CITY COUNCIL REGULAR MEETING AGENDA

REGULAR COUNCIL MEETING
TUESDAY
OCTOBER 21, 2025

COUNCIL CHAMBERS
211 WEST ASPEN AVENUE
3:00 P.M.

All City Council Meetings are live streamed on the city's YouTube page (https://www.youtube.com/@FlagstaffCityGovernment)

PUBLIC COMMENT

Verbal public comments not related to items appearing on the posted agenda may be provided during the "Open Call to the Public" at the beginning and end of the meeting and may only be provided in person.

Verbal public comments related to items appearing on the posted agenda may be given in person or online and will be taken at the time the item is discussed.

To provide online verbal comment on an item that appears on the posted agenda, use the link below.

ONLINE VERBAL PUBLIC COMMENT

Written comments may be submitted to publiccomment@flagstaffaz.gov. All comments submitted via email will be considered written comments and will be documented in the record as such.

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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 discussion and consultation 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 through other technological means.

MAYOR DAGGETT
VICE MAYOR SWEET
COUNCILMEMBER ASLAN
COUNCILMEMBER GARCIA
COUNCILMEMBER HOUSE
COUNCILMEMBER MATTHEWS
COUNCILMEMBER SPENCE

3. PLEDGE OF ALLEGIANCE, MISSION STATEMENT, AND LAND ACKNOWLEDGEMENT

MISSION STATEMENT

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

LAND ACKNOWLEDGEMENT

The Flagstaff City Council humbly acknowledges the ancestral homelands of this area's Indigenous nations and original stewards. These lands, still inhabited by Native descendants, border mountains sacred to Indigenous peoples. We honor them, their legacies, their traditions, and their continued contributions. We celebrate their past, present, and future generations who will forever know this place as home.

4. OPEN CALL TO THE PUBLIC

Open Call to the Public enables the public to address the Council about an item that is not on the prepared agenda. Comments relating to items that are on the agenda will be taken at the time that the item is discussed. Open Call to the Public appears on the agenda twice, at the beginning and at the end. The total time allotted for the first Open Call to the Public is 30 minutes; any additional comments will be held until the second Open Call to the Public.

If you wish to address the Council in person at today'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 Open Call to the Public and Public Comment. 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.

5. PROCLAMATIONS AND RECOGNITIONS

A. **Proclamation:** United is the Way Campaign Month

STAFF RECOMMENDED ACTION:

Read and present the Proclamation.

B. **Recognition of Municipal Energy Efficiency Efforts**

STAFF RECOMMENDED ACTION:

Information and recognition.

C. **Recognition of City Manager Greg Clifton**

6. COUNCIL LIAISON REPORTS

7. CONSENT AGENDA

All matters under Consent Agenda are considered by the City Council to be routine. Unless a member of City Council expresses a desire at the meeting to remove an item from the Consent Agenda for discussion, the Consent Agenda will be enacted by one motion approving the recommendations listed on the agenda. Unless otherwise indicated, expenditures approved by Council are budgeted items.

STAFF RECOMMENDED ACTION:

Approve the Consent Agenda as posted.

A. **Consideration and Approval of Contract:** Consultant Services Agreement with Nexxus Consulting, LLC in an amount of $108,615.15, plus reimbursable expenses, annually, for Federal Lobbying Services.

STAFF RECOMMENDED ACTION:

1. Approve the Consultant Services Agreement with Nexxus Consulting, LLC in an amount of $108,615.15, plus reimbursable expenses, annually, for Federal Lobbying Services; and
2. Authorize the City Manager to execute the necessary documents.

B. **Consideration and Acceptance of Easements and Right-of-Way by Final Plat:** Request from Capstone Homes for City acceptance of easements and right-of-way dedicated by final plat of "Atlas at Timber Sky" located at 2490 S Alvan Clark Boulevard, a 58-lot single-family subdivision using Planned Residential Development (PRD) Standards on 6.66 acres in the High-Density Residential (HR) Zone within the Resource Protection Overlay (RPO).

STAFF RECOMMENDED ACTION:

Accept the easements and right-of-way and authorize the Mayor to sign the Final Plat when notified by staff that all documents are ready for signature and recordation.

C. **Consideration and Acceptance of Easements and Right-of-Way by Final Plat:** Request from EPS Group, Inc, on behalf of CDR Devcorp LTD, for City acceptance of easements and right-of-way dedicated by the final plat of "The Lookout at Canyon del Rio" located at 3770 E Whetstone Dr. This plat is a 50-lot single-family subdivision using Planned Residential Development (PRD) Standards on 7.11 acres in the Medium-Density Residential (MR) Zone within the Resource Protection Overlay (RPO).

STAFF RECOMMENDED ACTION:

Accept the easements and right-of-way and authorize the Mayor to sign the Final Plat when notified by staff that all documents are ready for signature and recordation.

D. **Consideration and Approval of Contract:** First Amendment to Professional Services Contract Between the City of Flagstaff and Housing Solutions of Northern Arizona for the Administration of the Community Homebuyer Assistance Program (CHAP) and Employer Assisted Housing (EAH) Program

STAFF RECOMMENDED ACTION:

1. Approve First Amendment to Contract 2025-205 with Housing Solutions of Northern Arizona for the administration of CHAP and EAH programs.
2. Authorize the City Manager to execute all necessary documents.

E. **Consideration and Approval of Contract:** Approve the Contract with AZ Wastewater Industries, Inc. (AWI) in the amount of $187,942.52, including local fees and taxes, to Purchase and Install the CUES Portable Pipe Inspection System in the Wastewater Collections Closed Circuit Television (CCTV) Van.

STAFF RECOMMENDED ACTION:

1. Approve the Contract with AWI in the amount of $187,942.52, including local fees and taxes, to Purchase and Install the CUES Portable Pipe Inspection System for the Wastewater Collections CCTV Van; and
2. Authorize the City Manager to execute the necessary documents.

F. **Consideration and Approval of Contract Addendum:** Fourth Addendum to the Lease of the Hopi Building at Heritage Square for Office Space

STAFF RECOMMENDED ACTION:

Staff recommends approval of the Fourth Addendum to the Lease Agreement for the Hopi Building for an additional term of three (3) years, commencing October 31, 2025, and authorizing the Mayor and City Manager, or their designees, to execute all necessary documents. Extending the Fourth Addendum ensures continuity of services provided at the Hopi Building and avoids disruption to tenants and community programs currently operating at the site.

G. **Consideration and Approval of Contract:** Approval for the cooperative purchase of (3) three fully up-fitted and patrol-ready Ford Police Interceptor Utility SUVs from Olathe Ford Sales, Inc. in the amount of $206,561.58 plus all applicable taxes.

STAFF RECOMMENDED ACTION:

1. Approve the cooperative purchase of (3) three Ford Police Interceptor Utility SUVs from Olathe Ford Sales, Inc. in the amount of $206,561.58; and
2. Authorize the City Manager to execute the necessary documents.

H. **Consideration and Approval of Contract:** Cooperative purchase with Corporate Technoology Solutions, LLC in an amount not to exceed $300,000.00 for City-Wide Verkada Security and Protection Systems.

STAFF RECOMMENDED ACTION:

1. Approve the cooperative purchase with Corporate Technologies Solutions, LLC (CTS) in an amount not to exceed $300,000.00 for City-Wide Verkada Security and Protection Systems; and
2. Authorize the City Manager to execute the necessary documents.

I. **Council Confirmation of Direction:** Approval of direction and instruction given by City Council to City Attorney and staff in executive session on October 21, 2025 to proceed with the presentation with the Bureau of Reclamation and staff related to findings of the value planning study entitled: Future Water Supply Study for Navajo Nation, Flagstaff and Regional Water Users.

STAFF RECOMMENDED ACTION:

Approval of direction and instruction given in Executive Session on October 21, 2025 to proceed with the presentation with the Bureau of Reclamation and staff related to findings of the value planning study entitled: Future Water Supply Study for Navajo Nation, Flagstaff and Regional Water Users.

8. ROUTINE ITEMS

A. **Consideration and Approval of Contract:** Construction Manager at Risk (CMAR) Construction Phase Services Agreement - GMP with PCL Construction, Inc. for the Lake Mary Water Treatment Plant - Sedimentation Basin Improvements in an amount not to exceed $13,642,244.00, including fees and taxes.

STAFF RECOMMENDED ACTION:

1. Approve the CMAR Construction Phase Services Agreement - GMP with PCL Construction, Inc. for the Lake Mary Water Treatment Plant - Sedimentation Basin Improvements in an amount of $13,242,244.00;
2. Approve an Owner's Contingency amount of $400,000.00, for a total GMP amount not to exceed $13,642,244.00, including fees and taxes; and
3. Authorize the City Manager to execute the necessary documents.

B. **Consideration and Adoption of Resolution No. 2025-54, Resolution No. 2025-55, and Ordinance No. 2025-21**: A resolution of the Flagstaff City Council, repealing Resolution No. 2017-03 related to ParkFlag District fees; repeal of conflicting resolutions; and establishing an effective date; a resolution of the Flagstaff City Council declaring as a public record that certain documents filed with the City Clerk and entitled "2025 ParkFlag Code Amendments"; and an ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, Title 3 Business Regulations, to establish parking and permit fees for the ParkFlag District, and Title 9 Traffic, to update provisions related to the Comprehensive Parking Management Program and duties of the Office of the Parking Manager; providing for penalties, repeal of conflicting ordinances, severability, authority for clerical corrections, and establishing an effective date

STAFF RECOMMENDED ACTION:

1. Adopt Resolution No. 2025-54
2. Adopt Resolution No. 2025-55
3. Read Ordinance No. 2025-21 by title only for the final time
4. City Clerk reads Ordinance No. 2025-21 by title only (if approved above)
5. Adopt Ordinance No. 2025-21

C. **Consideration and Approval of Contract**: Approve the A/E Professional Services Contract with WSP USA, Inc. in the amount of $358,599.56 for the Butler Avenue Complete Streets Project, Phase 1 - Environmental Clearance

STAFF RECOMMENDED ACTION:

1. Approve the A/E Professional Services Contract to WSP USA, Inc. in the amount of $358,599.56 for the Butler Avenue Complete Streets Improvement Project, Phase 1 - Environmental Clearance; and
2. Authorize the City Manager to execute the necessary documents.

D. **Consideration and Adoption of Resolution No. 2025-52 and Ordinance No. 2025-20**: A Resolution of the City Council of the City of Flagstaff, Coconino County, Arizona declaring as a public record that certain document filed with the City Clerk and entitled "2025 Amendments To Flagstaff City Code, Title 13, Engineering Design Standards And Specifications For New Infrastructure" and an Ordinance of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 13, Engineering Design Standards And Specifications For New Infrastructure.

STAFF RECOMMENDED ACTION:

1. Adopt Resolution No. 2025-52
2. Read Ordinance No. 2025-20 by title only for the final time
3. City Clerk reads Ordinance No. 2025-20 by title only (if approved above)
4. Adopt Ordinance No. 2025-20

9. REGULAR AGENDA

A. **Consideration and Adoption of Resolution No. 2025-59**: A resolution of the Flagstaff City Council, approving an Intergovernmental Agreement between the City of Flagstaff and University of Arizona for water education through Arizona Project Wet.

STAFF RECOMMENDED ACTION:

1. Read Resolution No. 2025-59 by title only
2. City Clerk reads Resolution No. 2025-59 by title only (if approved above)
3. Adopt Resolution No. 2025-59

B. **Consideration and Adoption of Resolution No. 2025-60**: A resolution of the Flagstaff City Council, approving an Intergovernmental Agreement with Northern Arizona University for routine water fixture audits and retrofits

STAFF RECOMMENDED ACTION:

1. Read Resolution No. 2025-60 by title only
2. City Clerk reads Resolution No. 2025-60 by title only (if approved above)
3. Adopt Resolution No. 2025-60

C. **Consideration and Adoption of Resolution No. 2025-57**: A resolution of the Flagstaff City Council, adopting the Community Homebuyer Assistance Program - Bond-Funded Expansion; authorizing use of bond funds for the program; providing for delegation of authority to implement the program; and establishing an effective date

STAFF RECOMMENDED ACTION:

1. Read Resolution No. 2025-57 by title only
2. City Clerk reads Resolution No. 2025-57 by title only (if approved above)
3. Adopt Resolution No. 2025-57

D. **Consideration and Adoption of Ordinance No. 2025-22**: An ordinance amending Flagstaff City Code, Chapter 1-18, Administrative Departments, to establish the Housing Division and rename the Community Development Division to the Planning and Development Services Division.

STAFF RECOMMENDED ACTION:

At the October 21, 2025 Council Meeting:
1. Read Ordinance No. 2025-22 by title only for the first time
2. City Clerk reads Ordinance No. 2025-22 by title only (if approved above)

At the November 4, 2025 Council Meeting
3. Read Ordinance No. 2025-22 by title only for the final time
4. City Clerk reads Ordinance No. 2025-22 by title only (if approved above)
5. Adopt Ordinance No. 2025-22

E. **Consideration and Adoption of Resolution No. 2025-58**: A resolution of the Council of the City of Flagstaff, Arizona ordering and calling a Special Election in and for the City of Flagstaff to submit to the qualified electors thereof a question with respect to ratification of the adoption of the Flagstaff Regional Land Use Plan 2045 as the new general plan for the City of Flagstaff

STAFF RECOMMENDED ACTION:

1. Read Resolution No. 2025-58 by title only
2. City Clerk reads Resolution No. 2025-58 by title only (if approved above)
3. Adopt Resolution No. 2025-58

10. 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 Aslan to place on a future agenda a discussion to consider adopting film regulations similar to those outlined in the federal EXPLORE Act and Phoenix's administrative regulation.

STAFF RECOMMENDED ACTION:

Council Direction

11. OPEN CALL TO THE PUBLIC

12. INFORMATIONAL ITEMS TO/FROM MAYOR, COUNCIL, AND STAFF, AND FUTURE AGENDA ITEM REQUESTS

13. 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 _____, 2025.

_____
Stacy Saltzburg, MMC, City Clerk

THE CITY OF FLAGSTAFF ENDEAVORS TO MAKE ALL PUBLIC MEETINGS ACCESSIBLE TO PERSONS WITH DISABILITIES. With 48-hour advance notice, reasonable accommodations will be made upon request for persons with disabilities or non-English speaking residents. Please call the City Clerk (928) 213-2076 or email at stacy.saltzburg@flagstaffaz.gov to request an accommodation to participate in this public meeting.

NOTICE TO PARENTS AND LEGAL GUARDIANS: Parents and legal guardians have the right to consent before the City of Flagstaff makes a video or voice recording of a minor child, pursuant to A.R.S. § 1-602(A)(9). The Flagstaff City Council meetings are live-streamed and recorded and may be viewed on the City of Flagstaff's website. If you permit your child to attend/participate in a televised Council meeting, a recording will be made. You may exercise your right not to consent by not allowing your child to attend/participate in the meeting.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Jessica Matias, Chief of Staff

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:
Proclamation: United is the Way Campaign Month

STAFF RECOMMENDED ACTION:

Read and present the Proclamation.

Executive Summary:
N/A

Financial Impact:
N/A

Policy Impact:
N/A

Previous Council Decision or Community Discussion:
N/A

Options and Alternatives to Recommended Action:
N/A

Connection to PBB Priorities and Objectives:
N/A

Connection to Regional Plan:
N/A

Connection to Carbon Neutrality Plan:
N/A

Connection to 10-Year Housing Plan:
N/A

Attachments: Proclamation

City of Flagstaff – Office of the Mayor

Proclamation

WHEREAS, for almost 60 years, United Way of Northern Arizona has brought people and resources together to achieve bold goals and tackle our region's toughest challenges; and

WHEREAS, through strategic partnerships, generous donations, and the dedication of countless volunteers, United Way of Northern Arizona works to ensure that all in Coconino, Navajo, and Apache counties can thrive; and

WHEREAS, through its Step Up for Youth initiatives, United Way of Northern Arizona fosters youth opportunity – from expanding access to high-quality Pre-K programs and promoting early childhood literacy to fostering the mental well-being and leadership potential of our youth; and

WHEREAS, United Way of Northern Arizona builds healthy communities by providing resources so that our families have access to basic needs and services, including safe housing and adequate food; and

WHEREAS, in times of emergency, United Way of Northern Arizona ensures our communities are resilient by mobilizing volunteers and distributing resources so we can respond, recover, and rebuild together; and

WHEREAS, the strength, vitality, and connectedness of northern Arizona is enhanced by the work of United Way of Northern Arizona, demonstrating the transformative power of collective impact;

NOW, THEREFORE, I, Mayor Becky Daggett, Mayor of the City of Flagstaff, Arizona do hereby proclaim September 15th through October 24th, 2025, as

United is the Way Campaign Month

Dated this 21st day of October 2025

Becky Daggett

MAYOR

ATTEST:

Stacy Saltzburg

CITY CLERK

CITY OF FLAGSTAFF
STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Denae Presler, Climate Analyst

Co-Submitter: Nicole Antonopoulos

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:
Recognition of Municipal Energy Efficiency Efforts

STAFF RECOMMENDED ACTION:

Information and recognition.

Executive Summary:
Arizona Public Service (APS) will present the City of Flagstaff with a rebate check in the amount of $64,189.25, along with a certificate, in recognition of energy-efficient lighting upgrades completed across 44 City facilities.

These lighting retrofits were undertaken as part of the larger City-wide Energy and Water Conservation Project, completed between August 2023 and February 2025, which retrofitted 6,206 interior lights and 645 exterior lights to LEDs, improved weatherization in 30 city buildings, installed 14 electric vehicle charging stations, deployed smart irrigation controls at 17 parks, and tested 179 water meters. This project will deliver more than $225,000 in utility savings annually and reduce greenhouse gas emissions from municipal operations by approximately 730 tons per year.

APS's Solutions for Business Program offers rebates for eligible energy efficiency upgrades, including LED lighting, air-source heat pumps, energy management systems, and more. City staff met with APS to determine which projects under the City-wide Energy and Water Conservation Project were eligible for rebates and submitted 44 applications, resulting in a total rebate amount of $64,189.25.

Financial Impact:
N/A

Policy Impact:
N/A

Previous Council Decision or Community Discussion:
N/A

Options and Alternatives to Recommended Action:
N/A

Connection to PBB Priorities and Objectives:
N/A

Connection to Regional Plan:
N/A

Connection to Carbon Neutrality Plan:
This item recognizes achievements towards the CNP target area 'Reduced Building Energy Use', and supports Strategy BE-1: Achieve net-zero energy for Flagstaff city facilities.

Connection to 10-Year Housing Plan:
N/A

Attachments:

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Sarah Langley, Public Affairs Director

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:

Consideration and Approval of Contract: Consultant Services Agreement with Nexxus Consulting, LLC in an amount of $108,615.15, plus reimbursable expenses, annually, for Federal Lobbying Services.

STAFF RECOMMENDED ACTION:

1. Approve the Consultant Services Agreement with Nexxus Consulting, LLC in an amount of $108,615.15, plus reimbursable expenses, annually, for Federal Lobbying Services; and
2. Authorize the City Manager to execute the necessary documents.

Executive Summary:

The City contracts for federal lobbying services to advocate and monitor specific legislation impacting the City's interests and established priorities. The City's lobbyist is required to provide regular and timely information to the City Manager and weekly updates to the City during Legislative Sessions, and conduct a post-session recap for City Council at public meetings. The lobbyist is responsible for ongoing communication throughout the Legislative session as well as seeking direction regarding important bills, amendments, developments, and other direction provided from the City. Each year, the City Council adopts priorities to provide necessary direction to staff and the lobbyist.

The City's Purchasing Section conducted a Request for Proposals (RFP) solicitation and advertised the RFP twice in the Arizona Daily Sun on August 7, 2025 and August 14, 2025. The RFP was also posted to the PlanetBids website on July 31, 2025, which is a third-party bidding site with hundreds of registered vendors throughout the country. Proposal responses were due no later than August 22, 2025. The City received a total of four (4) responses from Ballard Spahr, Gray Robinson, LPC Enterprises LLC, and Nexxus Consulting, LLC. The evaluation committee comprised of five evaluators, with all evaluators being within the City organization. Once the evaluation and scoring were completed, the scores were aggregated into a matrix. The evaluation committee determined Nexxus Consulting, LLC to be both responsive and responsible with high scores given by all five evaluators.

Nexxus Consulting, LLC has represented the City of Flagstaff in its federal lobbying efforts for nearly 25 years. This partnership with the City has resulted in nearly $200 million in direct appropriations and grant awards to Flagstaff.

Financial Impact:

The Consultant Services Agreement with Nexxus Consulting, LLC is for an initial three-year term with two, one-year renewals available. The cost for the first year is $108,615.15, plus reimbursable expenses. There will be an annual 2.5% increase each year for the remaining four years of the contract.

Funding for federal lobbying services is included in the FY2025-26 adopted budget in account 001-01-017-0070-1-4206 in the General Fund within the Communication and Civic Engagement Division for $193,089 for federal and state lobbying services.

Policy Impact:

No policy impact.

Previous Council Decision or Community Discussion:
Previous Council decision on a contract for federal lobbying services occurred in November 2015 and November 2020.

Options and Alternatives to Recommended Action:

1. Approve the Consultant Services Agreement with Nexxus Consulting, LLC, as recommended; or
2. Direct staff to conduct another Request for Proposals (RFP) procurement process; or
3. Discontinue the use of any professional lobbying services.

Background and History:
The City of Flagstaff's Intergovernmental Affairs program coordinates the City's dealings with the federal, state, tribal, and other local governments and seeks to foster constructive links between the City and these entities. The Intergovernmental Affairs program works to advocate for the Flagstaff community by fostering and maintaining relationships with individuals and entities that affect the City's interests.

The Intergovernmental Affairs program keeps the Mayor and Council informed about intergovernmental issues and assists in representing the City's interests in these matters. The Intergovernmental Affairs program is part of the Communication and Civic Engagement Division and serves all City divisions, the Flagstaff City Council and the Mayor.

The City contracts lobbying services to advocate and monitor specific legislation impacting the City's interests and established priorities. The City adopts state and federal legislative priorities to establish City positions on issues, policies and projects of legislative interest. The City's lobbyist is in constant communication with staff. Together, the lobbyist and staff brief the Mayor and City Council throughout the legislative session. While the adopted priorities provide necessary direction, ongoing communication is also critical throughout the session to seek direction regarding important bills, amendments and project developments.

Connection to PBB Priorities and Objectives:
The federal lobbyist supports and advocates for all priorities and objectives as necessary.

Connection to Regional Plan:
The federal lobbyist will advocate for the goals outlined in the Regional Plan.

Connection to Carbon Neutrality Plan:
The federal lobbyist will advocate for the goals outlined in the Carbon Neutrality Plan.

Connection to 10-Year Housing Plan:
The federal lobbyist will advocate for the goals outlined in the 10-Year Housing Plan.

Connection to Division Specific Plan:
N/A

Attachments: Federal Lobbying Services Contract

CONSULTANT SERVICES AGREEMENT
Contract No. 2026-10

This Contract is entered into this _____ day of _____, 20___ by and between the City of Flagstaff, a political subdivision of the State or Arizona ("City"), and Nexxus Consulting, LLC, a Virginia limited liability company ("Consultant").

WHEREAS, the City desires to receive and Consultant is able to provide consulting services;

NOW THEREFORE, in consideration for the mutual promises herein, the Parties agree as follows:

1. Scope of Work: Consultant shall provide the consulting services generally described as:

FEDERAL LOBBYING SERVICES

and as more specifically described in the Scope of Work attached here to as *Exhibit A* (the "Services").

2. Term and Renewal:

2.1 Contract Term: The term is for a period of three (3) years unless terminated pursuant to the provisions of the Contract. The Contract will be effective as of the date signed by both parties. The City Council has the authority to amend the term of the Contract.

2.2 Renewal: The Contract may be renewed for up to two (2), one-year additional terms by mutual written consent of the parties. The City Manager or his/her designee (the Purchasing Director) shall have authority to approve renewal on behalf of the City.

2.3 Unilateral Extension: The Contract may be unilaterally extended for one (1) 90-day period. The City Manager or his/her designee (the Purchasing Director) shall have the authority to approve the extension on behalf of the City. Consultant will be provided written notice of the Unilateral Extension prior to expiration of the Contract.

3. Compensation: Consultant shall be paid for satisfactory performance of the Contract in an amount not to exceed **one hundred eight thousand six hundred fifteen dollars and fifteen cents ($108,615.15), plus Reimbursable Expenses, annually, with a 2.5% increase after each year for the term of the Contract,** made in accordance with the Scope of Work, attached hereto as *Exhibit A.* Any price other adjustment must be approved by mutual written consent of the parties through a formal amendment. The City Manager or his/her designee may approve an amendment if the total amount of the amendment is less than $100,000; otherwise, City Council approval is required.

4. Termination & Cancellation Clauses.

4.1 Non-Appropriation: The City may terminate the Contract due to budget constraints and non-appropriation of funds for the following fiscal year, without penalty or liability to Consultant.

4.2 For Convenience: Either Party may terminate the Contract for any reason by giving the other Party written notice of such termination no less than fifteen (15) days prior to the date of termination. If the Contract is so terminated, the City's only payment obligation under the Contract shall be for those Services completed prior to the effective date of the termination.

4.3 Conflict of Interest: Pursuant to A.R.S. § 38-511, if the City identifies a conflict of interest in the award or performance of the Contract, the City may cancel the Contract within three (3) years after its execution, without penalty or further liability to Consultant.

5. Amendment: The Contract is intended to be the complete and final agreement of the Parties. The Contract may be amended through a formal written amendment Parties.

6. Compliance with Laws: Consultant shall comply with all applicable federal, state, and local laws, regulations, standards, codes, and ordinances, including acquiring the requisite insurance, licenses, permits, and approvals, required to perform the Contract, and provide copies to City upon request.

7. Insurance:

7.1 Coverage: Consultant shall carry $1,000,000 of Commercial General Liability insurance, $500,000 Automotive Liability insurance, and the State of Arizona statutorily required amount of insurance for Workers' Compensation and Employer's Liability.

7.2 Professional Liability: Where the Consultant is required by state statute to maintain certain licensure to provide the Services required in the Contract, Consultant shall maintain $2,000,000 of Professional Liability insurance.

7.3 Certificate of Insurance: Upon request of the City, Consultant shall provide a Certificate of Insurance to the City documenting the requisite coverage.

8. Indemnity: Consultant shall be fully liable for the actions of its agents, employees, partners, and assigns and shall fully indemnify, defend, and hold harmless the City, and their officers, agents, and employees from third party suits, actions, damages, and costs of every name and description, including attorneys' fees to the extent arising from or relating to personal injury and damage to real or personal property, caused in whole or in part by the negligence or willful misconduct of Consultant, its agents, employees, partners, or assigns. This indemnification shall survive termination or expiration of the Contract.

9. Assignment/Subcontracting: Consultant shall not assign, sell, transfer, or subcontract rights, or delegate responsibilities of this Contract, in whole or in part, without the City's prior written approval.

10. Independent Contractor: Consultant shall be an independent contractor for purposes of all laws, including but not limited to the Fair Labor Standards Act, Federal Insurance Contribution Act, Social Security Act, Federal Unemployment Tax Act, Internal Revenue Code, Immigration and Naturalization Act; Arizona revenue and taxation, compulsory Workers' Compensation laws of the State of Arizona under A.R.S. § 23-901 (et. seq.) and/or unemployment insurance laws.

11. Nondiscrimination: Consultant shall not discriminate against any employee or applicant for employment or person to whom it provides Services because of race, color, religion, sex, national origin, disability, genetic information, veteran's status, pregnancy, and/or familial status and represents and warrants that it complies with all applicable federal, state, and local laws, ordinances and executive orders regarding employment.

12. City Ownership of Document and Data: Any original documents prepared or collected by Consultant in performance of this Contract such as models, samples, reports, surveys, survey results, graphics, tables, charts, plans, computations and other data shall be the property of City ("City's work product"). Consultant agrees that all materials prepared under this Contract are "works for hire" within the meaning of the copyright laws of the United States and hereby assigns to the City all rights and

interests Consultant may have in the materials it prepares under this Contract, including any right to derivative use of the material.

13. Re-Use: The City may use the City's work product without further compensation to Consultant; provided, however, that the City's reuse without written verification or adaption by Consultant for purposes other than contemplated herein is at the City's sole risk and without liability to Consultant. Consultant shall not engage in any conflict of interest nor appropriate any portion of the City's work product for the benefit of Consultant or any third parties without the City's prior written consent.

14. Delivery of Document and Data: Upon termination of this Contract in whole or part, or upon expiration if not previously terminated, Consultant shall immediately deliver to the City copies all of the City's work product and any other documents and data accumulated by Consultant in performance of this Contract, whether complete or in process.

15. Payment:

    15.1 Invoices shall include the Contract and/or Purchase Order number and dates when the work has been performed. Invoices shall be sent within thirty (30) days following performance. Payment will only be made for satisfactory Services received and accepted by City.

    15.2 Consultant shall be responsible for payment of all taxes including federal, state, and local taxes related to or arising out of performance of the Contract. Such taxes include but are not limited to federal and state income tax, social security tax, unemployment insurance taxes, transaction privilege taxes, use taxes, and any other taxes or business license fees as required.

    Exception: The City will pay any taxes which are specifically identified as a line-item dollar amount in Consultant's bid, proposal, or quote, and which were considered and approved by the City as part of the award process. Such taxes shall be identified as a separate line item in Consultant's invoices.

16. Immigration Laws: Pursuant to A.R.S. § 41-4401, Consultant hereby warrants that it and each of its subcontractors shall comply with all state and federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). A breach of state and/or federal immigration laws and regulations shall constitute a material breach of the Contract.

17. Forced Labor of Ethnic Uyghurs: Consultant hereby certifies that it does not use the forced labor of ethnic Uyghurs in the People's Republic of China as defined in A.R.S. § 35-394, et seq.

18 No Boycott of Israel: Pursuant to A.R.S. §§ 35-393 and 35-393.01, if a Party has over ten (10) employees and the Contract is worth at least one-hundred thousand dollars and no cents ($100,000), the Party shall certify that it is not currently engaged in, and agrees, for the duration of the Contract, will not engage in a boycott of Israel.

19. Governing Law and Forum: The Contract shall be construed in accordance with the laws of the State of Arizona and in the event of litigation relating to the Contract, any action in law or in equity shall be filed in Coconino County, Arizona.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

20. Notice: Any formal notice under the Contract shall be in writing via certified mail and email as follows:

To the City:

Sarah Langley
Management Analyst
City of Flagstaff
211 W. Aspen Avenue
Flagstaff, AZ 86001
Sarah.langley@flagstaffaz.gov
Phone: (928) 213-2019

To Consultant:

Bob Holmes
Managing Partner
Nexxus Consulting, LLC
499 S. Capitol Street, SW, #600
Washington, D.C. 20003
bholmes@nexxusconsulting.com
Phone: (202) 256-6566

With a copy to:

Patrick Brown, C.P.M., CPPB
Purchasing Director
City of Flagstaff
211 W. Aspen Avenue
Flagstaff, AZ 86001
pbrown@flagstaffaz.gov
Phone: (928) 213-2277

21. Authority: Each Party warrants that it has authority to enter into the Contract and perform its obligations hereunder, and that it has taken all actions necessary to enter into the Contract.

NEXXUS CONSULTING, LLC.:

By:_____

Title:_____

Date:_____

CITY OF FLAGSTAFF

By:_____

Title:_____

Date:_____

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____
City Attorney's Office

Notice to Proceed issued:_____, 20___

EXHIBIT A
SCOPE OF WORK

The Scope of Work entails providing federal lobbying services for the City will include the following:

A. Federal Lobbying Services

a. Awareness of City interests and identification of priorities

i. Demonstrate knowledge of City's legislative priorities, interests and concerns.

ii. Work with City leadership and the Mayor and Council to develop an annual federal program outlining the City's legislative priorities, goals, and interest areas to be pursued with Congress and the executive branch.

b. Advocacy for City priorities

i. Develop and recommend strategies for advocating the City's position on priority issues with legislators, officials and staff.

ii. Draft legislation and/or amendment language to support City priorities; obtain sponsors for bill introduction or amendment language and advocate for introduced bills.

iii. Monitor the federal budgetary and appropriations process. Identify opportunities to secure federal funding for City priorities.

iv. Facilitate an annual lobbying trip in which the Mayor and Councilmembers travel to Washington DC and meet with members of Congress, congressional staff, federal agency staff and tribal staff to advance the City's priorities and interests. Develop briefing materials and talking points as needed.

v. Act as the City's liaison with members of Congress, their staff, agency and executive officials.

vi. Demonstrate ability to work with potential coalitions and lobbyists representing partner organizations in advocating the City's priorities.

c. Legislative tracking

i. Review proposed and introduced bills, executive proposals, and administrative rules and regulations. Advise the City of any items that are relevant to the City.

ii. Attend relevant congressional committee and agency hearings.

d. Communication with Mayor, Council and City Leadership

i. Provide regular and timely information and updates to city leadership and the Mayor and Council.

ii. Provide informative presentations to the Mayor, Council and City leadership as requested.

FEE FOR SERVICES

The proposed yearly fee for federal services is $108,615.15 per year ($9,051.26 per month) with a 2.5 percent increase after each year.

Reimbursable expenses would include travel to Flagstaff (flights, hotel, rental cars and meals that are related directly to City business), relevant delivery charges, parking fees and taxi fares.

Expenses will be kept to a minimum, as they have in the past, and will be charged at cost with no mark-up.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Ben Mejia, Planner

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:

Consideration and Acceptance of Easements and Right-of-Way by Final Plat: Request from Capstone Homes for City acceptance of easements and right-of-way dedicated by final plat of "Atlas at Timber Sky" located at 2490 S Alvan Clark Boulevard, a 58-lot single-family subdivision using Planned Residential Development (PRD) Standards on 6.66 acres in the High-Density Residential (HR) Zone within the Resource Protection Overlay (RPO).

STAFF RECOMMENDED ACTION:

Accept the easements and right-of-way and authorize the Mayor to sign the Final Plat when notified by staff that all documents are ready for signature and recordation.

Executive Summary:

Capstone Homes requests final plat approval of "Atlas at Timber Sky" located at 2490 S Alvan Clark Boulevard, a 58-lot single-family subdivision using PRD Standards on 6.36 acres in the HR Zone within the RPO. All public land dedications and all lands dedicated for maintenance by the City must be accepted by the City Council prior to the recordation of the final plat. Easements for public dedication include two public utility easements, two public access easements, one drainage easement, and two drainage and drainage maintenance easements. Maintenance and snow removal of the public access easement areas are the responsibility of the Homeowner's Association. The public right-of-way to be dedicated on this plat, Draco Court, is a residential local road.

Financial Impact:

No financial impacts are anticipated with this request.

Policy Impact:

No policy impacts are anticipated with this request.

Previous Council Decision or Community Discussion:

Council approved the use of PRD standards for the Atlas subdivision during preliminary plat review on June 3rd, 2025.

Options and Alternatives to Recommended Action:

1. Approve the request with no conditions, as recommended by City staff.
2. Approve the request with conditions.
3. Deny the request based on non-compliance with the Zoning Code, the Subdivision Code, and/or the Engineering Design Standards and Specifications for New Infrastructure.

Background and History:

Timber Sky is a proposed 1,300-unit maximum residential development. The development proposes a mixture of residential unit types combined with commercial service and open space on 197.58 acres. The site is situated north and south between West Route 66 ("Route 66") and Interstate-40, and east and west between Woody Mountain Road and Flagstaff Ranch Road. The site slopes gently from south to north, with most of the onsite drainage flowing toward an existing culvert under Route 66, which eventually discharges into the Clay Avenue

Wash Detention Basin located north of Route 66. There are no designated floodplains on the site. In 2006, the property partially burned in a fire, leaving a 700-foot-wide corridor of deforested land through the middle of the site. The remainder of the site is forested with Ponderosa Pine. The site has two pockets of slopes greater than 17% with other basalt rock outcrop features throughout the property. A large amount of fill placed on site, which has the appearance of a steep slope, will not be protected. An existing above-ground 69 kV transmission line that crossed the site in an east-west direction, connecting to an existing APS substation at the southwestern corner of the property, was under-grounded with the development of the second phase of Timber Sky.

Connection to PBB Priorities and Objectives:
N/A

Connection to Regional Plan:
N/A

Connection to Carbon Neutrality Plan:
N/A

Connection to 10-Year Housing Plan:
N/A

Attachments: Application
Final Plat
PRD Agreement

Date Received	Application for Subdivision Review	File Number

Property Owner(s) Abbott-Rhoton Investments		**Phone** 928-699-1169
Mailing Address 3605 S. Flagstaff Ranch Road	**City, State, Zip** Flagstaff, AZ 86005	**Email** brhoton@capstonehomesaz.com
Applicant(s) Capstone Homes - Charity Lee Entitlements Manager		**Phone** 928-600-3594
Mailing Address 3605 S. Flagstaff Ranch Road	**City, State, Zip** Flagstaff, AZ 86005	**Email** clee@capstonehomesaz.com
Project Representative Charity Lee		**Phone** 928-600-3594
Mailing Address 3605 S. Flagstaff Ranch Road	**City, State, Zip** Flagstaff, AZ 86005	**Email** clee@capstonehomesaz.com
Requested Review	☐ **Preliminary Plat**	☒ **Final Plat**
Project Name: Atlas at Timber Sky	**Site Address** Timber Sky Block 2	**Parcel Number** APN:112-01-157B
Proposed Use Residential	**Existing Use** Vacant	**Subdivision, Tract & Lot Number** Timber Sky Block 2

Zoning District High Density Residential	**Regional Plan Category** Residential	**Flood Zone** Zone X	**Size of Site (Sq. ft. or Acres)** 6.36 acres

Property Information:

☐ Yes ☒ No Located in an existing Local/National Historic District? (Name:_____)
☐ Yes ☒ No Existing structures are over 50 years old at the time of application?
☒ Yes ☐ No Subject property is undeveloped land?

Surrounding Uses	North	South	East	West
(Res, Com, Ind)	Res	Res	Res	Res

Proposed Use:	Number of Lots	Number of Units	Number of acres per use	Building Square Feet
Res	58	58	6.36	

Incomplete submittals will not be scheduled.

Property Owner Signature: (required)	Date:	Applicant Signature:	Date:
		C Charity Lee	7-14-25

For City Use

Date Filed:	Case Number (s)	
Council Meeting Date:		
Fee Receipt Number:	**Amount:**	**Date:**

Action By City Council:

☐ **Approved**

☐ **Denied**

☐ **Continued**

FINAL PLAT
FOR
ATLAS AT TIMBER SKY
FLAGSTAFF, ARIZONA

LOCATED IN THE SOUTHWEST QUARTER OF SECTION 19, TOWNSHIP 21, RANGE 7 EAST, OF THE GILA AND SALT RIVER MERIDIAN, CITY OF FLAGSTAFF COCONINO COUNTY

DEDICATION

STATE OF ARIZONA
SS.
COUNTY OF COCONINO

KNOW ALL PERSONS BY THESE PRESENTS: THAT ABBOTT RHOTON INVESTMENTS, L.L.C., ["GRANTOR" OR "OWNER"], HAS SUBDIVIDED UNDER THE NAME ATLAS AT TIMBER SKY, A SUBDIVISION LOCATED IN A PORTION OF SECTION 19, TOWNSHIP 21 NORTH, RANGE 7 EAST, OF THE GILA AND SALT RIVER MERIDIAN, COCONINO COUNTY, ARIZONA, AS SHOWN AND PLATTED HEREON AND DOES HEREBY PUBLISH THIS PLAT AS AND FOR THE PLAT OF ATLAS AT TIMBER SKY AND DECLARES THAT THIS PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF EACH LOT, AND THAT EACH LOT SHALL BE KNOWN BY THE NUMBER, LETTER, AND/OR NAME GIVEN TO EACH RESPECTIVELY AS SHOWN ON THIS PLAT.

RIGHT-OF-WAYS DEDICATED

PUBLIC RIGHT-OF-WAY (ROW). GRANTOR HEREBY DEDICATES TO THE CITY OF FLAGSTAFF, IN FEE SIMPLE, ALL PUBLIC RIGHTS-OF-WAY SHOWN ON THE PLAT FOR PUBLIC USE. ABUTTING PROPERTY OWNER SHALL MAINTAIN THE SIDEWALK AND LANDSCAPING WITHIN THE RIGHT-OF-WAY BETWEEN THE STREET CURB AND THE ABUTTING PROPERTY, IN COMPLIANCE WITH THE FLAGSTAFF CITY CODE.

