIRE DISTRICT	IB
Fry Fire District	FIRE DISTRICT	IB
Green Valley Fire District	FIRE DISTRICT	IB
Northwest Fire District	FIRE DISTRICT	IB
Rincon Valley Fire District	FIRE DISTRICT	IB
Rio Rico Fire District	FIRE DISTRICT	IB
Sedona Fire District	FIRE DISTRICT	IB
Sun City West Fire District	FIRE DISTRICT	IB
Three Points Fire District	FIRE DISTRICT	IB
Tuba City Fire District	FIRE DISTRICT	IB
Client	**Sector**	**Role**
Arizona State University	HIGHER ED	UW
Maricopa Community College District	HIGHER ED	UW
Northern Arizona University	HIGHER ED	UW
Pima Community College	HIGHER ED	FA
University of Arizona	HIGHER ED	UW
Client	**Sector**	**Role**
Agua Fria UHSD	SCHOOL DISTRICT	IB
Alhambra ESD	SCHOOL DISTRICT	IB
Altar Valley ESD	SCHOOL DISTRICT	IB
Amphitheater USD	SCHOOL DISTRICT	IB

Client	Sector	Role
Antelope UHSD	SCHOOL DISTRICT	IB
Apache Junction USD	SCHOOL DISTRICT	IB
Arlington ESD	SCHOOL DISTRICT	IB
Avondale ESD	SCHOOL DISTRICT	IB
Balsz ESD	SCHOOL DISTRICT	IB
Benson USD	SCHOOL DISTRICT	IB
Bisbee USD	SCHOOL DISTRICT	IB
Blue Ridge USD	SCHOOL DISTRICT	IB
Buckeye ESD	SCHOOL DISTRICT	IB
Buckeye UHSD	SCHOOL DISTRICT	IB
Camp Verde USD	SCHOOL DISTRICT	IB
Cartwright ESD	SCHOOL DISTRICT	IB
Casa Grande ESD	SCHOOL DISTRICT	UW
Casa Grande UHSD	SCHOOL DISTRICT	IB
Catalina Foothills USD	SCHOOL DISTRICT	IB
Cave Creek USD	SCHOOL DISTRICT	IB
Cedar USD	SCHOOL DISTRICT	IB
Chandler USD	SCHOOL DISTRICT	IB
Chino Valley USD	SCHOOL DISTRICT	IB
Colorado River UHSD	SCHOOL DISTRICT	IB
Concho ESD	SCHOOL DISTRICT	IB
Continental ESD	SCHOOL DISTRICT	IB
Coolidge USD	SCHOOL DISTRICT	IB
Cottonwood-Oak Creek ESD	SCHOOL DISTRICT	IB
Crane ESD	SCHOOL DISTRICT	IB
Deer Valley USD	SCHOOL DISTRICT	UW
Douglas USD	SCHOOL DISTRICT	IB
Dysart USD	SCHOOL DISTRICT	IB
East Valley Institute of Technology (EVIT)	SCHOOL DISTRICT	IB
Flagstaff USD	SCHOOL DISTRICT	UW
Florence USD	SCHOOL DISTRICT	IB
Flowing Wells USD	SCHOOL DISTRICT	IB
Fountain Hills USD	SCHOOL DISTRICT	IB
Gadsden ESD	SCHOOL DISTRICT	IB
Ganado USD	SCHOOL DISTRICT	IB
Gila Bend USD	SCHOOL DISTRICT	IB
Gilbert USD	SCHOOL DISTRICT	IB
Glendale UHSD	SCHOOL DISTRICT	IB
Globe USD	SCHOOL DISTRICT	IB
Grand Canyon USD	SCHOOL DISTRICT	IB
Higley USD	SCHOOL DISTRICT	IB
Holbrook USD	SCHOOL DISTRICT	IB
Humboldt USD	SCHOOL DISTRICT	IB
Hyder ESD	SCHOOL DISTRICT	IB
J.O. Combs USD	SCHOOL DISTRICT	IB
Joseph City USD	SCHOOL DISTRICT	IB

Client	Sector	Role
Kayenta USD	SCHOOL DISTRICT	IB
Kyrene ESD	SCHOOL DISTRICT	IB
Lake Havasu USD	SCHOOL DISTRICT	IB
Liberty ESD	SCHOOL DISTRICT	IB
Litchfield ESD	SCHOOL DISTRICT	IB
Littleton ESD	SCHOOL DISTRICT	IB
Marana USD	SCHOOL DISTRICT	IB
Maricopa USD	SCHOOL DISTRICT	IB
Mesa USD	SCHOOL DISTRICT	FA
Mingus UHSD	SCHOOL DISTRICT	IB
Mohave Valley ESD	SCHOOL DISTRICT	IB
Morenci USD	SCHOOL DISTRICT	IB
Murphy ESD	SCHOOL DISTRICT	IB
Nadaburg ESD	SCHOOL DISTRICT	IB
Nogales USD	SCHOOL DISTRICT	IB
Osborn ESD	SCHOOL DISTRICT	IB
Page USD	SCHOOL DISTRICT	IB
Palo Verde ESD	SCHOOL DISTRICT	IB
Paradise Valley USD	SCHOOL DISTRICT	FA
Payson USD	SCHOOL DISTRICT	IB
Peach Springs USD	SCHOOL DISTRICT	IB
Peoria USD	SCHOOL DISTRICT	IB
Phoenix ESD	SCHOOL DISTRICT	IB
Phoenix UHSD	SCHOOL DISTRICT	FA
Pima USD	SCHOOL DISTRICT	IB
Prescott USD	SCHOOL DISTRICT	IB
Queen Creek USD	SCHOOL DISTRICT	IB
Ray USD	SCHOOL DISTRICT	IB
Red Mesa USD	SCHOOL DISTRICT	IB
Roosevelt ESD	SCHOOL DISTRICT	IB
Round Valley USD	SCHOOL DISTRICT	IB
Saddle Mountain USD	SCHOOL DISTRICT	IB
Safford USD	SCHOOL DISTRICT	IB
Sahuarita USD	SCHOOL DISTRICT	IB
Santa Cruz Valley UHSD	SCHOOL DISTRICT	IB
Santa Cruz Valley USD	SCHOOL DISTRICT	IB
Scottsdale USD	SCHOOL DISTRICT	UW
Sedona-Oak Creek USD	SCHOOL DISTRICT	IB
Show Low USD	SCHOOL DISTRICT	IB
Sierra Vista USD	SCHOOL DISTRICT	IB
Snowflake USD	SCHOOL DISTRICT	IB
Somerton ESD	SCHOOL DISTRICT	IB
Stanfield ESD	SCHOOL DISTRICT	IB
Sunnyside USD	SCHOOL DISTRICT	FA
Tanque Verde USD	SCHOOL DISTRICT	IB
Tempe UHSD	SCHOOL DISTRICT	UW

Client	Sector	Role
Tolleson ESD	SCHOOL DISTRICT	IB
Tolleson UHSD	SCHOOL DISTRICT	UW
Toltec ESD	SCHOOL DISTRICT	IB
Tombstone USD	SCHOOL DISTRICT	IB
Tuba City USD	SCHOOL DISTRICT	IB
Tucson USD	SCHOOL DISTRICT	FA
Union ESD	SCHOOL DISTRICT	IB
Vail USD	SCHOOL DISTRICT	IB
West-MEC	SCHOOL DISTRICT	IB
Whiteriver USD	SCHOOL DISTRICT	IB
Wickenburg USD	SCHOOL DISTRICT	IB
Willcox USD	SCHOOL DISTRICT	IB
Wilson ESD	SCHOOL DISTRICT	IB
Window Rock USD	SCHOOL DISTRICT	IB
Winslow USD	SCHOOL DISTRICT	IB
Yuma ESD	SCHOOL DISTRICT	IB

Stifel is pleased to support our clients with a national top 10 municipal sales, trading and underwriting operation. The volume of activity managed, keen market insight and the high degree of professionalism demonstrated by this group is an asset to every municipal transaction in which Stifel participates.

Combined Municipal Representatives, Sales, Trading and Underwriting Professionals Supporting SAVE and YEPA Members	
National Institutional	197
National Institutional (Exclusively Municipal)	23
National Retail	2,227
Arizona Retail	19
Municipal Trading & Underwriting	17

Tab 3: Scope of Services:

A brief summary of the scope of services to be provided by the firm (see list of required services on pages 31-33), including method of approach to the delivery of these services.

Method of Approach. Stifel's approach to the business of public finance is to always emphasize long-term client relationships. While many firms in the industry are transaction oriented, Stifel is a relationship oriented firm. Every bond issue we work on is unique and has specific strengths and challenges and we consider it our mission to maximize those strengths and tackle the challenges head on. We are a highly experienced team with veteran local bankers and a strong history of service to Arizona school districts, cities/towns, counties, special districts, community facilities districts, colleges, universities and State Agencies. Strategic locations across the country provide our clients with exceptional service and market knowledge. We work with our clients throughout the financing process to help ensure their goals and objectives are met. Stifel believes it is this approach to doing business that provides our clients with the best possible results.

With a vast wealth of relevant experience and senior banking personnel to draw upon, Stifel bankers are well equipped to design financing solutions that are tailored to the unique circumstances that each project may bring. We work collaboratively with clients to find the optimal accommodation of sound public policy, market-acceptable structures and cost effective financing. We have expertise with not only traditional fixed rate tax-exempt financings but also variable rate issues, stepped coupon structures, taxable issues, lease purchases, private placements and other financing structures for clients to consider, when appropriate, in addressing capital improvement needs in changing market conditions. We are prepared to provide the full range of services necessary and appropriate for the completion of each financing. Stifel is thorough in our method of approach and our execution on all levels of an engagement.

We pride ourselves on being well organized and responsive to our clients, so every client is assured their financing goals and objectives will be accomplished. We are confident we can offer the highest quality services, augmented by decades of capital markets expertise. We have the largest Public Finance staff in the State and ample resources to help government jurisdictions accomplish their financing objectives. Our approach to each engagement is to offer a solid primary team and make available any and all resources of the Firm, as appropriate for specific circumstances.

Stifel's staffing goal with respect to all clients, is to provide all appropriate resources necessary to accomplish the task at hand. Stifel's Public Finance Department is made up of offices across the country with a primary focus on regional markets. Our philosophy though, encourages reaching out from our local offices to the entire Firm for additional expertise when needed. While the teams for Arizona clients will be primarily staffed by the Stifel Public Finance Office in Phoenix, *the full breadth of experienced resources Stifel has to offer is available, as appropriate*. Each Stifel engagement team is led by a senior banker and includes analytical and consulting support, a disclosure specialist and administrative assistance. All of these individuals are located in Arizona. Depending on the specific financing, the Stifel team may be augmented with additional banking support and subject area specialists (both local and throughout the Firm) to assist with unique circumstances. This Stifel engagement team philosophy enhances the efficiency of the transactions in which we participate, encourages multiple levels of review to ensure flawless execution and empowers clients with several points of contact.

Scope of Services. In the following table we have grouped the specific services associated with this RFP into four categories:

- Services Associated with Publically Offered Bonds and Obligations;
- Assistance with General On-Going Debt Issuance Matters;
- Additional Financing Services; and
- Stifel Advantage Services.

We believe the information provided throughout the next several pages clearly documents the ***Stifel Advantage Services***. This is evidenced by both the additional services, under the heading Stifel Advantage Services, provided to our clients and by Stifel's thorough and higher level of execution of all services for our clients.

Stifel's bankers and personnel assigned to the District and other YEPA and SAVE members have been consistently providing the scope of services listed in the RFP and other value added services as further described below to Arizona school districts, including the District and YEPA and SAVE members, throughout their entire careers. Our professionals are seasoned and well adapted to the pace, process and needs of Arizona's school districts. Stifel is well suited to serve in either the financial advisory or investment banking capacities the District may need. In accordance with the securities industry Municipal Advisor Rule (the "MA Rule") and other relevant rules, Stifel services and communications, where applicable and depending on the circumstances, will be provided on a general and factual basis until engaged as either a financial advisor, underwriter or placement agent for a particular financing. Thereafter, Stifel will adhere to the limitations respective to each role as contemplated by the MA Rule.

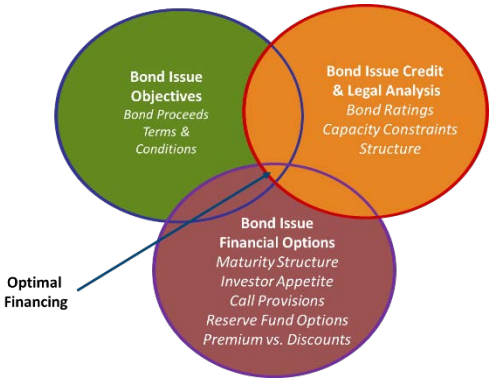
Depending on the specific engagement or transaction for which the Firm is hired, and our role as either a financial advisor or underwriter, the following is a brief description of our services provided, approach and experience.

TRADITIONAL INVESTMENT BANKING SERVICES

Scope	Service
1	*devising and recommending to the District a plan of financing for bonds, other debt obligations or lease/purchase obligations to be issued, which plan shall include a maturity schedule, projected tax rates and other terms and conditions, as will result in the most advantageous terms to the District, consistent with a minimum effective interest rate*

Plan of Financing. Successful public financings begin with a thorough understanding of the client's (i) financing objectives, (ii) financial considerations and (iii) political constraints as well as a solid understanding and awareness of industry market conditions and the Arizona debt market. Stifel provides complete information so our clients can make informed decisions; not information based on financial incentives to choose one financing technique over another. Stifel works with the issuer and the team to create a debt issue reflective of the specific policy objectives and structured to provide the lowest possible borrowing cost under prevailing market conditions. Stifel manages this team effort with all financing participants on behalf of the issuer – ensuring financings are completed in a timely fashion where all capital financing objectives are met.

Stifel has the most active underwriting desk for Arizona.



Stifel begins each transaction with a thorough report and analysis of primary financing factors such as detailed assessed valuation analyses, property tax rates review and projections, current outstanding debt obligations and other financing plans (i.e. overrides, phased bonding program, lease purchase obligations). Stifel bankers review planning scenarios, adjusted throughout the financing process, and weigh considerations of different options with issuer officials.

Our local Stifel bankers have the benefit of understanding the community, knowing how and where to find critical data to better understand/explain municipal revenue streams, and working with these issues on a regular basis.

With input from staff, Stifel bankers then prepare a draft Financing Plan which will include a summary of the key features for a financing, major credit considerations, financial analyses, sources and uses of funds schedule, maturity schedule and a financing timeline. During this process and evaluation, Stifel can suggest enhancements to existing issuer policies or objectives for financings, secondary property taxes and revenue obligations. Stifel will also review the issuer's outstanding debt for interest savings and/or payment restructuring opportunities that could be achieved through adding a debt refunding component to the issue.

2	*determining the timing of the offering and the sizing of the issue*

Timing and Sizing. Appropriate timing and sizing are important components for the success of any debt issuance. The number of factors to consider in the context of timing and sizing are numerous and range in complexity depending on the credit, current market conditions and interest rate expectations. The Stifel team works with issuers to facilitate, understand and prioritize all of these pieces of information to make an informed decision with respect to issue timing and sizing. Some of the specific factors that Stifel takes into consideration for scheduling and structuring are listed below:

- Method of sale – Public sale or private placement
- Size – Based on issuer capital plan, policies and objectives, State statutory restrictions, Federal tax law considerations, growth assumptions, revenue stress tests, tax rate policy parameters, etc.
- Structure – Pace of needs, payoff objectives, terms of different types of financing vehicles, prepayment options, coupon flexibility, capacity constraints, market conditions
- Cost considerations – Minimize fixed issuance costs by number of issues and/or financing vehicle
- Economic/market factors and calendar
- National and Arizona deal volume

Stifel produces a financing timeline for each bond issuance, indicating the key deadline dates and specifying responsible parties for each task. This timeline is developed with the issuer and updated as needed throughout the financing process.

TRADITIONAL INVESTMENT BANKING SERVICES

Scope	Service
3	*participating in document preparation and assisting bond counsel in the coordination of the offering*

Financing Document Preparation and Bond Counsel Assistance. Pursuant to the Financing Plan, Stifel will assist the issuer, bond counsel and other financing team members in the preparation and/or review of all relevant financing documents including the official statement, disclosure agreements and bond indenture, as well as any additional documents required by the financing such as appraisals and ground leases for real property-secured financings and feasibility studies for utility revenue bond issues. We will provide input into drafting to assure accuracy and maximum flexibility for the financing.

Stifel assists with preparation of offering memoranda and other documents related to the marketing and issuance of debt and the execution of related financing transactions to meet Board packet deadlines. Additionally, Stifel drafts a communication to the Governing Board highlighting their obligation of reviewing the offering document pursuant to Federal legislation.

Stifel also actively participates in coordinating and being a part of all due diligence calls – sometimes arranging multiple calls in order to make sure all legal issues are vetted and addressed. Stifel also contracts with a third party continuing disclosure firm to provide analysis of an issuer's continuing disclosure filings.

4	*preparing such information, as necessary, for the rating of the entity and upon the District approval, assisting in the presentation to stakeholders; assisting the District in maintaining on-going relationships with the credit rating agencies*

Credit Rating(s). Stifel assists issuers in determining the cost-benefit of obtaining credit ratings (non-public or public); such analysis includes assessing the underlying credit strengths and weaknesses pursuant to each credit rating agency's criteria, analyzing the benefit of bond insurance (see scope 6 Credit Enhancement herein) and exploring the availability and applicability of other credit enhancing programs in addition to an underlying credit rating. Stifel coordinates sending the request for rating qualification to the credit rating agencies. Stifel's assistance also extends to periodic surveillance calls – assisting with coordination and providing general and factual information as requested.

Beyond being a facilitator, Stifel often serves as a resource to the credit rating agencies as they navigate through the complexities of Arizona school finance and annual legislation.

Depending on the complexity of the proposed financing program, Stifel will assist with producing a credit rating presentation. If a visit to or by a rating agency is warranted, we would coordinate the trip and the presentation and accompany issuer Staff.

Stifel has been at the forefront in educating the rating agencies on Arizona school finance to help rating agencies understand the limitations placed on Arizona school districts and to eliminate the use of terminology or language that may be inaccurate or misleading (such as the use of "operating deficit"). Additionally, as a result of recent Arizona Statutory changes, Stifel has been working with issuers to consider the potential benefit of a Fitch rating. In some cases, Fitch's favorable view of Arizona's "Statutory Lien" language warrants weighing the cost of an additional rating against the potential interest rate benefit of a two notch rating bump.

Stifel Advantage: *Lastly, Stifel offers our clients assistance with compiling information for Standard & Poor's Financial Management Assessment – helping to organize the process in advance. Stifel also subscribes to premium Moody's Ratings tools: Moody's Quantitative Ratings Estimator (QRATE) and Municipal Finance Ratio Analysis (MFRA) to assist with creating and comparing credit ratings based on different assumptions.*

5	*participating in Preliminary Official Statement (POS) and Official Statement (OS) assemblage, preparation and delivery of a "camera-ready" copy to the printer*

Disclosure Documentation Preparation. Stifel may assist in producing an official statement (or placement memorandum, term sheet or other disclosure document) in-house for its clients or may oversee the production of the offering document by a disclosure counsel, depending upon the complexity of the financing, extent of disclosure and the issuer's preference. As either originators of the document(s) or overseers, our bankers are well versed in the preparation of comprehensive disclosure documents. We work closely with the issuer to make sure that Staff and the Governing Board carefully reviews the offering document to ensure compliance with the Securities and Exchange Commission Rule 15c2-12 and guidelines of the Municipal Securities Rulemaking Board. Additionally Stifel works with many printers, both locally and nationally, to produce "camera-ready" copies of offering documents.

Our Phoenix office has more experience than any other Firm assisting with Official Statements for Arizona issuers.

Our Phoenix office has more experience than any other Firm assisting with Official Statements for Arizona issuers. Stifel has been at the forefront of crafting and updating disclosure language – from amending the Property Tax language after implementation of Proposition 117 to accurately describing SRP in-lieu contributions to pension and retirement plan language.

TRADITIONAL INVESTMENT BANKING SERVICES

Scope	Service
6	*advising the District concerning the need for credit enhancement and assisting in the negotiations in connection therewith*

Credit Enhancement. Stifel will solicit the requests for insurance from the insurance companies, helping to respond to any additional requests for information or clarification and collecting premium quotations. Based on investor/market feedback and pricing, Stifel then analyzes the breakeven insurance premium point and helps evaluate whether insurance should be utilized and/or which bond insurance company is appropriate.

Stifel Advantage: *Stifel is well-informed and monitors other financing credit enhancement options, such as the recently implemented Arizona Credit Enhancement Program. Stifel continually analyzes these mechanisms for our clients and communicates the practicability of utilizing such options as part of the preparation for the transaction.*

7	*assisting in the approval process of the bond issue or lease/purchase obligation by the Governing Board and any other entity as necessary to the issuance of the bonds or lease/purchase obligation*

Governing Board Approval of Issuances. Stifel frequently attends meetings pursuant to the client's needs, including, but not limited to, work study sessions, Governing Board meetings, debt oversight committee meetings. As needed, this may include preparation of materials, performing tax rate calculations for options being considered and public presentations. Additionally, Stifel is also available to address constituent and/or investor inquiries. As noted in Scope 3, Stifel assists Bond Counsel and staff with making sure the approval processes are timely and complete.

8	*assisting in closing details and post-closing duties, including the development of closing memorandum and a final report to the Bond Review by the Governing Board to include a recap of the sale of the bonds or the lease/purchase obligation*

Closing Document Review and Closing Memorandum. Stifel works with client staff, the County Treasurer, bond counsel and any other consultants to execute the closing of the financing. Stifel reviews all final closing and legal documents to ensure the transaction is properly documented. We coordinate with the other financing team members for publishing any final Official Statement (or other disclosure documents) and prepare a closing memorandum. We arrange and coordinate with the appropriate parties so that the financial arrangements are made for the closing. A Stifel closing coordinator is present at physical closings or coordinates conference calls to ensure and confirm wires are sent and the bond issues close with all appropriate parties.

Post-Closing. Within the industry regulatory framework, Stifel's practice is to maintain close relationships with clients after a financing is closed to answer any ongoing questions, ensure that all parties have the information needed to effectively administer the debt, assist with understanding continuing disclosure obligations and support ongoing rating agency and investor relations. Stifel may also provide a post-pricing report and presentation to the Governing Board after the pricing. Additionally, Stifel provides a Summary of Sale booklet at or before closing of each sale to serve as a record and reference in future years. We will remain available to the Staff for questions as they arise once the transaction is complete. If requested, we will also review written post issuance compliance procedures. Stifel also maintains copies of all transcripts related to client debt financings.

Continuing Disclosure. Working with Bond Counsels, our office assists numerous clients with understanding their continuing disclosure requirements. Due to restrictions of the Securities and Exchange Commission, broker-dealers and municipal dealers are prohibited from actively participating in issuer compliance with ongoing disclosure requirements. Stifel provides contact information for third party firms that provide continuing disclosure assistance. To the extent we are able, we provide education and assistance with these requirements. Stifel sends an annual continuing disclosure reminder to all of our clients prior to the deadline and includes a list of dissemination agent providers.

9	*answering questions or requests for additional information from prospective investors*

Prospective Investor Information Requests. Stifel prides itself on its relationship with the investor community and its responsiveness to any inquiries. Stifel provides ongoing sales force education and credit surveillance to support the investor base. During issuances, Stifel's underwriting and public finance team are readily available to answer questions or direct investors to publicly available information. Stifel's Municipal Research Department ensures relevant credit information is available to our sales team ahead of the pricing period. The team also provides secondary market support for the bonds the Firm underwrites long after the sale. Stifel distributes *"Municipal Market Observer"* and "*Bond Market Weekly*" reports each week to an external group as well as institutional and retail clients. Our Fixed Income Capital Markets group regularly provides strategy, market and FOMC commentary.

MuniBOND is a proprietary system, which is used by every member in Stifel's Municipal Division.

Stifel Advantage: *At Stifel, we pride ourselves on being at the forefront of technology and data usage. MuniBOND is a proprietary system, which is used by every member in Stifel's Municipal Division. This system truly gives Stifel a competitive edge in engaging investors and keeping diligent records with our public finance issuer clients.*

TRADITIONAL INVESTMENT BANKING SERVICES

Scope	Service
10	*underwriting of debt securities and/or evaluating any proposals submitted for the purchase of bonds or lease/purchase obligations*

Underwriting of Debt Securities. Stifel is one of the most active underwriters in the country and in Arizona. Nationally, for the past four years running Stifel has ranked the #1 underwriter of negotiated obligations, by number of transactions. In Arizona, also by number of transactions, for six or the past eight years Stifel has ranked the #1 underwriter of Arizona negotiated obligations. In Arizona, for 2017, the Firm ranks #1 by both number of transactions and par amount. We offer some of the most experienced professionals in the business with strong working relationships with investors and keen insight on the Arizona market. The key features of Stifel's underwriting platform are communication, process transparency, maximum distribution and willingness to put Firm capital at risk by taking securities into inventory. This approach, along with Stifel's high level of execution, are the keys to securing the lowest possible yields for our clients' debt transactions. Because the Firm consistently underwrites more Arizona municipal issues of all credit types and sizes than any other firm, our municipal market insight places Stifel in the best position to develop the most effective pricing strategies for our clients. A full description of Stifel's top 10 underwriting and distribution platform begins on page 30.

Because the Firm consistently underwrites more Arizona municipal issues of all credit types and sizes than any other firm, our municipal market insight places Stifel in the best position to develop the most effective pricing strategies for our clients.

Proposal Analysis and Method of Sale. If serving as Financial Advisor, Stifel assists the issuer with evaluation of various proposals submitted by underwriters for refunding opportunities and lease/purchase or bond obligation purchases; and appropriate method of sale for a pending transaction. The method of sale analysis is based on a variety of factors including stability of the long-term fixed rate municipal market; complexity and uniqueness of the credit being sold; current market conditions; and level of pre-marketing needed; and contemplated after a thorough discussion with the client regarding the benefits and limitations associated with the competitive, negotiated and private placement processes. Under all circumstances, Stifel's role is to represent the issuer and evaluate all available options, whether presented by other firms or originated by Stifel, to ensure our clients' financial objectives are met as efficiently as possible. Additionally, at the time of an actual sale, Stifel banking and research staffs are available to answer questions from underwriters and investors and Stifel deploys its technical resources to verify mathematical accuracy of submitted bids, identify winning bidder, and refine principal amortization schedules, if needed. In all cases, Stifel's municipal market expertise and underwriting depth and experience are at the forefront for the benefit of our clients. Even in financial advisory situations, Stifel clients benefit from our underwriting capabilities. The key municipal market insight available from our very active and highly regarded underwriting desk is regularly tapped to confirm purchase proposals, bids and pricings for our financial advisory clients.

14	*soliciting pricing quotes for and paying for, on behalf of the District, fees associated with the printing of bond offering documents, ratings, trustee and paying agent fees and related services when necessary*

Soliciting Pricing Quotes for Fees. Stifel routinely solicits pricing quotes for fees associated with securities issuances: paid by bond proceeds including credit enhancement pricing quotations, dissemination agent fees, bond registrar/paying agent fees, etc. For bond registrar and paying agent, trustee, escrow/depository trustee services, Stifel contacts at least five to six commercial banks. Stifel produces a summary analysis along with the original responses. Stifel is differentiated by the thoroughness of our trustee and paying agent solicitations – requesting fees for payment of costs of issuance and termination fees should the issuer opt to change trustee and paying agent firms. Credit rating agencies have a well-established, fixed fee scheduled based on the type and size of bond. Stifel will confirm those fees for accuracy prior to pricing bonds. In certain circumstances, Stifel has been able and willing to advance fees associated with the printing of bond offering documents, ratings and related services when necessary and on behalf of the issuer. The fees are ultimately reimbursed from bond proceeds.

15	*monitoring the costs of fees and expenses incurred in connection with the issuance of the bonds*

Transaction Expenses. Stifel continually monitors and maintains the fees and expenses in connection with the issuance of the bonds. A detailed breakdown of the Cost of Issuance paid from bond proceeds is provided for every transaction.

ON-GOING FINANCIAL SERVICES

Scope	Service
11	*assisting the District with respect to the investment of bond proceeds, if necessary, and recommending an entity to calculate arbitrage earnings*

Investment of Bond Proceeds. By Statute, Arizona counties invest bond proceeds on behalf of school districts. We can, adhering to applicable State and Federal rules and regulations, act as a liaison between the district and the county, if necessary and as needed.

Arbitrage Rebate Consultant. Stifel sends an annual reminder to its clients regarding engaging an arbitrage consultant firm to calculate arbitrage earnings, if applicable. Included in this reminder, Stifel lists various firms who provide such services. Additionally and when requested, Stifel has assisted in providing documentation/schedules that the arbitrage rebate agent may need for their analysis.

13	*advising the staff of the District and the Governing Board of ongoing developments in the bond industry as they affect the District*

Ongoing Market Updates. A large portion of Stifel's success in the municipal marketplace is attributable to the quality, professional work we provide our clients and the information we provide to investors and other market participants. Stifel's underwriters in Denver (and San Francisco depending on circumstances) are available at any time throughout the financing process to discuss their thoughts on the market's most probable reaction to financing alternatives and provide an ongoing update of market conditions.

We are constantly in communication with potential investors through the distribution of educational and marketing materials.

Stifel maintains several economists, a Fixed-income Strategy Group and a Municipal Credit & Research division to provide the Firm and its clients with a macro overview of the domestic and international economies as well as the bond markets. Stifel's Public Finance Research Department ensures relevant credit information is available to our sales team ahead of the pricing period. Our Fixed Income Capital Markets group regularly distributes strategy, market and FOMC commentary. We are constantly in communication with potential investors through the distribution of educational and marketing material. Our market strength in underwriting complements advisory work to help ensure our clients' bonds are priced aggressively and fairly.

16	*maintain records of debt service on all outstanding obligations*

Debt Service Records. Stifel maintains and updates debt service on all outstanding obligations of its clients. Also, in the "Summary of Sale Results" book, Stifel includes aggregate and individual debt service schedules for all bond issuances of the jurisdiction. Our records are frequently used as a "check" for information contained in annual bonded indebtedness reports, tax levy setting and budgets/AFRs/audits. Additionally, Stifel uses these resources to constantly monitor for refinancing opportunities. Furthermore, Stifel also invests in a Bloomberg Terminal and industry software such as TM3 and SDC. These resources validate our own records to ensure accurate tracking.

Stifel Advantage: *Stifel annually provides outstanding debt service payments which our clients utilize for budgeting/AFR and tax levy setting purposes. Stifel has the resources to constantly maintain extensive debt information for its clients (debt service, credit ratings, insurers, assessed values, tax rate histories, election histories, authorized but unissued debt), as well as entities across the State.*

17	*monitoring and advising the District on refunding opportunities, derivatives and other financial products that would help the District lower its cost of borrowing*

Refundings and Other Financial Products. Utilizing the daily, weekly, monthly and annual market information provided by all departments of the Firm, Stifel continually monitors market movements. Using this data as well as the debt information maintained for their clients, Stifel consistently monitors the outstanding debt of each client on a continuous basis in order to identify potential refunding candidates that generate cash flow savings. Stifel will alert issuers of debt refinancing or payment restructuring opportunities with substantial benefit, including those for interest cost savings, a change in revenues securing the debt or a desire to change or eliminate certain bond covenants. Especially in light of the recent tax reform's elimination of advanced refundings and pursuant to issuer objectives, Stifel keeps abreast of alternative refunding opportunities such as forward contracts, Cinderella bonds, taxable refundings and crossover refundings.

In addition to Stifel's investment in industry software, the Firm retains two quantitative experts available for consultation on more complex or newly emerging structures.

Stifel is well-equipped with all industry-standard market software resources, including subscriptions to TM3, Bloomberg, rating agencies, and DBC Finance. We maintain a subscription to Thomson Reuter's eMAXX, which enables us to perform in-depth investor analyses and constantly monitor refunding opportunities.

ON-GOING FINANCIAL SERVICES

Scope	Service

Stifel Advantage: *In addition to Stifel's investment in industry software, the Firm retains two quantitative experts: Paul Luhmann and Les Willson – both have 25 years of experience structuring hundreds of transactions and have significant experience in the investment of bond proceeds, including construction funds, debt service reserve funds, advance refunding escrows, and escrow restructurings. Our quantitative experts have extensive experience in data analysis and statistical techniques, especially multivariate regression analysis optimization techniques, Monte Carlo simulations, and sensitivity testing. They specialize in reading, understanding and interpreting statistical analyses, and then using the results to optimize a debt structure. Stifel uses DBC Finance as bond structuring software but regularly constructs customized models in Excel to serve the needs of issuers with more complex financings. Our quantitative team holds internal information sessions for all Stifel public finance offices and continually communicates new or applicable financing mechanisms and refunding opportunities.*

18a	*assist the District with the tax levy worksheet to assure that the county is levying sufficient amounts for payment of debt service on any outstanding bonds or lease/purchase obligations;*

Property Tax Levies. As previously noted, Stifel maintains extensive debt records, maintains relationships with the treasurers of the counties, and provides a thorough review to ensure a correct levy of debt service at the request of the issuer or the county. This is a ***standard*** service provided by Stifel.

Stifel Advantage: *Stifel is often consulted by county, auditor and issuer staff to provide such data as we maintain comprehensive data files.*

—	*Awarded firms must be willing and able to assist the entity with meeting any applicable state and federal reporting requirements. These requirements may include, but are not limited to, providing assistance in the development of any necessary tables for inclusion in the entity's Comprehensive Annual Financial Report (CAFR) and those for publication on the Electronic Municipal Market Access (EMMA) platform.*

State and Federal Reporting Requirements. Stifel routinely assists issuer clients with statutory, US Census Bureau and bond continuing disclosure requirements. This includes assistance for issuer officials, accountants and dissemination agents with data sources and supplemental data, as requested and as needed. Stifel analysts and bankers are available for this purpose throughout the term of the contract.

The Firm is very proactive with respect to monitoring federal and state legislation and programs relating to municipal finance. On a national level, we regularly receive materials from the several bond counsel firms we work with pertaining to changes in federal municipal finance legislation and programs. We work directly with these law firms to thoroughly understand the implications for Arizona issuers and to incorporate any necessary changes into our business practice. In addition, our bankers make a point of attending various industry conferences and round table discussions throughout the year as a way to stay on top of industry trends and requirements, including the Electronic Municipal Market Access (EMMA) reporting requirements. On a national level, the Firm is very engaged with the Municipal Securities Rule Making Board (MSRB).

—	*In addition, the Investment Banker shall advise the District on any matters that might have an effect on the District or any of its outstanding issues.*
20	*all other matters necessary or incidental to the issuance and administration of debt obligations*

Additional Matters. As described herein, Stifel has an unequal reputation for regularly monitoring and providing critical reporting of legislative and regulatory developments which may impact bond issues or capital finances of our clients. Additionally, Stifel's constant monitoring and interaction with the municipal bond markets and secondary trading activity offers critical insight for our clients.

Stifel is fully prepared to execute and assist with all services related to the issuance and administration of debt obligations, as applicable for each engagement.

OTHER FINANCING SERVICES

Scope	Service
18b	*analyze the cash flows of the district for the purposes of identifying cash shortfalls; and/or*
18d	*assist with identifying the cost/benefit of issuing Tax Anticipation Notes (TANS); and/or*
18e	*assistance with facilitating the issuances of TANS, as needed; and/or*

Cash Flow Analysis and TANs. Stifel has experience assisting districts with cash flow analysis, applications for advanced State aid, when requested, and providing thorough analyses related to justification for issuing Tax Anticipation Notes ("TANs"). For those issuers that decide to utilize the TANs program, the Firm has experience underwriting TANs issues and experience placing taxable school district issues with County treasurers.

19	*assisting with lease-purchase financings or other obligations for capital projects including but not limited to real property and energy savings measures*

With respect to alternative financing options, our professionals are constantly evaluating and reevaluating products, offerings and alternative investor options that have the potential to increase the efficiency of our clients' financings.

Private Placements with Banks and County Treasurers. Stifel has successfully placed issues with both private retail and institutional investors, at or below public market rates. In addition to the interest rate savings associated with these transactions, our issuer clients have also realized savings with respect to issuance costs and staff time required to prepare the transaction for market.

In 2009, Stifel introduced privately placing short (one to five-year maturity range) Arizona school district general obligation bonds to the Maricopa County Treasurer – a financing vehicle often with favorable borrowing rates, abbreviated requirements and lower costs of issuance to districts. Subsequently, Stifel worked with the Pima and Coconino County Treasurer's offices for private placement as well. In all, Stifel has placed well over $100 million with County Treasurers.

Energy Savings Lease Purchase. Stifel has assisted multiple school districts, acting as Placement Agent, in finding financing for energy saving lease purchase projects. Our team identifies and solicits pricing quotes from many investors and facilitates the transaction with all parties. We assist the issuer in identifying the financing with the best terms including interest rate, prepayment terms and other details in the agreement. Among many examples of our service, Stifel assisted Tucson Unified School District with an equipment/lease purchase, utilizing Qualified School Construction Bonds, resulting in $11.3 million of interest cost savings (assuming full federal interest subsidy), Sunnyside Unified School District with over $100,000 savings and Higley Unified School District with over $240,000 savings.

Stifel is the only Firm to assist hyper-growth districts with new school construction challenges by utilizing real property lease purchases to fund schools with the intention of prepaying the lease once bonding capacity and/or bonding authority is achieved.

Lease Purchase / Certificates of Participation. Stifel is the only Firm to assist hyper-growth districts with new school construction challenges by utilizing real property lease purchases to fund schools with the intention of prepaying the lease once bonding capacity and/or bonding authority is achieved. Clients that have successfully met new school construction schedules through interim real property lease purchases include Queen Creek Unified School District, Buckeye Union High School District, Buckeye Elementary School District and Chandler Unified School District totaling $81.32 million.

Stifel has a strong presence in structuring lease financings in the form of certificates of participation ("COP"), thereby opening up this well-established form of capital financing to a large network of investors. This is evident in the number of such issues our Firm has structured. Over the past decade Stifel has assisted in several hundred million dollars of Arizona COP/lease revenue financings as sole, lead, co-senior manager, placement agent or financial advisor, including the Arizona Department of Administration Mohave Prison Purchase, three issues for the City of Tucson in June 2011 and two COP/Lease Revenue issues in 2010 for the Arizona School Facilities Board totaling $150 million ($91 million in QSCBs). As a result, Stifel ranks among the market leaders in this area of municipal finance. Our experience is widespread, having structured simple certificates of participation issues to complex asset transfer structures utilizing multiple cash flow streams.

Federal Tax Credit Financings. Prior to the 2017 Tax Reform Legislation eliminating Build America Bonds and QSCBS, Stifel worked with 20 school districts in Arizona on Build America Bond and Qualified School Construction Bond financings, financings which resulted in significant interest savings. Since issuance, Stifel has been communicating and tracking the various sequestration amounts to such subsidies. Stifel was also successful in assisting with cross-over refundings of these financings, resulting in debt service savings and debt restructuring. See Appendix B for a listing of Stifel non-traditional school district issues, including our tax credit bond experiences.

Defeasances and Escrow Restructurings. Stifel has in the past, and if requested, will assist clients with defeasances and payoff of debt, as well as escrow restructurings (see Scope 17).

STIFEL ADVANTAGE SERVICES

Scope	Service
12	*assisting the District in providing information to various legislators and other state or federal agencies*

Legislative and State and Federal Agency Information. Randie Stein is a key member of the Stifel team with unmatched expertise assisting school districts and other jurisdictions with legislative and state and federal agency information in the areas of property taxation, school finance, state revenue and expenditure issues and state funding formulas. Ms. Stein's knowledge and experience is fully supported and augmented by the depth of the Stifel Phoenix Office. Additionally, the Firm is proactive with respect to monitoring federal and state legislation, programs and regulations relating to municipal finance and communicating this information to our clients, as is discussed further below.

Ms. Stein has recognized expertise in issues pertaining to Arizona revenue, taxation and finance and is adept at modeling tax and revenue changes to assess the impact of specific legislative proposals.

In recent years Stifel has been a crucial technical contributor on several state and federal public policy issues. The Firm's assistance includes drafting statutory language, preparing concise explanations of specific issues and modeling fiscal impacts. We are adept at legislative and tax research and willing to assist our municipal clients in these areas. Several of the issues in which Stifel has been involved include:

- Increasing school district statutory bonding capacity
- Preparing fiscal impact analyses for statutorily required consolidation and unification elections
- Identifying and working on concerns related to Prop 117 implementation and the impact on jurisdictional general obligation bonding capacity calculations
- Correcting fatal language in early drafts of the recently enacted jurisdictional "statutory lien" legislation
- Assisting with timing considerations for School Facilities Board new construction authorization
- Preparing explanations regarding the status of the Prop 123 State Land Trust revenue distribution concern
- Extending Lease Purchase Agreements from a maximum 5 years to 15 years (without an election)
- Legislation authorizing the Department of Corrections financing for the State prison facility in Mohave County that saved the State in excess of $50 million of dollars

18f	*assistance with understanding of SFB issues as they relate to the need to bond*

Intersection of SFB and School District Bonding. Outside of State government, there is no person more familiar and competent in this area than Randie Stein. Having served as the Interim Executive Director of the SFB during the original implementation period, Ms. Stein is truly an expert. On behalf of Stifel clients, the Firm has developed a new construction model to project district eligibility for state new construction funding. The model has proved invaluable for school districts in understanding the impact on state funding associated with construction of locally funded space, and helping school districts plan and maximize use of scarce local capital resources.

18c	*assistance with over-ride elections; and/or*

Bond and Override Election Assistance. Another critical service area for Arizona school districts includes planning and implementing bond and override elections, an area constantly impacted by the tinkering of the State Legislature. Ms. Stein and other professionals of our Firm have been consistently relied upon over the years by school districts, their bond attorneys, AASBO and other school associations to maintain compliance in this area. Stifel's assistance includes preparation of tax impact tables, debt service schedules and financial information required for the voter information pamphlet. In addition to assisting with an average of 25 override elections per year, Stifel professionals have also assisted with 32 school district bond elections requesting over $2 billion authorization from voters in the last two years.

All but a small number of the school district bond and override elections that have taken place in Arizona over the past 20 years have been assisted by the bankers on the Stifel team.

It is important to mention that all but a small number of the school district bond and override elections that have taken place in Arizona over the past 20 years have been assisted by the bankers on the Stifel Team. Although less frequent, Stifel also assists municipal governments with various property levy, tax, bond and override elections. The bankers at Stifel are well equipped with the expertise to successfully assist Arizona jurisdictions with bond, override and primary property tax levy elections.

STIFEL ADVANTAGE SERVICES

Additional Stifel Advantage Services

One of Stifel's most notable achievements in Arizona is our dedication to providing crucial services to our clients outside of the debt issuance process. Stifel has been providing these services consistently for nearly two decades and with dedicated resources, unmatched by any other firm. Following is a description of these services.

- **School Capital Seminars:** Generally three luncheons throughout the year to focus on timely topics related to school capital. Topics have includes legislative issues, state budget, municipal bond market update, school district election results, and continuing disclosure requirements.
- **Elections 101 and Bond Issuance 101 Programs:** Each program is generally held at least once each year. The program is an in-depth look at the topic and offers a good format for questions and discussion. Programs can also be tailored for specific school district or municipal jurisdiction needs.
- **Legislative Updates:** Distributed up to ten times during each regular session of the Arizona Legislature. The document tracks bills related to school capital finance, school facilities, school district property taxes, and major changes to the school funding formula. A final report is prepared and distributed at the end of each session.
- **School Capital Updates:** Updates are emailed periodically throughout the year. Information touches on School Facilities Board activities, Arizona property tax changes, federal tax reform, and national municipal bond developments.
- **Election Results Reporting:** Stifel tracks all Arizona ballot propositions and questions and prepares reports and analysis for both the Fall and Spring election cycles. The report is emailed to our Stifel clients within a few days of the November and May election dates.
- **Client Specific Specialized Analyses:** Stifel is able to assist clients with various specific issues in the areas of school capital finance, excise tax revenue, state revenue and taxation and property taxation. Several recent case studies are presented on page 35.

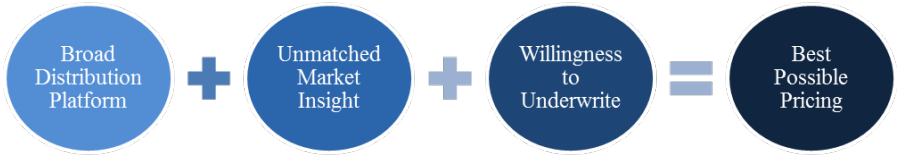
STIFEL UNDERWRITING

General Marketing Plan. *The key to effective marketing and pricing for any issue is maximizing communication*. This includes on-going communication with issuer clients in preparation for an upcoming sale, to advise of market conditions and comparable sales and to ensure the financing structure is best suited to meet the client's needs. With respect to investors, this means preparing as many investors, and as many types of investors, as possible to participate in the order period. Finally, maximizing communication also includes working closely with all financing team members with the goals of expanding perspective on market conditions and enhancing potential distribution of obligations – for the ultimate benefit of the issuer's pricing. This single communication axiom applies regardless of the type of financing structure and whether the issuer is a school district, city or town, state agency, university or other local government jurisdiction.

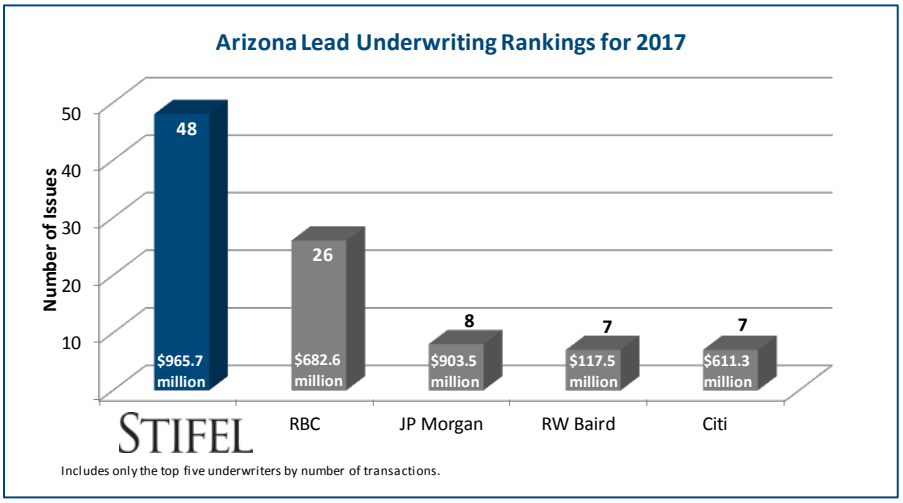
We offer some of the most experienced and professional account managers in the business, whose strong working relationships with investors and the underwriting desks of other firms are a crucial component of the underwriting services we provide. We believe in running an open book pricing period to create an auction-like competition during pricing in order to achieve the lowest cost of financing. The client can follow the orders and can truly participate in the discussions of the pricing options during the pricing period. Under the theme of communication, Stifel prides itself on always running a fair, competitive, open-book pricing period.

Stifel continually strives to enhance the transparency of the underwriting process. This is accomplished by focusing pre-pricing calls on couponing strategy and target audiences for each maturity of the bonds; providing issuers access to the Firm's "Order Flow Monitor" on the day of the pricing; and preparing Closing Memoranda that summarize market conditions on the day of the pricing, the pricing results and the final order tally.

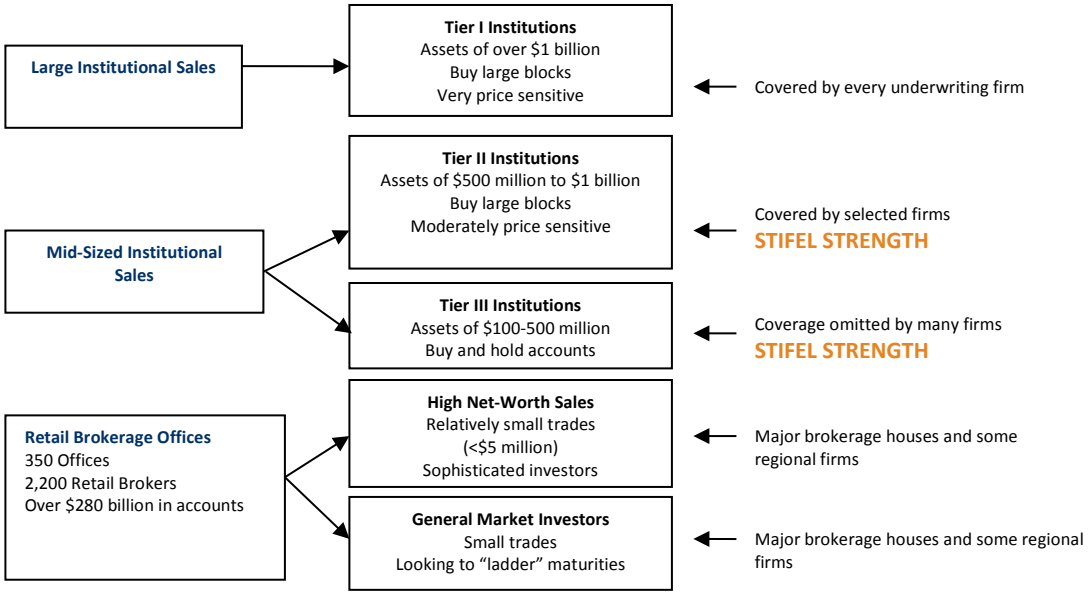
To achieve the lowest possible yield for our public agency clients' bonds, the underwriter needs to generate the most possible demand for the bonds. Stifel accomplishes this for our issuer clients by maintaining a broad distribution platform comprised of sales people that cover an array of tax-exempt and taxable municipal bond buyers. This staff has *unmatched insight on the market for Arizona municipal bonds, built by underwriting many more individual issuances than any other investment bank doing business in the State*. Finally, we are willing to underwrite unsold balances into inventory and continually prove our willingness under the full range of market conditions.



Ability to Sell. Stifel has complete confidence in its ability to sell all Arizona credits. This stems from two simple facts: Stifel consistently underwrites more Arizona municipal issues of all credit types and sizes than any other firm, and Stifel's Arizona and National municipal market insight puts our Firm in the best position to develop the most effective pricing strategies for our clients – which is especially important and valuable under adverse market conditions. As underwriter, our responsibility is to position our clients' obligations (given size, security, maturing structures, etc.), to maximize success on pricing day and minimize issuer interest expense. To that end, the Stifel banking and underwriting team is dedicated to offering and discussing alternative structures, couponing, or timing if these alternatives will benefit the pricing without having an adverse impact on the issuer's overall objectives.



Distribution Platform. Stifel focuses on providing clients with access to a large number of potential investors in both the retail and institutional market segments. With one of the most balanced and comprehensive municipal distribution platforms in the industry, *Stifel is a top 10 distribution network – and these resources are fully utilized for our issuer clients. Our platform includes approximately 200 institutional sales representatives and approximately 2,200 retail investment professionals – one of the largest sales forces in the industry*. However, our competitive advantage is not purely a function of size. It stems from our *unique middle market investor relationships*.



The Stifel sales force maintains relationships with over 2,500 municipal institutional investors. This is in stark contrast to most of our competitors who focus exclusively on the top 100 "Tier 1" accounts and perhaps another 50-100 large regional/specialist accounts. While large anchor orders are critical for large issuers, there is a very real risk that an order book composed exclusively of a handful of large investors can actually be *beholden* to large investors and unable to effectively tighten spreads. Stifel's salespeople bring in orders from new middle market and regional investors who are active, going-away buyers of municipals, and in aggregate, these smaller orders can provide a bulwark from which issuers can leverage the Tier 1 anchor orders into lower spreads. Our distribution strategies are specifically tailored to utilize the depth of our salesforce. *The Stifel platform is designed to increase an issuers institutional buyer base and tighten pricing by leveraging the Firm's middle market relationships.* By definition, this Stifel Strategy ensures Issuers receive the best price available in the debt market, under all market conditions and circumstances.

Individuals from both Institutional Sales and Private Client Group have relationships with a diverse and growing group of Professional Retail investors. Stifel's Institutional and Retail professionals, working both together and in competition with each other, allow our Firm to deploy an exhaustive approach to the distribution of municipal issues. The graphic and following paragraphs summarize the main components of our distribution platform as they relate to the sale and distribution of municipal bonds.

Stifel Municipal Bond Distribution Platform

Private Client Group	• 2,227 Investment Advisors • 351 offices • 1,285,000 client accounts • $283bn AUM
Municipal Institutional Sales	• 23 Municipal Specialists • Tier One institutional coverage • Bond Funds, large money managers, banks and trust departments • Located in major US money centers
Global Fixed Income Sales	• 197 Institutional Sales Professionals • Coverage of middle market institutions, corporates and taxable buyers • US and European teams

- **Institutional Sales.** Stifel has 197 fixed income institutional sales professionals, 23 of whom are focused exclusively on municipal distribution. The remaining cover accounts that purchase municipal bonds as one of many investment vehicles. Our broad geographic footprint – with institutional sales offices in Chicago, Atlanta, Boston, Denver, Detroit, Houston, Kansas City, Los Angeles, Minneapolis, New Orleans, New York City, San Francisco, and St. Louis – extends our coverage beyond the largest institutions to reach regional and local "second tier" and "third tier" buyers. These groups,

standing alone, have smaller and/or more specialized portfolios than the top tier investors. Taken together, however, these investors provide important competition to the top tier institutions, pressuring the larger institutions with respect to interest rates, structure and call features. Due to the volume of transactions that we senior manage, Stifel has contact with a tremendous number of buyers of Arizona municipal bonds, and our relationships go deep beyond the largest buyers to thousands of middle market and regional investors.

- **Private Client Group.** Stifel also has a robust distribution network for individual retail investors. This division of Stifel has seen the most growth in recent years, and as a consequence, plays an ever increasing role in transactions underwritten by the Firm. At the end of 2012, Stifel retail offices nationally numbered just over 300 with just over 2,000 Retail Representatives. Today, our Private Client Group includes approximately 2,200 investment executives across more than 350 offices nationwide, managing over $283 billion in client assets. Retail participation is key to securing lower borrowing costs by:

  1. Increasing the pool of investors to enhance competition,
  2. Enabling more of a financing to be serialized, and
  3. Shoring up liquidity in the secondary market.

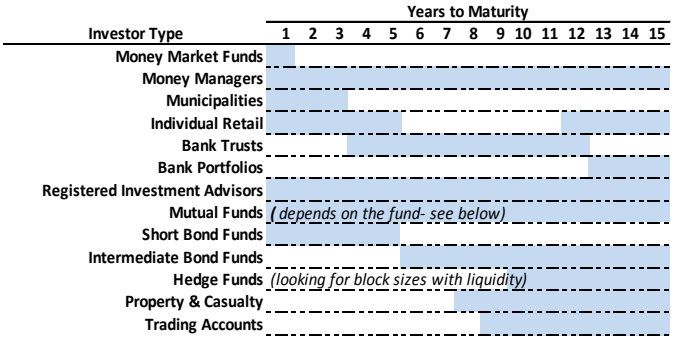
- **Professional Retail.** Professional retail covers a diverse category of professionals that invest directly on behalf of individuals. The primary examples include institutionally-run Separately Managed Accounts ("SMAs") and money managers of varied size and sophistication. Stifel does not have a separate sales group focused on professional retail. Rather, this growing category of investors is covered by both our Institutional Sales Representatives (to the extent the account is linked to a larger institution and/or is set up like an institution) and our Private Client Sales Representatives (for the less sophisticated, smaller money managers like family offices). Professional retail investors compete with intermediate term institutions, while still being willing to purchase bonds with lower coupons which produce lower yields to maturity for the issuer.

Marketing Resources and Strategies. The two tables below identify various Stifel Technical and Analytical Resources and Marketing Strategies that may be utilized in the context of a specific financing. Both feature Stifel ideas and innovations designed to enhance sales and maximize results for transactions underwritten by the Firm. As you will note in the Technical and Analytical Resources table, Stifel is committed to utilizing and continually improving technology applications to expand information and resources available to our issuer clients. With respect to marketing strategies, as a result of increased investor credit diligence and in-house credit analyses in recent years, buyers of municipal bonds are looking at more than issuers' credit ratings and credit reports as they make investment decisions. As a result, marketing strategies are a significant component of any financing transaction.

TECHNICAL AND ANALYTICAL RESOURCES	
Munibond	Stifel is at the forefront of technology and data usage. MuniBOND is a proprietary system, which is used by every member in Stifel's Municipal Division. The system aggregates and presents in a user friendly format a plethora of data, such as upcoming financings, completed financings, bond offering related documents, issuer information, internal credit reports, compliance records for FINRA and the Municipal Advisor Rule and much more. With this powerful tool, Stifel is able to stay ahead of the ever evolving regulatory environment and keep detailed records on the financings completed for our clients. It also allows us to easily communicate public information with investors. The last item of note is that MuniBOND is the main system of record for our in-house credit research. MuniBOND is able to centralize details on thousands of municipal bond financings, which helps our sales force stay up to date on a particular credit and talk to investors about the important characteristics of a particular security. This system truly gives us a competitive edge in engaging investors and keeping diligent records with our public finance issuer clients.
Quantitative Expertise	Stifel's national quantitative group is led by **Paul Luhmann, and Les Willson**. Both are Managing Directors with 25 years of experience structuring hundreds of transactions, and have significant experience in the investment of bond proceeds, including construction funds, debt service reserve funds, advance refunding escrows, and escrow restructurings. They have extensive experience in data analysis and statistical techniques, especially multivariate regression analysis optimization techniques, Monte Carlo simulations, and sensitivity testing, and specialize in reading, understanding and interpreting statistical analyses, and then using the results to optimize a debt structure. Stifel uses DBC Finance as bond structuring software but regularly constructs customized models in Excel for more complex situations.

TECHNICAL AND ANALYTICAL RESOURCES	
Credit Evaluation	**Debbie Hontz,** Director of Municipal Credit & Research, provides an independent perspective on Stifel's municipal clients based on her 25 years of experience as a credit analyst in various roles. She provides commentary for Stifel's institutional and retail distribution network to facilitate understanding of the credit nuances of complex issues.
Economic Conditions	**Lindsey Piegza**, Chief Economist, provides a national and global perspective on the state of the economy, trends, financial markets, and fiscal policy, all of which are important for issuers to consider for both short-term and long-term decision making.
Technical Analysis Software	Stifel is well-equipped with all industry-standard market software resources, including subscriptions to TM3, Bloomberg, rating agencies, and DBC Finance. We maintain a subscription to Thomson Reuter's eMAXX, which enables us to perform in-depth investor analyses and constantly monitor refunding opportunities. We also subscribe to premium Moody's Ratings tools, such as Moody's Quantitative Ratings Estimator (QRATE) and Municipal Finance Ratio Analysis (MFRA) to assist with creating and comparing credit ratings based on different assumptions.
Issuer Website	We believe the issuer's website can play an important role for retail investors who derive most of their information from investment advisors and online research. Financial statements, operating budgets, financial plans and policies, official statements and revenue projections are all key for retail investor decision making.