EASEMENTS DEDICATED

GRANTOR HEREBY DEDICATES TO THE CITY OF FLAGSTAFF, ARIZONA, AN ARIZONA MUNICIPAL CORPORATION, PERPETUAL NON-EXCLUSIVE EASEMENTS OVER, UNDER, UPON, AND ACROSS ALL EASEMENT AREAS DESIGNATED ON THE PLAT FOR THE EASEMENT PURPOSES, INCLUDING ANY RELATED FACILITIES AND EQUIPMENT AS FOLLOWS:

PUBLIC UTILITY EASEMENT (P.U.E.), FOR PUBLIC USE, FOR UTILITY PURPOSES, INCLUDING WITHOUT LIMITATION, CONSTRUCTION, OPERATION, MAINTENANCE, MODIFICATION, REPLACEMENT AND REPAIR OF ELECTRICITY, ENERGY, GAS, WATER, SEWER, PUBLIC STORM WATER SYSTEM, TELECOMMUNICATIONS, INTERNET SERVICES, CABLE TELEVISION, AND OTHER UTILITIES.

DRAINAGE EASEMENT (DE), FOR PUBLIC USE, FOR DRAINAGE AND FLOOD CONTROL PURPOSES, INCLUDING WITHOUT LIMITATION, CONSTRUCTION, OPERATION, MAINTENANCE, MODIFICATION, REPLACEMENT AND REPAIR OF NATURAL AND MAN-MADE CHANNELS, WASHES, WATERCOURSES, LEVEES, DIKES, DAMS, RETENTION AND DETENTION BASINS, STORAGE BASINS, STORM DRAINS, MONITORING DEVICES. CITY OF FLAGSTAFF IS RESPONSIBLE FOR MAINTENANCE OF THE EASEMENT AREA FOR DRAINAGE AND FLOOD CONTROL PURPOSES.

DRAINAGE MAINTENANCE EASEMENT (DME), FOR CITY ACCESS TO MAINTAIN PRIVATE DRAINAGE WAYS AND DRAINAGE FEATURES, INCLUDING WITHOUT LIMITATION, CONSTRUCTION, OPERATION, MAINTENANCE, MODIFICATION, REPLACEMENT AND REPAIR OF NATURAL AND MAN-MADE CHANNELS, WASHES, WATERCOURSES, RETENTION AND DETENTION BASINS, STORAGE BASINS, STORM DRAINS, MONITORING DEVICES, IN THE EVENT GRANTOR HAS FAILED TO PROPERLY MAINTAIN PRIVATE DRAINAGE WAYS IN ACCORDANCE WITH THE FLAGSTAFF CITY CODE.

SLOPE EASEMENT (SE) FOR SLOPE AND NATURAL DRAINAGE OF WATER PURPOSES ADJACENT TO ROADS, SIDEWALKS, TRAILS, AND OTHER SURFACE IMPROVEMENTS, INCLUDING WITHOUT LIMITATION, CONSTRUCTION, OPERATION, MAINTENANCE, MODIFICATION, REPLACEMENT AND REPAIR OF MAN-MADE AND NATURAL SLOPES, SOIL NAILS, GABIONS, RETAINING WALLS, EROSION CONTROL IMPROVEMENTS, AND VEGETATION. GRANTOR IS RESPONSIBLE FOR MAINTAINING THE STRUCTURAL INTEGRITY OF THE SLOPE, IN COMPLIANCE WITH THE FLAGSTAFF CITY CODE. THE SLOPE EASEMENTS ARE AUTOMATICALLY ABANDONED ON A LOT OR PARCEL WHEN THE CITY OF FLAGSTAFF ISSUES CERTIFICATE OF OCCUPANCY FOR THE LOT OR PARCEL.

VEHICULAR NON-ACCESS EASEMENT (VNAE) FOR TRAFFIC CONTROL PURPOSES. VEHICLE ACCESS AND DRIVEWAYS ARE PROHIBITED IN THE EASEMENT AREA.

PUBLIC ACCESS EASEMENT (PAE) FOR NON-MOTORIZED PUBLIC ACCESS FOR A PEDESTRIAN, BICYCLE AND OTHER SIMILAR NON-MOTORIZED USES. THE HOA IS RESPONSIBLE FOR SNOW REMOVAL AND MAINTENANCE OF THE EASEMENT AREA, IN COMPLIANCE WITH THE FLAGSTAFF CITY CODE.

BENCH EASEMENT (BE) FOR A 1' LEVEL BENCH BEYOND THE RIGHT-OF-WAY LIMITS.

THE OWNER HEREBY DEDICATES TO UNISOURCE ENERGY SERVICES AND ITS SUBSIDIARY, UNS GAS:
ASSIGNS ALL AREAS ON THIS PLAT MARKED P.U.E. OR PUBLIC UTILITY EASEMENT AND THE PROPERTY DESIGNATED ON THE PLAT FOR STREETS. WHETHER PUBLIC OR PRIVATE, FOR EXISTING NATURAL GAS FACILITIES TOGETHER WITH THE RIGHT TO INSTALL REQUIRED SERVICE CONNECTIONS OVER OR UNDER THE SURFACE TO SERVE IMPROVEMENTS THEREON OR ADJACENT TO.

EASEMENTS AND GENERAL CONDITIONS
GRANTOR HEREBY DEDICATES TO THE CITY OF FLAGSTAFF, ARIZONA PERPETUAL NON-EXCLUSIVE EASEMENTS OVER, UNDER, UPON, AND ACROSS ALL EASEMENT AREAS DESIGNATED ON THE PLAT FOR THE EASEMENT PURPOSES, INCLUDING ANY RELATED FACILITIES AND EQUIPMENT, AND SUBJECT TO THE FOLLOWING GENERAL CONDITIONS:

1. GRANTOR SHALL NOT ALLOW USE OF THE EASEMENT AREA IN A MANNER THAT INTERFERES WITH EASEMENT;
2. GRANTOR SHALL MAINTAIN EASEMENT AREAS FREE AND CLEAR OF VEGETATION OR OBSTRUCTIONS THAT INTERFERE WITH THE EASEMENT, PER THE FLAGSTAFF CITY CODE AS AMENDED; AND
3. GRANTEE MAY MAINTAIN VEGETATION AND REMOVE OBSTRUCTIONS THAT INTERFERE WITH THE EASEMENT;
4. IN THE EVENT THE CITY OF FLAGSTAFF HAS NOTIFIED GRANTOR AND PROVIDED REASONABLE OPPORTUNITY TO MAINTAIN THE SLOPE, VEGETATION AND/OR REMOVE OBSTRUCTIONS THAT INTERFERE WITH THE EASEMENT, CITY OF FLAGSTAFF MAY ISSUE AN ASSESSMENT AGAINST GRANTOR TO RECOVER THE CITY'S ACTUAL, REASONABLE MAINTENANCE COSTS AND RECORD IT AS A LIEN AGAINST GRANTOR'S PROPERTY UNTIL THE ASSESSMENT AND ANY STATUTORY INTEREST IS PAID;
5. GRANTEE SHALL HAVE A LIMITED, TEMPORARY RIGHT OF ACCESS ACROSS GRANTOR'S ADJACENT PROPERTY FOR EASEMENT PURPOSES IF ACCESS CANNOT BE REASONABLY ACHIEVED BY OTHER MEANS.

BINDING EFFECT. THE EASEMENTS GRANTED WITHIN THIS DEDICATION ARE PERMANENT AND PERPETUAL AND SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF.

IMPROVEMENTS. GRANTOR HEREBY DEDICATES TO THE CITY OF FLAGSTAFF ALL IMPROVEMENTS INSTALLED OR CONSTRUCTED BY GRANTOR FOR CITY PUBLIC RIGHTS-OF-WAY AND CITY UTILITIES WITHIN THE EASEMENT AREAS, AND SUCH DEDICATION SHALL BE EFFECTIVE WHEN FORMALLY ACCEPTED BY THE CITY ENGINEER (THE "ACCEPTANCE DATE").

INTERIM LIABILITY.

ABBOTT RHOTON INVESTMENTS, L.L.C., ["GRANTOR" OR "OWNER"], DOES HEREBY RELEASE AND DISCHARGE THE CITY OF FLAGSTAFF, AND INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF FLAGSTAFF, OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER, OR NEWLY DEDICATED PUBLIC RIGHTS-OF-WAY AS DEPICTED ON THIS PLAT UNTIL THE RIGHT-OF-WAY IS IMPROVED TO CITY STANDARDS AND THOSE IMPROVEMENTS ARE APPROVED AND FORMALLY ACCEPTED BY THE CITY ENGINEER ("ACCEPTANCE DATE"). GRANTOR SHALL MAINTAIN THE NEWLY DEDICATED PUBLIC RIGHTS-OF-WAY UNTIL THE ACCEPTANCE DATE.

NOW, THEREFORE, IN WITNESS WHEREOF, GRANTOR HAS HEREUNTO CAUSED ITS CORPORATE NAME TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY THE UNDERSIGNED, DULY AUTHORIZED OFFICER THIS _____ DAY OF _____, 202_.

BY: ABBOTT RHOTON INVESTMENTS, L.L.C.

BY: _____
CLINTON WHITING
MEMBER

STATE OF ARIZONA
SS.
COUNTY OF COCONINO

ON THIS _____ DAY OF _____, 202_, BEFORE ME, THE UNDERSIGNED PERSONALLY APPEARED _____ WHO ACKNOWLEDGED BY SELF TO THE REPRESENT ABBOTT RHOTON INVESTMENTS, L.L.C., AND THAT HE/SHE AS SUCH, BEING AUTHORIZED SO TO DO, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSE THEREIN CONTAINED.

IN WITNESS WHEREOF: I HEREUNTO FORTH MY HAND AND OFFICIAL SEAL.

_____
NOTARY PUBLIC MY COMMISSION EXPIRES

CITY OF FLAGSTAFF CERTIFICATION

IT IS HEREBY CERTIFIED THAT THIS PLAT HAS BEEN OFFICIALLY APPROVED FOR THE RECORD BY THE COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA ON THE _____ DAY OF _____, 20__.

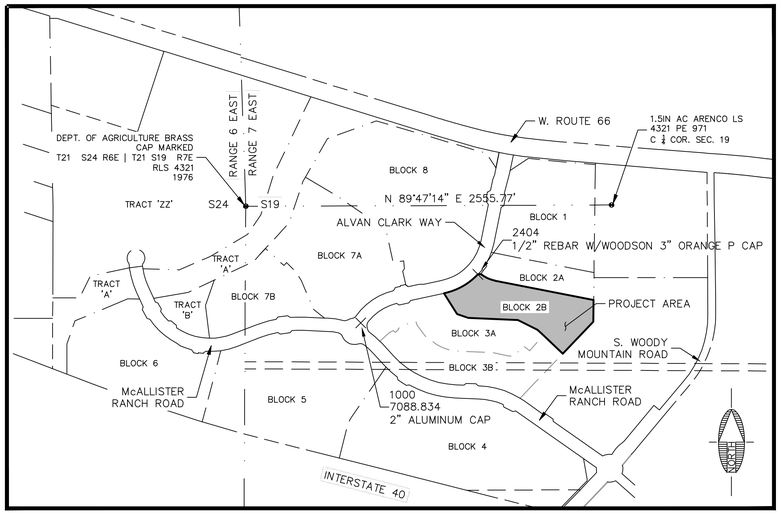
BY: _____
MAYOR

ATTEST: _____
CITY CLERK

IT IS HEREBY CERTIFIED THAT THIS PLAT HAS BEEN OFFICIALLY APPROVED FOR THE RECORD BY THE INTERNAL DEVELOPMENT STAFF BOARD OF THE CITY OF FLAGSTAFF, ARIZONA ON THE _____ DAY OF _____, 20__.

BY: _____
CITY ENGINEER

BY: _____
CITY PLANNING DIRECTOR



VICINITY MAP
N.T.S

PROPERTY OWNER/DEVELOPER:

ABBOTT-RHOTON INVESTMENTS LLC
3605 S. FLAGSTAFF RANCH ROAD
PHOENIX, AZ 86001

CIVIL ENGINEER

ARDURRA GROUP, INC.
DAN NYX, PE
1801 WEST ROUTE 66, STES 117
FLAGSTAFF, AZ 86001
(928) 774-0354

SURVEYOR

ARDURRA GROUP, INC.
AARON BORLING, RLS #48756
1801 WEST ROUTE 66, STES 117
FLAGSTAFF, AZ 86001
(928) 774-0354

SITE BENCHMARK

2" ALUMINUM CAP IN MEDIAN NORTHEAST CORNER ISLAND OF MCALLISTER RANCH ROAD AND ALVAN CLARK WAY ROUNDABOUT
POINT #1,000
ELEVATION = 7088.834'

SOURCE OF PROJECT INFORMATION

BOUNDARY INFORMATION PER INST. #3988091 OFFICIAL RECORDS OF COCONINO COUNTY, AND SUPPLEMENTAL TOPOGRAPHIC SURVEY PERFORMED BY SHEPHARD-WESNITZER, INC. AN ARDURRA COMPANY IN JANUARY 2024.

BASIS OF BEARING

NORTH 89-47-14 EAST, 2555.77' FROM THE WEST QUATER CORNER TO THE CENTER QUATER CORNER OF SECTION 19, TOWNSHIP 21 NORTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDAN, COCONINO COUNTY, ARIZONA, ACCORDING TO INST. NO. 3810031, OFFICIAL RECORDS OF COCONINO COUNTY, ARIZONA.

RESOURCE PRESERVATION

THE PROJECT FALLS WITHIN THE CITY OF FLAGSTAFF RESOURCE PROTECTION OVERLAY ZONE. A RESOURCE PROTECTION PLAN WILL BE SUBMITTED WITH FUTURE DEVELOPMENT.

FLOOD ZONE CLASSIFICATION

THE PROJECT AREA IS WITHIN ZONE X DESIGNATED BY FEMA FIRM'S 04005C-6804G AND 04005C-6812G. THE PROJECT AREA HAS BEEN DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN. THEREFORE, NO BUILDING WILL OCCUR IN A FLOODPLAIN.

LEGAL DESCRIPTION:

LOT 2 ACCORDING TO THE FINAL PLAT FOR TIMBER SKY BLOCK 2, INSTRUMENT NUMBER 4010656, OFFICIAL RECORDS OF COCONINO COUNTY.

PROPERTY INFORMATION:

ATLAS AT TIMBER SKY
ADDRESS – TBD
FLAGSTAFF, AZ 86001

ASSESSOR'S PARCEL NO. 112-01-157B

ZONING: HIGH DENSITY RESIDENTIAL (HR)
NUMBER OF LOTS: 58

GROSS ACREAGE: ±6.36 ACRES
ROW ACREAGE: ±1.47 ACRES
NET ACREAGE (EXCLUDING ROW): ±4.89 ACRES
DENSITY GROSS: 9.12 DU/ACRE
DENSITY NET: 11.86 DU/ACRE

TRACT 'A': COMMON SPACES
TRACT 'B': COMMON SPACES
TRACT 'C': COMMON SPACES AND DRAINAGE AND DRAINAGE MAINTENANCE EASEMENT
TRACT 'D': COMMON SPACES AND DRAINAGE AND DRAINAGE MAINTENANCE EASEMENT

1. THE CITY OF FLAGSTAFF PROVIDES WATER (UTILITY) SERVICE PURSUANT TO STATE LAW AND IS CURRENTLY OPERATING UNDER A DESIGNATION OF ADEQUATE WATER SUPPLY GRANTED BY THE ARIZONA DEPARTMENT OF WATER RESOURCES, APPLICATION NO 41-90040.0002.
2. ALL UTILITIES, INCLUDING STREET LIGHT AND ELECTRIC LINES INSTALLED WITH THIS DEVELOPMENT SHALL BE PLACED UNDERGROUND.
3. DEVELOPMENT AND USE OF THIS SITE WILL CONFORM TO ALL APPLICABLE CITY OF FLAGSTAFF CODES AND ORDINANCES.
4. AN ASSOCIATION WILL BE FORMED AND HAVE THE RESPONSIBILITY FOR MAINTAINING ALL COMMON SPACES TO BE NOTED AS "TRACTS" (INCLUDING LANDSCAPED AREAS AND DRAINAGE FACILITIES).
5. EXCEPT FOR CONSTRUCTION AND IMPROVEMENTS BY GOVERNMENTAL ENTITIES AND CERTIFIED PUBLIC UTILITIES, CONSTRUCTION AND IMPROVEMENTS WITHIN UTILITY EASEMENTS SHALL BE LIMITED TO ONLY THE FOLLOWING: REMOVABLE WOOD, WIRE OR SECTION TYPE FENCING; CONSTRUCTION, STRUCTURES OR BUILDING EXPRESSLY APPROVED IN WRITING BY ALL PUBLIC UTILITIES WHICH USE OR SHALL USE THE UTILITY EASEMENT.
6. NO FENCING, RE-GRADING, DISTURBANCE OF NATURAL GROUND, PLACEMENT OF FILL OR ANY OTHER OBSTRUCTIONS ARE PERMITTED WITHIN THE DRAINAGE EASEMENTS.
7. ALL INDIVIDUAL LOT AREAS OUTSIDE THE MAXIMUM BUILDING COVERAGE, DRIVEWAYS, AND UTILITIES ARE DEEMED AS PRIVATE OPEN SPACE AND PROTECTED FOREST RESOURCE AREAS.
8. RESOURCE PROTECTION. A BUILDING ENVELOPE FOR EACH LOT IS SHOWN AND PLATTED HEREON FOR THE PURPOSE OF MAINTAINING RESOURCES IN ACCORDANCE WITH THE ZONING CODE'S RESOURCE PROTECTION OVERLAY DESIGNATION. ALL DEVELOPMENT ON A LOT SHALL OCCUR WITHIN THE BUILDING ENVELOPE, EXCEPT THAT ACCESSORY STRUCTURES THAT COMPLY WITH THE REQUIREMENTS OF THE ZONING CODE MAY BE DEVELOPED OUTSIDE OF THE BUILDING ENVELOPE, PROVIDED THAT NO RESOURCES ARE REMOVED OR ENCROACHED UPON. A MODIFICATION TO A LOT'S BUILDING ENVELOPE THAT COMPLIES WITH THE ZONING CODE MAY BE APPROVED BY THE CITY OF FLAGSTAFF'S PLANNING DIRECTOR AND RECORDED IN COCONINO COUNTY, ARIZONA. ALL APPLICABLE PROVISIONS OF THE ZONING CODE, AS AMENDED, SHALL APPLY.
9. THE SUBDIVISION WILL BE DEVELOPED AS A PLANNED RESIDENTIAL DEVELOPMENT.

SHEET INDEX		
SHEET NO.	DWG NO.	TITLE
1	CVR	COVER SHEET
2	EB01	EXISTING BOUNDARY
3	FP01	FINAL PLAT
4	FP02	FINAL PLAT NRPP

PLANNED RESIDENTIAL DEVELOPMENT DESIGN ELEMENT

d.	AVERAGE DWELLING UNITS NO LARGER THAN 1,800 SQUARE FEET NOT INCLUDING GARAGE.	3 POINTS
q.	SUBDIVISION INCLUDES ENHANCED PEDESTRIAN ENVIRONMENTS INCLUDING OUTDOOR SEATING AREAS OR LARGER LANDSCAPING AREAS (ONE POINT FOR EACH).	2 POINTS
	TOTAL POINTS:	5 POINTS

COORDINATE SYSTEM DETAILS

LINEAR UNIT:	INTERNATIONAL FEET
GEODETIC DATUM:	NAD 83 (CONUS)
VERTICAL DATUM:	WGS – 1984
SYSTEM:	UNITED STATES/STATE PLANE (1983)
PROJECTION:	
TRANSVERSE MERCATOR	
LATITUDE OF GRID ORIGIN:	N31.00000
LONGITUDE OF CENTRAL MERIDIAN:	W111.9166667
NORTHING AT GRID ORIGIN:	0 FT
EASTING AT CENTRAL MERIDIAN:	70,000 FT
CENTRAL MERIDIAN SCALE FACTOR:	0.9999000

ALL MEASURED DISTANCES AND BEARINGS SHOWN HEREON ARE GRID VALUES BASED ON THE PRECEDING PROJECTION DEFINITION. THE PROJECTION WAS DEFINED SUCH THAT GRID DISTANCES ARE EQUIVALENT TO "GROUND" DISTANCES IN THE PROJECT AREA.

THE BASIS OF BEARINGS IS TRUE GEODEDIC NORTH; NOTE THAT THE MEASURED GRID BEARINGS SHOWN HEREON (OR IMPLIED BY GRID COORDINATES) DO NOT EQUAL GEODETIC BEARINGS DUE TO MERIDIAN CONVERGENCE.

ORTHOMETRIC HEIGHTS (ELEVATIONS) WERE TRANSFERRED TO THE SITE FROM NGS CONTROL POINT "AZFL" USING GPS WITH NGS GEOID MODEL "GEOID18". ELEVATIONS SHOWN HEREON ARE REFERENCED TO THE PUBLISHED ELEVATION OF THIS STATION.

THE SURVEY WAS CONDUCTED USING GPS REFERENCED TO THE NATIONAL SPATIAL REFERENCE SYSTEM. A PARTIAL LIST OF POINT COORDINATES FOR THIS SURVEY IS GIVEN BELOW (ADDITIONAL COORDINATES ARE AVAILABLE UPON REQUEST). LOCAL NETWORK ESTIMATES ARE GIVEN AT THE 95% CONFIDENCE LEVEL AND ARE BASED ON A LEAST-SQUARES ADJUSTMENT OF STATISTICALLY INDEPENDENT OBSERVATIONS.

POINT #1000 = ½" REBAR W/SWI 2" ALUMINUM CAP
(GPS CONTROL POINT OFF MAP)

LATITUDE = N35.187286571	NORTHING = 1523530.523
LONGITUDE = W111.697672592	EASTING = 765432.848
ELLIPSOID HEIGHT = 7017.970 FT	ELEVATION = 7088.834 FT

POINT #2404 = ½" REBAR W/WOODSON 3" ORANGE PLASTIC CAP

LATITUDE = N35.188210289	NORTHING =1523868.673
LONGITUDE = W111.694934170	EASTING = 766250.660
ELLIPSOID HEIGHT = 7021.753 FT	ELEVATION = 7092.622 FT

UTILITY COMPANY CONTACTS

APS
CONTACT: BRADY HORN
2200 E. HUNTINGTON
FLAGSTAFF, AZ 86004
BRADY.HORN@APS.COM
PHONE: (928) 773-6440

UNISOURCE ENERGY SERVICES
CONTACT: MARTIN CONBOY
2901 W SHAMRELL BLVD #110
FLAGSTAFF, AZ 86001
MCONBOY@UESAZ.COM
PHONE: (928) 226-2269

CENTURYLINK
CONTACT: MANUEL HERNANDEZ
112 NORTH BEAVER STREET
FLAGSTAFF, AZ 86001
MANUEL.HERNANDEZ4@CENTURYLINK.COM
PHONE: (928) 779-4935

ALTICE USA
CONTACT: SANFORD YAZZIE
1601 SOUTH PLAZA WAY
FLAGSTAFF, AZ 86001
SANFORD.YAZZIE@ALTICEUSA.COM
PHONE: (928) 266-0672

UTILITY COMPANY APPROVAL

ARIZONA PUBLIC SERVICE
BY: _____ DATE: _____

UNISOURCE ENERGY SERVICES
BY: _____ DATE: _____

CENTURYLINK
BY: _____ DATE: _____

ALTICE USA
BY: _____ DATE: _____

UTILITY CONFLICT

UNDERGROUND UTILITIES SHOWN ARE APPROXIMATE AND WERE COMPILED FROM RECORD DRAWINGS, SURVEY, AND CONSTRUCTION PLANS FURNISHED BY OTHERS. THE CONTRACTOR IS ULTIMATELY RESPONSIBLE FOR DETERMINING THE ACTUAL LOCATIONS OF ALL UNDERGROUND LINES THAT MAY AFFECT WORK PRIOR TO CONSTRUCTION.

THERE ARE NO APPARENT UTILITY CONFLICTS WITH APS, UNISOURCE, CENTURYLINK, AND ALTICE USA; HOWEVER, THEY DO HAVE EXISTING FACILITIES IN THE AREA THAT WILL NEED TO BE PROTECTED AND/OR RELOCATED.

CERTIFICATE OF LAND SURVEYOR

THIS IS TO CERTIFY THAT THE SURVEY OF THE PROPERTY DESCRIBED AND PLATTED HEREON WAS MADE UNDER MY DIRECT SUPERVISION AND IS ACCURATELY REPRESENTED ON THIS PLAT, AND IS CORRECT AS SHOWN TO THE BEST OF MY KNOWLEDGE AND BELIEF. THERE ARE NO CONFLICTING ENCUMBRANCES AFFECTING THE SUBJECT PARCEL.

_____
Aaron D. Borling, RLS 48756

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NO.	DATE	BY	REVISION

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FLAGSTAFF, AZ 86001
www.ardurra.com

REGISTERED LAND SURVEYOR
48756
AARON D. BORLING
Date Signed 9/29/25
ARIZONA, U.S.A.

ATLAS AT TIMBER SKY - FINAL PLAT
COVER SHEET
FLAGSTAFF
COCONINO

JOB NO.: 225019	DESIGN BY:	DRAWN BY: HAS	CHECKED: ADB
DATE: SEPTEMBER 2025			
DWG. CVR	SHEET 1 OF 4		

FILE: P:\2025\225019\03-PROD\03-DWGS\PLATS\FINAL PLAT\225019 - FINAL PLAT CVR.DWG HSCHNOEBELEN
PLOTTED: Sep 30, 2025-2:10pm

DEPT. OF AGRICULTURE BRASS CAP MARKED T21 S24 R6E | T21 S19 R7E RLS 4321 1976

BASIS OF BEARING N 89°48'26" E 5281.50'

1.5IN AC ARENCO LS 4321 PE 971 C ¼ COR. SEC. 19

LEGEND

- ADJACENT BOUNDARY
- SUBJECT PARCEL BOUNDARY
- NEW PARCEL LINE
- RIGHT-OF-WAY LINE
- STREET CENTERLINE
- BOUNDARY TIE
- SECTION LINE
- CALCULATED POINT
- FOUND REBAR AS NOTED
- FOUND MAG NAIL W/WASHER "RLS 48756"
- FOUND 1/2" REBAR W/ PLASTIC CAP "RLS 48756"
- SECTION CORNER

RECORD INFORMATION

DIMENSIONS SHOWN HEREON ACCORDING TO RESULTS OF SURVEY PREPARED BY ARDURRA GROUP, INC. AT INSTRUMENT NUMBER 4010656.

92' R.O.W.

S ALVAN CLARK BLVD

ROERS FLAGSTAFF APARTMENT OWNER LLC APN:112-01-156 INST. NO. 3810031

ORION AT TIMBER SKY INST. NO. 3810032

112-01-178
112-01-177
112-01-176
112-01-175
112-01-174
112-01-173
112-01-172
112-01-171
112-01-170

N 73°38'50" W 1890.27'

FND ½" REBAR W/CAP "45721"

S POLARIS WAY

S 85°17'37" W 20.18'

PT. #2404
FND ½" REBAR W/CAP "18251"

N 61°08'12" W 6.84'

L=102.17' R=223.50' Δ=26°11'34"

HABITAT FOR HUMANITY OF NORTHERN ARIZONA INC APN: 112-01-157A INST. NO. 4010656

FND ½" REBAR W/CAP "18215"

N 8°51'57" E 826.19'

LIV TIMBER SKY LLC APN:112-01-712 INST. NO. 3955182

S 78°02'38" W 3.09'

L=272.75' R=446.00' Δ=35°02'21"

CALCULATED POINT UNDER COLUMN NOTHING SET

23.49'

S 32°27'34" E 172.06'

148.58'

112-01-274
112-01-275
112-01-276
112-01-277
112-01-278

FND ½" REBAR W/CAP "45721"

S70°51'46"E 68.95'

13.65'

SUBJECT PARCEL
ABBOTT-RHOTON INVESTMENTS LLC
APN: 112-01-157B
INST. NO. 4010656
~6.36 ACRES

N 78°53'48" W 703.13'

190.93'

S 0°43'33" W 343.30'

152.37'

S 87°40'34" E 345.86'

112-01-279
112-01-280
112-01-281
112-01-282
112-01-283
112-01-284
112-01-285
112-01-286
112-01-287

S 63°38'29" E 154.03'

56.58'

FND ½" REBAR W/CAP "37401"

S 46°15'40" E 242.39'

186.01'

112-01-288

N 43°44'19" E 309.89'

FND ½" REBAR W/CAP "18215"

ADORA AT TIMBERSKY PHASE 1 INST. NO. 3810033

W LOCKWOOD WAY

ADORA AT TIMBER SKY PHASE 2 INST. NO. 3973100

LIV SC FLAGSTAFF LLC APN:112-01-711 INST. NO. 3955182

SCALE 1" : 60'
0 30 60

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REGISTERED LAND SURVEYOR 48756 AARON D. BORING Date Signed: 9/30/25 ARIZONA, USA

ATLAS AT TIMBER SKY - FINAL PLAT

EXISTING BOUNDARY

FLAGSTAFF

COCONINO

JOB NO.:	225019
DESIGN BY:	
DRAWN BY:	HAS
CHECKED:	ADB
DATE:	SEPTEMBER 2025

DWG. EB01

SHEET 2 OF 4

PLOTTED: Sep 30, 2025-2:10pm

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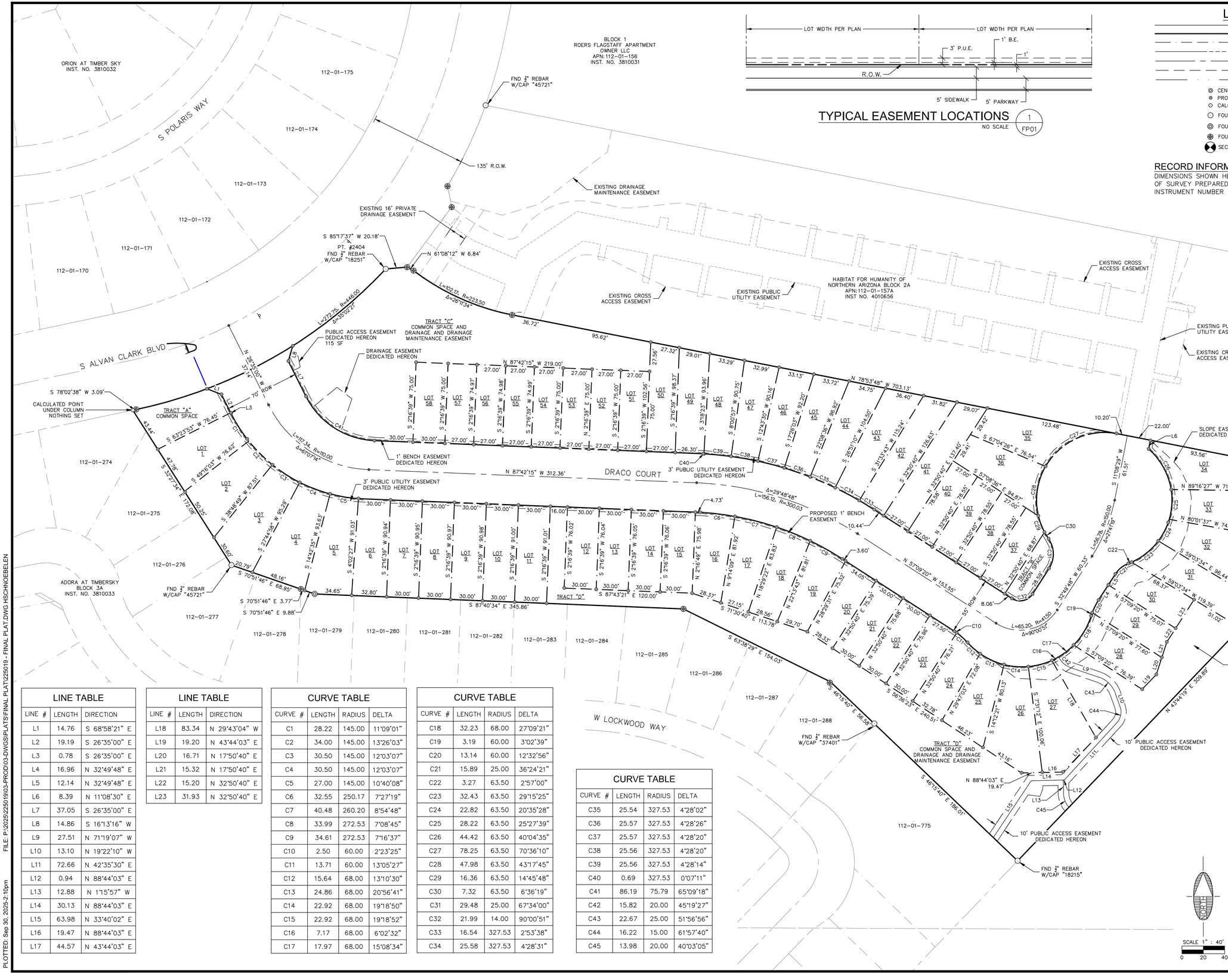

LEGEND

- ADJACENT BOUNDARY
- SUBJECT PARCEL BOUNDARY
- NEW PARCEL LINE
- RIGHT-OF-WAY LINE
- STREET CENTERLINE
- BOUNDARY TIE
- SECTION LINE
- CENTERLINE MONUMENTS
- PROPERTY CORNERS
- CALCULATED POINT
- FOUND REBAR AS NOTED
- FOUND MAG NAIL W/WASHER "RLS 48756"
- FOUND 1/2" REBAR W/ PLASTIC CAP "RLS 48756"
- SECTION CORNER

TYPICAL EASEMENT LOCATIONS

NO SCALE — 1 / FP01

RECORD INFORMATION

DIMENSIONS SHOWN HEREON ACCORDING TO RESULTS OF SURVEY PREPARED BY ARDURRA GROUP, INC. AT INSTRUMENT NUMBER 4010656.

LINE TABLE		
LINE #	LENGTH	DIRECTION
L1	14.76	S 68°58'21" E
L2	19.19	S 26°35'00" E
L3	0.78	S 26°35'00" E
L4	16.96	N 32°49'48" E
L5	12.14	N 32°49'48" E
L6	8.39	N 11°08'30" E
L7	37.05	S 26°35'00" E
L8	14.86	S 16°13'16" W
L9	27.51	N 71°19'07" W
L10	13.10	N 19°22'10" W
L11	72.66	N 42°35'30" E
L12	0.94	N 88°44'03" E
L13	12.88	N 1°15'57" W
L14	30.13	N 88°44'03" E
L15	63.98	N 33°40'02" E
L16	19.47	N 88°44'03" E
L17	44.57	N 43°44'03" E

LINE TABLE		
LINE #	LENGTH	DIRECTION
L18	83.34	N 29°43'04" W
L19	19.20	N 43°44'03" E
L20	16.71	N 17°50'40" E
L21	15.32	N 17°50'40" E
L22	15.20	N 32°50'40" E
L23	31.93	N 32°50'40" E

CURVE TABLE			
CURVE #	LENGTH	RADIUS	DELTA
C1	28.22	145.00	11°09'01"
C2	34.00	145.00	13°26'03"
C3	30.50	145.00	12°03'07"
C4	30.50	145.00	12°03'07"
C5	27.00	145.00	10°40'08"
C6	32.55	250.17	7°27'19"
C7	40.48	260.20	8°54'48"
C8	33.99	272.53	7°08'45"
C9	34.61	272.53	7°16'37"
C10	2.50	60.00	2°23'25"
C11	13.71	60.00	13°05'27"
C12	15.64	68.00	13°10'30"
C13	24.86	68.00	20°56'41"
C14	22.92	68.00	19°18'50"
C15	22.92	68.00	19°18'52"
C16	7.17	68.00	6°02'32"
C17	17.97	68.00	15°08'34"

CURVE TABLE			
CURVE #	LENGTH	RADIUS	DELTA
C18	32.23	68.00	27°09'21"
C19	3.19	60.00	3°02'39"
C20	13.14	60.00	12°32'56"
C21	15.89	25.00	36°24'21"
C22	3.27	63.50	2°57'00"
C23	32.43	63.50	29°15'25"
C24	22.82	63.50	20°35'28"
C25	28.22	63.50	25°27'39"
C26	44.42	63.50	40°04'35"
C27	78.25	63.50	70°36'10"
C28	47.98	63.50	43°17'45"
C29	16.36	63.50	14°45'48"
C30	7.32	63.50	6°36'19"
C31	29.48	25.00	67°34'00"
C32	21.99	14.00	90°00'51"
C33	16.54	327.53	2°53'38"
C34	25.58	327.53	4°28'31"

CURVE TABLE			
CURVE #	LENGTH	RADIUS	DELTA
C35	25.54	327.53	4°28'02"
C36	25.57	327.53	4°28'26"
C37	25.57	327.53	4°28'20"
C38	25.56	327.53	4°28'20"
C39	25.56	327.53	4°28'14"
C40	0.69	327.53	0°07'11"
C41	86.19	75.79	65°09'18"
C42	15.82	20.00	45°19'27"
C43	22.67	25.00	51°56'56"
C44	16.22	15.00	61°57'40"
C45	13.98	20.00	40°03'05"

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FLAGSTAFF, AZ 86001
www.ardurra.com

REGISTERED LAND SURVEYOR 48756 AARON D. BORING Date Signed: 9/29/25 ARIZONA, U.S.A.

ATLAS AT TIMBER SKY - FINAL PLAT

FINAL PLAT

FLAGSTAFF

COCONINO

JOB NO.:	225019	DWG:	FP01
DESIGN BY:		SHEET	3
DRAWN BY:	HAS	OF	4
CHECKED:	ADB		
DATE:	SEPTEMBER 2025		

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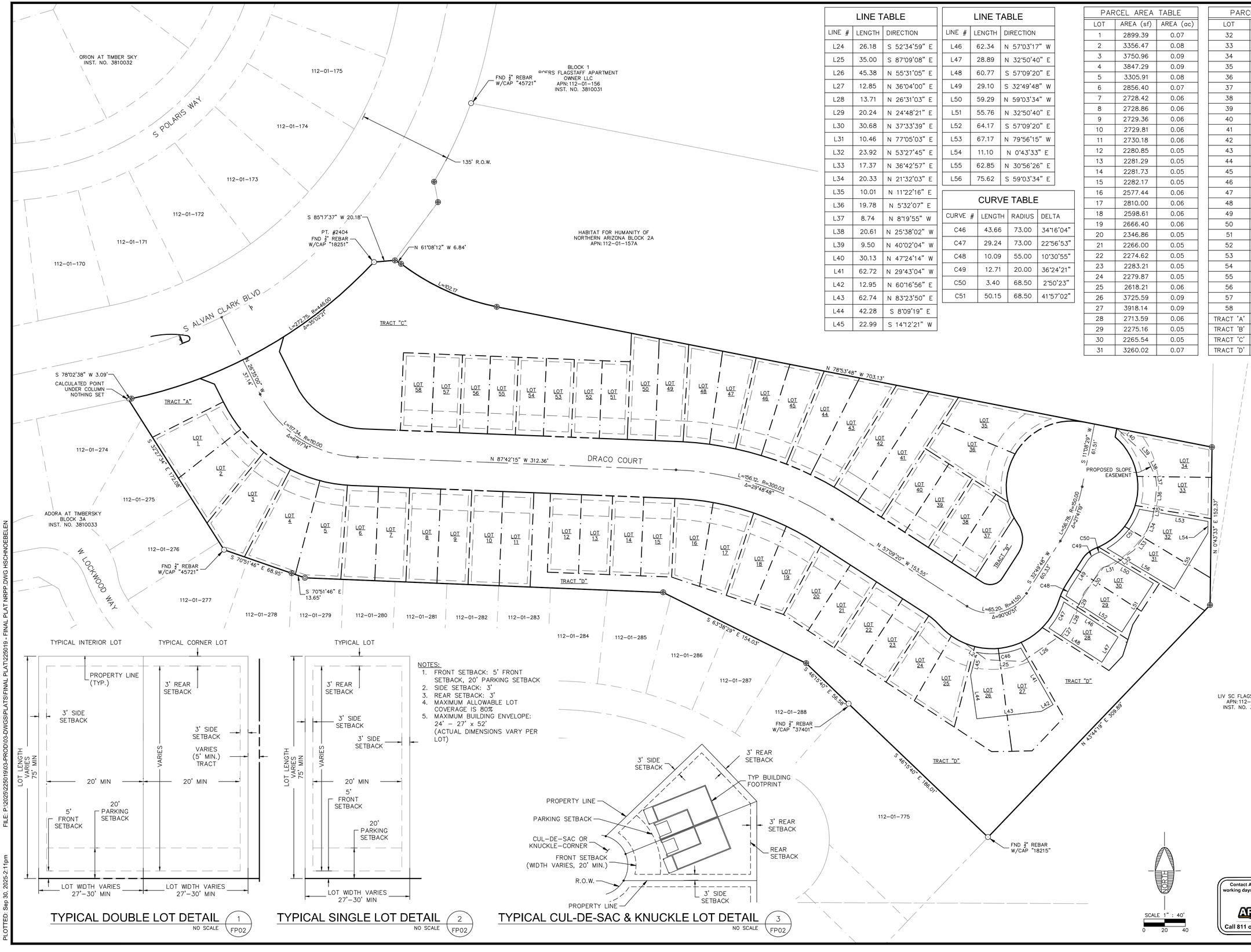
PLOTTED: Sep 30, 2025-2:10pm



LINE TABLE		
LINE #	LENGTH	DIRECTION
L24	26.18	S 52°34'59" E
L25	35.00	S 87°09'08" E
L26	45.38	N 55°31'05" E
L27	12.85	N 36°04'00" E
L28	13.71	N 26°31'03" E
L29	20.24	N 24°48'21" E
L30	30.68	N 37°33'39" E
L31	10.46	N 77°05'03" E
L32	23.92	N 53°27'45" E
L33	17.37	N 36°42'57" E
L34	20.33	N 21°32'03" E
L35	10.01	N 11°22'16" E
L36	19.78	N 5°32'07" E
L37	8.74	N 8°19'55" W
L38	20.61	N 25°38'02" W
L39	9.50	N 40°02'04" W
L40	30.13	N 47°24'14" W
L41	62.72	N 29°43'04" W
L42	12.95	N 60°16'56" E
L43	62.74	N 83°23'50" E
L44	42.28	S 8°09'19" E
L45	22.99	S 14°12'21" W

LINE TABLE		
LINE #	LENGTH	DIRECTION
L46	62.34	N 57°03'17" W
L47	28.89	N 32°50'40" E
L48	60.77	S 57°09'20" E
L49	29.10	S 32°49'48" W
L50	59.29	N 59°03'34" W
L51	55.76	N 32°50'40" E
L52	64.17	S 57°09'20" E
L53	67.17	N 79°56'15" W
L54	11.10	N 0°43'33" E
L55	62.85	N 30°56'26" E
L56	75.62	S 59°03'34" E

CURVE TABLE			
CURVE #	LENGTH	RADIUS	DELTA
C46	43.66	73.00	34°16'04"
C47	29.24	73.00	22°56'53"
C48	10.09	55.00	10°30'55"
C49	12.71	20.00	36°24'21"
C50	3.40	68.50	2°50'23"
C51	50.15	68.50	41°57'02"

PARCEL AREA TABLE		
LOT	AREA (sf)	AREA (ac)
1	2899.39	0.07
2	3356.47	0.08
3	3750.96	0.09
4	3847.29	0.09
5	3305.91	0.08
6	2856.40	0.07
7	2728.42	0.06
8	2728.86	0.06
9	2729.36	0.06
10	2729.81	0.06
11	2730.18	0.06
12	2280.85	0.05
13	2281.29	0.05
14	2281.73	0.05
15	2282.17	0.05
16	2577.44	0.06
17	2810.00	0.06
18	2598.61	0.06
19	2666.40	0.06
20	2346.86	0.05
21	2266.00	0.05
22	2274.62	0.05
23	2283.21	0.05
24	2279.87	0.05
25	2618.21	0.06
26	3725.59	0.09
27	3918.14	0.09
28	2713.59	0.06
29	2275.16	0.05
30	2265.54	0.05
31	3260.02	0.07

PARCEL AREA TABLE		
LOT	AREA (sf)	AREA (ac)
32	3167.03	0.07
33	2439.89	0.06
34	3002.97	0.07
35	3181.60	0.07
36	2988.59	0.07
37	2051.67	0.05
38	2120.98	0.05
39	2120.98	0.05
40	2121.26	0.05
41	3564.47	0.08
42	3422.60	0.08
43	3297.01	0.08
44	2980.16	0.07
45	2777.95	0.06
46	2665.33	0.06
47	2641.48	0.06
48	2703.26	0.06
49	2677.38	0.06
50	2712.57	0.06
51	2025.01	0.05
52	2025.09	0.05
53	2024.97	0.05
54	2024.83	0.05
55	2024.59	0.05
56	2024.36	0.05
57	2024.66	0.05
58	2250.05	0.05
TRACT 'A'	2680.08	0.06
TRACT 'B'	1318.16	0.03
TRACT 'C'	24165.47	0.55
TRACT 'D'	30364.32	0.70

NOTES:
1. FRONT SETBACK: 5' FRONT SETBACK, 20' PARKING SETBACK
2. SIDE SETBACK: 3'
3. REAR SETBACK: 3'
4. MAXIMUM ALLOWABLE LOT COVERAGE IS 80%
5. MAXIMUM BUILDING ENVELOPE: 24' – 27' x 52' (ACTUAL DIMENSIONS VARY PER LOT)

TYPICAL DOUBLE LOT DETAIL — 1 FP02 — NO SCALE

TYPICAL SINGLE LOT DETAIL — 2 FP02 — NO SCALE

TYPICAL CUL-DE-SAC & KNUCKLE LOT DETAIL — 3 FP02 — NO SCALE

SCALE 1" : 40'
0 20 40

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www.ardurra.com

REGISTERED LAND SURVEYOR
48756
AARON D. BORLING
Date Signed: 9/26/25
ARIZONA, U.S.A.

ATLAS AT TIMBER SKY - FINAL PLAT

FINAL PLAT NRPP

FLAGSTAFF

COCONINO

JOB NO.:	225019
DESIGN BY:	HAS
DRAWN BY:	ADB
CHECKED:	
DATE:	SEPTEMBER 2025

DWG. FP02
SHEET 4
OF 4

FILE: P:\2025\225019\03-PROD\03-DWGS\PLATS\FINAL PLAT\225019 - FINAL PLAT NRPP.DWG HSCHNOEBELEN
PLOTTED: Sep 30, 2025-2:11pm

PLANNED RESIDENTIAL DEVELOPMENT AGREEMENT

ATLAS AT TIMBER SKY

This Planned Residential Development Agreement (the "Agreement") is entered into by and between Abbott-Rhoton Investments L.L.C., an Arizona limited liability company hereinafter referred to as the "Developer," and the **City of Flagstaff, Arizona**, a municipal corporation (the "City").

RECITALS

WHEREAS, pursuant to the City of Flagstaff Zoning Code, Section 10-40.60.280 (the "Zoning Code"), a Planned Residential Development Agreement is required to accompany the final plat for any subdivision utilizing the Planned Residential Development Building Form and Property Development Standards; and

WHEREAS, the purpose of this Agreement is to ensure implementation of the design elements elected by the Developer pursuant to Section 10-40.60.280(D)(3) of the Zoning Code in a manner satisfactory to the Planning Director; and

WHEREAS, the Developer proposes a residential subdivision known as Atlas at Timber Sky (the "Subdivision") on approximately 6.36 gross acres of land located within the City of Flagstaff; and

WHEREAS, the Developer has elected to implement design elements d and q totaling a value of five (5) points as required by the Zoning Code.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Design Elements Implementation. The Developer shall implement the following design elements in accordance with the Zoning Code and as approved by the Planning Director:

1.1. Design element d. Average dwelling units no larger than 1,800 square feet, not including garage (Points Awarded: 3). The Developer has prepared a Product Mix Tracking Table to be updated and included with each submittal of a model plan and building permit for the subdivision. The average floor area of dwelling units, both constructed and proposed, shall not exceed 1,800 square feet, not including garage.

1.2 Design element q. Subdivision includes enhanced pedestrian environments, including outdoor seating areas or larger landscaping areas (Points Awarded: 2). The Developer shall construct two (2) enhanced outdoor seating areas to improve the pedestrian environment. These enhanced outdoor seating areas will be located in Tract A and Tract C as

shown on the approved final plat. These improvements shall be constructed prior to Conditional Acceptance of Public Improvements, and will be maintained by the Homeowners Association.

2. Final Plat and Recordation. This Agreement shall be recorded with the Coconino County Recorder concurrently with the recordation of the final plat for Atlas at Timber Sky.

3. Binding Effect. This Agreement shall run with the land and shall be binding upon the Developer, its successors, assigns, and any future owners of the Subdivision.

4. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona and the ordinances and regulations of the City of Flagstaff.

5. Entire Agreement. This Agreement constitutes the entire agreement between the parties concerning the matters addressed herein and supersedes all prior discussions or agreements, whether written or oral.

6. Amendment. This Agreement may only be amended in writing and signed by both the Developer and the Planning Director.

SIGNATURES

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

DEVELOPER:
Abbott-Rhoton Investments L.L.C.
By: _____
Name:
Title:

CITY OF FLAGSTAFF:
By: _____
Name:
Title: Planning Director

CITY OF FLAGSTAFF
STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Ben Mejia, Planner

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:

Consideration and Acceptance of Easements and Right-of-Way by Final Plat: Request from EPS Group, Inc, on behalf of CDR Devcorp LTD, for City acceptance of easements and right-of-way dedicated by the final plat of "The Lookout at Canyon del Rio" located at 3770 E Whetstone Dr. This plat is a 50-lot single-family subdivision using Planned Residential Development (PRD) Standards on 7.11 acres in the Medium-Density Residential (MR) Zone within the Resource Protection Overlay (RPO).

STAFF RECOMMENDED ACTION:

Accept the easements and right-of-way and authorize the Mayor to sign the Final Plat when notified by staff that all documents are ready for signature and recordation.

Executive Summary:

EPS Group, Inc, on behalf of CDR Devcorp LTD, requests Final Plat approval of "The Lookout at Canyon del Rio", 50 single-family lot subdivision located at 3770 E Whetstone Dr on 7.11 acres in the MR Zone within the RPO using PRD standards. All public land dedications and all lands dedicated for maintenance by the City must be accepted by the City Council prior to the recordation of the final plat. Easements for public dedication include two public utility easements, two public access easements, two drainage easements, and two drainage maintenance easements. Maintenance and snow removal of the public access easement areas are the responsibility of the Homeowner's Association. The public rights-of-way to be dedicated on this plat, Lava Rock Loop and Boulder Ridge Drive, are residential local roads.

Financial Impact:

No financial impacts are anticipated with this request.

Policy Impact:

There are no policy impacts anticipated with this request.

Previous Council Decision or Community Discussion:

In 2019, City Council approved a rezoning request, development agreement, and preliminary block plat allowing the development of Canyon Del Rio. The Preliminary Plat was approved by City Council on February 4, 2025.

Options and Alternatives to Recommended Action:

1. Approve the request with no conditions, as recommended by City staff.
2. Approve the request with conditions.
3. Deny the request based on non-compliance with the Zoning Code, the Subdivision Code, and/or the Engineering Design Standards and Specifications for New Infrastructure.

Background and History:

The Canyon del Rio development proposal consists of 1,426 residential dwelling units and 225,000 square feet of commercial development. The development area includes a mixture of residential unit types combined with commercial service and open space on 261 acres. The applicant is seeking Final Plat approval for "The Lookout at Canyon del Rio" consisting of 50 single-family residential lots utilizing the Planned Residential Development

(PRD) standards.

Connection to PBB Priorities and Objectives:
Robust Resilient Economy - Support and strengthen a robust, diverse, and sustainable economy.

Connection to Regional Plan:
N/A

Connection to Carbon Neutrality Plan:
N/A

Connection to 10-Year Housing Plan:
N/A

Attachments: Application
Final Plat
PRD Agreement

City of Flagstaff — Community Development Division

211 W. Aspen Ave
Flagstaff, AZ 86001
www.flagstaff.az.gov
P: (928) 213-2618

Date Received	Application for Subdivision Review	File Number

Property Owner(s) CDR Devcorp LTD		**Phone** 1-602-615-3048
Mailing Address 3605 S. Flagstaff Ranch Rd	**City, State, Zip** Flagstaff, AZ 86005	**Email** cwhiting@capstonehomesaz.com
Applicant(s) CDR Devcorp - Contact: Charity Lee		**Phone** 1-928-600-3594
Mailing Address 3605 S. Flagstaff Ranch Rd	**City, State, Zip** Flagstaff, AZ 86005	**Email** clee@capstonehomesaz.com
Project Representative James Rogers, Charity Lee		**Phone** (480) 503-2250, (928) 600-3594
Mailing Address 1130 N. Alma School Rd, Ste 120	**City, State, Zip** Mesa, AZ 85201	**Email** james.rogers@epsgroupinc.com, clee@capstonehomesaz.com

Requested Review:
- ☐ Development Master Plan
- ☐ Conceptual Plat
- ☐ Preliminary Plat P&Z and Council
- ☐ Modified Subdivision
- ☐ Preliminary Plat
- ☒ Final Plat- Council

Project Name: Canyon Del Rio - The Lookout- Parcel N	**Site Address** Flagstaff, AZ 86005	**Parcel Number** 106-08-036	
Proposed Use Medium density residential	**Existing Use** Vacant / undeveloped	**Subdivision, Tract & Lot Number** Canyon Del Rio - Parcel N	
Zoning District MR with RPOZ	**Regional Plan Category** Future suburban	**Flood Zone** X	**Size of Site (Sq. ft. or Acres)** 7.11 acres

Property Information:
- ☐ Yes ☒ No Located in an existing Local/National Historic District? (Name:_____)
- ☐ Yes ☒ No Existing structures are over 50 years old at the time of application?
- ☒ Yes ☐ No Subject property is undeveloped land?

Surrounding Uses (Res, Com, Ind)	North	South	East	West
	Vacant/Future Canyon Del Rio	Vacant/Future Canyon Del Rio	Vacant/Future Canyon Del Rio	Vacant/Future Canyon Del Rio

Proposed Use:	Number of Lots	Number of Units	Number of acres per use	Building Square Feet
Medium density residential	50		7.11	

Please complete a *"Subdivision Review Application"* and provide an initialed *"Application and Information Checklist"* form along with the required number of plans and information as appropriate for a Development Master Plan, Conceptual, Preliminary or Final Plat. **Incomplete submittals will not be scheduled.**

Property Owner Signature: (required)	Date: 9/16/25	Applicant Signature: Charity Lee	Date: 9/16/25

For City Use

Date Filed:	**Case Number (s)**	
P & Z Hearing Date:	**Publication and Posting Date:**	
Council Hearing Date:	**Publication and Posting Date:**	
Fee Receipt Number:	**Amount:**	**Date:**

Action by Planning and Zoning Commission:	Action By City Council:
☐ Approved	☐ Approved
☐ Denied	☐ Denied
☐ Continued	☐ Continued

Staff Assignments	Planning	Engineering	Fire	Public Works/Utilities	Stormwater

FINAL PLAT

THE LOOKOUT AT CANYON DEL RIO BLOCK N

A SUBDIVISION OF BLOCK N OF FINAL BLOCK PLAT OF "CANYON DEL RIO PHASE 1",
INSTRUMENT NO. 3944598, COCONINO COUNTY RECORDS,
ALSO BEING A PORTION OF THE WEST HALF OF SECTION 24,
TOWNSHIP 21 NORTH, RANGE 7 EAST, OF THE
GILA AND SALT RIVER MERIDIAN
COCONINO COUNTY, ARIZONA

DEDICATION

STATE OF ARIZONA)
) S.S.
COUNTY OF COCONINO)

KNOW ALL PERSONS BY THESE PRESENTS: THAT CDR DEVCORP, LTD, AN ARIZONA DOMESTIC FOR-PROFIT (BUSINESS) CORPORATION, "OWNER", HAS SUBDIVIDED UNDER THE NAME "THE LOOKOUT AT CANYON DEL RIO BLOCK N", A SUBDIVISION OF BLOCK N OF FINAL BLOCK PLAT OF "CANYON DEL RIO PHASE 1", INSTRUMENT NO. 3944598, COCONINO COUNTY RECORDS, ALSO LOCATED IS A PORTION OF THE WEST HALF OF SECTION 24, TOWNSHIP 21 NORTH, RANGE 7 EAST, OF THE GILA AND SALT RIVER MERIDIAN, COCONINO COUNTY, ARIZONA, AS SHOWN AND PLATTED HEREON AND DOES HEREBY PUBLISH THIS PLAT AS AND FOR THE PLAT OF "THE LOOKOUT AT CANYON DEL RIO BLOCK N" AND DECLARES THAT THIS PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF EACH LOT, TRACT, STREET, AND EASEMENT CONSTITUTING SAME, AND THAT EACH LOT, TRACT, STREET, AND EASEMENT SHALL BE KNOWN BY THE NUMBER, LETTER, AND/OR NAME GIVEN TO EACH RESPECTIVELY AS SHOWN ON THIS PLAT.

PUBLIC RIGHT-OF-WAY (ROW). CDR DEVCORP, LTD, HEREBY DEDICATES TO THE CITY OF FLAGSTAFF, IN FEE SIMPLE, ALL PUBLIC RIGHTS-OF-WAY SHOWN ON THE PLAT FOR PUBLIC USE. ABUTTING PROPERTY OWNER SHALL MAINTAIN THE SIDEWALK AND LANDSCAPING WITHIN THE RIGHT-OF-WAY BETWEEN THE STREET CURB AND THE ABUTTING PROPERTY, IN COMPLIANCE WITH THE FLAGSTAFF CITY CODE.

THE OWNER HEREBY DEDICATES TO UNISOURCE ENERGY SERVICES AND ITS SUBSIDIARY, UNS GAS:
ASSIGNS ALL AREAS ON THIS PLAT MARKED PUE OR PUBLIC UTILITY EASEMENT AND THE PROPERTY DESIGNATED ON THE PLAT FOR STREETS. WHETHER PUBLIC OR PRIVATE, FOR EXISTING NATURAL GAS FACILITIES TOGETHER WITH THE RIGHT TO INSTALL REQUIRED SERVICE CONNECTIONS OVER OR UNDER THE SURFACE TO SERVE IMPROVEMENTS THEREON OR ADJACENT TO.

CDR DEVCORP, LTD, "OWNER", HEREBY DEDICATES TO THE CITY OF FLAGSTAFF, ARIZONA, AN ARIZONA MUNICIPAL CORPORATION, PERPETUAL NON-EXCLUSIVE EASEMENTS OVER, UNDER, UPON, AND ACROSS ALL EASEMENT AREAS DESIGNATED ON THE PLAT FOR THE EASEMENT PURPOSES, INCLUDING ANY RELATED FACILITIES AND EQUIPMENT AS FOLLOWS:

CLEAR VIEW ZONE EASEMENT (CVZE) FOR TRAFFIC SAFETY AND VISIBILITY PURPOSES. VEGETATION AND IMPROVEMENTS ARE PROHIBITED WITHIN THE EASEMENT AREA, EXCEPT AS PERMITTED BY THE FLAGSTAFF CITY CODE.
DRAINAGE EASEMENT (DE), FOR PUBLIC USE, FOR DRAINAGE AND FLOOD CONTROL PURPOSES, INCLUDING WITHOUT LIMITATION, CONSTRUCTION, OPERATION, MAINTENANCE, MODIFICATION, REPLACEMENT AND REPAIR OF NATURAL AND MAN-MADE CHANNELS, WASHES, WATERCOURSES, LEVEES, DIKES, DAMS, RETENTION AND DETENTION BASINS, STORAGE BASINS, STORM DRAINS, MONITORING DEVICES. NO STRUCTURES OF ANY KIND SHALL BE CONSTRUCTED IN OR ACROSS NOR SHALL OTHER IMPROVEMENTS OR ALTERATIONS BE MADE TO THE DRAINAGE FACILITIES WITHOUT WRITTEN AUTHORIZATION FROM THE CITY OF FLAGSTAFF. CITY IS RESPONSIBLE FOR MAINTENANCE OF THE EASEMENT AREA FOR DRAINAGE AND FLOOD CONTROL PURPOSES.
DRAINAGE MAINTENANCE EASEMENT (DME), FOR CITY ACCESS TO MAINTAIN PRIVATE DRAINAGE WAYS AND DRAINAGE FEATURES, INCLUDING WITHOUT LIMITATION, CONSTRUCTION, OPERATION, MAINTENANCE, MODIFICATION, REPLACEMENT AND REPAIR OF NATURAL AND MAN-MADE CHANNELS, WASHES, WATERCOURSES, RETENTION AND DETENTION BASINS, STORAGE BASINS, STORM DRAINS, MONITORING DEVICES, IN THE EVENT OWNER HAS FAILED TO PROPERLY MAINTAIN PRIVATE DRAINAGE WAYS IN ACCORDANCE WITH THE FLAGSTAFF CITY CODE.
PUBLIC ACCESS EASEMENT (PAE) FOR PUBLIC ACCESS PURPOSES FOR PEDESTRIANS, BICYCLES AND NON-MOTORIZED VEHICLES. HOA IS RESPONSIBLE FOR MAINTENANCE/SNOW REMOVAL IN THE EASEMENT AREA, IN COMPLIANCE WITH THE FLAGSTAFF CITY CODE.
PUBLIC UTILITY EASEMENT (PUE), FOR PUBLIC USE, FOR UTILITY PURPOSES, INCLUDING WITHOUT LIMITATION, CONSTRUCTION, OPERATION, MAINTENANCE, MODIFICATION, REPLACEMENT AND REPAIR ELECTRICITY, ENERGY, GAS, WATER, SEWER, PUBLIC STORM WATER SYSTEM, TELECOMMUNICATIONS, INTERNET SERVICES, CABLE TELEVISION, AND OTHER UTILITIES.
SEWER LINE EASEMENT (SLE), FOR PUBLIC SEWER SYSTEMS, INCLUDING WITHOUT LIMITATION, CONSTRUCTION, OPERATION, MAINTENANCE, MODIFICATION, REPLACEMENT AND REPAIR OF UNDERGROUND SEWER PIPELINES, MONITORING DEVICES, PIPES, MANHOLES, VALVES, AND ACCESS VAULTS.
VEHICULAR NON-ACCESS EASEMENT (VNAE), FOR TRAFFIC CONTROL PURPUSES. VEHICLE ACCESS AND DRIVEWAYS ARE PROHIBITED IN THE EASEMENT AREA.

EASEMENT GENERAL CONDITIONS: ALL EASEMENTS GRANTED HEREIN ARE SUBJECT TO THE FOLLOWING GENERAL CONDITIONS:

a) OWNER SHALL NOT ALLOW USE OF THE EASEMENT AREA IN A MANNER THAT INTERFERES WITH THE EASEMENT;
b) NO STRUCTURES OF ANY KIND SHALL BE CONSTRUCTED IN OR ACROSS THE EASEMENT WITHOUT WRITTEN AUTHORIZATION FROM THE CITY OF FLAGSTAFF.
c) OWNER SHALL MAINTAIN EASEMENT AREAS FREE AND CLEAR OF VEGETATION OR OBSTRUCTIONS THAT INTERFERE WITH THE EASEMENT, PER THE FLAGSTAFF CITY CODE AS AMENDED; AND
d) GRANTEE MAY MAINTAIN VEGETATION AND REMOVE OBSTRUCTIONS THAT INTERFERE WITH THE EASEMENT;
e) IN THE EVENT THE CITY OF FLAGSTAFF HAS NOTIFIED OWNER AND PROVIDED REASONABLE OPPORTUNITY TO MAINTAIN THE SLOPE, VEGETATION AND/OR REMOVE OBSTRUCTIONS THAT INTERFERE WITH THE EASEMENT, CITY OF FLAGSTAFF MAY ISSUE AN ASSESSMENT AGAINST OWNER TO RECOVER THE CITY'S ACTUAL, REASONABLE MAINTENANCE COSTS AND RECORD IT AS A LIEN AGAINST OWNER'S PROPERTY UNTIL THE ASSESSMENT AND ANY STATUTORY INTEREST IS PAID;
f) GRANTEE SHALL HAVE A LIMITED, TEMPORARY RIGHT OF ACCESS ACROSS OWNER'S ADJACENT PROPERTY FOR EASEMENT PURPOSES IF ACCESS CANNOT BE REASONABLY ACHIEVED BY OTHER MEANS.
BINDING EFFECT. THE EASEMENTS GRANTED WITHIN THIS DEDICATION ARE PERMANENT AND PERPETUAL AND SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF.
IMPROVEMENTS. OWNER HEREBY DEDICATES TO THE CITY OF FLAGSTAFF ALL IMPROVEMENTS INSTALLED OR CONSTRUCTED BY OWNER FOR CITY PUBLIC RIGHTS-OF-WAY AND CITY UTILITIES WITHIN THE EASEMENT AREAS, AND SUCH DEDICATION SHALL BE EFFECTIVE WHEN FORMALLY ACCEPTED BY THE CITY ENGINEER (THE "ACCEPTANCE DATE").

INTERIM LIABILITY. CDR DEVCORP, LTD, AN ARIZONA DOMESTIC FOR-PROFIT (BUSINESS) CORPORATION, "OWNER", DOES HEREBY RELEASE AND DISCHARGE THE CITY OF FLAGSTAFF, AND INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF FLAGSTAFF, OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER, OR NEWLY DEDICATED PUBLIC RIGHTS-OF-WAY AS DEPICTED ON THIS PLAT UNTIL THE RIGHT-OF-WAY IS IMPROVED TO CITY STANDARDS AND THOSE IMPROVEMENTS ARE APPROVED AND FORMALLY ACCEPTED BY THE CITY ENGINEER ("ACCEPTANCE DATE"). OWNER SHALL MAINTAIN THE NEWLY DEDICATED PUBLIC RIGHT-OF-WAY UNTIL THE ACCEPTANCE DATE.

THE OWNER HEREBY DEDICATES THE FOLLOWING TRACTS TO THE HOMEOWNERS ASSOCIATION (HOA) AND WILL BE MAINTAINED BY THE HOA:

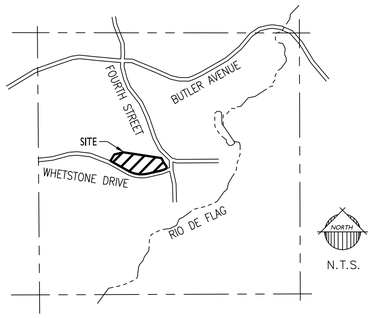
TRACT A IS DEDICATED FOR COMMON SPACE, DETENTION, LANDSCAPE.
TRACT B IS DEDICATED FOR COMMON SPACE, LANDSCAPE.
TRACT C IS DEDICATED FOR COMMON SPACE, LANDSCAPE.
AND ALL TRACTS ARE SUBJECT TO THOSE EASEMENTS INDICATED THEREON.

NOW, THEREFORE, IN WITNESS WHEREOF, CDR DEVCORP, LTD, AN ARIZONA DOMESTIC FOR-PROFIT (BUSINESS) CORPORATION, AS OWNER, HAS HEREUNTO CAUSED ITS CORPORATE NAME TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY THE UNDERSIGNED, DULY AUTHORIZED OFFICER
THIS ____ DAY OF _____, 20__.

CDR DEVCORP, LTD, AN ARIZONA DOMESTIC FOR-PROFIT (BUSINESS) CORPORATION,

BY _____

ITS _____



SEC. 24
T.21 S., R.7 E.

VICINITY MAP

ACKNOWLEDGMENT

STATE OF ARIZONA)
) S.S.
COUNTY OF COCONINO)

ON THIS _____ DAY OF _____, 20__, BEFORE ME, THE UNDERSIGNED PERSON ACKNOWLEDGED SELF TO BE THE _____ OF _____, BEING DULY AUTHORIZED SO TO DO, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES CONTAINED THEREIN.

IN WITNESS WHEREOF, I HEREUNTO SET MY HAND AND OFFICIAL SEAL.

BY: _____

MY COMMISSION EXPIRES: _____

SHEET INDEX

1	COVER, DEDICATION, APPROVALS & NOTES, LEGAL DESCRIPTION
2	LOT TABLE, TRACT TABLE, LINE TABLE, CURVE TABLE, LOT DETAILS, CANYON DEL RIO PRD DESIGN ELEMENTS TABLES
3-4	PLAT MAP
5	EASEMENT DETAILS

REFERENCES

(R1) FINAL BLOCK PLAT "CANYON DEL RIO PHASE 1", INSTRUMENT NO. 3944598, CCR
(R2) FINAL PLAT "CANYON DEL RIO – BLOCK G", INSTRUMENT NO. 3957199, CCR

FEMA FLOOD ZONE DELINEATION

THIS SITE IS LOCATED WITHIN "ZONE X", 0.2% ANNUAL CHANCE FLOOD HAZARD, AREAS OF 1% ANNUAL CHANCE FLOOD WITH AVERAGE DEPTH LESS THAN ONE FOOT OR WITH DRAINAGE AREAS OF LESS THAN ONE SQUARE MILE AS SHOWN ON FLOOD INSURANCE RATE MAP 04005C6828G.

LEGAL DESCRIPTION

BLOCK N, CANYON DEL RIO PHASE 1, AS SHOWN ON THE PLAT THEREOF, RECORDED IN INSTRUMENT NO. 3944598, RECORDS OF COCONINO COUNTY, ARIZONA.

BASIS OF BEARING

THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 24, TOWNSHIP 21 NORTH, RANGE 7 EAST, GILA AND SALT RIVER MERIDIAN, AS SHOWN ON FINAL BLOCK PLAT "CANYON DEL RIO PHASE 1", INSTRUMENT NO. 3944598, OFFICIAL RECORDS OF COCONINO COUNTY.
THE BEARING OF WHICH IS:

SOUTH 89 DEGREES 35 MINUTES 39 SECONDS WEST

OWNER/DEVELOPER

CDR DEVCORP LTD
3605 S. FLAGSTAFF RANCH ROAD
FLAGSTAFF, AZ 86005
(928) 600-3594
CONTACT: CHARITY LEE
clee@capstonehomesaz.com

ENGINEER/SURVEYOR

EPS GROUP, INC.
1130 N ALMA SCHOOL RD., SUITE 120
MESA, AZ 85201
(480)-503-2250
CONTACT: JAMES ROGERS, PE
james.rogers@epsgroupinc.com
(480)-503-2250
CONTACT: ROBERT A. JOHNSTON, RLS
robert.johnston@epsgroupinc.com

UTILITY COMPANY CONTACTS

APS
CONTACT: BRADY HORN
2200 E HUNTINGTON
FLAGSTAFF, AZ 86004
brady.horn@aps.com
(928) 773-6440

UNISOURCE ENERGY SERVICES
CONTACT: MARTIN CONBOY
2901 W SHAMRELL BLVD #110
FLAGSTAFF, AZ 86001
mconboy@uesaz.com
(928) 226-2269

LUMEN
CONTACT: MANUEL HERNANDEZ
112 N BEAVER STREET
FLAGSTAFF, AZ 86001
manuel.hernandez4@lumen.com
(928) 779-4931

OPTIMUM
CONTACT: SANFORD YAZZIE
1601 S PLAZA WAY
FLAGSTAFF, AZ 86001
sanford.yazzie@alticeusa.com
(928) 266-0672

UTILITY COMPANY APPROVAL

ARIZONA PUBLIC SERVICE

_____
BY DATE

UNISOURCE ENERGY SERVICES

_____
BY DATE

LUMEN

_____
BY DATE

OPTIMUM

_____
BY DATE

PROJECT INFORMATION

APN:	106-08-036
ADDRESS:	3770 E WHETSTONE DRIVE FLAGSTAFF, AZ 86004
EXISTING LAND USE:	VACANT/UNDEVELOPED
GENERAL PLAN LAND USE DESIGNATION:	FUTURE SUBURBAN
PROPOSED LAND USE:	MEDIUM DENSITY RESIDENTIAL
EXISTING ZONING:	MR – MEDIUM DENSITY RESIDENTIAL
ZONING OVERLAY:	RPOZ – RESOURCE PROTECTION
GROSS AREA:	7.11 ACRES
NET AREA:	5.74 ACRES
NO. UNITS:	50 LOTS
TRACTS:	3
GROSS DENSITY:	7.0 DU/AC

1. THE CITY OF FLAGSTAFF PROVIDES WATER [UTILITY] SERVICE PURSUANT TO STATE LAW, AND IS CURRENTLY OPERATING UNDER A DESIGNATION OF ADEQUATE WATER SUPPLY GRANTED BY THE ARIZONA DEPARTMENT OF WATER RESOURCES, APPLICATION NO. 41-90000.0002.
2. ALL UTILITIES, INCLUDING STREET LIGHT AND ELECTRIC LINES INSTALLED WITH THIS DEVELOPMENT SHALL BE PLACED UNDERGROUND.
3. DEVELOPMENT AND USE OF THIS SITE WILL CONFORM TO ALL APPLICABLE CITY OF FLAGSTAFF CODES AND ORDNANCES.
4. THE DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS, AND EASEMENTS FOR THE "LOOKOUT AT CANYON DEL RIO – BLOCK N" SHALL BE RECORDED IN THE OFFICE OF THE COCONINO COUNTY RECORDER AND ARE HEREBY INCORPORATED AS A PART OF THIS PLAT.
5. EXCEPT FOR CONSTRUCTION AND IMPROVEMENTS BY GOVERNMENTAL ENTITIES AND CERTIFICATED PUBLIC UTILITIES, CONSTRUCTION AND IMPROVEMENTS WITHIN UTILITY EASEMENTS SHALL BE LIMITED TO ONLY THE FOLLOWING: REMOVABLE WOOD, WIRE OR SECTION TYPE FENCING; CONSTRUCTION, STRUCTURES OR BUILDING EXPRESSLY APPROVED IN WRITING BY ALL PUBLIC UTILITIES WHICH USE OR SHALL USE THE UTILITY EASEMENT.
6. THE LOOKOUT AT CANYON DEL RIO BLOCK N REZONING PER "CANYON DEL RIO (CDR) SUBDIVISION REZONING PER ORDINANCE NO. 2019-14 AND INSTRUMENT NO. 3846210".
7. THE SUBJECT PROPERTY IS LOCATED WITHIN THE FLAGSTAFF PULLIAM AIRPORT TRAFFIC PATTERN AIRSPACE AS DEFINED BY THE FEDERAL AVIATION ADMINISTRATION.
8. RESOURCE PROTECTION. A BUILDING ENVELOPE FOR EACH LOT IS SHOWN AND PLATTED HEREON FOR THE PURPOSE\OF MAINTAINING RESOURCES IN ACCORDANCE WITH THE ZONING CODE'S RESOURCE PROTECTION OVERLAY DESIGNATION. ALL DEVELOPMENT ON A LOT SHALL OCCUR WITHIN THE BUILDING ENVELOPE, EXCEPT THAT ACCESSORY STRUCTURES THAT COMPLY WITH THE REQUIREMENTS OF THE ZONING CODE MAY BE DEVELOPED OUTSIDE OF THE BUILDING ENVELOPE, PROVIDED THAT NO RESOURCES ARE REMOVED OR ENCROACHED UPON. A MODIFICATION TO A LOT'S BUILDING ENVELOPE THAT COMPLIES WITH THE ZONING CODE MAY BE APPROVED BY THE CITY OF FLAGSTAFF'S PLANNING DIRECTOR AND RECORDED IN COCONINO COUNTY, ARIZONA. ALL APPLICABLE PROVISIONS OF THE ZONING CODE, AS AMENDED, SHALL APPLY.

CITY OF FLAGSTAFF CERTIFICATION

IT IS HEREBY CERTIFIED THAT THIS PLAT HAS BEEN OFFICIALLY APPROVED FOR THE RECORD BY COUNCIL OF THE CITY OF FLAGSTAFF, COCONINO, ARIZONA, ON THE ____ DAY OF _____, 20__.

BY: _____
MAYOR

ATTEST: _____
CITY CLERK

IT IS HEREBY CERTIFIED THAT THIS PLAT HAS BEEN OFFICIALLY APPROVED FOR THE RECORD BY THE CITY OF FLAGSTAFF PLANNING DIRECTOR AND THE CITY ENGINEER, ON THE __ DAY OF _____, 20__.

BY: _____
CITY ENGINEER

BY: _____
CITY PLANNING DIRECTOR

SURVEYOR'S CERTIFICATION

THIS IS TO CERTIFY THAT THE SURVEY AND PLAT OF THE PREMISES DESCRIBED HEREON WERE MADE UNDER MY DIRECTION AND THIS PLAT IS CORRECT AND ACCURATE AND THE FOUND MONUMENTS SHOWN HEREON HAVE BEEN LOCATED AND ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED.

ROBERT A. JOHNSTON REGISTRATION NO. 37495
EPS GROUP INC.
1130 N. ALMA SCHOOL RD.
SUITE 120
MESA, AZ 85201
480-503-2250

NOTE:
A.R.S. § 32-151 STATES THAT THE USE OF THE WORD "CERTIFY" OR "CERTIFICATION" BY A PERSON OR FIRM THAT IS REGISTERED OR CERTIFIED BY THE BOARD IS AN EXPRESSION OF PROFESSIONAL OPINION REGARDING FACTS OR FINDINGS THAT ARE SUBJECT OF THE CERTIFICATION AND DOES NOT CONSTITUTE AN EXPRESS OR IMPLIED WARRANTY OR GUARANTEE.