MARKETING STRATEGIES	
Investor Identification & Targeting	**Targeted Investors.** As a high volume, active underwriter in the market, our sales force is constantly in communication with all of the most active buyers of municipal bonds. As a result, our read on investment accounts interest in various credits, structures, couponing, etc. is always current and continually updated. These buyers check in daily with our underwriting and trading desk to look for new inventory to fill their debt demand. As a key effort to enhance distribution for specific transactions, Stifel utilizes Axeom and Bloomberg as sources for review of existing bond holders and holders of similar bonds. This provides a set of investors already somewhat familiar with the specific credit. In addition, Stifel continually monitors and analyzes recent purchases in the secondary market to gain insight on investor cash positions and interest. We also review redemption and cash flow trends. Finally, our relationships within the professional retail community assist in identifying pockets of interest across the maturity spectrum as well as specific coupon structures that may produce a favorable yield benefit for our issuer clients. This chart is developed with our Underwriting Desk, illustrates the expected investor types for various maturity ranges. Utilizing this information is another mechanism by which Stifel tailors the investor outreach for each transaction we underwrite to efficiently target potential buyers.
Investor Update Calls or One-on-One Calls	Investors are increasingly looking for access to management and examining the quality and timeliness of disclosure by issuers. Investor update calls are an efficient mechanism for meeting this investor need and affording the issuers the opportunity to put a "face" to a bond offering.
First Time Buyer Program	Stifel's First Time Buyer Program can help mitigate the risks of non-allotment and flippers by creating an informal priority of orders that incentivizes going away orders from first time buy and hold investors.
Internet Roadshow with Playback	This platform has the ability to reach the greatest number of interested buyers at their convenience, and to effectively provide additional information and color on an issuer's credit. This also assists with timely credit approvals. Stifel can produce the presentation and coordinate its release concurrently with posting of the POS.



MARKETING STRATEGIES	
Early Release of POS	Because of the lengthy internal credit review process typical of the large institutional investors, earlier release of the preliminary official statement, along with rating reports, enhances the possibility of a favorable and timely response from these investors. We recommend the offering document be available for seven to ten days prior to the sale date. Ideally a full week is available to premarket the bonds and initiate communication with the internal credit analysts at the institutional accounts.
Media and Information Services	During the week prior to pricing, we may recommend conducting interviews about the upcoming sale with the Bond Buyer and Municipal Market Advisors. These channels provide free publicity to promote the offering directly to the marketplace. Lastly, we suggest utilizing the market calendars at Thomson Financial (TM3, Bond Buyer), Bloomberg, and Reuters to ensure the transaction is on the radar of the entire marketplace.
Retail Order Period	Priority to Arizona retail orders provides incentive for local investors (particularly the professional money managers) to take an active interest in the issuer's obligations. Bifurcating maturities to generate "retail friendly" coupons may also maximize retail participation which can achieve a lower cost of capital. Additionally, Stifel has the organic ability to reach our retail clientele through phone calls, emails and mailers. As appropriate, the retail period can be structured either as a designated order day or as retail priority designation.
Firm-Wide Informational Call / Internal Sales Communication	These strategies are designed to disseminate information and maximize interest with our sales staffs. Materials describe the details of the financing and current information related to the issuer to all of our retail and institutional sales professionals. After the preliminary official statement is posted, Stifel's credit group prepares and distributes an internal memorandum for use by the Private Client Group in marketing bonds to their retail accounts. The memorandum highlights salient points and summarizes the credit for these buyers, many of which have participated in Arizona issuer financings for decades.
Local Advertising	Instances where the name of the issuer will clearly carry weight in the metropolitan areas, as well as statewide, we believe a local advertising effort is in order and will yield benefits for the pricing of the obligations. This local effort could include a print newspaper ad, announcement of the transaction on the issuer's website, and an email blast to local registered investment advisors. Stifel is prepared to coordinate and execute this effort.

STIFEL ADVANTAGE SERVICES
CASE STUDIES: Client Specific Specialized Analyses

One component of Stifel's Advantage Services is the access to qualified professionals to assist with client specific specialized analyses. These are typically unique issues in the realm of Arizona Property Taxation, pending legislation and School Facilities Board programs. For Stifel bonding clients, addressing these issues is included in our service (although more intensive studies may be subject to hourly fees). Several recent examples of Stifel's assistance are described below.

Tucson Unified: 1% Homeowner Constitutional Cap and Additional State Aid	Phoenix Elementary: Government Property Lease Excise Tax (GPLET)
As part of the state budget for fiscal year 2015-16, Legislators enacted a limitation on the funding amount associated with school district "more additional state aid" for each county. This limitation, $1 million per county, has significant implications in both Pima and Pinal Counties. The difficulty though, is determining, based on the enacted provision, whether and how the school districts would be impacted. At the direct request of TUSD, Stifel prepared several analyses to assist the District in understanding how TUSD compares to the rest of the state, the potential implications for the District and the subtle differences between the enacted budget provision and various proposed revisions being floated at the time. This process included working with the District CFO and speaking with other members of the District administration, including the Superintendent and in-house Counsel, to assist with preparation for legislative testimony.	There have been several statutory changes in recent years related to the GPLET – the primary economic development mechanism available to cities and towns in Arizona. One of these changes significantly impacted the calculation of state aid for school districts with substantial government property improvement leases. This issue rose to the attention of Phoenix Elementary School District because of unexpected property tax rate increases. Stifel assisted the District to better understand the property tax shift being borne by the taxpayers of the District and in working with the City of Phoenix. In addition, our Firm has been instrumental in recognizing data collection deficiencies and working with the City of Phoenix and Maricopa County to improve GPLET data reporting, which partially mitigated the property tax shift in the impacted school districts.
Florence USD / Coolidge USD: Consolidation	**Gila Bend Unified: Salt River Project (SRP) Power Plant Purchase**
In 2015 the Governing Boards of both the Florence and Coolidge Unified School Districts called for an election to consolidate the San Tan area of Coolidge with Florence. To facilitate the election, Stifel was tasked with preparing the complex property tax rate analyses required to be included in the voter information pamphlet. Stifel engaged with staff and the Governing Boards of both districts, lawyers for both districts, the Arizona Department of Revenue, the County Assessor as well as Salt River Project to work through the tangle of detailed assessed value data. In addition, once the election was successful, Stifel was again called upon to assist with property value, tax rate and debt service calculations to implement the consolidation.	As a result of a portion of the electric generation facility in the District being purchased by SRP, the District stands to lose a significant share of assessed value. While the impact on the property tax rate is relatively insignificant, the impact on bonding capacity is of great concern. As additional complexity to the situation, the valuations associated with electric generation units have recently been appealed and revised downward and the effective date of the SRP purchases is staggered. Stifel has had extensive communication with the Arizona Department of Revenue as well as SRP in order to assist the District with planning for a potential bond election, in light of the pending electric utility ownership change.
Alhambra Elementary: Grand Canyon University Conversion to Non-Profit Status	**Queen Creek Unified: School Facilities Board New Construction**
In the wake of a much anticipated successful bond election in 2017, Alhambra Elementary School District was faced with learning that one of the largest taxpayers in the District was well on its way to gaining non-profit status and being eligible for the property tax exemption for property used for educational purposes. Stifel has worked with the District, the County Assessor as well as Grand Canyon University to attempt to quantify the property tax shift on to the remaining taxpayers in the District. In addition, the Stifel Team has prepared alternative bond structure scenarios for the District in an attempt to find the perfect balance between minimizing taxpayer impact, affording the District the ability to execute its bond plan and being cognizant of the estimated property tax information presented to voters less than 12 months ago.	Currently, Queen Creek Unified School District is one of the fastest growing communities in the country. This fact, along with the current Arizona law that does not qualify school districts for new construction funding from the School Facilities Board until the district is overcrowded and the Arizona lag time for getting new properties on the property tax roll, leaves the District with a significant challenge in the face of meeting demand for additional schools. Because of Stifel's expertise in the area of Arizona school capital finance, our team has duplicated the state new construction funding model. This model has been an instrumental tool for the District with planning new locally funded facilities and simultaneously maximizing the available state funding.

Tab 4: References:

1. *A minimum of five (5) firm references in providing services for bond issues with other school districts within the State of Arizona.*
2. *A minimum of five (5) references for each banker to be assigned to the District that may include school districts and financial institutions.*

SCHOOL DISTRICT REFERENCES	
Alhambra Elementary School District Mr. Jeff Stratman, Asst. Superintendent Mr. Scott Heusman, Director of Business Operations 4510 N. 37th Avenue Phoenix, AZ 85019 (602) 336-2970 office (Erika Coombs, Mark Reader)	**Amphitheater Unified School District No. 10** Mr. Scott Little, Chief Financial Officer 701 W. Wetmore Tucson, AZ 85705 (520) 696-5130 (Bryan Lundberg, Sandra Day)
Balsz Elementary School District No. 31 Mr. Tim Leedy, Director of Business Services 4825 E. Roosevelt Street Phoenix, AZ 85008 (602) 629-6460 (Bob Casillas, Erika Coombs)	**Buckeye Elementary School District No. 33** Dr. Kristi Sandvik, Superintendent Mr. Nate Bowler, Assistant Superintendent 25555 W. Durango St. Buckeye, AZ 85326 (623) 925-3407 (Mike LaVallee, Sandra Day)
Buckeye Union High School District No. 201 Mr. Jeff Simmons, Associate Superintendent Mr. Eric Godfrey, Superintendent 1000 E. Narramore Buckeye, AZ 85326 (623) 386-9701 (Mike LaVallee, Sandra Day)	**Cartwright Elementary School District No. 83** Mr. Zeek Ojeh, Assistant Superintendent Mr. Kevin Price, Director of Business Services 5220 W Indian School Road Phoenix, AZ 85031 (623) 691-4009 (Mark Reader, Erika Coombs)
Catalina Foothills Unified School District No. 16 Dr. Mary Kamerzell, Superintendent Ms. Sandra Thompson, Controller Ms. Angelie Hawley, Director of Finance 2101 E. River Road Tucson, AZ 85718 (520) 209-7500 (Mike Lavallee)	**Chandler Unified School District No. 80** Mr. Joel Wirth, Chief Financial Officer Ms. Lana Berry, Chief Financial Officer Ms. Bim Frost, Administrative Assistant of Business 1525 W. Frye Road Chandler, AZ 85224 (480) 812-7017 (Grant Hamill, Randie Stein)
Crane Elementary School District No. 13 Mr. Dale Ponder, Chief of Finance & Operations 4250 W. 16th Street Yuma, AZ 85364 (928) 373-3405 (Bob Casillas, Randie Stein, Sandra Day)	**Dysart Unified School District No. 89** Mr. Ken Hicks, Executive Director 15802 North Parkview Place Surprise, AZ 85374 (623) 876-7008 (Bryan Lundberg, Sandra Day, Randie Stein)
Florence Unified School District No. 1 Ms. Beverly Myers, Business Manager P.O. Box 2850 1000 S. Main Street Florence, AZ 85232 (520) 866-3506 (Mike LaVallee, Randie Stein, Sandra Day)	**Flowing Wells Unified School District No. 8** Dr. David Baker, Superintendent Ms. Stacy Trueblood, Chief Financial Officer 1556 W. Prince Road Tucson, AZ 85705 (520) 696-8801 (Bob Casillas, Randie Stein, Sandra Day)

SCHOOL DISTRICT REFERENCES

Gadsden Elementary School District No. 32
Mr. Bob Bernhard, Chief Financial Officer
P.O. Box 6870
San Luis, AZ 85349
(928) 627-6544
(Bob Casillas, Erika Coombs)

Glendale Union High School District No. 205
Mr. Louis Wiegand, Chief Financial Officer
7650 N. 43rd Ave.
Glendale, AZ 85301
(623) 435-6692
(Mark Reader, Erika Coombs)

Kyrene Elementary School District No. 28
Mr. Chris Herrmann, Chief Financial Officer
Dr. Jan Vesely, Superintendent
8700 S. Kyrene Road
Tempe, AZ 85284
(480) 541-1115
(Mike LaVallee, Randie Stein)

Lake Havasu Unified School District No. 1
Mr. Michael Murray, Director of Business Services
2200 Havasupai Boulevard
Lake Havasu City, AZ 86403-3798
(928) 505-6936
(Mike LaVallee, Sandra Day)

Littleton Elementary School District No. 65
Ms. Phyllis Kinder, Chief Operations Officer
Dr. Roger Freeman, Superintendent
P.O. Box 280
Cashion, AZ 85329
(623) 478-5611
(Mark Reader, Erika Coombs)

Marana Unified School District No. 6
Mr. Dan Contorno, Chief Financial Officer
11279 W. Grier Road
Marana, AZ 85653
(520) 682-4756
(Bryan Lundberg, Randie Stein)

Maricopa Unified School District No. 20
Mr. Aron Rausch, Director of Business Services
44150 West Maricopa/Casa Grande Highway
Maricopa, AZ 85138
(520) 568-5100, 1014
(Mike LaVallee, Sandra Day)

Mesa Unified School District No. 4
Mr. Scott Thompson, Assistant Superintendent
Mr. Daniel O'Brien, Chief Financial Officer
63 E. Main St., Suite 101
Mesa, AZ 85201
(480) 472-0413
(Grant Hamill, Randie Stein, Sandra Day)

Osborn Elementary School District No. 8
Ms. Colleen Toscano, Finance Director
1226 W. Osborn Road
Phoenix, AZ 85013
(602) 707-2022
(Mike LaVallee, Bob Casillas, Sandra Day)

Paradise Valley Unified School District No. 69
Ms. Laura Felten, Assistant Superintendent
15002 N. 32nd Street
Phoenix, AZ 85032
(602) 449-2030
(Bryan Lundberg, Erika Coombs, Randie Stein)

Peoria Unified School District No. 11
Ms. Michelle Myers, Administrator for Budget and Finance
6330 W. Thunderbird Road
Glendale, AZ 85306
(623) 486-6033
(Bryan Lundberg, Erika Coombs, Randie Stein)

Phoenix Elementary School District No. 1
Mr. Larry Weeks, Superintendent
Dr. Rosanna Hidalgo, Assistant Superintendent
1817 N. 7th Street
Phoenix, AZ 85006
(602) 523-8974
(Bob Casillas, Erika Coombs, Randie Stein)

Phoenix Union High School District No. 210
Ms. Sherry Celaya, Chief Financial Officer
4502 N. Central Avenue
Phoenix, AZ 85012
(602) 764-1411
(Grant Hamill, Randie Stein, Sandra Day)

Prescott Unified School District No. 1
Mr. Joe Howard, Superintendent
Mr. Brian Moore, Chief Financial Officer
146 S. Granite Street
Prescott, AZ 86303
(928) 445-5400
(Mike LaVallee, Randie Stein)

SCHOOL DISTRICT REFERENCES	
Queen Creek Unified School District No. 95 Dr. Perry Berry, Superintendent Ms. Crystal Zachary, Chief Financial Officer 20217 East Chandler Heights Road Queen Creek, AZ 85142 (480) 987-5936 (Mike LaVallee, Randie Stein, Sandra Day)	**Round Valley Unified School District No. 10** Mr. Travis Udall, Superintendent P.O. Box 610 Springerville, AZ 85938 (928) 333-6592 (Bryan Lundberg, Randie Stein)
Sahuarita Unified School District No. 30 Ms. Charlotte Gates, Director of Business Services Ms. Lizette Huie, Business Services Coordinator 350 W. Sahuarita Road Sahuarita, AZ 85629 (520) 625-3502, ext. 1078 (Bryan Lundberg, Randie Stein, Sandra Day)	**Sedona Oak Creek Unified School District No. 9** Mr. David Lykins, Superintendent 221 Brewer Road Suite 100 Sedona, AZ 86336 (928) 204-6801 (Bob Casillas, Sandra Day)
Sierra Vista Unified School District No. 68 Ms. Kriss Hagerl, Superintendent Mr. Michael Conley, Director of Finance 3555 E. Fry Boulevard Sierra Vista, AZ 85365 (520) 515-2728 (Mike LaVallee, Sandra Day)	**Sunnyside Unified School District No. 12** Mr. Hector Encinas, Chief Financial Officer 2238 E. Ginter Road Tucson, AZ 85706 (520) 545-2154 (Erika Coombs, Bob Casillas)
Tolleson Elementary School District No. 17 Dr. Lupita Hightower, Superintendent Mr. James Serbin, Executive Director of Business Services 9261 W. Van Buren Tolleson, AZ 85353 (623) 533-3904 (Bryan Lundberg, Randie Stein)	**Tolleson Union High School District No. 214** Mr. Jeremy Calles, Chief Financial Officer Ms. Chavez, Director of Purchasing 9801 W Van Buren Tolleson, AZ 85353 (623) 478-4066 (Bryan Lundberg, Randie Stein)
Tuba City Unified School District No. 15 Ms. Leah Begay, Business Manager P.O. Box 67 Tuba City, AZ 86045 (928) 283-1006 (Bob Casillas, Erika Coombs)	**Yuma Elementary School District No. 1** Mr. Denis Ponder, Chief Financial Officer 450 W. 6th St. Yuma, AZ 85364 (928) 502-4302 (Bob Casillas, Randie Stein, Sandra Day)

CITY AND TOWN REFERENCES	
City of Avondale Mr. Kevin Artz, Assistant City Manager 11465 W. Civic Center Dr. Ste 250 Avondale, AZ 85323 (623) 333-2011 (Mark Reader, Bryan Lundberg)	**City of Cottonwood** Mr. Rudy Rodriguez, Administrative Services General Manager 827 N. Main Street Cottonwood, AZ 86326 (928) 340-2710 (Grant Hamill)

CITY AND TOWN REFERENCES	
City of Flagstaff Mr. Rick Tadder, Management Services Director Ms. Brandi Suda, Finance Director 211 W Aspen Avenue Flagstaff, AZ 86001 (928) 213-2217 (Mark Reader, Erika Coombs, Randie Stein)	**City of Kingman** Ms. Tina Moline, Financial Services Director 310 N. 4th Street Kingman, AZ 86401 (928) 753-8120 (Mike LaVallee, Sandra Day)
City of Somerton Mr. Ian McGaugney, City Manager Mr. Ralph Villa, Finance Director P.O. Box 638 Somerton, AZ 85350 (928) 722-7300 (Mark Reader)	**City of Tolleson** Mr. Reyes Medrano, City Manager Ms. Vicky Juvet, Chief Financial Officer 9555 W. Van Buren Tolleson, AZ 85353 (623) 936-2778 (Bob Casillas, Randie Stein, Sandra Day)
City of Tucson Ms. Karen Tenace, Deputy Finance Director Ms. Silvia Amparano, Special Projects Coordinator Ms. Silvia Navarro, Treasury Administrator Mr. Art Cuaron, Finance Specialist 255 West Alameda, 5th Floor Tucson, AZ 85726--7210 (520) 837-4392 (Grant Hamill, Randie Stein, Sandra Day)	**City of Yuma** Mr. Pat Wicks, Finance Director One City Plaza Yuma, Arizona 85364-1436 (928) 373-5067 (Mark Reader, Bob Casillas)
Town of Florence Mr. Joe Jarvis, Finance Director 775 N. Main Street Box 2670 Florence, AZ 85232 (520) 868-7505 (Mark Reader, Erika Coombs)	**Town of Oro Valley** Ms. Stacey Lemos, Finance Director 11000 N. La Canada Drive Oro Valley, AZ 85737-7015 (520) 229-4732 (Mark Reader)
Town of Prescott Valley Mr. Larry Tarkowski, Manager Mr. William Kauppi, Management Services Director 7501 E. Civic Circle Prescott Valley, AZ 86314 (928) 759-3127 (Bob Casillas, Sandra Day)	**Town of Sahuarita** A.C. Marriotti, Finance Director 850-B W. Sahuarita Road, Box 879 Sahuarita, AZ 85629 (520) 822-8838 (Mark Reader, Erika Coombs)

COUNTY REFERENCES	
Coconino County Mr. Mike Townsend, Deputy County Manager 219 E. Cherry Ave. Flagstaff, AZ 86004-9289 (928) 679-7150 (Mark Reader, Bob Casillas)	**Gila County** Mr. James Menlove, County Manager 1400 E. Ash Street Globe, AZ 85501 928-402-4257 (Mark Reader)

COUNTY REFERENCES	
La Paz County Mr. Ron Drake, County Manager 1008 S. Hopi Ave. Parker, AZ 85344 (928) 669-6119 (Mark Reader, Randie Stein)	**Navajo County** Ms. Paige Peterson, Finance & Accounting Manager 100 E. Code Talkers Drive PO Box 668 Holbrook, AZ 86025 (928) 524-4066 (Mark Reader, Erika Coombs)
Pinal County Mr. Greg Stanley, County Manager Pinal County Administrative Building Historic 1891 Courthouse 135 N. Pinal Street Florence, AZ 85132 (520) 866-6248 (Mark Reader, Grant Hamill)	**Yavapai County** Mr. Phil Bourdon, County Administrator 1015 Fair Street, Room 310 Prescott, Arizona 86305 (928) 771-3201 (Grant Hamill, Randie Stein)
Yuma County Mr. Gilberto Villegas, Chief Financial Officer 198 S. Main Street Yuma, AZ 85364 (928) 373-1012 (Mark Reader)	

SPECIAL DISTRICT REFERENCES	
Buckeye Valley Fire District Mr. Mike Duran, Fire Chief Mr. Ray Temple, Finance Director 25206 W. Hwy. 85 P.O. Box 75 Buckeye, AZ 85326 (623) 386-5906 (Mike LaVallee, Sandra Day)	**Bullhead City Fire District** Mr. Scott Neal, Interim Fire Chief 1260 Hancock Road Bullhead City, AZ 86442 (928) 785-3925 (Mike LaVallee, Sandra Day)
Central Yavapai Fire District Mr. Scott Freitag, Fire Chief Mr. Dave Tharp, Chief of Administration 8555 E. Yavapai Road Prescott Valley, AZ 86314 (928) 772-7711 (Mark Reader, Mike LaVallee)	**Daisy Mountain Fire District** Mr. Mark Nichols, Fire Chief Mr. Danny Johnson, Deputy Chief 515 E. Carefree Hwy., PMB #385 Phoenix, AZ 85085-8839 (623) 465-4700 (Mike LaVallee, Sandra Day)
Golder Ranch Fire District Mr. Dave Christian, Finance Manager 3885 E. Golder Ranch Drive Tucson, AZ 85739 (520) 825-9001 (Mark Reader)	**Green Valley Fire District** Mr. Chuck Wunder, Fire Chief 1285 W. Camino Encanto Green Valley, AZ 85614 (520) 625-9400 (Mike LaVallee, Sandra Day)

SPECIAL DISTRICT REFERENCES	
Northwest Fire District Mr. David Gephart, Finance Director 5225 W. Massingale Road Tucson, AZ 85743 (520) 887-1010 (Mark Reader, Erika Coombs) **Tubac Fire District** Mr. Kevin Keeley, Fire Chief 2227 E. Frontage Road P.O. Box 2881 Tubac, Arizona 85646-2881 (520) 398-2255 (Mike LaVallee, Sandra Day)	**Sun City Fire District** Mr. Ron Deadman, Fire Chief 18602 N. 99th Ave. Sun City, AZ 85373 (623) 974-2321 (Bryan Lundberg)

STATE AND HIGHER EDUCATION REFERENCES	
Arizona School Facilities Board Mr. Paul Bakalis, Executive Director Ms. Amber Peterson, Deputy Director Ms. Kerry Campbell, Deputy Director 1700 W. Washington, Ste. 104 Phoenix, AZ 85007 (602) 542-4457 (Grant Hamill, Randie Stein, Sandra Day) **Metropolitan Domestic Water Improvement District** Ms. Diane Bracken, CFO 6265 N. La Canada Drive P.O. Box 36870 Tucson, AZ 85740 (Mark Reader) **University of Arizona** Mr. Duc Ma, Assistant Vice President, Financial Services 1303 E. University Blvd., Box 4 Tucson, AZ 85719 (520) 626-1188 (Grant Hamill, Mark Reader, Randie Stein)	**Maricopa Integrated Health System** Mr. Steve Purves, President & CEO Mr. Rich Mutarelli, Chief Financial Officer 2601 E. Roosevelt Street Phoenix, AZ 85008 602-344-5566 (Grant Hamill, Randie Stein) **Pima Community College** Dr. David Bea, Executive Vice Chancellor Finance & Administration 4905C E. Broadway Blvd. Tucson, AZ 85709 (520) 206-4519 (Erika Coombs, Mark Reader, Randie Stein)

See Tab 5 In Sealed Envelope

Original

ABOUT YOUR FIRM

I. Name of Firm: Stifel, Nicolaus & Company, Incorporated

Address: 2325 E. Camelback Road, Suite 750, Phoenix, AZ 85016

Phone and Fax: (602) 794-4000 , (602) 794-4046

Web address: http://www.stifel.com/institutional/public-finance

II. Staff:
Personnel on staff and number of years of experience in the field who would be assigned to the account.

Name	# of Years Experience
Bob Casillas	34
Grant Hamill	30
Mike LaVallee	22
Bryan Lundberg	22
Mark Reader	25
Erika Coombs	15
Randie Stein	14
Sandra Day	16

III. List of Arizona School District and/or other Arizona Political Subdivisions for whom you have performed services in the last four years.

Please see Appendix A for Stifel Arizona experience from January 1, 2014 to present.

IV. You may attach any supplementary data that will enable the District to become better aware of your background and experience.

V. It must be understood by the offeror that payment for services rendered to the Districts will be paid from bond funds upon the sale of bonds or debt obligations. Should the Governing Board not call for the bond election, or the bond election fail to pass, any services rendered will be on a no charge basis, except for any fees (hourly or otherwise) associated with additional services outlined in the cost proposal.

VI. The proposal response is to be submitted as Dollars per $1,000.00 (one thousand dollars) of principal amounts of bond. For small bonds, a rate with a minimum is suggested. List below, the dollar cost for all services that you will provide relating to authorization and the issuance of bonds where there is a charge.

Our fees reflect the markedly greater level of expertise and services we offer and the greater value we add to our clients not available with competitors.

It is likely that some firms submit extremely low bids to this RFP, reflective of their service capabilities. A concern with an extremely low bid is that service and attention might be compromised with the result being that "savings" from selecting the lowest fee for a particular service results in a false economy.

We respectfully request the District to consider all the factors presented in this response including:

- The overall quality and range of services to be provided to the District (including those services of Randie Stein).
- The expertise of our underwriting desk to secure the lowest interest rates possible for the District.
- The experience, diversity and proven capability we have in the Arizona sector.
- The dedication and professionalism we provide every one of our clients.

Our cost proposal covers the three major types of debt obligations that the District, SAVE, and YEPA members might issue. The prices below for underwriting assume a 10-year amortization. Prices on the next page are shown on a fee per bond basis, assuming bond increments of $1,000. The underwriting and financial advisor fee for any issuance will not be lower than fees stated for smaller financing sizes. See notes for additional information and potential adjustments.

VII. COST FORM

	Less than 2 Million	2 to 9.999 Million	10 to 24.999 Million	25 to 49.999 Million	50 to 74.999 Million	75 to 99.999 Million	100 Plus Million
New General Obligation Bonds							
Fee for Underwriting when there is no Financial Advisor	up to $35,000	$6.40 (minimum $35,000)	$5.60	$5.25	$4.75	$4.50	$4.00
Fee for Financial Advisor	up to $35,000	$35,000	$2.50 (minimum $40,000)	$1.75 (minimum $62,500)	$1.30 (minimum $87,500)	$1.25 (minimum $97,500)	$0.75 (minimum $100,000)
Fee for Underwriting when there is a Financial Advisor	up to $30,000	$5.90 (minimum $30,000)	$5.15	$4.75	$4.25	$4.10	$3.65
New Revenue Bonds							
Fee for Underwriting when there is no Financial Advisor	up to $45,000	$9.00 (minimum $45,000)	$7.90	$6.80	$5.75	$5.25	$4.75
Fee for Financial Advisor	up to $40,000	$40,000	$3.00 (minimum $45,000)	$2.50 (minimum $75,000)	$1.80 (minimum $125,000)	$1.55 (minimum $135,000)	$0.85 (minimum $135,000)
Fee for Underwriting when there is a Financial Advisor	up to $35,000	$7.00 (minimum $35,000)	$5.90	$5.30	$4.75	$4.25	$4.00
New Certificates of Participation (Lease Purchase)							
Fee for Underwriting when there is no Financial Advisor	up to $40,000	$9.50 (minimum $40,000)	$8.40	$7.30	$6.00	$5.50	$5.00
Fee for Financial Advisor	up to $40,000	$40,000	$3.00 (minimum $45,000)	$2.50 (minimum $75,000)	$1.80 (minimum $125,000)	$1.55 (minimum $135,000)	$0.85 (minimum $135,000)
Fee for Underwriting when there is a Financial Advisor	up to $37,500	$7.50 (minimum $37,500	$6.40	$5.80	$5.25	$4.75	$4.50

	Less than 2 Million	2 to 9.999 Million	10 to 24.999 Million	25 to 49.999 Million	50 to 74.999 Million	75 to 99.999 Million	100 Plus Million
Refinancing General Obligation Bonds							
Fee for Underwriting when there is no Financial Advisor	up to $40,000	$7.40 (minimum $40,000)	$6.60	$6.25	$5.50	$5.15	$4.50
Fee for Financial Advisor	up to $40,000	$40,000	$2.60 (minimum $45,000)	$1.85 (minimum $65,000)	$1.40 (minimum $92,500)	$1.35 (minimum $105,000)	$0.85 (minimum $110,000)
Fee for Underwriting when there is a Financial Advisor	up to $35,000	$6.90 (minimum $35,000)	$6.15	$5.75	$5.00	$4.75	$4.15

Refinancing Revenue Bonds							
Fee for Underwriting when there is no Financial Advisor	up to $50,000	$10.50 (minimum $50,000)	$8.90	$7.80	$6.50	$5.90	$5.25
Fee for Financial Advisor	up to $45,000	$45,000	$3.10 (minimum $50,000)	$2.60 (minimum $77,500)	$1.90 (minimum $130,000)	$1.65 (minimum $142,000)	$0.95 (minimum $145,000)
Fee for Underwriting when there is a Financial Advisor	up to $40,000	$8.00 (minimum $40,000)	$6.90	$6.30	$5.50	$4.90	$4.50

Refinancing Certificates of Participation (Lease Purchase)							
Fee for Underwriting when there is no Financial Advisor	up to $45,000	$10.50 (minimum $45,000)	$9.40	$8.30	$6.75	$6.15	$5.50
Fee for Financial Advisor	up to $45,000	$45,000	$3.10 (minimum $50,000)	$2.60 (minimum $77,500)	$1.90 (minimum $130,000)	$1.65 (minimum $142,500)	$0.95 (minimum $145,000)
Fee for Underwriting when there is a Financial Advisor	up to $42,500	$8.50 (minimum $42,500)	$7.40	$6.80	$6.00	$5.40	$5.00

Services and Fees	
Override Election Services Per Hour	Included in the above fees for no extra charge, contingent upon a debt financing being completed during the term of the contract.
Other Charges for Services you may provide	Debt Defeasance - $7,500 minimum plus $1,000 for each additional debt issue.
	Privately placed bonds or obligations including lease purchases, federal tax credit financings and direct purchases with the County Treasurer, - Financial Advisor fee: up to 2% of total loan. Placement Agent fee: up to 2% of total loan.
	Escrow Restructuring - Lesser of 0.25% of escrow value and 10% of net cost savings ($25,000 minimum).
	Tax Anticipation Notes – Financial Advisor: $1.00 per $1,000, $10,000 min; Underwriter: $2.00 per $1,000, $10,000 min; including direct purchases with the County Treasurer.
Value Added Services and Number of Hours Included	In addition to assistance with M&O and capital outlay override elections, we also provide the Stifel Advantage Services detailed in the Scope of Work. This includes client specific analyses, which are not limited to a specific number of hours and are available for members anticipated to complete a debt financing during the term of the contract.
Fee for Additional Hours of Value Added Services	$100 to $250 per hour for debt financing clients of the Firm for items such as intensive school finance and/or tax related studies or banking support services (outside those described above). Consulting services for non-debt financing clients are subject to negotiation.
List all items that you would expect to be reimbursed for during the course of the resulting contract	• Assembly and publishing of Official Statement or placement memorandum (typically not exceeding $25,000) • Costs of issuance that we pay at the request of the issuer, such as rating agency (subject to Firm Compliance review and approval) • DTC/CUSIPs/Other Industry Fees • Travel expenses (subject to Firm compliance review and approval) (i.e., rating trips) • Fed Ex/UPS Charges • Telephone conference calls • Auditor's Consent (if requested) • Assembly of term sheet or other disclosure documentation (when applicable)

Notes:

Adjustments to fees listed above for underwriting, placement agent or financial advisor (as applicable):

- The underwriting and financial advisor fee for any issuance will not be lower than fees stated for smaller financing sizes.
- Fee rates stated herein will be applied to each $1,000 of financing proceeds, excluding premium used for any costs.
- Impact Aid Revenue Bonds less than $25 million -- add up to $3.00 per $1,000 and $6,000 to the minimum.
- Amortizations of longer than 10 years – add up to $0.30 per $1,000 for each year above 10 years.
- Financings with a lowest underlying rating less than AAA– add up to:
  - $1.75 per $1,000 and $5,000 to the minimum for lowest underlying credit rating at AA or Aa2
  - $2.50 per $1,000 and $5,000 to the minimum for lowest underlying credit rating at AA- or Aa3
  - $5.00 per $1,000 and $10,000 to the minimum for lowest underlying credit rating at A category
  - $10.00 per $1,000 and $15,000 to the minimum for lowest underlying credit rating at BBB or Baa category
  - $20.00 per $1,000 and $20,000 to the minimum without any underlying credit rating
- Supplemental interest certificates, capital appreciation securities, convertible capital appreciation securities, stepped coupon securities or securities with taxable interest – add up to $2.50 per $1,000.
- Securities sold more than 6 weeks prior to delivery (forward delivery securities) – add up to $2.50 per $1,000 to reflect market rates at the time of the sale, as negotiated with and approved by the issuer.
- For large volume underwriting clients, in excess of $80 million every two years, the Firm may be able to negotiate somewhat reduced underwriting fees, depending on market conditions at the time.
- Underwriting or placement agent fees do not include the cost of underwriter's or placement agent's counsel.

For assistance with complex financings in any role or unique requests outside traditional value added services, the Firm would negotiate a fair amount of additional compensation with the issuer. Complex financings include, but not limited to: (1) title or real estate issues, (2) utility company acquisitions, (3) tax increment or land based security (special districts), (4) public/private partnerships (for-profit, non-profit, governmental purpose facilities), (5) financings involving federal and/or state agencies, or (6) other circumstances requiring a significantly higher degree of effort, complexity or risk.

PLEASE BE COMPLETE

AUTHORIZED SIGNATURE: _____

PRINTED NAME: Michael S. LaVallee

TITLE: Managing Director

DATE: May 1, 2018

EMAIL: mlavallee@stifel.com

My signature binds my firm to the terms and conditions within this proposal at the fees set forth. All fees shall remain firm for the first year and for each of the four possible extensions of this contract.

* The cost portion of this proposal must be submitted in a sealed envelope separate from but together with the proposal, clearly marked "Cost Proposal". Include one original and three copies of the cost proposal as well.

CRANE SCHOOLS leaders in learning AZPurchasing.org	**ATTACHMENT A: DRUG FREE WORKPLACE** RFP: **C-005-1718** PROJECT: **INVESTMENT BANKING SERVICES**	Crane School District #13 Purchasing Office 4250 W. 16th St. Yuma, AZ 85364 928-373-3415 Fax: 928-783-8465

*****DRUG-FREE WORKPLACE CERTIFICATION**

Preference must be given to vendors submitting a certification with their bid/proposal certifying they have a drug-free workplace. The special condition is as follows:

IDENTICAL TIE PROPOSALS - Preference shall be given to businesses with drug-free workplace programs. Whenever two or more bids, which are equal with respect to price, quality, and service for the procurement of commodities or contractual services, a bid received from a business that certifies that it has implemented a drug-free workplace program shall be given preference in the award process. Established procedures for processing tie bids will be followed if none of the tied vendors have a drug-free workplace program, a business shall:

1) Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specify the actions that will be taken against employees for violations of such prohibition.
2) Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3) Give each employee engaged in providing the commodities or contractual services that are under bid a copy of the statement specified in subsection (1).
4) In the statement specified in subsection (1), notify the employees that, as a condition of working on the commodities or contractual services that are under bid, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than five (5) days after such conviction.
5) Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is so convicted.
6) Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements.

Stifel, Nicolaus & Company, Incorporated
COMPANY NAME

VENDOR'S SIGNATURE

Must be executed and returned with attached proposal at time of bid opening to be considered.

	ATTACHMENT B: REFERENCES	
CRANE SCHOOLS leaders in learning AZPurchasing.org	RFP: **C-005-1718** PROJECT: **INVESTMENT BANKING SERVICES**	Crane School District #13 Purchasing Office 4250 W. 16th St. Yuma, AZ 85364 928-373-3415 Fax: 928-783-8465

Part I – Current Clients

INSTRUCTIONS: Enter the requested information for clients for whom you currently have a contract with that are similar to CESD. References are preferred from School District Clients in the Yuma area and surrounding communities; Phoenix area and surrounding communities; and Southern and Northern Arizona. The District may be requesting information from these references.

Name of District: Chandler Unified School District No. 80

Type of Services Provided: Comprehensive Investment Banking and School Finance Consulting Services

Contact Name: Ms. Lana Berry Phone: (480) 812-7017

Email: berry.lana@cusd80.com

Length of Client Relationship: Over 30 years.

Name of District: Amphitheater Unified School District No. 10

Type of Services Provided: Comprehensive Investment Banking and School Finance Consulting Services

Contact Name: Mr. Scott Little Phone: (520) 696-5130

Email: slittle@amphi.com

Length of Client Relationship: Over 16 years.

Name of District: Buckeye Elementary School District No. 33

Type of Services Provided: Comprehensive Investment Banking and School Finance Consulting Services

Contact Name: Mr. Nate Bowler Phone: (623) 925-3407

Email: nbowler@besd.org

Length of Client Relationship: Over 20 years.

Name of District: Phoenix Elementary School District No. 1

Type of Services Provided: Comprehensive Investment Banking and School Finance Consulting Services

Contact Name: Dr. Rosanna Hidalgo Phone: (602) 523-8974

Email: rosanna.hidalgo@phxschools.org

Length of Client Relationship: Over 16 years.

Name of District: Queen Creek Unified School District No. 95

Type of Services Provided: Comprehensive Investment Banking and School Finance Consulting Services

Contact Name: Ms. Crystal Zachary Phone: (480) 987-5936

Email: czachary@qcusd.org

Length of Client Relationship: Over 20 years.

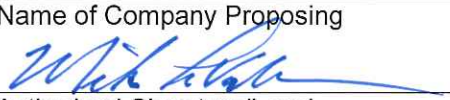
CRANE SCHOOLS *Leaders in Learning* AZPurchasing.org	**ATTACHMENT E: RFP ACKNOWLEDGEMENT** RFP: **C-005-1718** PROJECT: **INVESTMENT BANKING SERVICES**	Crane School District #13 Purchasing Office 4250 W. 16th St. Yuma, AZ 85364 928-373-3415 Fax: 928-783-8465

I/We, the undersigned, propose to provide the services necessary for the scope of work and specifications.

I/We further declare that I/we have carefully read and examined all information to the referenced Request for Proposal. I/We agree to comply with the Districts rules, regulations and policies.

Would you be willing to allow other members of the "YEPA" and/or "SAVE" cooperative to utilize this RFP and purchase from the contract if awarded through this RFP*? ☒ Yes ☐ No

*Your response to this question will not be used as part of the evaluation criteria. It is our intent, as a member of the "YEPA" and "SAVE", to issue this Proposal on behalf of these cooperatives to allow the other districts the opportunity to save time, effort and paperwork by combining our purchasing power, whenever possible.

Stifel, Nicolaus & Company, Incorporated Name of Company Proposing	May 1, 2018 Date Signed
 Authorized Signature/Local Representative	(602) 794-4008/(602) 794-4046 Telephone/Fax Number
Michael LaVallee, Managing Director Type Name and Position Held with Company	mlavallee@stifel.com Email
2325 E. Camelback Road, Suite 750 Mailing Address	Phoenix / AZ / 85016 City / State / Zip

CRANE SCHOOLS leaders in learning AZPurchasing.org	**ATTACHMENT G: OFFER AND ACCEPTANCE** RFP: **C-005-1718** PROJECT: **INVESTMENT BANKING SERVICES**	Crane School District #13 Purchasing Office 4250 W. 16th St. Yuma, AZ 85364 928-373-3415 Fax: 928-783-8465

The Undersigned hereby offers and agrees to furnish the material, service or construction in compliance with all terms, conditions, specifications, and amendments in the Solicitation and any written exceptions in the offer.

Arizona Sales License No. NA

Company is: (Please check all that apply)

- ☒ Corporation
- ☐ Partnership
- ☐ Limited Partnership
- ☐ Sole Proprietorship
- ☐ Other (Please explain)

Stifel, Nicolaus & Company, Incorporated
Company Name
2325 E. Camelback Road, Suite 750
Address
Phoenix, AZ 85016
City, State, Zip Code
Arizona Offerors Only Sales Tax % to be applied: NA

For clarification of this offer

Michael LaVallee
Printed Name
(602) 794-4008
Phone
Managing Director
Title

Authorized Signature

CERTIFICATION
By signature in the Offer section above, the offeror certifies:

The submission of the Proposal did not involve collusion or other anti-competitive practices.
The offeror shall not discriminate against any employee or applicant for employment in violation of State Executive Order 99-4, 2000-4 or A.R.S. §§ 41-1461 through 1465.
The offeror has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer. Failure to provide a valid signature affirming the stipulations required by this clause shall result in rejection of the offer. Signing the Proposal with a false statement shall void the offer, any resulting contract and may be subject to legal remedies provided by law.

DISTRICT'S ACCEPTANCE OF OFFER (For District Purposes Only):
The Proposal is hereby accepted.
The Contractor is now bound to sell the materials or services listed by the attached contract and based upon the solicitation, including all terms, conditions, specifications, amendments, etc., and the Contractor's Proposal as accepted by the School District/public entity. This contract shall henceforth be referred to as Contract No. **CESD RFP #: C-005-1718** . The Contractor has been cautioned not to commence any billable work or to provide any material or service under this contract until Contractor receives purchase order, contract release document, or written notice to proceed. **Awarded this_____ day of _____, 20_____.**

Mercedes Villafana • Procurement Manager • Crane Schools • Date

CRANE SCHOOLS Leaders in Learning AZPurchasing.org	**ATTACHMENT H: NON-COLLUSION STATEMENT** RFP: **C-005-1718** PROJECT: **INVESTMENT BANKING SERVICES**	Crane School District #13 Purchasing Office 4250 W. 16th St. Yuma, AZ 85364 928-373-3415 Fax: 928-783-8465

State of Arizona)
) ss.
County of Maricopa)

Michael LaVallee , affiant,
(Name)

the Managing Director
(Title)

Stifel, Nicolaus & Company, Incorporated
(Contractor/Vender)

the persons, corporation, or company who makes the accompanying Offer, having first been duly sworn, deposes and says:

That such Proposal is genuine and not sham or collusive, nor made in the interest of, or behalf of, any persons not herein named, and that the Offeror has not directly or indirectly induced or solicited any other Offeror to put in a sham bid, or any other person, firm or corporation to refrain from bidding, and that the Offeror has not in any manner sought by collusion to secure for itself an advantage over any other Offeror.

(Signature)

Managing Director
(Title)

Subscribed and sworn to before me

this 1 day of May, 20 18

Signature of Notary Public in and for the

State of Arizona

County of Maricopa

ANIELA REYNOLDS
NOTARY PUBLIC - ARIZONA
MARICOPA COUNTY
My Commission Expires
March 11, 2022

CRANE SCHOOLS leaders in learning AZPurchasing.org	**ATTACHMENT I: DEVIATIONS AND EXCEPTIONS** RFP: **C-005-1718** PROJECT: **INVESTMENT BANKING SERVICES**	Crane School District #13 Purchasing Office 4250 W. 16th St. Yuma, AZ 85364 928-373-3415 Fax: 928-783-8465

Please use this space to list any deviations or exceptions for any item listed under "SCOPE OF SERVICES". The item number must be listed and any deviation/exception or inability of the consultant to handle that particular item, must be clearly and fully stated. Failure to show specific deviations indicates full compliance with this solicitation.

Acknowledgement Mike LaVallee
Signature / Printed Name

Date 5/1/18

	ATTACHMENT J: CONFLICT OF INTEREST VENDOR DISCLOSURE FORM	
CRANE SCHOOLS *Leaders in Learning* AZPurchasing.org	RFP: **C-005-1718** PROJECT: **INVESTMENT BANKING SERVICES**	Crane School District #13 Purchasing Office 900 S. Avenue C Yuma, AZ 85364 (928) 373-3415 Fax: 928-783-8465

Conflict of Interest Vendor Disclosure Form

Note: A potential or actual conflict of interest exists when commitments and obligations are likely to be compromised by the vendor's other material interests, or relationships (especially economic), particularly if those interests or commitments are not disclosed.

This Conflict of Interest Form shall indicate whether the vendor has any existing relationship with an employee or Board Member of the Crane Elementary School District. The vendor should also disclose any personal, business, or volunteer affiliations that may give rise to a real or apparent conflict of interest.

Date: May 1, 2018

Name: Michael LaVallee

Company: Stifel, Nicolaus & Company, Incorporated

Please describe below any relationships, transactions, positions you hold (volunteer or otherwise), or circumstances that you believe could contribute to a conflict of interest:

[x] I have no conflict of interest to report.

[ ] I have the following conflict of interest to report

1. _____

2. _____

3. _____

I hereby certify that the information set forth above is true and complete to the best of my knowledge.

Signature: _____

Date: May 1, 2018

This response is pursuant to the description of Conflict of Interest in the Special Terms & Conditions of the RFP.

	ATTACHMENT K: MWBE & HUB FORM	
CRANE SCHOOLS *Leaders in Learning* AZPurchasing.org	RFP: **C-005-1718** PROJECT: **INVESTMENT BANKING SERVICES**	Crane School District #13 Purchasing Office 900 S. Avenue C Yuma, AZ 85364 (928) 373-3415 Fax: 928-783-8465

Minority/Women Business Enterprise (MWBE) and Historically Underutilized Businesses (HUB)

Historically Underutilized Business (HUB) or Minority/Women Business Enterprise (MWBE) entities are encouraged to indicate their HUB and MWBE status when responding to this request for proposal.

Vendor certifies that this firm is a MWBE (Required by some participating agencies) □ Yes X No

Vendor certifies that this firm is a HUB (Required by some participating agencies) □ Yes X No

Please scan a copy of MWBE and/or HUB certification letter and the percentage of your business with MWBE and/or HUB suppliers, if applicable, in your proposal response in the Response Attachments section.

I, the authorized representative for the company named below, certify that the information concerning residency certification, and MWBE and HUB certifications have been reviewed by me and the information furnished is true to the best of my knowledge.

Contractor's Name/Company Name: Michael LaVallee/ Stifel, Nicolaus & Company, Incorporated

Address, City, State, and Zip Code: 2325 E. Camelback Road, Suite 750, Phoenix, AZ 85016

Phone Number: (602) 794-4008 Fax Number: (602) 794-4046

Printed Name and Title of Authorized Representative: Michael LaVallee, Managing Director

Email Address: mlavallee@stifel.com

Signature of Authorized Representative: _____ Date: May 1, 2018

CRANE SCHOOLS leaders in learning AZPurchasing.org	**ATTACHMENT L: DEBARMENT CERTIFICATION** RFP: **C-005-1718** PROJECT: **INVESTMENT BANKING SERVICES**	Crane School District #13 Purchasing Office 900 S. Avenue C Yuma, AZ 85364 (928) 373-3415 Fax: 928-783-8465

Neither my company nor an owner or principal of my company has been debarred, suspended or otherwise made ineligible for participation in Federal Assistance programs under Executive Order 12549, "Debarment and Suspension," as described in the Federal Register and Rules and Regulations.

By signature below, I certify that the above is true, complete and accurate and that I am authorized by my company to make this certification.

Company name Stifel, Nicolaus & Company, Incorporated

Signature of Authorized Company Official

Printed Name Michael LaVallee

Date May 1, 2018

	ATTACHMENT M: EDGAR CERTIFICATIONS	
CRANE SCHOOLS leaders in learning AZPurchasing.org	RFP: **C-005-1718** PROJECT: **INVESTMENT BANKING SERVICES**	Crane School District #13 Purchasing Office 900 S. Avenue C Yuma, AZ 85364 (928) 373-3415 Fax: 928-783-8465

EDGAR CERTIFICATIONS

The following certifications and provisions are required and apply when a Crane Elementary School District #13 expends federal funds for any contract resulting from this procurement process. Accordingly, the parties agree that the following terms and conditions apply to the Contract between Crane Elementary School District #13, Member and awarded Vendor ("Vendor") in all situations where Vendor has been paid or will be paid with federal funds:

A. Contractor Violation or Breach of Contract Terms

Contracts for more than the simplified acquisition threshold currently set at $150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Pursuant to Federal Rule (A) above, when Crane Elementary School District #13 expends federal funds, Crane Elementary School District #13 reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does Vendor agree? YES MF **Initials of Authorized Representative of Vendor**

B. Termination of Cause or Convenience

Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of $10,000)

Pursuant to Federal Rule (B) above, when Crane Elementary School District #13 expends federal funds, Crane Elementary School District #13 reserves the right to immediately terminate any agreement in excess of $10,000 resulting from this procurement process in the event of a breach or default of the agreement by Vendor in the event Vendor fails to: (1) meet schedules, deadlines, and/or delivery dates within the time specified in the procurement solicitation, contract, and/or a purchase order; (2) make any payments owed; or (3) otherwise perform in accordance with the contract and/or the procurement solicitation. Crane Elementary School District #13 also reserves the right to terminate the contract immediately, with written notice to vendor, for convenience, if Crane Elementary School District #13 believes, in its sole discretion that it is in the best interest of Crane Elementary School District #13 to do so. Vendor will be compensated for work performed and accepted and goods accepted by Crane Elementary School District #13 as of the termination date if the contract is terminated for convenience of Crane Elementary School District #13. Any award under this procurement process is not exclusive and Crane Elementary School District #13 reserves the right to purchase goods and services from other vendors when it is in Crane Elementary School District #13's best interest.

Does Vendor agree? YES MF **Initials of Authorized Representative of Vendor**

C. Equal Employment Opportunity

Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

Pursuant to Federal Rule (C) above, when Crane Elementary School District #13 expends federal funds on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

Does Vendor agree to abide by the above? YES ML **Initials of Authorized Representative of Vendor**

D. Davis-Bacon Act

When required by Federal program legislation, contractor agrees that, for all prime construction contracts in excess of $2,000, contractor shall comply with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. Current prevailing wage determination issued by the Department of Labor are available at www.wdol.gov. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. Contractor further agrees that it shall also comply with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The Crane Elementary School District #13 must report all suspected or reported violations to the Federal awarding agency.

Pursuant to Federal Rule (D) above, when Crane Elementary School District #13 expends federal funds during the term of an award for all contracts and subgrants for construction or repair, Vendor will be in compliance with all applicable Davis-Bacon Act provisions.

Does Vendor agree? YES ML **Initials of Authorized Representative of Vendor**

E. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708)

Where applicable, all contracts awarded in excess of $100,000 that involve the employment of mechanics or laborers, Contractor agrees to comply with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor is required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply y to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when Crane Elementary School District #13 expends federal funds, Vendor certifies that Vendor will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act during the term of an award for all contracts by Crane Elementary School District #13 resulting from this procurement process.

Does Vendor agree? YES ML **Initials of Authorized Representative of Vendor**

F. Rights to Invention Made Under a Contract or Agreement

If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

Pursuant to Federal Rule (F) above, when federal funds are expended by Crane Elementary School District #13, Vendor certifies that during the term of an award for all contracts by Crane Elementary School District #13 resulting from this procurement process, Vendor agrees to comply with all applicable requirements as referenced in Federal Rule (6) above.

Does Vendor agree? YES ML **Initials of Authorized Representative of Vendor**

G. Clean Air Act and Federal Water Pollution Act

Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

Pursuant to Federal Rule (G) above, when federal funds are expended by Crane Elementary School District #13, Vendor certifies that during the term of an award for all contracts by Crane

Elementary School District #13 resulting from this procurement process, Vendor agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Does Vendor agree? YES ML **Initials of Authorized Representative of Vendor**

H. Debarment and Suspension

Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Pursuant to Federal Rule (H) above, when federal funds are expended by Crane Elementary School District #13, Vendor certifies that during the term of an award for all contracts by Crane Elementary School District #13 resulting from this procurement process, Vendor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

Does Vendor agree? YES ML **Initials of Authorized Representative of Vendor**

I. Byrd Anti-Lobbying Amendment

Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non- Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

Pursuant to Federal Rule (I) above, when federal funds are expended by Crane Elementary School District #13 Member, Vendor certifies that during the term and after the awarded term of an award for all contracts by Crane Elementary School District #13 resulting from this procurement process, the vendor certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

(1) No Federal appropriated funds have been paid or will be paid for on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and

submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all covered sub-awards exceeding $100,000 in Federal funds at all appropriate tiers and that all subrecipients shall certify and disclose accordingly.

Does Vendor agree? YES ML **Initials of Authorized Representative of Vendor**

RECORD RETENTION REQUIREMENTS FOR CONTRACTS INVOLVING FEDERAL FUNDS

When federal funds are expended by Crane Elementary School District #13 for any contract resulting from this procurement process, Vendor certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.333. Vendor further certifies that it will retain all records as required by 2 CFR § 200.333 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Does Vendor agree? YES ML **Initials of Authorized Representative of Vendor**

CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When Crane Elementary School District #13 expends federal funds for any contract resulting from this procurement process, Vendor certifies that it will comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.; 49 C.F.R. Part 18).

Does Vendor agree? YES ML **Initials of Authorized Representative of Vendor**

CERTIFICATION OF EQUAL EMPLOYMENT STATEMENT

It is the policy of Crane Elementary School District #13 not to discriminate on the basis of race, color, national origin, gender, limited English proficiency or handicapping conditions in its programs. Vendor agrees not to discriminate against any employee or applicant for employment to be employed in the performance of this Contract, with respect to hire, tenure, terms, conditions and privileges of employment, or a matter directly or indirectly related to employment, because of age (except where based on a bona fide occupational qualification), sex (except where based on a bona fide occupational qualification) or race, color, religion, national origin, or ancestry. Vendor further agrees that every subcontract entered into for the performance of this Contract shall contain a provision requiring non- discrimination in employment herein specified, binding upon each subcontractor. Breach of this covenant may be regarded as a material breach of the Contract.

Does Vendor agree? YES ML **Initials of Authorized Representative of Vendor**

CRANE SCHOOLS *Leaders in Learning* AZPurchasing.org	**ATTACHMENT M: EDGAR CERTIFICATIONS** RFP: **C-005-1718** PROJECT: **INVESTMENT BANKING SERVICES**	Crane School District #13 Purchasing Office 900 S. Avenue C Yuma, AZ 85364 (928) 373-3415 Fax: 928-783-8465

CERTIFICATION OF COMPLIANCE WITH BUY AMERICA PROVISIONS

Crane Elementary School District #13 has a preference for domestic end products for supplies acquired for use in the United States when spending federal funds (purchases that are made with non-federal funds or grants are excluded from the Buy America Act). Vendor certifies that it is in compliance with all applicable provisions of the Buy America Act.

Does Vendor agree? YES ML **Initials of Authorized Representative of Vendor**

CERTIFICATION OF ACCESS TO RECORDS – 2 C.F.R. § 200.336

Vendor agrees that the District's Inspector General or any of their duly authorized representatives shall have access to any books, documents, papers and records of Vendor that are directly pertinent to Vendor's discharge of its obligations under the Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Vendor's personnel for the purpose of interview and discussion relating to such documents.

Does Vendor agree? YES ML **Initials of Authorized Representative of Vendor**

CERTIFICATION OF APPLICABILITY TO SUBCONTRACTRS

Vendor agrees that all contracts it awards pursuant to the Contract shall be bound by the foregoing terms and conditions.

Does Vendor agree? YES ML **Initials of Authorized Representative of Vendor**

VENDOR AGREES TO COMPLY WITH ALL APPLICABLE FEDERAL, STATE, AND LOCAL LAWS, RULES, REGULATIONS, AND ORDINANCES. IT IS FURTHER ACKNOWLEDGED THAT VENDOR CERTIFIES COMPLIANCE WITH ALL PROVISIONS, LAWS, ACTS, REGULATIONS, ETC. AS SPECIFICALLY NOTED ABOVE.