1130 N. Alma School Rd, Suite 120
Mesa, AZ 85201
T:480.503.2250 | F:480.835.1799
www.epsgroupinc.com
EPS GROUP

Project: THE LOOKOUT AT CANYON DEL RIO BLOCK N
FLAGSTAFF, ARIZONA
FINAL PLAT

Revisions:

Call at least two full working days before you begin excavation.
ARIZONA 811
Arizona Blue Stake, Inc.
Dial 8-1-1 or 1-800-STAKE-IT (782-5348)
In Maricopa County: (602)263-1100

Drawn by: CAJ
Reviewed by: RAG

REGISTERED LAND SURVEYOR
CERTIFICATE NO.
37495
ROBERT A. JOHNSTON
6/30/2027

Job No.
23-0587

FP01

Sheet No.
1
of 5

cjimenez Oct 03, 2025 2:02pm S:\Projects\2023\23-0587 - CDR\Land Survey\Dwgs\Plat\Parcel N\23-0587 - Parcel N - Plat Final.dwg

LINE TABLE		
LINE	BEARING	LENGTH
L1	S05°23'53"E	0.85'
L2	S35°43'12"E	25.38'
L3	S35°43'12"E	30.25'
L4	S15°17'25"W	30.03'
L5	S14°04'42"E	21.00'
L6	S31°29'02"W	16.85'
L7	N42°25'12"W	8.96'
L8	N05°15'04"W	22.10'
L9	S76°54'58"W	23.11'
L10	S16°49'53"E	17.58'
L11	S85°10'00"E	23.53'
L12	S37°18'00"W	18.15'
L13	N88°40'52"E	92.69'
L14	N00°15'18"E	151.12'
L15	N12°47'26"W	10.00'
L16	N37°58'53"W	37.37'
L17	N52°01'07"E	16.00'
L18	S37°58'53"E	46.84'
L19	N04°20'04"E	62.20'
L20	S18°54'25"E	15.23'
L21	S00°16'11"W	44.61'
L22	N19°37'33"W	55.62'
L23	N55°31'28"W	31.19'
L24	N34°28'32"E	18.00'
L25	S55°31'28"E	33.61'
L26	S19°37'33"E	66.13'
L27	S77°12'34"W	16.11'

LINE TABLE		
LINE	BEARING	LENGTH
L28	N65°24'39"E	27.33'
L29	S24°35'21"E	16.00'
L30	S65°24'39"W	32.16'
L31	N36°55'39"W	10.98'
L32	S45°14'53"E	101.23'
L33	S07°39'56"W	55.20'
L34	S32°41'42"W	20.84'
L35	S86°37'47"W	60.27'
L36	N57°33'35"W	66.70'
L37	N56°31'44"E	76.50'
L38	S05°27'02"E	5.00'
L39	N46°42'29"W	16.82'
L40	S61°12'51"W	48.53'
L41	S45°04'56"E	16.67'
L42	N61°12'51"E	49.03'
L43	N00°15'18"E	138.92'
L44	N37°18'00"E	8.65'
L45	N42°12'55"W	25.11'
L46	N13°14'12"E	2.00'
L47	N16°49'53"W	7.76'
L48	N31°29'02"E	7.00'
L49	S41°03'13"E	28.49'
L50	S30°48'37"W	2.92'
L51	S59°38'25"E	5.40'
L52	S59°38'25"E	44.99'
L53	N31°29'02"E	3.88'

CURVE TABLE			
CURVE	LENGTH	RADIUS	DELTA
C1	88.02'	938.00'	5°22'35"
C2	138.66'	565.00'	14°03'41"
C3	425.51'	565.00'	43°09'00"
C4	110.91'	71.50'	88°52'33"
C5	87.57'	100.00'	50°10'25"
C6	81.35'	128.50'	36°16'18"
C7	48.59'	271.50'	10°15'18"
C8	90.17'	300.00'	17°13'13"
C9	65.91'	328.50'	11°29'42"
C10	35.88'	200.00'	10°16'48"
C11	143.47'	200.00'	41°06'04"
C12	153.80'	171.50'	51°22'52"
C13	130.33'	304.17'	24°32'58"
C14	120.82'	228.50'	30°17'47"
C15	78.55'	95.25'	47°14'58"
C16	16.92'	17.50'	55°23'46"
C17	16.92'	17.50'	55°23'46"
C18	236.06'	140.00'	96°36'32"
C19	322.28'	63.50'	290°47'31"
C20	54.64'	557.00'	5°37'14"

CURVE TABLE			
CURVE	LENGTH	RADIUS	DELTA
C21	147.16'	600.00'	14°03'12"
C22	381.78'	600.00'	36°27'28"
C23	154.93'	1000.00'	8°52'36"
C24	70.08'	600.00'	6°41'33"
C25	179.35'	200.00'	51°22'52"
C26	67.55'	100.00'	38°42'08"
C27	38.29'	555.00'	3°57'09"
C28	73.05'	63.50'	65°54'42"
C29	0.49'	555.00'	0°03'02"
C30	39.27'	95.25'	23°37'29"
C31	18.59'	555.00'	1°55'10"
C32	106.65'	555.00'	11°00'35"
C33	34.25'	555.00'	3°32'11"
C34	20.62'	309.17'	3°49'14"
C35	6.51'	90.25'	4°07'54"
C36	6.51'	90.25'	4°07'54"
C37	192.29'	140.17'	78°36'12"
C38	5.33'	565.00'	0°32'25"

TRACT USE TABLE			
TRACT	USE	AREA (SF)	AREA (AC)
Tract A	COMMON SPACE / DETENTION / LANDSCAPE / DE / DME / PAE / PDE / PUE / VNAE	122,837	2.8199
Tract B	COMMON SPACE / LANDSCAPE / DE / PAE / PUE / VNAE	11,828	0.2715
Tract C	COMMON SPACE / LANDSCAPE / PUE	3,493	0.0802

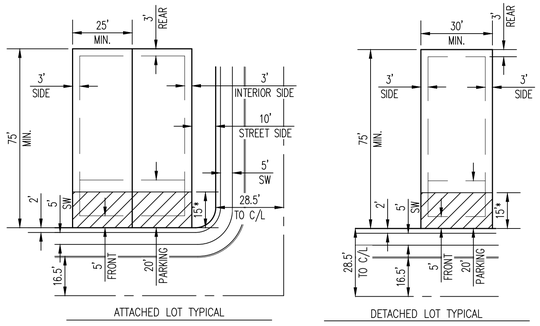
LOT AREA TABLE		
LOT #	AREA (SF)	AREA (AC)
1	2,072	0.0476
2	2,125	0.0488
3	2,000	0.0459
4	2,000	0.0459
5	2,000	0.0459
6	2,000	0.0459
7	2,000	0.0459
8	2,000	0.0459
9	2,000	0.0459
10	2,000	0.0459
11	2,404	0.0552
12	2,159	0.0496
13	2,159	0.0496
14	2,159	0.0496
15	2,159	0.0496
16	2,207	0.0507
17	2,017	0.0463
18	2,017	0.0463
19	2,033	0.0467
20	3,363	0.0772
21	2,857	0.0656
22	2,857	0.0656
23	2,857	0.0656
24	2,857	0.0656
25	2,865	0.0658

LOT AREA TABLE		
LOT #	AREA (SF)	AREA (AC)
26	2,865	0.0658
27	2,865	0.0658
28	3,309	0.0760
29	2,110	0.0484
30	2,031	0.0466
31	2,031	0.0466
32	2,215	0.0509
33	2,562	0.0588
34	2,562	0.0588
35	2,562	0.0588
36	2,085	0.0479
37	2,009	0.0461
38	2,055	0.0472
39	2,000	0.0459
40	2,000	0.0459
41	2,000	0.0459
42	2,000	0.0459
43	2,000	0.0459
44	2,000	0.0459
45	2,000	0.0459
46	2,000	0.0459
47	2,000	0.0459
48	2,000	0.0459
49	2,059	0.0473
50	2,015	0.0462

CANYON DEL RIO PRD DESIGN ELEMENTS			
DESIGN ELEMENT	DESCRIPTION	POINTS POSSIBLE	POINTS ACHIEVED
A	AT LEAST 10% OF ALL RESIDENTIAL UNITS AS CATEGORY 1 AFFORDABLE HOUSING.	5	
B	A STREET NETWORK THAT INCLUDES ALLEYS.	4	
C	100% OF ALL UNITS ARE ALL-ELECTRIC, NO NATURAL GAS PROVIDED.	3	
D	AVERAGE DWELLING UNITS NO LARGER THAN 1,800 SQUARE FEET.	3	
E	STREET NETWORK THAT CONNECTS AT RIGHT ANGLES WITHOUT CUL-DE-SACS OR TURNAROUNDS.	2	
F	SIGNIFICANT TRAFFIC CALMING DESIGN FEATURES ARE EMPLOYED.	2	
G	DETACHED GARAGES LOCATED BEHIND THE PRIMARY STRUCTURE FOR 50% OF LOTS.	2	
H	ALL RESIDENTIAL UNITS WITHIN THE SUBDIVISION INCLUDE A MINIMUM 80 S.F. FRONT ENTRY AND HAS DIRECT PEDESTRIAN CONNECTION TO STREET.	1	
I	SUBDIVISION INCORPORATES A COMBINATION OF SINGLE-FAMILY, DUPLEX, AND/OR MULTI-FAMILY UNITS.	2	
J	THE PROVISION OF RECREATIONAL AMENITIES WITHIN A PART OR COMMON SPACE AREA.	2	
K	AT LEAST 50% OF THE REQUIRED RESOURCES ARE MAINTAINED WITHIN COMMON SPACE AREAS.	2	
L	FRONT SETBACKS LESS THAN 15 FEET FOR LIVABLE PORTIONS OF THE DWELLING, INCLUDING ENTRY.	1	1
M	ATTACHED STREET FACING GARAGES LESS THAN 50% OF THE WIDTH OF THE PRIMARY STRUCTURE.	1	
N	SUBDIVISION CC&R'S AND SETBACK STANDARDS DO NOT PROHIBIT THE DEVELOPMENT OF ACCESSORY DWELLING UNITS.	1	1
O	A MINIMUM OF 15% OF ALL SINGLE-FAMILY DWELLING LOTS INCLUDE REQUIREMENTS FOR AN ACCESSORY DWELLING UNIT.	1 PT FOR 15%, 2 PTS FOR 30%, 3 PTS FOR 50%	
P	SUBDIVISION EXCEEDS THE MINIMUM DENSITY OF THE APPLICABLE ZONING DISTRICT BY AT LEAST ONE WHOLE UNIT PER ACRE.	1 PT FOR EACH WHOLE UNIT OVER THE MINIMUM UP TO 3 PTS	1
Q	SUBDIVISION INCLUDES ENHANCED PEDESTRIAN ENVIRONMENTS INCLUDING OUTDOOR SEATING AREAS AND LARGER LANDSCAPING AREAS.	1 EACH	2
		TOTAL	5

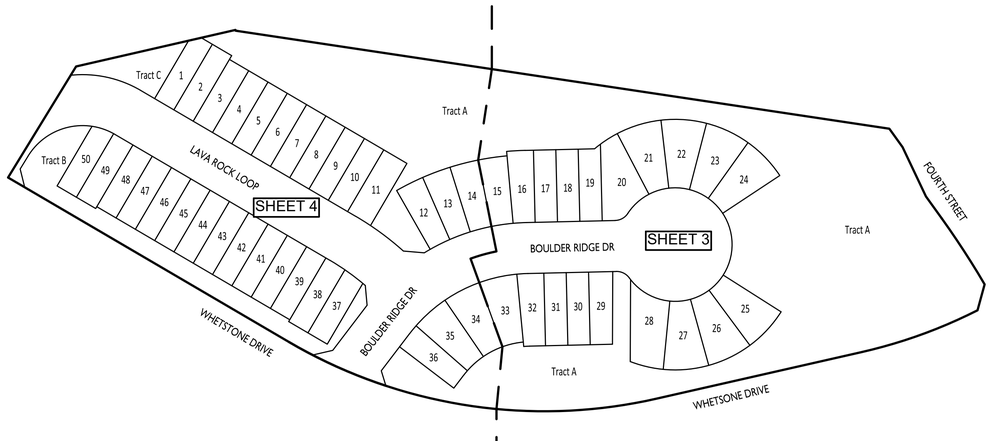
HOA SHALL MAINTAIN ALL OUTDOOR SEATING AREAS AS PROVIDED WITHIN LANDSCAPE IMPROVEMENT PLANS.

TYPICAL LOT DETAILS



* LIVABLE PORTIONS OF THE DWELLING, INCLUDING THE FRONT ENTRY FEATURE, SHALL BE WITHIN 15' OF THE FRONT PROPERTY LINE IN COMPLIANCE WITH PRD DESIGN ELEMENT "L".

MAXIMUM ALLOWABLE LOT COVERAGE IS 80%.



KEY MAP

40 0 80
scale feet
1" = 80'

NORTH

LEGEND

⊙	SECTION MONUMENT AS NOTED
◈	SET REBAR #4, 16" LONG W/ PLASTIC CAP RLS 37495
○	SET REBAR #4, 16" LONG W/ PLASTIC CAP BY THE CONSTRUCTION RLS
◉	SET 3" BRASS CAP AT COMPLETION OF CONSTRUCTION
(R1)	EXISTING EASEMENTS PER FINAL BLOCK PLAT "CANYON DEL RIO PHASE 1" INSTRUMENT NO. 3944598, CCR
R/W	RIGHT OF WAY
G&SRM	GILA AND SALT RIVER MERIDIAN
CCR	COCONINO COUNTY RECORDS
EASE	EASEMENT
CVZE	CLEAR VIEW ZONE EASEMENT
DE	DRAINAGE EASEMENT
DME	DRAINAGE MAINTENANCE EASEMENT
PAE	PUBLIC ACCESS EASEMENT
PDE	PRIVATE DRAINAGE EASEMENT
PUE	PUBLIC UTILITIES EASEMENT
SE	SLOPE DRAINAGE EASEMENT
SLE	SANITARY SEWER EASEMENT
VNAE	VEHICULAR NON-ACCESS EASEMENT
	BOUNDARY LINE
	LOT LINE
	RIGHT-OF-WAY
	CENTER LINE
	SECTION LINE
	MID-SECTION LINE
	DE
	PDE
	PDE & DME
	SLE
	PUE
	VNAE
	CVZE
	BUILDING SETBACK LINE (BSL)

EPS GROUP
1130 N. Alma School Rd, Suite 120
Mesa, AZ 85201
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w w w . e p s g r o u p i n c . c o m

Project: THE LOOKOUT AT CANYON DEL RIO BLOCK N
FLAGSTAFF, ARIZONA
FINAL PLAT

Revisions:

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Drawn by: CAJ
Reviewed by: RAG

REGISTERED LAND SURVEYOR
CERTIFICATE NO.
37495
ROBERT A.
JOHNSTON
10/6/2025

Job No.
23-0587
FP01
Sheet No.
2
of 5

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NOT A PART
APN: 106-08-035
CDR DEVCORP LTD
PARCEL K2
CANYON DEL RIO PHASE 1
FINAL BLOCK PLAT
CDR DEVCORP LTD,
INSTRUMENT NO. 3944598, CCR

S81°28'24"E 738.98'

MATCH LINE SEE 4 OF 5

Tract A

BOULDER RIDGE DR

N88°40'52"E 165.48'

N88°40'52"E 98.81'

N88°40'52"E 77.83'

N88°40'52"E 92.69'

BSL (TYP)

SEE EASEMENTS DETAIL ON THIS SHEET TO THE RIGHT

MATCH LINE SEE 4 OF 5

Tract A
* SEE SHEET 5 FOR EASEMENT DETAIL "A"

* SEE SHEET 5 FOR EASEMENT DETAIL "B"

EAST – WEST MID SECTION LINE
N89°33'29"E
2,645.54'

NORTH QUARTER CORNER
SECTION 24, T21N, R7E
G&SRM
NOTHING FOUND
CALCULATED POSITION FROM (R1)

N00°26'56"W 2,644.85'

CENTER QUARTER CORNER
SECTION 24, T21N, R7E
G&SRM
NOTHING FOUND
CALCULATED POSITION FROM (R1)

FOURTH STREET

S35°43'12"E
338.83'

S25°19'52"E 61.00'

102' R/W (R1)

8' PUE (R1)

15' SE (R1)

1' VNAE

26'X16' SE (R1)

CLEAR VIEW ZONE TYPE V–1 (R1)

109.35'
S89°30'31"W
83.97'
N63°09'23"E

POINT OF BEGINNING

N0°29'29"W 2,648.27'

98.45'

2,549.82'

59.06' TIE

18.22' TIE

S77°12'34"W 234.88'

WHETSTONE DRIVE

N77°12'34"E
234.88'

CLEAR VIEW ZONE TYPE V–1

SOUTHWEST CORNER
SECTION 24, T21N, R7E
G&SRM
FOUND BLM 3" BRASS CAP "1965"

(BASIS OF BEARINGS)
S89°35'39"W 2,638.48'

POINT OF COMMENCEMENT
SOUTH QUARTER CORNER
SECTION 24, T21N, R7E
G&SRM
FOUND BLM 3" BRASS CAP "1965"

LEGEND

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SE	SLOPE DRAINAGE EASEMENT
SLE	SANITARY SEWER EASEMENT
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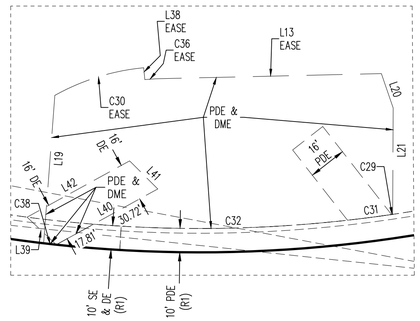
BOUNDARY LINE
LOT LINE
RIGHT–OF–WAY
CENTER LINE
SECTION LINE
MID–SECTION LINE
DE
PDE
PDE & DME
SLE
PUE
VNAE
CVZE
BUILDING SETBACK LINE (BSL)



EASEMENTS DETAIL

NORTH
scale 15 0 30 feet
1" = 30'

EPS GROUP
1130 N. Alma School Rd, Suite 120
Mesa, Az 85201
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www.epsgroupinc.com

Project: THE LOOKOUT AT CANYON DEL RIO BLOCK N
FLAGSTAFF, ARIZONA
FINAL PLAT

Revisions:

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In Maricopa County: (602)263-1100

Drawn by: CAJ
Reviewed by: RAG

REGISTERED LAND SURVEYOR
CERTIFICATE NO.
37495
ROBERT A.
JOHNSTON
10/28/25

Job No.
23-0587

FP01

Sheet No.
3
of 5

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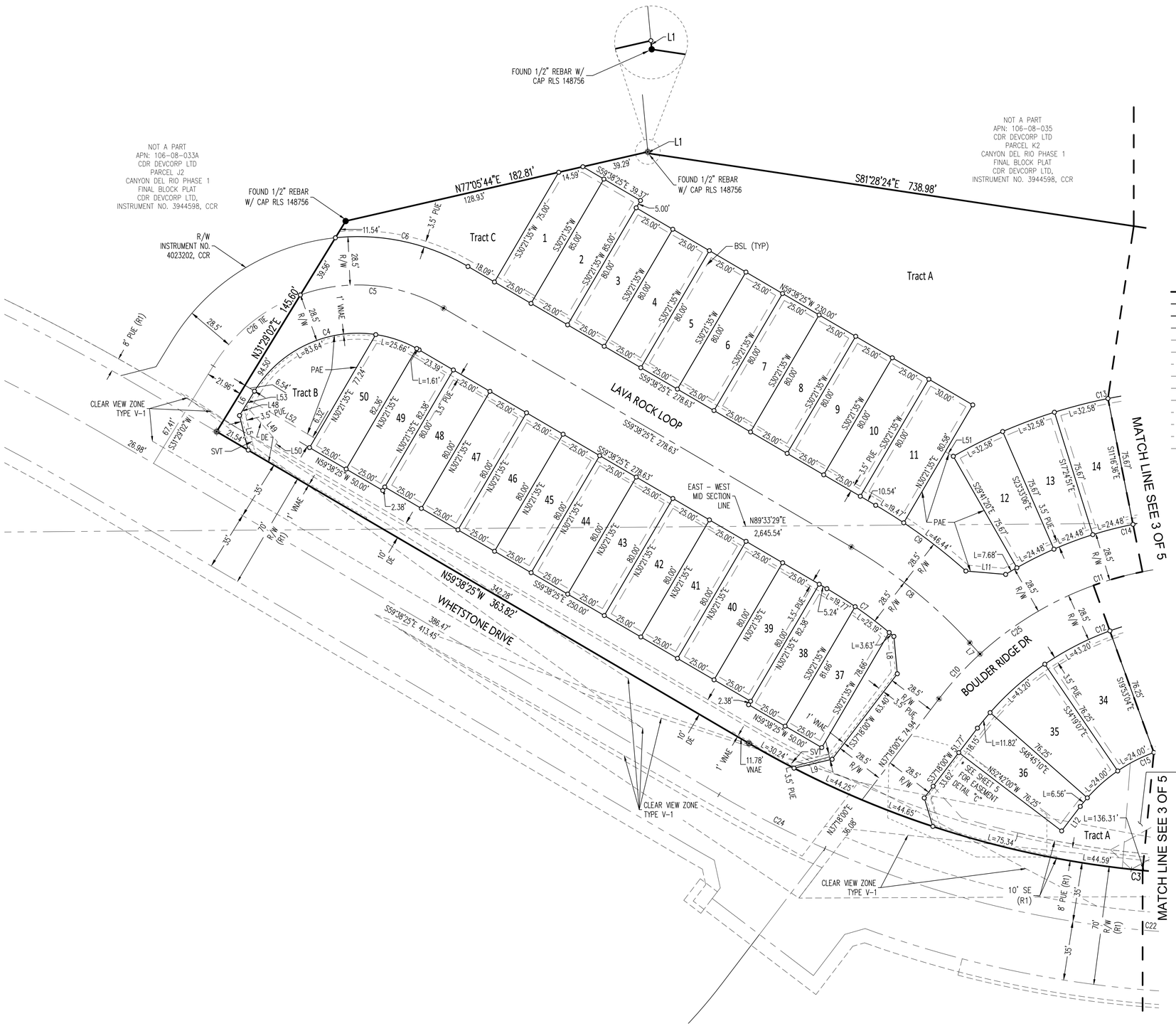

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Reviewed by: RAG

REGISTERED LAND SURVEYOR
CERTIFICATE NO.
37495
ROBERT A.
JOHNSTON
EXPIRES 09/30/2026

Job No.
23-0587

FP01

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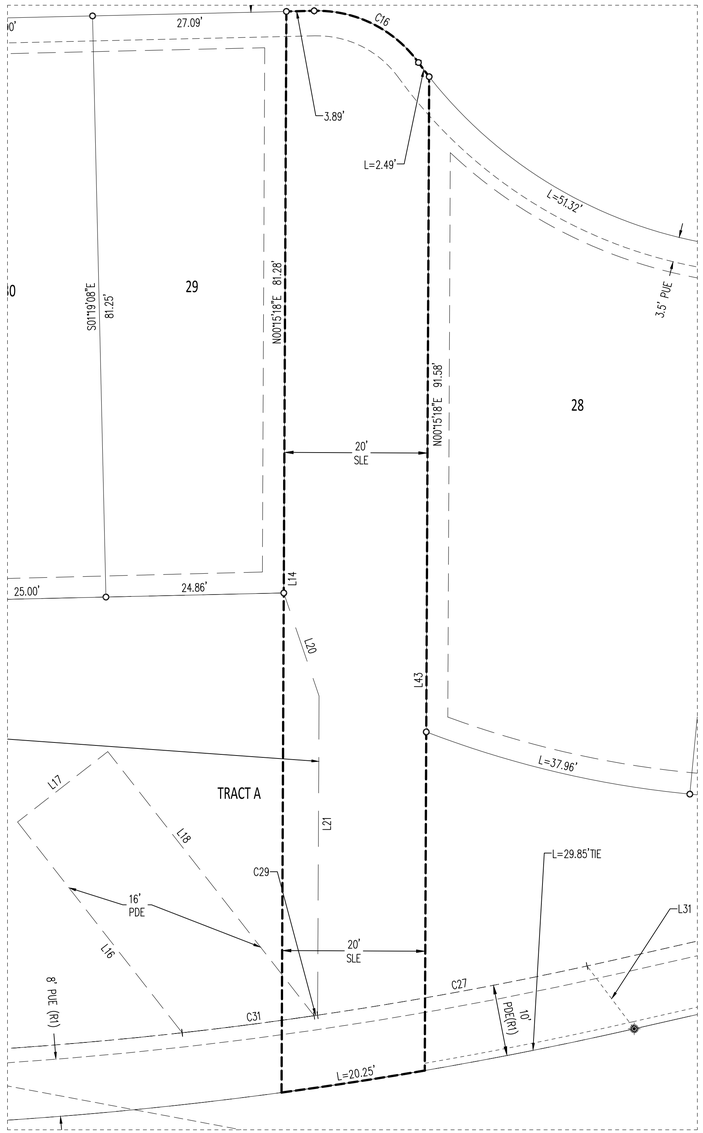
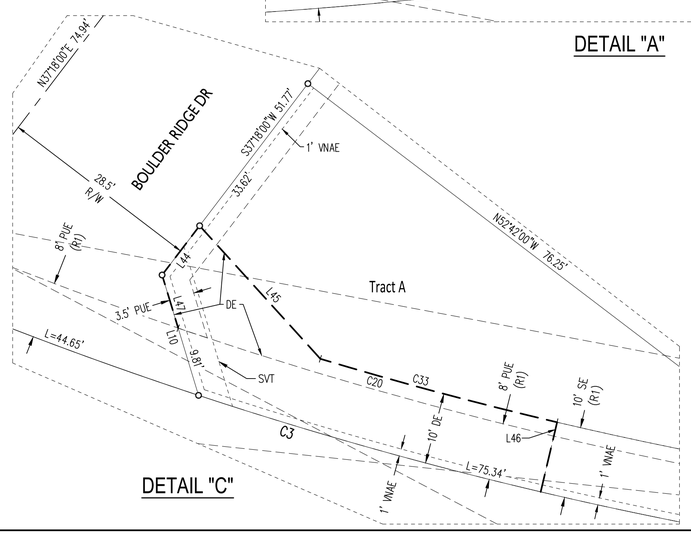
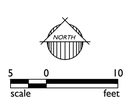
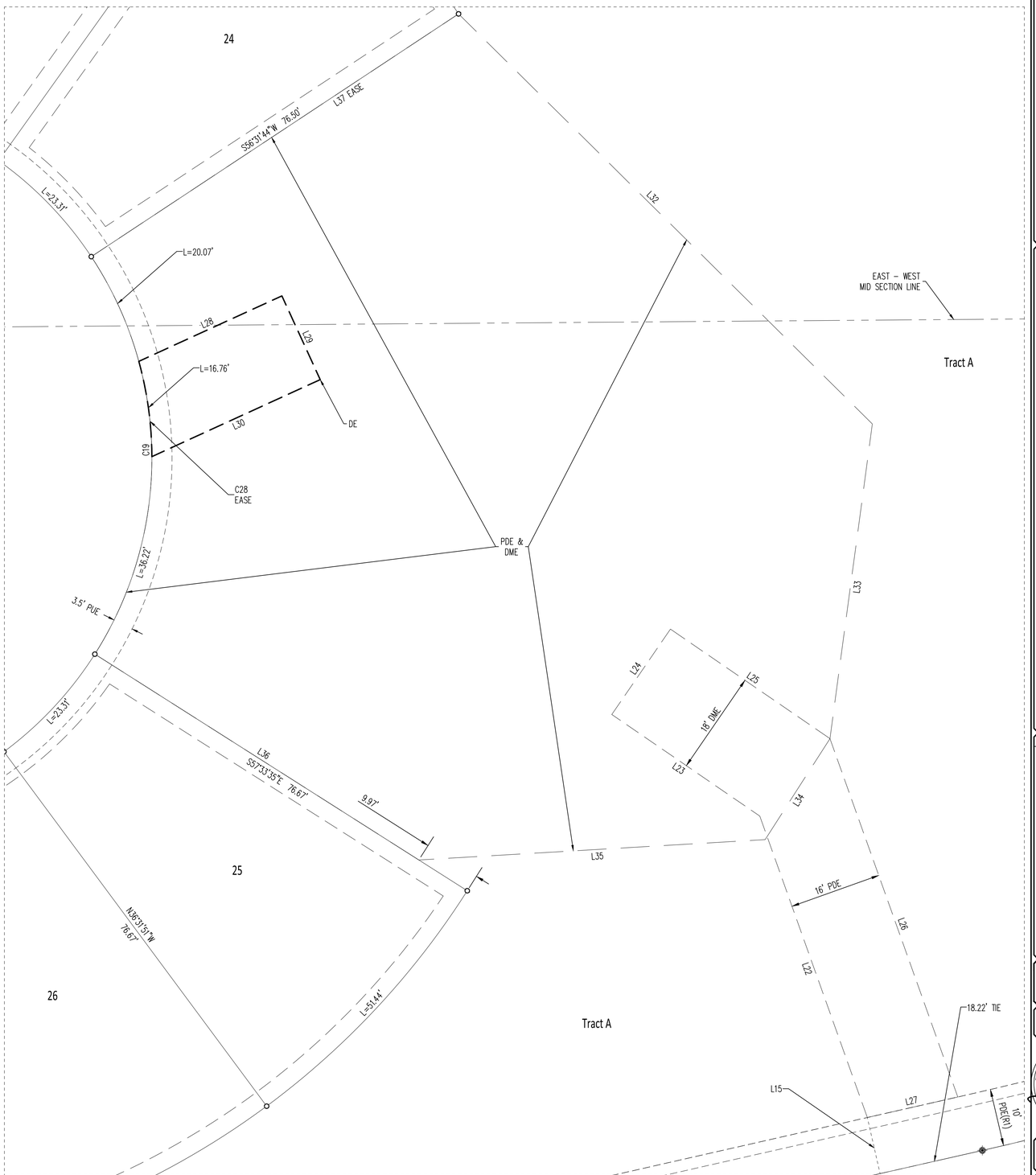


DETAIL "A"



DETAIL "C"





DETAIL "B"

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PLANNED RESIDENTIAL DEVELOPMENT AGREEMENT
The Lookout at Canyon Del Rio (Block N)

This Planned Residential Development Agreement (the "Agreement") is entered into by and between CDR Devcorp LTD, an Arizona corporation, herein after referred to as the "Developer," and the **City of Flagstaff, Arizona**, a municipal corporation (the "City").

RECITALS

WHEREAS, pursuant to the City of Flagstaff Zoning Code, Section 10-40.60.280 (the "Zoning Code"), a Planned Residential Development Agreement is required to accompany the final plat for any subdivision utilizing the Planned Residential Development Building Form and Property Development Standards; and

WHEREAS, the purpose of this Agreement is to ensure implementation of the design elements elected by the Developer pursuant to Section 10-40.60.280(D)(3) of the Zoning Code in a manner satisfactory to the Planning Director; and

WHEREAS, the Developer proposes a residential subdivision known as *The Lookout at Canyon Del Rio Block N* (the "Subdivision") on approximately 7.11 gross acres of land located within the City of Flagstaff; and

WHEREAS, the Developer has elected to implement design elements l, n, p and q totaling a value of five (5) points as required by the Zoning Code.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Design Elements Implementation. The Developer shall implement the following design elements in accordance with the Zoning Code and as approved by the Planning Director:

1.1. Design element l, Front setbacks less than 15 feet for livable portions of the dwelling, including the front entry feature (Points Awarded: 1)**.** The front setbacks for livable portions of each dwelling, including front entry features, shall be less than fifteen (15)

feet as depicted in the Typical Lot Detail shown on Page 2 of 5 of the final plat. Compliance shall be demonstrated at the time of building permit submittal for each lot. Each building permit application shall include a plot plan verifying compliance with this design element.

1.2. Design element n, Subdivision CC&R's and setback standards do not prohibit the development of Accessory Dwelling Units (ADUs) (Points Awarded: 1)**.** The Subdivision's Covenants, Conditions & Restrictions (CC&Rs) and applicable setback standards do not prohibit the construction of ADUs.

1.3 Design element p, Subdivision exceeds the minimum density of the applicable zoning district by at least one whole unit per acre (Points Awarded: 1). The Subdivision shall exceed the minimum density of the Medium Density Residential (MR) zoning district by at least one whole unit per acre. The Subdivision includes 50 residential lots on 7.11 gross acres, resulting in a density of approximately seven (7) units per acre, thereby exceeding the required six (6) units per acre.

1.4 Design element q, Subdivision includes enhanced pedestrian environments, including outdoor seating areas or larger landscaping areas (Points Awarded: 2)**.** The Developer shall construct two (2) enhanced outdoor seating areas to improve the pedestrian environment. One area shall be located in Tract B, adjacent to Lot 50. The second area shall be located in Tract A between Lots 11 and 12. These improvements shall be constructed prior to Conditional Acceptance of Public Improvements, and will be maintained by the Canyon Del Rio Block N Homeowners Association.

2. Final Plat and Recordation. This Agreement shall be recorded with the Coconino County Recorder concurrently with the recordation of the final plat for The Lookout at Canyon Del Rio Block N.

3. Binding Effect. This Agreement shall run with the land and shall be binding upon the Developer, its successors, assigns, and any future owners of the Subdivision.

4. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona and the ordinances and regulations of the City of Flagstaff.

5. Entire Agreement. This Agreement constitutes the entire agreement between the parties concerning the matters addressed herein and supersedes all prior discussions or agreements, whether written or oral.

6. Amendment. This Agreement may only be amended in writing and signed by both the Developer and the Planning Director.

SIGNATURES

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

DEVELOPER:
CDR Devcorp LTD
By: _____
Name:
Title:

CITY OF FLAGSTAFF:
By: _____

Name:
Title: Planning Director

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Adriana Fisher, Housing Program Manager

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:

Consideration and Approval of Contract: First Amendment to Professional Services Contract Between the City of Flagstaff and Housing Solutions of Northern Arizona for the Administration of the Community Homebuyer Assistance Program (CHAP) and Employer Assisted Housing (EAH) Program

STAFF RECOMMENDED ACTION:

1. Approve First Amendment to Contract 2025-205 with Housing Solutions of Northern Arizona for the administration of CHAP and EAH programs.
2. Authorize the City Manager to execute all necessary documents.

Executive Summary:

Staff is requesting City Council's approval of an amendment to the professional services contract with Housing Solutions of Northern Arizona (HSNA) to administer two City homebuyer assistance programs: the Community Homebuyer Assistance Program (CHAP) and the Employer Assisted Housing Program (EAH).

Following Council direction in October 2024, the City issued a Request for Statements of Qualifications (RSOQ) to identify a qualified third-party administrator. HSNA was selected as the successful respondent through a competitive process. In July 2025, the City entered into a contract with HSNA and HSNA has since begun administration of the CHAP program with a limited scope of work. This contract amendment increases the administration amount from $80,000 to $500,000 and includes the administration of the Permanent Affordability Pilot program.

The contract includes a five-year initial term with the option for two one-year extensions, which will ensure consistent, professional management of housing assistance programs that support City goals related to housing access and affordability.

Financial Impact:

The professional services contract will be funded through a combination of:

- Expanded Community Homebuyer Assistance Program (CHAP) - Bond Funds
  - $7 million total in general obligation bond funds (authorized by voters under Proposition 442)
  - $3 million budgeted in FY 2025-26 through GL #411-13-105-0355-4-4290
- Employer Assisted Housing (EAH) Program - City General Funds
  - $148,523 budgeted in FY 2025-26 through GL #021-13-106-0366-4-4290

Housing Solutions of Northern Arizona (HSNA) will receive administrative fees of $2,000 for each CHAP and EAH loan closed, as well as $200 per CHAP applicant for intake services and income eligibility determination. These fees are fixed for the first three years of the contract. Disbursements for CHAP assistance will be made from bond funds, while EAH administrative fees will be paid from the City's general funds.

Policy Impact:

Contract approval supports the implementation of voter-approved housing bond funds and ensures professional

program administration, consistent with City housing priorities.

Previous Council Decision or Community Discussion:
In November 2022, Flagstaff voters approved Proposition 442, which included approximately $7 million to expand the Community Homebuyer Assistance Program (CHAP). Between January and September 2024, City staff worked closely with the Housing Commission to develop draft program criteria. In October 2024, City Council reviewed the proposed criteria and directed staff to proceed with a competitive procurement process to select a program administrator. Following this direction, a Request for Statement of Qualifications (RSOQ) was published, and Housing Solutions of Northern Arizona (HSNA) was selected to administer the expanded program. The program officially relaunched with a limited scope under HSNA's administration in August 2025.

Options and Alternatives to Recommended Action:

- Approve the contract amendment as presented.
- Approve the contract amendment but with changes.
- Do not approve the contract amendment and provide an alternate direction.

Background and History:
To ensure the effective administration of the Community Homebuyer Assistance Program (CHAP) and the Employer Assisted Housing (EAH) Program, City staff initiated a formal procurement process in October 2024, following Council direction. A Request for Statements of Qualifications (RSOQ) was published in March 2025, and Housing Solutions of Northern Arizona (HSNA) was selected as the most qualified respondent.

The resulting professional services contract dated July 25, 20225 establishes a five-year agreement, with two optional one-year extensions, for the administration of both CHAP and EAH.

The proposed First Amendment to the contract ensures continuity in service delivery, expands access to homeownership, and supports the City's strategic housing goals by leveraging both general obligation bond funds and general fund allocations. Under the contract as amended, HSNA will manage client intake, eligibility screening, and loan processing for approximately 700 applicants and 148 homebuyers throughout the contract term.

Connection to PBB Priorities and Objectives:

- **High Performing Governance:**
  - Implement innovative local government programs, new ideas & best practices; be recognized as a model for others to follow.
- **Safe & Healthy Community:**
  - Support social services, community partners & housing opportunities
- **Inclusive & Engaged Community:**
  - Ensure city facilities, services, & programs are accessible for all residents & representative of Flagstaff's diverse community

- **Robust Resilient Economy:**
  - Support & strengthen a more robust, diverse, & sustainable economy in ways that reflect community values & provides for affordable housing opportunities
- **Livable Community**
  - Actively support attainable & affordable housing through City projects & opportunities with developers
- **Environmental Stewardship**
  - Implement, maintain & further the Climate Action & Adaptation Plan (CAAP) with awareness of social inequities

Connection to Regional Plan:

- **NH.3.1.** Provide a variety of housing types throughout the City and region, including purchase and rental options, to

expand the choices available to meet the financial and lifestyle needs of our diverse population.

- **NH.3.3.** Increase the availability of affordable housing for very low-income persons, through innovative and effective funding mechanisms.
- **NH.3.5.** Encourage and incentivize affordable housing.
- **NH.5.3.** Support and expand programs that prevent homelessness

Connection to Carbon Neutrality Plan:

- **HA-1:** Create housing options for households at all income levels and family sizes occupied by local residents.
- **HA-2:** Connect people to equitable housing solutions.
- **HA-3:** Preserve affordable housing.
- **HA-4:** Protect people from housing discrimination and remove housing barriers.

Connection to 10-Year Housing Plan:

- **Create 3.3**: Identify ongoing resource opportunities for the purpose of assisting households experiencing homelessness, households at risk of becoming homeless, first-time homebuyers, and affordable housing targeted to these populations.
- **Connect 2.4**: Utilize City of Flagstaff resources to educate the community about financing and housing opportunities with an emphasis on assisting low- to moderate-income households to advance through the housing continuum and to address past racial disparities.
- **Protect 2.2**: Encourage diversity of housing options in all neighborhoods, understanding that exclusive communities are incompatible with the City of Flagstaff's mission to protect and enhance the quality of life for all.

Attachments: First Amendment to Contract
HSNA Contract
RSOQ for Services

FIRST AMENDMENT TO

PROFESSIONAL SERVICES CONTRACT
Contract No.: 2025-205

This First Amendment to the Contract No. 2025-205 dated July 25, 2025 is entered into this _____day of__, 2025 by and between the City of Flagstaff, a political subdivision of the State or Arizona ("City"), and Housing Solutions of Northern Arizona, Inc., an Arizona nonprofit corporation ("Firm").

RECITALS

WHEREAS, in March 2025 the City issued a solicitation for Homebuyer Education and Assistance Programs, with the intent of expanding the Community Homebuyer Assistance Program (CHAP), and the Firm was selected to provide services for those programs; and

WHEREAS, on July 25, 2025 the City entered into a Contract with the Firm for services; and

WHEREAS, on October 21, 2025 the City Council approved program changes and an expansion of the Community Homebuyer Assistance Program (CHAP);

AGREEMENT

NOW THEREFORE, in consideration for the mutual promises contained herein, the City and Firm (the "parties") agree as follows:

Paragraph 1 Scope of Work of the Contract is amended by revising the following paragraph of Exhibit A (additions shown in redlined capitalized text, and deletions are shown as stricken):

> 9.6 Annual Presentation. HSNA will present annually ~~in September~~, NO LATER THAN NOVEMBER 1, to the Flagstaff City Council, summarizing key information in the annual summary report and including program impact and outcomes for the previous fiscal year, and any proposing guideline updates (if any). Presentation materials shall be provided to City staff for review no later than four (4) weeks in advance of the presentation.

Paragraph 10 Compensation of the Contract is amended to read as follows (additions shown in redlined capitalized text, and deletions are shown as stricken.

> Compensation: Firm shall be paid $2,000 per CHAP and Employer Assisted Housing (EAH) loan post-closing and $200 per CHAP applicant for satisfactory performance of the services in accordance with the Scope of Work identified in *Exhibit A.* The total expenditures under this contract shall not exceed ~~Eighty Thousand Dollars ($80,000.00)~~ FIVE HUNDRED THOUSAND DOLLARS ($500,000.00).

All other terms and conditions of the Contract shall remain in full force and effect.

In witness whereof, the parties have caused their authorized representatives to execute this First Amendment to the Contract.

[SIGNATURE PAGE FOLLOWS]

CITY OF FLAGSTAFF

_____
Becky Daggett, Mayor

Attest by:

_____
Stacy Saltzburg, City Clerk

Approved as to form:

_____
City Attorney

FIRM: HOUSING SOLUTIONS OF NORTHERN ARIZONA

_____
Signature

_____
Print name and title

PROFESSIONAL SERVICES CONTRACT
Contract No.: 2025-205

This Contract is entered into this 25th day of July, 2025 by and between the City of Flagstaff, a political subdivision of the State or Arizona ("City"), and Housing Solutions of Northern Arizona, Inc., (corporate status) ("Firm").

WHEREAS, the City desires to receive and Firm is able to provide professional services;

NOW THEREFORE, in consideration for the mutual promises contained herein, the City and Firm (the "parties") agree as follows:

SERVICES

1. Scope of Work: Firm shall provide the professional services generally described as follows:

PROFESSIONAL SERVICES

Administration of the Community Homebuyer Assistance Program (CHAP) and Employer Assisted Housing (EAH) Program as more specifically described in the scope of work attached hereto as Exhibit A.

2. Schedule of Services: Firm shall perform all work per the schedule set forth in *Exhibit A.*

3. Standard Terms and Conditions: The City of Flagstaff Standard Terms and Conditions, attached hereto as *Exhibit B* are hereby incorporated by reference by reference and shall apply to performance of this Contract, except to the extent modified in *Exhibit A.*

4. Key Personnel/Subcontractors: Firm's Key Personnel, Subcontractors (if any), and contact information are designated in *Exhibit A.* Key Personnel are those employees whose license number and signature will be placed on key documents and those employees who have significant responsibilities for completion of the services. The City Representative for this Contract has the right to approve any proposed substitution of Key Personnel or Subcontractors.

CITY RESPONSIBILITIES

5. City Representative: The City Representative is Kristine Pavlik, Housing and Grants Administrator, or her designee. All communications to the City shall be through the City Representative. City Representative is responsible for bringing any request for a Contract amendment or price adjustment to the attention of the City Buyer.

6. City Cooperation: City will cooperate with Firm by placing at its disposal all available information concerning the City, City property, or the City project reasonably necessary for Firm's performance of this Contract.

CONTRACT TERM

7. Contract Term: The Contract shall be effective as of the date signed by both parties. Performance shall commence within ten (10) days from the City's issuance of the Notice to Proceed and shall be in force for an initial term of five (5) consecutive years.

8. Renewal: This Contract may be renewed for up to two (2) additional one (1) year terms by mutual written consent of the parties. The City Manager or his designee (the Purchasing Director) shall have authority to approve renewal on behalf of the City.

9. Termination: This Contract may be terminated pursuant to the Standard Terms and Conditions attached hereto as *Exhibit B.*

PAYMENT

10. Compensation: Firm shall be paid $2,000 per CHAP and Employer Assisted Housing (EAH) loan post-closing and $200 per CHAP applicant for satisfactory performance of the services in accordance with the Scope of Work identified in *Exhibit A.* The total expenditures under this contract shall not exceed eighty thousand dollars ($80,000.00).

11. Price Adjustment: Any price adjustment must be approved by the City in writing as a formal Contract Amendment. The City Council must approve the price adjustment if the annual contract price exceeds $100,000; otherwise the City Manager or his designee (the Purchasing Director) shall have authority to approve a price adjustment on behalf of the City.

DATA AND RECORDS

12. City Ownership of Document and Data: Any original documents prepared or collected by Firm in performance of this Contract such as models, samples, reports, test plans, survey results, graphics, tables, charts, plans, maps, specifications, surveys, computations and other data shall be the property of City ("City's work product"), unless otherwise agreed by the parties in writing. Firm agrees that all materials prepared under this Contract are "works for hire" within the meaning of the copyright laws of the United States and hereby assigns to the City all rights and interests Firm may have in the materials it prepares under this Contract, including any right to derivative use of the material.