Vendor's Name: Stifel, Nicolaus & Company, Incorporated
Address, City, State, and Zip Code: 2325 E. Camelback Road, Suite 750, Phoenix, AZ 85016
Phone Number: (602) 794-4008 **Fax Number:** (602) 794-4046
Printed Name and Title of Authorized Representative: Michael LaVallee, Managing Director
Email Address: mlavallee@stifel.com

Signature of Authorized Representative:
Date: May 1, 2018

	ATTACHMENT N: IRS W-9 Form	
CRANE SCHOOLS Leaders in Learning AZPurchasing.org	RFP: **C-005-1718** PROJECT: **INVESTMENT BANKING SERVICES**	Crane School District #13 Purchasing Office 4250 W. 16th St. Yuma, AZ 85364 928-373-3415 Fax: 928-783-8465

Form **W-9**
(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Stifel, Nicolaus & Company, Inc.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification; check only one of the following seven boxes:
☐ Individual/sole proprietor or single-member LLC ☑ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate
☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶
Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.
☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
Exempt payee code (if any) 5
Exemption from FATCA reporting code (if any) E
(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.)
501 N. Broadway

Requester's name and address (optional)

6 City, state, and ZIP code
St. Louis, MO 63102

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number
			-			-				

or

Employer identification number
4	3	-	0	5	3	8	7	7	0

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here Signature of U.S. person ▶ Thomas K. Hodek Date ▶ 5/20/2016

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at *www.irs.gov/fw9*.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on

APPENDIX A
ARIZONA EXPERIENCE LIST

Dated Date	Issuer Name	Par	Stifel Role	Security Type	Sale Type
5/30/2018	Flowing Wells USD	13.265	SOLE/LEAD	General Obligation	NEG
5/9/2018	Littleton Elementary School District No. 65	3.250	PA	General Obligation	PP
5/9/2018	Florence Unified School District No. 1	14.425	SOLE/LEAD	General Obligation	NEG
5/8/2018	Phoenix Union High School District No. 210	148.370	FA	General Obligation	NEG
5/2/2018	Alhambra Elementary School District #68	14.265	SOLE/LEAD	General Obligation	NEG
4/26/2018	Bullhead City Fire District	10.345	SOLE/LEAD	General Obligation	NEG
4/26/2018	Catalina Foothills Unified School District No. 16	9.185	SOLE/LEAD	General Obligation	NEG
4/20/2018	Camp Verde, Town of	3.487	PA	Waste Water Revenue	LOAN
4/20/2018	Camp Verde Sanitary District	2.798	PA	Special Assessment	LOAN
4/19/2018	Florence, Town of	1.477	SOLE/LEAD	Special Assessment	NEG
4/18/2018	Litchfield Elementary School District No. 79	14.760	SOLE/LEAD	General Obligation	NEG
4/12/2018	Osborn Elementary School District No. 8	23.180	SOLE/LEAD	General Obligation	NEG
4/12/2018	Buckeye Valley Fire District	7.415	SOLE/LEAD	General Obligation	NEG
3/30/2018	Sahuarita, Town of	5.780	FA	General Obligation	PP
3/22/2018	Paradise Valley Unified School District No. 69	49.885	FA	General Obligation	NEG
3/22/2018	Mesa Unified School District No. 4	25.355	FA	General Obligation	NEG
3/21/2018	Avondale Elementary School District No. 44	7.585	SOLE/LEAD	General Obligation	NEG
3/21/2018	Tolleson Elementary School District No. 17	14.200	SOLE/LEAD	General Obligation	NEG
3/15/2018	Queen Creek Unified School District No. 95	42.215	SOLE/LEAD	General Obligation	NEG
3/14/2018	Maricopa, County of	106.295	CO	COP/Lease Revenue	NEG
3/8/2018	Deer Valley Unified School District No. 97	23.000	CO	General Obligation	NEG
3/8/2018	Tolleson Union High School District No. 214	59.495	SOLE/LEAD	General Obligation	NEG
2/21/2018	Festival Ranch CFD (City of Buckeye)	0.210	PA	Special Assessment	PP
2/15/2018	Agua Fria Union High School District No. 216	17.480	SOLE/LEAD	General Obligation	NEG
2/14/2018	Arizona Board of Regents	93.995	CO	Revenue	NEG
2/14/2018	Arizona Board of Regents	16.840	CO	Revenue	NEG
2/6/2018	Entertainment Center CFD	2.000	PA	Sales Tax Revenue	PP
1/30/2018	Sun City Fire District	0.234	PA	General Obligation	PP
1/25/2018	Goodyear, City of	1.985	PA	Special Assessment	PP
1/25/2018	Goodyear, City of	5.325	PA	Special Assessment	PP
1/25/2018	Goodyear, City of	5.189	PA	Special Assessment	PP
1/25/2018	Goodyear, City of	2.196	PA	Special Assessment	PP
1/18/2018	Florence, Town of	0.263	PA	Special Assessment	PP
12/28/2017	Camp Verde Sanitary District	0.254	PA	General Obligation	PP
12/28/2017	Tucson Unified School District No. 1	48.520	FA	General Obligation	NEG
12/28/2017	Camp Verde Sanitary District	2.199	PA	General Obligation	PP
12/27/2017	Camp Verde, Town of	6.835	SOLE/LEAD	Sales Tax Revenue	NEG
12/21/2017	Phoenix Civic Improvement Corporation	474.725	CO	Revenue	NEG
12/21/2017	Kyrene Elementary School District No. 28	12.395	SOLE/LEAD	General Obligation	NEG
12/21/2017	Kyrene Elementary School District No. 28	25.085	SOLE/LEAD	General Obligation	NEG
12/21/2017	Chandler Unified School District No. 80	15.635	SOLE/LEAD	General Obligation	NEG
12/21/2017	Kyrene Elementary School District No. 28	6.805	SOLE/LEAD	General Obligation	NEG
12/20/2017	Bullhead City	3.230	SOLE/LEAD	Special Assessment	NEG
12/20/2017	Scottsdale Unified School District No. 48	47.080	SOLE/LEAD	General Obligation	NEG
12/20/2017	Scottsdale Unified School District No. 48	42.745	SOLE/LEAD	General Obligation	NEG
12/20/2017	Green Valley Fire District	6.023	PA	COP/Lease Revenue	PP
12/19/2017	Entertainment Center CFD	16.000	FA	Sales Tax Revenue	PP
12/14/2017	Avondale, City of	6.610	FA	General Obligation	NEG

Dated Date	Issuer Name	Par	Stifel Role	Security Type	Sale Type
12/14/2017	Avondale, City of	14.740	FA	General Obligation	NEG
11/30/2017	Lake Havasu City	12.000	FA	Sales Tax Revenue	PP
11/30/2017	El Mirage, City of	8.385	SOLE/LEAD	General Obligation	NEG
11/30/2017	Benson Unified School District No. 9	3.583	PA	General Obligation	PP
11/29/2017	Yuma Elementary School District No. 1	14.645	SOLE/LEAD	General Obligation	NEG
11/16/2017	Daisy Mountain Fire District	6.620	SOLE/LEAD	General Obligation	NEG
11/16/2017	Florence, Town of	1.440	SOLE/LEAD	General Obligation	NEG
11/14/2017	Goodyear, City of	25.015	SOLE/LEAD	General Obligation	NEG
11/9/2017	Queen Creek Unified School District No. 95	17.000	PA	COP/Lease Revenue	PP
11/8/2017	Glendale Union High School District No. 205	18.115	SOLE/LEAD	General Obligation	NEG
11/8/2017	Regional Transportation Authority	68.880	FA	Sales Tax Revenue	NEG
11/7/2017	Sahuarita, Town of	4.213	FA	Sales Tax Revenue	PP
10/31/2017	Yuma County	2.500	PA	Sales Tax Revenue	PP
10/31/2017	Yuma County Jail District	2.300	PA	Sales Tax Revenue	PP
10/27/2017	Entertainment Center CFD	16.000	FA	Sales Tax Revenue	PP
10/18/2017	Humboldt Unified School District No. 22	14.745	SOLE/LEAD	General Obligation	NEG
10/17/2017	Yavapai, County of	16.978	PA	Sales Tax Revenue	PP
10/12/2017	San Luis, City of	2.825	SOLE/LEAD	Sales Tax Revenue	NEG
10/12/2017	San Luis, City of	11.715	SOLE/LEAD	Sales Tax Revenue	NEG
10/12/2017	Maricopa Integrated Health System	75.000	FA	General Obligation	PP
9/14/2017	Three Points Fire District	1.745	PA	General Obligation	PP
9/13/2017	Somerton, City of	4.470	PA	Sales Tax Revenue	PP
8/29/2017	Flagstaff, City of	17.129	FA	Water Revenue	PP
8/23/2017	Eagar, Town of	2.170	PA	Sales Tax Revenue	PP
8/3/2017	Northwest Fire District	12.780	SOLE/LEAD	General Obligation	NEG
7/26/2017	Prescott Valley, Town of	3.450	PA	Sales Tax Revenue	PP
7/25/2017	Marana Unified School District	23.900	SOLE/LEAD	General Obligation	NEG
7/12/2017	Peoria Unified School District No. 11	17.430	SOLE/LEAD	General Obligation	NEG
7/6/2017	Phoenix Elementary School District No. 1	13.070	SOLE/LEAD	General Obligation	NEG
6/28/2017	Tucson, City of	8.610	SOLE/LEAD	General Obligation	NEG
6/28/2017	Tucson, City of	106.970	CO	Water Revenue	NEG
6/28/2017	Tucson, City of	17.265	SOLE/LEAD	General Obligation	NEG
6/13/2017	Festival Ranch CFD (City of Buckeye, AZ)	2.940	SOLE/LEAD	General Obligation	NEG
6/13/2017	Festival Ranch CFD (City of Buckeye, AZ)	3.665	SOLE/LEAD	General Obligation	NEG
6/13/2017	Marana, Town of	14.423	PA	Special Assessment	PP
6/8/2017	Buckeye Union High School District No. 201	20.750	SOLE/LEAD	General Obligation	NEG
6/7/2017	Phoenix Union High School District No. 210	26.880	FA	General Obligation	NEG
5/31/2017	J.O. Combs Unified School District	7.380	SOLE/LEAD	General Obligation	NEG
5/23/2017	Chandler Unified School District No. 80	71.935	SOLE/LEAD	General Obligation	NEG
5/17/2017	Washington Elementary School District No. 6	33.555	FA	General Obligation	COMP
5/17/2017	Scottsdale, City of	18.495	SOLE/LEAD	General Obligation	NEG
5/17/2017	Scottsdale, City of	39.985	SOLE/LEAD	General Obligation	NEG
5/16/2017	Western Maricopa Education Center District No. 402	70.035	SOLE/LEAD	General Obligation	NEG
5/11/2017	Lake Havasu Unified School District No. 1	15.490	SOLE/LEAD	General Obligation	NEG
5/9/2017	Sierra Vista Unified School District No. 68	16.075	SOLE/LEAD	General Obligation	NEG
5/2/2017	Littleton Elementary School District No. 65	2.390	PA	General Obligation	PP
4/20/2017	Blue Ridge Unified School District No. 32 of Navajo County, AZ	13.920	SOLE/LEAD	General Obligation	NEG
4/20/2017	Marana, Town of	17.215	SOLE/LEAD	Sales Tax Revenue	NEG
4/20/2017	Marana, Town of	19.865	SOLE/LEAD	Sales Tax Revenue	NEG
4/20/2017	Marana, Town of	2.565	SOLE/LEAD	Sales Tax Revenue	NEG

Dated Date	Issuer Name	Par	Stifel Role	Security Type	Sale Type
4/19/2017	Santa Cruz Valley Union High School District No. 840	4.145	SOLE/LEAD	General Obligation	NEG
4/18/2017	Mohave County RIMD	0.209	PA	Special Assessment	PP
4/13/2017	Colorado River Union High School District No. 2	31.645	SOLE/LEAD	General Obligation	NEG
4/12/2017	Casa Grande Elementary School District No. 4	25.000	SOLE/LEAD	General Obligation	NEG
4/6/2017	Oro Valley, Town of	14.302	PA	Sales Tax Revenue	PP
4/4/2017	Amphitheater Unified School District No. 10	14.300	SOLE/LEAD	General Obligation	NEG
4/4/2017	Sahuarita Unified School District No. 30	24.185	SOLE/LEAD	General Obligation	NEG
4/4/2017	Sahuarita Unified School District No. 30	6.830	SOLE/LEAD	General Obligation	NEG
4/4/2017	Amphitheater Unified School District No. 10	27.290	SOLE/LEAD	General Obligation	NEG
4/4/2017	Avondale Elementary School District No. 44	14.135	SOLE/LEAD	General Obligation	NEG
3/29/2017	Wickenburg Unified School District No. 9	8.710	SOLE/LEAD	General Obligation	NEG
3/29/2017	Mesa Unified School District No. 4	30.315	FA	General Obligation	NEG
3/29/2017	Murphy Elementary School District No. 21	2.955	SOLE/LEAD	General Obligation	NEG
3/29/2017	Wickenburg Unified School District No. 9	0.700	SOLE/LEAD	General Obligation	NEG
3/23/2017	Goodyear, City of	14.050	SOLE/LEAD	General Obligation	NEG
3/21/2017	Agua Fria Union High School District No. 216	31.010	SOLE/LEAD	General Obligation	NEG
3/16/2017	Deer Valley Unified School District No. 97	22.065	CO	General Obligation	NEG
3/14/2017	Safford Unified School District No. 1	4.900	PA	General Obligation	PP
3/9/2017	Scottsdale Unified School District No. 48	39.635	SOLE/LEAD	General Obligation	NEG
3/8/2017	Paradise Valley Unified School District No. 69	33.870	FA	General Obligation	NEG
3/8/2017	Scottsdale, City of	17.410	SOLE/LEAD	General Obligation	NEG
2/28/2017	Summit Fire District	3.300	SOLE/LEAD	General Obligation	NEG
2/23/2017	Sedona-Oak Creek Joint Unified School District No. 9	11.630	SOLE/LEAD	General Obligation	NEG
2/23/2017	Sun City Fire District	9.245	SOLE/LEAD	General Obligation	NEG
2/22/2017	Phoenix Union High School District No. 210	39.425	FA	General Obligation	NEG
2/16/2017	Buckeye, City of	2.738	SOLE/LEAD	Special Assessment	NEG
2/3/2017	Florence, Town of	3.245	PA	General Obligation	PP
12/28/2016	Golder Ranch Fire District	2.932	PA	General Obligation	PP
12/16/2016	Winslow, City of	2.024	PA	Water Revenue	PP
12/15/2016	Oro Valley, Town of	2.000	PA	Sales Tax Revenue	PP
12/7/2016	Buckeye Elementary School District No. 33	12.240	PA	COP/Lease Revenue	PP
12/6/2016	Quail Creek CFD (Sahuarita, AZ)	9.185	FA	General Obligation	NEG
12/6/2016	Vail Unified School District No. 20	17.595	SOLE/LEAD	General Obligation	NEG
12/1/2016	Flagstaff, City of	6.086	FA	General Obligation	Defeasance
11/30/2016	Rio Rico Fire District	4.065	SOLE/LEAD	General Obligation	NEG
11/29/2016	Santa Cruz Valley Unified School District No. 35	4.050	PA	General Obligation	PP
11/17/2016	Kyrene Elementary School District No. 28	7.360	SOLE/LEAD	General Obligation	NEG
11/17/2016	Kyrene Elementary School District No. 28	17.450	SOLE/LEAD	General Obligation	NEG
11/17/2016	Kyrene Elementary School District No. 28	32.025	SOLE/LEAD	General Obligation	NEG
11/16/2016	Electrical District No. 3	82.685	CO	Revenue	NEG
11/14/2016	Maricopa County Industrial Development Authority	3.635	SOLE/LEAD	Single/Multi-Family Housing	NEG
11/14/2016	Maricopa County Industrial Development Authority	11.785	SOLE/LEAD	Single/Multi-Family Housing	NEG
11/14/2016	Maricopa County Industrial Development Authority	0.745	SOLE/LEAD	Single/Multi-Family Housing	NEG
11/14/2016	Maricopa County Industrial Development Authority	23.345	SOLE/LEAD	Single/Multi-Family Housing	NEG
11/14/2016	Maricopa County Industrial Development Authority	64.250	SOLE/LEAD	Single/Multi-Family Housing	NEG
11/10/2016	Osborn Elementary School District No. 8	20.510	SOLE/LEAD	General Obligation	NEG
11/8/2016	Yuma, City of	37.835	PA	Waste Water Revenue	PP
11/8/2016	Arizona Board of Regents	44.175	CO	Revenue	NEG

Dated Date	Issuer Name	Par	Stifel Role	Security Type	Sale Type
11/8/2016	Arizona Board of Regents	142.390	CO	Revenue	NEG
11/3/2016	Lake Havasu City	12.181	PA	Sales Tax Revenue	PP
11/1/2016	Goodyear, City of	3.423	PA	General Obligation	PP
10/26/2016	Tuba City Unified School District No.15	9.165	PA	Impact Aid Revenue Bond	PP
10/12/2016	Arizona, State of	119.880	FA	COP/Lease Revenue	NEG
10/6/2016	Gladden Farms CFD (Town of Marana, AZ)	7.955	FA	General Obligation	NEG
10/6/2016	Arizona Transportation Board	109.850	CO	Sales Tax Revenue	NEG
9/22/2016	Liberty Elementary School District No. 25	2.475	SOLE/LEAD	General Obligation	NEG
9/22/2016	Liberty Elementary School District No. 25	4.455	SOLE/LEAD	General Obligation	NEG
9/20/2016	Phoenix Elementary School District No. 1	6.255	PA	General Obligation	PP
9/8/2016	Chandler, City of	39.050	CO	General Obligation	NEG
9/7/2016	Phoenix, City of	226.215	CO	General Obligation	NEG
9/7/2016	Cottonwood, City of	12.350	SOLE/LEAD	Sales Tax Revenue	NEG
9/1/2016	Avondale, City of	24.215	FA	Revenue	NEG
9/1/2016	Avondale, City of	8.110	FA	Waste Water Revenue	NEG
8/25/2016	Winslow, City of	6.860	FA	Waste Water Revenue	NEG
8/25/2016	Tucson Unified School District No. 1	63.000	FA	General Obligation	NEG
8/9/2016	Flagstaff, City of	8.930	FA	Sales Tax Revenue	NEG
8/9/2016	Flagstaff, City of	16.105	FA	General Obligation	NEG
7/14/2016	Cave Creek Unified School District	10.000	SOLE/LEAD	General Obligation	NEG
7/14/2016	Vistancia West CFD (City of Peoria, Arizona)	3.000	SOLE/LEAD	General Obligation	NEG
7/13/2016	Festival Ranch CFD	5.410	SOLE/LEAD	General Obligation	NEG
7/12/2016	Glendale Union High School District No. 205	30.000	SOLE/LEAD	General Obligation	NEG
7/12/2016	La Paz, County of	13.760	SOLE/LEAD	Sales Tax Revenue	NEG
7/7/2016	Flowing Wells USD	9.800	SOLE/LEAD	General Obligation	NEG
7/7/2016	Florence, Town of	0.987	PA	Special Assessment	PP
7/6/2016	Buckskin Sanitary District	1.830	FA	Special Assessment	PP
7/6/2016	Peoria Unified School District No. 11	28.000	SOLE/LEAD	General Obligation	NEG
6/29/2016	Tucson, City of	34.160	CO	COP/Lease Revenue	NEG
6/29/2016	Tucson, City of	20.000	CO	General Obligation	NEG
6/29/2016	Tucson, City of	23.020	CO	General Obligation	NEG
6/22/2016	Florence, Town of	2.000	SOLE/LEAD	General Obligation	NEG
6/22/2016	Sunnyside Unified School District No. 12	9.450	FA	General Obligation	NEG
6/15/2016	Union Elementary School District No. 62	5.200	SOLE/LEAD	General Obligation	NEG
6/9/2016	Northwest Fire District	8.300	SOLE/LEAD	General Obligation	NEG
6/8/2016	Chino Valley Fire District	5.000	PA	General Obligation	PP
6/7/2016	Goodyear, City of	11.540	SOLE/LEAD	Waste Water Revenue	NEG
6/2/2016	Buckeye Elementary School District No. 33	9.850	SOLE/LEAD	General Obligation	NEG
6/2/2016	Buckeye Elementary School District No. 33	6.265	SOLE/LEAD	General Obligation	NEG
6/1/2016	Higley Unified School District No. 60	25.785	SOLE/LEAD	General Obligation	NEG
5/25/2016	Yuma County Free Library District	11.150	FA	General Obligation	NEG
5/20/2016	Cottonwood, City of	16.000	FA	Water Revenue	LOAN
5/20/2016	Clarkdale, Town of	7.872	FA	Water Revenue	LOAN
5/19/2016	Chino Valley, Town of	3.346	PA	Sales Tax Revenue	PP
5/19/2016	Washington Elementary School District No. 6	25.500	FA	General Obligation	COMP
5/19/2016	Litchfield Elementary School District No. 79	6.000	SOLE/LEAD	General Obligation	NEG
5/18/2016	Daisy Mountain Fire District	9.055	SOLE/LEAD	General Obligation	NEG
5/12/2016	Prescott Unified School District No. 1	7.500	SOLE/LEAD	General Obligation	NEG
5/5/2016	Coolidge Unified School District No. 21	19.490	SOLE/LEAD	General Obligation	NEG
5/4/2016	Catalina Foothills Unified School District No. 16	7.500	SOLE/LEAD	General Obligation	NEG

Dated Date	Issuer Name	Par	Stifel Role	Security Type	Sale Type
5/4/2016	Catalina Foothills Unified School District No. 16	7.360	SOLE/LEAD	General Obligation	NEG
5/3/2016	Dysart Unified School District No. 89	74.865	SOLE/LEAD	General Obligation	NEG
5/3/2016	Gilbert Unified School District No. 41	31.300	SOLE/LEAD	General Obligation	NEG
5/3/2016	Gilbert Unified School District No. 41	38.445	SOLE/LEAD	General Obligation	NEG
4/28/2016	Gadsden Elementary School District	7.595	SOLE/LEAD	General Obligation	NEG
4/27/2016	Maricopa Unified School District No. 20	28.225	SOLE/LEAD	General Obligation	NEG
4/26/2016	Scottsdale Unified School District No. 48	28.050	SOLE/LEAD	General Obligation	NEG
4/21/2016	Marana Unified School District	30.000	SOLE/LEAD	General Obligation	NEG
4/20/2016	Glendale, City of	16.705	SOLE/LEAD	General Obligation	NEG
4/20/2016	Glendale, City of	10.580	SOLE/LEAD	General Obligation	NEG
4/13/2016	Miami, Town of Municipal Property Corporation	3.953	FA	Waste Water Revenue	LOAN
4/13/2016	Chandler Unified School District No. 80	60.000	SOLE/LEAD	General Obligation	NEG
4/12/2016	Mesa Unified School District No. 4	12.815	FA	General Obligation	NEG
4/12/2016	Mesa Unified School District No. 4	35.000	FA	General Obligation	NEG
4/6/2016	Tucson, City of	71.805	SOLE/LEAD	Water Revenue	NEG
4/6/2016	Phoenix Elementary School District No. 1	20.000	SOLE/LEAD	General Obligation	NEG
4/5/2016	Buckeye, City of	12.620	SOLE/LEAD	Sales Tax Revenue	NEG
3/31/2016	Mingus Union High School District No. 4	5.990	SOLE/LEAD	General Obligation	NEG
3/31/2016	Arizona Board of Regents	175.385	CO	Revenue	NEG
3/24/2016	Festival Ranch CFD	0.200	PA	Special Assessment	PP
3/2/2016	Paradise Valley Unified School District No. 69	36.700	FA	General Obligation	NEG
3/2/2016	Avondale Elementary School District No. 44	5.000	SOLE/LEAD	General Obligation	NEG
2/24/2016	Youngtown, Town of	2.360	PA	General Obligation	PP
2/24/2016	Queen Creek Unified School District No. 95	4.350	SOLE/LEAD	General Obligation	NEG
2/23/2016	Deer Valley Unified School District No. 97	30.000	CO	General Obligation	NEG
2/23/2016	Willcox, City of	1.380	PA	Sales Tax Revenue	PP
2/23/2016	Deer Valley Unified School District No. 97	19.200	CO	General Obligation	NEG
2/17/2016	Agua Fria Union High School District No. 216	15.000	SOLE/LEAD	General Obligation	NEG
12/16/2015	Sedona, City of	8.030	PA	Sales Tax Revenue	PP
12/15/2015	Florence, Town of	4.740	SOLE/LEAD	Sales Tax Revenue	NEG
12/15/2015	Vistancia Community Facilities District (City of Peoria, Arizona)	30.325	CO	General Obligation	NEG
12/15/2015	Vistancia Community Facilities District (City of Peoria, Arizona)	66.425	CO	General Obligation	NEG
12/9/2015	Glendale Elementary School District No. 40	9.200	FA	General Obligation	NEG
11/23/2015	Chino Valley, Town of	4.260	PA	Waste Water Revenue	PP
11/10/2015	Prescott Valley, Town of	8.845	PA	Sales Tax Revenue	PP
11/2/2015	Oro Valley, Town of	3.775	PA	Sales Tax Revenue	PP
10/15/2015	Miami, Town of Municipal Property Corporation	4.640	FA	Waste Water Revenue	LOAN
9/29/2015	Blue Ridge Unified School District No. 32	15.660	PA	General Obligation	PP
9/29/2015	Glendale Union High School District No. 205	8.435	SOLE/LEAD	General Obligation	NEG
9/22/2015	Bullhead City	5.573	PA	Sales Tax Revenue	PP
9/15/2015	Lake Havasu City	71.775	FA	General Obligation	NEG
9/15/2015	Lake Havasu City	98.300	FA	Waste Water Revenue	NEG
9/15/2015	Lake Havasu City	60.269	FA	General Obligation	NEG
9/10/2015	Vistancia Community Facilities District (City of Peoria, Arizona)	36.985	SOLE/LEAD	General Obligation	NEG
9/9/2015	La Paz, County of	0.489	PA	Revenue	PP
9/9/2015	Western Maricopa Education Center District No. 402	14.900	SOLE/LEAD	General Obligation	NEG
8/13/2015	Mingus Union High School District No. 4	6.715	SOLE/LEAD	General Obligation	NEG
8/6/2015	Maricopa Integrated Health System	106.000	FA	General Obligation	PP
8/4/2015	Tuba City Unified School District No.15	2.525	PA	General Obligation	PP

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7/30/2015	Arizona School Facilities Board	263.545	FA	COP/Lease Revenue	NEG
7/30/2015	Yavapai County IDA	75.000	SOLE/LEAD	Revenue	NEG
7/21/2015	Wilcox, City of	2.005	FA	Water Revenue	PP
7/21/2015	Festival Ranch CFD	0.288	PA	Special Assessment	PP
7/15/2015	Cave Creek Unified School District	1.489	PA	COP/Lease Revenue	PP
7/15/2015	Litchfield Park, City of	4.095	PA	Sales Tax Revenue	PP
7/14/2015	Buckeye, Town of	51.260	SOLE/LEAD	Sales Tax Revenue	NEG
7/2/2015	Peoria Unified School District No. 11	94.035	SOLE/LEAD	General Obligation	NEG
6/30/2015	Cottonwood, City of	11.360	SOLE/LEAD	Sales Tax Revenue	NEG
6/29/2015	Arizona, State of	163.995	CO	COP/Lease Revenue	NEG
6/25/2015	Maricopa, County of	185.580	CO	COP/Lease Revenue	NEG
6/25/2015	La Paz, County of	0.530	PA	Revenue	PP
6/24/2015	Tucson, City of	20.570	SOLE/LEAD	Water Revenue	NEG
6/24/2015	Tucson, City of	19.615	CO	COP/Lease Revenue	NEG
6/23/2015	Yuma County Free Library District	26.300	FA	General Obligation	NEG
6/18/2015	Show Low, City of	8.865	PA	Sales Tax Revenue	PP
6/16/2015	Sedona, City of	10.390	PA	Sales Tax Revenue	PP
6/16/2015	Littleton Elementary School District No. 65	11.860	SOLE/LEAD	General Obligation	NEG
6/10/2015	Kyrene Elementary School District No. 28	40.000	SOLE/LEAD	General Obligation	NEG
6/10/2015	Kyrene Elementary School District No. 28	24.120	SOLE/LEAD	General Obligation	NEG
6/3/2015	Buckeye Union High School District No. 201	41.890	SOLE/LEAD	General Obligation	NEG
6/2/2015	Phoenix Union High School District No. 210	10.000	FA	General Obligation	NEG
5/27/2015	Fountain Hills Unified School District No. 98	4.000	SOLE/LEAD	General Obligation	NEG
5/27/2015	Mesa Unified School District No. 4	35.000	FA	General Obligation	NEG
5/20/2015	Vistancia West CFD (City of Peoria, Arizona)	0.035	PA	General Obligation	PP
5/19/2015	Vail Unified School District No. 20	31.205	SOLE/LEAD	General Obligation	NEG
5/19/2015	Cave Creek Unified School District	20.000	SOLE/LEAD	General Obligation	NEG
5/19/2015	Cave Creek Unified School District	11.125	SOLE/LEAD	General Obligation	NEG
5/15/2015	Sahuarita Unified School District No. 30	1.650	PA	General Obligation	PP
5/13/2015	Pinal County	3.720	SOLE/LEAD	Sales Tax Revenue	NEG
5/13/2015	Pinal County	39.075	SOLE/LEAD	Sales Tax Revenue	NEG
5/12/2015	Buckeye, Town of	6.565	SOLE/LEAD	Sales Tax Revenue	NEG
5/12/2015	Washington Elementary School District No. 6	4.500	FA	General Obligation	PP
5/7/2015	Sunnyside Unified School District No. 12	15.775	FA	General Obligation	NEG
4/30/2015	Phoenix Union High School District No. 210	3.584	FA	COP/Lease Revenue	COMP
4/30/2015	Phoenix Union High School District No. 210	0.516	FA	COP/Lease Revenue	COMP
4/30/2015	Casa Grande Union High School District No. 82	19.985	SOLE/LEAD	General Obligation	NEG
4/29/2015	Arizona Board of Regents	103.950	CO	Revenue	NEG
4/29/2015	Florence Unified School District No. 1	21.715	SOLE/LEAD	General Obligation	NEG
4/29/2015	Arizona Board of Regents	14.660	CO	Revenue	NEG
4/22/2015	Sedona-Oak Creek Joint Unified School District No. 9	20.850	SOLE/LEAD	General Obligation	NEG
4/22/2015	Cottonwood-Oak Creek School District No. 6	15.000	SOLE/LEAD	General Obligation	NEG
4/15/2015	Somerton, City of	11.205	SOLE/LEAD	Sales Tax Revenue	NEG
4/15/2015	Yuma Elementary School District No. 1	21.000	SOLE/LEAD	General Obligation	NEG
4/2/2015	Scottsdale, City of	160.415	CO	General Obligation	NEG
4/2/2015	Buckeye, Town of	0.250	SOLE/LEAD	Water and Sewer Rev	COMP
3/31/2015	Chandler Unified School District No. 80	36.770	SOLE/LEAD	General Obligation	NEG
3/26/2015	Higley Unified School District No. 60	57.165	SOLE/LEAD	General Obligation	NEG
3/25/2015	Queen Creek Unified School District No. 95	31.920	SOLE/LEAD	General Obligation	NEG
3/25/2015	Queen Creek Unified School District No. 95	6.910	SOLE/LEAD	General Obligation	NEG

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3/19/2015	Goodyear, City of	4.980	SOLE/LEAD	Special Assessment	NEG
3/19/2015	Gila County	2.000	PA	Sales Tax Revenue	PP
3/17/2015	Sahuarita	8.840	FA	Sales Tax Revenue	PP
3/12/2015	Crane Elementary School District No. 13	10.000	SOLE/LEAD	General Obligation	NEG
3/12/2015	Marana Unified School District	25.000	SOLE/LEAD	General Obligation	NEG
3/12/2015	Crane Elementary School District No. 13	5.570	SOLE/LEAD	General Obligation	NEG
3/11/2015	Safford, City of	5.800	PA	Revenue	PP
3/11/2015	Safford, City of	0.260	PA	Revenue	PP
3/11/2015	Safford, City of	0.845	PA	Revenue	PP
3/11/2015	Safford, City of	0.715	PA	Revenue	PP
3/5/2015	J.O. Combs Unified School District	14.035	SOLE/LEAD	General Obligation	NEG
3/4/2015	Avondale Elementary School District No. 44	5.075	SOLE/LEAD	General Obligation	NEG
2/25/2015	Paradise Valley Unified School District No. 69	49.000	FA	General Obligation	NEG
2/25/2015	Paradise Valley Unified School District No. 69	21.325	FA	General Obligation	NEG
2/25/2015	Glendale, City of	55.635	SOLE/LEAD	Sales Tax Revenue	NEG
2/25/2015	Tucson, City of	46.640	SOLE/LEAD	Water Revenue	NEG
2/19/2015	Litchfield Elementary School District No. 79	15.675	SOLE/LEAD	General Obligation	NEG
1/28/2015	Deer Valley Unified School District No. 97	25.000	CO	General Obligation	NEG
1/28/2015	Deer Valley Unified School District No. 97	17.250	CO	General Obligation	NEG
1/28/2015	Arizona Transportation Board	377.500	CO	Misc/Other Revenue	NEG
1/22/2015	Golder Ranch Fire District	5.310	PA	General Obligation	PP
12/30/2014	Chino Valley, Town of	3.443	FA	General Obligation	PP
12/17/2014	Pinal County	40.310	SOLE/LEAD	Sales Tax Revenue	NEG
12/17/2014	Pinal County	52.700	SOLE/LEAD	Sales Tax Revenue	NEG
12/17/2014	Snowflake Unified School District No. 5	3.290	SOLE/LEAD	General Obligation	NEG
12/16/2014	Show Low, City of	3.065	FA	Waste Water Revenue	PP
12/11/2014	Chandler Unified School District No. 80	43.765	PA	COP/Lease Revenue	PP
12/10/2014	Payson Unified School District No. 10	27.765	SOLE/LEAD	General Obligation	NEG
12/3/2014	Northwest Fire District	8.215	SOLE/LEAD	General Obligation	NEG
11/25/2014	Agua Fria Union High School District No. 216	9.300	SOLE/LEAD	General Obligation	NEG
11/25/2014	San Luis, City of	2.220	SOLE/LEAD	Sales Tax Revenue	NEG
11/25/2014	San Luis, City of	28.795	SOLE/LEAD	Sales Tax Revenue	NEG
11/25/2014	Agua Fria Union High School District No. 216	18.610	SOLE/LEAD	General Obligation	NEG
11/12/2014	Florence, Town of	4.000	FA	Sales Tax Revenue	NEG
10/28/2014	Dysart Unified School District No. 89	49.550	FA	General Obligation	NEG
10/15/2014	Glendale Elementary School District No. 40	2.792	FA	COP/Lease Revenue	PP
10/15/2014	Coolidge Unified School District No. 21	3.255	SOLE/LEAD	General Obligation	NEG
10/15/2014	Maricopa County Industrial Development Authority	2.965	SOLE/LEAD	Single/Multi-Family Housing	NEG
10/14/2014	Camp Verde, Town of	4.904	PA	Sales Tax Revenue	PP
10/8/2014	Buckeye Elementary School District No. 33	3.660	SOLE/LEAD	General Obligation	NEG
10/7/2014	Florence, Town of	0.728	PA	Special Assessment	PP
10/2/2014	Catalina Foothills Unified School District No. 16	6.075	SOLE/LEAD	General Obligation	NEG
10/1/2014	Liberty Elementary School District No. 25	12.525	SOLE/LEAD	General Obligation	NEG
8/6/2014	Western Maricopa Education Center District No. 402	25.000	SOLE/LEAD	General Obligation	NEG
8/6/2014	Casa Grande Elementary School District No. 4	1.711	FA	COP/Lease Revenue	PP
7/30/2014	Tucson Unified School District No. 1	29.467	FA	COP/Lease Revenue	PP
7/29/2014	Wilson Elementary School District No. 7	1.700	SOLE/LEAD	General Obligation	NEG
7/21/2014	Quartzsite, Town of	0.693	PA	Sales Tax Revenue	PP
7/17/2014	Arizona Board of Regents	16.025	SOLE/LEAD	Revenue	NEG
7/16/2014	Riverside Elementary School District No. 2	4.565	SOLE/LEAD	General Obligation	NEG

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7/16/2014	Phoenix Union High School District No. 210	8.930	FA	COP/Lease Revenue	PP
7/3/2014	Cartwright Elementary School District No. 83	0.850	PA	General Obligation	PP
7/3/2014	Peoria Unified School District No. 11	27.000	SOLE/LEAD	General Obligation	NEG
7/2/2014	Regional Transportation Authority	130.095	FA	Sales Tax Revenue	NEG
7/2/2014	Sunnyside Unified School District No. 12	18.000	FA	General Obligation	NEG
6/27/2014	Litchfield Elementary School District No. 79	1.506	PA	COP/Lease Revenue	PP
6/24/2014	Phoenix, City of	278.015	CO	General Obligation	NEG
6/19/2014	Arizona School Facilities Board	55.040	FA	COP/Lease Revenue	NEG
6/19/2014	Arizona School Facilities Board	110.695	FA	COP/Lease Revenue	NEG
6/19/2014	Arizona School Facilities Board	60.390	FA	COP/Lease Revenue	NEG
6/12/2014	Phoenix Union High School District No. 210	75.000	FA	General Obligation	NEG
6/12/2014	Phoenix Union High School District No. 210	70.445	FA	General Obligation	NEG
6/11/2014	Roosevelt Elementary School District No. 66	7.780	SOLE/LEAD	General Obligation	NEG
6/5/2014	Higley Unified School District No. 60	25.795	SOLE/LEAD	General Obligation	NEG
6/4/2014	Chandler Unified School District No. 80	21.940	SOLE/LEAD	General Obligation	NEG
6/3/2014	Marana, Town of	6.493	PA	Revenue	PP
6/3/2014	Marana, Town of	1.343	PA	Water Revenue	PP
5/29/2014	Scottsdale Municipal Property Corporation	22.735	CO	Sales Tax Revenue	NEG
5/22/2014	Sedona, City of	9.780	PA	Sales Tax Revenue	PP
5/7/2014	Thunderbird Farms Domestic Water Improvement District	2.850	PA	Water Revenue	PP
5/1/2014	Washington Elementary School District No. 6	5.000	FA	General Obligation	COMP
4/29/2014	Maricopa County Industrial Development Authority	17.745	SOLE/LEAD	Single/Multi-Family Housing	NEG
4/16/2014	Arlington Elementary School District No. 47	2.000	SOLE/LEAD	General Obligation	NEG
4/16/2014	Mesa Unified School District No. 4, Maricopa County	50.000	FA	General Obligation	NEG
4/16/2014	Mesa Unified School District No. 4, Maricopa County	45.000	FA	General Obligation	NEG
4/3/2014	Saddle Mountain Unified School District No. 90	15.000	SOLE/LEAD	General Obligation	NEG
3/13/2014	Buckeye, Town of	17.945	FA	General Obligation	NEG
3/12/2014	Fountain Hills Unified School District No. 98	4.000	SOLE/LEAD	General Obligation	NEG
3/6/2014	Phoenix Elementary School District No. 1	5.400	SOLE/LEAD	General Obligation	NEG
2/27/2014	Buckeye Union High School District No. 201	8.315	PA	COP/Lease Revenue	PP
2/26/2014	Avondale Elementary School District No. 44	3.760	SOLE/LEAD	General Obligation	NEG
2/26/2014	Glendale Elementary School District No. 40	9.485	FA	General Obligation	COMP
2/12/2014	Glendale Elementary School District No. 40	3.100	FA	COP/Lease Revenue	PP
2/12/2014	Deer Valley Unified School District No. 97	34.600	CO	General Obligation	NEG
1/8/2014	Paradise Valley Unified School District No. 69	50.000	FA	General Obligation	NEG

APPENDIX B
ARIZONA SCHOOL DISTRICT NON-TRADITIONAL FINANCING EXPERIENCE LIST

Dated Date	Issuer	Par Value ($millions)	Stifel Role	Security Type	Sale Type
11/09/2017	Queen Creek USD No. 95	$17.00	PA	COP/Lease Revenue	PP
12/07/2016	Buckeye ESD No. 33	$12.24	PA	COP/Lease Revenue	PP
07/30/2015	Arizona School Facilities Board	$263.55	FA	COP/Lease Revenue	Neg
07/15/2015	Cave Creek USD No. 93	$1.49	PA	COP/Lease Revenue	PP
04/30/2015	Phoenix UHSD No. 210	$0.52	FA	COP/Lease Revenue	PP
12/11/2014	Chandler USD No. 80	$43.77	PA	COP/Lease Revenue	PP
10/15/2014	Glendale ESD No. 40	$2.79	FA	COP/Lease Revenue	PP
08/06/2014	Casa Grande ESD No. 4	$1.71	FA	COP/Lease Revenue	PP
06/27/2014	Litchfield ESD No. 79	$1.51	PA	COP/Lease Revenue	PP
06/19/2014	Arizona School Facilities Board	$55.04	FA	COP/Lease Revenue	Neg
06/19/2014	Arizona School Facilities Board	$110.70	FA	COP/Lease Revenue	Neg
06/19/2014	Arizona School Facilities Board	$60.39	FA	COP/Lease Revenue	Neg
02/27/2014	Buckeye UHSD No. 201	$8.32	PA	COP/Lease Revenue	PP
02/12/2014	Glendale ESD No. 40	$3.10	FA	COP/Lease Revenue	PP
12/19/2013	Arizona School Facilities Board	$29.95	FA	COP/Lease Revenue	Neg
12/19/2013	Arizona School Facilities Board	$49.61	FA	COP/Lease Revenue	Neg
08/01/2013	Toltec ESD No. 22	$0.52	PA	COP/Lease Revenue	PP
12/11/2012	Crane ESD No. 13	$3.25	PA	COP/Lease Revenue	PP
09/25/2012	Casa Grande UHSD No. 82	$2.21	PA	COP/Lease Revenue	PP
01/27/2012	Higley USD No. 60	$5.46	PA	COP/Lease Revenue	PP
09/15/2011	Roosevelt ESD No. 66	$0.12	Sole	COP/Lease Revenue	Neg
08/19/2011	Sunnyside USD No. 12	$1.14	PA	COP/Lease Revenue	PP
08/03/2010	Arizona School Facilities Board	$58.79	FA	COP/Lease Revenue	Neg
11/25/2008	Arizona School Facilities Board	$580.04	FA	COP/Lease Revenue	Neg
03/15/2006	J.O. Combs USD No. 44	$2.95	Sole	COP/Lease Revenue	Neg
10/04/2005	Coolidge USD No. 21	$3.64	Sole	COP/Lease Revenue	Neg
08/24/2004	Arizona School Facilities Board	$190.06	Co	COP/Lease Revenue	Neg
04/30/2015	Phoenix UHSD No. 210	$3.58	FA	COP/Lease Revenue/QSCB	PP
07/30/2014	Tucson USD No. 1	$29.47	FA	COP/Lease Revenue/QSCB	PP
07/16/2014	Phoenix UHSD No. 210	$8.93	FA	COP/Lease Revenue/QSCB	PP
11/29/2011	Tombstone USD No. 1	$1.67	PA	COP/Lease Revenue/QSCB	PP
09/15/2011	Roosevelt ESD No. 66	$5.70	Sole	COP/Lease Revenue/QSCB	Neg
08/25/2011	Grand Canyon USD No. 4	$0.73	PA	COP/Lease Revenue/QSCB	PP
10/07/2010	Arizona School Facilities Board	$91.33	FA	COP/Lease Revenue/QSCB	Neg
11/01/2013	Roosevelt ESD No. 66	$1.00	PA	Defeasance-GO	PP
11/17/2011	Snowflake USD No. 5	$0.84	FA	Defeasance-GO	PP
07/29/2010	Chandler USD No. 80	$3.93	FA	Defeasance-GO	PP
06/04/2010	Scottsdale USD No. 48	$17.61	FA	Defeasance-GO	PP
05/25/2010	Avondale ESD No. 44	$0.40	FA	Defeasance-GO	PP
06/22/2009	Dysart USD No. 89	$2.68	FA	Defeasance-GO	PP
05/02/2017	Littleton ESD No. 65	$2.39	PA	General Obligation	PP
03/14/2017	Safford USD No. 1	$4.90	PA	General Obligation	PP
11/29/2016	Santa Cruz Valley USD No. 35	$4.05	PA	General Obligation	PP
09/29/2015	Blue Ridge USD No. 32	$1.65	PA	General Obligation	PP
05/15/2015	Sahuarita USD No. 30	$2.50	PA	General Obligation	PP

Dated Date	Issuer	Par Value ($millions)	Stifel Role	Security Type	Sale Type
07/03/2012	Marana USD No. 6	$4.00	PA	General Obligation	PP
05/10/2012	Toltec ESD No. 22	$0.00	PA	General Obligation	PP
12/21/2011	Tucson USD No. 1	$22.89	FA	General Obligation	PP
12/01/2011	St. David USD No. 21	$67.23	PA	General Obligation	PP
12/15/2010	Scottsdale USD No. 48	$8.11	Sole	General Obligation/BAB	Neg
07/14/2010	Tucson USD No. 1	$9.73	FA	General Obligation/BAB	Neg
06/09/2010	Buckeye UHSD No. 201	$21.47	Sole	General Obligation/BAB	Neg
06/03/2010	Catalina Foothills USD No. 16	$7.55	Sole	General Obligation/BAB	Neg
05/20/2010	Sahuarita USD No. 30	$11.79	Sole	General Obligation/BAB	Neg
04/15/2010	Riverside ESD No. 2	$6.88	Sole	General Obligation/BAB	Neg
03/24/2010	Tanque Verde USD No. 13	$5.31	Sole	General Obligation/BAB	Neg
03/17/2010	Vail USD No. 20	$20.75	Sole	General Obligation/BAB	Neg
02/25/2010	Queen Creek USD No. 95	$0.00	Sole	General Obligation/BAB	Neg
02/10/2010	Deer Valley USD No. 97	$17.84	Co	General Obligation/BAB	Neg
12/04/2009	Sahuarita USD No. 30	$5.70	PA	General Obligation/BAB	PP
06/29/2009	Sedona-Oak Creek Joint USD No. 9	$25.00	Sole	General Obligation/BAB	Neg
06/17/2009	Deer Valley USD No. 97	$24.03	Co	General Obligation/BAB	Neg
03/29/2011	Chandler USD No. 80	$25.00	Sole	General Obligation/QSCB	Neg
02/10/2011	Paradise Valley USD No. 69	$38.00	FA	General Obligation/QSCB	Neg
12/15/2010	Scottsdale USD No. 48	$4.60	Sole	General Obligation/QSCB	Neg
08/03/2010	Roosevelt ESD No. 66	$1.00	Sole	General Obligation/QSCB	Neg
07/29/2010	Littleton ESD No. 65	$1.00	Sole	General Obligation/QSCB	Neg
07/18/2003	Casa Grande UHSD No. 82	$0.00	FA	General Obligation/QZAB	PP
09/05/2002	Coolidge USD No. 21	$0.00	FA	General Obligation/QZAB	PP
12/28/2017	Tucson USD No. 1	$48.52	FA	General Obligation-Crossover	Neg
12/21/2017	Kyrene ESD No. 28	$12.40	Sole	General Obligation-Crossover	Neg
12/21/2017	Kyrene ESD No. 28	$6.81	Sole	General Obligation-Crossover	Neg
02/23/2017	Sedona-Oak Creek Joint USD No. 9	$0.00	Sole	General Obligation-Crossover	Neg
11/17/2016	Kyrene ESD No. 28	$15.66	Sole	General Obligation-Crossover	Neg
09/20/2016	Phoenix ESD No. 1	$6.26	PA	GO Taxable/Treasurer Placement	PP
08/04/2015	Tuba City USD No.15	$4.50	PA	GO Taxable/Treasurer Placement	PP
05/12/2015	Washington ESD No. 6	$0.85	FA	GO Taxable/Treasurer Placement	PP
07/03/2014	Cartwright ESD No. 83	$1.00	PA	GO Taxable/Treasurer Placement	PP
11/01/2013	Roosevelt ESD No. 66	$21.20	PA	GO Taxable/Treasurer Placement	PP
10/01/2013	Glendale UHSD No. 205	$1.25	PA	GO Taxable/Treasurer Placement	PP
07/24/2013	Cartwright ESD No. 83	$2.96	PA	GO Taxable/Treasurer Placement	PP
07/11/2013	Riverside ESD No. 2	$3.54	PA	GO Taxable/Treasurer Placement	PP
06/05/2013	Queen Creek USD No. 95	$5.13	PA	GO Taxable/Treasurer Placement	PP
06/04/2013	Glendale UHSD No. 205	$32.24	PA	GO Taxable/Treasurer Placement	PP
05/23/2013	Peoria USD No. 11	$16.88	PA	GO Taxable/Treasurer Placement	PP
05/15/2013	Chandler USD No. 80	$6.50	PA	GO Taxable/Treasurer Placement	PP
04/23/2013	Sunnyside USD No. 12	$12.15	PA	GO Taxable/Treasurer Placement	PP
02/27/2013	Paradise Valley USD No. 69	$50.50	PA	GO Taxable/Treasurer Placement	PP
11/16/2012	Glendale UHSD No. 205	$2.53	PA	GO Taxable/Treasurer Placement	PP
08/08/2012	Kyrene ESD No. 28	$12.00	PA	GO Taxable/Treasurer Placement	PP
07/24/2012	Phoenix UHSD No. 210	$43.03	PA	GO Taxable/Treasurer Placement	PP

Dated Date	Issuer	Par Value ($millions)	Stifel Role	Security Type	Sale Type
06/20/2012	Kyrene ESD No. 28	$4.38	PA	GO Taxable/Treasurer Placement	PP
06/07/2012	Glendale ESD No. 40	$3.01	PA	GO Taxable/Treasurer Placement	PP
06/05/2012	Riverside ESD No. 2	$5.65	PA	GO Taxable/Treasurer Placement	PP
05/22/2012	Saddle Mountain USD No. 90	$1.23	PA	GO Taxable/Treasurer Placement	PP
03/09/2011	Wickenburg USD No. 9	$4.46	PA	GO Taxable/Treasurer Placement	PP
10/15/2010	Paradise Valley USD No. 69	$22.10	FA	GO Taxable/Treasurer Placement	PP
10/01/2010	Deer Valley USD No. 97	$19.60	FA	GO Taxable/Treasurer Placement	PP
10/01/2010	Gilbert USD No. 41	$9.87	FA	GO Taxable/Treasurer Placement	PP
08/25/2010	Riverside ESD No. 2	$0.85	FA	GO Taxable/Treasurer Placement	PP
06/04/2010	Buckeye ESD No. 33	$0.42	FA	GO Taxable/Treasurer Placement	PP
06/04/2010	Higley USD No. 60	$0.90	FA	GO Taxable/Treasurer Placement	PP
03/01/2010	Saddle Mountain USD No. 90	$2.00	FA	GO Taxable/Treasurer Placement	PP
05/07/2008	Agua Fria UHSD No. 216	$7.23	FA	GO Taxable/Treasurer Placement	PP
10/26/2016	Tuba City USD No.15	$9.17	PA	Impact Aid Revenue	PP
11/28/2011	Window Rock USD No. 8	$0.35	Sole	Impact Aid Revenue	Neg
02/04/2011	Indian Oasis-Baboquivari USD No. 40	$2.10	FA	Impact Aid Revenue	PP
02/17/2009	Winslow USD No. 1	$2.86	Sole	Impact Aid Revenue	Neg
06/14/2006	Whiteriver USD No. 20	$17.80	Sole	Impact Aid Revenue	Neg
09/01/2004	Page USD No. 8	$15.53	Sole	Impact Aid Revenue	Neg
06/01/2004	Cedar USD No. 25	$4.80	Sole	Impact Aid Revenue	Neg
03/01/2004	Tuba City USD No.15	$6.27	Co	Impact Aid Revenue	Neg
07/01/2003	Ganado USD No. 20	$14.55	Lead	Impact Aid Revenue	Neg
09/01/2002	Red Mesa USD No. 27	$9.11	Co	Impact Aid Revenue	Neg
11/28/2011	Window Rock USD No. 8	$20.00	Sole	Impact Aid Revenue/QSCB	Neg
06/02/2009	Grand Canyon USD No. 4	$0.96	FA	Judgement Obligation	PP
04/11/2013	Arizona School Facilities Board	$316.17	FA	Revenue	Neg
11/08/2007	Arizona School Facilities Board	$82.88	FA	Revenue	Neg
11/12/2013	Kyrene ESD No. 28	$40.00	Sole	Stepped Coupon	Neg
05/12/2011	Continental ESD No. 39	$2.00	Sole	Stepped Coupon	Neg
08/01/2008	Payson USD No. 10	$13.85	Sole	Stepped Coupon	Neg
07/01/2007	Payson USD No. 10	$20.00	Sole	Stepped Coupon	Neg

CRANE SCHOOLS
Leaders in Learning

June 12, 2019,

Notice of Contract Renewal on C-005-1718:

Stifel, Nicolaus & Company
2325 E. Camelback Road, Suite 750
Phoenix, AZ 85016

To Whom It May Concern:

In accordance with R7-2-1093 of the Arizona Administrative Code, Crane Elementary School District No. 13 is authorized to enter into a multi-term contract for materials or services for a period of time up to five years, as deemed to be advantageous to the school district, if the term of the contract and conditions of renewal or extension, if any, are included in the solicitation and monies are available for the first fiscal period at the time of contracting. It is the intent of the Governing Board of the Crane Elementary School District No. 13 to renew the existing contract bearing number C-005-1718 with Stifel, Nicolaus & Company for Investment Banking Services for the period of July 1, 2019 through June 30, 2020.

Please complete the applicable certification (one of the three) below by **June 17, 2019** and return to:

Crane Elementary School District No. 13 · Purchasing Dept. · 4250 West 16th Street · Yuma, AZ 85364

I certify that there is no cost increase in the existing contract for Investment Banking Services.

Print Name	Authorized Signature	Title
Robert A. Casillas	Robert A. Casillas	Managing Director

I certify that there is a cost increase or decrease in the existing contract for Investment Banking Services. (Submit new costs with this certification for District Approval of contract renewal.)

Print Name	Authorized Signature	Title

Stifel, Nicolaus & Company does not wish to extend this contract for Investment Banking Services.

Print Name	Authorized Signature	Title

Please contact me at 928-373-3415 for any questions or concerns that you may have regarding this Notice of Contract Renewal.

Thank you,

Mercedes Villafana

Mercedes Villafana
Procurement Manager

8. E.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Rick Tadder, Management Services Director
Date:	05/27/2020
Meeting Date:	06/02/2020

TITLE:

Consideration and Approval of Contract: Cooperative Purchase Contract with Greenberg Traurig, LLP to provide Bond Counsel services for issuing Certificate of Participation debt in an amount not to exceed $125,000.

STAFF RECOMMENDED ACTION:

1. Approve the cooperative purchase contract for Bond Counsel services through Greenburg Traurig LLP for a fee of $1.00 per $1,000 of bond par issuance and an amount not to exceed $125,000 utilizing a cooperative purchase agreement through the Chandler Unified School District #80, RFP #01-18-022; and
2. Authorize the City Manager to execute the necessary documents.

Executive Summary:

The City of Flagstaff is anticipating issuing approximately $125 million in Certificate of Participation Bonds, Series 2020 in August 2020. When issuing bonds of this type, it is not only considered customary but in the best interest of the agency issuing the bonds to contract with a Bond Counsel firm, such as Greenberg Traurig, LLP ("Bond Counsel" or "Greenberg"). A bond counsel attorney is an essential member of a governmental issuers bond financing team. Bond Counsel renders an opinion on the validity of the bond offering, the security for the offering, and whether to and to what extent interest on the bonds are exempt from income and other taxation. The opinion of Bond Counsel provides assurance to both issuers and to investors, who purchase the bonds, that all legal and tax requirements relevant to the matters covered by the opinion are met.

Financial Impact:

Fees paid to bond counsel firm for services rendered are often based on the value of each bond issuance. Given the anticipated bond issuance of approximately $125 million, in Certificate of Participation Bonds, the bond counsel fee is approximately $125,000. This is the maximum amount. Should the city issue more debt, it will remain at $125,000, and should the city issue less debt the fee would be reduced.

Per the Cooperative Purchase Contract, the fees set forth in the procurement would have been estimated at $1.50 per $1,000 of bond par issuance which would have been an estimated cost of $187,500. Staff negotiated the fees for the services with Greenberg and will be saving approximately $62,500.

Policy Impact:

None.

Connection to Council Goal, Regional Plan, CAAP, and/or Strategic Plan:

Council Goals:

- Personnel: Attract and retain quality staff - Evaluate ways to pay down unfunded pension liabilities in a quick manner

Strategic Plan for Team Flagstaff:

- Invest in Our People
- Foster a Resilient and Economically Prosperous City

Has There Been Previous Council Decision on This:

No.

Options and Alternatives:

- Approve cooperative purchase contract as recommended,
- Conduct our own City procurement process. This will substantially delay the timing of issuing debt to pay down our pension liability.
- Not approve this cooperative purchase contract. This will shift the responsibility in-house for our legal staff and potentially delay the issuing debt to pay down our pension liability.

Background/History:

The City of Flagstaff has been seeing a continual increase in our Unfunded Actuarial Accrued Liability (UAAL). Since June 30, 2002, the UAAL has increase to a June 30, 2019, UAAL of $111,827,764. There have been administrating policy to help address the annual growth. For the fiscal year 2020, the Council adopted its first pension policy.

During this fiscal year, there have been several Council discussions about the PSPRS UAAL and Council sought staff recommendations to address the UAAL. Staff introduced Pension Bonds opportunities as part of the potential 2020 Ballot Measures. Since that point, staff has worked with Greenberg and PSPRS Administration to discuss how Pension Bonds could address the UAAL. Staff came forward at the April Budget Retreat and provided the option of issuing Pension Bonds in the form of a Certificate of Participation debt. Staff received direction from Council to bring forward an ordinance to issue Certificate of Participation debt to address our UAAL with the potential of having both Fire and Police plans move from less than 40% funded to 100% funded.

Issuing contracts for an Underwriter Services and for Bond Counsel like Greenberg is the first step to move forward.

Expanded Financial Considerations:

Staff worked with Greenberg and negotiated a fee for this debt issuance. Per the Cooperative Purchase Contract, the fees set forth are $1.50 per $1,000 of bond par issuance which would have been an estimated cost of $187,500 based on $125 million of par bonds issued. Staff negotiated the fees for the services and will be saving $62,500 based on the $125 million of par bonds issued and there is a not to exceed cost of $125,000.

Community Benefits and Considerations:

By utilizing businesses that have great knowledge in debt issuance within the State of Arizona, the city benefits by having the assurance that the transactions are completed with the highest legal assurances and the documents are completed accurately.

By issuing pension bond debt the City is able to address the PSPRS UAAL and provide level debt service payments. Without the pension bonds, the City could see the UAAL continue to increase, and the annual required minimum payment increase.

Community Involvement:

Inform.

Attachments: Contract

COOPERATIVE PURCHASE CONTRACT

Chandler Unified School District No. 80
Contract No. 2020—124

This Cooperative Purchase Contract is made and entered into this ___ day of _____, 2020 by and between the City of Flagstaff, Arizona, a political subdivision of the State of Arizona ("City") and Greenberg Traurig, LLP, a New York Limited Liability Partnership ("Contractor").

RECITALS:

A. Contractor has Contract No. #01-18-22 Chandler Unified School District No. 80 which includes cooperative purchasing services of Legal Bond Counsel.

B. The City has authority to enter into a cooperative purchase contract with Contractor utilizing the Agency Contract.

AGREEMENT:

NOW THEREFORE, in consideration for the mutual promises contained herein, the parties agree as follows:

1. Services Purchased. Contractor shall provide to City the services, as specified in the Schedules agreed to by the parties and attached to the Agency Contract. General description of the services:

LEGAL BOND COUNSEL

2. Specific Requirements of City. Contractor shall comply with all specific purchase and delivery requirements and/or options of City, as specified in Statement of Work attached hereto (*Exhibit A*) and agreed to by the Parties and incorporated by reference.

3. Payment. Payment to the Contractor for the services provided shall be made in accordance with the price list and terms set forth in the Agency Contract and not to exceed the annual amount of one hundred twenty-five thousand dollars ($125,000) per fiscal year.

4. Terms and Conditions of Agency Contract Apply. All provisions of the Agency Contract documents, including any amendments, are incorporated in and shall apply to this Cooperative Purchase Contract as though fully set forth herein. The Agency Contract documents are attached hereto as *Exhibit B*. The Contractor is responsible for promptly notifying City in writing of any changes to the Agency Contract.

5. Certificates of Insurance. All insurance provisions of the Agency Contract shall apply, including any requirement to name the City as an additional insured. Prior to commencing performance under this Contract, Contractor shall furnish City with a copy of the current Certificate of Insurance required by the Agency Contract.

6. Term. This Cooperative Purchase Contract shall commence upon execution by the parties and shall continue until expiration or termination of the underlying Agency Contract, unless sooner terminated by City in writing.

7. Renewal. This Cooperative Purchase Contract shall be automatically renewed if the underlying Agency Contract is renewed, and for the same renewal period, unless City provides advance written notice to Contractor of its intention to non-renew.

Greenberg Traurig, LLP:

By:_____

Title:_____

CITY OF FLAGSTAFF

By:_____

Title:_____

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____
City Attorney's Office

EXHIBIT A

SCOPE OF WORK

Notices: All notices to City shall be sent to:

Buyer: Liane Garcia

Purchasing Department

211 W. Aspen Ave.

Flagstaff, Arizona 86001

(928) 213-2279

Attach: Certificate of Insurance

GT GreenbergTraurig

Paul Gales
galesp@gtlaw.com
602-445-8404

May 18, 2020

Mayor and Council
City of Flagstaff, Arizona
211 West Aspen Avenue
Flagstaff, Arizona 86001

Re: City of Flagstaff, Arizona Certificates of Participation, Taxable Series 2020

The purpose of this letter is to provide a quote for services as special counsel to the City of Flagstaff, Arizona (the "Issuer") in connection with the issuance of the captioned Certificates (the "Obligations"), to be issued for the benefit of the Issuer.

Based upon (i) our current understanding of the terms and structure of the financing, (ii) the duties we will undertake, (iii) the time we anticipate devoting to the financing; and (iv) the responsibilities we assume, we propose a fee as special counsel for the Obligations of $1.00 per $1,000 of principal amount of the Obligations, but in no event would our fee exceed $125,000.00, in accordance with SAVE Contract #01-18-22 and our agreement with the Issuer. Our fee is usually paid at the closing of the financing out of proceeds of the sale of the Obligations, and we customarily do not submit any statement until the closing.

If we are retained by the City and if, for any reason, the issuance of the Obligations is not consummated, we will not expect to be compensated except for "out-of-pocket" expenses.

Very truly yours,

Paul Gales

City of Flagstaff, Arizona

211 West Aspen Avenue

Flagstaff, Arizona 86001

Re: Statement of Work – City of Flagstaff, Arizona Certificates of Participation, Taxable Series 2020

The purpose of this statement of work is to set forth the role we propose to serve and responsibilities we propose to assume as special counsel to the City of Flagstaff, Arizona (the "Issuer") in connection with the issuance of the captioned Certificates (the "Obligations") to be issued for the benefit of the Issuer. Special counsel is engaged as a recognized independent expert whose primary responsibility is to render an objective legal opinion with respect to the authorization and issuance or execution and delivery of obligations for political subdivisions and municipalities. As special counsel, we will, with respect to the Obligations, examine applicable law; prepare authorizing and operative documents; consult with the parties to the transaction prior to issuance; review certified proceedings; review legal issues relating to the structure of the issue; obtain from governmental authorities such approvals, rulings, permissions and exemptions as special counsel determines are necessary or appropriate and undertake such additional duties as we deem necessary to render the hereinafter described opinion relating to the Obligations (the "Opinion").

Subject to the completion of proceedings to our satisfaction, we will render the Opinion, opining that the Obligations are valid and binding, special, limited obligations, subject to annual appropriation, executed and delivered pursuant to a Trust Agreement, and payable from lease payments to be paid by the Issuer pursuant to a Lease-Purchase Agreement (the "Lease"), such lease payments due pursuant to the Lease Agreement being subject to annual appropriation of funds. The Opinion will be executed and delivered by us in written form on the date the Obligations are exchanged for their purchase price and will be based on facts and law existing as of their date. If a disclosure document will be adopted or approved by the Issuer, our responsibility will include the review of any description therein of (i) Arizona and federal law pertinent to the validity of the Obligations and the tax treatment of interest paid thereon, (ii) the terms of the Obligations, and (iii) the Opinion.

EXHIBIT B

AGENCY CONTRACT

Fully Executed Offer and Acceptance

Chandler Unified School District NO. 80 RFP #01-18-22 (attached)

Greenberg Traurig, LLP Response to RFP #01-18-22 (attached)

CONTRACT AMENDMENT
CHANDLER UNIFIED SCHOOL DISTRICT #80
PURCHASING OFFICE
1525 W. FRYE ROAD
CHANDLER, AZ 85224
(480) 812-7615

CONTRACT NUMBER:	RFP 01-18-22 LEGAL BOND COUNSEL
AMENDMENT NUMBER:	02
VENDOR:	GREENBERG TRAURIG, LLP 2375 E CAMELBACK ROAD PHOENIX, AZ 85016 ATTN: MICHAEL CAFISO
ISSUE DATE:	FEBRUARY 27, 2019

THE REFERENCED CONTRACT IS AMENDED AS FOLLOWS

In accordance with RFP 01-18-22, the above referenced contract LEGAL BOND COUNSEL is extended through June 30, 2020.

All other terms and conditions of the contract remain in their entirety.

If you are in agreement, please sign in the appropriate space below and return to the Purchasing office no later than March 18, 2019.

ALL OTHER PROVISIONS OF THE CONTRACT SHALL REMAIN IN THEIR ENTIRETY

Contractor here by acknowledged receipt of the agreement with the Amendment. A signed copy must be filed with the above agency.

Authorized Signature

Paul Gales
Printed Name

Of Counsel
Title

The above referenced contract Amendment is hereby executed.

Frank Fletcher
Authorized Signature (District)

CONTRACT AMENDMENT
CHANDLER UNIFIED SCHOOL DISTRICT #80
PURCHASING OFFICE
1525 W. FRYE ROAD
CHANDLER, AZ 85224
(480) 812-7615

CONTRACT NUMBER: RFP 01-18-22 LEGAL BOND COUNSEL

AMENDMENT NUMBER: 03

VENDOR: GREENBERG TRAURIG, LLP
2375 E CAMELBACK ROAD
PHOENIX, AZ 85016
ATTN: MICHAEL CAFISO

ISSUE DATE: FEBRUARY 26, 2020

THE REFERENCED CONTRACT IS AMENDED AS FOLLOWS

In accordance with RFP 01-18-22, the above referenced contract LEGAL BOND COUNSEL is extended through June 30, 2021.

All other terms and conditions of the contract remain in their entirety.

If you are in agreement, please sign in the appropriate space below and return to the Purchasing office no later than March 13, 2020.

ALL OTHER PROVISIONS OF THE CONTRACT SHALL REMAIN IN THEIR ENTIRETY

Contractor here by acknowledged receipt of the agreement with the Amendment. A signed copy must be filed with the above agency.

Paul Gales
Authorized Signature

Paul Gales
Printed Name

Shareholder
Title

The above referenced contract Amendment is hereby executed.

Frank Fletcher
Authorized Signature (District)

CHANDLER UNIFIED SCHOOL DISTRICT #80

PURCHASING DEPARTMENT
1525 W. FRYE ROAD
CHANDLER, AZ 85224
(480) 812-7000

NOTICE OF REQUEST FOR PROPOSAL

DATE: **April 27, 2017**

PROPOSAL: **RFP #01-18-22 Legal Bond Counsel**

DUE DATE: **Friday, May 19, 2017 at 11 am local time**

In accordance with School District Procurement Rules in the Arizona Administrative Code (A.A.C.) promulgated by the State Board of Education pursuant to A.R.S. 15-213, Proposals for the material or services specified will be received by the District Purchasing office, at the above specified location, until the time and date cited. Proposals received by the correct time and date shall be opened and only the name of the Offerors shall be publicly read and recorded. All other information contained in the Proposal shall remain confidential until award is made.

Proposals must be sealed and may be presented in person or mailed (no faxed copy will be accepted) at the address listed in this solicitation. Proposals will be time stamped when received. Proposals received after the stated opening time will not be considered and will be returned to the offeror. The offeror assumes the risk of delay in the mail or in the handling of the mail. Whether sent by mail or by means of personal delivery, the offeror assumes the responsibility for having his proposal deposited on time at the place specified. Offers must be marked on the outside of the envelope with the RFP number and title and the submitting company's name. **The District is not responsible for the pre-opening of, post-opening of, or failure to open a solicitation not properly addressed or identified.**

- **Three (3) copies of your Proposal with one (1) marked "Original"; and one (1) electronic copy is requested by the District.**
- **Performance Evaluation Survey received from three (3) past clients return by close of business May 18, 2017**
- **Mailing Label see page 30**

All proposals must be completed in ink or typewritten unless the District elects to allow or require electronic submissions. Additional instructions for preparing a proposal are provided with this notice. Offeror's are strongly encouraged to review the enclosed proposal requirements and specifications as the District reserves the right to accept or reject any or all proposals, waive irregularities and accept any proposal deemed to be in the best interest of the District. The submission of a proposal will indicate that the offeror understands the requirements and specifications and that they can supply the materials, services or construction and meet the required delivery time line as specified.

This proposal is being done by the Chandler Unified School District No. 80 as a member of the Strategic Alliance for Volume Expenditures (SAVE). While this proposal is for the Chandler Unified School District No. 80, other public entities have expressed interest in utilizing the resulting contracts. School District Procurement Rules A.A.C. R7-2-1191 through R7-2-1195 authorizes and governs intergovernmental procurements for school districts. Other public entities have similar authorizations Members of "SAVE", a group of schools/public entities have signed an intergovernmental agreement under such a cooperative purchase agreement to obtain economies of scale. After award, this solicitation may be utilized by the eligible School Districts/public entities, recognizing potential equipment, logistical and capacity limitations by vendor may limit "piggybacking" of this award. Individual public entities would negotiate service with successful vendors using the proposal pricing quoted herein. No volume is implied or guaranteed.

VENDORS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE REQUEST FOR PROPOSAL.

For questions contact: **Michelle Uhlorn at Uhlorn.Michelle@cusd80.com**

MAIL ALL RFP'S TO:
(Label page 30)

CHANDLER UNIFIED SCHOOL DISTRICT #80
PURCHASING DEPARTMENT
1525 W. FRYE ROAD
CHANDLER, AZ 85224
ATTN: RFP #01-18-22

THIS PROPOSAL IS OFFERED BY:_____
(Name of Company)

CHANDLER UNIFIED SCHOOL DISTRICT #80

PURCHASING DEPARTMENT
1525 W. FRYE ROAD
CHANDLER, AZ 85224
(480) 812-7000

This solicitation is being done by the Chandler Unified School District No. 80 as a member of the Strategic Alliance for Volume Expenditures (SAVE) and is acting as lead public entity. Any contract resulting from this solicitation shall be for the use of the consortium members. In order to participate in any resultant contract, a public entity must have entered into a cooperative purchasing agreement with the consortium. No volume is implied or guaranteed.

The following Agencies have asked to participate in any resulting contracts. Estimated expenditures have been included.

- Avondale Elementary School District $40,000
- Cartwright School District $40,000
- Deer Valley Unified School District $15,000
- Florence Unified School District $20,000
- Liberty Elementary School District $20,000
- Madison Elementary School District $15,000
- Marana Unified School District $25,000
- Pendergast School District $30,000
- Peoria Unified School District $15,000
- Phoenix Union $75,000
- Tolleson Elementary School District $25,000
- Tolleson Union High School District $30,000

On the following pages is a list of current member in the Consortium who potentially may wish to utilize this contract. Other public entities in Arizona may be added during the term of the contract by SAVE with the approval of the lead public entity and the contract vendor. The estimated volume of purchases by other public entities within SAVE have been taken into consideration by the lead public entity and all other public entities that are not members of the SAVE are prohibited from using the contract.

Strategic Alliance for Volume Expenditures

S.A.V.E. --- Cooperative Purchasing Agreements

The following agencies have signed the Cooperative Purchasing Agreement with the S.A.V.E. association as **February 11, 2017.**

Municipalities

City of Apache Junction
City of Avondale
City of Benson
City of Bisbee
City of Bullhead City
City of Casa Grande
City of Chandler
City of Cottonwood
City of Douglas
City of El Mirage
City of Eloy
City of Flagstaff
City of Glendale
City of Goodyear
City of Kingman
City of Maricopa
City of Mesa
City of Nogales
City of Page
City of Peoria
City of Phoenix
City of Prescott
City of Safford
City of San Luis
City of Scottsdale
City of Sedona
City of Sierra Vista
City of Somerton
City of Surprise
City of Tempe
City of Tolleson
City of Tucson
City of Willcox
City of Winslow
City of Yuma
Lake Havasu City
Town of Buckeye
Town of Camp Verde
Town of Cave Creek
Town of Chino Valley
Town of Clifton
Town of Florence
Town of Fountain Hills
Town of Gila Bend
Town of Gilbert
Town of Marana
Town of Miami
Town of Oro Valley
Town of Paradise Valley
Town of Prescott Valley
Town of Queen Creek
Town of Sahuarita
Town of Superior
Town of Wickenburg

Counties

Apache County
Cochise County
Coconino County
Gila County
Graham County
La Paz County
Maricopa County
Mohave County
Navajo County
Pima County
Pinal County
Santa Cruz County
Yavapai County
Yuma County

Higher Education / Technology Districts

Arizona State University
Arizona Western College
Central Arizona College
Central Arizona Valley Institute of Technology (CAVIT)
Cobré Valley Institute of Technology (CVIT)
Cochise County Community College District
Coconino County Community College District
Dinè College
East Valley Institute of Technology (EVIT)
Gila Institute for Technology, a Joint Technology Education District (JTED)
Graham County Community College District
Maricopa Community College District
MidWestern University (Glendale campus)
Mohave Community College
Mountain Institute JTED
Northeast AZ Tech Institute of Voc Ed
Northern Arizona University
Pima Association of Governments (PAG)
Pima Community College
Pima County Joint Technology District #11 (JTED)
Pima Prevention Partnership dba Pima Partnership Academy, Pima Partnership High School & Phoenix Collegiate High School
University of Arizona
Western Arizona Vocational Educ (W.A.V.E.), a Joint Technology Education District #50
Yavapai College

Political Agencies

Arizona School for the Deaf and the Blind
Arizona Supreme Court
Central Arizona Project
Housing Authority of Maricopa County
Maricopa Association of Governments
Maricopa Integrated Health System
Regional Transportation Authority (RTA)
Superior Court of Arizona, Maricopa County
Tucson Airport Authority

Valley Metro Regional Public Transit Authority
Phoenix-Mesa Gateway Airport Authority

Fire Districts
Central Yavapai Fire District
Drexel Heights Fire District
Fire District of Sun City West
Mt. Lemmon Fire District
Northwest Fire District
Superstition Mtn Community Facilities District
Sun City West Fire District

Misc. Agencies
Central Arizona Water Conservation District (CAWCD)
North Country Community Health Center
Pima County School Reserve Fund

School Districts
Agua Fria Union High School District # 216
Ajo Unified School District #15
Alhambra Elementary School District # 68
Altar Valley School District #51
Amphitheater Unified School District #10
Antelope Union High School #50
Apache Junction Unified School District # 43
Arlington Elementary School District #47
Ash Fork Joint Unified School District
Avondale Elementary School District #44
Balsz Elementary School District #31
Beaver Creek School District #26
Benson Unified School District #9
Bisbee Unified School District #2
Blue Ridge Unified School District #32
Bonita School District #6
Bouse Elementary School District
Buckeye Elementary School District #33
Buckeye Union High School District #201
Bullhead City Elementary School District #15
Camp Verde Unified School District #28
Cartwright Elementary School District #83
Casa Blanca Middle School dba Vah Ki Middle School
Casa Grande Elementary School District
Casa Grande Union High School District
Catalina Foothills Unified School District #16
Cave Creek Unified School District #93
Cedar Unified School District #25
Chandler Unified School District # 80
Chinle Unified School District #24
Chino Valley Unified School District #51
Clarkdale-Jerome School District #3
Coconino County Regional Accommodation District #99
Colorado River Union High School District
Concho Elementary School District #6
Continental Elementary School District #39
Coolidge Unified School District #21
Cottonwood-Oak Creek School District #6
Crane Elementary School District # 13
Creighton School District #14
Deer Valley Unified School District #97
Double Adobe Elementary School District #45
Douglas Unified School District #27
Duncan Unified School District
Dysart Unified School District # 89
Eloy Elementary School District #11
Elfrida Elementary School District #12
Flagstaff Unified School District # 1
Florence Unified School District # 1
Flowing Wells Unified School District #8
Fort Huachuca Accommodation School District
Fort Thomas Unified School District #7
Fountain Hills Unified School District #98
Fowler Elementary School District #45
Gadsden Elementary School District # 32
Ganado Unified School District #20
Gila Bend Unified Schools
Gilbert Unified School District #41
Glendale Elementary School District #40
Glendale Union High School District
Globe Unified School District #1
Grand Canyon Unified School District #4
Hackberry Elementary School District #3
Heber-Overgaard Unified School District #6
Higley Unified School District #60
Holbrook Unified School District #3
Horizon Community Learning Center / Horizon Charter School
Humboldt Unified School District #22
Hyder Elementary School District #6
Indian Oasis-Baboquivari School District #40
Isaac Elementary School District # 5
J.O. Combs Elementary School District #44
Joseph City Unified School District #2
Kayenta Unified School District #27
Kin Dah Lichi'I' Olta, Inc.
Kingman Unified School District #20
Kyrene Elementary School District #28
Lake Havasu Unified School District # 1
Laveen Elementary School District #59
Liberty Elementary School District #25
Litchfield Elementary School District #79
Littlefield Unified School District #9
Littleton Elementary School District #65
Madison Elementary School District #38
Maine Consolidated School District
Mammoth-San Manuel Unified School District #8
Marana Unified School District #6
Maricopa Regional School District #509
Maricopa Unified School District
Mary C. O'Brien ASD
Mayer Unified School District #43
Mesa Unified School District # 4
Miami Unified School District #40
Mingus Union High School District #4
Mobile Elementary School District #86
Mohave Valley Elementary School District #16
Mohawk Valley School District # 17
Morenci Unified School District #18
Morristown Elementary School District #75
Murphy Elementary School District #21
Naco Unified School District #9
Nadaburg Elementary District #81
Nogales Unified School District # 1
Osborn Elementary School District #8
Page Unified School District #8

Palominas Elementary School District #49
Palo Verde Elementary School District #49
Paradise Valley Unified School District #69
Parker Unified School District #27
Patagonia Elementary School District #6
Patagonia Union High School District #92
Payson Unified School District #10
Peach Springs Unified School District #8
Pendergast School District #92
Peoria Unified School District #11
Phoenix Elementary School District # 1
Phoenix Union High School District #210
Picacho Elementary School District #33
Pima Unified School District #6
Pine Strawberry Elementary School District #12
Pinon Unified School District #4
Pomerene Elementary School District #64
Prescott Unified School District #1
Quartzsite Elementary School District #4
Queen Creek Unified School District # 95
Ray Unified School District #3
Red Mesa Unified School District #27
Riverside Elementary School District #2
Roosevelt Elementary School District # 66
Round Valley Unified School District #10
Sacaton Elementary School District #18
Saddle Mountain Unified School District #90
Safford Unified School District #1
Sahuarita Unified School District #30
San Carlos Unified School District #20
Sanders Unified School District #18
San Simon Unified School District #18
Santa Cruz Valley Unified School District #35
Santa Cruz Valley Union High School District #840
Scottsdale Unified School District # 48
Sedona-Oak Creek Unified School District #9
Seligman Unified School District #40
Sentinel Elementary School District #71
Shonto Preparatory Schools
Show Low Unified School District #10
Sierra Vista Unified School District # 68
Snowflake Unified School District #5
Somerton Elementary School District #11
Stanfield Elementary School District #24
St. David Unified School District #21
St. Johns Unified School District
Sunnyside Unified School District #12
Superior Unified School District #15
Tanque Verde Unified School District #13
Tempe Elementary School District # 3
Tempe Union High School District # 213
Thatcher Unified Schools
Toltec Elementary School District #22
Tolleson Elementary School District #17
Tolleson Union High School District # 214
Tombstone Unified School District #1
Tuba City Unified School District #15
Tucson Unified School District
Union Elementary School District #62
Vail Unified School District #20
Valley Union High School District #22
Vernon Elementary School District
Washington Elementary School District # 6
Wellton Elementary School District #24
West-MEC District #402
Whiteriver Unified School District #20
Wickenburg Unified School District #9
Willcox Unified School District
Williams Unified School District #2
Wilson Elementary School District #7
Window Rock Unified School District #8
Winslow Unified School District #1
Young Public School District
Yuma Elementary School District # 1
Yuma Union High School District # 70

CHANDLER UNIFIED SCHOOL DISTRICT #80
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RFP #01-18-22

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DOCUMENTS REFERENCED:

You may access a copy of the documents referenced within this RFP at the following web addresses:

Arizona Revised Statutes (A.R.S.) is available at: http://www.azleg.state.az.us/ArizonaRevisedStatutes.asp

Arizona School District Procurement Rules in the Arizona Administrative code is available at: http://www.azsos.gov/rules/arizona-administrative-code

I.R.S W-9 Form (Request for Taxpayer I.D. Number) is available at: http://www.irs.gov/pub/irs-pdf/fw9.pdf

UNIFORM INSTRUCTIONS TO OFFERORS

1. Definition of Terms

In addition to the definitions specified in Arizona Administrative Code R7-2-1001, the terms listed below are defined as follows:

A. **"*Attachment*"** means any item the Solicitation requires an Offeror to submit as part of the Proposal.

B. **"*Contract Amendment*"** means a written document signed by the School District that is issued for the purpose of making changes in the Contract.

C. **"*Exhibit*"** means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the solicitation.

D. **"*Gratuity*"** means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value present or promised, unless consideration of substantially equal or greater value is received.

E. **"*Procurement Officer*"** means the person duly authorized to enter into and administer Contracts and make written determinations with respect to this solicitation or his/ her designee.

F. **"*Solicitation Amendment"*** means a written document that is authorized by the Procurement Officer and issued for the purpose of making changes to the Solicitation.

G. **"*Subcontract*"** means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishings of any material or any service required for the performance of the Contract.

2. Inquiries

A. Duty to Examine. It is the responsibility of each Offeror to examine the entire Solicitation, seek clarification in writing, and check its Proposal for accuracy before submitting the Proposal. Lack of care in preparing a Proposal shall not be grounds for withdrawing the Proposal after the due date and time nor shall it give rise to any Contract claim; provided however that a mistake in a proposal may be corrected as permitted by A.A.C. R7-2-1030.

B. Solicitation Contact Person. Any inquiry related to a Solicitation, including any requests for or inquiries regarding standards referenced in the Solicitation shall be directed solely to the Solicitation contact person. The Offeror shall not contact or direct inquiries concerning this Solicitation to any other employee unless the Solicitation specifically identifies a person other than the Solicitation contact person as a contact.

C. Submission of Inquiries. The Procurement Officer or the person identified in the Solicitation as the contact for inquires may require that an inquiry be submitted in writing. Any inquiry related to a Solicitation shall refer to the appropriate Solicitation number, page, and paragraph. Do not place the Solicitation number on the outside of the envelope containing that inquiry since it may then be identified as an Proposal and not be opened until after the Proposal due date and time.

D. Timeliness. Any inquiry shall be submitted as soon as possible and at least seven (7) days before the Proposal due date and time. Failure to do so may result in the inquiry not being answered.

E. No Right to Rely on Verbal Responses. Any inquiry that results in changes to the Solicitation shall be answered solely through a written Solicitation Amendment. An Offeror may not rely on verbal responses to inquiries.

F. Solicitation Amendments. The Solicitation shall only be modified by a Solicitation Amendment. Unless otherwise stated in the Solicitation, each Solicitation Amendment shall be acknowledged by the person signing the Offer. Failure to acknowledge a material Solicitation Amendment or to follow the instructions for acknowledgement of the Solicitation Amendment may result in rejection of the Offer.

G. Pre-Proposal Conference. If a Pre-Proposal Conference has been scheduled under this Solicitation, the date, time, and location appear on the Solicitation cover sheet or elsewhere in the Solicitation. An Offeror should raise any questions it may have about the Solicitation or the procurement at that time. An Offeror may not rely on any verbal responses to questions at the conference. Material issues raised at the conference that result in changes to the Solicitation shall be answered solely through a written Solicitation Amendment.

H. Persons with Disabilities. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the appropriate Solicitation contact person. Requests shall be made as early as possible to allow time to arrange the accommodation.

3. Proposal Preparation

A. Forms. A Proposal shall be submitted either on the forms provided in this Solicitation or their substantial equivalent. Any substitute document for the forms provided in this Solicitation will be legible and contain the same information requested on the form.

B. Typed or Ink; Corrections. The Proposal should be typed or in ink, unless the District elects to allow or require electronic submissions. Erasures, interlineations or other modifications in the Proposal should be initialed in ink by the person signing the Proposal. Modifications shall not be permitted after Proposals have been opened except as otherwise provided under R7-2-1030.

C. Evidence of Intent to be Bound. Failure to submit verifiable evidence of intent to be bound, such as an original signature, shall result in rejection of the Proposal, unless the District elects to allow or require electronic submissions.

D. Exceptions to Terms and Conditions. All exceptions included with the Proposal shall be submitted in a clearly identified separate section of the Proposal in which the Offeror clearly identifies the specific paragraphs of the Solicitation where the exceptions occur. Any exceptions not included in such a section shall be without force and effect in any resulting Contract unless such exception is specifically referenced by the Procurement Officer in a written statement. The Offeror's preprinted or standard terms will not be considered as a part of any resulting Contract. All exceptions that are contained in the Offer may negatively affect the proposal evaluation criteria as stated in the Solicitation or result in rejection of the offer.

E. Subcontracts. Offeror shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities in the Proposal.

F. Cost of Proposal Preparation. The District will not reimburse any Offeror the cost of responding to a Solicitation.

G. Solicitation Amendments. Unless otherwise stated in the Solicitation, each Solicitation Amendment shall be acknowledged by the person signing the Proposal. Failure to acknowledge a material Solicitation Amendment or to follow the instructions for acknowledgement of the Solicitation Amendment shall result in rejection of the Proposal.

H. Federal Excise Tax. School District is exempt from Federal Excise Tax on manufactured goods. Exemption Certificates will be prepared upon request.

I. Provision of Tax Identification Numbers. Offerors are required to provide their Arizona Transaction Privilege Tax number and/or Federal Tax Identification number, if applicable, in the space provided on the Offer and Acceptance Form and provide the tax rate and amount, if applicable, on the Proposal Cost Sheet.

J. Identification of Taxes in Proposal. School District is subject to all applicable state and local transaction privilege taxes. If Arizona resident Offerors do not indicate taxes on a separate item in the Proposal, the School District will conclude that the price(s) offered includes all applicable taxes.

K. Disclosure. If the Firm, business, or person submitting this Proposal has been debarred, suspended, or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any federal, state, or local government, or if any such preclusion from participation from any public procurement activity is currently pending, the Offeror must fully explain the circumstances relating to the preclusion or proposed preclusion in the Proposal. The Offeror shall include a letter with its Proposal setting forth the name and address of the governmental unit, the effective date of this suspension or debarment, the duration of the suspension or debarment, and the relevant circumstances relating the suspension or debarment. If suspension or debarment is currently pending, a detailed description of all relevant circumstances including the details enumerated above must be provided.

L. Solicitation Order of Precedence. In the event of a conflict in the provisions of this Solicitation and any subsequent contracts, the following shall prevail in the order set forth below:

1. Amendments
2. Special Instructions, Terms and Conditions;
3. Uniform General Terms and Conditions;
4. Scope of Work/Specifications;
5. Attachments;
6. Exhibits;
7. Uniform Instructions to Offerors

M. Delivery. Unless stated otherwise in the Solicitation, all prices shall be F.O.B. Destination and shall include all delivery and unloading at the destination(s).

4. Submission of Proposal

A. Sealed Envelope or Package. Each Proposal shall be submitted to the location identified in this Solicitation, in a sealed envelope or package that identifies its contents as a Proposal and the Solicitation number to which it responds, unless the District elects to allow or require electronic submissions. The appropriate Solicitation Number should be plainly marked on the outside of the envelope or package.

B. Electronic Submission. If determined by the District that electronic submission of proposals is advantageous, the District will include the electronic submission requirements as well as if the electronic submission is mandatory or optional in the Special Instructions, Terms and Conditions section of the RFP. Unless otherwise instructed, a facsimile or electronically submitted Proposal shall be rejected.

C. Proposal Amendment or Withdrawal. An Offeror may modify or withdraw a Proposal in writing at any time before Proposal opening if the modification or withdrawal is received before the Proposal due data and time at the location designed in the RFP. A Proposal may not be amended or withdrawn after the Proposal due date and time except as otherwise provided under R7-2-1044.

D. Public Record. Under applicable law, all Proposals submitted and opened are public records and must be retained by the School District. Proposals shall be open to public inspection after Contract award, except for such Proposals deemed to be confidential by the School District pursuant to R7-2-1006. If an Offeror believes that information in its Proposal contains confidential trade secrets or other proprietary data not to be disclosed as otherwise required by A.R.S. § 39-121, a statement advising the school district of this fact shall accompany the submission and the information shall be so identified wherever it appears, but the District cannot guarantee that such information shall be determined to be confidential. Contract terms and conditions, pricing, and information generally available to the public are not considered confidential information under this Section.

E. Non-collusion, Employment, and Services. By signing the Offer and Acceptance form or other official contract form, the Offeror certifies that:

1. The prices have been arrived at independently, without consultation, communication or agreement with a third party, for the purpose of restricting competition, as to any matter relating to such prices with any other Offeror or with any competitor; the prices which have been quoted have not been nor will not be disclosed directly or indirectly to any other Offeror or to any competitor; nor attempt has been made or will be made to induce any person or firm to submit or not to submit, an Offer for the purpose of restricting competition. The Offeror did not involve collusion or other anti-competitive practices in connection with the preparation or submission of its Proposal; and

2. It does not discriminate against any employee, applicant for employment, or person to whom it provides services because of race, color, religion, sex, national origin, or disability, and that it complies with all applicable federal, state, and local laws and executive orders regarding employment; and

3. By submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible or otherwise lawfully prohibited from participating in any public procurement activity, including, but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body; and

4. By submission of this proposal, that no Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a Cooperative Agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.

5. Additional Proposal Information

A. Unit Price Prevails. Where applicable, in the case of discrepancy between the unit price or rate and the extension of that unit price or rate, the unit price or rate shall govern.

B. Taxes. The amount of any applicable transaction privilege tax or use tax of a political subdivision of this State shall not be a factor in determining the lowest offeror. At all times, payment of taxes and the determination of applicable taxes and rates are the sole responsibility of the Contractor.

C. Late Proposals, Modifications or Withdrawals. A Proposal, Modification or Withdrawal submitted after the exact Proposal due date and time shall not be considered except under the circumstances set forth in R7-2-1044.

D. Disqualification. A Proposal from an Offeror who is currently debarred, suspended or otherwise lawfully prohibited from any public procurement activity may be rejected.

E. Proposal Acceptance Period. An Offeror submitting a Proposal under this Solicitation shall hold its Proposal open for the number of days that is stated in the Solicitation. If the Solicitation does not specifically state a number of days for the Proposal acceptance, the number of days shall be one hundred twenty (120).

F. Payment. Payments shall comply with the requirements of A.R.S. Sections 35-341 and 35-342, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment within thirty (30) days.

G. Waiver and Rejection Rights. Notwithstanding any other provision of this solicitation, the School District reserves the right to:
1. Waive any minor informality;
2. Reject any and all Proposals or portions thereof; or
3. Cancel a solicitation.

6. Award

A. Number or Types of Awards. Where applicable, the School District reserves the right to make multiple awards or to award a Contract by individual line items, by a group of line items, or by an incremental award, as indicated within the Special Instructions, Terms and Conditions. The award will be limited to the least number of Offerors that the School District determines is necessary to meet the needs of the School District.

B. Contract Commencement. A Proposal does not constitute a Contract nor does it confer any rights on the Offeror to the award of a Contract. A Contract is not created until the Proposal is accepted in writing by the District with the Procurement Officer's signature on the Offer and Acceptance Form. A letter or other notice of award or of the intent to award shall not constitute acceptance of the Proposal. A notice of award or recommendation by the District's Governing Board of its intent to award prior to acceptance and execution by the Procurement Officer shall not constitute acceptance of the Offer. The District's Procurement Officer shall not formally accept or execute an Offer until all requisite formalities of the solicitation process have been complied with.

C. Effective Date. The effective date of this Contract shall be the date that the Procurement Officer signs the Offer and Acceptance Form or other official contract form, unless another date is specifically stated in the Contract and unless approval is contingent upon the approval of the District Governing Board.

7. Protests

A protest shall comply with and be resolved according to Arizona Department of Education School District Procurement Code Rule A.A.C. R7-2-1141 through R7-2-1153. Protests shall be in writing and be filed with the District Representative, Frank Fletcher.

A. A protest shall include:

1. The name, addresses, and telephone number of the interested party
2. The signature of the interested party or the interested party's representative;
3. Identification of the purchasing agency and the Solicitation or Contract number;
4. A detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and
5. The form of relief requested.
6. The interested party shall supply promptly any other information requested by the district representative.

B. Protests based upon alleged improprieties in a solicitation that are apparent before the due date and time for responses to the solicitation, shall be filed before the due date and time for responses to the solicitation.

C. In cases other than those covered in section B of this section, the interested party shall file the protest within 10 days after the school district makes the procurement file available for public instruction.

D. The interested party may file a written request for an extension of the time limit for protest filing. The written request for an extension shall be filed with the District Representative before the expiration of the time limit and shall set forth good cause as to the specific action or inaction of the school district that resulted in the interested party being unable to file the protest within the 10 days. The district representative shall approve or deny the request in writing, state the reasons for the determination, and, if an extension is granted, set forth a new date for submission of the filing. Pursuant to A.A.C. R7-2-1144, the District Representative may stay all or part of the procurement.

UNIFORM GENERAL TERMS AND CONDITIONS

1. Contract Interpretation

A. Arizona Law. The law of Arizona applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona School District Procurement Code, Arizona Revised Statutes (A.R.S.) 15-213, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 7, Chapter 2, Articles 10 and 11.

B. Implied Contract Terms. Each Provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.

C. Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee agent of the other party to the Contract.

D. Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.

E. No Parole Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document.

F. No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

2. **Contract Administration and Operation**

A. Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each Subcontractor to retain all data and other records ("records") relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.

B. Non-Discrimination. The Contractor shall comply with State Executive Order No. 99-4, 2000-4 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

C. Audit. Pursuant to A.R.S. § 35-214 at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any Subcontractor's books and records shall be subject to audit by the School District and, where applicable, the Federal Government, the extent that the books and records relate to the performance of the Contract or Subcontract.

D. Inspection and Testing. The Contractor agrees to permit access to its facilities, Subcontractor facilities and the Contractor's processes for producing the materials, at reasonable time for inspection of the materials and services covered under this Contract. The School District shall also have the right to test at its own cost the materials to be supplied under this Contract. Neither inspection at the Contractor's facilities nor testing shall constitute final acceptance of the materials. If the School District determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the School District for testing and inspection.

E. Notices. Notices to the Contractor required by this Contract shall be made by the School District to the person indicated on the Offer and Acceptance Form submitted by the Contractor unless otherwise stated in the Contract. Notices to the School District required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notices shall be given by written notice and an Amendment to the Contract shall not be necessary.

F. Advertising and Promotion of Contract. The Contractor shall not advertise or publish information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.

G. Property of the School District. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the School District. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the School District.

3. Costs and Payments

A. Payments. Payments shall comply with the requirements of A.R.S. Sections 35-341 and 35-342, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the School District within thirty (30) days. The Purchase Order number must be referenced on the invoice.

B. Applicable Taxes.

1. Payment of Taxes by the School District. The School District will pay only the rate and/or amount of taxes identified in the Proposal and in any resulting Contract.

2. State and Local Transaction Privilege Taxes. The School District is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect taxes from the buyer does not relieve the seller from its obligation to remit taxes.

3. Tax Indemnification. Contractor and all Subcontractors shall pay all federal, state, and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all Subcontractors to hold the School District harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

4. IRS W-9. In order to receive payment under any resulting Contract, Offeror shall have a current I.R.S. W-9 Form on file with the School District.

C. Availability of Funds for the Next Fiscal Year. Funds may not presently be available for performance under this Contract beyond the current fiscal year. No legal liability on the part of the School District for any payment may arise under this Contract beyond the current fiscal year until funds are made available for performance of the Contract. The School District will make reasonable efforts to secure such funds. Under A.A.C. R7-2-1092, the Contract shall be terminated if funds are not appropriated or otherwise made available in subsequent fiscal years.

4. Contract Changes

A. Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract signed by the Procurement Officer. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by an unauthorized employee or made unilaterally by the Contractor are violations or the Contract and or applicable law. Such changes, including unauthorized written Contract Amendments, shall be void and without effect, and the Contractor shall not be entitled to any claim and this Contract based on those changes.

B. Subcontracts. The Contractor shall not enter into any Subcontract under this Contract without the advance written approval of the Procurement Officer. The Subcontract shall incorporate by reference the terms and conditions of this Contract.

C. Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The Procurement Officer shall not unreasonably withhold approval.

5. Risk and Liability

A. Risk of Loss. The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.

B. General Indemnification. The School District shall be indemnified and held harmless by the Contractor for its vicarious liability as result of entering into this Contract. Each party to this Contract is responsible for its own negligence. This obligation shall survive termination of this Contract.

C. Indemnification - Patent and Copyright. The Contractor shall indemnify and hold harmless the School District against any liability, including costs and expenses, for infringement of any patent, trademark, or copyright arising out of Contract performance or use by the School District of materials furnished or work performed under this Contract. The School District shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. This obligation shall survive termination of this Contract.

D. Force Majeure.

1. Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "*force majeure"* means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injections-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

2. Force Majeure shall not include the following occurrences:

   a. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market; or
   b. Late performance by a Subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or
   c. Inability of either the Contractor or any Subcontractor to acquire or maintain any required insurance, bonds, licenses, or permits.

3. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt requested, and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and that such delay or failure is caused by force majeure.

E. Third Party Antitrust Violations. The Contractor assigns to the School District any claim for overcharges resulting from antitrust violation the extent that those violations concern materials of services supplied by third parties to the Contractor toward fulfillment of this Contract.

6. Warranties

A. Liens. The Contractor warrants that the materials supplied under this Contract are free of liens.

B. Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that for one year after acceptance by the School District of the materials or services, they shall be:

1. A quality to pass without objection in the trade under the Contract description;

2. Fit for the intended purposes for which the materials or services are used;

3. Within the variations permitted by the Contract and are of even kind, quality, and quality within each unit and among all units;

4. Adequately contained, packaged and marked as the Contract may require; and

5. Conform to the written promises or affirmations of fact made by the Contractor.

C. Fitness. The Contractor warrants that any material or service supplied to the School District shall fully conform to all requirements of the Solicitation and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

D. Inspection/Testing. The warranties set forth in subparagraphs A through C of this paragraph are not affected by inspection/ testing of or payment for the materials or services by the School District.

E. Exclusions. Except as otherwise set forth in this Contract, there are no express or implied warranties or merchant ability fitness.

F. Compliance with Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable federal, state and local laws, and the Contract shall maintain all applicable licenses and permits.

G. Survival of Rights and Obligations after Contract Expiration or Termination.

1. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration of termination hereof the School District is not subject to or barred by any limitations of actions prescribed in A.R.S. Title 12, Chapter 5.

2. Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Offices, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

7. School District Contractual Remedies

A. Right to Assurance. If the School District in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing the Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent or ability to perform. Failure by the Contractor to provide written assurance within the number of days specified in the demand may, at the School District's option, be the basis for terminating the Contract under the Uniform General Terms and Conditions.

B. Stop Work Order.

1. The School District may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for a period of up to ninety (90) days after the order is delivered to the Contractor, and for any further period to which the parties may agree. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

C. Non-exclusive Remedies. The rights and the remedies of the School District under this Contract are not exclusive.

D. Nonconforming Tender. Materials supplied under this Contract shall fully comply with the Contract. The delivery of materials or a portion of the materials in an installment that do not fully comply constitutes a breach of Contract. On delivery of nonconforming materials, the School District may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

E. Right to Offset. The School District shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the School District or damages assessed by the School District concerning the Contractor's nonconforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform General Terms and Conditions.

8. Contract Termination

A. Cancellation for Conflict of Interest. Per A.R.S. 38-511 the School District may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of the School District is, or becomes at any time while the Contract or an extension the Contract is in effect, an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time.

B. Gratuities. The School District may, by written notice, terminate this Contract, in whole or in part, if the School District determines that employment or gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the School District for the purpose of influencing the outcome of the procurement or securing the Contract, an Amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about Contract performance. The School District, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three (3) times the value of the gratuity offered by the Contractor.

C. Suspension or Debarment. The School District may, by written notice to the Contractor, immediately terminate this Contract if the School District determines that the Contractor has been disbarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a Subcontractor of any public procurement unit or other governmental body.

D. Termination for Convenience. The School District reserves the right to terminate the Contract, in whole or in part at any time, when in the best interests of the School District without penalty recourse. Upon receipt of the written notice, the Contractor shall immediately stop all work, as directed in the notice, notify all Subcontractors of the effective date of the termination and minimize all further costs to the School District. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the School District. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed, and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R7-2-1125 shall apply.

E. Termination for Default.

1. In addition to the rights reserved in the Uniform Terms and Conditions, the School District reserves the right to terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

2. Upon termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the School District.

3. The School District may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials and services to replace those under this Contract. The Contractor shall be liable to the School District for any excess costs incurred by the School District re-procuring the materials or services.

F. Continuation of Performance through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

9. Contract Claims

All Contract claims and controversies under this Contract shall be resolved according to A.R.S. Title 15-213 and AAC R7-2-1155 through R7-2-1181and rules adopted there under.

10. Integrity of Proposal

By signing this Proposal, the Offeror affirms that the Offeror has not given, nor intends to give any time hereafter any economic opportunity, future employment, gift, loan gratuity, special discount, trip favor, or service to any employee of the School District in connection with the submitted Proposal. Failure to sign the Proposal, or signing it with a false statement, shall void the submitted proposal or any resulting contract.

11. Offshore Performance

Due to security and identity protection concerns, direct services under any subsequent contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the school district(s) or charter school(s) or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition does not apply to indirect or "overhead" services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

12. Contractor's Employment Eligibility

By entering the contract, Contractor warrants compliance with A.R.S. 41-4401, A.R.S. 23-214, the Federal Immigration and Nationality Act (FINA), and all other federal immigration laws and regulations.

The District may request verification of compliance from any Contractor or Subcontractor performing work under this contract. The District reserves the right to confirm compliance in accordance with applicable laws.

Should the District suspect or find that the Contractor or any of its Subcontractors are not in compliance, the District may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the contract for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the contractor.

13. Fingerprint Clearance Cards

In accordance with A.R.S 15-512(H), a contractor, subcontractor or vendor or any employee of a contractor, subcontractor or vendor who is contracted to provide services on a regular basis at an individual school may be required to obtain a valid fingerprint clearance card pursuant to Title 41, Chapter 12, Article 3.1. An exception to this requirement may be made as authorized in Governing Board policy.

Contractor, subcontractors, vendors and their employees shall not provide services on school district properties until authorized by the District.

14. Clarifications

Clarification means communication with Offeror for the sole purpose of eliminating minor irregularities, informalities, or apparent clerical mistakes in the Proposal. It is achieved by explanation or substantiation, either in a written response to an inquiry from the District or as initiated by Offeror. Clarification does not give Offeror an opportunity to revise or modify its Proposal, except to the extent that correction of apparent clerical mistakes results in a revision.

15. Confidential/Proprietary Information

Confidential information request: If Offeror believes that its Proposal contains trade secrets or proprietary information that should be withheld from public inspection as required by A.R.S. § 39-121, a statement advising the School District of this fact shall accompany the Proposal, and the information shall be so identified wherever it appears. The School District shall review the statement and shall determine in writing whether the information shall be withheld. If the School District determines to disclose the information, the School District shall inform Offeror in writing of such determination.

Contract terms and conditions, pricing and information generally available to the public are not considered confidential information under this section.

Public record: All Proposals submitted in response to this solicitation shall become the property of the School District. They will become a matter of public record available for review, subsequent to award notification, under the supervision of the Purchasing Official by appointment.

16. Registered Sex Offender Restriction:

Pursuant to this order, the named vendor agrees by acceptance of this order that no employee of the vendor or a subcontractor of the vendor, who has been adjudicated to be a registered sex offender, will perform work on District premises or equipment at any time when District students are or are reasonably expected to be, present. The vendor further agrees by acceptance of the order that a violation of this condition shall be considered a material breech and may result in a cancellation of the order at the District's discretion.

17. Cooperative Purchasing:

School District Procurement Rule A.A.C. R7-2-1191 through R7-2-1195 authorizes and governs intergovernmental Procurements for school districts. Strategic Alliance for Volume Expenditures (SAVE) is a group of schools/public entities who have signed such a cooperative purchase agreement to obtain economies of scale. This Solicitation is being issued by a selected eligible School District for the benefit of all eligible School Districts/public entities.

A. An eligible School District/public entity shall not use a Consortium Contract to obtain concessions, including lower prices, from the Consortium Contractor or any other vendor for the same or similar products, materials, and/or services.

B. The eligible School District/public entity shall:

1. Insure that Purchase Orders issued against eligible Consortium Contracts are in accordance with terms and prices established in the Consortium Contract.

2. Make timely payment to the Consortium Contractor for all products, materials, and services in accordance with the terms and conditions of the Consortium Contract. Payment, inspection and acceptance of products, materials and services ordered by the eligible School District shall be the exclusive obligation of the School District.

3. Be responsible for the ordering of the materials or services under the Contract. The Consortium shall not be liable in any fashion for any violation by the eligible School District/public entity, and the eligible School District/public entity shall hold the Consortium harmless from any liability which may arise from action or inaction of the eligible School District.

4. The exercise of any rights or remedies by the eligible School District/public entity shall be the exclusive obligation of such unit; however, the Consortium, as the Contract administrator and without subjecting itself to any liability, may join in the resolution of any controversy should it so desire.

SPECIAL TERMS AND CONDITIONS

1. District Representative

In accordance with A.A.C. R7-2-1042(A.1.s), and the "Uniform Instructions to Offerors", the District Representative is Michelle Uhlorn, Buyer. Email Uhlorn.Michelle@cusd80.com

2. Purpose

Pursuant to provisions of the School District Procurement Rules, the Chandler Unified School District intends to establish contract to obtain Legal Bond Counsel Services for the District on an as needed basis. The school districts below have expressed an interest in participating in this solicitation. Other SAVE members may participate in this contract per the terms and conditions listed in this solicitation. The District does not guarantee any set dollar amount for the duration of this contract.

- Avondale Elementary School District
- Cartwright School District
- Deer Valley Unified School District
- Florence Unified School District
- Liberty Elementary School District
- Madison Elementary School District
- Marana Unified School District
- Pendergast School District
- Peoria Unified School District
- Phoenix Union
- Tolleson Elementary School District
- Tolleson Union High School District

3. Sufficient Funds

The District fully anticipates that sufficient funds will be available for this purchase, however funds are not currently available. Any contract awarded under this proposal will be conditioned upon the availability of funds.

4. Contract Type

Fixed price, term.

5. Terms of Award

It is the intent of the District to award a multi-term contract. The initial contract term shall be one year beginning July 1, 2017 with expiration date of June 30, 2018. If all conditions are met during this period of time, this contract can be extended, if funding is available, for up to an additional four (4) one year contracts ending in the year 2022. However, no contract exists unless and until a purchase order is issued each fiscal year. A multi-term contract is being used for this procurement because such a contract will serve the best interest of the District by encouraging effective competition and promoting economics in the District procurement.

6. Contract Award

It is anticipated that a contract under this RFP will be awarded to multiple vendors. As there were twelve districts from around the State of Arizona that responded to the survey expressing an interest in this solicitation, there is a need for availability of representation across multiple locations. A multiple award shall be limited to the least number of vendors necessary to meet the requirements of the responding districts.

7. Termination for Convenience

The School District/Public Entity reserves the right to terminate the Contract, in whole or part at any time, when in the best interests of the School District/Public Entity without penalty recourse.

8. Evaluation

In accordance with the School District Procurement Rules, Competitive Sealed Proposals, awards shall be made to the responsive responsible offeror whose proposal is determined in writing to be the most advantageous to the District taking into consideration the evaluation factors set forth in the Request for Proposals.

9. Award Basis

The successful offeror will be determined by Evaluation Criteria including but not limited to pricing, or other incentives offered. Awards will not be made based on price alone. The District shall not consider partial offers for award of contract under this RFP. The District reserves the right to arrange for discussions to assist in the evaluation of proposals in accordance with A.A.C. R7-2-1047. If a vendor receives a contract award and is unable to meet the service requirements as outlined in this Solicitation, or is unable to hold proposal price, or fails to provide acceptable service as determined by the District, the District reserves the right to go to the next lowest ranked vendor.

10. Pricing

Prices **shall be firm** for the term of the contract. Prices as stated must be complete for the services proposed and shall include all associated costs. **Do not** include sales tax on any item in the Proposal.

After initial contract term and prior to any contract renewal, the Chandler Unified School District will review **fully documented** requests for price increases and may at its sole option accept or cancel from the contract those items concerned. The offeror shall likewise offer any published price reduction, during the contract period, to the District concurrent with its announcement to other customers. All price adjustments will be effective upon acceptance by the Chandler Unified School District.

11.. Clarification/Discussions

Clarifications: Clarification means communication with offeror for the sole purpose of eliminating minor irregularities, informalities, or apparent clerical mistakes in the proposal. It is achieved by explanation or substantiation, either in response to an inquiry from the District or as initiated by offeror. Clarification does not give offeror an opportunity to revise or modify its proposal, except to the extent that correction of apparent clerical mistakes results in a revision.

Discussions: After the initial receipt of proposals, the District reserves the right to conduct discussions with those offerors whose proposals are determined to be reasonably susceptible of being selected for award. Discussions occur when oral or written communications between the District and offeror are conducted for the purpose of clarifications involving information essential for determining the acceptability of a proposal or that provides offeror an opportunity to revise or modify its proposal. The District will not help offeror bring its proposal up to the level of other proposals through discussions. The District will not indicate to offeror a cost or price that it must meet to obtain further consideration nor will it provide any information about other offerors' proposals or prices.

12. Insurance

Successful Offeror may be required to submit proof and maintain Worker's Compensation and Employer's Liability Insurance as required by law.

13. Best and Final Offers

If discussions are conducted pursuant to R7-2-1047, the District shall issue a written request for best and final offers. If offerors do not submit a notice of withdrawal or a best and final offer, the immediate previous offer will be construed as the best and final offer.

14. Confidential Information

Submittal of Confidential Information: If applicable, vendor shall identify any information considered proprietary data or trade secrets as confidential and submit with their Proposal in a **separate envelope marked "Confidential".** Sufficient explanation must be included so the District can determine if the information should be considered confidential. Refer to Uniform General Terms and Conditions, page 17 paragraph 15 for additional information.

Pricing: The District will not consider pricing to be confidential or proprietary.

Public Record: All proposals submitted in response to this solicitation shall become the property of the District. They will become a matter of public record available for review, subsequent to award notification, under the supervision of the District.

15. Contract

The resultant contract shall bind the offeror to furnish and deliver goods or services at the prices, and in accordance with, the conditions of this solicitation. If the offeror will require the District to sign an additional contract, then a copy of the contract shall be included with the proposal. In the event of a conflict between the requirements of this solicitation and the proposed contract, the terms and conditions of the solicitation will take precedence.

16. Acknowledgement of Amendments

Any amendments made to this solicitation will be in writing from the District. Amendments will be posted on www.azpurchasing.org and vendors will be notified via www.azpurchasing.org website. In accordance with A.A.C. R7-2-1042(a.1.b), Offeror shall acknowledge receipt of all amendments by signing and submitting the amendment acknowledgement form, on page 25, with the proposal.

17. Question and Answer Period

All questions related to this solicitation shall be in writing and emailed to Michelle Uhlorn at Uhlorn.Michelle@cusd80.com. Any correspondence related to a solicitation shall refer to the appropriate solicitation number, page and paragraph number. All questions shall be responded to as soon as possible. Emails should refer to RFP number and title in the subject line. Questions should be listed in consecutive order, from beginning to end, following the organization of this RFP. Each question should begin by referencing the RFP page number and section number to which it relates. Questions will not be accepted after Wednesday, May 10th at 2 pm local time.

18. Rights

The Chandler Unified School District reserves the right to accept or reject any or all proposals or all parts thereto, to waive any informality in any Proposal and to reject the Proposal of any individual or firm who has been delinquent or unfaithful in the performance of any Contract with the District.

19. Evaluation Schedule

The proposals will be initially evaluated for conforming to the requirements for the RFP. Then a technical score will be given. The District reserves the option to enter into discussions on pricing and/or other portions of the proposal, and may request Best and Final offers if it is determined to be in the Districts own best interest. However, offering firms are cautioned that the District may proceed with an award on the basis of information received in the original proposal without calling for additional discussions or Best and Final offers. The following schedule is tentative:

RFP Released	April 27, 2017
RFP Due Date and Time	May 19, 2017 at 11 am
RFP Evaluated	Begins after closing
RFP Best & Final (if necessary)	TBD
RFP Awarded (on or before)	June 28, 2017
Notice of Award Letters (on or before)	June 29, 2017

20. Evaluation Criteria

In accordance with the School District Procurement Rules, competitive sealed proposal awards shall be made to the responsible and responsive offeror whose proposal is determined in writing to be the most advantageous to the District taking into consideration the evaluation factors set forth in the RFP.

A. Firm's demonstrated competence and qualifications to perform the required services and ability to meet schedule set by District. (40 points)
B. Cost factors. (35 points)
C. Firm's experience representing school districts or other governmental bodies such as a municipality or university. (25 points)

21. Submission Requirements

Sealed proposals must be addressed to: Chandler Unified School District, Purchasing Department, 1525 West Frye Road, Chandler, AZ 85224 with the minimum information listed below. Telephone or facsimile proposals are not accepted. Each vendor must supply three (3) full copies of each proposal, **ONE (1) MARKED AS THE ORIGINAL**, as well as an **electronic copy** of proposal. The information below must be submitted to the location stated on the cover page of this document on or before the due date and time.

- Signed Notice of Request for Proposal – cover page
- Completed Cost Form – page 24
- Offer and Acceptance Form– with original signature – page 27
- Non-Collusion Affidavit – signed and notarized – page 28
- Compliance Statement – page 29
- Performance Evaluation Survey from up to three (3) past clients received prior to close of business on May 18, 2017
- Amendment Acknowledgement Form – page 25 (if applicable)
- W9 – page 31

EVALUATION CRITERIA

In accordance with the School District Procurement Rules, Competitive Sealed Proposal awards shall be made to the responsible and responsive offeror whose proposal is determined in writing to be the most advantageous to the District taking into consideration the evaluation factors set for in the Request for Proposal.

Vendor Name: _____

Evaluator Name: _____

Item	Evaluation Criteria	Possible Points	Awarded Points
A.	Firm's demonstrated competence and qualifications to perform the required services and ability to meet schedule set by District.	40	
B.	Cost factors.	35	
C.	Firm's experience representing school districts or other governmental bodies such as municipality or university.	25	
	Total Points	100	

To evaluate the cost portion of the above criteria, the District may elect to evaluate each firm on a percentage basis of the lowest cost offer. The formula would be: (Lowest Priced Offer/Evaluated Firm's Price) X Points Possible = Evaluation Points.

SCOPE OF SERVICES

1. The Chandler Unified School District #80 will receive sealed proposals from firms interested in being retained by the District as Legal Bond Counsel relating to the authorization and issuance of School Improvement Bonds.

2. It is expected that the firm that is retained by the District as Legal Bond Counsel shall enter into a contract with the District to provide the required services at a fair and reasonable compensation. For such compensation the firm shall be expected to:

    A. Provide guidance in the preparation of the bond and override election ballot, including visitation to the District office if required or requested by District staff.

    B. Prepare all necessary documents to call and canvas the election.

    C. Prepare all legal documents in regards to the bond and override election, and subsequent issuance of school improvement or refunding bonds.

    D. Prepare a submission as concerns the bond election for the United States Department of Justice, Civil Rights Division.

    E. Advise the School District in connection with official statement or other disclosure document related to the Bond.

    F. Provide guidance and assistance as required with District's compliance with continuing disclosure undertakings.

    G. Render the opinion of Legal Bond Counsel.

3. Firms submitting proposals shall have the following information included in their proposals and in the order listed herein. Provide three (3) copies of the proposal with **"ORIGINAL"** marked on the original and one (1) electronic copy.

    A. A review of the past municipal bond experience of the firm, and the specific work experience of the attorney(s) who will be assigned to the District.

    B. A review of the past Arizona School District experience of the firm, and the individual(s) who would be assigned to the District.

    C. Listing(s) of all Arizona School District bond financings concluded in the past three years in which the firm acted as Legal Bond Counsel.

    D. Description of firm's services related to the bond election and sale process.

    E. Provide a detailed schedule of fees stipulating the basic fee determination (percentage or flat fee) for each sale of new money bonds; additional fees beyond those contained in the basic fee proposal must be described.

    F. Provide a detailed schedule of fees stipulating the basic fee determination (percentage or flat fee) for refunding bonds, additional fees beyond those contained in the basic fee proposal must be described.

    G. Provide fixed dollar price or price per bond (increment of 1,000) based on the type and size financing shown in the cost form.

COST FORM

Provide fixed flat fee per denoted bond limits for type of financings shown.

	Up to 9,999 Million	10 to 24,999 Million	25 to 49,999 Million	50 to 74,999 Million	75 to 99,999 Million	100 Plus Million
New General Obligation Bonds						
Fee						
Refinancing General Obligation Bonds						
Fee						
New Certificates of Participation (Lease Purchase)						
Fee						
Refinancing Certificates of Participation (Lease Purchase)						
Fee						

If charging for additional services, please provide detailed pricing.

Would you be willing to allow other members of the "SAVE" to piggy-back and purchase from the contract if awarded through this RFP*?

☐ Yes ☐ No

*Your response to this question will not be used as part of the evaluation criteria. It is our intent, as a member of the SAVE, to offer other members the opportunity to save time, effort and paperwork by combining our purchasing power, whenever possible.

Name of Company Proposing _____ Date Signed _____

Authorized Signature/Local Representative _____ Telephone/Fax Number _____

Type Name and Position Held with Company _____

Mailing Address _____ City _____ State _____ Zip _____

CHANDLER UNIFIED SCHOOL DISTRICT #80
PURCHASING DEPARTMENT
1525 W. FRYE ROAD
CHANDLER, AZ 85224

Amendment Acknowledgement Form RFP #01-18-22 Legal Bond Counsel

This page is used to acknowledge any and all amendments that might be issued. If no amendment is issued, you do not return this page. Your signature indicates that you took the information provided in the amendment into consideration when providing your response.

Please sign and date each Amendment line as applicable.

Amendment No.1 Acknowledgement _____ Date: _____
Signature

Amendment No.2 Acknowledgement _____ Date: _____
Signature

Amendment No.3 Acknowledgement _____ Date: _____
Signature

Amendment No.4 Acknowledgement _____ Date: _____
Signature

Signature Date

PERFORMANCE EVALUATION SURVEY
RFP #01-18-22

Top portion is to be completed by the vendor. **Bottom portion is to be completed by the past clients and emailed directly to Uhlorn.Michelle@cusd80.com by end of business on May 18, 2017.**

Company Being Surveyed:_____

Subject: _____Legal Bond Counsel_____

To Whom It May Concern:

Chandler Unified School district has implemented a process that collects past information on vendors. The information will be used to assist the District in the evaluation to determine responsible procurement of the above firm.

The company listed above has chosen to participate in this solicitation. They have listed you as a client that they have provided goods/services for in the past. Both the company and Chandler Unified School District would greatly appreciate you taking a few minutes to complete the questionnaire.

Please evaluate the performance of the vendor (10 meaning always satisfied and have no question about using again, 5 meaning Sometimes satisfied, and 1 meaning you are very Dissatisfied and would not use them again). If you do not have past performance in a particular area, leave it blank.

No.	Criteria	Points	Score
1	Ability to maintain schedule	(1-10)	
2	Quality of goods/services	(1-10)	
3	Close out process (invoicing, no unexpected fees)	(1-10)	
4	Communication with District	(1-10)	
5	Ability to follow District rules, regulations and requirements	(1-10)	
6	Overall customer satisfaction (comfort level in using vendor again)	(1-10)	

Total Points_____

Thank you for your time and effort in assisting the vendor in this important endeavor. Please email this questionnaire to Chandler Unified School District attention Uhlorn.Michelle@cusd80.com.

_____ _____
Company Name Phone Number

_____ _____
Printed Name Title

_____ _____
Signature Date

CHANDLER UNIFIED SCHOOL DISTRICT #80

PURCHASING DEPARTMENT
1525 W. FRYE ROAD
CHANDLER, AZ 85224
(480) 812-7000

OFFER AND ACCEPTANCE
RFP #01-18-22

The Undersigned hereby submits the Proposal/Proposals and agrees to furnish the material, service or construction in compliance with all terms, conditions, specifications, and amendments in the Solicitation and any written exceptions in the Proposal/Proposals.