13. Re-Use: The City may use the City's work product without further compensation to Firm; provided, however, that the City's reuse without written verification or adaption by Firm for purposes other than contemplated herein is at the City's sole risk and without liability to Firm. Firm shall not engage in any conflict of interest nor appropriate any portion of the City's work product for the benefit of Firm or any third parties without the City's prior written consent.

14. Delivery of Document and Data: Upon termination of this Contract in whole or part, or upon expiration if not previously terminated, Firm shall immediately deliver to the City copies all of the City's work product and any other documents and data accumulated by Firm in performance of this Contract, whether complete or in process.

INSURANCE

15. Insurance: Firm shall meet insurance requirements of the City, as set forth in *Exhibit C.*

MISCELLANEOUS

16. Notice: Any notice concerning this Contract shall be in writing and sent by certified mail and email as follows:

To the City:
Emily Markel
Purchasing Manager
City of Flagstaff
211 W. Aspen
Flagstaff, Arizona 86001
emarkel@flagstaffaz.gov

To Firm:
Devonna McLaughlin
Chief Executive Officer
Housing Solutions of Northern Arizona, Inc.
1500 E. Cedar Ave., Ste. 86
Flagstaff, AZ 86004
devonnam@housingnaz.org

With a copy to:
Kristine Pavlik
Housing & Grants Administrator
City of Flagstaff
211 W. Aspen Ave.
Flagstaff, AZ 86001
kristine.pavlik@flagstaffaz.gov

17. Authority; Each party warrants that it has authority to enter into this Contract and perform its obligations hereunder, and that it has taken all actions necessary to enter into this Contract.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

FIRM: Housing Solutions of Northern Arizona, Inc.

Print name: Devonna McLaughlin

Title: Chief Executive Officer

CITY OF FLAGSTAFF

Print name: _____

Title: Division Director, Community Development

Attest:

Stacy Saltzburg
City Clerk
Stacy Saltzburg signed on 7/25/2025 3:01:30 PM

Approved as to form:

Christina Rubalcava signed on 7/24/2025 9:55:45 AM
City Attorney's Office

Notice to Proceed issued: July 25, 2025

EXHIBIT A
Scope of Work

The City of Flagstaff's Community Homebuyer Assistance Program (CHAP) and Employer Assisted Housing Program (EAH) make homeownership possible for citizens and City employees in the City of Flagstaff. As set forth herein, Housing Solutions of Northern Arizona, Inc. (HSNA) will determine eligibility for program participation in accordance with criteria set by the City, provide one-on-one housing counseling and general homebuyer education services, and administer the financial assistance at the time of purchase for the CHAP and EAH programs.

HSNA will complete the following tasks to successfully perform under this contract:

1. General Project Administration. HSNA will carry out the daily tasks of ensuring that the project progresses satisfactorily and that all of the administrative functions associated with the project are properly executed in accordance with the contract. HSNA responsibilities include:

    1.1. Keeping files detailing expenses, procurement, project information, and correspondence, in addition to any other necessary information;

    1.2. Submitting applicable reports to the City of Flagstaff;

    1.3. Keeping client and program files detailing eligibility, income, ethnicity, age, special needs, loan and income information, in addition to any other necessary information;

    1.4. Project accounting, including documentation of expenditures and receipts;

    1.5. Managing personnel;

    1.6. Completing audits and other submissions;

    1.7. Overseeing project to ensure a cost-effective and efficient delivery of services;

    1.8. Creation of required loan documents;

    1.9. Ensuring that an open process is conducted in all outreach activities and equal opportunity is provided to all persons regardless of race, color, sex, religion, disability, familial status or national origin.

2. HOMEBUYER COUNSELING & EDUCATION

    2.1. HSNA will conduct one-on-one homebuyer counseling and education through its HUD certified homebuying counselors for all applicants to the CHAP and EAH program as well as all potential first-time homebuyers in the City of Flagstaff.

2.2. HSNA's certified homebuying counselors shall meet one-on-one with CHAP and EAH applicants as well as all other interested potential first-time homebuyers in the City of Flagstaff to help them navigate the home-buying process, determine their individual housing needs, and overcome challenges to obtaining homeownership. The homebuyer counseling and education shall provide clients with general information regarding the home-purchase process, federal consumer protection and fair housing laws, credit and savings information and guidance, lending details, how to shop for a home, how to avoid foreclosure, and any other relevant topics. The counseling and education will also help clients understand and access additional available financial assistance programs. In addition, Fair Housing, home inspection, lead-based paint information shall be presented as part of this counseling and education.

2.3. HSNA's certified homebuying counselors will also complete a financial and budget analysis for the client. If desired by the client, HSNA may pull a credit report to assist with the financial and budget analysis. The client will pay for the cost of the credit report at the actual cost incurred by HSNA. HSNA must disclose this cost in advance to the client.

2.4. HSNA will follow the National Industry Standards for Homeownership Education and Counseling for pre-purchase homebuyer education and counseling. HSNA's housing counseling staff will complete continuing education as required by these standards and abide by HUD requirements in the delivery of both one-on-one housing counseling and homebuyer education.

2.5. HSNA's certified homebuying counselors shall provide refinance counseling and foreclosure mitigation counseling to past CHAP and EAH program buyers, at no charge to the client or City of Flagstaff, if the client would like to access these services. The City of Flagstaff may refer these clients to HSNA for housing counseling services or the clients may contact HSNA directly.

2.6. HSNA will document all HUD-required follow-up for clients receiving one-on-one housing counseling and education.

2.7. In addition to the one-on-one housing counseling and homebuyer education provided by HSNA and described above, all applicants to the CHAP and EAH programs are required to take an extended online education course approved by the City. All other potential first-time homebuyers in the City of Flagstaff are invited to take the same course. Applicants to the EAH program will not be charged for the online course. CHAP applicants and all other potential first-time homebuyers will be charged no more than fifty dollars ($50.00) for the online course. The costs for these courses are included in the compensation paid by the City to HSNA in Section 10 of this Agreement.

3. Program Marketing. HSNA shall affirmatively market the program to target audiences through media, literature, announcements through the Realtors' multiple listing service, meetings, mailing to Realtors, and other activities as appropriate.

3.1. CHAP

3.1.1.1. Conduct quarterly outreach, including at least two in-person activities during the year at community events and through partner organizations.

3.1.1.2. Use print, digital, and social media platforms to promote the program on a regular basis – no less than quarterly.

3.1.1.3. Ensure materials are inclusive and multilingual, targeting underserved populations.

3.2. EAH

3.2.1.1. Conduct quarterly outreach to City employees, including at least two in-person activities at rotating City locations during the year,

3.2.1.2. Provide presentations, printed materials, and on-site Q&A as requested by the City.

3.2.1.3. Coordinate with City Housing staff for quarterly inclusion of marketing materials in internal newsletters and onboarding packets.

4. Resource Development.

4.1. Develop and maintain applications, educational materials, FAQs, checklists, and budgeting tools for the CHAP and EAH programs and for potential first-time homebuyers in the City of Flagstaff.

4.2. EAH Program: Tailor materials for City staff, maintain a digital info hub, and update materials on a semi-annual basis or as needed.

4.3. CHAP Program: Develop public-facing, multilingual materials for broad distribution through libraries, community centers, online platforms, and other public spaces identified by HSNA.

5. Partnership Development. HSNA will collaborate with lenders, Realtors and community organizations for referrals and support to benefit CHAP and EAH applicants. HSNA shall use its best efforts to generate mortgage resources for CHAP and EAH applicants through (1) relationships with lending institutions; and (2) gaining approval of "soft second" mortgage products by the Federal Housing Administration (FHA), the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Veterans Administration (VA), as needed.

6. Eligibility Determination. Determine eligibility for financial assistance through the CHAP and EAH programs in accordance with criteria provided by the City and subject to change as determined by the City. From time to time, the City may update eligibility criteria and will provide this new criteria to HSNA for making eligibility determinations.

7. Loan Administration. CHAP and EAH applicants shall obtain mortgage financing from the lender of their choice and shall choose the title company of their choice. HSNA shall administer CHAP and EAH loan resources, including preparing necessary loan documents, obtaining signatures, and working with the buyer's title company to ensure all documents are properly signed and recorded. HSNA will notify City staff when each CHAP or EAH loan is ready to fund and will identify for City staff the title company that will receive the loan funds on behalf of the approved applicant, the amount of the loan, and the anticipated date of escrow closure. HSNA will provide this information to the City no less than two weeks prior to the anticipated close of escrow. The City of Flagstaff will transfer the funding to the buyer's title company. The City of Flagstaff will service the loans after HSNA closes the Client File and transfers it to the City.

   Should there be a delay in payment to the title company that will delay closing for the buyer, HSNA has the option, but is not required, to front the funds with approval from the City Housing Director or designee. The City will then reimburse HSNA for the expended funds directly.

8. File Retention and Transfer.

   8.1. CLIENT FILES. The Client File includes all documents generated or required as part of this Agreement related to client application and eligibility for the CHAP or EAH programs, all correspondence related to the provision of a CHAP or EAH loan, all documents related to any CHAP or EAH loan (including the original deeds of trust and promissory notes), all documents related to loan processing or loan servicing, all documents related to client counseling and education, and all documents provided by the client to HSNA for the provision of services required by this Agreement.

      8.1.1. Agency shall document and retain all eligibility within the Client File.

      8.1.2. Client files will be "closed out" for two reasons: (1) client purchases a first home; or (2) client file is closed, and client does not purchase a first home. Client files can be closed if the client determines homeownership is not feasible or desirable, client does not follow the action plan to become home purchase ready, or client fails to follow up or discontinues contact with the Agency.

      8.1.3. The Client Files documenting the expenditure of CHAP or EAH funds shall be transferred to the City of Flagstaff bi-annually. These Client Files closed between January 1 and June 30 will be transferred to the City by July 31. Client Files closed between July 1 through December 31 will be transferred to the City by January 31. All other Client Files will be retained by HSNA for a period of five (5) years from the date the files are closed and available to the City upon request. All Client Files transferred to the City will be available to HSNA, if requested, for HUD or grant funder audits.

   8.2. PROGRAM FILES. The Program Files includes all documents generated or required as part of this Agreement and not included in a Client File.

8.2.1. HSNA will keep and maintain Program Files on file for a minimum of five years after the contract close out and be available to the City of Flagstaff for monitoring of the files.

9. Evaluation and Reporting. Measure outcomes, collect feedback and report program metrics.

9.1. Evaluation and Reporting. HSNA shall track and report on program outcomes and performance for the Community Homebuyer Assistance Program (CHAP), the Employer Assisted Housing (EAH), and the Homebuyer Counseling & Education programs. Reporting responsibilities are as follows:

9.2. Performance Metrics. HSNA will collect and report the following data on all programs being administered:

- Number of applications, approvals, denials, and closings.
- Total financial assistance disbursed.
- Average assistance per household.
- Client demographics (income, household size, race/ethnicity, etc.).
- Affordability indicators (housing and debt-to-income ratios).
- Outreach efforts and participation.
- Client satisfaction survey results.

9.3. Reporting Schedule

- Quarterly Reports: Submitted within 30 days of quarter-end, summarizing activities, metrics, and any issues encountered.
- Annual Summary Report: Submitted by August 1, with a comprehensive review of outcomes, trends, and any recommended program changes.

9.4. Client Feedback. HSNA will administer client satisfaction surveys post-counseling and post-closing, and summarize results in quarterly and annual reports.

9.5. Monitoring and Audit Support. HSNA shall provide full cooperation during City monitoring and program reviews, including access to program files and participation in monitoring meetings.

9.6. Annual Presentation. HSNA will present annually in September to the Flagstaff City Council, summarizing key information in the annual summary report and including program impact and outcomes for the previous fiscal year, and any proposing guideline updates (if any). Presentation materials shall be provided to City staff for review no later than four (4) weeks in advance of the presentation.

EXHIBIT B

STANDARD TERMS AND CONDITIONS

(Last Updated January 19, 2023)

*The term "Contractor" may substitute for the term "vendors," "consultants," or "firms," depending on the purpose of the underlying Contract.

IN GENERAL

1. **PARTIES:** The City of Flagstaff ("City") and the contractor identified in the Contract ("Contractor") may be referred to individually as "Party" or collectively as "Parties".

2. **NOTICE TO PROCEED:** Contractor shall not commence performance until after the City has issued a Notice to Proceed.

3. **LICENSES AND PERMITS:** Contractor its expense shall maintain current federal, state, and local licenses, permits and approvals required for performance of the Contract and provide copies to City upon request.

4. **COMPLIANCE WITH LAWS:** Contractor shall comply with all applicable federal, state and local laws, regulations, standards, codes and ordinances in performance of the Contract.

5. **NON-EXCLUSIVE:** Unless expressly provided otherwise in the Contract, the Contract is non-exclusive and the City reserves the right to contract with others for materials or services.

6. **SAMPLES:** Any sample submitted to the City by the Contractor and relied upon by City as representative of quality and conformity, shall constitute an express warranty that all materials and/or service to be provided to City shall be of the same quality and conformity.

MATERIALS

7. **PURCHASE ORDERS:** The City will issue a purchase order for the materials covered by the Contract, and such order will reference the Contract number.

8. **QUALITY:** Contractor warrants that all materials supplied under the Contract will be new and free from defects in material or workmanship. The materials will conform to any statements made on the containers or labels or advertisements for the materials and will be safe and appropriate for use as normally used. The City's inspection, testing, acceptance or use of materials shall not serve to waive these quality requirements. This warranty shall survive termination or expiration of the Contract.

9. **ACCEPTANCE:** All materials and services provided by Contract are subject to final inspection and acceptance by the City. Materials and services failing to conform to the Contract specifications may be rejected in whole or part. If rejected, Contractor is responsible for all costs associated arising from rejection.

10. **MANUFACTURER'S WARRANTIES:** Contractor shall deliver all Manufacturer's Warranties to the City upon the City's acceptance of the materials.

11. **PACKING AND SHIPPING:** Contractor shall be responsible for industry standard packing which conforms to requirements of carrier's tariff and ICC regulations. Containers shall be clearly marked as to lot number, destination, address and purchase order number. All shipments shall be F.O.B. Destination, City of Flagstaff, 211 West Aspen Avenue, Flagstaff, Arizona 86001, unless otherwise specified by the City. C.O.D. shipments will not be accepted.

12. **TITLE AND RISK OF LOSS:** The title and risk of loss of material shall not pass to the City until the City actually receives the material at the point of delivery and the City has completed inspection and has accepted the material, unless the City has expressly provided otherwise in the Contract.

13. **NO REPLACEMENT OF DEFECTIVE TENDER:** Every tender of materials shall fully comply with all provisions of the Contract. If a tender is made which does not fully conform, this shall constitute a breach and Contractor shall not have the right to substitute a conforming tender without prior written approval from the City.

14. **DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH:** Contractor may not substitute nonconforming materials and/or services. Delivery of nonconforming materials and/or services, or a default of any nature, shall constitute a breach of the Contract as a whole.

15. **SHIPMENT UNDER RESERVATION PROHIBITED:** Contractor is not authorized to ship materials under reservation and no tender of a bill of lading shall operate as a tender of the materials.

16. **LIENS:** All materials and other deliverables supplied to the City shall be free of all liens, other than the security interest held by Contractor, until payment in full is made by the City. Upon request of the City, Contractor shall provide a formal release of all liens.

17. **CHANGES IN ORDERS:** The City reserves the right at any time to make changes in any one or more of the following: (a) methods of shipment or packing; (b) place of delivery; and (c) quantities. If any change causes an increase or decrease in the cost of or the time required for performance, an equitable adjustment may be made in the price or delivery schedule, or both. Any claim for adjustment shall be evidenced in writing and approved by the City Purchasing Director prior to the institution of the change.

PAYMENT

18. **INVOICES:** A separate invoice shall be issued for each shipment and each job completed. Invoices shall include the Contract and/or Purchase Order number and dates when goods had been shipped or work performed. Invoices shall be sent within thirty (30) days following performance. Payment will only be made for satisfactory materials and/or services received and accepted by City.

19. **LATE INVOICES:** The City may deduct up to 10% of the payment price for late invoices. The City operates on a fiscal year budget, from July 1 through the following June 30. Except in unusual circumstances, which are not due to the fault of Contractor, the City will not honor any invoices or claims submitted after August 15 for materials or services supplied in the prior fiscal year.

20. **TAXES:** Contractor shall be responsible for payment of all taxes including federal, state, and local taxes related to or arising out of Contractor's performance of the Contract. Such taxes include but are not limited to federal and state income tax, social security tax, unemployment insurance taxes, transaction privilege taxes, use taxes, and any other taxes or business license fees as required.

    Exception: The City will pay any taxes which are specifically identified as a line-item dollar amount in the Contractor's bid, proposal, or quote, and which were considered and approved by the City as part of the Contract award process. In this event, taxes shall be identified as a separate line item in Contractor's invoices.

21. **FEDERAL EXCISE TAXES**: The City is exempt from paying certain Federal Excise Taxes and will furnish an exemption certificate upon request.

22. **FUEL CHARGES:** Contractor at its own expense is liable for all fuel costs related to performance. No fuel surcharges will be accepted or paid by the City.

23. **DISCOUNTS:** If the Contract provides for payment discounts, payment discounts will be computed from the later date of the following: (a) when correct invoice is received by the City; or (b) when acceptable materials and/or materials were received by the City.

24. **AMOUNTS DUE TO THE CITY:** Contractor must be current and remain current in all obligations due to the City during performance. Payments to Contractor may be offset by any delinquent amounts due to the City or fees and charges owed to the City under the Contract.

25. **OFAC:** No payments may be made to any person in violation of Office of Foreign Assets Control regulations. 31 C.F.R. Part 501.

SERVICES

26. **INDEPENDENT CONTRACTOR:** Contractor shall be an independent contractor for purposes of all laws, including but not limited to the Fair Labor Standards Act, Federal Insurance Contribution Act, Social Security Act, Federal Unemployment Tax Act, Internal Revenue Code, Immigration and Naturalization Act; Arizona revenue and taxation, workers' compensation, and unemployment insurance laws.

27. **CONTROL:** Contractor shall be responsible for the control of the work.

28. **WORK SITE:** Contractor shall inspect the work site and notify the City in writing of any deficiencies or needs prior to commencing work.

29. **SAFEGUARDING PROPERTY:** Contractor shall responsible for any damage to real property of the City or adjacent property in performance of the work and safeguard the worksite.

30. **QUALITY:** All work shall be of good quality and free of defects, performed in a diligent and professional manner.

31. **ACCEPTANCE:** If the City rejects Contractor's work due to noncompliance with the Contract, the City, after notifying Contractor in writing, may require Contractor to correct the

deficiencies at Contractor's expense, or cancel the work order and pay Contractor only for work properly performed.

32. **WARRANTY:** Contractor warrants all work for a period of one year following final acceptance by the City. Upon receipt of written notice from the City, Contractor at its own expense shall promptly correct work rejected as defective or as failing to conform to the Contract, whether observed before or after acceptance, and whether or not fabricated, installed or completed by Contractor, and shall bear all costs of correction. If Contractor does not correct deficiencies within a reasonable time specified in the written notice from the City, the City may perform the work and Contractor shall be liable for the costs. This one year warranty is in addition to and does not limit Contractor's other obligations herein. This warranty shall survive termination or expiration of the Contract.

INSPECTION, RECORDS, ADMINISTRATION

33. **RECORDS:** The City shall have the right to inspect and audit all Contractor books and records related to the Contract for up to five years after completion of the Contract.

34. **RIGHT TO INSPECT BUSINESS:** The City shall have the right to inspect the place of business of the Contractor or its subcontractor during regular business hours at reasonable times, to the extent necessary to confirm Contract performance.

35. **PUBLIC RECORDS:** The Contract and any related materials are a matter of public record and subject to disclosure pursuant to Arizona Public Records Law. A.R.S. § 39-121 et seq. If Contractor has clearly marked its proprietary information as "confidential", the City will endeavor to notify Contractor prior to release of such information.

36. **CONTRACT ADMINISTRATION:** Contractor will be required to participate in the City's contract administration process. Contractor will be closely monitored for Contract compliance and will be required to promptly correct any deficiencies.

INDEMNIFICATION

37. **GENERAL INDEMNIFICATION:** Contractor shall indemnify and hold the City, and its officers, agents, employees, and subcontractors, harmless from and against any third-party claims, actions, liabilities, costs, including reasonable attorneys' fees and other costs of defense, arising out of the acts, errors, or omissions of Contractor, its officers, agents, employees, and subcontractors, in performing or failing to perform the responsibilities identified in the Contract. In the event any such action or claim is brought against the City, Contractor shall, if the City so elects, and upon tender by the City: (a) defend the same at Contractor's sole cost and expense; and/or (b) promptly satisfy any judgment adverse to the City; or (c) reimburse the City for any loss, cost, damage, or expense, including attorneys' fees, suffered or incurred by the City. The City shall notify Contractor, within a reasonable time, of any claim, threat of claim, or legal action as it relates to the responsibilities identified in the Contract. This indemnification shall survive termination or expiration of the Contract.

38. **INTELLECTUAL PROPERTY INDEMNIFICATION:** Contractor shall indemnify and hold the City, and its officers, agents, employees, and subcontractors, harmless from and against any third-party claims, actions, liabilities, costs, including reasonable attorneys' fees and other costs of defense arising out of the alleged infringement of any patent, trademark or copyright or other proprietary rights of any third-parties arising out of Contract performance

or use by the City of materials furnished or work performed under the Contract. In the event any such action or claim is brought against the City, Contractor shall, if the City so elects and upon tender by the City: (a) defend the same at Contractor's sole cost and expense; and/or (b) promptly satisfy any judgment adverse to the City; or (c) reimburse the City for any loss, cost, damage, or expense, including attorneys' fees, suffered or incurred by the City. The City shall notify Contractor, within a reasonable time, of any claim, threat of claim, or legal action as it relates to the responsibilities identified in the Contract. This indemnification shall survive termination or expiration of the Contract.

39. **NETWORK SECURITY AND PRIVACY LIABILITY:** Contractor shall indemnify and hold the City, and its officers, agents, employees, and subcontractors, harmless from an against any third-party claims, actions, liabilities, costs, including reasonable attorneys' fees and other costs of defense arising out of all acts, errors, omissions, negligence, infringement of intellectual property (except patent and trade secret); network security and privacy risks, including but not limited to unauthorized access, failure of security, breach of privacy perils, wrongful disclosure, collection, or other negligence in the handling of confidential information, privacy perils, and including coverage for related regulatory defense and penalties; data breach expenses, including but not limited to, consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services in the performance of services for the City. In the event any such action or claim is brought against the City, Contractor shall, if the City so elects and upon tender by the City: (a) defend the same at Contractor's sole cost and expense; and/or (b) promptly satisfy any judgment adverse to the City; or (c) reimburse the City for any loss, cost, damage, or expense, including attorneys' fees, suffered or incurred by the City. The City shall notify Contractor, within a reasonable time, of any claim, threat of claim, or legal action as it relates to the responsibilities identified in the Contract. This indemnification shall survive termination or expiration of the Contract.

CONTRACT CHANGES

40. **PRICE INCREASES:** Except as expressly provided for in the Contract, no price increases will be approved.

41. **COMPLETE AGREEMENT:** The Contract is intended to be the complete and final agreement of the Parties.

42. **AMENDMENTS:** The Contract may be amended by written agreement of the Parties.

43. **SEVERABILITY:** If any term or provision of the Contract is found by a court of competent jurisdiction to be illegal or unenforceable, then such term or provision is deemed deleted and the remainder of the Contract shall remain in full force and effect.

44. **NO WAIVER:** Both Parties have the right insist upon strict performance of the Contract, and the prior failure of a Party to insist upon strict performance, or a delay in any exercise of any right or remedy, or acceptance of materials or services, shall not be deemed a waiver of any right to insist upon strict performance.

45. **ASSIGNMENT:** Contractor was selected for its special knowledge, skills, and expertise, and shall not assign the services/materials required in the Contract, in whole or in part, without the City's prior written consent, which may be withheld for any reason. Any

assignment without such consent shall be null and void. No assignment shall relieve Contractor (Assignor) from any of its obligations and liabilities under the Contract with respect to the City. The Purchasing Director shall have authority to consent to an assignment on behalf of the City.

46. **BINDING EFFECT:** The Contract shall be binding upon and inure to the benefit of the Parties and their successors and assigns.

EMPLOYEES AND SUBCONTRACTORS

47. **SUBCONTRACTING:** Contractor was selected for its special knowledge, skills, and expertise, and shall not assign the services/materials required in the Contract, in whole or in part, without the City's prior written consent, which may be withheld for any reason. The City reserves the right to withhold consent if the subcontractor is deemed irresponsible and/or subcontracting may negatively affect performance. All subcontracts shall comply with the underlying Contract. Contractor is responsible for Contract performance whether or not subcontractors are used.

48. **NONDISCRIMINATION:** Contractor shall not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, sex, national origin, disability, genetic information, veteran's status, pregnancy, familial status and represents and warrants that it complies with all applicable federal, state and local laws and executive orders regarding employment. In addition, any Contractor whose business is located within City of Flagstaff limits shall comply with the City Code, Chapter 14-02, *Civil Rights*, which also prohibits discrimination based on sexual orientation, or gender identity or expression.

49. **DRUG FREE WORKPLACE:** The City has adopted a Drug Free Workplace policy for itself and those doing business with the City to ensure the safety and health of all persons working on City contracts and projects. Contractor's personnel shall abstain from use or possession of illegal drugs while engaged in performance of the Contract.

50. **IMMIGRATION LAWS:** Pursuant to A.R.S. § 41-4401, Contractor hereby warrants to the City that Contractor and each of its subcontractors shall comply with all state and federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). A breach of state and federal immigration laws and regulations shall constitute a material breach of the Contract and shall subject Contractor to penalties up to and including termination of the Contract. The City may, at its sole discretion, conduct random verification of the employment records of the employees of the Contractor and any subcontractors to ensure compliance with all state and federal immigration laws and regulations. Neither Contractor nor any subcontractor shall be deemed to have materially breached the Contract if Contractor or subcontractor establishes that it has complied with the employment verification provisions prescribed by sections 274A and 274B of the Federal Immigration and Nationality Act and the E-verify requirements prescribed by A.R.S. § 23-214(A).

DEFAULT AND TERMINATION

51. **TERMINATION FOR DEFAULT:** Prior to terminating the Contract for a material breach, the non-defaulting Party shall give the defaulting Party written notice and reasonable opportunity to cure the default, not to exceed thirty (30) days unless a longer period of time is granted by the non-defaulting Party in writing. In the event the breach is not timely cured,

or in the event of a series of repeated breaches the non-defaulting Party may elect to terminate Contract by written notice to Contractor, which shall be effective upon receipt. In the event of default, the Parties may execute all remedies available at law in addition to the Contract remedies provided for herein.

52. **CITY REMEDIES:** In the event of Contractor's default, the City may obtain required materials and/or services from a substitute contractor, and Contractor shall be liable to the City to pay for the costs of such substitute service. The City may deduct or offset the cost of substitute service from any balance due to Contractor, and/or seek recovery of the costs of substitute service against any performance security, and/or collect any liquidated damages provided for in the Contract. Remedies herein are not exclusive.

53. **CONTRACTOR REMEDIES:** In the event of the City's default, Contractor may pursue all remedies available at law, except as provided for herein.

54. **TERMINATION FOR NONAPPROPRIATION OF FUNDS:** The City may terminate all or a portion of the Contract due to budget constraints and non-appropriation of funds for the following fiscal year, without penalty or liability to Contractor.

55. **TERMINATION FOR CONVENIENCE:** Unless expressly provided for otherwise in the Contract, the Contract may be terminated in whole or part by the City for convenience upon thirty (30) days written notice, without further penalty or liability to Contractor. If the Contract is terminated, City shall be liable only for payment for satisfactory materials and/or services received and accepted by the City before the effective date of termination.

56. **TERMINATION DUE TO INSOLVENCY:** If Contractor becomes a debtor in a bankruptcy proceeding, or a reorganization, dissolution or liquidation proceeding, or if a trustee or receiver is appointed over all or a substantial portion of the property of Contractor under federal bankruptcy law or any state insolvency law, Contractor shall immediately provide the City with a written notice thereof. The City may terminate the Contract, and Contractor is deemed in default, at any time if the Contractor becomes insolvent, or is a party to any voluntary bankruptcy or receivership proceeding, makes an assignment for a creditor, or there is any similar action that affects Contractor's ability to perform under the Contract.

57. **PAYMENT UPON TERMINATION:** Upon termination of the Contract, the City will pay Contractor for satisfactory performance up until the effective date of termination. The City shall make final payment within thirty (30) days from receipt of the Contractor's final invoice.

58. **CANCELLATION FOR GRATUITIES:** The City may cancel the Contract at any time, without penalty or further liability to Contractor, if City determines that Contractor has given or offered to give any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with award or performance of the Contract.

59. **CANCELLATION FOR CONFLICT OF INTEREST:** Pursuant to A.R.S. § 38-511, if the City identifies a conflict of interest in the award or performance of the Contract, the City may cancel the Contract within three years after its execution, without penalty or further liability to Contractor.

MISCELLANEOUS

60. **COOPERATIVE PURCHASE CONTRACTS:** Presuming that Contractor agreed to such during the procurement process, Contractor will enter into cooperative purchase arrangements, as sanctioned by state and federal law, to allow Contractor to sell materials and services to any member of a cooperative group under the same pricing, terms and conditions of the contract awarded to the Contractor by the public procurement unit, following a competitive procurement process.

61. **ADVERTISING:** Contractor shall not advertise or publish information concerning its Contract with the City without the prior written consent of the City.

62. **NOTICES:** All notices given pursuant to the Contract shall be delivered at the addresses as specified in the Contract or updated by Notice to the other Party. Notices may be: (a) personally delivered, with receipt effective upon personal delivery; (b) sent via certified mail, postage prepaid, with receipt deemed effective four days after being sent; or (c) sent by overnight courier, with receipt deemed effective two days after being sent. Notice may be sent by email as a secondary form of notice.

63. **THIRD PARTY BENEFICIARIES:** The Contract is intended for the exclusive benefit of the parties. Nothing herein is intended to create any rights or responsibilities to third parties.

64. **GOVERNING LAW:** The Contract shall be construed in accordance with the laws of Arizona.

65. **FORUM:** In the event of litigation relating to the Contract, any action at law or in equity shall be filed in Coconino County, Arizona.

66. **ATTORNEYS' FEES:** If any action at law or in equity is necessary to enforce the terms of the Contract, the prevailing party shall be entitled to recover its reasonable attorneys' fees, costs, professional fees and expenses.

67. **FORCE MAJUERE:**

    a. There may be events that occur during the term of the Contract that are beyond the control of both the City and Contractor, including events of war, floods, labor, disputes, earthquakes, epidemics, pandemics, adverse weather conditions not reasonably anticipated, forest fires, and other acts of God ("Events"). 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 the Contract.

    b. There shall be no claims arising from a temporary delay of contractual deliverables, or the permanent inability to provide the contractual deliverables caused by the Events and the City shall not pay additional costs incurred by Contractor as a result of such Events.

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

68. **NO BOYCOTT OF ISRAEL:** Pursuant to A.R.S. §§ 35-393 and 35-393.01, if a Party has over ten (10) employees and the Contract is worth at least one-hundred thousand dollars and no cents ($100,000), the Party shall certify that it is not currently engaged in, and agrees, for the duration of the Contract, will not engage in a boycott of Israel.

69. **CHANGES TO CONTRACT:** The Contract shall not be modified within the first year after Contract award where: (a) an amendment may result in a competitive advantage that was not made available to other proposers/bidders; or (b) requests for changes may delay commencement of performance.

70. **FORCED LABOR OF ETHNIC UYGHURS:** If Contractor engages in for-profit activity and has ten (10) or more employees, pursuant to A.R.S. §35-394, the Contractor certifies that it does not currently, and agrees for the duration of the contract that it will not, use: 1) the forced labor of ethnic Uyghurs in the People's Republic of China; 2) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; and 3) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If the Contractor becomes aware during the term of the contract that the company is not in compliance with the written certification, the Contractor shall notify the City within five (5) business days after becoming aware of the noncompliance. If the Contractor does not provide the City with a written certification that the Contractor has remedied the noncompliance within 180 days after notifying the City of the noncompliance, this Contract terminates, except that if the contract termination date occurs before the end of the remedy period the Contract terminations on the Contract termination date.

EXHIBIT C

STANDARD INSURANCE REQUIREMENTS

(Last Updated January 19, 2023)

*The term "Contractor" may substitute for the term "vendors," "consultants," or "firms," depending on the purpose of the underlying Contract.

1. **IN GENERAL:** Contractor shall maintain insurance against claims for injury to persons or damage to property, arising from performance of or in connection with the Contract by Contractor, its agents, representatives, employees, and/or subcontractors.

2. **REQUIREMENT TO PROCURE AND MAINTAIN:** Each insurance policy required by the Contract shall be in effect at, or before, commencement of work under the Contract and shall remain in effect until all of Contractor's obligations under the Contract have been met, including any warranty periods. Contractor's failure to maintain the insurance policies as required by the Contract, or to provide timely evidence of renewal, will be considered a material breach of the Contract.

3. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** The following insurance requirements are minimum requirements for the Contract and in no way limit the indemnity covenants contained in the Contract. The City does not represent or warrant that the minimum limits set forth in the Contract are sufficient to protect Contractor from liabilities that might arise out of the Contract, and Contractor is free to purchase such additional insurance as Contractor may determine is necessary.

   Where applicable, as related to the Scope of Work, Contractor shall provide coverage at least as broad and with limits not less than those stated below.

   a. Commercial General Liability - Occurrence Form

General Aggregate	$2,000,000
Products/Completed Operations	$1,000,000
Each Occurrence	$1,000,000

   b. Umbrella Coverage — $2,000,000

   c. Automobile Liability

Any Automobile or Owned, Hired, and Non-owned Vehicles Combined Single Limit Per Accident for Bodily Injury & Property Damage	$1,000,000

   d. Workers' Compensation and Employer's Liability

Workers' Compensation	Statutory
Employer's Liability: Each Accident	$1,000,000
Disease - Each Employee	$1,000,000
Disease - Policy Limit	$1,000,000

   e. Professional Liability — $2,000,000

f. Network Security and Privacy Liability

Per claim	$2,000,000
Annual Aggregate	$2,000,000

4. **NETWORK SECURITY AND PRIVACY LIABILITY:** Contractor shall maintain the requisite insurance requirements covering all acts, errors, omissions, negligence, infringement of intellectual property (except patent and trade secret); network security and privacy risks, including but not limited to unauthorized access, failure of security, breach of privacy perils, wrongful disclosure, collection, or other negligence in the handling of confidential information, privacy perils, and including coverage for related regulatory defense and penalties; data breach expenses, including but not limited to, consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services in the performance of services for the City. The insurance policy shall include coverage for third-party claims. The insurance policy shall contain an affirmative coverage grant for contingent bodily injury and property damage emanating from the failure of the technology services or an error or omission in the content/information provided.

5. **SELF-INSURED RETENTION:** Any self-insured retentions must be declared to and approved by the City. If not approved, the City may require that Contractor reduce or eliminate such self-insured retentions with respect to the City, its officers, agents, employees, and/or subcontractors. Contractor shall be solely responsible for any self-insured retention amounts. The City at its option may require Contractor to secure payment of such self-insured retention by a surety bond or irrevocable and unconditional letter of credit.

6. **OTHER INSURANCE REQUIREMENTS:** The insurance policies shall contain, or be endorsed to contain, the following provisions:

   a. Additional Insured: In Commercial General Liability and Automobile Liability Coverages, the City of Flagstaff, its officers, officials, agents, employees, and/or subcontractors shall be named and endorsed as additional insureds with respect to liability arising out of the Contract and activities performed by or on behalf of Contractor, including products and completed operations of Contractor, and automobiles owned, leased, hired, or borrowed by Contractor.

   b. Broad Form: Contractor's insurance policy shall contain broad form contractual liability coverage.

   c. Primary Insurance: Contractor's insurance coverage shall be primary insurance with respect to the City, its officers, officials, agents, employees, and/or subcontractors. Any insurance or self-insurance maintained by the City, its officers, officials, agents, employees, and/or subcontractors shall be in excess of the coverage of Contractor's insurance and shall not contribute to it.

   d. Each Insured: Contractor's insurance policies shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

   e. Not Limited: Coverage provided by Contractor shall not be limited to the liability assumed under the indemnification provisions of the Contract.

f. Waiver of Subrogation: The insurance policies shall contain a waiver of subrogation against the City, its officers, officials, agents, employees, and/or subcontractors for losses arising from work performed by Contractor for the City.

7. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of the Contract shall provide the required coverage and shall not be suspended, voided, cancelled, and/or reduced in coverage or in limits unless prior written notice has been given to the City. Notices required by this section shall be sent directly to the Procurement Agent and shall reference the Contract Number.

8. **ACCEPTABILITY OF INSURERS:** Contractor shall place insurance hereunder with insurers duly licensed or approved unlicensed companies in the State of Arizona and with a "Best's" rating of not less than A-: VII. The City does not represent or warrant that the above required minimum insurer rating is sufficient to protect Contractor from potential insurer insolvency.

9. **CERTIFICATES OF INSURANCE:** Contractor shall furnish the City with certificates of insurance (ACORD form) as required by the Contract. The certificates for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. Any policy endorsements that restrict or limit coverage shall be clearly noted on the certificate of insurance. The City Contract number shall be noted on the certificates of insurance. If requested by the City, all certificates of insurance and endorsements must be received and approved by the City before the Contractor commences work.

10. **POLICIES:** The City reserves the right to require, and receive within ten (10) days, complete, certified copies of all insurance policies and endorsements required by the Contract. The City shall not be obligated, however, to review any insurance policies or to advise Contractor of any deficiencies in such policies and endorsements. The City's receipt of Contractor's policies or endorsements shall not relieve Contractor from, or be deemed a waiver of, the City's right to insist on strict fulfillment of Contractor's obligations under the Contract.

11. **MODIFICATIONS:** Any modification or variation from the insurance requirements in the Contract must have the prior approval of the City's Attorney's Office in consultation with the City's Risk Manager, whose decision shall be final. Such action will not require a formal Contract amendment but may be made by their handwritten revision and notation to the foregoing insurance requirements.

REQUEST FOR STATEMENT of QUALIFICATIONS

from

PROFESSIONAL SERVICES

FOR

Homebuyer Education and Homebuyer Assistance – Program Administration

RSOQ NUMBER: 2025-205

March 2025

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PUBLIC NOTICE

NOTICE OF REQUEST FOR STATEMENT OF QUALIFICATIONS (RSOQ 2025-205): PROFESSIONAL SERVICES

Homebuyer Education and Homebuyer Assistance – Program Administration

The City of Flagstaff ("City") is seeking Statements of Qualifications ("SOQ") from Service Providers ("Providers") with demonstrated expertise and experience in the effective delivery of homebuyer education and homebuyer assistance programs to provide Professional Services ("Program Administration").

The City will select one Provider to perform all Program Administration services. The selected Provider will be expected to enter into a Contract for Professional Services ("Contract"). Providers with experience and expertise in homebuyer education and administration of homebuyer assistance programs are encouraged to apply. The Contract will be awarded at the City's discretion. Fees associated with contracted services will be negotiated after the qualified Provider is selected.

SCHEDULE OF STATEMENT DEADLINES

Advertise for Services:	March 15, and March 26, 2025
Last Day for Questions:	3:00 p.m. April 29, 2025
Statements Due:	3:00 p.m. May 6, 2025
Interviews Anticipated:	Week of May 26, 2025
Anticipated Award of Services Contracts:	June 2025

Complete Request for Statements of Qualification ("RSOQ") packets are available for download from the PlanetBids online bid platform website at: https://pbsystem.planetbids.com/portal/27606/portal-home.

Proposals must be submitted electronically on the PlanetBids online bid platform website by 3:00 p.m. Local (AZ) Time, May 6, 2025.

The City reserves the right to reject any or all Proposals, to waive or decline to waive irregularities in any Proposals or to withhold the award for any reason it may determine.

Published March 25, and April 12, 2025, Arizona Daily Sun.

GENERAL INFORMATION

A. Community Profile

The City of Flagstaff serves as the county seat of Coconino County and is the regional economic hub for commercial and institutional activities. Flagstaff has a growing population of approximately 77,000 and encompasses an area of over 66 square miles, making it the largest city in northern Arizona. Over 20% of the City's population consists of students attending Northern Arizona University.

Flagstaff's residents and business community have created a vibrant and welcoming feel for this beautiful mountain town. Known in many ways as a college, ski, mountain, and outdoors town, the city attracts a diverse mix of people in its residents, workforce, and visitors. The city's small-town quality of life, traditions, and character have been cited by many as what drew them to Flagstaff and why they desired to live and work here. Its proximity to the Grand Canyon National Park and several national monuments draws millions of tourists annually.