Arizona Transaction (Sales) Privilege Tax License No.: _____

Federal Employer Identification No. _____

_____

Tax Rate: _____%

_____
Company Name

_____
Address

_____
City State Zip

For clarification of this Proposal, contact:

Name: _____

Phone: _____

Fax: _____

E-Mail: _____

_____
Signature of Person Authorized to Sign Proposal

_____
Printed Name

_____
Title

CERTIFICATION

By signature in the Offer section above, the Offeror certifies:

1. The submission of the Proposal did not involve collusion or other anti-competitive practices.
2. The Offeror shall not discriminate against any employee or applicant for employment in violation of State Executive Order 99-4, 2000-4 or A.R.S. § 41-1461 through 1465.
3. The Offeror has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted Proposal. Failure to provide a valid signature affirming the stipulations required by this clause shall result in rejection of the Proposal. Signing the Proposal with a false statement shall void the Proposal, any resulting contract and may be subject to legal remedies provided by law.
4. The Offeror warrants that it and all proposed subcontractors will maintain compliance with the Federal Immigration and Nationality Act (FINA), A.R.S. § 41-4401 and A.R.S. § 23-214 and all other Federal immigration laws and regulations related to the immigration status of its employees which requires compliance with Federal immigration laws by employers, contractors and subcontractors in accordance with the E-Verify Employee Eligibility Verification Program.
5. In accordance with A.R.S. § 35-392, the Offeror is in compliance and shall remain in compliance with the Export Administration Act.
6. In accordance with A.R.S. § 15-512, the Offeror shall comply with fingerprinting requirements unless otherwise exempted**.**
7. By submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
8. By submission of this proposal, that no Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a Cooperative Agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.

ACCEPTANCE

The Proposal is hereby accepted.

The Contractor is now bound to sell the materials or services listed by the attached contract and based upon the solicitation, including all terms, conditions, specifications, amendments, etc., and the Contractor's Proposal as accepted by the School District.

This contract shall henceforth be referred to as Contract No. _____.

The Contractor has been cautioned not to commence any billable work or to provide any material or service under this contract until Contractor receives a purchase order, contract release document, or written notice to proceed.

Awarded this _____ day of_____20_____

_____
Authorized Signature

NON-COLLUSION AFFIDAVIT

State of Arizona)
) ss.
County of)

_____ , affiant,

the _____
(Title)

_____
(Contractor/Offeror)

the persons, corporation, or company who makes the accompanying Proposal, having first been duly worn, deposes and says:

That such Proposal is genuine and not sham or collusive, nor made in the interest of, or behalf of, any persons not herein named, and that the Offeror has not directly or indirectly induced or solicited any other Offeror to put in a sham Proposal, or any other person, firm or corporation to refrain from submitting a Proposal, and that the Offeror has not in any manner sought by collusion to secure for itself an advantage over any other Offeror.

_____

_____
(Title)

Subscribed and sworn to before me

this _____ day of _____, 20 _____

_____
Signature of Notary Public in and for the

State of _____

County of_____

CHANDLER UNIFIED SCHOOL DISTRICT #80

PURCHASING DEPARTMENT
1525 W. FRYE ROAD
CHANDLER, AZ 85224
(480) 812-7000

COMPLIANCE STATEMENT
RFP #01-18-22

Vendors/Contractors requesting to do business with Chandler Unified School District and accepting a purchase order for supplies or services **MUST sign** below verifying compliance with the identified state laws, in order for the transaction to take place. Failure to maintain compliance with these provisions will be considered a material breach of contract subject to penalties up to and including termination of the contract.

1. Federal Immigration and Nationality Act

By submitting and offer or renewing a contract with Chandler Unified School District, the signer warrants that it and all proposed subcontractors are in compliance with: 1) Federal Immigration and Nationality Act (FINA), A.R.S. § 41-4401 and A.R. S. §23-214 and all other Federal immigration laws and regulations related to the immigration status of its employees. The signer shall obtain statements from all subcontractors certifying compliance with this requirement and shall furnish the statements to the District Procurement Officer upon request.

2. Terrorism Country Divestments

In accordance with A.R.S. § 35-392, Chandler Unified School District is prohibited from purchasing from a company that is in violation of the Export Administration Act. By entering into a contract, a vendor/contractor warrants compliance with the Export Administration Act.

3. Contracting; Prohibition; Exception

In accordance with A.R.S. § 35-393.01, a public entity may not enter into a contract with a company to acquire or dispose of services, supplies, information technology or construction unless the contract includes a written certification that the company is not currently engaged in, and agrees for the duration of the contract to not engage in, a boycott of Israel. This does not apply if the company offers to provide the services, supplies, information technology or construction for at least twenty percent less than each other qualified company or if the contract is less than one thousand dollars.

4. Fingerprint Clearance Card Requirement

A contractor, subcontractor or vendor who is contracted to provide services on a regular basis on District property must obtain a valid fingerprint clearance card pursuant to A.R.S. 41-1758 et. seq. The superintendent may exempt from this requirement a contractor; subcontractor or vendor whom the superintendent has determined is not likely to have independent access or unsupervised contact with students as a part of the contractor's normal job duties while performing service to a school or the district. The signer warrants compliance with this law. Fingerprints can be provided through your local law enforcement agency.

_____If the signer is requesting exempt status, initial here and submit attached Exemption Justification Form with the Compliance Statement. **(If you are an out-of-state vendor or only deliver to the warehouse, do not initial this statement.)**

Vendor/Contractor acknowledges that the School district retains the legal right to inspect the papers of any contractor, subcontractor, vendor or employee of same who works on the contract to ensure compliance with the above requirements. The vendor/contractor shall facilitate this inspection process by giving prior notice to their employees and supervisors.

_____	_____
Company Name	Authorized Company Signature
_____	_____
Date	Printed or Typed Name Above
_____	_____
Phone Number	Title

CUT ALONG THE LINE AND AFFIX TO THE FRONT OF YOUR **PROPOSAL** CONTAINER

SEALED PROPOSAL

Submitted by:
Company Name:
Address:
City, State, Zip:

RFP #01-18-22 Legal Bond Counsel
Due Date: May 19, 2017 at 11 am local time

Chandler Unified School District #80
Attn: **Purchasing**
1525 West Frye Road
Chandler, AZ 85224

CUT ALONG THE LINE AND AFFIX TO THE FRONT OF YOUR **PROPOSAL** CONTAINER

Form **W-9**
(Rev. August 2013)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification:
☐ Individual/sole proprietor ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____

☐ Other (see instructions) ▶

Exemptions (see instructions):
Exempt payee code (if any) _____
Exemption from FATCA reporting code (if any) _____

Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

City, state, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
☐☐☐ - ☐☐ - ☐☐☐☐

Employer identification number
☐☐ - ☐☐☐☐☐☐☐

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below), and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here | **Signature of U.S. person** ▶ | **Date** ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. The IRS has created a page on IRS.gov for information about Form W-9, at *www.irs.gov/w9*. Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

CONTRACT AMENDMENT
CHANDLER UNIFIED SCHOOL DISTRICT #80
PURCHASING OFFICE
1525 W. FRYE ROAD
CHANDLER, AZ 85224
(480) 812-7615

CONTRACT NUMBER: RFP 01-18-22 LEGAL BOND COUNSEL

AMENDMENT NUMBER: 01

VENDOR: GREENBERG TRAURIG, LLP
2375 E CAMELBACK ROAD
PHOENIX, AZ 85016
ATTN: MICHAEL CAFISO

ISSUE DATE: FEBRUARY 16, 2018

THE REFERENCED CONTRACT IS AMENDED AS FOLLOWS

In accordance with RFP 01-18-22, the above referenced contract LEGAL BOND COUNSEL is extended through June 30, 2019.

All other terms and conditions of the contract remain in their entirety.

If you are in agreement, please sign in the appropriate space below and return to the Purchasing office no later than March 2, 2018.

ALL OTHER PROVISIONS OF THE CONTRACT SHALL REMAIN IN THEIR ENTIRETY

Contractor here by acknowledged receipt of the agreement with the Amendment. A signed copy must be filed with the above agency.

Authorized Signature

Paul Gales
Printed Name

Of Counsel
Title

The above referenced contract Amendment is hereby executed.

Frank Fletcher
Authorized Signature (District)

ORIGINAL

RESPONSE

TO

REQUEST FOR PROPOSAL #01-18-22

FOR

LEGAL BOND COUNSEL

TO

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
OF MARICOPA COUNTY, ARIZONA,
BEING DONE AS A MEMBER OF
THE STRATEGIC ALLIANCE FOR VOLUME EXPENDITURES (SAVE)

FIRM NAME:	GREENBERG TRAURIG, LLP
ADDRESS:	2375 East Camelback Road, Suite 700 Phoenix, Arizona 85016
PHONE:	(602) 445-8451
CONTACT PERSON:	Michael Cafiso, Esq.
DATE/TIME OF SUBMISSION:	May 19, 2017/11:00 A.M.
PERIOD PROPOSAL IS EFFECTIVE:	For As Long As The District Determines
FEDERAL TAXPAYER IDENTIFICATION NUMBER:	13-361083

GT GreenbergTraurig

Michael Cafiso
(602) 445-8451
CafisoM@GTLaw.com

May 19, 2017

BY MESSENGER (ONE MARKED ORIGINAL AND TWO COPIES) AND BY E-MAIL

Chandler Unified School District No. 80
of Maricopa County, Arizona
Purchasing Department
1525 West Frye Road
Chandler, Arizona 85224
Attn: RFP #01-18-22

Re: Request for Proposal #01-18-22 (Legal Bond Counsel)

Ladies and Gentlemen:

We are pleased to submit the response of our firm, Greenberg Traurig, LLP, to the captioned Request for Proposal as it relates to the provision of services as "Legal Bond Counsel" (the "Request"), for consideration by the Governing Board of Chandler Unified School District No. 80 of Maricopa County, Arizona (the "District"). The Signed Notice of Request for Proposal, the Completed Cost Form, the Offer and Acceptance, the Non-Collusion Affidavit and the Compliance Statement required by the Request are included as Appendices hereto; except for the following introductory material, the balance of our response follows the outline of requirements in the Request. ***(Detailed information concerning the firm's background and experience are included herein. We have limited the review of our experience to that in Arizona rather than all of the offices of the firm because we believe that to be more relevant under the circumstances. We would be glad to provide a review of our experience nationwide if you would like that information.)***

The firm was founded in 1967 with three attorneys and now has approximately 2,000 attorneys working in 38 offices in the United States, Latin America, Europe, Asia and the Middle East. Additional detail can be found at the firm's website – www.gtlaw.com.

ALBANY
AMSTERDAM
ATLANTA
AUSTIN
BERLIN¬
BOCA RATON
BOSTON
CHICAGO
DALLAS
DELAWARE
DENVER
FORT LAUDERDALE
HOUSTON
LAS VEGAS
LONDON*
LOS ANGELES
MEXICO CITY+
MIAMI
MILAN»
NEW JERSEY
NEW YORK
NORTHERN VIRGINIA
ORANGE COUNTY
ORLANDO
PHILADELPHIA
PHOENIX
ROME»
SACRAMENTO
SAN FRANCISCO
SEOUL«
SHANGHAI
SILICON VALLEY
TALLAHASSEE
TAMPA
TEL AVIV^
TOKYO°
WARSAW~
WASHINGTON, D.C.
WESTCHESTER COUNTY
WEST PALM BEACH

¬OPERATES AS GREENBERG TRAURIG GERMANY, LLP
*OPERATES AS GREENBERG TRAURIG MAHER LLP
+OPERATES AS GREENBERG TRAURIG, S.C.
»STRATEGIC ALLIANCE
«OPERATES AS GREENBERG TRAURIG LLP FOREIGN LEGAL CONSULTANT OFFICE
^A BRANCH OF GREENBERG TRAURIG, P.A., FLORIDA, USA
°OPERATES AS GT TOKYO HORITSU JIMUSHO
~OPERATES AS GREENBERG TRAURIG GRZESIAK SP.K.

The firm is organized around a number of practice disciplines. Such disciplines include those of a Public Finance Department which has been active since the mid-1970s and is staffed with lawyers experienced in the specialized area of public finance and who have the ability to provide the full range of professional services required by issuers (such as the District), underwriters or third parties in public finance transactions. The Public Finance Department offers clients a wide range of experience in all forms of public financing.

Four shareholders of the Tax Department of the firm are tax specialists with extensive experience in the arbitrage and private activity aspects of tax-exempt financing and are responsible for providing advice and opinions in the area of tax exemption of interest on government obligations. (Such tax specialists are assisted by the forty other tax attorneys in the firm on more general federal, state and local tax matters.) Additionally, attorneys in the other departments of the firm are available as necessary for advice and opinions on matters relating to their specific areas of focus.

The Phoenix office of the firm, located at 2375 East Camelback Road, Suite 700, Phoenix, Arizona 85016 was established on September 1, 1999, with approximately 30 lawyers who previously practiced with the law firm of O'Connor, Cavanagh, Anderson, Killingsworth & Beshears, P.A. The Phoenix office of the firm now includes about 35 lawyers.

The substantial majority of services will be provided through the Phoenix office, with assistance on federal tax matters relating to municipal bonds provided from our Philadelphia and New York offices.

The firm's federal Taxpayer Identification Number is 13-361083.

A review of the past municipal bond experience of the firm, and the specific work experience of the attorney(s) who will be assigned to the District.

Primary responsibility for legal work in connection with processing financings for the District would be undertaken by the Public Finance Department of the firm. Other departments of the firm would be called upon to provide service in connection with the activities identified in the Request based on specific aspects of a financing plan related to the area of particular expertise of that department or in which the experience of attorneys in that department can best be utilized. Such interdepartmental relationships assure the staff and consultants of the District that attorneys with the requisite knowledge and experience are working on financings of the District and that quality control is maintained because of such relationships.

For example, the firm has extensive experience in tax law matters affecting borrowings by entities such as the District, particularly those relating to Section 103 of the

Internal Revenue Code and the related Treasury regulations and rulings, including arbitrage compliance. As noted above, four shareholders in the Tax Department of the firm practice exclusively in the tax law area of public finance and are involved in tax-exempt financings in which the firm participates as Bond/Special Counsel. Because tax-exempt financing decisions are so affected by federal tax code considerations, such tax attorneys are involved at the outset of a transaction to control the quality of advice being given in this area and to explore financing possibilities and alternatives that offer tax advantages while avoiding tax pitfalls. Such tax attorneys also prepare tax documents such as arbitrage certificates, rebate covenants and IRS 8038 forms and provide guidance to the issuer on available rebate exemptions and all aspects of rebate calculations.

For the past several years, the firm has ranked among the top Bond/Special Counsel and Underwriter's Counsel firms in the nation according to the ranking criteria developed by The Bond Buyer's Municipal Marketplace, a nationally recognized municipal finance publication. Set forth below are the firm's national and Arizona rankings:

Bond Counsel: In 2016, GT ranked 17th nationally with 142 long-term tax-exempt public offerings for $5.7 billion in aggregate principal amount. GT ranked 2nd in Arizona for the same period with 46 long-term tax-exempt public offerings for $1.7 billion in aggregate principal amount.

Underwriter's Counsel: In 2016, GT ranked 9th nationally with 127 long-term tax-exempt public offerings for $7.1 billion in aggregate principal amount. GT ranked 1st in Arizona for the same period with 59 long-term tax-exempt public offerings for $2.6 billion in aggregate principal amount.

Disclosure Counsel: In 2016, GT ranked 7th nationally with 43 long-term tax-exempt public offerings for $4.3 billion in aggregate principal amount. GT ranked 1st in Arizona for the same period with seven long-term tax-exempt public offerings for $159.4 million in aggregate principal amount.

The firm and the members of the Public Finance Department have advised numerous governmental issuers and underwriters in all phases of general obligation, special assessment and revenue bond financings, including private activity bonds.

The members of the Public Finance Department resident in the Phoenix office of the firm have acted as Bond/Special Counsel or Underwriter's Counsel with respect to tax-exempt bond issues in almost every state in the United States. In addition to numerous educational districts (see below) and other special districts, such members, in such capacity, have acted as Bond/Special Counsel in Arizona to, among others, the Cities of Apache Junction,

Avondale, Benson, Bisbee, Bullhead City, Coolidge, Cottonwood, El Mirage, Eloy, Flagstaff, Glendale, Globe, Holbrook, Kingman, Maricopa, Nogales, Page, Peoria, Phoenix, Prescott, Safford, Sedona, Show Low, Sierra Vista, Somerton, Surprise, Williams, Winslow and Yuma and the Towns of Camp Verde, Carefree, Cave Creek, Chino Valley, Clarkdale, Eagar, Florence, Fountain Hills, Gila Bend, Gilbert, Guadalupe, Jerome, Marana, Miami, Oro Valley, Pinetop-Lakeside, Prescott Valley, Quartzsite, Queen Creek, Sahuarita, Snowflake, Springerville, Wickenburg and Youngtown. Such members, in such capacity, have also acted as Bond/Special Counsel to the Counties of Apache, Cochise, Coconino, Gila, Graham, Greenlee, La Paz, Maricopa, Mohave, Navajo, Pima, Pinal and Santa Cruz. Acting in such capacities has provided the experience necessary to provide the District with the legal services described in the Request.

The firm is committed to being involved in public finance in Arizona. The firm attempts to improve for its clients the process of financing in the public sector by being active in matters affecting the laws relating to public finance. For instance, the attorneys in the Public Finance Department of the firm are involved in efforts to comment on proposed changes to state and federal tax and securities laws, those laws which most affect public finance transactions. The firm is also actively involved in monitoring bills in the Arizona Legislature and has, through lawyers in the both the Public Finance Department and the Governmental Affairs Department of the firm, assisted in drafting and revising legislation, providing lobbying efforts and performing other tasks, as requested, as part of the legislative process. Most recently, for instance, Mr. Cafiso and Mr. Gales drafted and assisted in passage and adoption of legislation in 2016 and 2017 which liberalized the use of premium generated in general obligation bond sales for both new money and refunding purposes.

Primary responsibility for legal work in connection with financings for the District would be undertaken by Mr. Michael Cafiso and Mr. Paul Gales, two of the attorneys in the Public Finance Department of the firm resident in the Phoenix office. Other attorneys in the Public Finance Department of the firm resident in the Phoenix office (Mr. William DeHaan and Ms. Brigitte Finley Green) could be available in addition to respond to the District on an as-needed basis upon request. Other attorneys of the firm, particularly Ms. Vanessa Lowry and Ms. Linda D'Onofrio of the Tax Department of the firm in the area of federal and state tax law matters, would provide service to the District on specific aspects of the financings related to their area of particular expertise or in which their experience can best be utilized.

The following are brief resumes of personnel assigned to the District. More extensive resumes are available at the firm's website – www.gtlaw.com.

Mr. Michael Cafiso, a shareholder of the firm, received Masters of Business Administration and Juris Doctorate degrees from Emory University in Atlanta, Georgia, in 1982

and has practiced exclusively in the area of municipal finance in Arizona and Texas since graduation. Mr. Cafiso has represented issuers (as both bond and general counsel), underwriters, and other types of participants in a comprehensive variety of municipal finance transactions. Mr. Cafiso is a member of the National Association of Bond Lawyers ("NABL").

Mr. William DeHaan, a shareholder of the firm, received his Juris Doctorate degree from the University of Illinois College of Law in 1986. Mr. DeHaan's practice has focused on the area of public finance since then, serving as bond counsel, underwriter's counsel, issuer's counsel and trustee's counsel in an extensive range of municipal financings. Mr. DeHaan also is a member of NABL.

Ms. Brigitte Finley Green, a shareholder of the firm, received her Juris Doctorate degree from Arizona State University and L.L.M. from New York University School of Law. Ms. Finley Green spent two years as an attorney adviser with the Internal Revenue Service's Office of Chief Counsel where she practiced exclusively in the tax-exempt bond area and her duties included preparing treasury regulations and IRS rulings. Ms. Finley Green has experience serving as bond counsel, special tax counsel, underwriter's counsel and trustee's counsel in a variety of municipal bond and lease-purchase transactions for state and local governments. Ms. Finley Green also is a member of NABL.

Mr. Paul Gales, an associate of the firm, received his Juris Doctorate degree from the Arizona State University Sandra Day O'Connor College of Law in 2012 and has practiced exclusively in the area of municipal finance since graduation. Mr. Gales has represented issuers (as both bond and general counsel), underwriters, and other types of participants in a comprehensive variety of municipal finance transactions. Mr. Gales also is a member of NABL.

Ms. Vanessa Lowry, a shareholder of the firm, received a B.A. in Mathematics, with distinction, from Cornell University in 1985 and received her Juris Doctorate degree from the University of Pennsylvania Law School in 1988. Ms. Lowry has closed transactions in over 40 states as bond counsel, special tax counsel, underwriter's counsel, borrower's counsel and credit enhancer or bond purchaser's counsel. She specializes in the tax aspects of complex, structured financings and also has obtained rulings and handled tax audits in the public finance area. Ms. Lowry also is a member of NABL.

Ms. Linda D'Onofrio, a shareholder of the firm, received her Juris Doctorate degree from the Georgetown University Law Center in 1981 and an L.L.M. from New York University School of Law in 1985. Ms. D'Onofrio focuses her practice on the federal tax issues relating to the issuance of tax-exempt and tax credit bonds by state and local governments. Ms. D'Onofrio also is a member of NABL.

A review of the past Arizona School District experience of the firm, and the individual(s) who would be assigned to the District.

The firm, and particularly Mr. Cafiso, Mr. DeHaan and Mr. Gales, have extensive experience with respect to bond elections for school districts. School district bond elections in which Mr. Cafiso, Mr. DeHaan and Mr. Gales were involved during the period April 1, 2006, through November 8, 2016, are listed below:

District	Year	Authorization Sought
Chandler Unified School District No. 80 of Maricopa County, Arizona	2006	$91,600,000
Humboldt Unified School District No. 22 of Yavapai County, Arizona	2007	$41,000,000
J.O. Combs Elementary School District No. 44 of Pinal County, Arizona	2007	$48,000,000
Litchfield Elementary School District No. 22 of Maricopa County, Arizona	2007	$30,500,000
Joseph City Unified School District No. 2 of Navajo County, Arizona	2008	$5,200,000
Heber-Overgaard Unified School District No. 6 of Navajo County, Arizona	2009	$10,215,000
Buckeye Union High School District No. 201 of Maricopa County, Arizona	2010	$20,000,000
Gila Bend Unified School District No. 24 of Maricopa County, Arizona	2010	$4,900,000
Williams Unified School District No. 2 of Coconino County, Arizona	2011	$5,000,000
Sunnyside Unified School District No. 12 of Pima County, Arizona	2011	$88,000,000

District	Year	Authorization Sought
Chino Valley Unified School District No. 51 of Yavapai County, Arizona	2013	$9,900,000
Buckeye Union High School District No. 201 of Maricopa County, Arizona	2013	$95,000,000
Buckeye Union High School District No. 201 of Maricopa County, Arizona	2013	$49,000,000
Litchfield Elementary School District No. 79 of Maricopa County, Arizona	2014	$35,000,000
J.O. Combs Unified School District No. 44 of Pinal County, Arizona	2015	$40,000,000
Chandler Unified School District No. 80 of Maricopa County, Arizona	2015	$196,000,000
Mingus Union High School District No. 4 of Yavapai County, Arizona	2015	$5,990,000
Gadsden Elementary School District No. 32 of Yuma County, Arizona	2015	$10,435,000
J.O. Combs Unified School District No. 44 of Pinal County, Arizona	2016	$36,800,000
Sierra Vista Unified School District No. 68 of Cochise County, Arizona	2016	$28,870,000
Wickenburg Unified School District No. 9 of Maricopa and Yavapai Counties, Arizona	2016	$10,000,000
Peoria Unified School District No. 11 of Maricopa County, Arizona	2016	$198,000,000
Queen Creek Unified School District No. 95 of Maricopa County, Arizona	2016	$95,000,000
Blue Ridge Unified School District No. 32 of Maricopa County, Arizona	2016	$15,000,000

In addition, the firm, and particularly Mr. Cafiso, Mr. DeHaan and Mr. Gales, have extensive experience with respect to override elections for school districts. We would be glad to provide detail regarding experience with respect to override elections upon request.

The firm, and particularly Mr. Cafiso, Mr. DeHaan and Mr. Gales, have extensive experience in issuing opinions relative to bond issues for school districts. Mr. Cafiso, Mr. DeHaan and Mr. Gales were involved in providing the following services in that regard with respect to Arizona school district financings during the period April 1, 2012, through April 30, 2017. The listing below includes, as requested by the Request, ***a listing of all Arizona School District bond financings concluded in the past three years in which the firm acted as Legal Bond Counsel (May 1, 2014, through April 30, 2017, such financings being denoted by bold and italics).***

$11,825,000
Marana Unified School District No. 6 of Pima County, Arizona School Improvement Bonds, Project of 2010, Series B (2012)
Dated: April 4, 2012
Underwriter's Counsel

$3,795,000
Coolidge Unified School District No. 21 of Pinal County, Arizona Refunding Bonds, Series 2012
Dated: June 7, 2012
Underwriter's Counsel

$7,410,000
Humboldt Unified School District No. 22 of Yavapai County, Arizona Refunding Bonds Series 2012
Dated: June 7, 2012
Bond Counsel

$44,065,000
Peoria Unified School District No. 11 of Maricopa County, Arizona Refunding Bonds, Series 2012
Dated: June 13, 2012
Bond Counsel

$22,300,000
Agua Fria Union High School District No. 216 of Maricopa County, Arizona School Improvement Bonds, Project of 2011, Series A (2012)
Dated: June 14, 2012
Underwriter's Counsel

$5,220,000
Glendale Elementary School District No. 40 of Maricopa County, Arizona School Improvement Bonds, Project of 2011, Series A (2012)
Dated: June 14, 2012
Underwriter's Counsel

$4,895,000
Florence Unified School District No. 1 of Pinal County, Arizona Refunding Bonds, Series 2012
Dated: June 20, 2012
Underwriter's Counsel

$2,540,000
Union Elementary School District No. 62 of Maricopa County, Arizona School Improvement Bonds, Project of 2006, Series A (2012)
Dated: July 10, 2012
Underwriter's Counsel

$38,000,000
Phoenix Union High School District No. 210 of Maricopa County, Arizona School Improvement Bonds, Project of 2011, Tax-Exempt Series A (2012)
Dated: July 24, 2012
Underwriter's Counsel

$11,780,000
Higley Unified School District No. 60 of Maricopa County, Arizona Refunding Bonds, Series 2012
Dated: August 9, 2012
Underwriter's Counsel

$29,710,000
Gilbert Unified School District No. 41 of Maricopa County, Arizona Refunding Bonds, Series 2012
Dated: September 20, 2012
Underwriter's Counsel

$23,400,000
Deer Valley Unified School District No. 97 of Maricopa County, Arizona School Improvement Bonds, Project of 2008, Series D (2013)
Dated: January 9, 2013
Underwriter's Counsel

$17,375,000
Chandler Unified School District No. 80 of Maricopa County, Arizona School Improvement Bonds, Project of 2010, Series B (2013)
Dated: January 31,, 2013
Bond Counsel

$4,815,000
Continental Elementary School District No. 39 of Pima County, Arizona School Improvement Bonds, Project of 2010, Series C (2013)
Dated: January 31, 2013
Underwriter's Counsel

$46,000,000
Mesa Unified School District No. 4 of Maricopa County, Arizona School Improvement Bonds, Project of 2012, Series A (2013)
Dated: April 16, 2013
Underwriter's Counsel

Tempe Union High School District No. 213 of Maricopa County, Arizona School Improvement Bonds, Project of 2012
$33,000,000 Series A (2013) And
$12,475,000 Series B (2013)
Dated: April 18, 2013
Underwriter's Counsel

$14,175,000
Sunnyside Unified School District No. 12 of Pima County, Arizona School Improvement Bonds, Project of 2011, Series B (2013)
Dated: April 23, 2013
Bond Counsel

$6,500,000
Sunnyside Unified School District No. 12 of Pima County, Arizona School Improvement Bonds, Project of 2011, Taxable Series C (2013)
Dated: April 23, 2013
Bond Counsel

$2,115,000
Winslow Unified School District No. 1 of Navajo County, Arizona Refunding Bonds, Series 2013
Dated: May 9, 2013
Bond Counsel

$16,880,000
Chandler Unified School District No. 80 of Maricopa County, Arizona Refunding Bonds, Taxable Series 2013
Dated: May 15, 2013
Bond Counsel

$3,700,000
Thatcher Unified School District No. 4 of Graham County, Arizona School Improvement Bonds, Project of 2012, Series A (2013)
Dated: May 16, 2013
Bond Counsel

$32,235,000
Peoria Unified School District No. 11 of Maricopa County, Arizona Refunding Bonds, Taxable Series 2013
Dated: May 23, 2013
Bond Counsel

$3,535,000
Wickenburg Unified School District No. 9 of Maricopa County, Arizona Refunding Bonds, Series 2013
Dated: May 30, 2013
Bond Counsel

$4,750,000
Humboldt Unified School District No. 22 of Yavapai County, Arizona Refunding Bonds, Series 2013
Dated: June 5, 2013
Bond Counsel

$2,510,000
Florence Unified School District No. 1 of Pinal County, Arizona Refunding Bonds, Series 2013
Dated: June 12, 2013
Underwriter's Counsel

$1,900,000
Wilson Elementary School District No. 7 of Maricopa County, Arizona School Improvement Bonds, Project of 2012, Series A (2013)
Dated: July 31, 2013
Underwriter's Counsel

$14,325,000
Marana Unified School District No. 6 of Pima County, Arizona School Improvement Bonds, Project of 2010, Series D (2013)
Dated: August 1, 2013
Underwriter's Counsel

$44,200,000
Peoria Unified School District No. 11 of Maricopa County, Arizona School Improvement Bonds, Series 2013
Dated: August 8, 2013
Bond Counsel

$22,800,000
Glendale Union High School District No. 205 of Maricopa County, Arizona School Improvement Bonds, Project of 2011, Series C (2013)
Dated: October 1, 2013
Underwriter's Counsel

$41,000,000
Amphitheater Unified School District No. 10 of Pima County, Arizona School Improvement Bonds, Project of 2007, Series D (2013)
Dated: October 2, 2013
Underwriter's Counsel

$14,465,000
Riverside Elementary School District No. 2 of Maricopa County, Arizona School Improvement Bonds, Project of 2011, Series C (2013)
Dated: October 24, 2013
Underwriter's Counsel

$3,265,000
Coolidge Unified School District No. 21 of Pinal County, Arizona School Improvement Bonds, Project of 2008, Series B (2013)
Dated: October 30, 2013
Underwriter's Counsel

$5,105,000
Willcox Unified School District No. 13 of Cochise County, Arizona School Improvement Bonds, Project of 2011, Series B (2013)
Dated: November 6, 2013
Underwriter's Counsel

Kyrene Elementary School District No. 28 of Maricopa County, Arizona
$40,000,000
School Improvement Bonds, Project of 2010, Series B (2013) and
$122,000
Certificates of Ownership of Supplemental Interest Payments Pertaining To the Bonds
Dated: November 12, 2013
Underwriter's Counsel

$5,445,000
Balsz Elementary School District No. 31 of Maricopa County, Arizona School Improvement Bonds, Project of 2011, Series B (2013)
Dated: November 20, 2013
Underwriter's Counsel

$1,630,000
Murphy Elementary School District No. 21 of Maricopa County, Arizona School Improvement Bonds, Project of 2008, Series C (2013)
Dated: December 18, 2013
Underwriter's Counsel

$34,600,000
Deer Valley Unified School District No. 97 of Maricopa County, Arizona School Improvement Bonds, Project of 2008, Series E (2014)
Dated: February 12, 2014
Underwriters' Counsel

$5,400,000
Phoenix Elementary School District No. 1 of Maricopa County, Arizona School Improvement Bonds, Project of 2010, Series B (2014)
Dated: March 6, 2014
Underwriter's Counsel

$4,000,000
Fountain Hills Unified School District No. 98 of Maricopa County, Arizona School Improvement Bonds, Project of 2013, Series A (2014)
Dated: March 12, 2014
Underwriter's Counsel

$15,000,000
Saddle Mountain Unified School District No. 90 of Maricopa County, Arizona School Improvement Bonds, Project of 2013, Series A (2014)
Dated: April 3, 2014
Underwriter's Counsel

Mesa Unified School District No. 4 of Maricopa County, Arizona
$50,000,000
School Improvement Bonds, Project of 2012, Series B (2014) and
$45,000,000
Refunding Bonds, Series 2014
Dated: April 16, 2014
Underwriter's Counsel

$2,000,000
Arlington Elementary School District No. 47 of Maricopa County, Arizona School Improvement Bonds, Project of 2013, Series A (2014)
Dated: April 16, 2014
Underwriter's Counsel

$3,800,000
Thatcher Unified School District No. 4 of Graham County, Arizona School Improvement Bonds, Project of 2012, Series B (2014)
Dated: May 7, 2014
Bond Counsel

$21,940,000
Chandler Unified School District No. 80 of Maricopa County, Arizona School Improvement Bonds, Project of 2010, Series C (2014)
Dated: June 4, 2014
Bond Counsel

$25,795,000
Higley Unified School District No. 60 of Maricopa County, Arizona School Improvement Bonds, Project of 2013, Series A (2014)
Dated: June 5, 2014
Bond Counsel

Phoenix Union High School District No. 210 of Maricopa County, Arizona
$75,000,000
School Improvement Bonds, Project of 2011, Series C (2014) and
$70,445,000
Refunding Bonds, Series 2014
Dated: June 12, 2014
Underwriters' Counsel

$18,000,000
Sunnyside Unified School District No. 12 of Pima County, Arizona School Improvement Bonds, Project of 2011, Series D (2014)
Dated: July 2, 2014
Bond Counsel

$27,000,000
Peoria Unified School District No. 11 of Maricopa County, Arizona School Improvement Bonds, Series 2014,
Dated: July 3, 2014
Bond Counsel

$4,565,000
Riverside Elementary School District No. 2 of Maricopa County, Arizona School Improvement Bonds, Project of 2011, Series D (2014)
Dated: July 16, 2014
Underwriter's Counsel

$1,700,000
Wilson Elementary School District No. 7 of Maricopa County, Arizona School Improvement Bonds, Project of 2012, Series B (2014)
Dated: July 29, 2014
Underwriter's Counsel

$12,525,000
Liberty Elementary School District No. 25 of Maricopa County, Arizona School Improvement Bonds, Project of 2013, Series A (2014)
Dated: October 1, 2014
Underwriter's Counsel

$7,675,000
Laveen Elementary School District No. 59 of Maricopa County, Arizona School Improvement Bonds, Project of 2008, Series B (2014)
Dated: October 2, 2014
Underwriter's Counsel

$3,255,000
Coolidge Unified School District No. 21 of Pinal County, Arizona School Improvement Bonds, Project of 2008, Series C (2014)
Dated: October 15, 2014
Underwriter's Counsel

$49,550,000
Dysart Unified School District No. 89 of Maricopa County, Arizona Refunding Bonds, Series 2014
Dated: October 28, 2014
Underwriter's Counsel

$29,525,000
Tempe Union High School District No. 213 of Maricopa County, Arizona School Improvement Bonds, Project of 2012, Series C (2014)
Dated: November 19, 2014
Underwriter's Counsel

Agua Fria Union High School District No. 216 of Maricopa County, Arizona
$9,300,000
School Improvement Bonds, Project of 2011, Series B (2014) And
$18,610,000 Refunding Bonds, Series 2014
Dated: November 25, 2014
Underwriter's Counsel

$27,765,000
Payson Unified School District No. 10 of Gila County, Arizona Refunding Bonds, Series 2014
Dated: December 10, 2014
Underwriter's Counsel

$3,290,000
Snowflake Unified School District No. 5 of Navajo County, Arizona Refunding Bonds, Series 2014
Dated: December 17, 2014
Bond Counsel

Deer Valley Unified School District No. 97 of Maricopa County, Arizona
$25,000,000
School Improvement Bonds, Project of 2013, Series A (2015) and
$17,250,000
Refunding Bonds, Series 2015
Dated: January 28, 2015
Underwriters' Counsel

$37,560,000
Tempe Elementary School District No. 3 of Maricopa County, Arizona School Improvement Bonds, Project of 2009, Series C (2015) and
$27,500,000
Refunding Bonds, Series 2015
Dated: February 11, 2015
Underwriters' Counsel

$15,675,000
Litchfield Elementary School District No. 79 of Maricopa County, Arizona School Improvement Bonds, Series 2015
Dated: February 19, 2015
Bond Counsel

$34,000,000
Madison Elementary School District No. 38 of Maricopa County, Arizona School Improvement Bonds, Project of 2014, Series A (2015) And
$19,700,000
Refunding Bonds, Series 2015
Dated: February 25, 2015
Underwriter's Counsel

$14,035,000
J.O. Combs Unified School District No. 44 of Pinal County, Arizona Refunding Bonds, Series 2015
Dated: March 5, 2015
Bond Counsel

Crane Elementary School District No. 13 of Yuma County, Arizona
$10,000,000
School Improvement Bonds, Project of 2014, Series A (2015) and
$5,570,000
Refunding Bonds, Series 2015
Dated: March 12, 2015
Underwriter's Counsel

$25,000,000
Marana Unified School District No. 6 of Pima County, Arizona School Improvement Bonds, Project of 2014, Series A (2014)
Dated: March 12, 2015
Underwriter's Counsel

Queen Creek Unified School District No. 95 of Maricopa County, Arizona
$31,920,000
School Improvement Bonds, Projects of 2010 and 2014, Series 2015 and
$6,910,000
Refunding Bonds, Series 2015
Dated: March 25, 2015
Underwriter's Counsel

$57,165,000
Higley Unified School District No. 60 of Maricopa County, Arizona Pledged School Improvement and Refunding Bonds, Series 2015
Dated: March 26, 2015
Bond Counsel

$36,770,000
Chandler Unified School District No. 80 of Maricopa County, Arizona Refunding Bonds, Series 2015
Dated: March 31, 2015
Bond Counsel

$21,000,000
Yuma Elementary School District No. 1 of Yuma County, Arizona School Improvement Bonds, Project of 2014, Series A (2015)
Dated: April 15, 2015
Underwriter's Counsel

$15,000,000
Cottonwood-Oak Creek Elementary School District No. 6 of Yavapai County, Arizona School Improvement Bonds, Project of 2014, Series A (2015)
Dated: April 22, 2015
Underwriter's Counsel

$20,850,000
Sedona-Oak Creek Joint Unified School District No. 9 of Coconino and Yavapai Counties, Arizona Refunding Bonds, Series 2015
Dated: April 22, 2015
Underwriter's Counsel

$21,715,000
Florence Unified School District No. 1 of Pinal County, Arizona Refunding Bonds, Series 2015
Dated: April 29, 2015
Underwriter's Counsel

$19,985,000
Casa Grande Union High School District No. 82 of Pinal County, Arizona Refunding Bonds, Series 2015
Dated: April 30, 2015
Underwriter's Counsel

$15,775,000
Sunnyside Unified School District No. 12 of Pima County, Arizona School Improvement Bonds, Project of 2011, Series E (2015)
Dated: May 7, 2015
Bond Counsel

Cave Creek Unified School District No. 93 of Maricopa County, Arizona
$20,000,000
School Improvement Bonds, Project of 2014, Series A (2015) and
$11,125,000
Refunding Bonds, Series 2015
Dated: May 19, 2015
Underwriter's Counsel

$31,205,000
Vail Unified School District No. 20 of Pinal County, Arizona School Improvement and Refunding Bonds, Series 2015
Dated: May 19, 2015
Bond Counsel

$4,000,000
Fountain Hills Unified School District No. 98 of Maricopa County, Arizona School Improvement Bonds, Project of 2013, Series B (2015)
Dated: May 27, 2015
Underwriter's Counsel

$35,000,000
Mesa Unified School District No. 4 of Maricopa County, Arizona School Improvement Bonds, Project of 2012, Series C (2015)
Dated: May 27, 2015
Underwriter's Counsel

$10,000,000
Phoenix Union High School District No. 210 of Maricopa County, Arizona School Improvement Bonds, Project of 2011, Series D (2015)
Dated: June 2, 2015
Underwriter's Counsel

$41,890,000
Buckeye Union High School District No. 201 of Maricopa County, Arizona School Improvement and Refunding Bonds, Series 2015
Dated: June 3, 2015
Bond Counsel

Kyrene Elementary School District No. 28 of Maricopa County, Arizona
$40,000,000
School Improvement Bonds, Project of 2010, Series C (2015) and
$24,120,000
Refunding Bonds, Series 2015
Dated: June 10, 2015
Underwriter's Counsel

$11,860,000
Littleton Elementary School District No. 65 of Maricopa County, Arizona School Improvement Bonds, Project of 2014, Series A (2015)
Dated: June 16, 2015
Bond Counsel

$94,035,000
Peoria Unified School District No. 11 of Maricopa County, Arizona School Improvement and Refunding Bonds, Series 2015
Dated: July 2, 2015
Bond Counsel

$6,715,000
Mingus Union High School District No. 4 of Yavapai County, Arizona Refunding Bonds, Series 2015
Dated: August 13, 2015
Bond Counsel

$15,660,000
Blue Ridge Unified School District No. 32 of Navajo County, Arizona Refunding Bond, Series 2015
Dated: September 29, 2015
Bond Counsel

$10,340,000
Laveen Elementary School District No. 59 of Maricopa County, Arizona School Improvement and Refunding Bonds, Series 2016
Dated: February 11, 2016
Bond Counsel

$15,000,000
Agua Fria Union High School District No. 216 of Maricopa County, Arizona School Improvement Bonds, Project of 2015, Series A (2016)
Dated: February 17, 2016
Underwriter's Counsel

Deer Valley Unified School District No. 97 of Maricopa County, Arizona
$30,000,000
School Improvement Bonds, Series B (2016) And
$19,200,000
Refunding Bonds, Series 2016
Dated: February 23, 2016
Underwriter's Counsel

$4,350,000
Queen Creek Unified School District No. 95 of Maricopa County, Arizona School Improvement Bonds, Projects of 2010 And 2014, Series 2016
Dated: February 24, 2016
Underwriter's Counsel

$5,990,000
Mingus Union High School District No. 4 of Yavapai County, Arizona School Improvement Bonds, Project of 2015, Series A (2016)
Dated: March 31, 2016
Bond Counsel

$20,000,000
Phoenix Elementary School District No. 1 of Maricopa County, Arizona School Improvement Bonds, Project of 2015, Series A (2016)
Dated: April 6, 2016
Underwriter's Counsel

$35,000,000
Mesa Unified School District No. 4 of Maricopa County, Arizona School Improvement Bonds, Project of 2012, Series D (2016)
$12,815,000
Mesa Unified School District No. 4 of Maricopa County, Arizona Refunding Bonds, Series 2016
Dated: April 12, 2016
Underwriter's Counsel

$60,000,000
Chandler Unified School District No. 80 of Maricopa County, Arizona School Improvement Bonds, Project of 2015, Series A (2016)
Dated: April 13, 2016
Bond Counsel

$30,000,000
Marana Unified School District No. 6 of Pima County, Arizona School Improvement Bonds, Project of 2014, Series B (2016)
Dated: April 21, 2016
Underwriter's Counsel

$28,050,000
Scottsdale Unified School District No. 48 of Maricopa County, Arizona Refunding Bonds, Series 2016
Dated: April 26, 2016
Underwriter's Counsel

$28,225,000
Maricopa Unified School District No. 1 of Pinal County, Arizona Refunding Bonds, Series 2016
Dated: April 27, 2016
Underwriter's Counsel

$7,595,000
Gadsden Elementary School District No. 32 of Yuma County, Arizona School Improvement Bonds, Project of 2015, Series A (2016)
Dated: April 28, 2016
Bond Counsel

$74,865,000
Dysart Unified School District No. 89 of Maricopa County, Refunding Bonds, Series 2016
Dated: May 3, 2016
Underwriter's Counsel

$31,300,000
Gilbert Unified School District No. 41 of Maricopa County, Arizona School Improvement Bonds, Project of 2015, Series A (2016)
$38,445,000
Gilbert Unified School District No. 41 of Maricopa County, Arizona Refunding Bonds, Series 2016
Underwriter's Counsel

$20,000,000
Coolidge Unified School District No. 21 of Pinal County, Arizona Refunding Bonds, Series 2016
Dated: May 5, 2016
Underwriter's Counsel

$7,500,000
Prescott Unified School District No. 1 of Yavapai County, Arizona School Improvement Bonds, Project of 2015, Series A (2016)
Dated: May 12, 2016
Underwriter's Counsel

$6,000,000
Litchfield Elementary School District No. 79 of Maricopa County, Arizona School Improvement Bonds, Series 2016
Dated: May 19, 2016
Bond Counsel

$25,785,000
Higley Unified School District No. 60 of Maricopa County, Arizona School Improvement Bonds, Project of 2013, Series C (2016)
Dated: June 1, 2016
Bond Counsel

$6,265,000
Buckeye Elementary School District No. 33 of Maricopa County, Arizona School Improvement Bonds, Project of 2015, Series A (2016)
$9,850,000
Buckeye Elementary School District No. 33 of Maricopa County, Arizona Refunding Bonds, Series 2016
Dated: June 2, 2016
Underwriter's Counsel

$5,200,000
Union Elementary School District No. 62 of Maricopa County, Arizona School Improvement Bonds, Project of 2015, Series A (2016)
Dated: June 15, 2016
Underwriter's Counsel

$9,450,000
Sunnyside Unified School District No. 12 of Pima County, Arizona School Improvement Bonds, Project of 2011, Series F (2016)
Dated: April 6, 2016
Bond Counsel

$28,000,000
Peoria Unified School District No. 11 of Maricopa County, Arizona School Improvement Bonds, Series 2016
Dated: July 6, 2016
Bond Counsel

$9,800,000
Flowing Wells Unified School District No. 8 of Pima County, Arizona Refunding Bonds, Series 2016
Dated: July 7, 2016
Underwriter's Counsel

$40,805,000
Kingman Unified School District No. 20 of Mohave County, Arizona Refunding Bonds, Series 2016
Dated: July 14, 2016
Underwriter's Counsel

$10,000,000
Cave Creek Unified School District No. 93 of Maricopa County, Arizona School Improvement Bonds, Project of 2014, Series B (2016)
Dated: July 14, 2016
Underwriter's Counsel

$23,000,000
Tempe Union High School District No. 213 of Maricopa County, Arizona Refunding Bonds, Series 2016
Dated: August 23, 2016
Underwriter's Counsel

$63,000,000
Tucson Unified School District No. 1 of Pima County, Arizona Refunding Bonds, Series 2016
Dated: August 25, 2016
Underwriter's Counsel

$2,475,000
Liberty Elementary School District No. 25 of Maricopa County, Arizona School Improvement Bonds, Project of 2013, Series B (2016)
$4,455,000
Liberty Elementary School District No. 25 of Maricopa County, Arizona Refunding Bonds, Series 2016
Dated: September 22, 2016
Underwriter's Counsel

$20,510,000
Osborn Elementary School District No. 8 of Maricopa County, Arizona Refunding Bonds, Series 2016
Dated: November 10, 2016
Underwriter's Counsel

$17,595,000
Vail Unified School District No. 20 of Pima County, Arizona School Improvement and Refunding Bonds, Series 2016
Dated: December 6, 2016
Bond Counsel

$39,425,000
Phoenix Union High School District No. 210 of Maricopa County, Arizona School Improvement Bonds, Project of 2011, Series E (2017)
Dated: February 22, 2017
Underwriter's Counsel

$11,630,000
Sedona-Oak Creek Joint Unified School District No. 9 of Coconino and Yavapai Counties, Arizona Refunding Bonds, Series 2017
Dated: February 23, 2017
Underwriter's Counsel

$5,740,000
Heber-Overgaard Unified School District No. 6 of Navajo County, Arizona Refunding Bonds, Series 2017
Dated: March 9, 2017
Bond Counsel

$39,635,000
Scottsdale Unified School District No. 48 of Maricopa County, Arizona School Improvement Bonds, Project of 2016, Series A (2017)
Dated: March 9, 2017
Underwriter's Counsel

$22,065,000
Deer Valley Unified School District No. 97 of Maricopa County, Arizona School Improvement Bonds, Project of 2013, Series E (2017)
Dated: March 16, 2017
Underwriter's Counsel

$8,710,000
Wickenburg Unified School District No. 9 of Maricopa and Yavapai Counties, Arizona School Improvement Bonds, Tax-Exempt Series 2017A
$700,000
Wickenburg Unified School District No. 9 of Maricopa and Yavapai Counties, Arizona School Improvement Bonds, Taxable Series 2017B
Dated: March 29, 2017
Bond Counsel

$2,955,000
Murphy Elementary School District No. 21 of Maricopa County, Arizona School Improvement Bonds, Project of 2016, Series A (2017)
Dated: March 29, 2017
Underwriter's Counsel

$30,315,000
Mesa Unified School District No. 4 of Maricopa County, Arizona School Improvement Bonds, Project of 2012, Series E (2017)
Dated: March 29, 2017
Underwriter's Counsel

$25,000,000
Casa Grande Elementary School District No. 4 of Pinal County, Arizona School Improvement Bonds, Project of 2016, Series A (2017)
Dated: April 12, 2017
Underwriter's Counsel

$31,645,000
Colorado River Union High School District No. 2 of Mohave County, Arizona School Improvement Bonds, Series 2017
Dated: April 13, 2017
Underwriter's Counsel

$4,145,000
Santa Cruz Valley Union High School District No. 840 of Pinal County, Arizona School Improvement Bonds, Project of 2016, Series A (2017)
Dated: April 19, 2017
Underwriter's Counsel

$13,920,000
Blue Ridge Unified School District No. 32 of Navajo County, Arizona School Improvement Bonds, Series 2017
Dated: April 20, 2017
Bond Counsel

Description of firm's services related to the bond election and sale process.

The firm would provide, among others, the following services to the District as bond counsel:

- Consult with the District with respect to all statutory and other requirements relative to any special bond or override election and the ultimate issuance of bonds.
- Prepare all documents (resolution, ballot, notice of election, informational report, etc.) necessary to order and call any special bond or override election.
- Conduct any advisory meetings for election workers.
- Prepare all documents necessary to canvass any bond or override election.
- Prepare all documents necessary to order the sale of bonds.
- Prepare all documents necessary to conduct bond sales.
- Prepare all documents necessary to deliver bonds.
- Provide to the District and the purchaser of bonds a legal opinion approving in all respects the validity and legality of the bonds and the proceedings of the District taken in connection therewith.
- Provide signature and no litigation certificates and transcripts of proceedings.
- Provide to the District and the purchaser of bonds a legal opinion as to the exemption from federal and Arizona income taxation of the interest on the bonds.
- Review the Official Statement of the District with respect to the public offering and sale of bonds.

- If requested by the District, the financial consultant for the District or any purchaser of bonds, provide a legal opinion as to the exemption of the bonds from registration under the Securities Act of 1933 and the Arizona Securities Act.

- Provide above-mentioned services and assist District in satisfying any additional legal requirements should the District elect to sell refunding bonds.

- Provide such other professional services to the District as are customarily provided by bond counsel.

Our services would not include:

- Opinions on financial feasibility, statistical or other financial data.

- Opinions as to enforceability with respect to parties other than the District.

- Post-issuance matters to which we have agreed upon a fixed fee, unless separately engaged.

Unless we agree in writing otherwise, our duties as bond counsel are limited to those set forth above. Without limiting the foregoing, we do not undertake, unless separately engaged, to provide continuing advice to the District concerning any actions necessary to assure that the interest paid on bonds issued by the District will continue to be excluded from gross income for federal income tax purposes. However, if requested by the District, we are available to expand the scope of our representation. Furthermore, we reserve the right to undertake representation of any financial advisor, underwriter or holder or holders of bonds issued by the District, at any time in connection with other transactions unrelated to bonds issued by the District and after the closing in connection with the bonds issued by the District.

A list of references.

We believe that the best evidence of our experience is our reputation with our clients and other municipal finance professionals with whom we work. In that respect, we provide the following references from among our school district clients for your information:

Mr. Kirk Waddle
Business Manager
Mingus Union High School District No. 4
of Yavapai County, Arizona
1801 East Fir Street
Cottonwood, Arizona 86326
Telephone: (928) 634-8901

Mr. Kenneth Hicks
Chief Financial Officer
Peoria Unified School District No. 11
of Maricopa County, Arizona
P.O. Box 39
Peoria, Arizona 85380
Telephone: (623) 486-6006

Mr. Jeff Simmons
Assistant Superintendent of Operations
Buckeye Union High School District No. 210
of Maricopa County, Arizona
1000 East Narramore Avenue
Buckeye, Arizona 85326
Telephone: (623) 322-2285

Ms. Wendy Qualls
Business Manager
Litchfield Elementary School District No. 79
of Maricopa County, Arizona
272 East Sagebrush Street
Litchfield Park, Arizona 85340
Telephone: (623) 535-6032

Ms. Michelle Quiroz
Director of Finance
Sunnyside Unified School District No. 12
of Pima County, Arizona
13801 East Benson Highway
Vail, Arizona 85641
Telephone: (520) 879-2021

Ms. Karla Slovitsky
Business Manager
J.O. Combs Unified School District No. 44
of Pinal County, Arizona
301 East Combs Road
Queen Creek, Arizona 85242
Telephone: (480) 987-5302

Ms. Phyllis Kinder
Chief Operations Officer
Littleton Elementary School District No. 65
of Maricopa County, Arizona
1600 South 107th Avenue
Avondale, Arizona 85323
Telephone: (623) 478-5600

We will be glad to provide others upon request.

We provide the following references from among underwriters with whom we have worked:

Mr. Grant Hamill
Managing Director
Stifel, Nicolaus & Company, Incorporated
2325 East Camelback Road, Suite 750
Phoenix, Arizona 85016

Mr. Larry Given
Managing Director
FirstSouthwest, a Division of Hilltop Securities, Inc.
2398 East Camelback Road, Suite 340
Phoenix, Arizona 85016

Mr. William C. Davis
Managing Director
Piper Jaffray
2525 East Camelback Road, Suite 925
Phoenix, Arizona 85016

Mr. James L. Stricklin
Managing Director
Wedbush Securities
3200 East Camelback Road, Suite 290
Phoenix, Arizona 85018

Ms. Megan Burke
Director
RBC Capital Markets, LLC
2398 East Camelback Road, Suite 700
Phoenix, Arizona 85016

Aside from providing information with regard to situations in which we have acted as bond counsel in this response, we have also provided you with information about the underwriters we have worked with as we feel that is particularly important with regard to providing advice to you with regard to financings for the District. The ability to work with staff of the District and your underwriters successfully is also important to your relationship with the bond rating agencies and, if you chose to insure your bonds, the bond insurance companies.

We have worked intimately in all areas of public finance with the major rating agencies and the major bond insurers in both their east and west coast offices. We would be glad to make references available from each.

We enclose certain other information about the firm for your information. If you desire additional information regarding the firm or specific bond issues on which lawyers in the Public Finance Department are presently working, please do not hesitate to contact me.

Respectfully yours,

Michael Cafiso

ATTACHMENTS:

Appendix A – Signed Notice of Request for Proposal
Appendix B – Completed Cost Form
Appendix C – Offer and Acceptance
Appendix D – Non-Collusion Affidavit
Appendix E – Compliance Statement
Appendix F – Internal Revenue Service Form W-9

APPENDIX A

CHANDLER UNIFIED SCHOOL DISTRICT #80
PURCHASING DEPARTMENT
1525 W. FRYE ROAD
CHANDLER, AZ 85224
(480) 812-7000

NOTICE OF REQUEST FOR PROPOSAL

DATE: **April 27, 2017**

PROPOSAL: **RFP #01-18-22 Legal Bond Counsel**

DUE DATE: **Friday, May 19, 2017 at 11 am local time**

In accordance with School District Procurement Rules in the Arizona Administrative Code (A.A.C.) promulgated by the State Board of Education pursuant to A.R.S. 15-213, Proposals for the material or services specified will be received by the District Purchasing office, at the above specified location, until the time and date cited. Proposals received by the correct time and date shall be opened and only the name of the Offerors shall be publicly read and recorded. All other information contained in the Proposal shall remain confidential until award is made.

Proposals must be sealed and may be presented in person or mailed (no faxed copy will be accepted) at the address listed in this solicitation. Proposals will be time stamped when received. Proposals received after the stated opening time will not be considered and will be returned to the offeror. The offeror assumes the risk of delay in the mail or in the handling of the mail. Whether sent by mail or by means of personal delivery, the offeror assumes the responsibility for having his proposal deposited on time at the place specified. Offers must be marked on the outside of the envelope with the RFP number and title and the submitting company's name. **The District is not responsible for the pre-opening of, post-opening of, or failure to open a solicitation not properly addressed or identified.**

- **Three (3) copies of your Proposal with one (1) marked "Original"; and one (1) electronic copy is requested by the District.**
- **Performance Evaluation Survey received from three (3) past clients return by close of business May 18, 2017**
- **Mailing Label see page 30**

All proposals must be completed in ink or typewritten unless the District elects to allow or require electronic submissions. Additional instructions for preparing a proposal are provided with this notice. Offeror's are strongly encouraged to review the enclosed proposal requirements and specifications as the District reserves the right to accept or reject any or all proposals, waive irregularities and accept any proposal deemed to be in the best interest of the District. The submission of a proposal will indicate that the offeror understands the requirements and specifications and that they can supply the materials, services or construction and meet the required delivery time line as specified.

This proposal is being done by the Chandler Unified School District No. 80 as a member of the Strategic Alliance for Volume Expenditures (SAVE). While this proposal is for the Chandler Unified School District No. 80, other public entities have expressed interest in utilizing the resulting contracts. School District Procurement Rules A.A.C. R7-2-1191 through R7-2-1195 authorizes and governs intergovernmental procurements for school districts. Other public entities have similar authorizations Members of "SAVE", a group of schools/public entities have signed an intergovernmental agreement under such a cooperative purchase agreement to obtain economies of scale. After award, this solicitation may be utilized by the eligible School Districts/public entities, recognizing potential equipment, logistical and capacity limitations by vendor may limit "piggybacking" of this award. Individual public entities would negotiate service with successful vendors using the proposal pricing quoted herein. No volume is implied or guaranteed.

VENDORS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE REQUEST FOR PROPOSAL.

For questions contact: **Michelle Uhlorn at Uhlorn.Michelle@cusd80.com**

MAIL ALL RFP'S TO:
(Label page 30)

CHANDLER UNIFIED SCHOOL DISTRICT #80
PURCHASING DEPARTMENT
1525 W. FRYE ROAD
CHANDLER, AZ 85224
ATTN: RFP #01-18-22

THIS PROPOSAL IS OFFERED BY: Brownstein Hyatt Farber Schreck, LLP, by Michael Gifford
(Name of Company)

APPENDIX B

COST FORM

Provide fixed flat fee per denoted bond limits for type of financings shown.

	Up to 9,999 Million	10 to 24,999 Million	25 to 49,999 Million	50 to 74,999 Million	75 to 99,999 Million	100 Plus Million
New General Obligation Bonds	**SEE ATTACHMENT TO COST FORM**					
Fee						
Refinancing General Obligation Bonds						
Fee						
New Certificates of Participation (Lease Purchase)						
Fee						
Refinancing Certificates of Participation (Lease Purchase)						
Fee						

If charging for additional services, please provide detailed pricing.

SEE ATTACHMENT TO COST FORM

Would you be willing to allow other members of the "SAVE" to piggy-back and purchase from the contract if awarded through this RFP*?

☑ Yes ☐ No

*Your response to this question will not be used as part of the evaluation criteria. It is our intent, as a member of the SAVE, to offer other members the opportunity to save time, effort and paperwork by combining our purchasing power, whenever possible.

Greenberg Traurig, LLP
Name of Company Proposing

May 19, 2017
Date Signed

Authorized Signature/Local Representative
Michael Cafiso, Shareholder

Telephone/Fax Number
(602) 445-8451/(602) 445-8100

Type Name and Position Held with Company

2375 E Camelback Road, Suite 700
Mailing Address

Phoenix
City

AZ
State

85016
Zip

ATTACHMENT TO COST FORM

SCHOOL DISTRICTS

The fees provided in the below table are submitted as dollars per $1,000.00 of proceeds generated from the sale of bonds, with not to exceed and maximum amounts as noted.