Nearly half (47%) of Flagstaff households are considered low-income, earning no more than $55,350 annually. The cost of living is 13% higher and the cost of housing is 29% higher than the national average. During the last decade, the median sales price of a home in Flagstaff rose by 166%, while the Area Median Income rose by only 36.5%. Currently, the median sales price of a home is $615,000, and the area median household income for a household of three is $77,400. Additionally, 27% of homeowners and 57% of renters spend more than 30% of their monthly income on housing costs, meaning that 22,073 Flagstaff community members are housing cost burdened. Most of the housing production in Flagstaff has focused on low- and high-density extremes - detached single-family homes and mid-to-high-rise apartment buildings. These extremes are exacerbated by second homes (approximately 4,000 units), short term rentals (approximately 535 units), and the fluctuating student populations -- all of which create competition for the existing housing supply.

B. Background

Housing Emergency and 10-Year Housing Plan

On December 1, 2020, the Flagstaff City Council declared a housing emergency for the City of Flagstaff and committed to prioritizing affordable housing within City operations to create safe, decent, and affordable housing opportunities for all community members. A 10-year Housing Plan was developed to address the housing emergency by summarizing the City's immediate and long-term needs and strategies for improving housing affordability (Plan can be found at https://www.flagstaff.az.gov/DocumentCenter/View/72509/Flagstaff-10-Year-Housing-Plan---FINAL-6152022).

The Housing Plan's overarching goal for the next decade is to reduce the current affordable housing need in the community by half:

- **Element One:** Impact at least 6,000 low-to-moderate income Flagstaff residents through a combination of unit creation or subsidy provision.

- **Element Two:** Create or preserve 7,976 housing units by 2031 with a minimum of 10% of them being affordable. This will increase the overall supply of market rate, workforce, and affordable housing occupied by local residents.

Limited land and the current shortage in housing supply, relative to demand, are the primary reasons housing costs are increasing in Flagstaff. The Housing Plan includes the following goal and policies specific to homeownership:

- **Create 1.8** Explore the use of the community land trust model and public/private partnerships to incentivize the development of ownership units that are priced significantly below market rate.
- **Create 3.3** Identify ongoing resource opportunities for the purpose of assisting households experiencing homelessness, households at risk of becoming homeless, first-time homebuyers, and affordable housing targeted to these populations.
- **Connect 2** Implement a framework for centering equity in proposed and existing housing practices, policies, and programs.
- **Protect 2** Ensure affordable housing is a part of every Flagstaff neighborhood and work to address disparate impact as part of any development or redevelopment.

Proposition 442 – Housing Bond
In the November 2022 Election, voters approved $20 million in general obligation bonds to create rental and homeownership opportunities for Flagstaff residents. Of the $20 million, $7 million is designated to provide homebuyer assistance to eligible first-time Flagstaff homebuyers purchasing a home within City limits.

Homebuyer Assistance Programs Background
The City of Flagstaff has two existing homebuyer assistance programs, the Community Homebuyer Assistance Program (CHAP) and an Employer Assisted Housing Program (EAH) specifically for City of Flagstaff employees.

CHAP is a local homebuyer assistance program funded by the City general fund, serving households with incomes up to 125% of the area median income. CHAP was created in 1998 to assist middle- and low-income first-time homebuyers by providing a one-time loan to mortgage-eligible households in Flagstaff with the up-front costs of homeownership. The distinguishing feature of CHAP is the ability to assist households who make too much money to qualify as low-income for other assistance sources but not enough to achieve homeownership in the Flagstaff market successfully.

CHAP's funding is being expanded with general obligation bond funds resulting from Proposition 442, incorporating adjustments and additional features developed by the Housing Commission and city staff. The Housing Commission reviewed the proposed program expansion and provided feedback in August and September 2024. On October 8, 2024 City Council provided additional input and directed staff to move forward with the proposed expanded program and RSOQ process.

In addition to raising the eligible area median income from 125% to 150%, the most notable proposed addition to the existing program is an option for eligible homebuyers to receive a larger amount of assistance in return for making the purchased unit permanently affordable units via the City’s Permanent Affordability Program.

Beyond increasing the AMI to 150% and adding the permanently affordable option, the full program expansion criteria are not finalized. After a successful provider is selected, they will work with city staff to refine and further define the programmatic details.

The second City of Flagstaff homebuyer assistance program is an Employer Assisted Housing Program (EAH) specifically for eligible City employees. EAH is funded only through the City's general fund and is a one-time benefit per household. This program assists mortgage-eligible employees meeting certain other criteria with the up-front costs of homeownership.

C. Objectives

The purpose of this RSOQ is to solicit SOQs from qualified professional providers with demonstrated expertise and experience to provide the following services:

- Community-wide homebuyer education and counseling;
- Administration of the Community Homebuyer Assistance Program; and
- Administration of the City of Flagstaff Employer Assisted Housing Program.

D. Scope of Work Summary

The successful Provider is expected to provide all necessary services and materials to administer the City's Homebuyer Education and Assistance Programs, including:

- All general administrative duties
  - Oversee operations, track progress, and ensure compliance with regulations
- Education and counseling
  - Deliver workshops and personalized counseling sessions
- Outreach and recruitment
  - Promote the program to target audiences and engage participants
- Resource development
  - Create and distribute educational materials (e.g., guides, tools)
- Partnership development
  - Collaborate with lenders, realtors, and community organizations for referrals and support
- Evaluation and reporting
  - Measure outcomes, collect feedback, and report program metrics

All program criteria will be developed by the City, seeking input from the successful Provider as desired. The City will service the loans in the long term.

STATEMENT OF QUALIFICATIONS REQUIREMENTS

E. General Requirements

The Contract will be awarded to the responsible Provider whose Proposal is responsive to this RSOQ and will be most advantageous to the City. The responsibility of the Provider will be determined based on factors described in Article 16 of the Procurement Code Manual.

The responsibility criteria include:

1. Certification as a U.S. Department of Housing and Urban Development (HUD) approved housing counseling agency.

2. The Provider's capacity to do the work, including adequate finances, equipment, facilities, employees, and competing commitments;

3. The competency and responsibility of the Provider's proposed subcontractors (if any);

4. The Provider's experience in performing similar work;

5. The Provider's integrity and record of performance;

6. Positive factors, including, but not limited to, timely completion within budget, quality of work, prompt resolution of problems, good working relationships, and the ability to resolve disputes without litigation;

7. Negative factors, including, but not limited to, past contract terminations or deductions due to failure to perform; termination for cause due to breach; failure to comply with the contract; documented poor performance; customer complaints and/or negative references; unresolved disputes with project owners or subcontractors; and/or threats of litigation without merit. In addition, any of the grounds set forth in Article 30 of the Procurement Code Manual for suspension or debarment may be considered;

8. Whether the Provider is qualified legally to contract with the City;

9. Whether the Provider has truthfully supplied all information concerning its responsibility requested by the Procurement Specialist; and

10. Whether the Provider holds any required and active valid State of Arizona license(s) to conduct business or to perform the work proposed.

Any single factor or combination of factors may be grounds for determination of non-responsibility. Additional factors shall include the Provider's past performance, specifically on City or other public agency contracts. This includes threats of litigation, contract terminations for any reason, and the lack of ability to resolve disputes without litigation.

Responses to this RSOQ must be in the form of an SOQ, as outlined in this RSOQ. SOQs must be clear and concise, organized as indicated in Part III of this RSOQ, and with all identified sections included. If, in the judgment of the City, an SOQ does not conform to the format specified herein, or if any section is absent or significantly incomplete, the City reserves the right to reject the SOQ.

Interested Providers are required to submit information relative to their qualifications, experience, and ability to meet the project's goals and objectives and other criteria as listed.

F. Interpretation of RSOQ Documents/Communication with the City

Providers who desire clarifications of the Project, selection criteria, or SOQ requirements (other than delivery of the SOQ) shall restrict their inquiries to **written email communications only** to Emily Markel, Procurement Specialist, at EMarkel@flagstaffaz.gov. Requests for clarifications/questions must be received no later than **3:00 P.M. Tuesday, April 29, 2025.** The following procedures apply:

1. The Provider submitting the inquiry will be responsible for its prompt delivery prior to the stated deadline for clarifications.

2. Interpretation or correction of the RSOQ documents will be made only by issuance of a written addendum which will be made available on the PlanetBids website at https://pbsystem.planetbids.com/portal/27606/portal-home. It is the Provider's responsibility to periodically check the website for updates and addenda. Issuance of addenda will not be provided to individuals or entities by the City. The City is not responsible for any explanations or interpretations of the RSOQ documents other than those made by written addendum and posted on the City's website.

G. Delivery of Submittals

Proposals must be submitted electronically on the PlanetBids online bid platform website at https://pbsystem.planetbids.com/portal/27606/portal-home by 3:00 p.m. Local Time, Tuesday, May 6, 2025. ***No Hard copies will be accepted.***
All information regarding the content of the specific Proposals will remain confidential until an award is made, or all awards are rejected.

STATEMENT OF QUALIFICATIONS FORMAT, ORGANIZATION, AND CONTENT

H. General

The SOQ should clearly and accurately present the experience, knowledge, and capability of the Provider by providing a brief, and concise description of the Provider's ability to meet the requirements of this RSOQ. SOQ emphasis should be on quality, completeness, clarity of content, and responsiveness to the requirements.

The SOQ should be fully self-contained, follow the format outlined below, and be without addenda. The SOQ should reflect consideration of the specific evaluation criteria identified in Part IV, Evaluation Criteria.

I. Format

The Selection Committee will evaluate Providers submitting responses to this RSOQ based on the information provided in their SOQ and interviews, if conducted. To allow for a standard basis of evaluation, all SOQs are requested to follow a similar format.

SOQs will not exceed **fifteen (15) pages total (front only)** in length excluding front and back cover pages, the title page, signed transmittal letter, table of contents, section dividers, and the forms found in Attachment A. The section dividers will not include text or graphics, other than the text identifying the appropriate section. Total margins will be one inch and allowable pages will be 8½" x 11", and the font size no less than 11 point.

Combinations of text and graphic material may be used at the Provider's discretion. Providers are encouraged to employ any methods they consider appropriate in communicating facts and qualifications.

Do not include any design concepts, fees, or pricing related to the programs with SOQ submittals. These materials will not be considered, and failure to comply with this provision may result in the rejection of the submittal.

PROVIDERS MUST SUBMIT THE FORMS FOUND IN **ATTACHMENT A**.

J. Organization and Content

SOQs should be organized with section dividers and content as follows (include all of the

following):

Cover
The cover should contain the following relevant data as a minimum:

1. Solicitation Number
2. Solicitation Name
3. Closing Date and Time
4. Agency Name (and logo if desired)
5. Other information/graphics as desired

Title Page (One page maximum)
Include Provider's name, name of principals, addresses, email/website addresses, and phone numbers. Provide a single point of contact name, title, phone number, and e-mail address of person for correspondence during RSOQ solicitation.

Transmittal Letter (One page maximum)
(5 points maximum)
Provide a transmittal letter on the Provider's letterhead identifying the Provider and introducing key proposed team members and the project manager. Provide an expression of the Provider's interest in being selected. Briefly summarize the Provider's background and any distinguishing qualities or capabilities that uniquely qualify the Provider for this Project. Identify the key team members and their length of experience both in their respective industries and in their current agencies. Confirm the availability of the key personnel identified in the SOQ. Specifically, state that reasonable diligence has been exercised in the preparation of the SOQ and that all contents are true, accurate, and complete to the best of the signer's knowledge. Specifically state that no exceptions are taken to the contents of the RSOQ, or specifically identify and explain any RSOQ item to which an exception is taken. Note: Exceptions taken may render an SOQ non-responsive, or exceptions taken may be considered in scoring the SOQ under relevant scoring criteria.

This letter is to be signed by the individual with the authority to bind the Provider contractually. Please address the letter to:

Emily Markel
Purchasing Manager
City of Flagstaff – Purchasing Division
211 W. Aspen Ave.
Flagstaff, AZ 86001

Table of Contents.
The Table of Contents shall include all Evaluation Criteria sections as listed below.

Organizational Summary
(5 points maximum)

1. Provide a list of the staff that will be assigned to this contract with their qualifications and relevant experience. Include an organizational chart and resumes for all staff. Provider must indicate who in its organization is authorized to represent and speak for the Provider in all business and contractual matters relating to this RSOQ. The staff proposed will be required to commit to this contract unless permission is given by the City of Flagstaff to withdraw from the

contract. The City also reserves the right to request alternate personnel to be committed to the contract.

2. Provide a list of sub-contractor(s), if any, who will participate with or assist the Provider in program work.

Provider Experience
(90 points maximum)

1. Describe organization's experience and capacity in administering homebuyer assistance programs. Provide the following details for at least two (2) past or current programs the provider has administered, including: i) the name of the program and program owner; (ii) a description of the program eligibility criteria and dynamics (iii) the scope of work; (iv) the contract term and time spent doing the work; (v) any unique challenges encountered and the resolution of those challenges; (vi) the number and basic demographics of those served; (vii) total contract price paid to Provider. ***(20 points maximum)***

2. Describe the organization's experience in providing homebuyer assistance programs to households with incomes under 80% of the area median income. ***(10 points maximum)***

3. Describe the organization's experience in providing homebuyer assistance programs to households with incomes between 80% and 150% of the area median income, including a discussion of any differences in serving households in higher income categories. ***(10 points maximum)***

4. Describe the organization's experience in income qualifying households. ***(5 points maximum)***

5. Describe the organization's experience preparing loan documents and facilitating loan closings. Indicate the number of closings the organization has facilitated by year for the last 5 years. ***(5 points maximum)***

6. Describe the organization's experience layering homebuyer assistance programs and identify if the provider is currently contracted to administer any other homebuyer assistance programs, specifying any already secured/dedicated funding sources. ***(10 points maximum)***

7. Describe the organization's experience providing homebuyer education and counseling services. ***(10 points maximum)***

8. Describe experience and methods for marketing homebuyer education and assistance programs. ***(5 points maximum)***

9. Describe the organization's experience in working with lenders to ensure secondary financing is approved for use with their mortgage products. ***(10 points maximum)***

10. Define the measurable outcomes and objectives the organization uses to measure success with these services. ***(5 points maximum)***

Value Added Knowledge and Experience:
(40 points maximum)
The Provider selected by the City must be familiar with local community needs, housing market

dynamics, and housing supply challenges in Flagstaff. Additionally, the team must be accessible to the City's staff and citizens during the contract.

1. Explain why the Provider is particularly qualified to perform services in the Flagstaff area. Demonstrate the Provider's experience with working within the Flagstaff market and serving Flagstaff residents. Please also include any existing partnerships, interactions with, or participation in local groups, business associations, and other special interest groups that are relative to the programs listed in this RSOQ. ***(20 points maximum)***

2. How many households has the organization assisted with housing services in Northern Arizona or the greater Flagstaff area in the last five years? Of those, how many were specifically homebuyer assistance? Please include the area median income levels served. ***(10 points maximum)***

3. Resolution of issues may be part of the Homebuyer Assistance Programs. Describe the organization's response protocol and how the Provider will be accessible to the City's staff and citizens. ***(5 points maximum)***

4. What is the Provider's response time to meet in person, resolve concerns, and accommodate unforeseen issues? ***(5 points maximum)***

Overall Evaluation:
(5 points maximum)
Does not require a response. The selection committee will determine the overall quality, organization, comprehensiveness, and completeness of the SOQ.

Required Attachments:

Provide the following documents and forms under this heading. The forms noted below can be found in Attachment A of this document. If forms are not included in the proposal, it may be considered non-responsive and disqualified. These documents do not count towards the page count.

- Statement of Assurance
- Statement of Provider's ability to finance all programmatic costs upfront and understanding of this commitment
- Housing Counseling Agency HUD Certification
- Provide a copy of Provider's HUD Certified Counseling Agency approval letter or certificate from HUD
- References
- Provider Questionnaire (form)
- Exceptions (form)
- Confidential Materials (form)
- Cooperative Purchases (form)
- Disclosure (form)
- Declaration Related to Solvency (form)
- Declaration Related to Gratuities (form)
- Declaration of Non-Collusion (form) (attach explanations)

EVALUATION AND SELECTION PROCESS

K. Overview

This is a qualifications-based selection process as authorized by ARS Section 34-603. The initial activity will involve an evaluation and scoring of each Provider's qualifications and relevant experience, as indicated in its SOQ. One (1) or more Provider(s) **may** be invited to participate in interviews.

Following the interviews, the selection committee will rank the Providers in order of preference to generate a Final List.

Negotiations will commence with the highest-ranked Provider on the Final List and will proceed as set forth therein, or the solicitation may be canceled.

L. Qualification for Evaluation

To qualify for evaluation, the SOQ must have been submitted on time and materially satisfy all requirements identified in this RSOQ.

M. Selection Committee

The Selection Committee may consist of up to seven (7) members. It will be composed of City staff, one or more members of the Housing Commission, and may include other members that are not city staff.

N. SOQ Evaluation Criteria and Scoring Process

The City intends to award a Contract(s) to the most qualified Provider based on demonstrated competence and qualifications. Proposals that are responsive to the requirements of this RSOQ will be evaluated by the Selection Committee and awarded points for each stated criteria item as follows:

Transmittal Letter	5 points
Organizational Summary	5 points
Experience	90 points
Value Added Knowledge and Experience	40 points
Overall Evaluation	5 points
Total Available Points	**145 points**

The SOQ ranking process may result in a ranked list of Provider(s) with whom the Selection Committee may elect to conduct interviews.

O. Interviews

The City may choose to conduct phone or online interviews with select Providers. If so, a Provider shall be required to be represented by the key personnel, including the project manager, with whom the City's staff will be directly working.

P. Interview Instructions

If the City decides to conduct interviews, each selected Provider will be provided a specific schedule. Interviews will be 60 minutes in duration and the purpose will be to discuss Project-specific criteria and respond to questions from the Selection Committee.

A DRAFT copy of the Contract for Professional Services to be used in connection with this Project has been included as Attachment B in this RSOQ. At the time of the interview, each Provider will be required to provide, in writing, a statement of concurrence with the terms and conditions of the Contract, or a statement of any specific exception(s) to the terms and conditions of the Contract. Exceptions may be considered in scoring under appropriate criteria.

Q. Interview Ranking and Provider Selection

Should the City conduct interviews, the Selection Committee will rank the Providers with the following final ranking criteria:

	Maximum Achievable Points
A. Submitted SOQ Score	145
B. Responses to Interview Questions	50
C. Overall Evaluation of Interview	30
Total Available Points	**225**

Following the evaluation process, the Selection Committee will select a final Provider deemed most qualified to provide the services and rank the remaining Providers in order of preference based on the Proposal evaluation and/or the interview evaluation.

The City will proceed to negotiate a Contract with the highest-ranked Final List Provider. If the City is unable to negotiate a satisfactory Contract with the highest-ranked Provider, negotiations with that Provider will be formally terminated. The City will then undertake negotiations with the next most qualified Final List Provider in sequence until a Contract is reached or a determination is made to reject all Proposals and terminate the solicitation.

ADDITIONAL INFORMATION

R. Instructions

The City will not be held responsible for any oral instructions. Any changes to this RSOQ will be in the form of an addendum. The addendum will be transmitted to all registered RSOQ document-holders.

S. City Rights

The City reserves the right to reject any or all Proposals, to waive any informality or irregularity in any Proposal received, and to be the sole judge of the merits of the respective Proposal received.

T. Release of Public Information

The City will release public information concerning the Project, including selection announcements and Contract awards. Release of Proposals, selection results, and contract award will not take place until after the formal award by the City Council and the Contract has been fully executed by both parties.

U. Contact with City Employees and Providers

All Providers that are interested in this project (including the Provider's employees, representatives, agents, lobbyists, attorneys, and sub-Providers) will refrain, under penalty of disqualification, from direct or indirect contact with City employees for the purpose of influencing the selection or creating bias in the selection process with any person who may play a part in the selection process. This includes, but is not limited to, the evaluation panel, the City Manager, Assistant City Manager(s), Deputy City Manager(s), Division Directors, or other staff. This policy is intended to create a level playing field for all potential Providers, assure that contract decisions are made in public, and to protect the integrity of the selection process. All contact on this selection process should be addressed to the authorized Procurement Agent.

V. Contact with Elected Officials (Mayor, City Council)

Any contact pertaining to this selection process with elected officials must be scheduled, in person, through the Flagstaff City Clerk's Office, 211 W. Aspen Avenue, Flagstaff, AZ 86001, and will be posted by the City Clerk at least 24 hours prior to the scheduled meeting. The Clerk's posting shall include the identities of the participants, a detailed description of the subject matter, and shall invite the public to participate. No contacts made by telephone, other than to schedule a public meeting, are permitted. Copies of contacts made by letter, e-mail, or other written method shall be made available to the public, press, and all submitting Providers, upon written request to the City Clerk.

W. Reservation of Rights

There will be no express or implied intent to contract until expressly stated in writing by the City, an award is made, and all conditions stated herein are satisfied. The City reserves the right to reject any or all Proposals, or to withhold the award for any reason it may elect, and to waive or decline to waive irregularities in any Proposal.

X. Protests

1. A protest will be in writing and will be personally delivered or served upon the City Purchasing Director.

2. A protest of a solicitation must be received before the solicitation opening date.

3. A protest of a proposed award or of an award must be received within ten days after the protester knows or should have known the basis of the protest.

4. A protest will consist of the following:

    a. The name, address, and telephone number of the protester;

    b. The signature of the protester or its representative;

    c. Identification of the solicitation or contract number;

    d. A detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and

    e. The form of relief requested.

RSOQ Attachments – Attachment A

- Provider Questionnaire (form) (attach copies of licenses)
- References (form)
- Exceptions (form) (attach information)
- Confidential Materials (form)
- Cooperative Purchases (form)
- Disclosure (form)
- Declaration Related to Solvency (form)
- Declaration Related to Gratuities (form)
- Declaration of Non-Collusion (form)
- Declaration Related to Adverse Position (form)

All completed forms must be submitted with Proposal!

ATTACHMENT A

PROVIDER QUESTIONNAIRE (FORM)

Provider:

Company Name: _____

Doing Business As (if different than above): _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

E-Mail Address: _____ Website: _____

Taxpayer Identification Number: _____

Mailing Address (if different than above):

Address: _____

City: _____ State: _____ Zip: _____

Provider Contact for Questions about Proposal:

Name: _____ Fax: _____

Phone: _____ E-Mail Address: _____

Transaction Privilege (Sales)Tax/Use Tax Information (check one):

_____ Provider is located outside Arizona (City will pay use tax directly to the AZ Dept of Revenue)
OR
_____ Provider is located in Arizona (Provider must invoice the applicable state and local tax to City, and remit taxes.)

Arizona Department of Revenue TPT License Number: _____
(Attach proof of registration)

Business License Information (check one):

_____ Provider does not have a business location within the City of Flagstaff
OR

_____ Provider has a business location (uses a building) within the City of Flagstaff

Flagstaff TPT/Business License Number: _____

Other Licenses (list any existing licenses you have required for work, e.g., Arizona Registrar of Contractor licenses, and attach copies):

Insurance (who will provide required coverages):

Insurance Company Name _____

Contact & Phone Number _____

Subcontractors:

List any subcontractors to be utilized, if any.

_____

REFERENCES (FORM)

REFERENCES. Please submit at least three (3) and no more than five (5) references for contracts you have performed in the last five (5) years demonstrating experience with providing materials and/or services comparable to the Solicitation. Include sufficient detail for the City to evaluate organization's experience. You should include the name, title, and telephone number of both the current project owner and the project owner at time of work.

Company/Government Agency Name:	
Contact Person:	Phone:
Title:	Fax:
Address:	E-Mail Address:
	Reason for Selecting as Reference:
Project Date, Size, Complexity, Scope, and Duration:	
Company/Government Agency Name:	
Contact Person:	Phone:
Title:	Fax:
Address:	E-Mail Address:
	Reason for Selecting as Reference:
Project Date, Size, Complexity, Scope, and Duration:	
Company/Government Agency Name:	
Contact Person:	Phone:
Title:	Fax:
Address:	E-Mail Address:
	Reason for Selecting as Reference:

Project Date, Size, Complexity, Scope, and Duration:	
Company/Government Agency Name:	
Contact Person:	Phone:
Title:	Fax:
Address:	E-Mail Address:
	Reason for Selecting as Reference:
Project Date, Size, Complexity, Scope, and Duration:	
Company/Government Agency Name:	
Contact Person:	Phone:
Title:	Fax:
Address:	E-Mail Address:
	Reason for Selecting as Reference:
Project Date, Size, Complexity, Scope, and Duration:	

EXCEPTIONS (FORM)

Notations. Any strikeouts, notes, or modifications to the Solicitation documents shall be initialed in ink by the authorized person who signs the Proposal. If notations are made, they must be submitted with the Proposal and are considered Exceptions.

Exceptions: In addition to any notations on the Solicitation documents, please identify and list any exceptions to the Solicitation, by section/paragraph, on this Exceptions Form. The City reserves the right to reject, accept, or further negotiate Exceptions. Exceptions may render the Proposal non-responsive.

Exceptions to Form of Contract: You may request changes to the form of contract (including any Standard or Special Terms and Conditions) on the Exceptions Form. You may also submit your own form of contract. The City will consider these in the same manner as any other exceptions.

You must indicate any and all exceptions taken to the requirements, specifications, and/or terms and conditions of this Solicitation, including the contract.

Exceptions (INITIAL ONE):

_____ No exceptions

_____ Exceptions taken (describe). Attach additional pages if needed.

CONFIDENTIAL MATERIALS (FORM)

If you believe part of the Proposal is confidential, mark the page(s) "CONFIDENTIAL" and isolate the pages as an attachment to this form. Also include an explanation why they are confidential.

Requests to deem the entire Proposal as confidential will not be considered.

If you want confidential information returned to you after contract award (and you are not selected for contract award), then note this below. You will be responsible for pick up.

Generally, information submitted in response to a Solicitation is subject to disclosure pursuant to the Arizona Public Records Law after contract award.

The information identified as confidential shall not be disclosed until the City makes a written determination whether the information may be treated as confidential. If the City determines it is necessary to disclose the information, the City will inform you in writing.

Confidential/Proprietary Materials (INITIAL ONE):

_____No confidential/proprietary materials have been included with this Proposal.

_____Confidential/Proprietary materials are included in this Proposal. See attached.

COOPERATIVE PURCHASES (FORM)

The City of Flagstaff is a member of the Flagstaff Alliance for the Second Century, along with the Coconino County Community College District, Northern Arizona University, Coconino County, and Flagstaff Unified School District. The City of Flagstaff is also a member of S.A.V.E. (Strategic Alliance for Volume Expenditures), which consists of numerous municipalities, counties, universities, colleges, schools, and other Arizona State agencies. Cooperative purchasing arrangements such as the above are sanctioned by state law and allow companies to sell services and materials to any member of a cooperative group under the same pricing, terms, and conditions of contract awarded to the company by any other member, following a competitive procurement process.

Is the organization willing to propose the goods and services solicited under the terms and conditions of this solicitation to other members of the Flagstaff Alliance for the Second Century and S.A.V.E. under the same pricing, terms, and conditions?

_____ Yes _____ No (INITIAL ONE)

If you answered No, that is acceptable. The City will not reject the Proposal or consider it to be non-responsive. If you answered Yes, and a contract is approved, others may seek to do business with you under the same terms and conditions, subject to the Provider's approval.

DISCLOSURE (FORM)

For any item checked YES, you must provide information. Answering YES to one or more questions does not necessarily mean you will be disqualified from this Solicitation. **FAILURE TO PROVIDE TRUE AND COMPLETE INFORMATION MAY RESULT IN DISQUALIFICATION FROM THIS SOLICITATION.**

1. Has the organization or any affiliate* in the past 5 years: (i) had a permit revoked or suspended, (ii) been required to pay a fine, judgment, or settlement of more than $100,000, (iii) been convicted of a criminal offense (including a plea of guilty or *nolo contendere*), or (iv) been found in contempt of court, as a result of or in connection with any of the following:

   a. Any offense relating to integrity or honesty, including fraud, bribery, embezzlement, false claims, false statements, falsification or destruction of records, forgery, obstruction of justice, receiving stolen property, theft, price fixing, proposal rigging, restraint of trade, or other antitrust law violation? YES _____ NO_____

   b. Violation of the terms of any public contract? YES _____ NO_____

   c. Failure to pay any uncontested debt to a government agency? YES _____ NO _____

   d. Violation of any law or regulation pertaining to the protection of public health or the environment? YES _____ NO_____

*An "affiliate" of the organization means any person, company, or other entity that, either directly or indirectly (for example, through stock ownership by family members), controls, is controlled by, or is under common control with, the organization.

2. Has the organization or any affiliate in the past 5 years been named as a party in any lawsuit related to performance of a contract (you do not need to list subcontractor lien claims which have been fully paid/satisfied)?

   YES_____ NO_____

3. Has the organization or any affiliate of the organization in the past 5 years been debarred or suspended from submitting proposals on public contracts?

   YES_____ NO_____

I hereby verify that the foregoing information and any explanation attached are to the best of my knowledge, true and complete.

_____
Signature of Person Authorized to Sign Proposal

DECLARATION RELATED TO SOLVENCY (FORM)

Is the organization currently involved in an ongoing bankruptcy as a debtor, or in a reorganization, liquidation, or dissolution proceeding, or has a trustee or receiver been appointed over all or a substantial portion of the property of the organization under federal bankruptcy law or any state insolvency law?

_____ Yes _____ No (INITIAL ONE)

DECLARATION RELATED TO GRATUITIES (FORM)

I hereby verify and declare that, to the best of my knowledge, neither Provider nor anyone associated with Provider has given, offered to give, or 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 Proposal ("Gratuities").

_____
Signature of Person Authorized to Sign Proposal

DECLARATION OF NON-COLLUSION (FORM)

I hereby verify and declare that:

The pricing for this Proposal has been arrived at independently and without consultation, communication, or agreement with any other Provider who may submit a Proposal.

The pricing for this Proposal has not been disclosed to any other Provider who may submit a Proposal, and will not be, prior to the Closing Date and Time.

No attempt has been made or will be made to induce any Provider or person to refrain from submitting a Proposal, or to submit a Proposal with higher pricing than this Proposal, or to submit an intentionally high or noncompetitive Proposal or other form of complementary Proposal.

This Proposal is made in good faith; not pursuant to any agreement or discussion with, or inducement from, any other person to submit a complementary or other noncompetitive bid.

In the past four (4) years, Provider, its affiliates, subsidiaries, officers, directors, and employees:

1. Have not been under investigation by any governmental agency;
2. Have not been convicted or found liable for any act prohibited by state or federal law in any jurisdiction;
3. Have not been involved in conspiracy or collusion with respect to bidding in any jurisdiction; and
4. Have not been involved in conspiracy or collusion with respect to bidding on any public contract.

_____
Signature of Person Authorized to Sign Proposal

DECLARATION RELATED TO ADVERSE POSITION (FORM)

I hereby verify and declare that, to the best of my knowledge, neither Provider nor anyone associated with Provider has ever made a claim against the City of Flagstaff, filed suit against the City of Flagstaff, or taken an adverse position in a lawsuit filed against the City of Flagstaff. If Provider has ever made a claim, filed suit, or taken an adverse position in a lawsuit against the City of Flagstaff, identify the name of the parties, the year the action was taken, the court where the lawsuit was filed, and the case number. Additionally, provide a brief description of the adverse position. Failure to provide this information may result in a rejection of the Proposal.

_____

_____

_____

_____
Signature of Person Authorized to Sign Proposal

ATTACHMENT B

IF THE FIRM HAS PROPOSED CHANGES TO ANY TERMS OF THE CONTRACT, THEY MUST BE SUBMITTED BY ADDENDUM DURING THE SOLICITATION PHASE.

NO CHANGES TO CONTRACT, TERMS AND CONDITIONS OR INSURANCE REQUIREMENTS WILL BE CONSIDERED AFTER THE CONTRACT HAS BEEN AWARDED

SAMPLE PROFESSIONAL SERVICES CONTRACT
Contract No.: 2025-205

This Contract is entered into this _____ day of _____, 20___ by and between the City of Flagstaff, a political subdivision of the State or Arizona ("City"), and _____, (corporate status) ("Firm").

WHEREAS, the City desires to receive and Firm is able to provide professional services;

NOW THEREFORE, in consideration for the mutual promises contained herein, the City and Firm (the "parties") agree as follows:

SERVICES

1. Scope of Work: Firm shall provide the professional services generally described as follows:

PROFESSIONAL SERVICES
Homebuyer Education and Homebuyer Assistance – Program Administration

and as more specifically described in the scope of work attached hereto as *Exhibit A.*

2. Schedule of Services: Firm shall perform all work per the schedule set forth in *Exhibit A.*

3. Standard Terms and Conditions: The City of Flagstaff Standard Terms and Conditions, attached hereto as *Exhibit B* are hereby incorporated by reference by reference and shall apply to performance of this Contract, except to the extent modified in *Exhibit A.*

4. Key Personnel/Subcontractors: Firm's Key Personnel, Subcontractors (if any), and contact information are designated in *Exhibit A.* Key Personnel are those employees whose license number and signature will be placed on key documents and those employees who have significant responsibilities for completion of the services. The City Representative for this Contract has the right to approve any proposed substitution of Key Personnel or Subcontractors.

CITY RESPONSIBILITIES

5. City Representative: The City Representative is Jessica Donohoe, Housing Planner or her designee. All communications to the City shall be through the City Representative. City Representative is responsible for bringing any request for a Contract amendment or price adjustment to the attention of the City Buyer.

6. City Cooperation: City will cooperate with Firm by placing at its disposal all available information concerning the City, City property, or the City project reasonably necessary for Firm's performance of this Contract.

CONTRACT TERM

7. Contract Term: The Contract shall be effective as of the date signed by both parties. Performance shall commence within ten (10) days from the City's issuance of the Notice to Proceed and shall be in force for an initial term of three (3) consecutive years.

8. Renewal: This Contract may be renewed for up to two (2) additional one (1) year terms by mutual written consent of the parties. The City Manager or his designee (the Purchasing Director) shall have authority to approve renewal on behalf of the City.

9. Termination: This Contract may be terminated pursuant to the Standard Terms and Conditions attached hereto as ***Exhibit B.***

PAYMENT

10. Compensation: Firm shall be paid _____ for satisfactory performance of the services in accordance with the Scope of Work identified in ***Exhibit A.***

11. Price Adjustment: Any price adjustment must be approved by the City in writing as a formal Contract Amendment. The City Council must approve the price adjustment if the annual contract price exceeds $100,000; otherwise the City Manager or his designee (the Purchasing Director) shall have authority to approve a price adjustment on behalf of the City.

DATA AND RECORDS

12. City Ownership of Document and Data: Any original documents prepared or collected by Firm in performance of this Contract such as models, samples, reports, test plans, survey results, graphics, tables, charts, plans, maps, specifications, surveys, computations and other data shall be the property of City ("City's work product"), unless otherwise agreed by the parties in writing. Firm agrees that all materials prepared under this Contract are "works for hire" within the meaning of the copyright laws of the United States and hereby assigns to the City all rights and interests Firm may have in the materials it prepares under this Contract, including any right to derivative use of the material.

13. Re-Use: The City may use the City's work product without further compensation to Firm; provided, however, that the City's reuse without written verification or adaption by Firm for purposes other than contemplated herein is at the City's sole risk and without liability to Firm. Firm shall not engage in any conflict of interest nor appropriate any portion of the City's work product for the benefit of Firm or any third parties without the City's prior written consent.

14. Delivery of Document and Data: Upon termination of this Contract in whole or part, or upon expiration if not previously terminated, Firm shall immediately deliver to the City copies all of the City's work product and any other documents and data accumulated by Firm in performance of this Contract, whether complete or in process.

INSURANCE

15. Insurance: Firm shall meet insurance requirements of the City, as set forth in *Exhibit C.*

MISCELLANEOUS

16. Notice: Any notice concerning this Contract shall be in writing and sent by certified mail and email as follows:

To the City:
Emily Markel
Purchasing Manager
City of Flagstaff
211 W. Aspen
Flagstaff, Arizona 86001
emarkel@flagstaffaz.gov

To Firm:

With a copy to:
Jessica Donohoe, MPA
Housing Planner
Water Services
City of Flagstaff
211 W. Aspen Ave.
Flagstaff, AZ 86001
jessica.donohoe@flagstaffaz.gov

17. Authority; Each party warrants that it has authority to enter into this Contract and perform its obligations hereunder, and that it has taken all actions necessary to enter into this Contract.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

FIRM

_____

Print name:_____

Title:_____

CITY OF FLAGSTAFF

_____

Print name:_____

Title:_____

Attest:

_____
City Clerk

Approved as to form:

_____
City Attorney's Office

Notice to Proceed issued:_____, 20___

EXHIBIT A

SCOPE OF WORK

(Scope of Work will be Finalized Upon Contracting)

EXHIBIT B

STANDARD TERMS AND CONDITIONS

(Last Updated January 19, 2023)

*The term “Contractor” may substitute for the term “vendors,” “consultants,” or “firms,” depending on the purpose of the underlying Contract.

IN GENERAL

1. **PARTIES:** The City of Flagstaff (“City”) and the contractor identified in the Contract (“Contractor”) may be referred to individually as “Party” or collectively as “Parties”.

2. **NOTICE TO PROCEED:** Contractor shall not commence performance until after the City has issued a Notice to Proceed.

3. **LICENSES AND PERMITS:** Contractor its expense shall maintain current federal, state, and local licenses, permits and approvals required for performance of the Contract and provide copies to City upon request.

4. **COMPLIANCE WITH LAWS:** Contractor shall comply with all applicable federal, state and local laws, regulations, standards, codes and ordinances in performance of the Contract.

5. **NON-EXCLUSIVE:** Unless expressly provided otherwise in the Contract, the Contract is non-exclusive and the City reserves the right to contract with others for materials or services.

6. **SAMPLES:** Any sample submitted to the City by the Contractor and relied upon by City as representative of quality and conformity, shall constitute an express warranty that all materials and/or service to be provided to City shall be of the same quality and conformity.

MATERIALS

7. **PURCHASE ORDERS:** The City will issue a purchase order for the materials covered by the Contract, and such order will reference the Contract number.

8. **QUALITY:** Contractor warrants that all materials supplied under the Contract will be new and free from defects in material or workmanship. The materials will conform to any statements made on the containers or labels or advertisements for the materials and will be safe and appropriate for use as normally used. The City’s inspection, testing, acceptance or use of materials shall not serve to waive these quality requirements. This warranty shall survive termination or expiration of the Contract.

9. **ACCEPTANCE:** All materials and services provided by Contract are subject to final inspection and acceptance by the City. Materials and services failing to conform to the Contract specifications may be rejected in whole or part. If rejected, Contractor is responsible for all costs associated arising from rejection.

10. **MANUFACTURER’S WARRANTIES:** Contractor shall deliver all Manufacturer’s Warranties to the City upon the City’s acceptance of the materials.

11. PACKING AND SHIPPING: Contractor shall be responsible for industry standard packing which conforms to requirements of carrier's tariff and ICC regulations. Containers shall be clearly marked as to lot number, destination, address and purchase order number. All shipments shall be F.O.B. Destination, City of Flagstaff, 211 West Aspen Avenue, Flagstaff, Arizona 86001, unless otherwise specified by the City. C.O.D. shipments will not be accepted.

12. TITLE AND RISK OF LOSS: The title and risk of loss of material shall not pass to the City until the City actually receives the material at the point of delivery and the City has completed inspection and has accepted the material, unless the City has expressly provided otherwise in the Contract.

13. NO REPLACEMENT OF DEFECTIVE TENDER: Every tender of materials shall fully comply with all provisions of the Contract. If a tender is made which does not fully conform, this shall constitute a breach and Contractor shall not have the right to substitute a conforming tender without prior written approval from the City.

14. DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH: Contractor may not substitute nonconforming materials and/or services. Delivery of nonconforming materials and/or services, or a default of any nature, shall constitute a breach of the Contract as a whole.

15. SHIPMENT UNDER RESERVATION PROHIBITED: Contractor is not authorized to ship materials under reservation and no tender of a bill of lading shall operate as a tender of the materials.

16. LIENS: All materials and other deliverables supplied to the City shall be free of all liens, other than the security interest held by Contractor, until payment in full is made by the City. Upon request of the City, Contractor shall provide a formal release of all liens.

17. CHANGES IN ORDERS: The City reserves the right at any time to make changes in any one or more of the following: (a) methods of shipment or packing; (b) place of delivery; and (c) quantities. If any change causes an increase or decrease in the cost of or the time required for performance, an equitable adjustment may be made in the price or delivery schedule, or both. Any claim for adjustment shall be evidenced in writing and approved by the City Purchasing Director prior to the institution of the change.

PAYMENT

18. INVOICES: A separate invoice shall be issued for each shipment and each job completed. Invoices shall include the Contract and/or Purchase Order number and dates when goods had been shipped or work performed. Invoices shall be sent within thirty (30) days following performance. Payment will only be made for satisfactory materials and/or services received and accepted by City.