	Up to 9,999 Million	10 to 24,999 Million	25 to 49,999 Million	50 to 74,999 Million	75 to 99,999 Million	100 Plus Million
New General Obligation Bonds						
Fee	Not to exceed $25,000	Not to exceed $25,000	Not to exceed $25,000	Not to exceed $0.45	Not to exceed $0.45	Not to exceed $0.45 ($50,000 maximum)
Refinancing General Obligation Bonds						
Fee	Not to exceed $35,000	Not to exceed $35,000	Not to exceed $35,000	Not to exceed $35,000	Not to exceed $0.45	Not to exceed $0.45 ($50,000 maximum)
New Certificates of Participation (Lease Purchase)						
Fee	Not to exceed $35,000	Not to exceed $35,000	Not to exceed $35,000	Not to exceed $35,000	Not to exceed $0.45	Not to exceed $0.45 ($50,000 maximum)
Refinancing Certificates of Participation (Lease Purchase)						
Fee	Not to exceed $45,000	Not to exceed $45,000	Not to exceed $45,000	Not to exceed $45,000	Not to exceed $45,000	Not to exceed $0.45 ($50,000 maximum)

If charging for additional services, please provide detailed pricing.

There will be no charge for override elections for current school district clients with outstanding or planned bond authorizations/programs, otherwise attorney time will be billed at a flat rate of $300 per hour for associates of the firm and $395 per hour for shareholders of the firm, with a maximum of $7,500.00 per override election.

The fees indicated above include one meeting in the county in which the school district is located in connection with the call of a bond or override election and one meeting related to the resolution ordering the sale of the bonds. Additional meetings would be billed at hourly rates with a maximum total of $1,500 per meeting. The firm would also be reimbursed for all "out-of-pocket" expenses such as travel outside Maricopa County, Arizona, filing and recording fees, staff overtime approved by the school district and other direct expenses incurred in connection with services rendered pursuant to the contract to be entered into between the firm and the school district. There will be no charge for routine copying costs, facsimile transmissions or election research such as Westlaw or Lexis. The "out-of-pocket" expenses are estimated not to exceed $500.00 per issue or election. Meals and hotels will not exceed $100 per diem. With the exception of bond election expenses, override election services and "out-of-pocket" expenses such as travel outside of Maricopa County, Arizona, filing and recording fees, staff overtime approved by the school district and other direct expenses incurred by the firm, all compensation to the firm for professional services shall be due only from the proceeds of the sale of the bonds, when, as and if issued and delivered by the school district, unless the school district shall determine that such fees shall be paid from other legally available sources. One billing statement for all fees and expenses would be sent after closing rather than monthly statements. In the event bonds are not issued and delivered by the school district (including because the necessary voter approval was not obtained), no compensation for professional services will be due to the firm. For other transactions, compensation would be paid as negotiated. For research and other legal fees not covered by the foregoing, attorney time will be billed at a flat rate of $300 per hour for associates of the firm and $395 per hour for shareholders of the firm.

MUNICIPALITIES

The fees provided in the below table are submitted as dollars per $1,000.00 of proceeds generated from the sale of the bonds/obligations, with not to exceed and maximum amounts as noted. A discount of not to exceed $5,000.00 would apply to the fees provided in the below table with respect to financings involving the direct sale/private placement of bonds/obligations.

	Up to 9,999 Million	10 to 24,999 Million	25 to 49,999 Million	50 to 74,999 Million	75 to 99,999 Million	100 Plus Million
New General Obligation Bonds						
Fee	Not to exceed $35,000	Not to exceed $35,000	Not to exceed $0.75	Not to exceed $0.75	Not to exceed $0.75	Not to exceed $0.75
Refinancing General Obligation Bonds						
Fee	Not to exceed $45,000	Not to exceed $45,000	Not to exceed $45,000	Not to exceed $0.75	Not to exceed $0.75	Not to exceed $0.75
New Certificates of Participation (Lease Purchase)						
Fee	Not to exceed $50,000	Not to exceed $50,000	Not to exceed $1.50	Not to exceed $1.50	Not to exceed $1.50	Not to exceed $1.50
Refinancing Certificates of Participation (Lease Purchase)						
Fee	Not to exceed $60,000	Not to exceed $60,000	Not to exceed $1.50	Not to exceed $1.50	Not to exceed $1.50	Not to exceed $1.50
New Revenue Obligations						
Fee	Not to exceed $50,000	Not to exceed $50,000	Not to exceed $50,000	Not to exceed $1.00	Not to exceed $1.00	Not to exceed $1.00
Refinancing Revenue Obligations						
Fee	Not to exceed $60,000	Not to exceed $60,000	Not to exceed $60,000	Not to exceed $1.00	Not to exceed $1.00	Not to exceed $1.00

If charging for additional services, please provide detailed pricing.

The fees indicated above include one meeting in the county in which the municipality is located in connection with the call of a bond election and one meeting related to the resolution ordering the sale of the bonds/obligations. Additional meetings would be billed at hourly rates with a maximum total of $1,500 per meeting. The firm would also be reimbursed for all "out-of-pocket" expenses such as travel outside Maricopa County, Arizona, filing and recording fees, staff overtime approved by the municipality and other direct expenses incurred in connection with services rendered pursuant to the contract to be entered into between the firm and the municipality. There will be no charge for routine copying costs, facsimile transmissions or election research such as Westlaw or Lexis. The "out-of-pocket" expenses are estimated not to exceed $500.00 per issue or election. Meals and hotels will not exceed $100 per diem. With the exception of bond election expenses and "out-of-pocket" expenses such as travel outside of Maricopa County, Arizona, filing and recording fees, staff overtime approved by the municipality and other direct expenses incurred by the firm, all compensation to the firm for professional services shall be due only from the proceeds of the sale of the bonds/obligations, when, as and if issued and delivered by the municipality, unless the municipality shall determine that such fees shall be paid from other legally available sources. One billing statement for all fees and expenses would be sent after closing rather than monthly statements. In the event bonds/obligations are not issued and delivered by the municipality, no compensation for professional services will be due to the firm. For other transactions, compensation would be

paid as negotiated. For research and other legal fees not covered by the foregoing, attorney time will be billed at a flat rate of $300 per hour for associates of the firm and $395 per hour for shareholders of the firm.

For assistance with financing involving title or real estate issues or water company acquisitions, land based security or other circumstances requiring a significantly higher degree of complexity or effort (e.g., requests to attend an unusually large number of meetings) the firm would negotiate a fair amount of additional compensation with the municipality.

COUNTIES

The fees provided in the below table are submitted as dollars per $1,000.00 of proceeds generated from the sale of the bonds/obligations, with not to exceed and maximum amounts as noted. A discount of not to exceed $5,000.00 would apply to the fees provided in the below table with respect to financings involving the direct sale/private placement of bonds/obligations.

	Up to 9,999 Million	10 to 24,999 Million	25 to 49,999 Million	50 to 74,999 Million	75 to 99,999 Million	100 Plus Million
New General Obligation Bonds						
Fee	Not to exceed $35,000	Not to exceed $35,000	Not to exceed $0.75	Not to exceed $0.75	Not to exceed $0.75	Not to exceed $0.75
Refinancing General Obligation Bonds						
Fee	Not to exceed $45,000	Not to exceed $45,000	Not to exceed $45,000	Not to exceed $0.75	Not to exceed $0.75	Not to exceed $0.75
New Certificates of Participation (Lease Purchase)						
Fee	Not to exceed $55,000	Not to exceed $55,000	Not to exceed $1.50	Not to exceed $1.50	Not to exceed $1.50	Not to exceed $1.50
Refinancing Certificates of Participation (Lease Purchase)						
Fee	Not to exceed $65,000	Not to exceed $65,000	Not to exceed $1.50	Not to exceed $1.50	Not to exceed $1.50	Not to exceed $1.50
New Revenue Obligations						
Fee	Not to exceed $55,000	Not to exceed $55,000	Not to exceed $55,000	Not to exceed $1.00	Not to exceed $1.00	Not to exceed $1.00
Refinancing Revenue Obligations						
Fee	Not to exceed $65,000	Not to exceed $65,000	Not to exceed $65,000	Not to exceed $1.00	Not to exceed $1.00	Not to exceed $1.00

If charging for additional services, please provide detailed pricing.

The fees indicated above include one meeting in the county in connection with the call of a bond election and one meeting related to the resolution ordering the sale of the bonds/obligations. Additional meetings would be billed at hourly rates with a maximum total of $1,500 per meeting. The firm would also be reimbursed for all "out-of-pocket" expenses such as travel outside Maricopa County, Arizona, filing and recording fees, staff overtime approved by the county and other direct expenses incurred in connection with services rendered pursuant to the contract to be entered into between the firm and the county. There will be no charge for routine copying costs, facsimile transmissions or election research such as Westlaw or Lexis. The "out-of-pocket" expenses are estimated not to exceed $500.00 per issue or election. Meals and hotels will not exceed $100 per diem. With the exception of bond election expenses and "out-of-pocket" expenses such as travel outside of Maricopa County, Arizona, filing and recording fees, staff overtime approved by the county and other direct expenses incurred by the firm, all compensation to the firm for professional services shall be due only from the proceeds of the sale of the bonds/obligations, when, as and if issued and delivered by the county, unless the county shall determine that such fees shall be paid from other legally available sources. One billing statement for all fees and expenses would be sent after closing rather than monthly statements. In the event bonds/obligations are not issued and delivered by the county, no compensation for professional

services will be due to the firm. For other transactions, compensation would be paid as negotiated. For research and other legal fees not covered by the foregoing, attorney time will be billed at a flat rate of $300 per hour for associates of the firm and $395 per hour for shareholders of the firm.

For assistance with financing involving title or real estate issues or water company acquisitions, land based security or other circumstances requiring a significantly higher degree of complexity or effort (e.g., requests to attend an unusually large number of meetings) the firm would negotiate a fair amount of additional compensation with the county.

APPENDIX C

CHANDLER UNIFIED SCHOOL DISTRICT #80

PURCHASING DEPARTMENT
1525 W. FRYE ROAD
CHANDLER, AZ 85224
(480) 812-7000

OFFER AND ACCEPTANCE

RFP #01-18-22

The Undersigned hereby submits the Proposal/Proposals and agrees to furnish the material, service or construction in compliance with all terms, conditions, specifications, and amendments in the Solicitation and any written exceptions in the Proposal/Proposals.

Arizona Transaction (Sales) Privilege Tax License No.:

N/A

Federal Employer Identification No. 13-3613083

Tax Rate: N/A

Greenberg Traurig, LLP
Company Name

2375 E. Camelback Road
Address

Phoenix AZ 85016
City State Zip

For clarification of this Proposal, contact:

Name: Michael Cafiso

Phone: (602) 445-8451

Fax: (602) 445-8100

E-Mail: cafisom@gtlaw.com

Signature of Person Authorized to Sign Proposal

Michael Cafiso
Printed Name

Shareholder
Title

CERTIFICATION

By signature in the Offer section above, the Offeror certifies:

1. The submission of the Proposal did not involve collusion or other anti-competitive practices.
2. The Offeror shall not discriminate against any employee or applicant for employment in violation of State Executive Order 99-4, 2000-4 or A.R.S. § 41-1461 through 1465.
3. The Offeror has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted Proposal. Failure to provide a valid signature affirming the stipulations required by this clause shall result in rejection of the Proposal. Signing the Proposal with a false statement shall void the Proposal, any resulting contract and may be subject to legal remedies provided by law.
4. The Offeror warrants that it and all proposed subcontractors will maintain compliance with the Federal Immigration and Nationality Act (FINA), A.R.S. § 41-4401 and A.R.S. § 23-214 and all other Federal immigration laws and regulations related to the immigration status of its employees which requires compliance with Federal immigration laws by employers, contractors and subcontractors in accordance with the E-Verify Employee Eligibility Verification Program.
5. In accordance with A.R.S. § 35-392, the Offeror is in compliance and shall remain in compliance with the Export Administration Act.
6. In accordance with A.R.S. § 15-512, the Offeror shall comply with fingerprinting requirements unless otherwise exempted.
7. By submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
8. By submission of this proposal, that no Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a Cooperative Agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.

ACCEPTANCE

The Proposal is hereby accepted.

The Contractor is now bound to sell the materials or services listed by the attached contract and based upon the solicitation, including all terms, conditions, specifications, amendments, etc., and the Contractor's Proposal as accepted by the School District.

This contract shall henceforth be referred to as Contract No. _____.

The Contractor has been cautioned not to commence any billable work or to provide any material or service under this contract until Contractor receives a purchase order, contract release document, or written notice to proceed.

Awarded this_____ day of_____20_____

_____
Authorized Signature

APPENDIX D

NON-COLLUSION AFFIDAVIT

State of Arizona)
) ss.
County of Maricopa)

Michael Cafiso, affiant,

the Shareholder
(Title)

Greenberg Traurig, LLP
(Contractor/Offeror)

the persons, corporation, or company who makes the accompanying Proposal, having first been duly worn, deposes and says:

That such Proposal is genuine and not sham or collusive, nor made in the interest of, or behalf of, any persons not herein named, and that the Offeror has not directly or indirectly induced or solicited any other Offeror to put in a sham Proposal, or any other person, firm or corporation to refrain from submitting a Proposal, and that the Offeror has not in any manner sought by collusion to secure for itself an advantage over any other Offeror.

Michael Cafiso

Shareholder
(Title)

Subscribed and sworn to before me

this 19th day of May, 2017

Anna Cardona
Signature of Notary Public in and for the

State of Arizona

County of Maricopa

Anna Cardona
Notary Public
Maricopa County, Arizona
My Comm. Expires 08-28-2020

APPENDIX E

CHANDLER UNIFIED SCHOOL DISTRICT #80

PURCHASING DEPARTMENT
1525 W. FRYE ROAD
CHANDLER, AZ 85224
(480) 812-7000

COMPLIANCE STATEMENT
RFP #01-18-22

Vendors/Contractors requesting to do business with Chandler Unified School District and accepting a purchase order for supplies or services **MUST sign** below verifying compliance with the identified state laws, in order for the transaction to take place. Failure to maintain compliance with these provisions will be considered a material breach of contract subject to penalties up to and including termination of the contract.

1. **Federal Immigration and Nationality Act**
By submitting and offer or renewing a contract with Chandler Unified School District, the signer warrants that it and all proposed subcontractors are in compliance with: 1) Federal Immigration and Nationality Act (FINA), A.R.S. § 41-4401 and A.R. S. §23-214 and all other Federal immigration laws and regulations related to the immigration status of its employees. The signer shall obtain statements from all subcontractors certifying compliance with this requirement and shall furnish the statements to the District Procurement Officer upon request.

2. **Terrorism Country Divestments**
In accordance with A.R.S. § 35-392, Chandler Unified School District is prohibited from purchasing from a company that is in violation of the Export Administration Act. By entering into a contract, a vendor/contractor warrants compliance with the Export Administration Act.

1. **Contracting; Prohibition; Exception**
In accordance with A.R.S. § 35-393.01, a public entity may not enter into a contract with a company to acquire or dispose of services, supplies, information technology or construction unless the contract includes a written certification that the company is not currently engaged in, and agrees for the duration of the contract to not engage in, a boycott of Israel. This does not apply if the company offers to provide the services, supplies, information technology or construction for at least twenty percent less than each other qualified company or if the contract is less than one thousand dollars.

4. **Fingerprint Clearance Card Requirement**
A contractor, subcontractor or vendor who is contracted to provide services on a regular basis on District property must obtain a valid fingerprint clearance card pursuant to A.R.S. 41-1758 et. seq. The superintendent may exempt from this requirement a contractor; subcontractor or vendor whom the superintendent has determined is not likely to have independent access or unsupervised contact with students as a part of the contractor's normal job duties while performing service to a school or the district. The signer warrants compliance with this law. Fingerprints can be provided through your local law enforcement agency.

_____If the signer is requesting exempt status, initial here and submit attached Exemption Justification Form with the Compliance Statement. **(If you are an out-of-state vendor or only deliver to the warehouse, do not initial this statement.)**

Vendor/Contractor acknowledges that the School district retains the legal right to inspect the papers of any contractor, subcontractor, vendor or employee of same who works on the contract to ensure compliance with the above requirements. The vendor/contractor shall facilitate this inspection process by giving prior notice to their employees and supervisors.

Greenberg Traurig, LLP
Company Name

May 19, 2017
Date

(602) 445-8451
Phone Number

Authorized Company Signature

Michael Cafiso
Printed or Typed Name Above

Shareholder
Title

APPENDIX F

Internal Revenue Service Form W-9

Form **W-9**
(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Greenberg Traurig

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification; check only one of the following seven boxes:
☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☑ Partnership ☐ Trust/estate
☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶
Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.
☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
Exempt payee code (if any)
Exemption from FATCA reporting code (if any)
(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.)
2375 E. Camelback Road, Suite 700

Requester's name and address (optional)

6 City, state, and ZIP code
Phoenix, AZ 85016

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number
[ ][ ][ ] - [ ][ ] - [ ][ ][ ][ ]

or

Employer identification number
1 3 - 3 6 1 3 0 8 3

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here | **Signature of U.S. person** ▶ Debbie Wilderson | **Date** ▶ April 4, 2016

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at *www.irs.gov/fw9*.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

8. F.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Rick Tadder, Management Services Director
Date:	05/27/2020
Meeting Date:	06/02/2020

TITLE:

Consideration and Adoption of Resolution No. 2020-29: A resolution of the City of Flagstaff, Arizona Mayor and Common Council, designating the Chief Fiscal Officer for officially submitting the Fiscal Year 2020 expenditure limitation report to the Arizona Auditor General

STAFF RECOMMENDED ACTION:

1) Read Resolution No. 2020-29 by title only
2) City Clerk reads Resolution No. 2020-29 by title only (if approved above)
3) Adopt Resolution No.2020-29

Executive Summary:

Staff is asking for Council adoption of this resolution to comply with Arizona Revised Statute 41-1279.07. The City is required to annually designate a Chief Fiscal Officer for the City to comply with expenditure limitation reporting.

Financial Impact:

There is no fiscal impact related to adopting this resolution.

Policy Impact:

There is no policy impact related to adopting this resolution. It is intended to follow state statute requirements.

Connection to Council Goal, Regional Plan, CAAP, and/or Strategic Plan:

None.

Has There Been Previous Council Decision on This:

No.

Options and Alternatives:

1. Approve the Resolution as submitted.
2. Amend the Resolution and designate a different city staff member as the Chief Fiscal Officer

Background/History:

Per Arizona Revised Statute 41-1279.07 the city is required to designate a Chief Fiscal Officer annually for expenditure limitation reporting. Section E reads, "The governing body of each political subdivision shall provide to the auditor general by July 31 each year the name of the chief fiscal officer designated by the governing body of the political subdivision to officially submit the current fiscal year's expenditure limitation report on behalf of the governing body. The governing body of the political subdivision shall notify the auditor general of any changes of individuals designated to file the required reports. The designated chief fiscal officer shall certify to the accuracy of the annual expenditure limitation report."

On September 15, 2015, Rick Tadder was appointed the City Treasurer by Resolution 2015-32. Therefore, designating the City Treasurer as the Chief Fiscal Officer fits within the duties of this position.

Staff was not familiar with this requirement and did not seek this designation by Council for the Fiscal Year 2019-20 reporting year. Therefore, we will be submitting a resolution for this fiscal year and next fiscal year.

Attachments: Res. 2020-29

RESOLUTION NO. 2020-29

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, DESIGNATING THE CHIEF FISCAL OFFICER FOR OFFICIALLY SUBMITTING THE FISCAL YEAR 2020 EXPENDITURE LIMITATION REPORT TO THE ARIZONA AUDITOR GENERAL

RECITALS:

WHEREAS, A.R.S. §41-1279.07(E) requires each county, city, town, and community college district to annually provide to the Auditor General by July 31 the name of the Chief Fiscal Officer the governing body designated to officially submit the current year's annual expenditure limitation report (AELR) on the governing body's behalf; and

WHEREAS, the City of Flagstaff Mayor and Council desire to designate Rick Tadder, as the City's Chief Fiscal Officer; and

WHEREAS, Entities must submit an updated form and documentation for any changes in the individuals designated to file the AELR.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. Rick Tadder is hereby designated as the City's Chief Fiscal Officer for purposes of submitting the fiscal year 2020 AELR to the Arizona Auditor General's Office on the governing body's behalf.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 2nd day of June, 2020.

_____
MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

8. G.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Rick Tadder, Management Services Director
Date:	05/27/2020
Meeting Date:	06/02/2020

TITLE:

Consideration and Adoption of ~~Ordinance/~~Resolution No. 2020-30: A resolution of the City of Flagstaff, Arizona Mayor and Common Council designating the Chief Fiscal Officer for officially submitting the fiscal year 2021 expenditure limitation report to the Arizona Auditor General

STAFF RECOMMENDED ACTION:

1) Read Resolution No. 2020-30 by title only
2) City Clerk reads Resolution No. 2020-30 by title only (if approved above)
3) Adopt Resolution No. 2020-30

Executive Summary:

Staff is asking for Council adoption of this resolution to comply with Arizona Revised Statute 41-1279.07. The City is required to annually designate a Chief Fiscal Officer for the City to comply with expenditure limitation reporting.

Financial Impact:

There is no fiscal impact related to adopting this resolution.

Policy Impact:

There is no policy impact related to adopting this resolution. It is intended to follow state statute requirements.

Connection to Council Goal, Regional Plan, CAAP, and/or Strategic Plan:

None.

Has There Been Previous Council Decision on This:

No.

Options and Alternatives:

1. Approve the Resolution as submitted.
2. Amend the Resolution and designate a different city staff member as the Chief Fiscal Officer

Background/History:

Per Arizona Revised Statue 41-1279.07 the city is required to designate a Chief Fiscal Officer annually for expenditure limitation reporting. Section E reads, "The governing body of each political subdivision shall provide to the auditor general by July 31 each year the name of the chief fiscal officer designated by the governing body of the political subdivision to officially submit the current fiscal year's expenditure limitation report on behalf of the governing body. The governing body of the political subdivision shall notify the auditor general of any changes of individuals designated to file the required reports. The designated chief fiscal officer shall certify to the accuracy of the annual expenditure limitation report."

On September 15, 2015, Rick Tadder was appointed the City Treasure by Resolution 2015-32. Therefore, designating the City Treasure as the Chief Fiscal Officer fits within the duties of this position.

Attachments: Res. 2020-30

RESOLUTION NO. 2020-30

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, DESIGNATING THE CHIEF FISCAL OFFICER FOR OFFICIALLY SUBMITTING THE FISCAL YEAR 2021 EXPENDITURE LIMITATION REPORT TO THE ARIZONA AUDITOR GENERAL

RECITALS:

WHEREAS, A.R.S. §41-1279.07(E) requires each county, city, town, and community college district to annually provide to the Auditor General by July 31 the name of the Chief Fiscal Officer the governing body designated to officially submit the current year's annual expenditure limitation report (AELR) on the governing body's behalf; and

WHEREAS, the City of Flagstaff Mayor and Council desire to designate Rick Tadder, as the City's Chief Fiscal Officer; and

WHEREAS, Entities must submit an updated form and documentation for any changes in the individuals designated to file the AELR.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. Rick Tadder is hereby designated as the City's Chief Fiscal Officer for purposes of submitting the fiscal year 2021 AELR to the Arizona Auditor General's Office on the governing body's behalf.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 2nd day of June, 2020.

_____
MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Brandi Suda, Finance Director
Co-Submitter:	Heidi Derryberry, Assistant Finance Director
Date:	05/27/2020
Meeting Date:	06/02/2020

TITLE:

Consideration and Adoption of Resolution No. 2020-31: A resolution of the Council of the City of Flagstaff, Arizona adopting the tentative estimates of the amounts required for the public expense for the City of Flagstaff for Fiscal Year 2020-2021; adopting a Tentative Budget; setting forth the receipts and expenditures; the amount proposed to be raised by direct property taxation; giving notice of the time for hearing taxpayers, for adopting of Budget and for fixing the tax levies. ***(Adopt Tentative Budget for City FY 2020-2021)***

STAFF RECOMMENDED ACTION:

1) Read Resolution No. 2020-31 by title only
2) City Clerk reads Resolution No. 2020-31 by title only (if approved above)
3) Adopt Resolution No. 2020-31

Executive Summary:

Arizona Revised Statutes (Sections 42-17101, 42-17102, and 42-17105) require that each municipality adopt and publish, in a specified format, a tentative budget. The adoption of the tentative budget has the effect of establishing an amount that cannot be exceeded in the final adoption of the budget.

Furthermore, the adoption of the tentative budget sets into motion a legally mandated time sequence of actions to which the Council must adhere to adopt a final budget and to levy property taxes.

Financial Impact:

The tentative budget must be adopted to set the appropriate sequence of events in place for final budget adoption.

Policy Impact:

The Fiscal Year (FY) 2020-2021 budget is the guiding document for the financial plan of the City.

Connection to Council Goal, Regional Plan, CAAP, and/or Strategic Plan:

The adoption of the Annual Budget and Financial Plan provides Council direction and financial resources to support the Council Goals, Regional Plan and Team Flagstaff Strategic Plans.

Has There Been Previous Council Decision on This:

- September Priority Based Budget Retreat on September 24, 2019
- December Council Retreat on December 5, 2019
- February Budget Retreat on February 3, 2020, and February 4, 2020
- Council Budget Work Session on April 23, 2020, and April 24, 2020

Options and Alternatives:

The City may delay the tentative budget adoption until no later than the 3rd Monday in July. While the City would be able to continue operations through a Continuing Disclosure resolution, the City would not be able to commit to any expenditures directly related to the FY 2020-2021 budget.

Background/History:

The budget is generally presented for tentative adoption in late May or early June to assure funding is appropriated within Council Priorities and Objectives at the beginning of the fiscal year.

At the September Council Priority Based Budget retreat, Council reviewed and updated the Council Priorities and Objectives. These Priorities and Objectives were used to develop the FY 2020-2021 proposed budget. During the February 2020 budget retreat, Council provided further direction on the FY 2020-2021 proposed budget based on the Council Priorities and Objectives. During the April 2020 budget work session, Council provided additional requests, and they are included in the budget. After the April budget work session, divisions provided revised year-end estimates and carryover of funding primarily for capital projects.

Key Considerations:

The adoption of the tentative budget sets into motion a legally mandated time sequence of actions to which the Council must adhere to adopt a final budget and to levy property taxes. If this time sequence is not met as required by statute, the tentative adoption, final adoption of the budget and property tax levy actions, and related publications must be started over.

The process is prescribed through the Arizona Revised Statutes. The tentative budget must be adopted no later than the 3rd Monday in July. The schedules for Council budget and property tax levy actions are as follows:

- June 2, 2020 - Tentative adoption of the budget by Council??????
- June 16, 2020 - Proposed budget and property tax levy public hearing
- June 16, 2020 - Final budget adoption (done in a Special Meeting)
- June 16, 2020 - First reading of property tax ordinance
- July 7, 2020 - Final reading and adoption of the property tax ordinance

Expanded Financial Considerations:

Funds must be appropriated to allow for expenditures to occur. The tentative budget must be adopted to set the appropriate sequence of events in place for final budget adoption.

The proposed budget was built on revenue estimates prior to the COVID-19 pandemic. Staff will be seeking adoption of the budget based on these estimates to set the maximum allowable expenditures. While revenues may be less than the adopted budget, we do not currently have data to support specific declines. The City could always spend less than the adopted budget, however we cannot exceed budget even if revenues are higher the adopted.

In April 2020 the City Council adopted a 2020 Economic Recession Plan ("Recession Plan"). The City will use the Recession Plan for guidance in expenditure reduction measures to ensure we stay within the

revenue resources we receive as a result of the current financial uncertainties related to the COVID-19 flu pandemic. The City is closely monitoring financial revenue data as received in order that the City may make appropriate spending decisions.

Community Benefits and Considerations:

The Community has the opportunity to present any questions or concerns regarding the budget before the final budget adoption occurs in June.

Community Involvement:

Inform and Involve: The Community has the opportunity to be involved at the public hearing held in conjunction with final adoption. Citizens are welcome to attend Council Budget retreats. The City Manager's recommended budget was discussed during the Council Budget Retreat on April 23 and 24, 2020. Public participation was available. Notice of the proposed change in the primary property tax and a public hearing is posted on City social media per A.R.S. Section 9-499.15 and is being published per the A.R.S. Section 42-17107 "truth in taxation" requirements. Notice of the estimates of the revenues and expenses and a public hearing is being distributed and published per A.R.S. Section 42-17103.

Attachments: Res. 2020-31
FY 2020-21 Tentative Budget
Tentative Budget Presentation

RESOLUTION NO. 2020-31

A RESOLUTION OF THE COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA ADOPTING THE TENTATIVE BUDGET FOR THE CITY OF FLAGSTAFF FOR FISCAL YEAR 2020-2021

RECITALS:

WHEREAS, in accordance with the provisions of A.RS. Title 42, Chapter 17, Articles 1 - 5, the City Council did, on June 2, 2020 make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property within the City of Flagstaff; and

WHEREAS, in accordance with said sections of said Title, and following due public notice, the Council met on June 2, 2020, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses or tax levies; and

WHEREAS, it appears that publication has been duly made as required by law, of said estimates together with a notice that the City Council would meet on June 16, 2020, in the City Council Chambers at City Hall for the purpose of hearing taxpayers and making tax levies as set forth in said estimates; and

WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in A.RS. 42-17051 (A).

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. That the accompanying statements and exhibits attached to this Resolution as Schedules A, B, C, D, E, F and G are incorporated herein by this reference, and are hereby adopted as the tentative budget for the City of Flagstaff for the fiscal year 2020-2021.

SECTION 2. That the City Clerk be, and she hereby is, authorized and directed to publish in the manner prescribed by law the estimates of expenditures as set forth in Schedules A, B, C, D, E, F, and G together with a notice that the Council will meet on June 16, 2020, for the purpose of final hearing of taxpayers and for adoption of the 2020-2021 Annual Budget for the City of Flagstaff with the final reading and adoption of the property tax ordinance on the 7th day of July, 2020, at 3:00 p.m.

SECTION 3. Upon the recommendation by the Manager and with the approval of the Council, expenditures may be made from the appropriation for contingencies. The transfers of any sums within any specific appropriation may be made only upon the approval of the Council.

SECTION 4. Money from any fund may be used for any of these appropriations, except money specifically restricted by State Law or by City Ordinance or Resolution.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 2nd day of June, 2020.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

Exhibits:
Schedule A – Summary schedule of Estimated Revenues and Expenditures/Expenses
Schedule B – Tax Levy and Tax Rate Information
Schedule C – Revenues Other Than Property Taxes
Schedule D – Other Financing Sources/(Uses) and Interfund Transfers
Schedule E – Expenditures/Expenses by Fund
Schedule F – Expenditures/Expenses by Division (as applicable)
Schedule G – Full-Time Employees and Personnel Compensation

Official Budget Forms
City of Flagstaff
Fiscal Year 2021

City of Flagstaff

Table of Contents

Fiscal Year 2021

Resolution for the Adoption of the Budget

Schedule A – Summary schedule of Estimated Revenues and Expenditures/Expenses

Schedule B – Tax Levy and Tax Rate Information

Schedule C – Revenues Other Than Property Taxes

Schedule D – Other Financing Sources/(Uses) and Interfund Transfers

Schedule E – Expenditures/Expenses by Fund

Schedule F – Expenditures/Expenses by Division (as applicable)

Schedule G – Full-Time Employees and Personnel Compensation

City of Flagstaff
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2020-2021

The final opportunity for public input on the City of Flagstaff Fiscal Year 2020-2021 budget will occur on June 16, 2020 at the 3:00 PM City Council meeting
In-person audiences have been suspended until further notice - public participation comments can be submitted to publiccomment@flagstaffaz.gov
The budget may be reviewed at the City of Flagstaff in the City Clerks Office, 211 West Aspen Avenue, Flagstaff, AZ 86001
or the official website "flagstaff.az.gov" or by request

Fiscal Year		Sch	Funds							
			General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Permanent Fund	Enterprise Funds	Internal Service Funds	Total All Funds
2020	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	74,623,301	79,210,888	7,390,028	33,885,094	0	84,855,761	0	279,965,072
2020	Actual Expenditures/Expenses**	E	69,447,035	52,141,749	7,020,714	17,058,517	0	60,338,903	0	206,006,918
2021	Fund Balance/Net Position at July 1***		33,112,020	66,623,683	7,283,897	6,846,318	343,434	70,674,322	0	184,883,674
2021	Primary Property Tax Levy	B	6,952,496	0	0	0		0	0	6,952,496
2021	Secondary Property Tax Levy	B	0	0	7,406,121	0		0	0	7,406,121
2021	Estimated Revenues Other than Property Taxes	C	62,849,958	56,615,644	10,000	2,892,000	14,126	77,095,515	0	199,477,243
2021	Other Financing Sources	D	0	0	130,000,000	10,000,000	0	22,000,000	0	162,000,000
2021	Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2021	Interfund Transfers In	D	4,157,395	15,290,765	9,380,836	637,938	0	2,123,205	0	31,590,139
2021	Interfund Transfers (Out)	D	4,461,427	17,153,040	7,500,845	30,075	0	2,444,752	0	31,590,139
2021	Reduction for Amounts Not Available									
Less:	Amounts for Future Debt Retirement									0
										0
										0
										0
2021	Total Financial Resources Available		102,610,442	121,377,052	146,580,009	20,346,181	357,560	169,448,290	0	560,719,534
2021	Budgeted Expenditures/Expenses	E	81,689,749	94,938,326	129,380,836	20,346,181	0	124,333,224	0	450,688,316

Expenditure Limitation Comparison	2020	2021
1. Budgeted Expenditures/Expenses	$ 338,853,866	$ 450,688,316
2. Add/Subtract: Estimated Net Reconciling Items	0	0
3. Budgeted Expenditures/Expenses Adjusted for Reconciling Items	338,853,866	450,688,316
4. Less: Estimated Exclusions	176,806,537	282,359,084
5. Amount Subject to the Expenditure Limitation	$ 162,047,329	$ 168,329,232
6. EEC Expenditure Limitation	$ 162,133,141	$ 168,625,388

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes expenditure/expense adjustments approved in the current year from Schedule E.
** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.
*** Amounts on this line represent fund balance/net position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

City of Flagstaff
Expenditure Limitation and
Tax Levy Information
Fiscal Year 2020-2021

	Estimate* FY 2019-2020	Budget FY 2020-2021
Expenditure Limitation [Economic Estimates Commission]		$ 168,625,388
Total Estimated Expenditures Subject to Expenditure Limitation		
1. Maximum Allowable Primary Property Tax Levy [ARS 42-17051.A] rev 6/06 HB 2876	$ 6,892,243	$ 7,091,361
2. Amount Received from Primary Property Taxation in FY 2019-2020 in Excess of the Sum of that Year's Maximum Allowable Primary Property Tax Levy [ARS 42-17102.A.18]	$ -	
3. Property Tax Levy Amounts		
A. Primary Property Taxes	$ 6,892,243	$ 6,952,496
B. Secondary Property Taxes	7,268,436	7,406,121
C. Total Property Tax Levy Amount	$ 14,160,679	$ 14,358,617
4. Property Taxes Collected (Estimated)		
A. Primary Property Taxes:		
(1) FY 2019-2020 Levy	$ 6,792,243	
(2) Prior Years' Levies	100,000	
(3) Total Primary Property Taxes Collected	6,892,243	
B. Secondary Property Taxes:		
(1) FY 2019-2020 Levy	7,268,436	
(2) Total Secondary Property Taxes Collected	7,268,436	
C. Total Property Taxes Collected	$ 14,160,679	
5. Property Tax Rates		
A. City of Flagstaff Tax Rate:		
(1) Primary Property Tax Rate	0.7933	0.7510
(2) Secondary Property Tax Rate	0.8366	0.8000
(3) Total City Tax Rate	1.6299	1.5510

B. Special Assessment District Tax Rates:
As of the date of the proposed budget, the City was operating one special assessment district for which secondary property taxes are levied. For information pertaining to this district and its tax rates, please contact the City Finance section.

* Includes actual property taxes collected as of the date the proposed budget was prepared plus estimated property tax

City of Flagstaff
Summary by Fund of Revenues Other Than Property Taxes
Fiscal Years 2019-2020 and 2020-2021
(With Actuals for Fiscal Year 2018-2019)

Source of Revenues	Actual Revenues 2018-2019	Budgeted Revenues 2019-2020	Estimated Revenues 2019-2020	Budgeted Revenues 2020-2021	Change (Bdgt-Bdgt)	% Change
General Fund						
Local Taxes						
City Sales Tax	$ 20,380,239	22,781,468	21,612,806	22,146,670	(634,798)	(2.79%)
Franchise Tax	2,446,663	2,585,889	2,425,000	2,471,500	(114,389)	(4.42%)
Licenses and Permits						
Business Licenses	44,102	30,000	30,000	30,000	-	0.00%
Building Permits	2,219,361	1,650,000	2,100,000	1,702,500	52,500	3.18%
Other Licenses and Permits	1,026,626	1,026,716	1,076,880	1,153,764	127,048	12.37%
Intergovernmental						
State Income Tax Sharing	8,716,163	9,451,184	9,564,600	10,669,590	1,218,406	12.89%
State Shared Sales Tax	7,256,536	7,182,893	7,400,000	7,486,395	303,502	4.23%
Auto Lieu Tax	3,427,640	3,237,360	3,500,000	3,540,863	303,503	9.38%
Federal Grants	1,004,934	2,355,526	1,203,290	4,104,504	1,748,978	74.25%
State/Local Grants	673,520	2,849,453	2,674,423	1,466,978	(1,382,475)	(48.52%)
Local Intergovernmental Agreements	1,214,580	1,257,668	1,257,668	1,133,160	(124,508)	(9.90%)
Charges for Services						
Community Development	931,171	730,800	810,500	745,500	14,700	2.01%
Parks and Recreation	1,602,015	1,622,870	1,622,870	1,610,870	(12,000)	(0.74%)
Public Safety	812,059	732,817	792,317	741,506	8,689	1.19%
Cemetery/General Government	157,677	180,950	181,150	182,937	1,987	1.10%
Fines and Forfeits	1,416,061	1,420,489	1,428,639	1,458,855	38,366	2.70%
Investment Earnings	598,820	371,837	500,702	422,751	50,914	13.69%
Miscellaneous	1,614,162	1,820,497	1,960,614	1,781,615	(38,882)	(2.14%)
Total General Fund	55,542,329	61,288,417	60,141,459	62,849,958	1,561,541	2.55%
Special Revenue Funds						
Housing and Community Services Fund						
Intergovernmental						
Federal Grants	697,273	993,899	562,359	1,359,953	366,054	36.83%
State Grants	93,691	1,080,000	1,080,000	900,000	(180,000)	(16.67%)
Investment Earnings	17,389	-	17,133	4,000	4,000	100.00%
Sale of Real Property	68,016	-	-	-	-	0.00%
Miscellaneous	151,781	-	65,801	-	-	0.00%
Total Housing and Comm Svcs Fund	1,028,150	2,073,899	1,725,293	2,263,953	190,054	9.16%
Metro Planning Organization Fund						
Intergovernmental						
Federal Grants	414,963	1,150,886	1,148,519	-	(1,150,886)	(100.00%)
Miscellaneous	5,000	505,000	5,000	-	(505,000)	(100.00%)
Total Metro Planning Organization Fund	419,963	1,655,886	1,153,519	-	(1,655,886)	(100.00%)
Library Fund						
Intergovernmental						
Federal Grants	38,391	55,000	55,000	55,000	-	0.00%
State/Local Grants	63,480	-	-	-	-	0.00%
Library District Taxes	3,536,147	3,888,971	3,558,962	3,738,235	(150,736)	(3.88%)
Investment Earnings	64,095	38,381	66,824	67,158	28,777	74.98%
Miscellaneous	77,349	41,000	41,000	41,000	-	0.00%
Total Library Fund	3,779,462	4,023,352	3,721,786	3,901,393	(121,959)	(3.03%)

City of Flagstaff
Summary by Fund of Revenues Other Than Property Taxes
Fiscal Years 2019-2020 and 2020-2021
(With Actuals for Fiscal Year 2018-2019)

Source of Revenues	Actual Revenues 2018-2019	Budgeted Revenues 2019-2020	Estimated Revenues 2019-2020	Budgeted Revenues 2020-2021	Change (Bdgt-Bdgt)	% Change
Highway User Revenue Fund						
Intergovernmental						
Federal Grants	$ 235	-	-	-	-	0.00%
Highway User Tax	8,463,878	8,619,609	8,869,609	8,958,305	338,696	3.93%
Licenses and Permits	45,870	-	-	-	-	0.00%
Investment Earnings	133,403	15,000	41,000	18,000	3,000	20.00%
Miscellaneous	346,727	2,336,458	-	2,336,458	-	0.00%
Total Highway User Revenue Fund	8,990,113	10,971,067	8,910,609	11,312,763	341,696	3.11%
Transportation Fund						
Transportation Tax	20,766,231	26,911,206	25,516,880	26,058,162	(853,044)	(3.17%)
Intergovernmental						
Federal Grants	-	-	-	451,656	451,656	100.00%
State/Local Grants	-	-	-	100,000	100,000	100.00%
Investment Earnings	649,370	197,000	659,200	174,000	(23,000)	(11.68%)
Miscellaneous	118,611	-	-	-	-	0.00%
Total Transportation Fund	21,534,212	27,108,206	26,176,080	26,783,818	(324,388)	(1.20%)
FUTS Fund						
Investment Earnings	68,263	19,000	65,200	15,000	(4,000)	(21.05%)
Total FUTS Fund	68,263	19,000	65,200	15,000	(4,000)	(21.05%)
Beautification Fund						
BBB Tax	1,767,866	1,845,000	1,820,000	1,865,500	20,500	1.11%
Investment Earnings	109,480	30,000	100,000	37,000	7,000	23.33%
Miscellaneous	(5,025)	-	-	-	-	0.00%
Total Beautification Fund	1,872,321	1,875,000	1,920,000	1,902,500	27,500	1.47%
Economic Development Fund						
BBB Tax	840,050	876,375	864,500	886,113	9,738	1.11%
Investment Earnings	18,612	7,486	15,730	8,279	793	10.59%
Miscellaneous	366,188	431,246	393,672	419,804	(11,442)	(2.65%)
Total Economic Development Fund	1,224,850	1,315,107	1,273,902	1,314,196	(911)	(0.07%)
Tourism Fund						
BBB Tax	2,652,694	2,767,500	2,730,000	2,798,250	30,750	1.11%
Retail Sales	74,733	89,227	118,706	119,893	30,666	34.37%
Investment Earnings	27,019	5,944	25,727	4,988	(956)	(16.08%)
Miscellaneous	32,355	27,438	27,438	13,774	(13,664)	(49.80%)
Total Tourism Fund	2,786,801	2,890,109	2,901,871	2,936,905	46,796	1.62%
Arts and Science Fund						
BBB Tax	662,725	691,875	682,500	699,563	7,688	1.11%
Investment Earnings	13,399	4,000	15,751	5,000	1,000	25.00%
Miscellaneous	(2,837)	-	-	-	-	0.00%
Total Arts and Science Fund	673,287	695,875	698,251	704,563	8,688	1.25%
Recreation - BBB Fund						
BBB Tax	2,917,785	3,044,250	3,003,000	3,078,075	33,825	1.11%
Investment Earnings	27,752	5,000	11,000	5,000	-	0.00%
Miscellaneous	(12,457)	-	-	-	-	0.00%
Total Recreation - BBB Fund	2,933,080	3,049,250	3,014,000	3,083,075	33,825	1.11%

City of Flagstaff
Summary by Fund of Revenues Other Than Property Taxes
Fiscal Years 2019-2020 and 2020-2021
(With Actuals for Fiscal Year 2018-2019)

Source of Revenues	Actual Revenues 2018-2019	Budgeted Revenues 2019-2020	Estimated Revenues 2019-2020	Budgeted Revenues 2020-2021	Change (Bdgt-Bdgt)	% Change
Parking District Fund						
Parking	$ 1,501,662	1,466,434	1,520,000	1,254,378	(212,056)	(14.46%)
Investment Earnings	17,063	14,000	18,000	23,100	9,100	65.00%
Total Parking District Fund	1,518,725	1,480,434	1,538,000	1,277,478	(212,056)	(14.32%)
Water Resource & Infrastructure Protection Fund						
Water Resource Protection Fee	-	-	-	1,120,000	1,120,000	100.00%
Total WRIP Fund	-	-	-	1,120,000	1,120,000	100.00%
Total Special Revenue Funds	46,829,227	57,157,185	53,098,511	56,615,644	(550,641)	(0.96%)
Debt Service Funds						
Secondary Property Tax Fund						
Investment Earnings	56,858	34,000	34,000	10,000	(24,000)	(70.59%)
Total Secondary Property Tax Fund	56,858	34,000	34,000	10,000	(24,000)	(70.59%)
Special Assessment Bond Fund						
Investment Earnings	9,330	1,000	1,119	-	(1,000)	(100.00%)
Total Special Assessment Bonds Fund	9,330	1,000	1,119	-	(1,000)	(100.00%)
Total Debt Service Funds	66,188	35,000	35,119	10,000	- 25,000	(71.43%)
Permanent Funds						
Perpetual Care Fund						
Contributions	26,460	9,690	9,690	9,884	194	2.00%
Investment Earnings	5,759	3,225	4,200	4,242	1,017	31.53%
Total Perpetual Care Fund	32,219	12,915	13,890	14,126	1,211	9.38%
Total Permanent Funds	32,219	12,915	13,890	14,126	1,211	9.38%
Capital Project Funds						
Non GO Bonds Projects Fund						
Real Estate Proceeds	-	-	-	2,000,000	2,000,000	100.00%
Investment Earnings	46,116	-	12,000	3,000	3,000	100.00%
Total Non GO Bonds Projects Fund	46,116	-	12,000	2,003,000	2,003,000	100.00%
GO Bonds Projects Fund						
Intergovernmental						
Federal Grants	42,428	-	-	-	-	0.00%
State Grants	-	189,000	-	889,000	700,000	370.37%
Investment Earnings	68,767	10,000	35,000	-	(10,000)	(100.00%)
Total GO Bonds Projects Fund	111,195	199,000	35,000	889,000	690,000	346.73%
Total Capital Projects Funds	157,311	199,000	47,000	2,892,000	2,693,000	1,353.27%
Enterprise Funds						
Drinking Water Fund						
Water Fees	17,571,826	19,769,681	18,926,562	18,985,295	(784,386)	(3.97%)
Investment Earnings	357,044	319,700	442,188	120,101	(199,599)	(62.43%)
Miscellaneous	(1,720)	5,150	5,150	805,150	800,000	15,534%
Total Drinking Water Fund	17,927,150	20,094,531	19,373,900	19,910,546	(183,985)	(0.92%)

City of Flagstaff
Summary by Fund of Revenues Other Than Property Taxes
Fiscal Years 2019-2020 and 2020-2021
(With Actuals for Fiscal Year 2018-2019)

Source of Revenues	Actual Revenues 2018-2019	Budgeted Revenues 2019-2020	Estimated Revenues 2019-2020	Budgeted Revenues 2020-2021	Change (Bdgt-Bdgt)	% Change
Wastewater Fund						
Wastewater Fees	$ 11,961,453	12,500,971	11,877,737	12,243,546	(257,425)	(2.06%)
Investment Earnings	224,834	56,755	322,774	163,311	106,556	187.75%
Miscellaneous	123,742	-	(103,000)	-	-	0.00%
Total Wastewater Fund	12,310,029	12,557,726	12,097,511	12,406,857	(150,869)	(1.20%)
Reclaimed Water Fund						
Reclaimed Water Fees	918,324	1,034,578	1,034,578	1,036,539	1,961	0.19%
Investment Earnings	15,612	5,152	21,586	7,953	2,801	54.37%
Total Reclaimed Water Fund	933,936	1,039,730	1,056,164	1,044,492	4,762	0.46%
Stormwater Fund						
Intergovernmental						
Federal Grants	3,156	200,000	19,400	659,180	459,180	229.59%
State Grants	6,259	-	82,721	-	-	0.00%
Stormwater Fees	2,667,251	4,241,397	4,251,682	4,242,341	944	0.02%
Investment Earnings	29,542	35,187	47,706	18,776	(16,411)	(46.64%)
Total Stormwater Fund	2,706,208	4,476,584	4,401,509	4,920,297	443,713	9.91%
Solid Waste Fund						
Solid Waste	11,583,513	11,833,542	11,619,382	12,368,625	535,083	4.52%
Investment Earnings	430,023	402,730	439,804	449,292	46,562	11.56%
Miscellaneous	31,148	-	600	-	-	0.00%
Total Solid Waste Fund	12,044,684	12,236,272	12,059,786	12,817,917	581,645	4.75%
Sustainability and Environmental Management Fund						
Intergovernmental						
Federal Grants	47,020	40,000	40,000	86,407	46,407	116.02%
State Grants	8,000	-	-	4,077	4,077	100.00%
Environmental Services	1,019,502	1,060,738	1,021,376	1,041,804	(18,934)	(1.78%)
Investment Earnings	7,318	3,130	3,130	3,177	47	1.50%
Miscellaneous	9	530	530	3,041	2,511	473.77%
Total Sustainability and Env Mgmt Fund	1,081,849	1,104,398	1,065,036	1,138,506	34,108	3.09%
Airport Fund						
Intergovernmental						
Federal Grants	48,170	5,989,637	3,361,431	10,976,082	4,986,445	83.25%
State Grants	31,677	66,850	128,703	953,726	886,876	1,326.67%
Airport	2,121,219	2,082,841	2,435,235	2,547,324	464,483	22.30%
Parking	-	133,351	-	-	(133,351)	(100.00%)
Investment Earnings	12,940	1,500	300	1,500	-	0.00%
Miscellaneous	(619)	3,080	1,000	1,000	(2,080)	(67.53%)
Total Airport Fund	2,213,387	8,277,259	5,926,669	14,479,632	6,202,373	74.93%
Flagstaff Housing Authority Fund						
Intergovernmental						
Federal Grants	5,322,044	6,757,401	5,756,151	8,532,570	1,775,169	26.27%
Rents and Other Tenant Income	1,387,251	1,375,000	1,375,000	1,447,000	72,000	5.24%
Miscellaneous	627,542	438,021	438,021	397,698	(40,323)	(9.21%)
Total Flagstaff Housing Authority Fund	7,336,837	8,570,422	7,569,172	10,377,268	1,806,846	21.08%
Total Enterprise Funds	56,554,080	68,356,922	63,549,747	77,095,515	8,738,593	12.78%
Total Revenues	$ 159,181,354	187,049,439	176,885,726	199,477,243	12,418,704	6.64%

City of Flagstaff
Summary by Funding of Other Financing Sources
and Interfund Transfers
Fiscal Year 2020-2021

Fund	Proceeds from Other Financing Sources	Interfund Transfers In	Interfund Transfers Out
General Fund	$ -	4,157,395	4,461,427
Special Revenue Funds			
FMPO	-	-	37,778
Library	-	1,636,911	-
Highway User Revenue	-	13,369,076	113,000
Transportation	-	37,778	13,369,076
Beautification	-	-	495,313
Economic Development	-	247,000	343,757
Tourism	-	-	155,070
Recreation - BBB	-	-	2,542,697
Parking District	-	-	96,349
Total Special Revenue Funds	-	15,290,765	17,153,040
Debt Service Funds			
GO Bonds	-	7,378,336	-
Secondary Property Tax	-	-	7,378,336
Pension Debt Service	130,000,000	2,002,500	-
Special Assessments	-	-	122,509
Total Debt Service Funds	130,000,000	9,380,836	7,500,845
Capital Project Funds			
Non GO Bond Funded Projects	10,000,000	537,938	75
GO Bond Funded Projects	-	100,000	30,000
Total Capital Projects Funds	10,000,000	637,938	30,075
Enterprise Funds			
Drinking Water	-	1,745,957	82,247
Wastewater	-	-	1,621,451
Reclaimed Water	-	-	117,473
Stormwater	18,000,000	-	7,033
Solid Waste	-	63,570	100,000
Sustainability and Environmental Management	-	313,678	-
Airport	4,000,000	-	516,548
Total Enterprise Funds	22,000,000	2,123,205	2,444,752
Total All Funds	$ 162,000,000	31,590,139	31,590,139

City of Flagstaff
Summary by Division of Expenditures/Expenses within Each Fund
Comparison of Fiscal Year 2020 and 2021
(With Actual for Fiscal Year 2019)

Fund/Division	Actual Expenditures/ Expenses 2018-2019	Adopted Budgeted Expenditures/ Expenses 2019-2020	Estimated Expenditures/ Expenses 2019-2020	Proposed Budgeted Expenditures/ Expenses 2020-2021	Change (Budget-Budget)	% Change
General Fund						
General Administration	$ 10,548,209	8,662,671	8,483,056	12,256,688	3,594,017	41.5%
Community Development	5,136,714	5,774,316	5,522,995	6,030,172	255,856	4.4%
Management Services	3,896,879	7,807,177	7,115,784	4,596,113	(3,211,064)	(41.1%)
Fire	14,448,863	19,123,206	17,364,984	20,263,632	1,140,426	6.0%
Police	21,918,669	25,165,928	24,325,219	25,630,337	464,409	1.8%
Public Works	9,189,367	12,737,356	10,370,389	11,618,249	(1,119,107)	(8.8%)
Economic Vitality	171,215	223,614	223,614	107,265	(116,349)	(52.0%)
Non-Departmental	(2,968,899)	(919,841)	(4,109,006)	(340,457)	579,384	(63.0%)
Contingency	134,347	1,662,750	150,000	1,527,750	(135,000)	(8.1%)
Total General Fund	62,475,364	80,237,177	69,447,035	81,689,749	1,452,572	1.8%
Special Revenue Funds						
Housing and Community Service Fund						
Community Development	1,006,327	2,991,581	2,033,906	2,886,877	(104,704)	(3.5%)
Non-Departmental	46,471	48,668	48,668	48,668	-	0.0%
	1,052,798	3,040,249	2,082,574	2,935,545	(104,704)	(3.4%)
Metro Planning Organization Fund						
Community Development	402,153	1,390,876	1,221,876	-	(1,390,876)	(100.0%)
Non-Departmental	26,658	43,000	43,000	-	(43,000)	(100.0%)
Contingency	-	500,000	-	-	(500,000)	(100.0%)
	428,811	1,933,876	1,264,876	-	(1,933,876)	(100.0%)
Library Fund						
General Administration	216,364	212,985	212,985	253,764	40,779	19.1%
Management Services	101,612	139,996	139,996	139,996	-	0.0%
Public Works	57,394	44,483	44,483	43,397	(1,086)	(2.4%)
Economic Vitality	4,471,913	7,367,486	5,412,465	6,849,779	(517,707)	(7.0%)
Non-Departmental	54,829	75,872	75,872	71,752	(4,120)	(5.4%)
Contingency	-	100,000	-	100,000	-	0.0%
	4,902,112	7,940,822	5,885,801	7,458,688	(482,134)	(6.1%)
Highway User Revenue Fund						
General Administration	227,240	152,508	152,508	256,750	104,242	68.4%
Community Development	1,833,996	22,282,940	8,129,512	14,744,813	(7,538,127)	(33.8%)
Management Services	62,612	184,020	184,020	83,032	(100,988)	(54.9%)
Public Works	9,554,675	14,753,482	7,334,901	15,256,833	503,351	3.4%
Economic Vitality	4,391	3,901	3,901	2,706	(1,195)	(30.6%)
Non-Departmental	58,781	75,170	75,170	126,879	51,709	68.8%
Contingency	-	100,000	-	100,000	-	0.0%
	11,741,695	37,552,021	15,880,012	30,571,013	(6,981,008)	(18.6%)
Transportation Fund						
General Administration	71,292	86,333	86,333	72,462	(13,871)	(16.1%)
Community Development	2,089,326	14,511,437	1,742,103	24,756,222	10,244,785	70.6%
Management Services	320,742	255,780	255,780	188,863	(66,917)	(26.2%)
Public Works	4,266,634	4,838,084	3,955,046	1,184,126	(3,653,958)	(75.5%)
Economic Vitality	1,513	1,395	1,395	748	(647)	(46.4%)
Non-Departmental	8,850,157	14,760,390	12,893,579	10,996,625	(3,763,765)	(25.5%)
	15,599,664	34,453,419	18,934,236	37,199,046	2,745,627	8.0%

City of Flagstaff
Summary by Division of Expenditures/Expenses within Each Fund
Comparison of Fiscal Year 2020 and 2021
(With Actual for Fiscal Year 2019)

Fund/Division	Actual Expenditures/ Expenses 2018-2019	Adopted Budgeted Expenditures/ Expenses 2019-2020	Estimated Expenditures/ Expenses 2019-2020	Proposed Budgeted Expenditures/ Expenses 2020-2021	Change (Budget-Budget)	% Change
FUTS Fund						
General Administration	$ -	1,271	1,271	-	(1,271)	(100.0%)
Management Services	-	11,306	11,306	-	(11,306)	(100.0%)
Community Development	234,272	4,355,034	1,517,448	3,042,599	(1,312,435)	(30.1%)
Economic Vitality	-	100	100	-	(100)	(100.0%)
Non-Departmental	-	431	431	-	(431)	(100.0%)
	234,272	4,368,142	1,530,556	3,042,599	(1,325,543)	(30.3%)
Beautification Fund						
Economic Vitality	407,604	4,295,454	460,045	4,722,707	427,253	9.9%
Contingency	-	10,000	-	10,000	-	0.0%
	407,604	4,305,454	460,045	4,732,707	427,253	9.9%
Economic Development Fund						
Economic Vitality	1,176,817	1,542,437	1,312,753	1,494,089	(48,348)	(3.1%)
Contingency	-	90,000	-	45,000	(45,000)	(50.0%)
	1,176,817	1,632,437	1,312,753	1,539,089	(93,348)	(5.7%)
Tourism Fund						100.0%
Economic Vitality	2,652,019	3,049,676	2,970,676	3,262,717	213,041	7.0%
Contingency	-	50,000	-	50,000	-	0.0%
	2,652,019	3,099,676	2,970,676	3,312,717	213,041	6.9%
Arts and Science Fund						
Economic Vitality	517,633	1,208,436	509,436	1,249,998	41,562	3.4%
Contingency	-	10,000	-	10,000	-	0.0%
	517,633	1,218,436	509,436	1,259,998	41,562	3.4%
Recreation Fund						
Public Works	1,038,309	476,764	249,702	7,500	(469,264)	(98.4%)
	1,038,309	476,764	249,702	7,500	(469,264)	(98.4%)
Parking District Fund						
General Administration	6,479	18,070	18,070	44,282	26,212	145.1%
Management Services	3,978	24,445	24,445	6,603	(17,842)	(73.0%)
Public Works	-	1,112	1,112	567	(545)	(49.0%)
Economic Vitality	771,381	1,696,745	1,009,976	1,749,484	52,739	3.1%
Non-Departmental	386	7,479	7,479	10,367	2,888	38.6%
Contingency	-	30,000	-	30,000	-	0.0%
	782,224	1,777,851	1,061,082	1,841,303	63,452	3.6%
Water Resource & Infrastructure Fund						
Fire	-	-	-	1,038,121	1,038,121	100.0%
	-	-	-	1,038,121	1,038,121	100.0%
Total Special Revenue Funds	40,533,958	101,799,147	52,141,749	94,938,326	(6,860,821)	(6.7%)
Debt Service Funds						
General Obligation Bonds Fund						
Non-Departmental	7,074,350	7,715,047	7,020,714	7,378,336	(336,711)	(4.4%)
	7,074,350	7,715,047	7,020,714	7,378,336	(336,711)	(4.4%)
Special Assessment Bonds Fund						
Non-Departmental	2,079,217	-	-	-	-	100.0%
	2,079,217	-	-	-	-	100.0%

City of Flagstaff
Summary by Division of Expenditures/Expenses within Each Fund
Comparison of Fiscal Year 2020 and 2021
(With Actual for Fiscal Year 2019)

Fund/Division	Actual Expenditures/ Expenses 2018-2019	Adopted Budgeted Expenditures/ Expenses 2019-2020	Estimated Expenditures/ Expenses 2019-2020	Proposed Budgeted Expenditures/ Expenses 2020-2021	Change (Budget-Budget)	% Change
Pension Debt Service Fund						
Non-Departmental	$ -	-	-	122,002,500	122,002,500	100.0%
	-	-	-	122,002,500	122,002,500	100.0%
Total Debt Service Funds	9,153,567	7,715,047	7,020,714	129,380,836	121,665,789	1,577.0%
Capital Project Funds						
Non GO Bond Funded Projects Fund						
Non-Departmental	2,117,798	27,173,377	12,537,403	17,845,193	(9,328,184)	(34.3%)
	2,117,798	27,173,377	12,537,403	17,845,193	(9,328,184)	(34.3%)
GO Bonds Funded Projects Fund						
Non-Departmental	3,500,562	9,080,532	4,521,114	2,500,988	(6,579,544)	(72.5%)
	3,500,562	9,080,532	4,521,114	2,500,988	(6,579,544)	(72.5%)
Total Capital Projects Funds	5,618,360	36,253,909	17,058,517	20,346,181	(15,907,728)	(43.9%)
Enterprise Funds						
Drinking Water Fund						
General Administration	564,184	253,298	253,298	412,028	158,730	62.7%
Management Services	850,995	1,154,806	1,154,806	1,031,554	(123,252)	(10.7%)
Public Works	42,175	69,641	69,641	105,173	35,532	51.0%
Economic Vitality	7,829	9,258	9,258	5,640	(3,618)	(39.1%)
Water Services	19,461,767	33,718,651	17,435,244	33,585,725	(132,926)	(0.4%)
Non-Departmental	110,728	165,696	165,696	157,666	(8,030)	(4.8%)
Contingency	28,123	1,000,000	-	1,000,000	-	0.0%
	21,065,801	36,371,350	19,087,943	36,297,786	(73,564)	(0.2%)
Wastewater Fund						
General Administration	303,113	246,462	138,396	241,162	(5,300)	(2.2%)
Management Services	303,083	300,710	408,776	360,381	59,671	19.8%
Public Works	41,829	62,532	62,532	19,939	(42,593)	(68.1%)
Economic Vitality	4,164	3,896	3,896	2,383	(1,513)	(38.8%)
Water Services	8,839,434	14,211,736	11,374,703	13,658,719	(553,017)	(3.9%)
Non-Departmental	63,847	72,894	72,894	65,901	(6,993)	(9.6%)
Contingency	29,875	800,000	-	800,000	-	0.0%
	9,585,345	15,698,230	12,061,197	15,148,485	(549,745)	(3.5%)
Reclaimed Water Fund						
General Administration	19,966	21,696	14,151	28,900	7,204	33.2%
Management Services	23,391	40,811	48,356	32,038	(8,773)	(21.5%)
Public Works	1,737	1,026	1,026	-	(1,026)	(100.0%)
Economic Vitality	307	499	499	240	(259)	(51.9%)
Water Services	449,220	842,709	442,709	1,904,108	1,061,399	126.0%
Non-Departmental	4,552	10,571	10,571	8,161	(2,410)	(22.8%)
Contingency	3,121	50,000	-	50,000	-	0.0%
	502,294	967,312	517,312	2,023,447	1,056,135	109.2%

City of Flagstaff
Summary by Division of Expenditures/Expenses within Each Fund
Comparison of Fiscal Year 2020 and 2021
(With Actual for Fiscal Year 2019)

Fund/Division		Actual Expenditures/ Expenses 2018-2019	Adopted Budgeted Expenditures/ Expenses 2019-2020	Estimated Expenditures/ Expenses 2019-2020	Proposed Budgeted Expenditures/ Expenses 2020-2021	Change (Budget-Budget)	% Change
Stormwater Fund							
General Administration	$	50,305	25,324	25,324	54,758	29,434	116.2%
Management Services		57,912	91,772	91,772	88,129	(3,643)	(4.0%)
Public Works		11,897	9,241	9,241	108	(9,133)	(98.8%)
Economic Vitality		488	701	701	397	(304)	(43.4%)
Water Services		1,904,634	24,642,107	3,344,240	23,973,012	(669,095)	(2.7%)
Non-Departmental		9,022	15,546	15,546	13,450	(2,096)	(13.5%)
Contingency		-	300,000	-	300,000	-	0.0%
		2,034,258	25,084,691	3,486,824	24,429,854	(654,837)	(2.6%)
Solid Waste Fund							
General Administration		383,047	284,179	284,179	376,772	92,593	32.6%
Management Services		409,496	567,025	567,025	444,427	(122,598)	(21.6%)
Public Works		9,345,631	12,596,820	10,399,174	16,743,681	4,146,861	32.9%
Economic Vitality		8,627	8,512	8,512	5,332	(3,180)	(37.4%)
Non-Departmental		130,720	163,753	163,753	177,790	14,037	8.6%
Contingency		-	500,000	-	500,000	-	0.0%
		10,277,521	14,120,289	11,422,643	18,248,002	4,127,713	29.2%
Sustainability and Environmental Management Fund							
General Administration		42,810	36,224	36,224	1,039,860	1,003,636	2,770.6%
Management Services		62,627	91,588	91,588	82,015	(9,573)	(10.5%)
Public Works		822,139	1,219,362	888,862	174,081	(1,045,281)	(85.7%)
Economic Vitality		744	831	831	444	(387)	(46.6%)
Non-Departmental		11,880	20,898	20,898	15,465	(5,433)	(26.0%)
Contingency		-	30,000	-	30,000	-	0.0%
		940,200	1,398,903	1,038,403	1,341,865	(57,038)	(4.1%)
Airport Fund							
General Administration		90,262	60,258	60,258	109,853	49,595	82.3%
Management Services		119,854	143,107	143,107	116,371	(26,736)	(18.7%)
Public Works		73,877	70,008	70,008	76,177	6,169	8.8%
Economic Vitality		2,523,393	10,314,003	4,835,023	16,168,180	5,854,177	56.8%
Non-Departmental		22,164	27,622	27,622	29,338	1,716	6.2%
Contingency		-	100,000	97,000	100,000	-	0.0%
		2,829,550	10,714,998	5,233,018	16,599,919	5,884,921	54.9%
Flagstaff Housing Authority Fund							
Community Development		6,913,186	7,491,563	7,491,563	9,242,616	1,751,053	23.4%
Contingency		-	1,001,250	-	1,001,250	-	0.0%
		6,913,186	8,492,813	7,491,563	10,243,866	1,751,053	20.6%
Total Enterprise Funds		54,148,155	112,848,586	60,338,903	124,333,224	11,484,638	10.2%
Total All Funds	$	171,929,404	338,853,866	206,006,918	450,688,316	111,834,450	33.0%

City of Flagstaff
Budget Summary by Division of Expenditures
Comparison of Fiscal Year 2020 and 2021
(With Actual for Fiscal Year 2019)

Division/Fund	Actual Expenditures/ Expenses 2018-2019	Adopted Budgeted Expenditures/ Expenses 2019-2020	Estimated Expenditures/ Expenses * 2019-2020	Proposed Budgeted Expenditures/ Expenses 2020-2021	Change (Budget-Budget)	% Change
General Administration						
General Fund	$ 10,548,209	8,662,671	8,483,056	12,256,688	3,594,017	41.5%
Library	216,364	212,985	212,985	253,764	40,779	19.1%
HURF	227,240	152,508	152,508	256,750	104,242	68.4%
Transportation	71,292	86,333	86,333	72,462	(13,871)	(16.1%)
FUTS	-	1,271	1,271	-	(1,271)	(100.0%)
Parking District	6,479	18,070	18,070	44,282	26,212	145.1%
Drinking Water	564,184	253,298	253,298	412,028	158,730	62.7%
Wastewater	303,113	246,462	138,396	241,162	(5,300)	(2.2%)
Reclaimed Water	19,966	21,696	14,151	28,900	7,204	33.2%
Stormwater	50,305	25,324	25,324	54,758	29,434	116.2%
Airport	90,262	60,258	60,258	109,853	49,595	82.3%
Solid Waste	383,047	284,179	284,179	376,772	92,593	32.6%
Sustainability and Environmental Mgmt	42,810	36,224	36,224	1,039,860	1,003,636	2,770.6%
	12,523,271	10,061,279	9,766,053	15,147,279	5,086,000	50.6%
Community Development						
General Fund	5,136,714	5,774,316	5,522,995	6,030,172	255,856	4.4%
HURF	1,833,996	22,282,940	8,129,512	14,744,813	(7,538,127)	(33.8%)
Transportation	2,089,326	14,511,437	1,742,103	24,756,222	10,244,785	70.6%
FUTS	234,272	4,355,034	1,517,448	3,042,599	(1,312,435)	(30.1%)
Housing and Community Services	1,006,327	2,991,581	2,033,906	2,886,877	(104,704)	(3.5%)
Metro Planning Organization	402,153	1,390,876	1,221,876	-	(1,390,876)	(100.0%)
Flagstaff Housing Authority	6,913,186	7,491,563	7,491,563	9,242,616	1,751,053	23.4%
	17,615,974	58,797,747	27,659,403	60,703,299	1,905,552	3.2%
Management Services						
General Fund	3,896,879	7,807,177	7,115,784	4,596,113	(3,211,064)	(41.1%)
Library	101,612	139,996	139,996	139,996	-	0.0%
HURF	62,612	184,020	184,020	83,032	(100,988)	(54.9%)
Transportation	320,742	255,780	255,780	188,863	(66,917)	(26.2%)
FUTS	-	11,306	11,306	-	(11,306)	(100.0%)
Parking District	3,978	24,445	24,445	6,603	(17,842)	(73.0%)
Drinking Water	850,995	1,154,806	1,154,806	1,031,554	(123,252)	(10.7%)
Wastewater	303,083	300,710	408,776	360,381	59,671	19.8%
Reclaimed Water	23,391	40,811	48,356	32,038	(8,773)	(21.5%)
Stormwater	57,912	91,772	91,772	88,129	(3,643)	(4.0%)
Airport	119,854	143,107	143,107	116,371	(26,736)	(18.7%)
Solid Waste	409,496	567,025	567,025	444,427	(122,598)	(21.6%)
Sustainability and Environmental Mgmt	62,627	91,588	91,588	82,015	(9,573)	(10.5%)
	6,213,181	10,812,543	10,236,761	7,169,522	(3,643,021)	(33.7%)
Fire						
General Fund	14,448,863	19,123,206	17,364,984	20,263,632	1,140,426	6.0%
Water Resource & Infrastructure Fund	-	-	-	1,038,121	1,038,121	100.0%
	14,448,863	19,123,206	17,364,984	21,301,753	2,178,547	11.4%
Police						
General Fund	21,918,669	25,165,928	24,325,219	25,630,337	464,409	1.8%
	21,918,669	25,165,928	24,325,219	25,630,337	464,409	1.8%

City of Flagstaff
Budget Summary by Division of Expenditures
Comparison of Fiscal Year 2020 and 2021
(With Actual for Fiscal Year 2019)

Division/Fund	Actual Expenditures/ Expenses 2018-2019	Adopted Budgeted Expenditures/ Expenses 2019-2020	Estimated Expenditures/ Expenses * 2019-2020	Proposed Budgeted Expenditures/ Expenses 2020-2021	Change (Budget-Budget)	% Change
Public Works						
General Fund	$ 9,189,367	12,737,356	10,370,389	11,618,249	(1,119,107)	(8.8%)
Library	57,394	44,483	44,483	43,397	(1,086)	(2.4%)
HURF	9,554,675	14,753,482	7,334,901	15,256,833	503,351	3.4%
Transportation	4,266,634.00	4,838,084	3,955,046	1,184,126	(3,653,958)	(75.5%)
Recreation	1,038,309.00	476,764	249,702	7,500	(469,264)	(98.4%)
Parking District	-	1,112	1,112	567	(545)	(49.0%)
Drinking Water	42,175	69,641	69,641	105,173	35,532	51.0%
Wastewater	41,829	62,532	62,532	19,939	(42,593)	(68.1%)
Reclaimed Water	1,737	1,026	1,026	-	(1,026)	(100.0%)
Stormwater	11,897	9,241	9,241	108	(9,133)	(98.8%)
Airport	73,877	70,008	70,008	76,177	6,169	8.8%
Solid Waste	9,345,631	12,596,820	10,399,174	16,743,681	4,146,861	32.9%
Sustainability and Environmental Mgmt	822,139	1,219,362	888,862	174,081	(1,045,281)	(85.7%)
	34,445,664	46,879,911	33,456,117	45,229,831	(1,650,080)	(3.5%)
Economic Vitality						
General Fund	171,215	223,614	223,614	107,265	(116,349)	(52.0%)
Library	4,471,913	7,367,486	5,412,465	6,849,779	(517,707)	(7.0%)
HURF	4,391	3,901	3,901	2,706	(1,195)	(30.6%)
Transportation	1,513	1,395	1,395	748	(647)	(46.4%)
FUTS	-	100	100	-	(100)	(100.0%)
Beautification	407,604	4,295,454	460,045	4,722,707	427,253	9.9%
Economic Development	1,176,817	1,542,437	1,312,753	1,494,089	(48,348)	(3.1%)
Tourism	2,652,019	3,049,676	2,970,676	3,262,717	213,041	7.0%
Arts and Science	517,633	1,208,436	509,436	1,249,998	41,562	3.4%
Parking District	771,381	1,696,745	1,009,976	1,749,484	52,739	3.1%
Drinking Water	7,829	9,258	9,258	5,640	(3,618)	(39.1%)
Wastewater	4,164	3,896	3,896	2,383	(1,513)	(38.8%)
Reclaimed Water	307	499	499	240	(259)	(51.9%)
Stormwater	488	701	701	397	(304)	(43.4%)
Airport	2,523,393	10,314,003	4,835,023	16,168,180	5,854,177	56.8%
Solid Waste	8,627	8,512	8,512	5,332	(3,180)	(37.4%)
Sustainability and Environmental Mgmt	744	831	831	444	(387)	(46.6%)
	12,720,038	29,726,944	16,763,081	35,622,109	5,895,165	19.8%
Water Services						
Drinking Water	19,461,767	33,718,651	17,435,244	33,585,725	(132,926)	(0.4%)
Wastewater	8,839,434	14,211,736	11,374,703	13,658,719	(553,017)	(3.9%)
Reclaimed Water	449,220	842,709	442,709	1,904,108	1,061,399	126.0%
Stormwater	1,904,634	24,642,107	3,344,240	23,973,012	(669,095)	(2.7%)
	30,655,055	73,415,203	32,596,896	73,121,564	(293,639)	(0.4%)
Non-Departmental						
General Fund	(2,968,899)	(919,841)	(4,109,006)	(340,457)	579,384	(63.0%)
Library	54,829	75,872	75,872	71,752	(4,120)	(5.4%)
HURF	58,781	75,170	75,170	126,879	51,709	68.8%
Transportation	8,850,157	14,760,390	12,893,579	10,996,625	(3,763,765)	(25.5%)
FUTS	-	431	431	-	(431)	(100.0%)
Housing and Community Services	46,471	48,668	48,668	48,668	-	0.0%
Metro Planning Organization	26,658	43,000	43,000	-	(43,000)	(100.0%)
Parking District	386	7,479	7,479	10,367	2,888	38.6%
General Obligation Bonds	7,074,350	7,715,047	7,020,714	7,378,336	(336,711)	(4.4%)
Special Assessment Bonds	2,079,217	-	-	-	-	100.0%
GO Bond Funded Projects	3,500,562	9,080,532	4,521,114	2,500,988	(6,579,544)	(72.5%)
Pension Debt Service Fund	-	-	-	122,002,500	122,002,500	100.0%
Non GO Bond Funded Projects	2,117,798	27,173,377	12,537,403	17,845,193	(9,328,184)	(34.3%)

City of Flagstaff
Budget Summary by Division of Expenditures
Comparison of Fiscal Year 2020 and 2021
(With Actual for Fiscal Year 2019)

Division/Fund	Actual Expenditures/ Expenses 2018-2019	Adopted Budgeted Expenditures/ Expenses 2019-2020	Estimated Expenditures/ Expenses * 2019-2020	Proposed Budgeted Expenditures/ Expenses 2020-2021	Change (Budget-Budget)	% Change
Non-Departmental - Continued						
Drinking Water	$ 110,728	165,696	165,696	157,666	(8,030)	(4.8%)
Wastewater	63,847	72,894	72,894	65,901	(6,993)	(9.6%)
Reclaimed Water	4,552	10,571	10,571	8,161	(2,410)	(22.8%)
Stormwater	9,022	15,546	15,546	13,450	(2,096)	(13.5%)
Airport	22,164	27,622	27,622	29,338	1,716	6.2%
Solid Waste	130,720	163,753	163,753	177,790	14,037	8.6%
Sustainability and Environmental Mgmt	11,880	20,898	20,898	15,465	(5,433)	(26.0%)
	21,193,223	58,537,105	33,591,404	161,108,622	102,571,517	175.2%
Reserves/Contingencies						
General Fund	134,347	1,662,750	150,000	1,527,750	(135,000)	(8.1%)
Library	-	100,000	-	100,000	-	0.0%
HURF	-	100,000	-	100,000	-	0.0%
Beautification	-	10,000	-	10,000	-	0.0%
Economic Development	-	90,000	-	45,000	(45,000)	(50.0%)
Tourism	-	50,000	-	50,000	-	0.0%
Parking District	-	30,000	-	30,000	-	0.0%
Arts and Science	-	10,000	-	10,000	-	0.0%
Metro Planning Organization	-	500,000	-	-	(500,000)	(100.0%)
Drinking Water	28,123	1,000,000	-	1,000,000	-	0.0%
Wastewater	29,875	800,000	-	800,000	-	0.0%
Reclaimed Water	3,121	50,000	-	50,000	-	0.0%
Stormwater	-	300,000	-	300,000	-	0.0%
Airport	-	100,000	97,000	100,000	-	0.0%
Solid Waste	-	500,000	-	500,000	-	0.0%
Sustainability and Environmental Mgmt	-	30,000	-	30,000	-	0.0%
Flagstaff Housing Authority	-	1,001,250	-	1,001,250	-	0.0%
	195,466	6,334,000	247,000	5,654,000	(680,000)	(10.7%)
All Funds Total	$ 171,929,404	338,853,866	206,006,918	450,688,316	111,834,450	33.0%

*Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

City of Flagstaff
Full-Time Employee and Personnel Compensation
Fiscal Year 2020-2021

Fund	Full-Time Equivalent (FTE) 2020-2021	Employee Salaries and Hourly Costs 2020-2021	Retirement Costs 2020-2021	Healthcare Costs 2020-2021	Other Benefit Costs 2020-2021	Total Estimated Personnel Compensation 2020-2021
General Fund	597.95	$ 37,682,699	$ 14,961,098	$ 5,160,996	$ 2,776,569	$ 60,581,362
Special Revenue Funds						
Housing and Community Services	1.00	64,392	7,869	13,463	5,953	91,677
Library	55.32	2,560,676	279,203	506,643	196,556	3,543,078
HURF	32.27	1,769,080	194,420	281,612	389,292	2,634,404
Beautification	1.70	139,103	17,062	14,501	10,931	181,597
Economic Development	2.75	198,008	24,262	21,643	15,584	259,497
Tourism	17.50	987,422	114,703	159,764	74,745	1,336,634
Arts and Science	0.40	46,294	5,684	5,287	3,639	60,904
Parking District	6.00	232,597	34,663	56,483	26,916	350,659
Water Resource & Infrastructure Protection	4.00	601,889	240,956	42,430	18,196	903,471
Total Special Revenue Funds	120.94	6,599,461	918,822	1,101,826	741,812	9,361,921
Debt Service Funds						
Pension Debt	-	-	120,000,000	-	-	120,000,000
Total Debt Service Funds	-	-	120,000,000	-	-	120,000,000
Enterprise Funds						
Drinking Water	54.16	3,549,730	415,910	456,476	336,736	4,758,852
Wastewater	19.00	1,303,064	159,233	199,712	142,030	1,804,039
Reclaimed Water	3.00	123,758	15,123	17,573	11,132	167,586
Stormwater	7.00	528,679	63,742	75,600	45,987	714,008
Solid Waste	47.00	2,583,783	304,718	454,521	716,655	4,059,677
Sustainability and Environmental Mgmt	8.49	491,044	57,718	85,151	53,032	686,945
Airport	12.75	836,350	428,715	100,737	41,306	1,407,108
Flagstaff Housing Authority	21.80	1,310,773	160,102	235,339	114,597	1,820,811
Total Enterprise Funds	173.20	10,727,181	1,605,261	1,625,109	1,461,475	15,419,026
Total All Funds	892.09	$ 55,009,341	$ 137,485,181	$ 7,887,931	$ 4,979,856	$ 205,362,309

City of Flagstaff FY 2020-2021 Budget

June 2, 2020

TEAM FLAGSTAFF

WE MAKE THE CITY BETTER

Timeline

- June 2nd – Tentative Budget Adoption
  - Sets maximum appropriation
  - Sets in motion legal requirements for final adoption
- June 16th
  - Public hearing for truth in taxation, budget and tax levy
  - Final budget adoption
  - First reading of property tax ordinance
- July 7th – Second reading and adoption of property tax ordinance

Legal Schedule A

TEAM FLAGSTAFF
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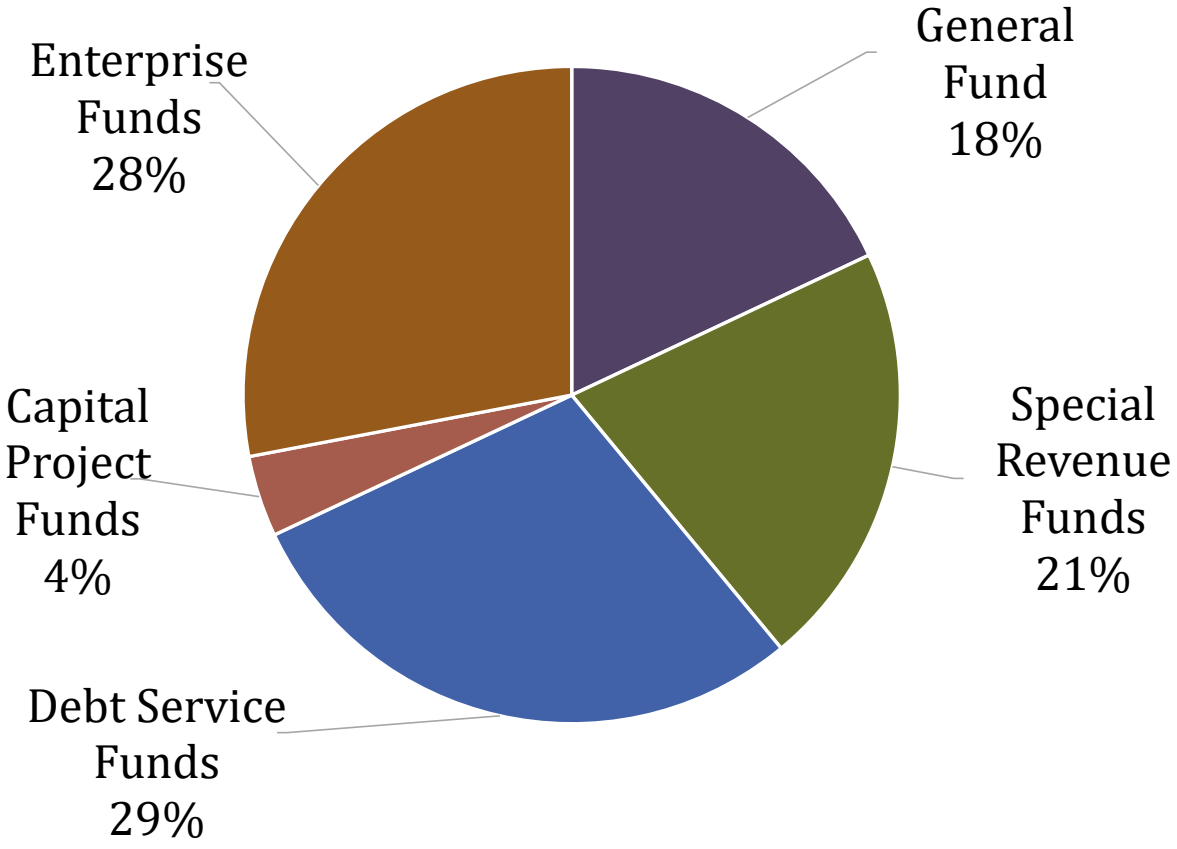
Total FY 2020-2021 Budget: $450,688,316

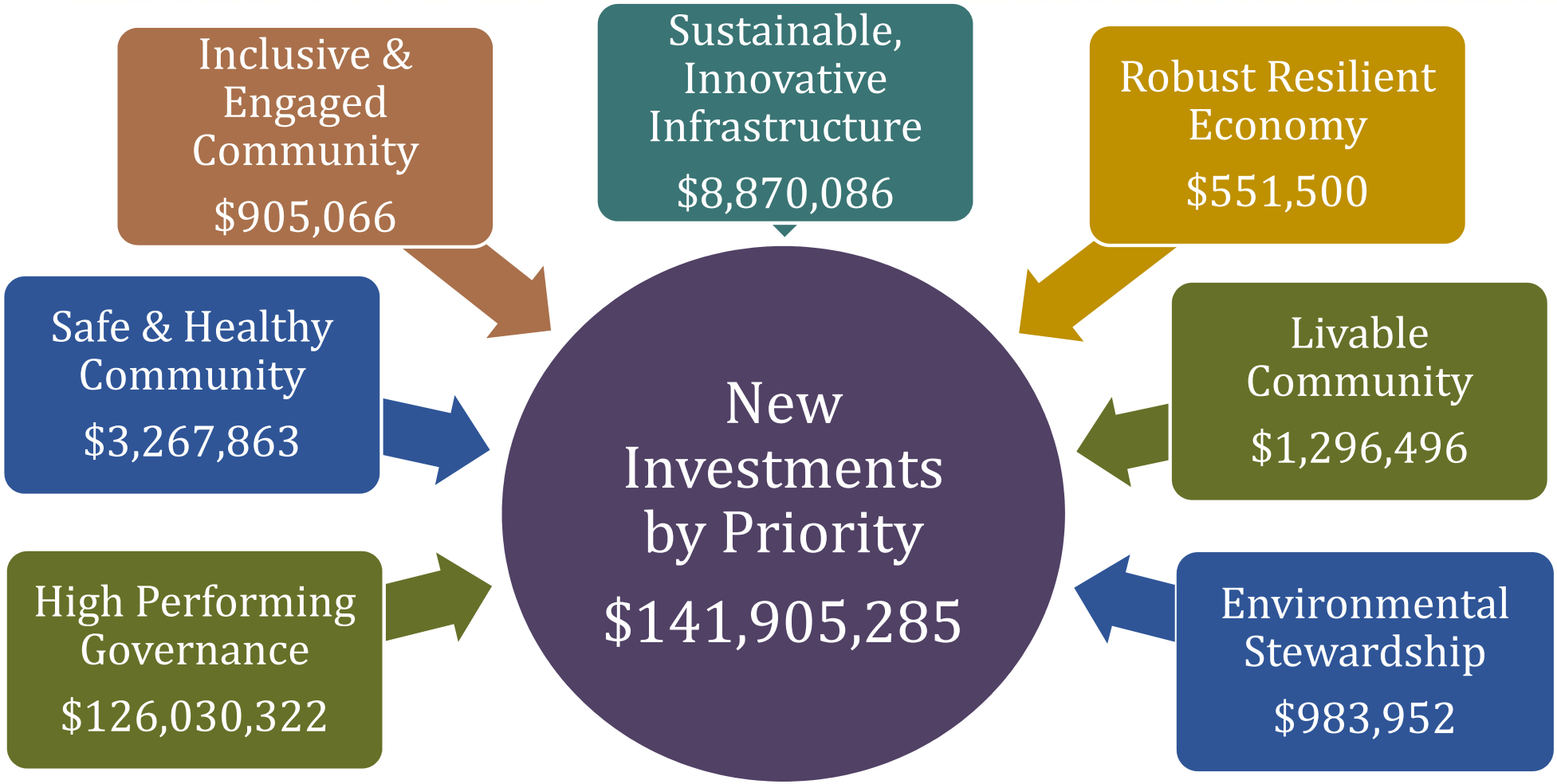
$111.8M (33%) increase over FY 2019-2020



Highlights

- Focused on Council Priorities and Objectives
- Public Safety pension funding
- COLA increases
- Benefit increases

Investments by Council Priority



Changes Since April Retreat

Appropriations Increased by $217.6M

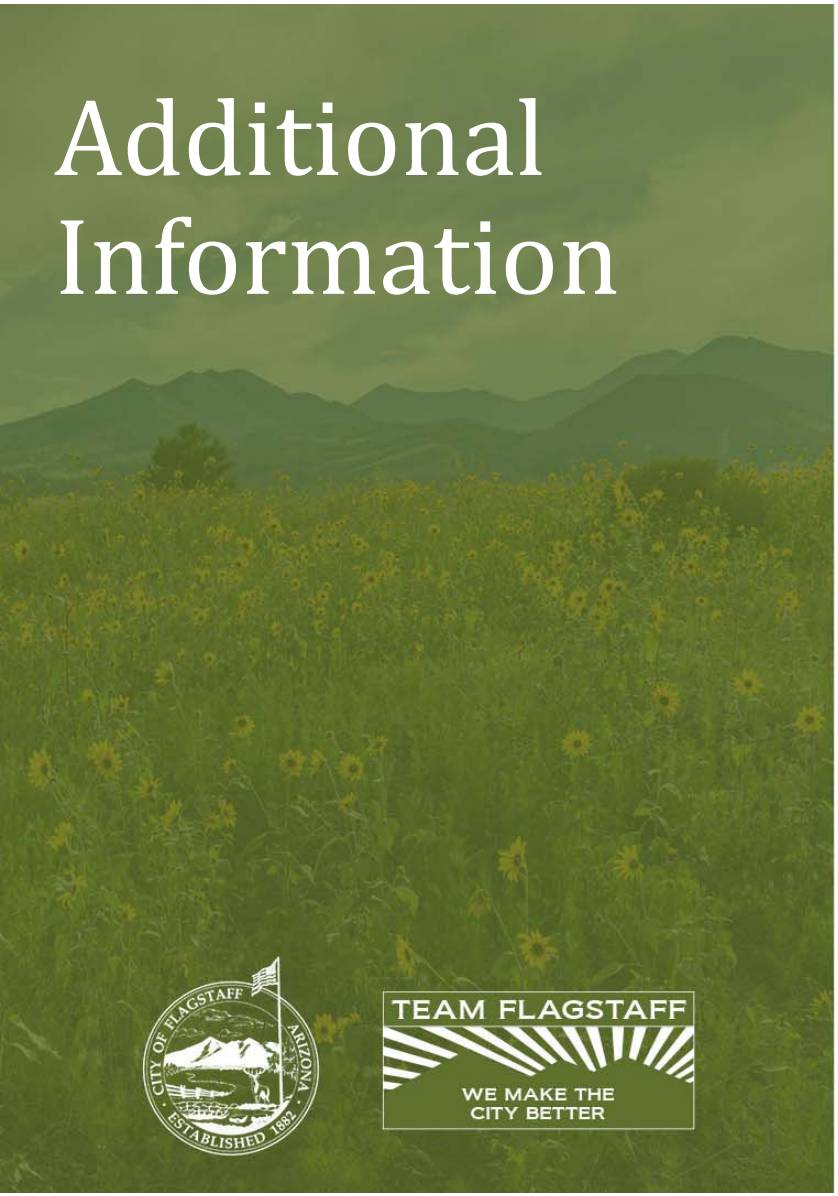
- Council Adds - $122.7M
  - Public Safety Pension $120.0M
  - Public Safety Pension Debt Service $2.0M
  - Animal Shelter Contract $79,750
  - Boys and Girls Club $25,000
  - Housing Assistance $59,562
  - Council Economic Contingency $550,000
- Other Adds - $4.7M
  - Airport Operating Maintenance $2.9M
  - Increase to Airport Parking Project $1.5M
  - Airport Parking Project Debt Service $320,000

Changes Since April Retreat

Appropriations Increased by $217.6M

- Capital Carryovers - $76.5M
  - Transportation projects, USGS building, courthouse, Water Services projects and Fleet purchases
- Operational Carryovers - $11.6M
  - Various studies, software and contracts
- Grant Carryovers - $2.1M
  - CDBG/Home

Additional Information



- The Tentative Budget Book will be available 6/3/20 at the following locations:
  - City Website
  - City Clerk's Office
  - Available Upon Request
    - Heidi Derryberry (hderryberry@flagstaffaz.gov)
    - Brandi Suda (bsuda@flagstaffaz.gov)
- Questions Regarding Budget

Brandi Suda, Finance Director

bsuda@flagstaffaz.gov

(928)-213-2217

Questions

TEAM FLAGSTAFF

WE MAKE THE CITY BETTER

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Jared Tolman, Library Director
Date:	05/27/2020
Meeting Date:	06/02/2020

TITLE

Library updates and discussion on adjusting hours of operation

STAFF RECOMMENDED ACTION:

To better serve our library patrons and the Flagstaff community, we are looking to adjust our library hours to further meet the needs of patrons waiting to utilize the main library in the morning. We are also seeking to meet the demands of patrons asking for longer library hours on the weekends. In order to do this, we need to adjust our hours, but will maintain the same number of operating hours that the main and east Flagstaff libraries currently hold.

EXECUTIVE SUMMARY:

Change library hours for the Main Library to:

Main Library	Current	Proposed
Monday - Thursday	10:00 AM - 9:00 PM	9:00 AM - 8:00 PM
Friday	10:00 AM - 7:00 PM	9:00 AM - 6:00 PM
Saturday	10:00 AM - 6:00 PM	9:00 AM - 5:00 PM
Sunday	10:00 AM - 2:00 PM	9:00 AM - 1:00 PM
Total Hours of Operation	65 hours of operation	65 hours of operation

Change library hours for East Flagstaff Community Library to:

East Flagstaff	Current	Proposed
Monday - Thursday	9:00 a.m. - 9:00 p.m.	9:00 a.m. - 8:00 p.m.
Friday	9:00 a.m. - 6:00 p.m.	9:00 a.m. - 6:00 p.m.
Saturday	9:00 a.m. - 1:00 p.m.	9:00 a.m. - 1:00 p.m.
Sunday	1:00 p.m. - 5:00 p.m.	9:00 a.m. - 5:00 p.m.
Total hours of operation	65 hours of operation	65 hours of operation

The adjusted library hour schedule will leave both locations with improved working hours with a more enhanced weekend schedule. Each location will now have a short day and a long day on the weekends; this way, patrons on both sides of the city will have a full day they can spend at the library without having to move to a secondary location, which is now the current practice. For instance, if you want a full day on Sunday, you have to come to the Main Library and then go to the East Flagstaff Community Library to do so.

INFORMATION:

For some time now, the East Flagstaff Community Library has been receiving numerous requests for additional hours on the weekends. The library does not currently have the budget to add more staff or additional library hours. However, we feel a better solution is to look at the current hours of operation and make adjustments to meet the needs of the community better.

When the library began receiving requests for more weekend library hours, the library administration asked itself if there were any additional issues regarding library hours that needed to be addressed. We began noticing lines outside the Main Library entrance every morning, leaving us to wonder if we were opening early enough to meet the needs at this location. We also noticed that in the summer months, the number of people waiting outside more than tripled compared to colder times of the year. The library administration also noticed that there was no real unity between the two locations' operating hours. We felt that the community could benefit from a more unified set of library hours.

The library administration looked at the hours of operation and began working on a proposal to change the library hours to meet further the needs of our community, which includes; the additional weekend hours, addressing the lines at the front doors, and overall coordination of both libraries. One idea that stood at the forefront was adjusting library hours forward an hour and taking some hours from the end of the day to be put toward weekend hours. As we looked at this option in greater detail, we realized that this solution could meet all our goals for hours of operation.

The first step was ascertaining how many people were coming to the library during the first and last hours of each day, so we observed our door counts and recorded those numbers over some time. From the door count numbers, we found that there was a great need for earlier library hours, and less of a need for later library hours, as patrons were not utilizing the library later in the evenings as much as we had initially expected. We conducted several walkthroughs of the library during the evening hours, and we found that the patronage was sparse. This led the administration to believe that the library workforce would be better utilized earlier in the day when more patrons were using the library.

The second step was sending out a survey to the community to get their opinions of the current library hours. The questions in the survey included:

- What operating hours would you prefer the library adopt?
- What time of day do you most often come to the library?
- A change in library operating hours would impact me:
    - Positively
    - Negatively
    - I would not be affected by the change

The library survey yielded 454 participants. The most significant percentage of responses were in favor of new library hours. The second-largest percentage of responses were neutral about any changes. The percentage of patrons who said that they would be affected negatively by the library hour changes were 28%. However, after looking at the number of negative responses and the time of day they indicated they used the library, more than half of them stated they used the library during a time of the day that would not be affected by the time change.

The number of patrons who indicated the library hour changes would affect them negatively was only 6%. Those who stated that they visited the library during a time that would not be affected by the change were moved to the neutral grouping. After rearranging these numbers, the percentages were as follows: 51% of patrons were in favor of new library hours, 43% of patrons were neutral about new library hours and indicated that a change in hours would not affect them, and 6% of patrons were against the shift to library hours, depending on the time of day they visited the library.

After analyzing the door count numbers and the survey results, the library administration recommends that the main library location shift its operating times by one hour. This proposes that the Main Library opens an hour earlier in the morning and closes an hour earlier in the evening. Operating hours for the Main Library would remain at 65 hours per week.

Library administration also recommends that the EFCL close one hour earlier, Monday through Thursday. This would make operating hours uniform for both locations, Monday through Thursday. The extra hours would then be moved to Sunday to accommodate the request for more weekend hours. Operating hours for the EFCL would remain at 65 hours per week as well.

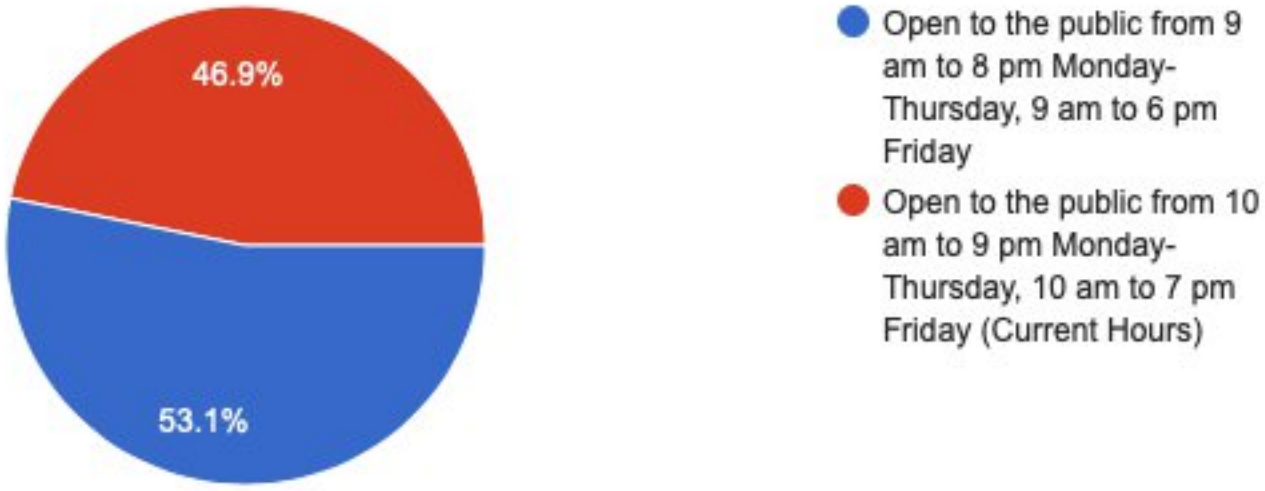
The only difference between the two libraries' operating hours would be on Saturday and Sunday. On Saturday, the Main Library would be open from 9 AM - 5 PM, whereas the EFCL would be open from 9 AM - 1 PM. On Sunday, the Main Library would be open from 9 AM - 1 PM, and the EFCL would be open from 9 AM - 5 PM. This will allow each library to have a full weekend day for patrons to visit the library. It will also eliminate the need for a patron to leave one location and go to another to use the library for a full day. Finally, by making these changes, we will have consistency among the two library locations.

The Library administration presented the library hour recommendations to the Library Board. The Library Board voted in favor of the changes, and support staff to bring these changes before the City Council for further discussion and approval.

Attachments:
Main Library Hour Survey 1
Main Library Hour Survey 2
EFCL Library Hour Survey 1
EFCL Library Hour Survey 2
Presentation

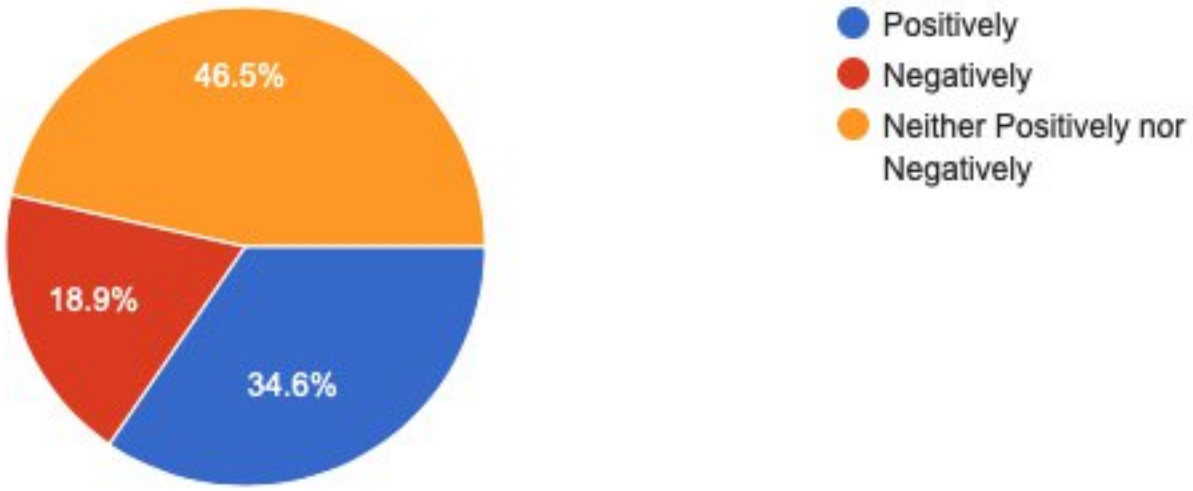
What operating hours would you prefer the Downtown Library adopt (Monday-Friday)?

318 responses



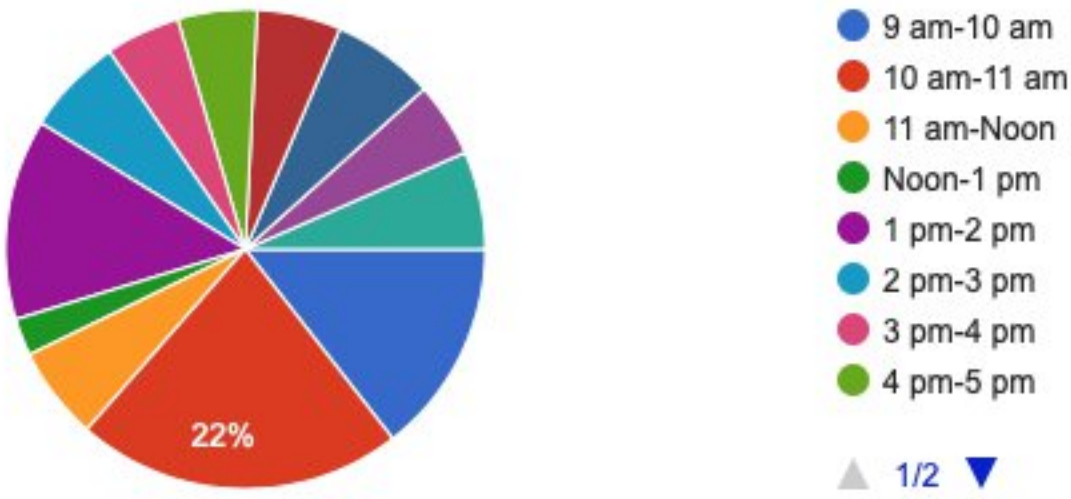
A change in Downtown Library operating hours would impact me:

318 responses



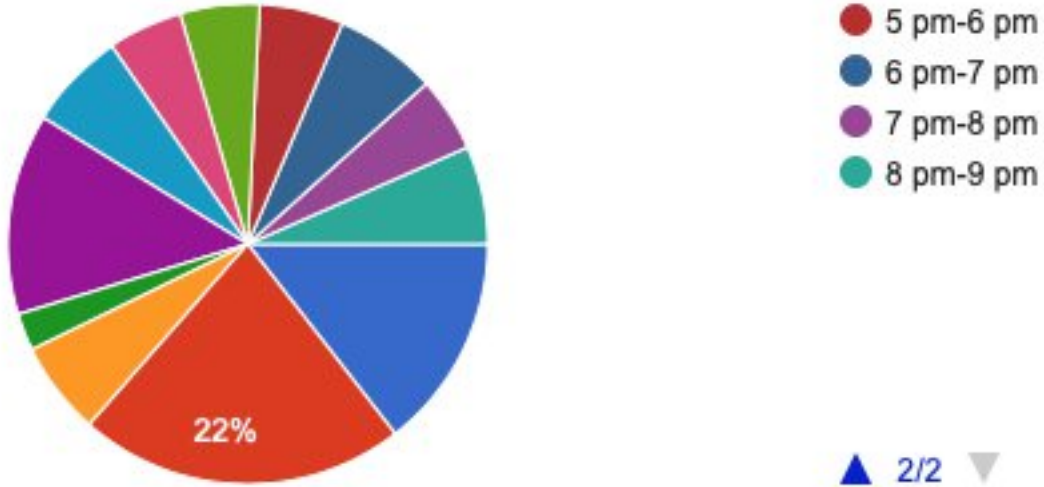
What time of day do you most often come to the library?

318 responses



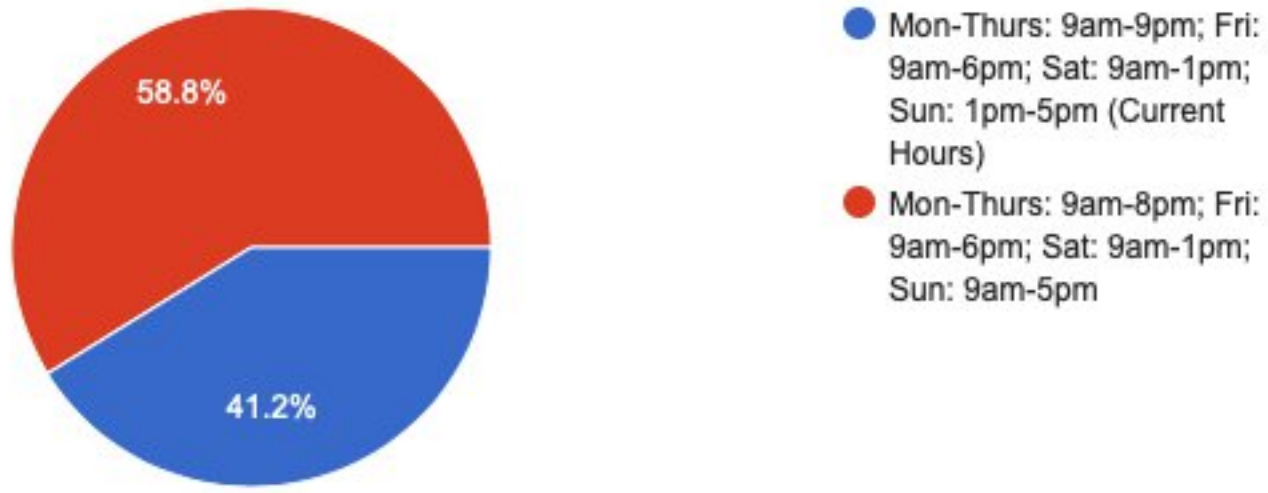
What time of day do you most often come to the library?

318 responses



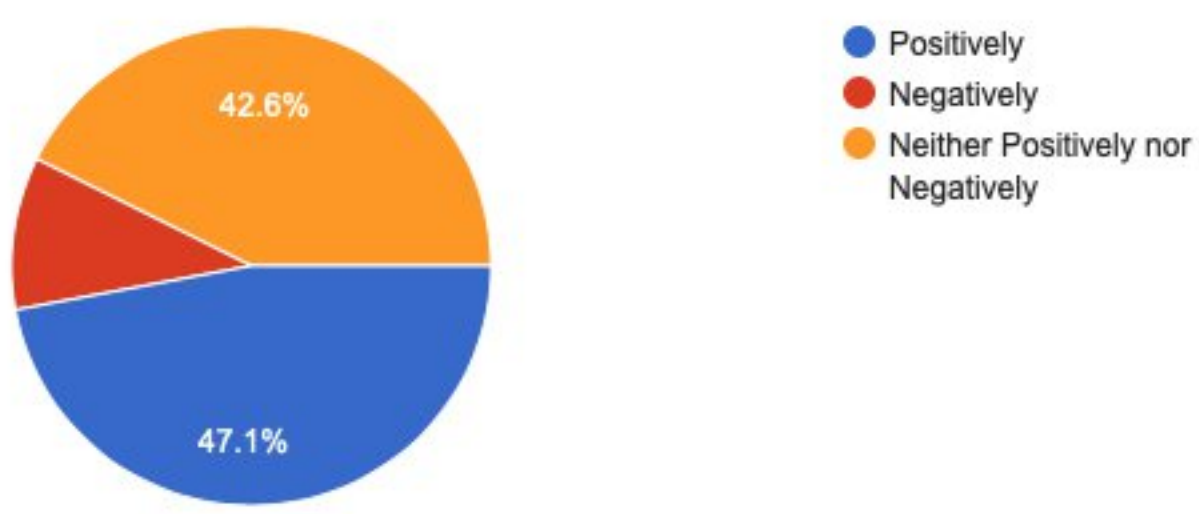
I would prefer the East Flagstaff Community Library to have the following hours:

136 responses



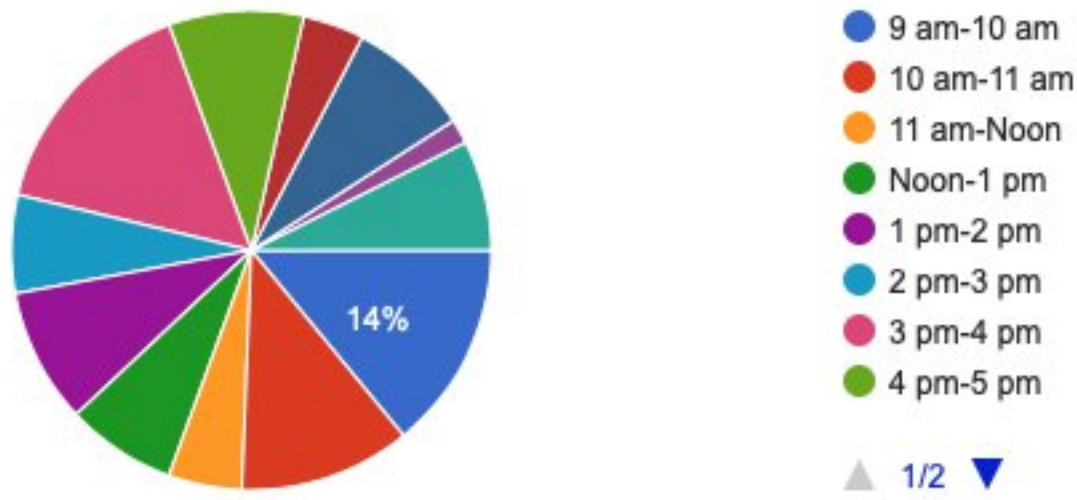
A change in the operational hours of the East Flagstaff Community Library would impact me:

136 responses



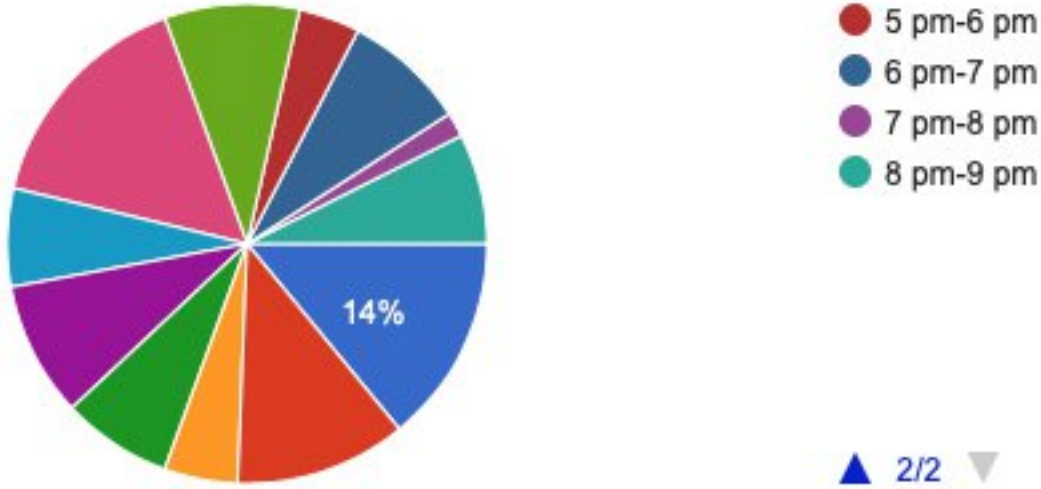
What time of day do you most often come to the library?

121 responses



What time of day do you most often come to the library?

121 responses



FLAGSTAFF CITY - COCONINO COUNTY PUBLIC LIBRARY

City of Flagstaff
Library Statistics for 2019

Attendance:	**614,148**
Materials Checked Out:	**705,330**
In-house Use:	**109,805**
E-Materials:	**56,805**
Wifi Sessions:	**85,989**
Computer Sessions:	**53,701**

FLAGSTAFF CITY - COCONINO COUNTY PUBLIC LIBRARY

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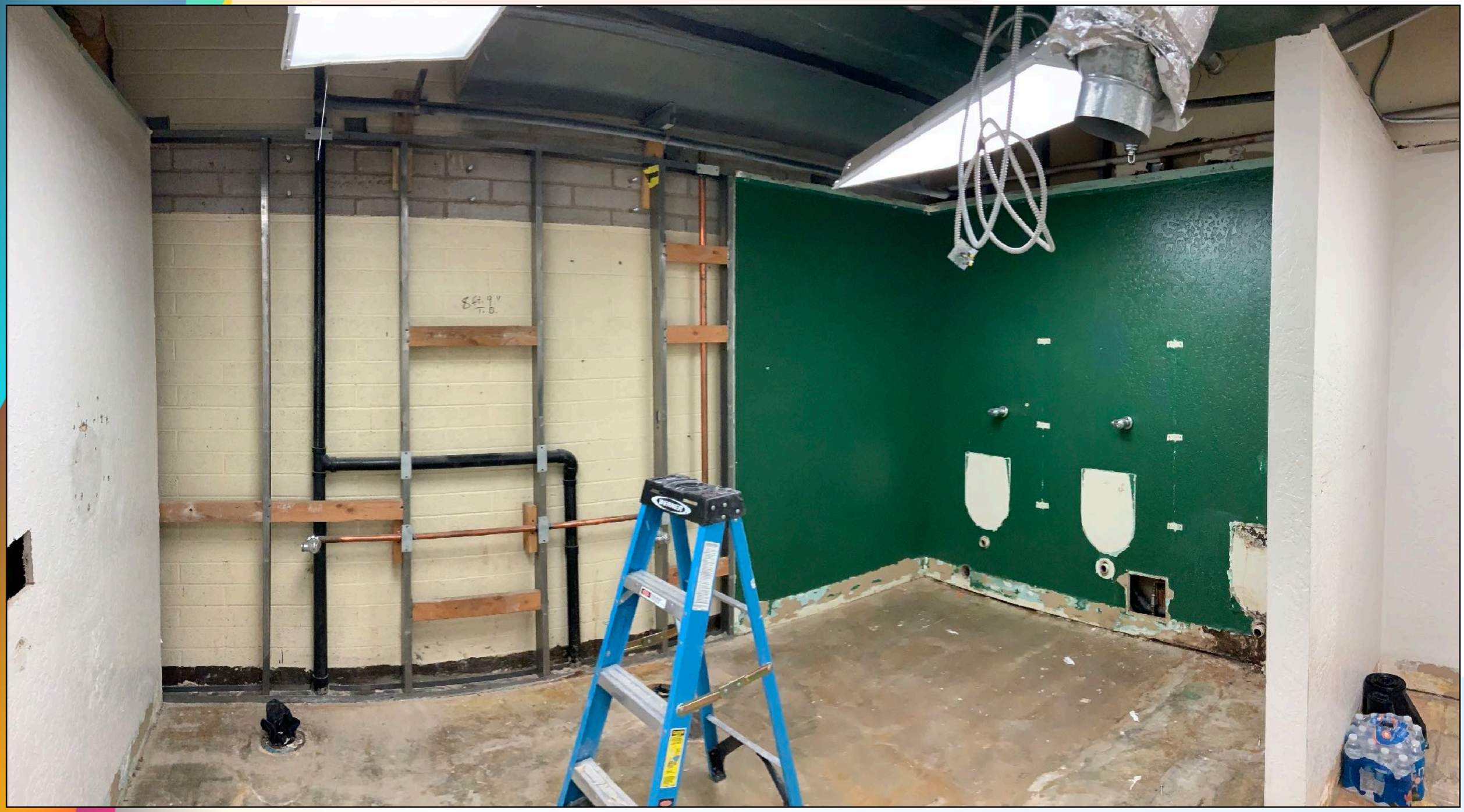

FLAGSTAFF CITY - COCONINO COUNTY PUBLIC LIBRARY

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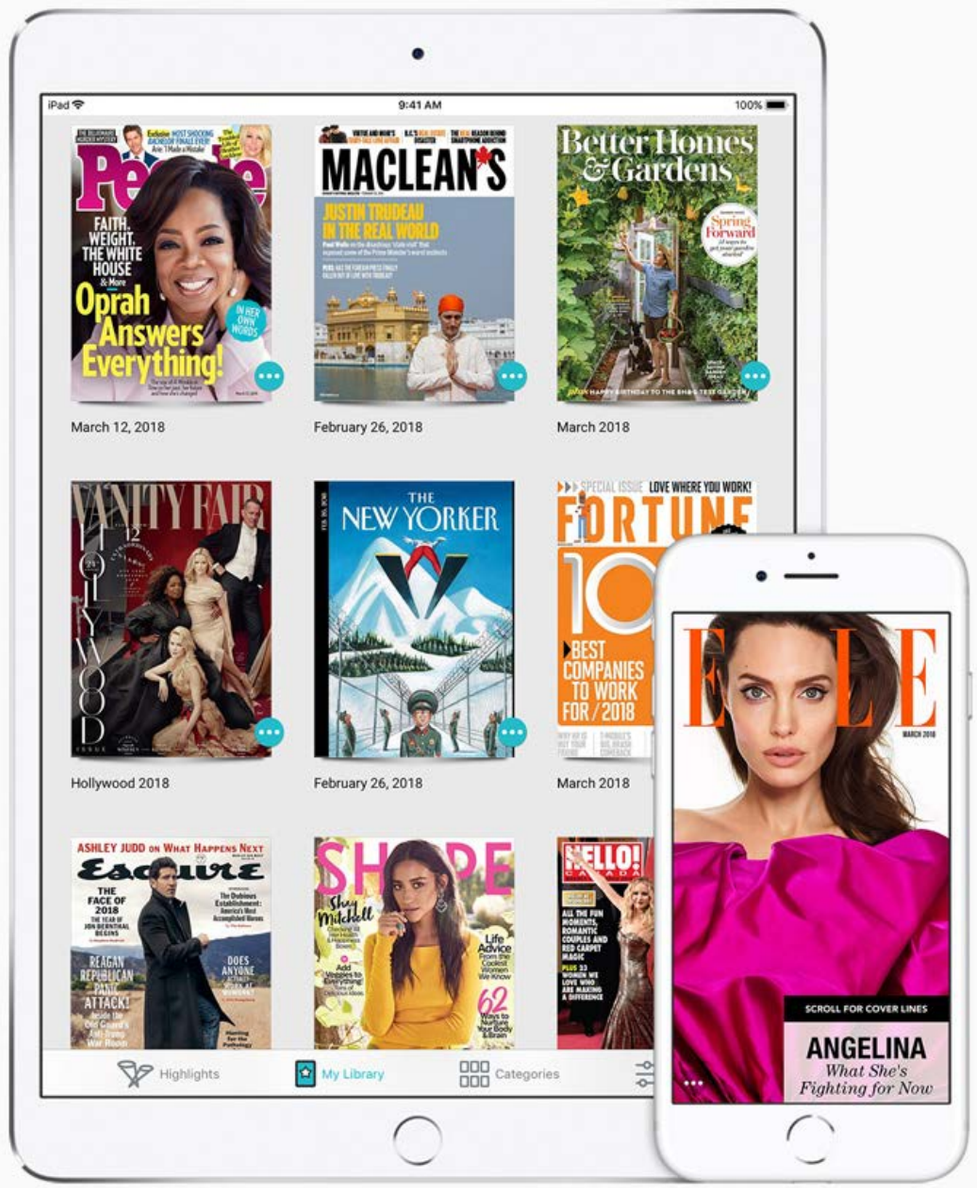
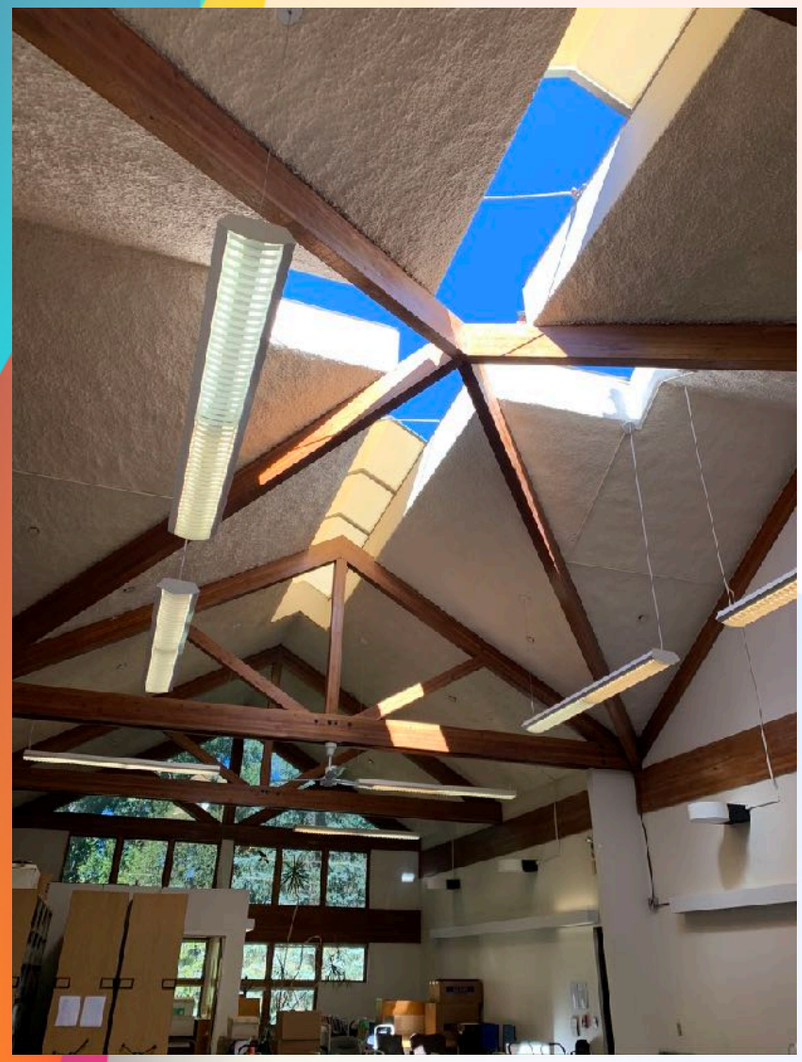


Expanded our magazine collection by introducing digital periodical materials.