19. LATE INVOICES: The City may deduct up to 10% of the payment price for late invoices. The City operates on a fiscal year budget, from July 1 through the following June 30. Except in unusual circumstances, which are not due to the fault of Contractor, the City will not honor any invoices or claims submitted after August 15 for materials or services supplied in the prior fiscal year.

20. TAXES: Contractor shall be responsible for payment of all taxes including federal, state, and local taxes related to or arising out of Contractor's performance of the Contract. Such taxes include but are not limited to federal and state income tax, social security tax, unemployment insurance taxes, transaction privilege taxes, use taxes, and any other taxes or business license fees as required.

Exception: The City will pay any taxes which are specifically identified as a line-item dollar amount in the Contractor's bid, proposal, or quote, and which were considered and approved by the City as part of the Contract award process. In this event, taxes shall be identified as a separate line item in Contractor's invoices.

21. FEDERAL EXCISE TAXES: The City is exempt from paying certain Federal Excise Taxes and will furnish an exemption certificate upon request.

22. FUEL CHARGES: Contractor at its own expense is liable for all fuel costs related to performance. No fuel surcharges will be accepted or paid by the City.

23. DISCOUNTS: If the Contract provides for payment discounts, payment discounts will be computed from the later date of the following: (a) when correct invoice is received by the City; or (b) when acceptable materials and/or materials were received by the City.

24. AMOUNTS DUE TO THE CITY: Contractor must be current and remain current in all obligations due to the City during performance. Payments to Contractor may be offset by any delinquent amounts due to the City or fees and charges owed to the City under the Contract.

25. OFAC: No payments may be made to any person in violation of Office of Foreign Assets Control regulations. 31 C.F.R. Part 501.

SERVICES

26. INDEPENDENT CONTRACTOR: Contractor shall be an independent contractor for purposes of all laws, including but not limited to the Fair Labor Standards Act, Federal Insurance Contribution Act, Social Security Act, Federal Unemployment Tax Act, Internal Revenue Code, Immigration and Naturalization Act; Arizona revenue and taxation, workers' compensation, and unemployment insurance laws.

27. CONTROL: Contractor shall be responsible for the control of the work.

28. WORK SITE: Contractor shall inspect the work site and notify the City in writing of any deficiencies or needs prior to commencing work.

29. SAFEGUARDING PROPERTY: Contractor shall responsible for any damage to real property of the City or adjacent property in performance of the work and safeguard the worksite.

30. QUALITY: All work shall be of good quality and free of defects, performed in a diligent and professional manner.

31. ACCEPTANCE: If the City rejects Contractor's work due to noncompliance with the Contract, the City, after notifying Contractor in writing, may require Contractor to correct the

deficiencies at Contractor's expense, or cancel the work order and pay Contractor only for work properly performed.

32. WARRANTY: Contractor warrants all work for a period of one year following final acceptance by the City. Upon receipt of written notice from the City, Contractor at its own expense shall promptly correct work rejected as defective or as failing to conform to the Contract, whether observed before or after acceptance, and whether or not fabricated, installed or completed by Contractor, and shall bear all costs of correction. If Contractor does not correct deficiencies within a reasonable time specified in the written notice from the City, the City may perform the work and Contractor shall be liable for the costs. This one year warranty is in addition to and does not limit Contractor's other obligations herein. This warranty shall survive termination or expiration of the Contract.

INSPECTION, RECORDS, ADMINISTRATION

33. RECORDS: The City shall have the right to inspect and audit all Contractor books and records related to the Contract for up to five years after completion of the Contract.

34. RIGHT TO INSPECT BUSINESS: The City shall have the right to inspect the place of business of the Contractor or its subcontractor during regular business hours at reasonable times, to the extent necessary to confirm Contract performance.

35. PUBLIC RECORDS: The Contract and any related materials are a matter of public record and subject to disclosure pursuant to Arizona Public Records Law. A.R.S. § 39-121 et seq. If Contractor has clearly marked its proprietary information as "confidential", the City will endeavor to notify Contractor prior to release of such information.

36. CONTRACT ADMINISTRATION: Contractor will be required to participate in the City's contract administration process. Contractor will be closely monitored for Contract compliance and will be required to promptly correct any deficiencies.

INDEMNIFICATION

37. GENERAL INDEMNIFICATION: Contractor shall indemnify and hold the City, and its officers, agents, employees, and subcontractors, harmless from and against any third-party claims, actions, liabilities, costs, including reasonable attorneys' fees and other costs of defense, arising out of the acts, errors, or omissions of Contractor, its officers, agents, employees, and subcontractors, in performing or failing to perform the responsibilities identified in the Contract. In the event any such action or claim is brought against the City, Contractor shall, if the City so elects, and upon tender by the City: (a) defend the same at Contractor's sole cost and expense; and/or (b) promptly satisfy any judgment adverse to the City; or (c) reimburse the City for any loss, cost, damage, or expense, including attorneys' fees, suffered or incurred by the City. The City shall notify Contractor, within a reasonable time, of any claim, threat of claim, or legal action as it relates to the responsibilities identified in the Contract. This indemnification shall survive termination or expiration of the Contract.

38. INTELLECTUAL PROPERTY INDEMNIFICATION: Contractor shall indemnify and hold the City, and its officers, agents, employees, and subcontractors, harmless from and against any third-party claims, actions, liabilities, costs, including reasonable attorneys' fees and other costs of defense arising out of the alleged infringement of any patent, trademark or copyright or other proprietary rights of any third-parties arising out of Contract performance

or use by the City of materials furnished or work performed under the Contract. In the event any such action or claim is brought against the City, Contractor shall, if the City so elects and upon tender by the City: (a) defend the same at Contractor's sole cost and expense; and/or (b) promptly satisfy any judgment adverse to the City; or (c) reimburse the City for any loss, cost, damage, or expense, including attorneys' fees, suffered or incurred by the City. The City shall notify Contractor, within a reasonable time, of any claim, threat of claim, or legal action as it relates to the responsibilities identified in the Contract. This indemnification shall survive termination or expiration of the Contract.

39. NETWORK SECURITY AND PRIVACY LIABILITY: Contractor shall indemnify and hold the City, and its officers, agents, employees, and subcontractors, harmless from an against any third-party claims, actions, liabilities, costs, including reasonable attorneys' fees and other costs of defense arising out of all acts, errors, omissions, negligence, infringement of intellectual property (except patent and trade secret); network security and privacy risks, including but not limited to unauthorized access, failure of security, breach of privacy perils, wrongful disclosure, collection, or other negligence in the handling of confidential information, privacy perils, and including coverage for related regulatory defense and penalties; data breach expenses, including but not limited to, consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services in the performance of services for the City. In the event any such action or claim is brought against the City, Contractor shall, if the City so elects and upon tender by the City: (a) defend the same at Contractor's sole cost and expense; and/or (b) promptly satisfy any judgment adverse to the City; or (c) reimburse the City for any loss, cost, damage, or expense, including attorneys' fees, suffered or incurred by the City. The City shall notify Contractor, within a reasonable time, of any claim, threat of claim, or legal action as it relates to the responsibilities identified in the Contract. This indemnification shall survive termination or expiration of the Contract.

CONTRACT CHANGES

40. PRICE INCREASES: Except as expressly provided for in the Contract, no price increases will be approved.

41. COMPLETE AGREEMENT: The Contract is intended to be the complete and final agreement of the Parties.

42. AMENDMENTS: The Contract may be amended by written agreement of the Parties.

43. SEVERABILITY: If any term or provision of the Contract is found by a court of competent jurisdiction to be illegal or unenforceable, then such term or provision is deemed deleted and the remainder of the Contract shall remain in full force and effect.

44. NO WAIVER: Both Parties have the right insist upon strict performance of the Contract, and the prior failure of a Party to insist upon strict performance, or a delay in any exercise of any right or remedy, or acceptance of materials or services, shall not be deemed a waiver of any right to insist upon strict performance.

45. ASSIGNMENT: Contractor was selected for its special knowledge, skills, and expertise, and shall not assign the services/materials required in the Contract, in whole or in part, without the City's prior written consent, which may be withheld for any reason. Any

assignment without such consent shall be null and void. No assignment shall relieve Contractor (Assignor) from any of its obligations and liabilities under the Contract with respect to the City. The Purchasing Director shall have authority to consent to an assignment on behalf of the City.

46. BINDING EFFECT: The Contract shall be binding upon and inure to the benefit of the Parties and their successors and assigns.

EMPLOYEES AND SUBCONTRACTORS

47. SUBCONTRACTING: Contractor was selected for its special knowledge, skills, and expertise, and shall not assign the services/materials required in the Contract, in whole or in part, without the City's prior written consent, which may be withheld for any reason. The City reserves the right to withhold consent if the subcontractor is deemed irresponsible and/or subcontracting may negatively affect performance. All subcontracts shall comply with the underlying Contract. Contractor is responsible for Contract performance whether or not subcontractors are used.

48. NONDISCRIMINATION: Contractor shall not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, sex, national origin, disability, genetic information, veteran's status, pregnancy, familial status and represents and warrants that it complies with all applicable federal, state and local laws and executive orders regarding employment. In addition, any Contractor whose business is located within City of Flagstaff limits shall comply with the City Code, Chapter 14-02, *Civil Rights*, which also prohibits discrimination based on sexual orientation, or gender identity or expression.

49. DRUG FREE WORKPLACE: The City has adopted a Drug Free Workplace policy for itself and those doing business with the City to ensure the safety and health of all persons working on City contracts and projects. Contractor's personnel shall abstain from use or possession of illegal drugs while engaged in performance of the Contract.

50. IMMIGRATION LAWS: Pursuant to A.R.S. § 41-4401, Contractor hereby warrants to the City that Contractor and each of its subcontractors shall comply with all state and federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). A breach of state and federal immigration laws and regulations shall constitute a material breach of the Contract and shall subject Contractor to penalties up to and including termination of the Contract. The City may, at its sole discretion, conduct random verification of the employment records of the employees of the Contractor and any subcontractors to ensure compliance with all state and federal immigration laws and regulations. Neither Contractor nor any subcontractor shall be deemed to have materially breached the Contract if Contractor or subcontractor establishes that it has complied with the employment verification provisions prescribed by sections 274A and 274B of the Federal Immigration and Nationality Act and the E-verify requirements prescribed by A.R.S. § 23-214(A).

DEFAULT AND TERMINATION

51. TERMINATION FOR DEFAULT: Prior to terminating the Contract for a material breach, the non-defaulting Party shall give the defaulting Party written notice and reasonable opportunity to cure the default, not to exceed thirty (30) days unless a longer period of time is granted by the non-defaulting Party in writing. In the event the breach is not timely cured,

or in the event of a series of repeated breaches the non-defaulting Party may elect to terminate Contract by written notice to Contractor, which shall be effective upon receipt. In the event of default, the Parties may execute all remedies available at law in addition to the Contract remedies provided for herein.

52. CITY REMEDIES: In the event of Contractor's default, the City may obtain required materials and/or services from a substitute contractor, and Contractor shall be liable to the City to pay for the costs of such substitute service. The City may deduct or offset the cost of substitute service from any balance due to Contractor, and/or seek recovery of the costs of substitute service against any performance security, and/or collect any liquidated damages provided for in the Contract. Remedies herein are not exclusive.

53. CONTRACTOR REMEDIES: In the event of the City's default, Contractor may pursue all remedies available at law, except as provided for herein.

54. TERMINATION FOR NONAPPROPRIATION OF FUNDS: The City may terminate all or a portion of the Contract due to budget constraints and non-appropriation of funds for the following fiscal year, without penalty or liability to Contractor.

55. TERMINATION FOR CONVENIENCE: Unless expressly provided for otherwise in the Contract, the Contract may be terminated in whole or part by the City for convenience upon thirty (30) days written notice, without further penalty or liability to Contractor. If the Contract is terminated, City shall be liable only for payment for satisfactory materials and/or services received and accepted by the City before the effective date of termination.

56. TERMINATION DUE TO INSOLVENCY: If Contractor becomes a debtor in a bankruptcy proceeding, or a reorganization, dissolution or liquidation proceeding, or if a trustee or receiver is appointed over all or a substantial portion of the property of Contractor under federal bankruptcy law or any state insolvency law, Contractor shall immediately provide the City with a written notice thereof. The City may terminate the Contract, and Contractor is deemed in default, at any time if the Contractor becomes insolvent, or is a party to any voluntary bankruptcy or receivership proceeding, makes an assignment for a creditor, or there is any similar action that affects Contractor's ability to perform under the Contract.

57. PAYMENT UPON TERMINATION: Upon termination of the Contract, the City will pay Contractor for satisfactory performance up until the effective date of termination. The City shall make final payment within thirty (30) days from receipt of the Contractor's final invoice.

58. CANCELLATION FOR GRATUITIES: The City may cancel the Contract at any time, without penalty or further liability to Contractor, if City determines that Contractor has given or offered to give any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with award or performance of the Contract.

59. CANCELLATION FOR CONFLICT OF INTEREST: Pursuant to A.R.S. § 38-511, if the City identifies a conflict of interest in the award or performance of the Contract, the City may cancel the Contract within three years after its execution, without penalty or further liability to Contractor.

MISCELLANEOUS

60. COOPERATIVE PURCHASE CONTRACTS: Presuming that Contractor agreed to such during the procurement process, Contractor will enter into cooperative purchase arrangements, as sanctioned by state and federal law, to allow Contractor to sell materials and services to any member of a cooperative group under the same pricing, terms and conditions of the contract awarded to the Contractor by the public procurement unit, following a competitive procurement process.

61. ADVERTISING: Contractor shall not advertise or publish information concerning its Contract with the City without the prior written consent of the City.

62. NOTICES: All notices given pursuant to the Contract shall be delivered at the addresses as specified in the Contract or updated by Notice to the other Party. Notices may be: (a) personally delivered, with receipt effective upon personal delivery; (b) sent via certified mail, postage prepaid, with receipt deemed effective four days after being sent; or (c) sent by overnight courier, with receipt deemed effective two days after being sent. Notice may be sent by email as a secondary form of notice.

63. THIRD PARTY BENEFICIARIES: The Contract is intended for the exclusive benefit of the parties. Nothing herein is intended to create any rights or responsibilities to third parties.

64. GOVERNING LAW: The Contract shall be construed in accordance with the laws of Arizona.

65. FORUM: In the event of litigation relating to the Contract, any action at law or in equity shall be filed in Coconino County, Arizona.

66. ATTORNEYS' FEES: If any action at law or in equity is necessary to enforce the terms of the Contract, the prevailing party shall be entitled to recover its reasonable attorneys' fees, costs, professional fees and expenses.

67. FORCE MAJUERE:

a. There may be events that occur during the term of the Contract that are beyond the control of both the City and Contractor, including events of war, floods, labor, disputes, earthquakes, epidemics, pandemics, adverse weather conditions not reasonably anticipated, forest fires, and other acts of God ("Events"). 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 the Contract.

b. There shall be no claims arising from a temporary delay of contractual deliverables, or the permanent inability to provide the contractual deliverables caused by the Events and the City shall not pay additional costs incurred by Contractor as a result of such Events.

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

68. **NO BOYCOTT OF ISRAEL:** Pursuant to A.R.S. §§ 35-393 and 35-393.01, if a Party has over ten (10) employees and the Contract is worth at least one-hundred thousand dollars and no cents ($100,000), the Party shall certify that it is not currently engaged in, and agrees, for the duration of the Contract, will not engage in a boycott of Israel.

69. **CHANGES TO CONTRACT:** The Contract shall not be modified within the first year after Contract award where: (a) an amendment may result in a competitive advantage that was not made available to other proposers/bidders; or (b) requests for changes may delay commencement of performance.

70. **FORCED LABOR OF ETHNIC UYGHURS:** If Contractor engages in for-profit activity and has ten (10) or more employees, pursuant to A.R.S. §35-394, the Contractor certifies that it does not currently, and agrees for the duration of the contract that it will not, use: 1) the forced labor of ethnic Uyghurs in the People's Republic of China; 2) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; and 3) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If the Contractor becomes aware during the term of the contract that the company is not in compliance with the written certification, the Contractor shall notify the City within five (5) business days after becoming aware of the noncompliance. If the Contractor does not provide the City with a written certification that the Contractor has remedied the noncompliance within 180 days after notifying the City of the noncompliance, this Contract terminates, except that if the contract termination date occurs before the end of the remedy period the Contract terminations on the Contract termination date.

EXHIBIT C

STANDARD INSURANCE REQUIREMENTS

(Last Updated January 19, 2023)

*The term "Contractor" may substitute for the term "vendors," "consultants," or "firms," depending on the purpose of the underlying Contract.

1. IN GENERAL: Contractor shall maintain insurance against claims for injury to persons or damage to property, arising from performance of or in connection with the Contract by Contractor, its agents, representatives, employees, and/or subcontractors.

2. REQUIREMENT TO PROCURE AND MAINTAIN: Each insurance policy required by the Contract shall be in effect at, or before, commencement of work under the Contract and shall remain in effect until all of Contractor's obligations under the Contract have been met, including any warranty periods. Contractor's failure to maintain the insurance policies as required by the Contract, or to provide timely evidence of renewal, will be considered a material breach of the Contract.

3. MINIMUM SCOPE AND LIMITS OF INSURANCE: The following insurance requirements are minimum requirements for the Contract and in no way limit the indemnity covenants contained in the Contract. The City does not represent or warrant that the minimum limits set forth in the Contract are sufficient to protect Contractor from liabilities that might arise out of the Contract, and Contractor is free to purchase such additional insurance as Contractor may determine is necessary.

Where applicable, as related to the Scope of Work, Contractor shall provide coverage at least as broad and with limits not less than those stated below.

a. Commercial General Liability - Occurrence Form

General Aggregate	$2,000,000
Products/Completed Operations	$1,000,000
Each Occurrence	$1,000,000

b. Umbrella Coverage $2,000,000

c. Automobile Liability

Any Automobile or Owned, Hired, and Non-owned Vehicles Combined Single Limit Per Accident for Bodily Injury & Property Damage	$1,000,000

d. Workers' Compensation and Employer's Liability

Workers' Compensation	Statutory
Employer's Liability: Each Accident	$1,000,000
Disease - Each Employee	$1,000,000
Disease - Policy Limit	$1,000,000

e. Professional Liability $2,000,000

f. Network Security and Privacy Liability

Per claim	$2,000,000
Annual Aggregate	$2,000,000

4. **NETWORK SECURITY AND PRIVACY LIABILITY:** Contractor shall maintain the requisite insurance requirements covering all acts, errors, omissions, negligence, infringement of intellectual property (except patent and trade secret); network security and privacy risks, including but not limited to unauthorized access, failure of security, breach of privacy perils, wrongful disclosure, collection, or other negligence in the handling of confidential information, privacy perils, and including coverage for related regulatory defense and penalties; data breach expenses, including but not limited to, consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services in the performance of services for the City. The insurance policy shall include coverage for third-party claims. The insurance policy shall contain an affirmative coverage grant for contingent bodily injury and property damage emanating from the failure of the technology services or an error or omission in the content/information provided.

5. **SELF-INSURED RETENTION:** Any self-insured retentions must be declared to and approved by the City. If not approved, the City may require that Contractor reduce or eliminate such self-insured retentions with respect to the City, its officers, agents, employees, and/or subcontractors. Contractor shall be solely responsible for any self-insured retention amounts. The City at its option may require Contractor to secure payment of such self-insured retention by a surety bond or irrevocable and unconditional letter of credit.

6. **OTHER INSURANCE REQUIREMENTS:** The insurance policies shall contain, or be endorsed to contain, the following provisions:

   a. Additional Insured: In Commercial General Liability and Automobile Liability Coverages, the City of Flagstaff, its officers, officials, agents, employees, and/or subcontractors shall be named and endorsed as additional insureds with respect to liability arising out of the Contract and activities performed by or on behalf of Contractor, including products and completed operations of Contractor, and automobiles owned, leased, hired, or borrowed by Contractor.

   b. Broad Form: Contractor's insurance policy shall contain broad form contractual liability coverage.

   c. Primary Insurance: Contractor's insurance coverage shall be primary insurance with respect to the City, its officers, officials, agents, employees, and/or subcontractors. Any insurance or self-insurance maintained by the City, its officers, officials, agents, employees, and/or subcontractors shall be in excess of the coverage of Contractor's insurance and shall not contribute to it.

   d. Each Insured: Contractor's insurance policies shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

   e. Not Limited: Coverage provided by Contractor shall not be limited to the liability assumed under the indemnification provisions of the Contract.

f. Waiver of Subrogation: The insurance policies shall contain a waiver of subrogation against the City, its officers, officials, agents, employees, and/or subcontractors for losses arising from work performed by Contractor for the City.

7. NOTICE OF CANCELLATION: Each insurance policy required by the insurance provisions of the Contract shall provide the required coverage and shall not be suspended, voided, cancelled, and/or reduced in coverage or in limits unless prior written notice has been given to the City. Notices required by this section shall be sent directly to the Procurement Agent and shall reference the Contract Number.

8. ACCEPTABILITY OF INSURERS: Contractor shall place insurance hereunder with insurers duly licensed or approved unlicensed companies in the State of Arizona and with a "Best's" rating of not less than A-: VII. The City does not represent or warrant that the above required minimum insurer rating is sufficient to protect Contractor from potential insurer insolvency.

9. CERTIFICATES OF INSURANCE: Contractor shall furnish the City with certificates of insurance (ACORD form) as required by the Contract. The certificates for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. Any policy endorsements that restrict or limit coverage shall be clearly noted on the certificate of insurance. The City Contract number shall be noted on the certificates of insurance. If requested by the City, all certificates of insurance and endorsements must be received and approved by the City before the Contractor commences work.

10. POLICIES: The City reserves the right to require, and receive within ten (10) days, complete, certified copies of all insurance policies and endorsements required by the Contract. The City shall not be obligated, however, to review any insurance policies or to advise Contractor of any deficiencies in such policies and endorsements. The City's receipt of Contractor's policies or endorsements shall not relieve Contractor from, or be deemed a waiver of, the City's right to insist on strict fulfillment of Contractor's obligations under the Contract.

11. MODIFICATIONS: Any modification or variation from the insurance requirements in the Contract must have the prior approval of the City's Attorney's Office in consultation with the City's Risk Manager, whose decision shall be final. Such action will not require a formal Contract amendment but may be made by their handwritten revision and notation to the foregoing insurance requirements.

END OF RSOQ

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Patrick O'Connor, Water Services Section Director - Field Operations

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:

Consideration and Approval of Contract: Approve the Contract with AZ Wastewater Industries, Inc. (AWI) in the amount of $187,942.52, including local fees and taxes, to Purchase and Install the CUES Portable Pipe Inspection System in the Wastewater Collections Closed Circuit Television (CCTV) Van.

STAFF RECOMMENDED ACTION:

1. Approve the Contract with AWI in the amount of $187,942.52, including local fees and taxes, to Purchase and Install the CUES Portable Pipe Inspection System for the Wastewater Collections CCTV Van; and
2. Authorize the City Manager to execute the necessary documents.

Executive Summary:

S4-029, Wastewater Collections, an existing Closed-Circuit Television (CCTV) van, is in dire need of its Envirosight camera equipment to be replaced and upgraded as it has been failing and has been down several times over the years. This unit is the only one of its kind in our fleet and heavily relied upon for the inspection of both our wastewater collection and stormwater collection systems. The CUES equipment to be purchased from AWI allows for the remote inspection of underground pipes, keeping staff out of these confined spaces and hazardous areas.

Financial Impact:

Project Name: CCTV Van equipment retrofit
Cost: $187,942.52
Account Number Budgeted: 203-08-313-1134-0-4401
FY Budgeted Amount: $181,000.00. Additional FY2025-26 budget funding for the $6,942.52 difference, will be covered by budget appropriation in 203-08-313-1133-0-4313.
Grant Funded: No
Funding Source: Wastewater Fund

Policy Impact:

None. This is the replacement of existing equipment on S4-029, the Wastewater Collections CCTV Van.

Previous Council Decision or Community Discussion:

None, other than the original approval of the purchase of S4-029 back in 2018.

Options and Alternatives to Recommended Action:

1. Option A: Accept the contract from AZ Wastewater Industries, Inc. as the State of Arizona's source for CUES equipment; or
2. Option B: Continue to use our existing and failing CCTV equipment, resulting in costly repairs.

Background and History:
AZ Wastewater Industries, Inc. (AWI) is the Sole Source vendor for the State of Arizona for CUES equipment, which we have experienced as being reliable, user-friendly and who provide excellent local (Phoenix) customer support. As required under the Procurement Code, the information regarding the CUES equipment and retrofit installation from AWI was provided to Purchasing. Purchasing staff performed the required due diligence of AWI and has determined and approved that this is the sole source vendor for equipment in the state of Arizona.

Connection to PBB Priorities and Objectives:

- High Performance Governance: Serve the public by providing high quality customer service.
- Sustainable, Innovative Infrastructure: Deliver outstanding services to residents through a healthy, well-maintained infrastructure system.

Connection to Regional Plan:
n/a

Connection to Carbon Neutrality Plan:
n/a

Connection to 10-Year Housing Plan:
n/a

Attachments: Materials and Services Contract

MATERIALS AND SERVICES PURCHASE AGREEMENT
Contract No. 2026-75

This Contract is entered into this _____ day of _____, 20___ by and between the City of Flagstaff, a political subdivision of the State or Arizona ("City"), and AZ Wastewater Industries, Inc., a Nevada corporation ("Contractor").

WHEREAS, the City desires to receive and Contractor is able to provide certain materials and services; and

NOW THEREFORE, in consideration for the mutual promises herein, the Parties agree as follows:

1. Scope of Work: Contractor shall provide the materials and services generally described as:

CUES Mark3 - Portable Pipe Inspection System and Installation

as specifically identified in the Quote, attached hereto as *Exhibit A* (the "Quote").

2. Term and Renewal:

2.1 Contract Term: The term is for a period of 180 days unless terminated pursuant to the provisions of the Contract. The Contract will be effective as of the date signed by both parties. The City Council has the authority to amend the term of the Contract.

2.2 Renewal: The Contract may be renewed for up to an additional 180 days by mutual written consent of the parties. The City Manager or his/her designee (the Purchasing Director) shall have authority to approve renewal on behalf of the City.

2.3 Unilateral Extension: The Contract may be unilaterally extended for one (1) 90-day period. The City Manager or his/her designee (the Purchasing Director) shall have the authority to approve the extension on behalf of the City. Contractor will be provided written notice of the Unilateral Extension prior to expiration of the Contract.

3. Termination & Cancellation Clauses.

3.1 Non-Appropriation: The City may terminate the Contract due to budget constraints and non-appropriation of funds for the following fiscal year, without penalty or liability to Contractor.

3.2 For Convenience: Either Party may terminate the Contract for any reason by giving the other Party written notice of such termination no less than fifteen (15) days prior to the date of termination. If the Contract is so terminated, the City's only payment obligation under the Contract shall be for those Services completed prior to the effective date of the termination.

3.3 Conflict of Interest: Pursuant to A.R.S. § 38-511, if the City identifies a conflict of interest in the award or performance of the Contract, the City may cancel the Contract within three (3) years after its execution, without penalty or further liability to Contractor.

4. Compensation:

4.1 Compensation: Contractor shall be paid for satisfactory performance of the Contract in an amount not to exceed **one hundred eighty-seven thousand nine hundred forty-two dollars and fifty-two cents ($187,942.52),** including local fees and taxes.

4.2 Price: Contractor shall, in the quantities set forth in any purchase order that the City may submit to the Contractor, sell to the City the materials and services at the prices stated in the Quote.

4.3 Price Adjustments: Price adjustments may be negotiated at the time of Contract-renewal at the discretion of the City. Any request for a price increase must include supporting documentation demonstrating that the increase in contract price is based on an increased cost to the Contractor and that the proposed pricing is still competitive in the marketplace.

4.4 Formal Amendment Required: Any price adjustment must be approved by mutual written consent of the parties through a formal amendment. The City Manager or his/her designee may approve an amendment if the total amount of the Contract, as amended, is less than $100,000; otherwise, City Council approval is required.

5. Invoicing and Payment after Delivery:

5.1 Payment: Unless otherwise stated in the Quote, payment is due within thirty (30) days of the date of the Contractor's delivery of the materials and services conforming to the Contract and receipt of the Contractor's invoice, whichever is later.

5.2 Invoice: Contractor should invoice the City by an itemized list of charges. The City's Purchase Order Number and/or the Contract Number should be referenced on each invoice. Invoices shall include the Contract and/or Purchase Order number and dates when the work has been performed. Invoices shall be sent within thirty (30) days following performance. Payment will only be made for satisfactory Services received and accepted by City.

5.3 Taxes: Contractor shall be responsible for payment of all taxes including federal, state, and local taxes related to or arising out of performance of the Contract. Such taxes include but are not limited to federal and state income tax, social security tax, unemployment insurance taxes, transaction privilege taxes, use taxes, and any other taxes or business license fees.

5.4 Exception: The City will pay any taxes which are specifically identified as a line-item dollar amount in Contractor's bid, proposal, or quote, and which were considered and approved by the City as part of the award process. Such taxes shall be identified as a separate line item in Contractor's invoices.

6. Materials:

6.1 Quality: Contractor warrants that all materials supplied under the Contract will be new and free from defects in material or workmanship. The materials will conform to any statements made on the containers or labels or advertisements for the materials and will be safe and appropriate for use as normally used. The City's inspection, testing, acceptance, or use of materials shall not serve to waive these quality requirements. This warranty shall survive termination or expiration of the Contract.

6.2 Manufacturer's Warranties: Contractor shall deliver all Manufacturer's Warranties to the City upon the City's acceptance of the materials.

6.3 Delivery:

6.3.1 Contractor shall deliver the materials FOB destination to the City's receiving address as set forth in the relevant purchase order under the Contract. All transportation and handling charges shall be paid by the Contractor, unless the Parties agree otherwise in

a writing signed by the Parties. Risk of loss of the materials will pass to the City upon Contractor's delivery of materials conforming to the Contract pursuant to a purchase order from the City under this Contract.

6.3.2 Contractor shall take all reasonable measures to ensure that any materials purchased under this Contract shall be delivered within thirty (30) days of the City's issuance of the relevant purchase order unless the Parties agree otherwise in writing. Contractor will not be liable for delays in performance or for non-performance due to unforeseen circumstances or causes beyond the Contractor's reasonable control.

6.4 Default in One Installment to Constitute Total Breach: Contractor may not substitute nonconforming materials. Delivery of nonconforming materials, or a default of any nature, shall constitute a breach of the Contract as a whole.

7. Governing Law and Venue, Attorneys' Fees, Public Records, and Inspection.

7.1 Governing Law and Venue: The Contract shall be governed by and construed in accordance with the laws of the State of Arizona. In the event of litigation, exclusive venue arising under this Contract is Coconino County, Arizona.

7.2 Attorneys' Fees: If any action at law or in equity is necessary to enforce the terms of the Contract, the prevailing party shall be entitled to recover its reasonable attorneys' fees, costs, professional fees, and expenses.

7.3 Public Records: The Contract and any related materials are a matter of public record and subject to disclosure pursuant to Arizona Public Records Law. A.R.S. § 39-121 et seq. If Contractor has clearly marked its proprietary information as "confidential," the City will endeavor to notify Contractor prior to release of such information.

7.4 Inspection: The City shall have the right to inspect and audit all Contractor books and records related to the Contract for up to five (5) years after completion of the Contract.

8. Cooperative Use: If Contractor agreed during the procurement process, Contractor may enter into cooperative purchase arrangements, as sanctioned by state and federal law, to allow Contractor to sell the Materials identified on the Quote to any member of a cooperative group under the same pricing, terms, and conditions of the Contract awarded to the Contractor.

9. Amendment: The Contract is intended to be the complete and final agreement of the Parties. The Contract may be amended through a formal written amendment Parties. A "change order" is not a sufficient mechanism for amending the Contract.

10. Compliance with Laws: Contractor shall comply with all applicable federal, state, and local laws, regulations, standards, codes, and ordinances, including acquiring the requisite insurance, licenses, permits, and approvals, required to perform the Contract, and provide copies to City upon request.

11. Insurance:

11.1 Minimum Scope and Limits of Insurance: The following insurance requirements are minimum requirements for the Contract and in no way limit the indemnity covenants contained in the Contract. The City does not represent or warrant that the minimum limits set forth in the Contract are sufficient to protect Contractor from liabilities that might arise out of the Contract, and

Contractor is free to purchase such additional insurance as Contractor may determine is necessary.

11.2 Coverage: Where applicable, as related to the Scope of Work, Contractor shall provide coverage at least as broad and with limits not less than those stated below.

11.2.1 Commercial General Liability - Occurrence Form

General Aggregate	$2,000,000
Products/Completed Operations	$1,000,000
Each Occurrence	$1,000,000

11.2.2 Umbrella Coverage $2,000,000

11.2.3 Automobile Liability

Any Automobile or Owned, Hired, and Non-owned Vehicles Combined Single Limit Per Accident for Bodily Injury & Property Damage	$1,000,000

11.2.4 Workers' Compensation and Employer's Liability

Workers' Compensation	Statutory
Employer's Liability: Each Accident	$1,000,000
Disease - Each Employee	$1,000,000
Disease - Policy Limit	$1,000,000

11.3 Other Insurance Requirements: The insurance policies shall contain, or be endorsed to contain, the following provisions:

11.3.1 Additional Insured: In Commercial General Liability and Automobile Liability Coverages, the City of Flagstaff, its officers, officials, agents, employees, and/or subcontractors shall be named and endorsed as additional insureds with respect to liability arising out of the Contract and activities performed by or on behalf of Contractor, including products and completed operations of Contractor, and automobiles owned, leased, hired, or borrowed by Contractor.

11.3.2 Broad Form: Contractor's insurance policy shall contain broad form contractual liability coverage.

11.3.3 Primary Insurance: Contractor's insurance coverage shall be primary insurance with respect to the City, its officers, officials, agents, employees, and/or subcontractors. Any insurance or self-insurance maintained by the City, its officers, officials, agents, employees, and/or subcontractors shall be in excess of the coverage of Contractor's insurance and shall not contribute to it.

11.3.4 Each Insured: Contractor's insurance policies shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

11.3.5 Not Limited: Coverage provided by Contractor shall not be limited to the liability assumed under the indemnification provisions of the Contract.

11.3.6 Waiver of Subrogation: The insurance policies shall contain a waiver of subrogation against the City, its officers, officials, agents, employees, and/or subcontractors for losses arising from work performed by Contractor for the City.

12. Indemnity: Contractor shall be fully liable for the actions of its agents, employees, partners, and assigns and shall fully indemnify, defend, and hold harmless the City, and their officers, agents, and employees from third party suits, actions, damages, and costs of every name and description, including attorneys' fees to the extent arising from or relating to personal injury and damage to real or personal property, caused in whole or in part by the negligence or willful misconduct of Contractor, its agents, employees, partners, or assigns. This indemnification shall survive termination or expiration of the Contract.

13. Assignment/Subcontracting: Contractor shall not assign, sell, transfer, or subcontract rights, or delegate responsibilities of this Contract, in whole or in part, without the City's prior written approval.

14. Nondiscrimination: Contractor shall not discriminate against any employee or applicant for employment or person to whom it provides Services because of race, color, religion, sex, national origin, disability, genetic information, veteran's status, pregnancy, and/or familial status and represents and warrants that it complies with all applicable federal, state, and local laws, ordinances and executive orders regarding employment.

15. Immigration Laws: Pursuant to A.R.S. § 41-4401, Contractor hereby warrants that it and each of its subcontractors shall comply with all state and federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). A breach of state and/or federal immigration laws and regulations shall constitute a material breach of the Contract.

16. Forced Labor of Ethnic Uyghurs: Contractor hereby certifies that it does not use the forced labor of ethnic Uyghurs in the People's Republic of China as defined in A.R.S. § 35-394, et seq.

17. No Boycott of Israel: Pursuant to A.R.S. §§ 35-393 and 35-393.01, if a Party has over ten (10) employees and the Contract is worth at least one-hundred thousand dollars and no cents ($100,000), the Party shall certify that it is not currently engaged in, and agrees, for the duration of the Contract, will not engage in a boycott of Israel.

18. Warranty: All work shall be of good quality and free of defects, and performed in a diligent and professional manner. Contractor warrants all work for a period of one (1) year following final acceptance by the City. This warranty shall survive termination or expiration of the Contract.

19. Notice: Any formal notice under the Contract shall be in writing via certified mail and email as follows:

To the City:	To Contractor:
Patrick O'Connor	Brandon Martinez
Water Services Section Director – Field Ops	3201 W. Virginia Ave. #3
City of Flagstaff	Phoenix, AZ 85009
211 W. Aspen Ave.	brandon@usa-awi.com
Flagstaff, AZ 86001	602-778-9359
poconnor@flagstaffaz.gov	

With a copy to:
Teddy Callan
Senior Procurement Specialist
City of Flagstaff
211 W. Aspen Ave.
Flagstaff, AZ 86001
Teddy.callan@flagstaffaz.gov

20. Authority: Each Party warrants that it has authority to enter into the Contract and perform its obligations hereunder, and that it has taken all actions necessary to enter into the Contract.