Increased the number of available titles from 150 to over 500, while decreasing the overall library magazine cost.

FLAGSTAFF CITY - COCONINO COUNTY PUBLIC LIBRARY

FLAGSTAFF CITY - COCONINO COUNTY PUBLIC LIBRARY



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FLAGSTAFF CITY - COCONINO COUNTY PUBLIC LIBRARY

Extended Sunday Hours

EFCL: Sunday Hours 1-5

Are both libraries meeting the current needs of our community?

	Main Library	EFCL
Monday - Thursday	10:00 AM - 9:00 PM	9:00 AM - 9:00 AM
Friday	10:00 AM - 7:00 PM	9:00 AM - 6:00 PM
Saturday	10:00 AM - 6:00 PM	9:00 AM - 1:00 PM
Sunday	10:00 AM - 2:00 PM	1:00 AM - 5:00 PM
Total Hours of Operation	65 hours of operation	65 hours of operation

FLAGSTAFF CITY - COCONINO COUNTY PUBLIC LIBRARY

- **We have noticed large lines of people waiting outside the library each morning.**

- **We noticed that the library hours of the Main Library and East Library were not consistent between the two locations.**

FLAGSTAFF CITY - COCONINO COUNTY PUBLIC LIBRARY

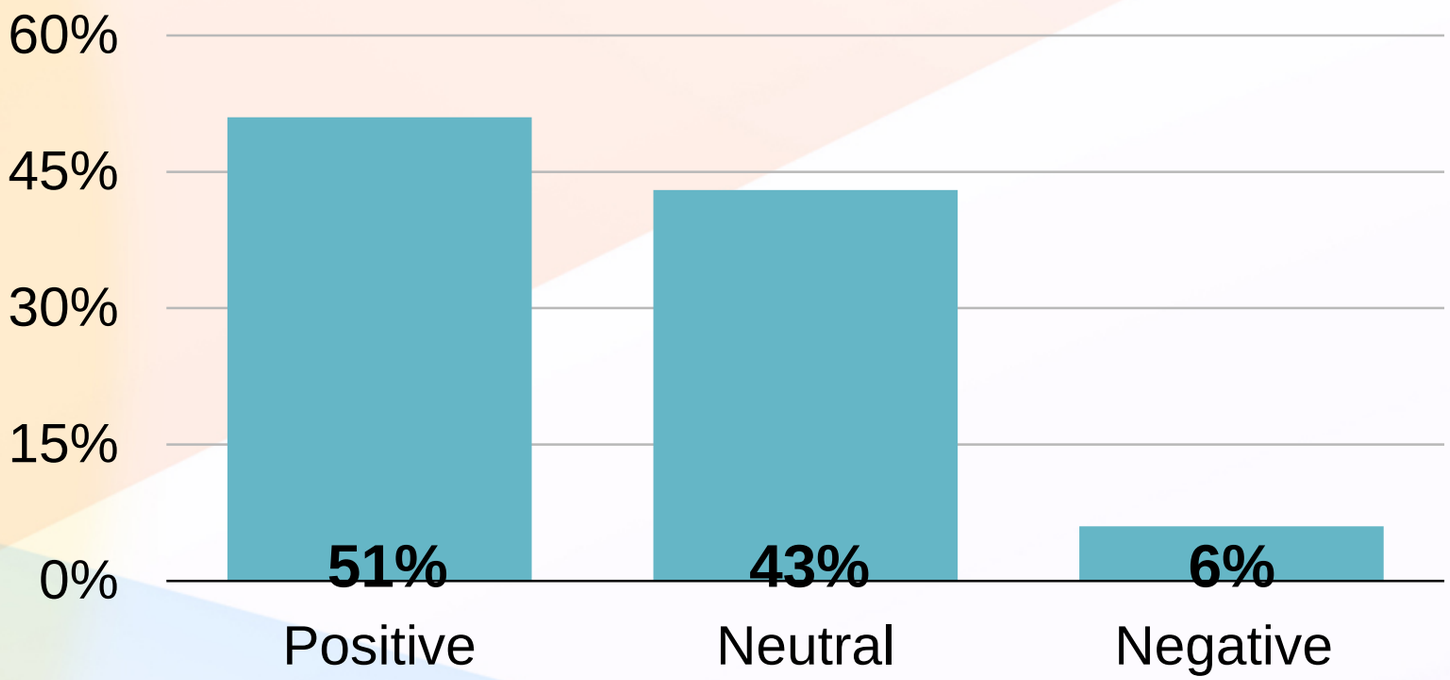
Door Count

	First hour of the Day	Last hour of the day
Main: Open at 10 AM	Average of 125	Average of 10
EFCL: Open at 9 AM	Average of 53	Average of 18

Public Survey

- **What operating hours would you prefer the library adopt?**
- **A Change in library operating hours would impact me:**
  - **Positively**
  - **Negatively**
  - **I would not be affected by the change**
- **What time of day do you most often come to the library?**

FLAGSTAFF CITY - COCONINO COUNTY PUBLIC LIBRARY



454 patrons participated in the survey

FLAGSTAFF CITY - COCONINO COUNTY PUBLIC LIBRARY

Main Library	Current	Proposed
Monday - Thursday	10:00 AM - 9:00 PM	9:00 AM - 8:00 PM
Friday	10:00 AM - 7:00 PM	9:00 AM - 6:00 PM
Saturday	10:00 AM - 6:00 PM	9:00 AM - 5:00 PM
Sunday	10:00 AM - 2:00 PM	9:00 AM - 1:00 PM
Total Hours of Operation	65 hours of operation	65 hours of operation

FLAGSTAFF CITY - COCONINO COUNTY PUBLIC LIBRARY

EFCL	Current	Proposed
Monday - Thursday	9:00 AM - 9:00 PM	9:00 AM - 8:00 PM
Friday	9:00 AM - 6:00 PM	9:00 AM - 6:00 PM
Saturday	9:00 AM - 1:00 PM	9:00 AM - 1:00 PM
Sunday	1:00 PM - 5:00 PM	9:00 PM - 5:00 PM
Total Hours of Operation	65 hours of operation	65 hours of operation

FLAGSTAFF CITY - COCONINO COUNTY PUBLIC LIBRARY

Main Library	Proposed
Saturday	9:00 AM - 5:00 PM
Sunday	9:00 AM - 1:00 PM

The only difference between library hours is on Saturday and Sunday. Now a patron can stay at one location without having to go to a secondary location in order to keep utilizing the library's services. Both libraries could now offer a full day on the weekends.

EFCL	Proposed
Saturday	9:00 AM - 1:00 PM
Sunday	9:00 AM - 5:00 PM

9. B.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Stacy Saltzburg, City Clerk
Date:	06/01/2020
Meeting Date:	06/02/2020

TITLE

Discussion regarding Governor Ducey's Declaration of State of Emergency

STAFF RECOMMENDED ACTION:

Discussion Only

EXECUTIVE SUMMARY:

Please see attached Declaration of Emergency

INFORMATION:

Attachments: Declaration

Declaration of State of Emergency
Rioting-Imposition of Curfew

WHEREAS, lawful assemblies are the lifeblood of our democracy based in the constitutional rights that we all hold so dear; and

WHEREAS, in the past week, individuals have engaged in legal and peaceful protests throughout the nation and world; and

WHEREAS, certain persons have engaged in riots resulting in assaults, vandalism, violence and criminal damage; and

WHEREAS, the violent civil disturbances and riots have continued and grown nationally and in Arizona, endangering additional lives and property; and

WHEREAS, on May 28, 2020, a protest was held in downtown Phoenix, however, after ending, a number of those attending did not disburse and began to cause a civil disturbance and riot causing damage to police vehicles with officers in them, vandalizing government buildings and throwing rocks and other items at police; and

WHEREAS, on May 29, 2020, following a peaceful vigil, some participants again headed to downtown Phoenix where their demonstration escalated resulting in additional vandalization and damage to government and private business buildings, fireworks being launched toward police, streets being blocked and reporters being assaulted; and

WHEREAS, on May 29, 2020, the downtown area of the City of Tucson was also vandalized by persons who burned dumpsters, blocked streets and destroyed property; and

WHEREAS, on May 30, 2020, protests continued in downtown Phoenix and downtown Tucson resulting in additional damage to property, and looting occurred in downtown Scottsdale at multiple businesses in the Scottsdale Fashion Square Mall and the surrounding area; and

WHEREAS, the level of disturbances and danger to persons and property has continued to increase with information suggesting that civil disturbances will expand to other areas of the State; and

WHEREAS, to date, as this violence spreads, it is necessary to have a statewide response to maximize the resources of law enforcement and other government support services to ensure the safety of persons and property; and

WHEREAS, the State understands its obligations to permit expressive activity subject to reasonable time, place and manner restrictions necessitated by the existing public safety concerns for citizens, public safety employees and protestors; and

WHEREAS, one of the primary purposes of government is to protect its citizens, maintain order and balance the rights of all individuals; and

WHEREAS, due to these conditions, and pursuant to Arizona Revised Statute (A.R.S.) § 26-301, "conditions of...extreme peril to the safety of persons or property within the state caused by...riot...or other causes...which are or are likely to be beyond the control of the services, personnel, equipment and facilities of any single county, city or town, and which require the combined efforts of the state and the political subdivision" exist to support a declaration of emergency; and

WHEREAS, pursuant to A.R.S. § 26-303(D), these circumstances necessitate a declaration of emergency.

NOW, THEREFORE, I, Douglas A. Ducey, Governor of the State of Arizona, by virtue of the authority vested in me by the Constitution and laws of this State, including but not limited to, A.R.S. 26-303, hereby order as follows:

1. Declare that a State of Emergency exists in Arizona due to riots, effective Sunday, May 31, 2020 and continuing.

2. As part of the State of Emergency, a limited curfew is imposed for the entire State beginning at 8:00 p.m. on Sunday, May 31, 2020.

3. The curfew will be in place from 8:00 p.m. until 5:00 a.m. and shall expire on Monday, June 8, 2020 at 5:00 a.m. unless further extended.

    a. During the hours of curfew, all persons are prohibited from using, standing, sitting, traveling or being present on any public street or in any public place, including for the purpose of travel, with the following exemptions:

        i. All law enforcement, firefighters, paramedics or other medical personnel, National Guard, as well as any other emergency response personnel authorized by the State of Arizona, and credentialed members of the media.

        ii. Individuals traveling directly to and from work; attending religious services; commercial trucking and delivery services; obtaining food; caring for a family member, friend, or animal; patronizing or operating private businesses; seeking medical care or fleeing dangerous circumstances; and travel for any of the above services.

    b. For purposes of this order, "travel" includes, without limitation, travel on foot, bicycle, skateboard, scooter, motorcycle, automobile, or public transit, or any other mode of transporting a person from one location to another.

    c. For purposes of this order, "public place" means any place, whether on privately or publicly owned property, accessible to the general public, including but not limited to public streets and roads, alleys, highways, driveways, sidewalks, parks, vacant lots, and unsupervised property.

    d. For purposes of this order, "exempt care" means necessary medical services for an individual's self or family member.

e. Violation of this order is a Class 1 misdemeanor pursuant to A.R.S. § 26-317 and is punishable by up to six (6) months in jail and a fine of $2500 in addition to any other violation under Title 13.

4. Direct that the State of Arizona Emergency Response and Recovery Plan be used, and the Division of Emergency Management to be engaged, as necessary or requested, to assist in managing the emergency.

5. Authorize the Adjutant General to mobilize and call to activate all or such part of the Arizona National Guard as is determined necessary to assist in the protection of life and property throughout the State.

6. Direct that the sum of $200,000 from the General Fund be made available to the Director of the Arizona Division of Emergency Management to be expended in accordance with A.R.S. § 35-192, A.A.C. R8-2-301 to 321, and Executive Order 79-4.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Arizona.

Douglas A. Ducey

GOVERNOR

DONE at the Capitol in Phoenix on this thirty-first day of May in the year Two Thousand and Twenty and of the Independence of the United States of America the Two Hundred and Forty-Fourth.

ATTEST:

Secretary of State

11. A.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Stacy Saltzburg, City Clerk
Date:	05/27/2020
Meeting Date:	06/02/2020

TITLE

Future Agenda Item Request (F.A.I.R.): A request by Councilmember Whelan to place on a future agenda a discussion regarding the development of an online portal for citizens to submit and sign Citizen Petitions to the City Council.

STAFF RECOMMENDED ACTION:

Council direction.

EXECUTIVE SUMMARY:

Rule 4.01, Procedures for Preparation of Council Agendas, of the City of Flagstaff City Council Rules of Procedure outlines the process for bringing items forward to a future agenda. Councilmember Whelan has requested this item be placed on an agenda under Future Agenda Item Requests (F.A.I.R.) to determine if there are two other members of Council interested in placing it on a future agenda.

INFORMATION:

Attachments:

11. B.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Stacy Saltzburg, City Clerk
Date:	05/27/2020
Meeting Date:	06/02/2020

TITLE

Future Agenda Item Request (F.A.I.R.) A Citizens' Petition requesting that the Council to "examine Towns on Lone Tree/Tract 22 Student Housing Development (Symmetry/Valeo)"

STAFF RECOMMENDED ACTION:

Council direction.

EXECUTIVE SUMMARY:

In accordance with Art. II, Sect. 17 of the Flagstaff City Charter, any citizen may present a written petition to the City Manager, signed by a minimum of 25 citizens from the City...who shall present it to the Council at its next regular meeting. The attached petition was filed with the City Clerk's Office on May 26, 2020, requesting that the Council "examine Towns on Lone Tree/Tract 22 Student Housing Development (Symmetry/Valeo)."

INFORMATION:

Chapter 1-12 of the Flagstaff City Code formalizes the information to be required, and the attached petition conforms to those requirements. As outlined in this chapter, the petition is to be submitted to the Council under Future Agenda Item Request (F.A.I.R.) to determine if there is Council interest in placing the item on a future agenda for consideration.

Attachments: Petition #2020-03

FIRST PAGE

1/41

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17 and Flagstaff City Code Title I Chapter 12

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Action Requested: The petitioners request that the Flagstaff City Council exercise its right to examine the subject 794-bed/bath Student Housing proposal (now in substantive review) for required FULL conformance to the Conceptual Plan, Development Agreement and, from a policy perspective, its alignment with other council initiatives such as the Climate Action & Adaptation Plan and the HOHS Plan. The current proposal deviates from the DA and original concept plan, is detrimental to the adjoining Pinnacle Pines homeowners, yet is being pushed through the approval process by city planning staff with apparent administrative "waivers" granted to the developer and clearly by usurping the authority granted to City Council. Time is of the essence. Please agendize and investigate.

Printed Name of Submitter: Bruce Carl Ertmann

(Submitter must also sign below and complete information)

Contact Information: 949-300-4770 bce714@gmail.com Bruce Carl Ertmann

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/10/2020	BRUCE CARL ERTMANN	3279 S HANNAH FLAGSTAFF, AZ 86005	Bruce Carl Ertmann
5/14/20	Mark A. Johnson	3315 S. Hannah Flagstaff, AZ 86005	
5/14/20	DAVID MONHEIT	3199 S HANNAH	
5/17/20	Ted Wojtasik	1077 E. Sterling Ln	

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**
	RECEIVED By Stacy Saltzburg at 8:27 am, May 26, 2020	June 2, 2020

02/2016

2/41

PETITION TO FLAGSTAFF CITY COUNCIL

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and Flagstaff City Code Title I Chapter 12

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Printed Name of Submitter: Bruce Carl Ertmann

(Submitter must also sign below and complete information)

Contact Information: bce714@gm
ail.com

(Phone Number and/or e-mail address)

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/14/20	Irma Sandercock	1005 E. Sterling 86005	Irma J. Sandercock
5/14/2020	Bill Sandercock	1005 E STERLING 86005	Bill Sandercock
5/17/2020	Mary Norton	969 E Sterling Ln Flagstaff 86005	Mary Norton
5/17/2020	Jeff Norton	969 E. Sterling Ln Flag 86005	Jeff Norton
5/18/2020	Ron Norton	3235 S. Beringvln	

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

3/41

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Printed Name of Submitter: Bruce Carl Ertmann

(Submitter must also sign below and complete information)

Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/12/2020	Mavine C. Sellman	3230 S. Hannah Ln.	Mavine C Sellman
5/12/2020	Mike Sellman	3230 S. Hannah Ln.	Mike Sellman
5/12/2020	Patti Beaudry	3212 S. Hannah Ln	Patti Beaudry
5/12/2020	Anthony Beaudry	3212 S. Hannah Ln	Anthony Beaudry
5/12/2020	John Strack	3211 S Hannah LN	
5/12/2020	Gayle Strack	3211 S. Hannah Ln	Gayle Strack
5/12/2020	PETE WATTERS	3205 S Hannah Ln	
5/12/2020	LAURA STONE	3205 S. Hannah Lane	Laura K Stone
5/12/2020	Michele Holmes	3204 S. Hannah Lane	Michele Holmes
5/12/2020	Larry Holmes	3204 S. Hannah Ln	LG Holmes

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

4/41

PETITION TO FLAGSTAFF CITY COUNCIL

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(Phone Number and/or e-mail address)

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PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/11/20	Hanna Ian	912 E. Sterling Lane	Hanna Ian
5/12/20	Michael Ruba	912 E Sterling Ln	Michael Ruba

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

02/2016

5/41

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(Phone Number and/or e-mail address)

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PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5-12-20	Michael Young	3283 S. Burgess Lane Flagstaff AZ 86001	

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DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

DocuSign Envelope ID: A0952A3D-5E01-4067-9C33-FCA95C6B7AF0

6/41

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Printed Name of Submitter: Bruce Carl Ertmann

(Submitter must also sign below and complete information)

Contact Information: bce714@gmail.com

(Phone Number and/or e-mail address)

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/11/2020 | 11:17 AM MST	Jill Stadum	3182 S Beringer Lane, Flagstaff AZ	DocuSigned by: Jill Stadum E1B4EF3A41334CB...

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

7/41

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(Submitter must also sign below and complete information)

Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
05/11/2020	Robert G. Burch	3125 S. Salvestrin Lane Flagstaff, AZ 86005	
05/11/2020	Jane M. Burch	3125 S. Salvestrin Lane Flagstaff, AZ 86005	

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DATE RECEIVED	BY	COUNCIL MEETING DATE

02/2016

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17
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4/41

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PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
MAY 11, 2020	STEEN KNUDSEN	3238 S SALVESTRON LN	

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

9/41

PETITION TO FLAGSTAFF CITY COUNCIL

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(Phone Number and/or e-mail address)

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PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/12/20	Dean Coleman	3297 S. Hannah Lane Flagstaff, AZ 86005	
11	Pamela Coleman	3297 S Hannah Flag 86005	

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

10/41

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(Phone Number and/or e-mail address)

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PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5.11.2020	Rick Bohn	917 E. Sterling Ln. Flagstaff	

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

11/4/

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Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

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PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5-12-20	Bruce Housen	3239 S. Hannah Ln Flagstaff AZ 86001	
5-12-20	Deb Housen	" "	

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

12/41

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(Phone Number and/or e-mail address)

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PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5.12.20	Claudia Lucaire	3092 S. Hannah Lane	

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

13/41

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PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
N/A ~~5-14-20~~	~~Mindy Degraff~~	~~3187 S Beringer Lane Flagstaff AZ 86005~~	
N/A ~~5-14-20~~	~~James Moses~~	~~3187 S Beringer Lane Flagstaff AZ 86005~~	
5/14/2020	Al Lorenz	3149 S. Salvestrin Ln Flagstaff, AZ 86005	Alan D. Lorenz
5-14-20	Nancy Baethcher-Lorenz	3149 S. Salvestrin Ln Flagstaff, Az 86005	Nancy Baethcher Lorenz

RECEIVED BY CITY OF FLAGSTAFF

DATE RECEIVED	BY	COUNCIL MEETING DATE

14/41

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(Submitter must also sign below and complete information)

Contact Information: bce714@gm
ail.com

(Phone Number and/or e-mail address)

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/11/2020	CONSTANT NEELEY	FLAGSTAFF AZ 86005 906 E STERLING LN	Constant Neeley
5/11/2020	Mary Nepley	906 E. Sterling Ln Flagstaff, AZ 86005	Mary Neeley

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

15/41

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Printed Name of Submitter: Bruce Carl Ertmann

(Submitter must also sign below and complete information)

Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5-14-20	Mindy Degraff	3187 S Beringer Lane Flagstaff AZ 86005	
5-14-20	James Moses	3187 S Beringer Lane Flagstaff AZ 86005	

RECEIVED BY CITY OF FLAGSTAFF

DATE RECEIVED	BY	COUNCIL MEETING DATE

16/41

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17
and Flagstaff City Code Title I Chapter 12

Pursuant to the Flagstaff City Charter and the City Code, any citizen (resident) of the City may present a written petition to the City Manager, signed by a minimum of 25 citizens from the City of Flagstaff, which shall be presented to the City Council.

Title of Issue: Examine Towns on Lone Tree/Tract 22 Student Housing Development (Symmetry/Valeo)

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Printed Name of Submitter: Bruce Carl Ertmann

(Submitter must also sign below and complete information)

Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/14/20	Justin Dallacqua	3157 S. Hannah Lane 86005	
5-14-20	Julie Ryan	3157 S. Hannah	

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

17/41

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17
and Flagstaff City Code Title I Chapter 12

Pursuant to the Flagstaff City Charter and the City Code, any citizen (resident) of the City may present a written petition to the City Manager, signed by a minimum of 25 citizens from the City of Flagstaff, which shall be presented to the City Council.

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Printed Name of Submitter: Bruce Carl Ertmann

(Submitter must also sign below and complete information)

Contact Information: bce714@gmail.com

(Phone Number and/or e-mail address)

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/9/2020	XIAOQING MA	800 E. Sterling Ln.	
5/14/2020	Michael Banker	794 E Sterling Ln	
5/14/2020	Christine Banker	794 E. Sterling Ln	
5/14/2020	JAKE LANSBURG	788 E STERLING LN	

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	BY	COUNCIL MEETING DATE

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17
and Flagstaff City Code Title I Chapter 12

14/41

Pursuant to the Flagstaff City Charter and the City Code, any citizen (resident) of the City may present a written petition to the City Manager, signed by a minimum of 25 citizens from the City of Flagstaff, which shall be presented to the City Council.

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Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5-12-20	Carmen Lamé	3207 S. Marryvale Ln	C. [illegible]
5-12-20	Soroosh Lamé	3207 S. Maryvale Ln	[illegible]

RECEIVED BY CITY OF FLAGSTAFF

DATE RECEIVED	BY	COUNCIL MEETING DATE

19/41

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17
and Flagstaff City Code Title I Chapter 12

Pursuant to the Flagstaff City Charter and the City Code, any citizen (resident) of the City may present a written petition to the City Manager, signed by a minimum of 25 citizens from the City of Flagstaff, which shall be presented to the City Council.

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Printed Name of Submitter: Bruce Carl Ertmann

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Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/13/2020	John Penna	1068 E. Sterling Ln Flagstaff AZ 86005	
5/13/2020	Vicki Penna	1068 E. Sterling Ln Flagstaff, AZ 86005	Vicki Penna

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

20/41

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17
and Flagstaff City Code Title I Chapter 12

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Printed Name of Submitter: Bruce Carl Ertmann

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Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/12/2020	Arthur Gordon	3189 S. Salvestrin, Flagstaff	
5/12/2020	SARA GORDON	3189 S. Salvestrin, Flag	

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

21/41

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17 and Flagstaff City Code Title I Chapter 12

Pursuant to the Flagstaff City Charter and the City Code, any citizen (resident) of the City may present a written petition to the City Manager, signed by a minimum of 25 citizens from the City of Flagstaff, which shall be presented to the City Council.

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Printed Name of Submitter: Bruce Carl Ertmann

(Submitter must also sign below and complete information)

Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/12/2020	Laurence Greene	3146 S. Hannah Ln	

RECEIVED BY CITY OF FLAGSTAFF

DATE RECEIVED	BY	COUNCIL MEETING DATE

22/41

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17
and Flagstaff City Code Title I Chapter 12

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Printed Name of Submitter: Bruce Carl Ertmann

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Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/12/20	William Frey	3242 S. Beringer Ln. Flagstaff, AZ, 86005	William Frey
5/12/20	Christine Hunt	3242 S. Beringer Flagstaff 86005	CA Hunt

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

02/2016

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17
and Flagstaff City Code Title I Chapter 12

23/41

Pursuant to the Flagstaff City Charter and the City Code, any citizen (resident) of the City may present a written petition to the City Manager, signed by a minimum of 25 citizens from the City of Flagstaff, which shall be presented to the City Council.

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Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

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PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/13/2020	PEGGY DERRY	3211 S BERINGER LN	Peggy Derry
5/14/2020	Jerome Lammer	3211 S. Beringer Ln	Jerome Lammer
5/14/2020	Constance Goss	3196 S. Marryvale Ln	Constance V. Goss

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

24/41

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17
and Flagstaff City Code Title I Chapter 12

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Printed Name of Submitter: Bruce Carl Ertmann

(Submitter must also sign below and complete information)

Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5-14-20	John F. Riley	3151 S HANNAH LN FLAGSTAFF 86005	
5-14-20	ELIZABETH LOMBARDO	3151 E HANNAH LN FLAGSTAFF 86005	Elizabeth Lombardo

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17
and Flagstaff City Code Title I Chapter 12

25/41

Pursuant to the Flagstaff City Charter and the City Code, any citizen (resident) of the City may present a written petition to the City Manager, signed by a minimum of 25 citizens from the City of Flagstaff, which shall be presented to the City Council.

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Printed Name of Submitter: Bruce Carl Ertmann

(Submitter must also sign below and complete information)

Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
8/15/2020	Erin Reddick	3244 S Hannah Ln	

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

26/41

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17
and Flagstaff City Code Title I Chapter 12

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Printed Name of Submitter: Bruce Carl Ertmann

(Submitter must also sign below and complete information)

Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5-15-20	LENO PETTEYS	3286 S. HANNAH LN.	Leno Petteys
5-15-20	ROBIN PETTEYS	3286 S. HANNAH LN.	Robin Petteys

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

02/2016

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17 and Flagstaff City Code Title I Chapter 12

27/41

Pursuant to the Flagstaff City Charter and the City Code, any citizen (resident) of the City may present a written petition to the City Manager, signed by a minimum of 25 citizens from the City of Flagstaff, which shall be presented to the City Council.

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Printed Name of Submitter: Bruce Carl Ertmann

(Submitter must also sign below and complete information)

Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/16/2020	Scott D. Sheeman	3163 S. Hannah Lane Flagstaff, AZ 86005	

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

28/41

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17
and Flagstaff City Code Title I Chapter 12

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Printed Name of Submitter: Bruce Carl Ertmann

(Submitter must also sign below and complete information)

Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/14/2020	Rose Wells	3244 S. Marrygvale Ln Flagstaff AZ 86001	Rose C Wells
5.14.20	Chuck Wells	3244 S. Marrygvale Ln	C Wells

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

29/41

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17
and Flagstaff City Code Title I Chapter 12

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Printed Name of Submitter: Bruce Carl Ertmann

(Submitter must also sign below and complete information)

Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/12/20	ANDREW KELLY	3233 S. SONOMA ST. FLAGSTAFF, AZ	

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

02/2016

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17
and Flagstaff City Code Title I Chapter 12

30/41

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Printed Name of Submitter: Bruce Carl Ertmann

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Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5-13-20	JAMES FARRER	3231 S. MARRYVALE	James Farrer
5-13-20	Beverly Farrer	3231 S. MARRYVALE	Beverly Farrer

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17
and Flagstaff City Code Title I Chapter 12

31/41

Pursuant to the Flagstaff City Charter and the City Code, any citizen (resident) of the City may present a written petition to the City Manager, signed by a minimum of 25 citizens from the City of Flagstaff, which shall be presented to the City Council.

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Printed Name of Submitter: Bruce Carl Ertmann

(Submitter must also sign below and complete information)

Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/13/20	Henry Leger	[redacted] 3157 S. Salvestrin Ln Flagstaff, AZ	Henry Leger
5/13/20	Janet Leger	3157 S. Salvestrin Ln Flagstaff, AZ	Janet Leger

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

32/41

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17
and Flagstaff City Code Title I Chapter 12

Pursuant to the Flagstaff City Charter and the City Code, any citizen (resident) of the City may present a written petition to the City Manager, signed by a minimum of 25 citizens from the City of Flagstaff, which shall be presented to the City Council.

Title of Issue: Examine Towns on Lone Tree/Tract 22 Student Housing Development (Symmetry/Valeo)

Action Requested: The petitioners request that the Flagstaff City Council exercise its right to examine the subject 794-bed/bath Student *Housing proposal (now in substantive review) for required FULL conformance to the Conceptual Plan, Development* Agreement and, from a policy perspective, its alignment with other council initiatives such as the Climate Action & Adaptation Plan and the HOHS Plan. The current proposal deviates from the DA and original concept plan, is detrimental to the adjoining Pinnacle Pines homeowners, yet is being pushed through the approval process by city planning staff with apparent administrative "waivers" granted to the developer and clearly by usurping the authority granted to City Council. Time is of the essence. Please agendize and investigate.

Printed Name of Submitter: Bruce Carl Ertmann

(Submitter must also sign below and complete information)

Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5-18-20	Rafael Esmurdoc	3073 S. Hannah Lane	
5-18-20	Deborah Esmurdoc	3073 S. Hannah Lane	

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

02/2016

PETITION TO FLAGSTAFF CITY COUNCIL

Pursuant to Flagstaff City Charter Article II Section 17
and Flagstaff City Code Title I Chapter 12

33/41

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PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/16/2020	Joshua Copley	1092 E. Sterling LN. FLAGSTAFF, AZ 86005	
5/18/2020	Karen Copley	1092 E Sterling Flag AZ 86005	
5/18/2020	Mary Greenwood	3225 S Sonoma St Flagstaff AZ 86005	
5/18/2020	Marci Sheer	3116 S Hannah Lane Flagstaff AZ 86005	

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

34/41

PETITION TO FLAGSTAFF CITY COUNCIL

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PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
May 15, 2020	Mary Michele Johnson	3315 South Hannah Lane Flagstaff Az. 86005	Mary Michele Johnson

RECEIVED BY CITY OF FLAGSTAFF		
DATE RECEIVED	**BY**	**COUNCIL MEETING DATE**

PETITION TO FLAGSTAFF CITY COUNCIL (Continued)

TITLE OF ISSUE: Examine Towns on Lone Tree/Tract 22 Student Housing Development (Symmetry/Valeo) **PAGE** 35 **OF** 41

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/12-20	Houdek, Patricia	3223 S. Hannah Flg AZ 86005	Patricia Houdek
5/12/20	Larry Houdek	3223 S. Hannah Flagstaff AZ 86005	Larry Houdek
5/12/20	JEREMY L. JAMES	3238 S HANNAH FLAGSTAFF AZ 86005	Jeremy L James
5/12/20	CINDY L. JAMES	3238 S. HANNAH FLAGSTAFF, AZ 86005	Cindy L James
5/14/20	MAYNARD KEENAN	3229 S. HANNAH FLAGSTAFF, AZ 86005	MWKeenan
5/14/20	Debra Keenan	3229 S. Hannah Flagstaff, AZ 86005	Debra Keenan
5/14/20	JANNELLE BRAINARD	3241 S. HANNAH FLAG 86005	Jannelle Brainard
5/14/20	Nathan Bennett	3200 S Beringer Ln Flagstaff, AZ 86005	NBB
5/14/20	Heidi Sears Mellott	31925. Hannah Lane	Heidi Mellott

PETITION TO FLAGSTAFF CITY COUNCIL (Continued)

TITLE OF ISSUE: Examine Towns on Lone Tree/Tract 22 Student Housing Development (Symmetry/Valeo) **PAGE** 36 **OF** 41

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
05/11/2020	Arturo Moreno	3279 S. Hannah Lane	
5/11/2020	Angela Feldman	3215 S. Marigold Lane	
5/12/2020	Ian Feldman	3215 S. Marigold Lane	

PETITION TO FLAGSTAFF CITY COUNCIL (Continued)

TITLE OF ISSUE: Examine Towns on Lone Tree/Tract 22 Student Housing Development (Symmetry/Valeo) **PAGE** 37 **OF** 41

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/12/2020	Alan Perkel	3242 S. Sonoma St Flagstaff AZ 86005	
5/12/2020	Onida Perkel	3242 S. Sonoma St. Flagstaff Az 86005	

PETITION TO FLAGSTAFF CITY COUNCIL (Continued)

TITLE OF ISSUE: Examine Towns on Lone Tree/Tract 22 Student Housing Development (Symmetry/Valeo) **PAGE** 38 **OF** 41

****Petitioners–Return by USPS or drop off with original signature to Bruce Ertmann, 3279 S Hannah Ln, Flagstaff, AZ 86005****

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/15/2020	Mary Dana Coughlin	1037 E. Sterling Lane Flagstaff 86005	Mary Dana Coughlin
5/15/2020	William Coughlin	1037 E. Sterling Lane Flagstaff, AZ 86005	William Coughlin

PETITION TO FLAGSTAFF CITY COUNCIL (Continued)

TITLE OF ISSUE: Examine Towns on Lone Tree/Tract 22 Student Housing Development (Symmetry/Valeo) **PAGE** 39 **OF** 41

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/12/20	Sue-Ellen Smith	1084 E Sterling Lane FLAGSTAFF 86004	Sue-Ellen Smith

PETITION TO FLAGSTAFF CITY COUNCIL (Continued)

TITLE OF ISSUE: Examine Towns on Lone Tree/Tract 22 Student Housing Development (Symmetry/Valeo) **PAGE** 40 **OF** 41

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5-12-2020	Sheryl C Newell	3256 S Hannah Ln.	Sheryl C Newell
5-12-2020	STEVE NEWELL	3256 S HANNAH LN	
5-14-2020	Beverly Worth	1164 E Sterling Ln	Beverly Worth
5-14-2020	STEPHEN WORTH	1164 E. STERLING LN	

PETITION TO FLAGSTAFF CITY COUNCIL (Continued)

TITLE OF ISSUE: Examine Towns on Lone Tree/Tract 22 Student Housing Development (Symmetry/Valeo) **PAGE** 41 **OF** 41

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5/9/2020	Christina Pascale	956 E. Sterling LN	Christina Pascale
5-9-2020	Gaetano Pascale	Flagstaff AZ 956 E Sterling Lane	Gaetano Pascale
5-13-2020	Patricia A. Thornquist	3097 S. Hannah Lane	Patricia A. Thornquist
5-13-2020	Brent S. Thornquist	3097 S. Hannah Lane	Brent S. Thornquist
5/14/2020	Anne G. Duddy	3110 S. Hannah La	Anne G. Duddy
5.14.2020	MARK M. DUDDY	3110 S. HANNAH LA	Mark M. Duddy
5/15/2020	GLENN M GIPPNER	3098 S HANNAH LN	
5/15/2020	Stephanie Trister	3098 S Hannah Lane	Stephanie Trister
5/17/2020	KEN DAWSON	3127 S HANNAH LANE	Ken Dawson
5/17/2020	Cheryl Dawson	3127 S Hannah Ln	Cheryl Dawson
5/17/2020	Leon Dawson	3139 South Hannah Ln	Leon Dawson
5/17/2020	ROBERT WEIGT	3139 S Hannah Ln	
5/17/2020	Bill Stewart	3133 S Hannah	
5/17/2020	Kristine Stewart	3133 S Hannah	Kristine Stewart

LAST PAGE 42

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(Submitter must also sign below and complete information)

Contact Information: 949-300-4770 bce714@gmail.com

(Phone Number and/or e-mail address)

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PETITION SIGNATURES

DATE SIGNED	PRINTED NAME	RESIDENCE ADDRESS	SIGNATURE
5-15-2020	KATHARINE CORDOVA	3321 S. Hannah Lane 86005	

RECEIVED BY CITY OF FLAGSTAFF

DATE RECEIVED	BY	COUNCIL MEETING DATE

12. A.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
From:	Stacy Saltzburg, City Clerk
Date:	06/01/2020
Meeting Date:	06/02/2020

TITLE

City Manager Report

STAFF RECOMMENDED ACTION:

Information Only

EXECUTIVE SUMMARY:

These reports will be included in the City Council packet for regularly scheduled Council meetings, excluding Work Session meetings. The reports are intended to be informational, covering miscellaneous events and topics involving the City organization.

INFORMATION:

Attachments: City Manager Report

City Manager's Report

May 29, 2020

Council and Colleagues, Greetings.

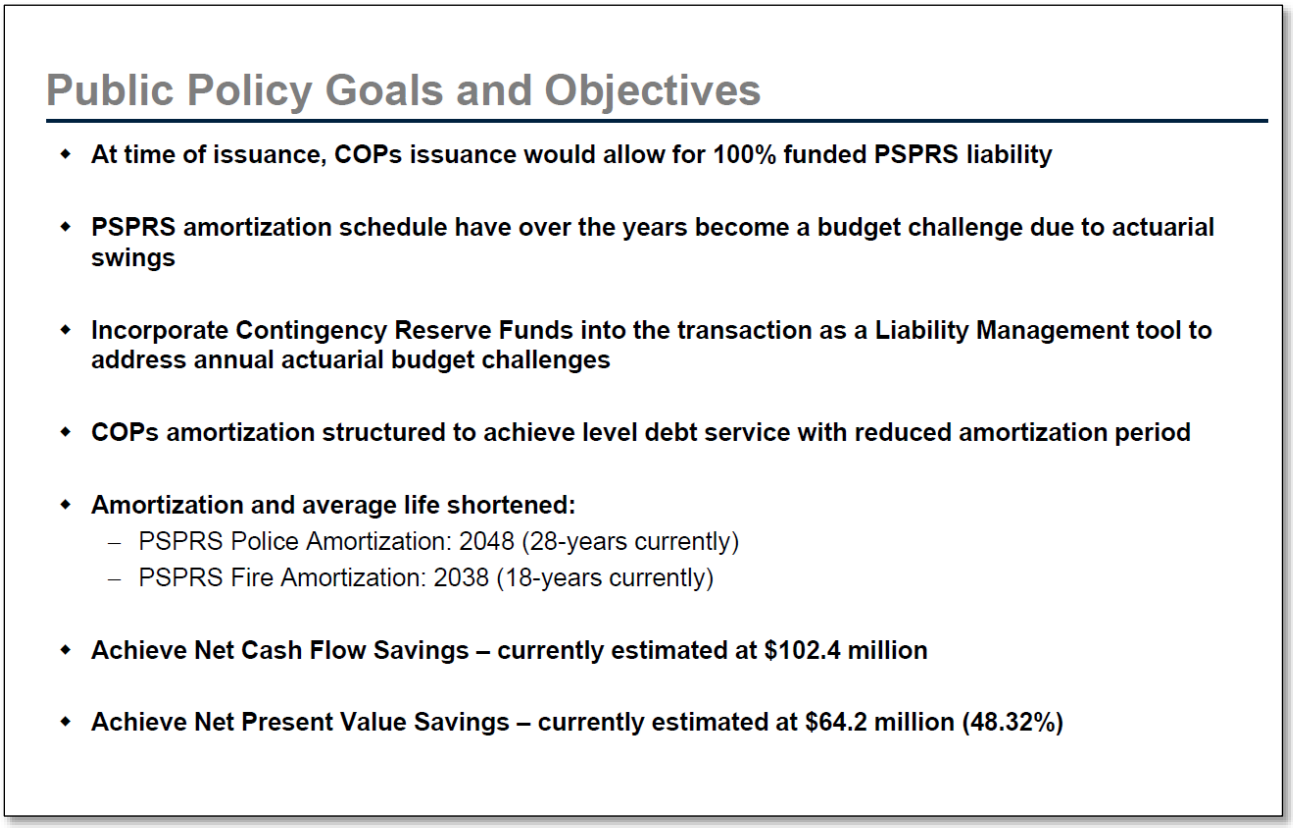
These reports will be included in the City Council packet for regularly scheduled Council meetings, excluding Work Session meetings. The reports are intended to be informational, covering miscellaneous events and topics involving the City organization. In no particular order…

Update re Pension Liability

We have had numerous meetings with the Stifel team as we progress toward the issuance of Certificates of Participation (COPs) to refinance the unfunded pension liability. Things are on track and formalization will be before Council prior to the summer recess. Our meetings of late have involved detailed presentations with bond insurers. The presentations have gone well.

Specifically, at the June 16th meeting, Council will be considering formal approval to issue the Certificates with final read of the Ordinance occurring on June 23rd.

To remind Council of the major talking points of this finance package, I am excerpting a couple frames that are included in our presentation materials.



Public Policy Goals and Objectives

- **At time of issuance, COPs issuance would allow for 100% funded PSPRS liability**
- **PSPRS amortization schedule have over the years become a budget challenge due to actuarial swings**
- **Incorporate Contingency Reserve Funds into the transaction as a Liability Management tool to address annual actuarial budget challenges**
- **COPs amortization structured to achieve level debt service with reduced amortization period**
- **Amortization and average life shortened:**
  - PSPRS Police Amortization: 2048 (28-years currently)
  - PSPRS Fire Amortization: 2038 (18-years currently)
- **Achieve Net Cash Flow Savings – currently estimated at $102.4 million**
- **Achieve Net Present Value Savings – currently estimated at $64.2 million (48.32%)**

Pride Month

June is LGBT Pride Month and, pursuant to the City's policy re flag display, the Pride banner is now flying at City Hall.

Discussions with DBA

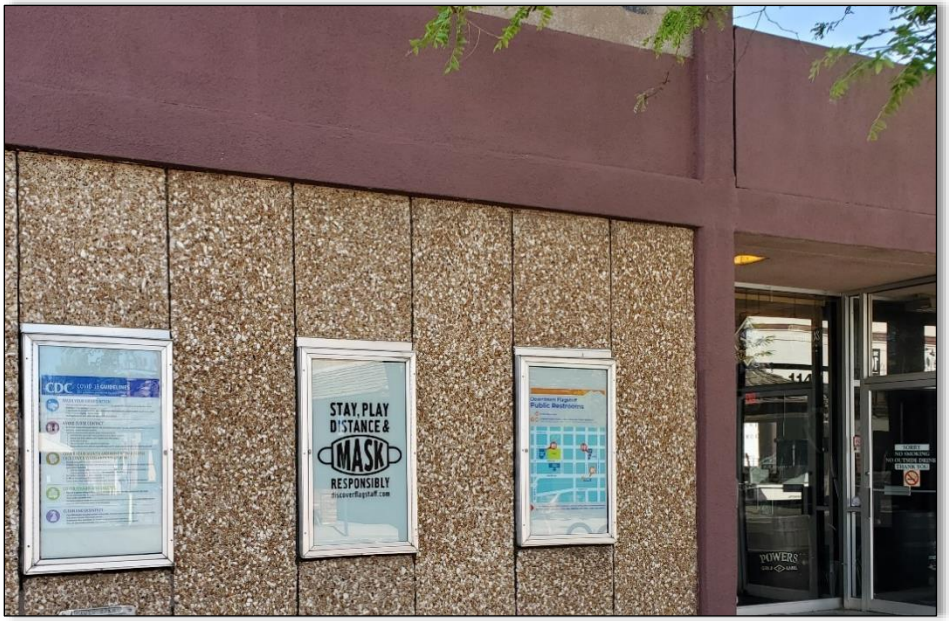
Downtown Visioning

Our meetings with DBA are frequent and we are covering much ground. Of late, the meetings with the consultant for the Downtown Visioning process have been occurring. We had a meeting with PUMA (Progressive Urban Management Associates on May 20th and a follow up meeting last Friday (May 29th). It is going well.

Beautification

On the subject of DBA, the scaled-down beautification project involving hanging flowers will be presented to the Council in the near future. Stay tuned. Finally, the below image reveals

some efforts by local business owners to help advance the very important message of COVID-19 precautions and protocols.



<u>Restrooms</u>

Beginning Friday, May 22nd, a trailer restroom was established at the Library parking lot alongside an accessible portable unit "porta-potty". There are three separate public restroom stalls available for use seven days a week at this location with the adjacent civic facilities closed. The trailer restroom, shown below, is unlocked in the morning hours by Parks staff, cleaned by a custodial service at least once a day, and then locked in the evening by a security staff.

The overall monthly expenditure will exceed $7,000 that is currently being evaluated by Budget Team to identify the utilization of funds. All expenditures will be coded to COVID-19. The location of the restrooms, which are seeing good usage, is shown here.

<u>Movies Not in the Square</u>

This event is happening in a different venue this year, in attempt to help the local businesses and keep some level of activation in the downtown core, while respecting the needs for social distancing. This, from the Downtown Business Alliance website:

Movies on the Square "Drive-in Style!"

Each summer the FDBA presents Movies on the Square, a FREE family friendly evening on Heritage Square – Flagstaff's downtown living room. However, for the health and safety of our community, we have decided to transform this year's "Movies on the Square" event into a drive-in movie series. But hey, who doesn't love the nostalgia of drive-in movies?!

Movies on the Square "Drive-in Style" will be every Saturday for the month of June, and will be located at the parking lot on the corner of Leroux Street & Cherry Avenue in Downtown Flagstaff. There are limited parking spaces available, so make sure to secure your spot ahead of time HERE. If you don't get a spot for the first movie, don't fret! We will be hosting a movie every Saturday for the month of June.

For those who reserve a spot, the parking lot will open at 7pm, and the movie will begin at sunset (around 8pm). Boxed dinners and movie treats will also be available for purchase!

Recovery Roundtables

We introduced this program within the last Manager's Report, and the schedule is simply restated here for convenience. I understand that it is going well. The Roundtables will be posted on Tuesday and Thursday of each week and is posted on the City's website and Facebook page.

Major props to Jessica Drum and her team for orchestrating these videos. The following are the scheduled topics:

- May 19th: **City of Flagstaff phased reentry approach** (Greg and/or Shannon)
- May 21st: **Flagstaff Parks and Recreation overview and holiday tourism** (Amy and Mayor and Councilmember)
- May 26th: **Lobbying efforts and grant funding** (Sarah Langely and SBK)
- May 28th: **Business Expansion and Retention Policy and Adaptive Reuse** (John Saltonstall)
- June 2nd: **Food availability** (Dylan Lenzen) (This discussion will highlight resources for receiving food assistance, donating to food distribution centers, community gardens, gardening education resources, etc).
- June 4th: **Waste management** (Dylan Lenzen) (This discussion will include proper disposal and recycling of Personal Protection Equipment (PPEs), reducing food waste, and recycling.

Misc. Department Updates

Water Services

Courtesy of Ryan Roberts, Engineering Manager (soon-to-be Interim Water Services Director) the following statement was issued on June 1st:

Wastewater treatment plants are continuing to process/treat lower sewer flows than average. We are currently treating 4.5 MGD of sewer flow, our normal flow is 5.6 MGD at this time of year. There is 15% less sewer coming into the plant resulting in less RW available to be produced.

We have less reclaimed water to provide our customers at this time. We are currently relying upon the Wildcat Hill facility for all Reclaimed Water demand. The Rio Water Reclamation Plaint (WRP) plant is experiencing a high turbidity issue and unable to produce permit grade reclaimed water. We suspect the opening of restaurants and the higher use of cleaners (bleach/disinfectant) has affected the effluent entering the plant and impacted the normal plant biology.

Here what we are doing about it. The Rio staff has since taken the following steps: added Polymer for better coagulation, added nitrification bugs to improve biology, and started using the sand filter for better clarity. Those actions have resulted in much lower turbidity levels, and the those levels continue to trend downward which is a very positive sign. As soon as the plant meets permit conditions, achieves a turbidity level (NTU) less than 2 NTU's for a 24 hour period, we may resume pumping RW from Rio plant (RDFWRP).

Due to these measures we were able to achieve permit levels today, with a turbidity level (NTU) less than 2.0. Based on today's results, and the positive trending I believe Rio WRP will be within permit and pumping RW by Tuesday.

We have curtailed and notified the 2-Golf courses (CCC and Pine Canyon), City Of Flagstaff Parks Dept, NAU irrigation, and FUSD irrigation. Unfortunately, Sunday night is when many of these customers mentioned have their irrigation programmed to occur. We are reaching out to them today (Sunday) and requesting that they delay their irrigation till later in the week. Some customers have the option of using potable water for their irrigation, in cases of the Golf Courses they are required by code to use reclaimed water for irrigation. In the case of Golf Courses that have to use reclaimed

water, the Golf Courses both built RW lakes and ponds in which to draw from during situations like this.

Fire

Pictured to the left is the custom Velocity Pumper. The cab is double coated ready for assembly and the body awaits second coat of paint.

As of May 21st the FFD has responded to 161 COVID related calls, an average of 2.51 per 24-hour shift.

C shift crews responded to a 1/2-acre brush fire at Butler and Fourth. The fire was quickly brought under control despite high winds. (See picture). Related, Wildfire Call-Out stand down has been temporally lifted. One engine, one medic team and all IMT personnel are available.

Jerolyn Byrne is working with Hidden Hollow residents on about 40 acres of thinning plans.

Finally, and most importantly, Paul Summerfelt retired after 22 ½ years of service to the City of Flagstaff and over 40 years in forestry. During Paul's tenure as Wildfire Manager, he was instrumental in building a coalition leading to the Flagstaff Watershed Protection Project and building a Wildfire Management Program both of which are national models often referenced as best practices. Paul is relocating to Cour d' Alene Idaho. Thanks, Paul Summerfelt, for your devoted service!

We intend to honor our recent retirees, and there are a few of them, in a ceremonial fashion toward the end of the summer, subsequent to the Council recess.

Also, join us in welcoming our new Fire Inspector/Fire investigator Chris Jack. Chris has a large amount of experience with the State as a Deputy Fire Marshal, and also a large amount of line experience with Winslow Fire.

Neil Chapman interviewed with the AZ Daily Sun regarding FWPP update (May 2020 update posted at https://flagstaffwatershedprotection.org/may-2020-update/).

Human Resources

HR is working hard to transition the City to a new evaluation tool. There is also a new vacancy in the Department which will likely be re-filled as the Department is operating at about 70% staffing capacity.

Police

Flagstaff Police Department Special Enforcement officers have begun the flyover associated with the woods watch program looking for smoke or camps within City limits.

The community will see a new uniform on bike officers. It is a light-weight bike shirt with the FPD patch and Police written across the back in reflective material.

Public Works

The Bushmaster Park roller rink resurfacing project will begin on May 26, 2020 where a grinding activity followed by a sealant as well as striping for both roller derby and inline skating will be permanently installed.

Community Events Staff are coordinating with local artists to plan a virtual concert series to take the place of Concerts in the Park.

Coconino County Flood Control District and County Public Works will begin to provide sandbag materials to the residents in the areas with potential flooding this summer as a result of the Museum fire. Expect a brief update on this at a proposed City Council/Board of Supervisors joint meeting being scheduled for later in June.

The City's second EV charging depot was activated this week at the Rio de Flag Water Reclamation Plant.

The Landfill is currently utilizing temporary labor to clean up windblown litter in the forest to stay in compliance with ADEQ and USFS regulations. Landfill traffic continues to be far above normal. Wait times to get into the Landfill exceed 30 minutes at times due to volume, and only one lane is open due to reduced staffing at the scale house (physical distancing requirements).

The south lawn at City Hall continues to receive repairs from damages on the utility relocation project. Parks staff have been working directly with the contractor. Watering schedules have been secured for Wheeler Park and the Library, and staff will do their best to save turf at the south lawn as the construction dissipates.

Hal Jensen Recreation Center staff submitted the paperwork to St. Mary's Food Bank to be a part of the Summer Feeding Program again and provide free and healthy meals to youth ages 18 and

younger. Facilities has received the necessary materials and installation of personal hygiene barriers is underway.

Joint City/County Meeting

The County Board of Supervisors would like to meet with the City Council prior to the Council's recess. As you may recall, the last joint meeting was cancelled. Topics could include an update on the sandbag regeneration project, COVID testing and updates, and potential partnerships. It is my understanding that June 29th will not work, and our City Clerk is endeavoring to establish a new date. Stay tuned.

New Policy re Street Closures in Downtown

Back to the discussion of DBA and related topics, there is an exploratory discussion related to possible street closures to assist in the downtown core and perhaps other areas, in terms of adding new spaces to enhance social distancing. The desire is to increase table capacity outside to better accommodate social distancing requirements and reduced capacity inside the businesses. We are hoping to have some discussion of this at the June 9th meeting with the City Council.

Proposed Climate Resolution

Finally, we would like to broach a topic for future discussion, likely coincident with Council's consideration of the Climate Emergency Resolution on June 26th. At the request of Councilmember Aslan, and with some assistance from our Sustainability Section, please find attached a rough draft of a possible resolution that will speak to policy objectives to be lobbied at the Arizona Corporation Commission.

Draft Resolution

Re:

Policy Objectives for Arizona Corporation Commission

Whereas Flagstaff has a long history of protecting natural resources and is committed to the promotion of sustainable practices in all spheres of life; and

Whereas in November 2018, Flagstaff completed its Climate Action & Adaptation Plan, which calls for an economy wide reduction in greenhouse gas emissions of 80% by 2050, as well as:

- Improve energy efficiency in all sectors.
- Expand renewable energy generation and use.
- Manage energy demand and consumption in residential, commercial, and industrial sectors, to reduce greenhouse gas emissions
- Lobby for State legislative and regulatory changes to allow broader implementation of solar in the community and decrease the proportion of fossil fuels in the energy mix; Promote the need for improvements in and expansion of demand-side management programs and incentives
- Whereas, the Climate Action and Adaption Plan further encourages legislation that enables local governments to establish Commercial Property Assessed Clean Energy (CPACE) programs; and
-

Whereas in February 2017, Flagstaff completed its strategic plan for 2018-2020, which seeks to achieve a 100% renewable energy portfolio for municipal operations, as well as:

- Reduce energy consumption in the residential sector.
- Improve efficiency of the City fleet.
- Reduce municipal energy use and improve employee awareness of energy use.
- Continue work toward City Council goals with renewable energy and energy efficiency.

Whereas in July 2011, Flagstaff launched its Municipal Sustainability Plan, which strove to increase energy efficiency and energy performance and reduce greenhouse gas emissions of municipal operations; and

Whereas in March 2010, Flagstaff adopted Resolution 2010-16 which committed Flagstaff to increased energy efficiencies and renewable energy production and purchases for city facilities and properties; and

Whereas science demonstrates that the emissions released from the burning of fossil fuels can be substantially reduced by investing in energy efficiency and renewable energy sources; and

Whereas Flagstaff is aware of the economic, environmental, and societal benefits of taking a lead role in the implementation of clean energy; and

Whereas Flagstaff recognizes that a sustainable future requires statewide action; and

Whereas climate change is a pressing issue that warrants immediate action; and

Whereas Flagstaff supports moving the state to 100% zero carbon energy no later than ~~2050;~~ and
Whereas the Arizona Corporation Commission is currently reviewing their Renewable Energy Standard and Tariff.

Now, therefore, be it resolved by the Mayor and Council of the City of Flagstaff that the Mayor and Council strongly recommend the Arizona Corporation Commission adopt a statewide clean energy standard of 100% by no later than 2050.