CONTRACTOR:	CITY OF FLAGSTAFF
By:_____	By:_____
Title:_____	Title:_____
Date:_____	Date:_____
ATTEST:	APPROVED AS TO FORM:
_____	_____
City Clerk	City Attorney's Office

Notice to Proceed issued:_____, 20___

Last Updated October 6, 2025

EXHIBIT A - QUOTE

AZ Wastewater Industries, Inc.
Phone: 800 778-9359 **Fax: 480 425-3321**
www.usa-awi.com

ARIZONA LOCATION:
3201 W. Virginia Ave, Suite 3
Phoenix, AZ 85009

NEVADA LOCATION:
61 Spectrum Blvd
Las Vegas, NV 89101

QUOTE

Quote No.	**25961**
Quote Date	10/7/2025
Sales Rep.	BLM
Payment Terms	Net 30
F.O.B.	Destination
Prices Good For	180 Days

Customer:

City of Flagstaff
211 W Aspen
Flagstaff, AZ 86001
Attn: Accounts Payable

Item	Item Description	Qty	Unit Cost	Total
CUES	Cues Mark3 portable unit (Per Attached Specifications)	1	172,266.28	172,266.28T

Subtotal	$172,266.28
Sales Tax (9.1%)	$15,676.24
Total	**$187,942.52**

3.5% credit card processing fee will be applied to all invoices paid with credit card

Quote# 25961

Specifications For: City of Flagstaff Arizona

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1 MARK3 TRUCK MOUNTED HD SYSTEM

MARK3 Compact Heavy Duty Cable Reel Assembly with Automatic Cable Payout to Include:

1 Lightweight Aluminum Construction with Heavy Duty Welded Main Frame

Assembly 1 Electric Motor Rewind

1 Heavy Duty Automatic Level Wind with Bottom entry/exit Cable Point

1 Automatic Payout Feature for Video/Power Cable

1 Manual Clutch for Freewheel Operation

1 12 Conductor Slip Ring

1 Stainless Steel Hub Shaft

1 Emergency Hand Crank for Cable Retrieval in Case of Power Loss

1 Electronic Footage Encoder

1 Local Reel Control with Emergency Stop for Safety

1 Fully Enclosed Reel for Safety

1 Plexiglass Viewing Panels for Level Wind and Cable Drum Areas

1 Rear Mount for K3 Power Control Unit

MARK3 Camera and Transporter Power Control Unit (DUC Ready) to Include:

1 Combination Color Camera and Transporter Control System - 110 VAC

1 Electronics Mounted in Weather Proof Ventilated Enclosure with Protective Cage

1 USB DVR

2 USB Connections

2 Video Out Connection

1 System Controlled by Wireless or Wired Hand Held Controller **1**

Integral Data Display System to Include:

1 Alpha Numeric Information Display

1 Multi Paging

1 Defect Coding

1 External AV output port

1 Aux video input port

1 Operation of Cues Digital Side Scanning (HD/DUC) Camera

MARK3 Monitor/Keyboard in Weather Proof Case to Include:

1 10.4" Flat Panel Sunlight Readable Monitor

1 Custom Keypad for Titling and Digital Recording Control

1 System Status Indicator

1 Microphone Jack

1 Built-in Speaker

1 USB Port

MARK3 Heavy Duty Ram Mount for Mounting Monitor/Keyboard Case to MARK3 Reel to Include:

1 Fully Adjustable Ram Mount

1 Ability to Raise Monitor/Keyboard Case by 10 Inches

1 Ability to Rotate Monitor/Keyboard Case 180 Degrees

1 Tilt Adjustment of Monitor/Keyboard Case

1 Hardware for Attaching Ram Mount to MARK3 Compact Reel

1 Hardware for Attaching Monitor/Keyboard Case to Ram Mount

MARK3 Heavy Duty Universal Vehicle Mount (Soft mount) to Include:

1 Heavy Duty Aluminum Construction

1 Heavy Duty Fold Down Easement Roller/Side Load Arm with Cable Guide Fairlead

4 Quick Release Stainless Steel Securing Pins with Lanyards

1 Rapid Attachment or Removal of MARK3 Compact Reel

1 Stainless Steel Drip Pan - Removable for Cleaning

MARK3 Heavy Duty Handle Set for Transporting Compact Reel to Include:

1 Heavy Duty Lifting Handle Set (2 Handles Total) for MARK3 Compact Reel

1 Hardware for Mounting Handles to MARK3 Compact Reel

MARK3 Stand Alone Desk mount Monitor

WIRED USB CONTROLLER

WIRELESS CONTROLLER

1 1000' TV CABLE FOR DUC, MARK 3

1 OZ3s P&T ZOOM M/C LED CAMERA WITH BUILT-IN SONDE

1 Solid State Color Sewer TV Camera

1 Pan & Rotate Camera Head, 120:1 Optical/Digital Zoom

1 NTSC/PAL Color Standard with 4x Light Integration

1 4 X 5W Cluster LEDs for 6" through 72" lines

1 Camera Transportation and Storage Case

1 Built in Transmitter, 512 Hz

1 ULTRA SHORTY 3 TRAC TRANSPORTER

- 1 For 6" Relined Pipe Sizes with Free Wheel and Powered Reverse
- 1 Built In 6-Pin Receptacle for Direct Insertion of the Camera
- 1 Protective Housing for Optical Zoom Camera Pan & Tilt with Locking Feature

1 8"-15" EXTENDERS

1 SPARE PARTS KIT FOR TRAC TRANSPORTERS

- 1 Additional Chain Links And Rubber Cleats

1 BRASS STEERABLE COMPACT PIPE RANGER, WHEELED

- 1 Steerable Unit Designed to Turn 360 Degrees Within Its Own Radius
- 1 Set of Driven Rubber Wheels to Inspect 6" Pipe
- 1 Two (2) Speed Transmission to Maximize Torque in Large Diameter Pipe with:
  - 1 Manual Shifter on Camera Carrier
  - 1 Unit Shall Have Forward, Free Wheel, and Power Reverse Capabilities
- 1 All Six (6) Wheel Drive Transporter Assembly to Include:
- 1 Motor & Enclosed Drive Train
- 1 Tip Up Rear Connector

1 8" RUBBER WHEEL KIT

1 10-15" RUBBER WHEEL KIT

1 6"-15"PIPE SPACER KIT - BRASS

1 6" STEEL 10/12 GR WHEEL KIT

1 8" STEEL 10/12 GRIT WHEEL KIT

1 12"-15" PNEUMATIC TIRE KIT

1 ELECTRIC CAMERA LIFT FOR COMPACT PIPE RANGER

1 10" - 15" STEEL WHEEL KIT FOR CPR / LAMP / WTR

1 TV DOWNHOLE KIT

- 1 Toproller Assembly, Manhole, TV Only, Al
- 1 Claw Hook, Manhole Adapter, f/WT319
- 1 Hook Assembly, Retrieval

6 Pole Assembly, Retrieval / Downhole tl,58"

1 Roller Assembly, Invert f/ WT319

1 TIGER TAIL

1 INSTALLATION OF NEW EQUIPMENT AND FIELD TRAINING FOR ID SYSTEM, 5 DAYS

1 SMALL UNIT SHIPPING AND HANDLING

1 CUSTOMER SUPPLIED COMPUTER AND SOFTWARE.

1 BRACKET,CABLE BULKHEAD,WALL MOUNT

1 CBL ASSY,UMBILICAL,PCU>DISPLAY,5'

1 CABLE ASSY,UMBILICAL EXTNDR,10',MK3

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Carmen Pryer, Real Estate Specialist

Co-Submitter: Bryce Doty

Co-Submitter: Bryce Doty

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:

Consideration and Approval of Contract Addendum: Fourth Addendum to the Lease of the Hopi Building at Heritage Square for Office Space

STAFF RECOMMENDED ACTION:

Staff recommends approval of the Fourth Addendum to the Lease Agreement for the Hopi Building for an additional term of three (3) years, commencing October 31, 2025, and authorizing the Mayor and City Manager, or their designees, to execute all necessary documents. Extending the Fourth Addendum ensures continuity of services provided at the Hopi Building and avoids disruption to tenants and community programs currently operating at the site.

Executive Summary:

The City of Flagstaff currently leases office space for ParkFlag and the Beautification, Arts and Science program at 6 E. Aspen Avenue. However, this lease is expiring. The City negotiated a three (3) year extension of the lease as reflected in the Fourth Addendum.

Continuing the lease of the Hopi Building supports the City's long-standing commitment to sustainability and downtown vitality. The Hopi Building lease extension represents an environmentally responsible option by eliminating the carbon costs associated with new construction, or alternatively, the impact of moving these departments to lease office space located outside of downtown. Maintaining a City presence in the historic district also reinforces accessibility, visibility, and community engagement. Economically, leasing provides a cost-effective and flexible solution compared to the capital investment and long-term maintenance obligations of new facilities, while also supporting downtown businesses through the daily activity of staff and visitors. This approach reflects the City's values of environmental stewardship, cultural continuity, and fiscal responsibility, making the continued lease of the Hopi Building a sustainable path forward.

Rental space includes:

- An accessible and well-lit public space for customers to obtain parking permits and other parking-related business;
- A private office for the Parking Manager; space to immediately accommodate Parking Aids;
- Downtown location, desirable for implantation and enforcement of the parking program;
- Space requires no remodeling; and
- Sufficient space for sub-leasing. The Downtown Business Alliance is a current sub-tenant.

The Amendment to the Lease Term shall be for three (3) years and shall commence on October 31, 2025, and expire on October 31, 2028.

Dates	Monthly Rent	Tax*	Monthly Total*
11/1/25-10/31/26	$5,871.00	$163.57	$6,034.57
11/1/26-10/31/27	$6,047.13	$168.47	$6,215.60

11/1/27-10/31/28	$6,228.54	$173.53	$6,402.07

*Based on the current rate of 2.786% and subject to change.

Financial Impact:
The City's monthly rent is set as follows:

Dates	Monthly Rent	Tax*	Monthly Total*
11/1/25-10/31/26	$5,871.00	$163.57	$6,034.57
11/1/26-10/31/27	$6,047.13	$168.47	$6,215.60
11/1/27-10/31/28	$6,228.54	$173.53	$6,402.07

*Based on the current tax rate of 2.786% and subject to change.
Breakdown of costs for ParkFlag, DBA, Beautification, Arts and Science Program the first year (Monthly Rent): $6,034.57, with a 3% increase annually.

- The City's monthly rent for year one(1) is set at $6,034.57 for an annual cost of $72,414.84. ParkFlag has a budget of $37,000 on account 061-07-231-0890-6-4241 and Beautification, Arts and Sciences has a budget of $37,000 on account 051-07-211-0820-5-4241. In addition, the DBA pays the City **(that is reimbursing Beautification and Parking funds)** a total of $18,372.00 year 6, $18,912.00 year 7, $19,488.00 year 8, annually for its sublease.

Policy Impact:
None.

Previous Council Decision or Community Discussion:
Consideration and approval of the third addendum was approved on August 26, 2024, providing for an extension date through October 31, 2025.

Consideration and approval of the Lease and Sub-lease with the Flagstaff Metropolitan Planning Organization and with the Downtown Business Alliance on November 19, 2019. City Council ratified the Second Addendum on June 20, 2023. A third addendum, to provide office space for City Staff (ParkFlag and the Beautification, Arts and Sciences Program) was approved on June 20, 2023. However, after the City Council meeting, the Hopi Tribe Economic Development Corporation did not execute this document, so it did not become effective.

Options and Alternatives to Recommended Action:
1. Approve the Lease Agreement extension to lease Addendum.
2. Do not approve the Lease Agreement extension to lease Addendum. (This option is not recommended as there is currently no space for the additional employees to work at current City facilities and no available existing office space to accommodate the needs of the three programs: ParkFlag, Downtown Business Alliance, and Beautification Arts and Sciences Program.)
3. Provide alternative direction to staff.

Background and History:
The City has a lease for commercial space in the Hopi Building (6 E. Aspen Avenue, Suite 200 on the western boundary of Heritage Square). The lease has been in place for five(5) years. The City, specifically ParkFlag, has been the lessee with Downtown Business Alliance (DBA) and the Beautification, Arts, and Sciences Program as subletting part of the space.

The current location at 6 E. Aspen Avenue meets all the space requirements for ParkFlag and is a desirable location to implement and enforce the Parking Management Plan. However, the lease expires October 31, 2025. ParkFlag, Beautification and the Downtown Business Alliance would prefer the stability of remaining in their current location. Last year, ParkFlag looked at several locations in the downtown area that were available, and none met the need to accommodate Park Flag, Downtown Business Alliance, and Beautification, Arts and Sciences Program. The limitations included: not meeting the requirements of the Americans with Disability Act, costs exceeded current costs, locations were not centrally located in the ParkFlag management area, and office space did not meet the needs of the staff. Because of the uniqueness of the requirements and the imminent

lease expiration, it was determined that sole-source procurement was appropriate for the lease.

Connection to PBB Priorities and Objectives:

- Core Service Delivery / Operational Excellence: Provides stable, adequate office space for staff, allowing uninterrupted delivery of City services. Staff can work efficiently in a centrally located, established office.
- Financial Sustainability: Extending an existing lease avoids the costs and disruption of relocating staff. Predictable lease payments support budget planning.
- Public Safety & Community Wellbeing: Centralized office space allows for coordinated emergency response and citizen services.
- Sustainability & Environmental Stewardship: Using an existing building reduces environmental impacts compared to constructing new space. Maintains downtown location, supporting walkable, transit-accessible workspaces.
- Economic Development / Community Vitality: Leasing in Heritage Square supports the downtown economy and keeps City staff near community resources.

Connection to Regional Plan:

- Policy LU.3 (Downtown as the Core) -- Reinforces the role of downtown as the cultural, civic, and economic hub by maintaining active use of existing buildings in the downtown core.
- Policy CC.2 (Historic Preservation) -- Supports preservation and continued use of historically significant structures like the Hopi Building and Heritage Square, keeping them occupied and contributing to community character.
- Policy E.1 (Economic Vitality) -- Promotes a healthy, resilient economy by sustaining tenants and services in the downtown core.
- Policy LU.18 (City Leadership in Land Development) -- Demonstrates the City's leadership in managing its real estate portfolio responsibly and strategically.
- Policy CC.5 (Support for Arts, Science, and Culture) -- Provides space for tenants that may offer cultural or community benefits, furthering Flagstaff's identity as a vibrant and diverse community.

Connection to Carbon Neutrality Plan:

- Goal 1: Reduce Building Emissions -- By maintaining and reusing an existing building, the City avoids the significant embodied carbon cost of demolition and new construction. Extending the lease supports adaptive reuse, which is more sustainable than developing new space.
- Goal 5: Lead by Example -- Demonstrates the City's commitment to sustainable property management practices by extending the useful life of an existing asset, consistent with municipal leadership in climate action.
- Cross-cutting Strategy: Partnerships -- Supports tenants who may advance community resilience, equity, and sustainability initiatives while keeping operations in the City's walkable, transit-accessible downtown core.
- Section 3 of Resolution 2022-52 (attached) is inapplicable due to single source procurement and lack of qualified alternatives.

Connection to 10-Year Housing Plan:
Objective: Support Mixed-Use and Downtown Vibrancy -- By keeping the Hopi Building occupied and active in the downtown core, the City reinforces a vibrant, walkable district where housing is better supported by nearby services, jobs, and amenities.

Connection to Division Specific Plan:

- Facilities / Real Estate Management Objectives -- Extending the lease ensures City facilities are effectively managed, revenue-producing, and aligned with long-term portfolio strategy.
- Economic Vitality Goals -- Supports downtown economic activity by maintaining occupancy of a historic

building in the City core, preventing blight and vacancy.
- Community Development Goals -- Ensures that downtown Flagstaff continues to be a vibrant, mixed-use district in line with the City's planning objectives.
- Sustainability & Resiliency Program Alignment -- Promotes adaptive reuse and efficient use of existing infrastructure, reducing the need for new resource-intensive development.

Attachments: Fourth Addendum
Resolution 2002-52

FOURTH ADDENDUM AND EXTENSION TO LEASE

Dated for reference: August 28, 2025

The FOURTH ADDENDUM AND EXTENSION TO LEASE, for that Lease dated September 17, 2019, as amended by the First Addendum to Lease dated January 1, 2020, that Second Addendum and Extension to Lease, dated October 5, 2022, and that Third Addendum to Lease, dated September 16, 2024, hereafter collectively the "Lease", by and between HOPI TRIBE ECONOMIC DEVELOPMENT CORPORATION, a federally chartered corporation, wholly owned by the Hopi Tribe, a federally recognized Indian tribe, as "Landlord", and City of Flagstaff, an Arizona municipal corporation doing business as "ParkFlag" as "Tenant", for that Premises known as the Hopi Building at Heritage Square, 6 E. Aspen Avenue, Suite 200, Flagstaff, AZ 86001. This FOURTH ADDENDUM AND EXTENSION TO LEASE shall be incorporated by reference into the Lease and in the event of any discrepancy between the terms of the Lease and the terms of this FOURTH ADDENDUM AND EXTENSION TO LEASE, the terms of the FOURTH ADDENDUM AND EXTENSION TO LEASE shall prevail.

FOURTHAD1. LEASE TERM. Tenant and Landlord agree that the term of the Lease shall be extended for three (3) years. This extension shall be referred to hereafter as the "Third Extended Term" and shall expire on October 31, 2028.

FOURTHAD2. MINIMUM MONTHLY RENT. The Minimum Monthly Rent during the Third Extended Term shall be as follows:

DATES	MONTHLY RENT	TAX*	MONTHLY TOTAL*
11/1/25 - 10/31/26	$5,871.00	$163.57	$6,034.57
11/1/26 - 10/31/27	$6,047.13	$168.47	$6,215.60
11/1/27 - 10/31/28	$6,228.54	$173.53	$6,402.07

*Based on the current rate of 2.786% and subject to change.

All other terms and conditions of the Lease apply.

(Signatures on page 2)

ACCEPTED AND APPROVED:
Landlord:

Hopi Tribe Economic Development Corporation,
A federally chartered corporation, wholly owned
By the Hopi Tribe, a federally recognized
Indian tribe

By: _____

Name Printed: Nick Brokeshoulder
Its: CEO
Date:

ACCEPTED AND APPROVED:
Tenant:

ParkFlag, City of Flagstaff
An Arizona municipal corporation

By: _____

Name Printed: Becky Dagget, Mayor
Date:

Attest by: _____

Name Printed:
Date:

Approved as to form by:

_____

Name Printed:
Date:

RESOLUTION NO. 2022-52

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, REQUIRING THAT NEW CONSTRUCTION AND MAJOR RENOVATION OF ALL CITY-OWNED, NON-HOUSING SECTION, OCCUPIED FACILITIES ACHIEVE EMISSIONS-NEUTRAL OPERATIONS, AND THAT THESE SAME FACILITIES SHALL BE DESIGNED TO SUPPORT ONE OR MORE FUNCTIONS OF A "COMMUNITY RESILIENCE HUB" TO SUPPORT VULNERABLE COMMUNITY MEMBERS DURING DISRUPTIVE EVENTS, AND THAT IN THE EVENT THAT A CITY-OWNED BUILDING OR PROPERTY IS BEING VACATED BY THE CITY, THAT THE HOUSING SECTION FIRST HAVE THE OPPORTUNITY TO EVALUATE THE PROPERTY AND DETERMINE THE FEASIBILITY OF REPURPOSING OR DEVELOPING IN A MANNER THAT SUPPORTS INCREASING THE NUMBER OF AVAILABLE AND AFFORDABLE HOUSING UNITS, AND REPEALING RESOLUTION NO. 2014-09

RECITALS:

WHEREAS, the City of Flagstaff ("City") is committed to excellence and leadership in the community; and

WHEREAS, the City desires to lead by example through implementing building practices that protect natural resources; prevent waste, reduce consumption, and promote human health and well-being; and

WHEREAS, incorporating sustainable building practices can yield savings by efficiently managing energy, water, waste and stormwater, while improving the employee and visitor experience; and

WHEREAS, the Mayor and City Council of the City of Flagstaff have adopted the Climate Emergency Declaration (Res. No 2020-09) and the Carbon Neutrality Plan (Res. No 2021-34) which commits the City to its own energy transition and supporting vulnerable community members during disruptive weather events or extreme incidents which due to climate change are anticipated to continue occurring with increasing frequency; and

WHEREAS, the most stringent energy efficiency standard that satisfies the Sustainable Building Incentive (PZ-21-00282) requires that the new building(s) be an all-electric, Zero Energy Building; and

WHEREAS, a building with emissions-neutral operations is a building that is highly efficient and either a) uses only renewable energy for its operation on an annualized average basis (this may include either onsite or offsite generated renewable energy) or b) produces and supplies onsite renewable energy in an amount equivalent to the magnitude of non-renewable energy consumed for its operations; and

WHEREAS, the Mayor and City Council of the City of Flagstaff wish to declare a commitment to energy conservation; and

WHEREAS, as of June 2022, all electricity purchased by the City for municipal operations is considered renewable as a result of participation in the APS Green Power Partners Program; and

WHEREAS, a Community Resilience Hub functions as a location where vulnerable residents can go during disruptive weather events or extreme incidents to receive ameliorating services and support, servicing a variety of purposes that could include, but are not limited to: a) a clean air center during extreme smoke events; b) a cooling center during extreme heat events; c) a warming center during extreme cold events; d) a refrigeration center and back up power center, especially for medications and medical devices, during any event that disrupts power for an extended period; and

WHEREAS, in order to provide these Community Resilience Hub services during disruptive weather events or extreme incidents, City facilities need to be designed so that they can operate independently of the electric grid for an extended period; and

WHEREAS, the Adaptive Reuse Program offers support to small businesses that repurpose existing buildings, in recognition that repurposing is one of the most sustainable approaches to building and development; and

WHEREAS, the Mayor and City Council of the City of Flagstaff have adopted the Housing Crisis Declaration (Res. No 2020-66) and the 10 Year Housing Plan (Res. No 2022-03) which commits the City to increasing the number of available and affordable housing options for Flagstaff residents at all income levels; and

WHEREAS, cities often own properties located in desirable locations with access to employment, community amenities, walkable neighborhoods and transit options; and

WHEREAS, an adequate supply of affordable and dignified housing supports sustainability, equity, and health, allowing more Flagstaff residents the opportunity to fully participate in the community pursuit of a carbon-neutral future that benefits all; and

WHEREAS, the Flagstaff City Council desires to repeal Resolution No. 2014-09.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. That the Mayor and City Council hereby require that all non-Housing Section, occupied, City-owned new construction and major renovation of existing facilities, including building additions over 10,000 square feet, achieve all-electric, emissions-neutral operations while also achieving certification in the most recent version of LEED (Silver) or Green Globes (3 Globes) or Living Building Challenge (full certification). It is acknowledged that there may be some highly energy intensive processes that are currently incompatible with all-electric operation. Any proposed new construction or major renovation that cannot achieve all-electric status may get approval from the Sustainability Director by demonstrating that doing so is infeasible. These projects would still be expected to achieve emissions-neutral operations.

SECTION 2. That if City staff charged with the design, construction, or renovation of a City-owned facility determine that compliance with certification standards is uniquely cost prohibitive, staff will recommend that the project achieves all-electric, emissions-neutral operations while adhering to the most recent ASHRAE High-Performance building standards. Cost prohibitive is defined as a payback period of more than eight (8) years for the additional costs associated with LEED, Green

Globes, or Living Building Challenge measures.

SECTION 3. That the Mayor and City Council require that when entering into leases for occupancy, including the renegotiation or extension of existing leases, the City shall include a preference for occupied space that is certified under LEED, Green Globes, Living Building Challenge, ASHRAE, or an equivalent standard.

SECTION 4. That the Mayor and City Council require that all non-Housing Section, occupied City-owned new construction and major renovation of existing facilities, including building additions over 10,000 square feet, shall be designed to support one or more functions of a Community Resilience Hub. Facilities that have security considerations or other extenuating circumstances may be exempt from this requirement if it is determined that opening the facility to the public during disruptive weather events or extreme incidents to receive ameliorating services is injudicious.

SECTION 5. That the Mayor and City Council require that in the event that a City-owned building or property is being vacated by the City, that the Housing Section first have the opportunity to evaluate the property and determine the feasibility of repurposing or developing in a manner that supports increasing the number of available and affordable housing units, including but not limited to: converting to municipally operated Affordable Housing; seeking a public-private partnership; or exploring shared equity models of development. Following this evaluation process, should the Housing Section determine that the building or property being vacated is not well suited to repurposing or developing in this manner, and should the City decide that a sale for non-housing purposes is to be pursued, the City will consider whether a portion of the funds from the sale can be directed to support increasing the number of available and affordable units at another site. Exceptions to this requirement may be made for extenuating circumstances, such as, but not limited to, the case where the building being vacated by the City is also occupied by other tenants.

SECTION 6. That the Mayor and City Council require staff whose responsibilities include the design, construction, remodeling, repair, maintenance, operation or deconstruction of City-owned facilities to be responsible for ensuring compliance with the Sustainable Building policies required by this Resolution.

SECTION 7. That Resolution No. 2014-09 is hereby repealed.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 1st day of November 2022.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Nathan Naliborski, Fleet Manager

Co-Submitter: Jen Brown

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:

Consideration and Approval of Contract: Approval for the cooperative purchase of (3) three fully up-fitted and patrol-ready Ford Police Interceptor Utility SUVs from Olathe Ford Sales, Inc. in the amount of $206,561.58 plus all applicable taxes.

STAFF RECOMMENDED ACTION:

1. Approve the cooperative purchase of (3) three Ford Police Interceptor Utility SUVs from Olathe Ford Sales, Inc. in the amount of $206,561.58; and
2. Authorize the City Manager to execute the necessary documents.

Executive Summary:

The Flagstaff Police Department has eight (8) patrol vehicles approved for replacement in FY 26. The Flagstaff Police Department has committed to a hybrid fleet for patrol units. Current patrol unit numbers show an immediate need for "patrol ready" units. Olathe Ford Sales, Inc. offers patrol vehicles fully outfitted and ready for service once received (they will need graphics and mobile radio install). Traditionally, patrol vehicles are purchased and then sent for up-fitting, a process which can add four months to getting a unit on the road after being received. Taking advantage of these (3) three units allow the police department to put them in service immediately, which will assist in maintaining the number of patrol units available to the Flagstaff Police Department.

Financial Impact:

The purchase of (3) three up-fitted and patrol-ready Ford Police Interceptor Utility SUVs for Olathe Ford Sales, Inc. will be funded by the Flagstaff Police Department's Rolling Stock account and their up-fitting account. Funds will be separated as follows.
Vehicle Costs - $153,608.00 total for (3) three vehicles and delivery from account 001-04-061-0221-2-4401
Up-fitting costs - $52,953.58 total for (3) three vehicles from account 008-04-062-6411-2-4403
Total for (3) three up-fitted and patrol ready Ford Police Interceptor Utility SUVs $206,561.58 (Does not include Use Tax)

Policy Impact:

These vehicles will help to support the operations of the police department.

Previous Council Decision or Community Discussion:

None

Options and Alternatives to Recommended Action:

1. Approve the cooperative purchase of three (3) three fully upfitted Ford Police Interceptor Utility SUVs from Olathe Ford Sales, Inc. utilizing Sourcewell Contract #032824 and supporting contract documentation; or
2. Do not approve the purchase of these vehicles and re-evaluate the priorities of the existing fleet.

Background and History:
The City of Flagstaff remains committed to maintaining a hybrid patrol fleet in alignment with its sustainability goals. This request supports the continued adequacy of patrol unit availability by seeking the five (5) additional patrol vehicles approved for FY 2026. These units are intended to be the Ford Hybrid Police Interceptor Utility model. However, due to the urgent need to replace three of the existing vehicles, three units will be a non-hybrid model to ensure timely deployment and operational readiness.

The purchase was procured utilizing a cooperative contract method through Sourcewell Contract #032824 with Olathe Ford Sales, Inc. (see attached contract documentation).

Connection to PBB Priorities and Objectives:
Priority Based Budget Key Community Priorities and Objectives Provide Exceptional Service: Provide employees with tools, training and support. Invest in Our People: Ensure effective resources for employees.

Connection to Regional Plan:
High-Performing Governance: Serve the public by providing high-quality customer service. Be an inclusive employer of choice by providing employees with the necessary tools, training, support, and compensation.
Safe and Healthy Community: Provide public safety services with resources, staff, and training responsive to the community's needs.

Connection to Carbon Neutrality Plan:
None

Connection to 10-Year Housing Plan:
None

Attachments:
Olathe Contract 032824
Olathe Ford 032824-OLA Pricing
(1) Whelen Ford PIU
(2) Soundoff Ford PIU

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Solicitation Number: RFP #032824

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Olathe Ford Sales, Inc., 1845 E. Santa Fe, Olathe, KS 66062 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Class 4-8 Chassis and Cabs with Related Equipment, Accessories, and Services from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

A. EFFECTIVE DATE. This Contract is effective upon the date of the final signature below.

EXPIRATION DATE AND EXTENSION. This Contract expires July 9, 2028, unless it is cancelled sooner pursuant to Article 22. This Contract allows up to three additional one-year extensions upon the request of Sourcewell and written agreement by Supplier. Sourcewell retains the right to consider additional extensions beyond seven years as required under exceptional circumstances.

B. SURVIVAL OF TERMS. Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

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A. EQUIPMENT, PRODUCTS, OR SERVICES. Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. WARRANTY. Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. DEALERS, DISTRIBUTORS, AND/OR RESELLERS. Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

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A. SHIPPING AND SHIPPING COSTS. All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;

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- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized

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subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM. Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum, the terms of which will be negotiated directly between the Participating Entity and the Supplier or its authorized dealers, distributors, or resellers, as applicable. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. SPECIALIZED SERVICE REQUIREMENTS. In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. TERMINATION OF ORDERS. Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. GOVERNING LAW AND VENUE. The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

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A. PRIMARY ACCOUNT REPRESENTATIVE. Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and
- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, performance issues, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted

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price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. AUDIT. Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. ASSIGNMENT. Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. AMENDMENTS. Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

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D. WAIVER. Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. CONTRACT COMPLETE. This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. RELATIONSHIP OF THE PARTIES. The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:

    a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.

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b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.

2. *Limited Right of Sublicense*. The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*

a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. *Termination*. Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. PUBLICITY. Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. MARKETING. Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. ENDORSEMENT. The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

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14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending*. Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. DEFAULT AND REMEDIES. Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

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The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*
Workers' Compensation: As required by any applicable law or regulation.
Employer's Liability Insurance: must be provided in amounts not less than listed below:
Minimum limits:
$500,000 each accident for bodily injury by accident
$500,000 policy limit for bodily injury by disease
$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.
Minimum Limits:
$1,000,000 each occurrence Bodily Injury and Property Damage
$1,000,000 Personal and Advertising Injury
$2,000,000 aggregate for products liability-completed operations
$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms

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no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:
$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:
$2,000,000

5. *Professional/Technical, Errors and Omissions, and/or Miscellaneous Professional Liability*. During the term of this Contract, Supplier will maintain coverage for all claims the Supplier may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Supplier's professional services required under this Contract.

Minimum Limits:
$2,000,000 per claim or event
$2,000,000 – annual aggregate

6. *Network Security and Privacy Liability Insurance*. During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:
$2,000,000 per occurrence
$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

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Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION. The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. LAWS AND REGULATIONS. All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. LICENSES. Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

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Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to "federal" should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier's Equipment, Products, or Services with United States federal funds.

A. EQUAL EMPLOYMENT OPPORTUNITY. Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 C.F.R. §, 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 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

B. DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148). When required by federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 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. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with

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the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 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 non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be 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 to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of "funding agreement" under 37 C.F.R. § 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 C.F.R. § 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. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of $150,000 require 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).

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Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 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 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 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. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have 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. Suppliers must 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. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must 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.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and

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records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

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R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell	Olathe Ford Sales, Inc.
DocuSigned by: Jeremy Schwartz C0FD2A139D06489...	DocuSigned by: 78822EAAC9084FB...
By: _____	By: _____
Jeremy Schwartz	Marc McEver
Title: Chief Procurement Officer	Title: Dealer Principal
Date: 7/2/2024 | 2:59 PM CDT	Date: 7/2/2024 | 12:43 PM PDT

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RFP 032824 - Class 4-8 Chassis and Cabs with Related Equipment, Accessories, and Services

Vendor Details

Company Name:	Olathe Ford Sales Inc.
Does your company conduct business under any other name? If yes, please state:	Olathe Fleet
Address:	1845 E Santa Fe Olathe, KS 66062
Contact:	Josh Allison
Email:	jallison@olathefleet.com
Phone:	913-274-7429
Fax:	913-558-4608
HST#:	48-0720233

Submission Details

Created On:	Monday February 19, 2024 18:06:07
Submitted On:	Thursday March 28, 2024 14:17:18
Submitted By:	Josh Allison
Email:	jallison@olathefleet.com
Transaction #:	b4d5b033-c206-4a39-a7fa-1315e84ead0e
Submitter's IP Address:	50.225.91.170

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	Olathe Ford Sales, INC.	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	Olathe Fleet Solutions, Olathe Fleet, Fleet Pool USA, AFI, Model 1	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	None	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	Olathe does not have one.	*
5	Proposer Physical Address:	1845 E Santa Fe Olathe, KS 66062	*
6	Proposer website address (or addresses):	www.olatheford.com www.fleetpoolusa.com www.afi-kc.com www.ofskc.com	*
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Marc McEver - Dealer Principal marc@olatheford.com 1845 E Santa Fe Olathe, KS 66062 913.269.8340	*
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Josh Allison - Vice President, Sales jallison@olathefleet.com 1845 E Santa Fe Olathe, KS 66062 913.558.4608	*
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Marc McEver - Dealer Principal marc@olatheford.com 1845 E Santa Fe Olathe, KS 66062 913.269.8340	

Table 2: Company Information and Financial Strength

Line Item	Question	Response *
10	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	Olathe Ford Lincoln was founded in 1923, 51 years ago. Shortly after, Marc McEver now our dealer principal started our Fleet Department. He first started with Tow Trucks in Kansas and now it's grown to the largest Fleet Dealer in the United States. Olathe now sells 5 OEM Chassis, Ford, Chevrolet, GMC, Dodge, and Mercedes products. In 2023, Olathe was ranked as Ford's largest Fleet Dealer, Largest Commercial Dealer, Largest Government Dealer, #1 in sales to the Ambulance and Fire industry, #1 in sales to the School Bus, Shuttle Bus, and Public transportation industries. We also were the top volume Chevrolet dealer to the school bus and shuttle bus industry and a top volume seller of Mercedes Sprinter Chassis. In 2024, we have strong plans to continue to grow in our key industries across all of our OEM brands. On our journey of becoming the #1 Chassis provider in the US, Olathe always focused on exceptional customer service. We are constantly emphasizing across all of our teams that we must provide the highest level of customer service no matter the situation, industry or customer. We've grown our business over 50 years by always taking care of the customer and we know that if we continue to keep that value top of mind we will still be the largest chassis provider in another 50 years! *
11	What are your company's expectations in the event of an award?	If awarded the Sourcewell contract Olathe plans on hitting the ground running by first providing exceptional customer service to both Sourcewell and all of your members across the United States and Canada. Since Olathe already has a very strong brand name across the chassis industry we'll be able to leverage our industry knowledge and relationships to get immediate traction with this program. Olathe is Ford's largest government dealer and we are the releasing dealer for almost all of the body modifier/builders for Ambulance, Fire, Bus, Commercial, and Mobility industries giving us significant insight into your member base. We'd expect to be working hand in hand with your members and many of our existing key customers to provide simple, turnkey solutions on total completed vehicles. We believe this is a great opportunity to expand both Sourcewell and Olathe reach to more members while providing a simple cost effective complete solution. *
12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	Olathe has a long track record of financial strength, which is probably best demonstrated by our largest lender Ford Motor Credit. Today, Olathe has a $225M credit line through Ford Motor Credit. This was/is established by our strong present in fleet the fleet market and an exceptional financial history and payment track record. *
13	What is your US market share for the solutions that you are proposing?	Olathe is the largest Chassis supplier for Class 2-6 in the United States. We feel that our overall market share across all brands is approximately 65% of the market with the largest share coming in Government. We currently supply 95% of all ambulance chassis, 90% of School Bus/Shuttle Bus chassis and 85% of the RV Market across the US and Canada. *
14	What is your Canadian market share for the solutions that you are proposing?	Today, Olathe's market share in Canada is less than 20% with the majority of that volume coming from in the School Bus, Ambulance, and Fire industries. *
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No *
16	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	Olathe is best described as "A" a Distributor/Dealer/Reseller/Dealer Partner for the brands and affiliates we've outlined. The primary brands are Ford, Dodge, Chevrolet, GMC, Mercedes and applicable dealer partner upfits. All new orders would be placed through a franchised dealer and then ultimately titled to the end member based on their specific needs. Olathe would/could also sell used equipment from time to time that would be sold and ultimately titled to the end member. We have all applicable licenses, dealer documents etc. on file. *
17	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	Olathe holds a number of licenses directly and many more indirectly though our partners. We've listed a number of them here below and attached a file to include many of our licenses. Kansas Department of Revenue New/Used Dealer license – Dealer number D-0349 Kansas Department of Revenue Tax Registration – 004-48072233F-02 Fleet Pool USA, LLC (FEIN 82-0638591) State Sales & Use Tax ID – Kansas 004-0638591F-01 State Sales & Use Tax ID – Colorado 34436193-0001 State Sales & Use Tax ID – North Carolina 601238124 State Sales & Use Tax ID – Alabama RNT-R011342291 State Sales & Use Tax ID – Texas 3-20820-0245-5 *
18	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	Does not apply to Olathe. *

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *
19	Describe any relevant industry awards or recognition that your company has received in the past five years	Over the past 5 years Olathe has won numerous industry awards. We've outlined a few of those here. Top Volume Fleet Dealer – Ford Motor Company – 2023, Top Volume Commercial Dealer – Ford Motor Company – 2023, Top Volume Government Dealer – Ford Motor Company – 2023, Ford Presidents Award – 2023, Top 10 Warranty and Finance Dealership – Ford Motor Company – 2023, Top Tier Sprinter Volume – Mercedes Benz – 2023, Top performing Government Dealers – General Motors – 2023. Many of the awards Olathe has listed above we've won multiple times in the past 5 years. *
20	What percentage of your sales are to the governmental sector in the past three years	As an organization we have sales focused in different areas such as Retail, Commercial, Fleet, and Service. When looking at our Fleet/Commercial segment and sales approximately 80%-90% of our sales are directly/indirectly into the Government sector. *
21	What percentage of your sales are to the education sector in the past three years	Olathe is the largest provider of School Bus, Shuttle Bus, and Transit Bus chassis in the US. We estimate that nearly 35% of our sales directly/indirectly go to School Districts, Universities, or private educational institutions. *
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	Current Olathe State Contracts include but are not limited to: Arizona, Connecticut, Georgia, Indiana, Kentucky, Massachusetts, Maryland, Maine, North Carolina, New Jersey, Ohio, Oregon, Utah, Pennsylvania & South Carolina. There are also many County & Municipal Contracts in addition to the above mentioned state contracts. As you can see we have a vast reach across the government sector so we are confident we can service your members anywhere across the US. Estimated annual volume across all contacts is 2,000 units. *
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	Currently Olathe and its key partners hold GSA Contract - GSO75. Each year we estimate that over 500 chassis come through Olatheand are upfitted to support this contact. *

Table 4: References/Testimonials

Line Item 24. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
State of Florida	Anita Wimberly	850.245.9289	*
State of New York	Seth Johnson	518.486.146	*
New York City	Scott Fields	646.252.6066	*
MBTA/CalAct	Joe Meer	760.366.2986	
State of Minnesota	Karen McIntyre	651.296.2600	

Table 5: Top Five Government or Education Customers

Line Item 25. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
State of Florida	Government	Florida - FL	Acquiring chassis and/or vehicles in some cases with additional upfits.	100+ Units	$4.5M	*
State of New York	Government	New York - NY	Acquiring chassis and/or vehicles in some cases with additional upfits.	250+ Units	$11M	*
MBTA / CalAct	Government	California - CA	Acquiring chassis and/or vehicles in some cases with additional upfits.	300+ Units	$13M	*
State of Washington	Government	Washington - WA	Acquiring chassis and/or vehicles in some cases with additional upfits.	200+ Units	$9M	*
State of Minnesota	Government	Minnesota - MN	Acquiring chassis and/or vehicles in some cases with additional upfits.	100+ Units	$4.5M	*

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable.

Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	
26	Sales force.	Olathe has a direct and indirect sales force to support all your member needs. Our Direct Sales Force are our dealership employees and partner dealer's employees which reach over 125 employees. In additional we have another 125 direct service support employees at our dealership and partner dealerships. Our indirect sales force would be approximately 400 though our partner suppliers and upfitter partners. We continue to expand both our direct/indirect workforce to best support our future growth and we stand ready to expand wherever needed to ensure we give your members the highest level of service.	*
27	Dealer network or other distribution methods.	Olathe's network includes Ford, Chevrolet, Dodge, GMC and Mercedes. All of these manufactures have strong fleet brands with hundreds of service locations across the country to support your members. Olathe works with these service locations on a daily bases to service our customers from coast to coast, whether it be service related work, warranty repairs, recalls, or simply shipping finished products to end members. Your members can have full confidence that Olathe can handle the situation no matter the brand, issue, or servicing location anywhere in the country at any time!	*
28	Service force.	Olathe is a key member of OEM committees focused on service support for the fleet and commercial customer segments. Our brands network has thousands of locations across the country to service your members warranty and service repair needs simply, effectively and quickly.	*
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	Our intent is to have all orders handled directly through Olathe. We believe the simplest turnkey solution for your members is for Olathe to support, manage and coordinate all applicable orders which may need additional add-ons by our perspective partners or by the vendors chosen by the member.	*
30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	To secure a quote today, members can submit orders through various channels such as phone calls or emails. Our vision is to have an e-procurement platform, which will act as yet another channel for orders to be submitted. Today, Olathe Fleet has over 30 experienced full-time Commercial Account Managers dedicated to assist with their quote request. (Attached is organization chart) Once we have a submitted order, our team will verify that each request has an active Sourcewell membership to ensure non-members will not receive the special Sourcewell pricing. Each quote will provide the member with a full list of standard equipment and options including MSRP and the Sourcewell price. Sourcewell members will have the opportunity to add additional items such as factory options, aftermarket options, and Upfits before any order is submitted. At this point, we will share our knowledge and use our expertise to ask good questions and provide suggestions to ensure the recipient orders the unit(s) best fit for their application. Once completed our team will send the recipient a final quote. For the final step of the ordering process, Olathe Fleet will send an order confirmation back for the Sourcewell member to confirm all selected options before we submit the order to the manufacturer. Not only does this allow for the line of communication to stay open, this also allows our team one more opportunity to ensure accuracy between both parties. In addition, we will request the final end-user information for billing and titling the chassis. Doing so will allow for a smooth process at the time of delivery. To maintain accountability and transparency, the member will receive a weekly update from Olathe Fleet regarding their order. This update will display the purchase order, factory order number, body type, engine type, color, wheelbase and most importantly the production date of when the unit is scheduled for production. Once the unit has been produced, we will be able to provide an estimated time of arrival and track the shipping status until it has been delivered to its final destination. We also include in the weekly update production timing with order bank open and closing dates along with current scheduling and last day to order. This ensures both the customers and us are on the same page from start to finish. Utilizing our CRM within SalesForce and communication with our Fleet Management team, we can rely on the internal communication within our team stays up to date. We understand that the ordering process can get overwhelming and, together with Sourcewell, our intention will be to make the process efficient and hassle-free for the customer. The importance of customer service is not overlooked, but rather prioritized in our program. Response time commitments are crucial for maintaining customer satisfaction. We commit to responding to inquiries immediately and will set clear expectations for response times. A successful fleet vehicle ordering, and management customer service program requires a combination of efficient processes, clear communication channels, performance incentives, and technology integration to meet and exceed customer expectations while driving continuous improvement in service quality.	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	Today, Olathe supplies over 30,000 chassis across the US and Canada spanning dozens of industries and thousands of customers. Olathe is fully committing to servicing your members throughout the US and Canada regardless of their purchasing needs, quantities or locations.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	Olathe services many large customers in Canada in the Ambulance/Fire, School Bus, Shuttle Bus, Mobility Vehicles and Recreational Vehicles Markets. We are excited to offer a full suite of offerings to all of your members in Canada.	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	We have customers spanning coast to coast in both the US and Canada so we don't see any area's that we won't be able to offer at this time.	*
34	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	Olathe is committed to service all of Sourcewell's members through our direct and indirect sales force. Our team stands ready to service your members either directly via our call center or via online 24 hours a day, 7 days a week, and 365 days a year. Each Non-Profit would need to be reviewed and a determination would have to be made through the specific OEM to see if the qualify for Government Price Levels.	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	The main requirement for Hawaii and Alaska pertain to logistical challenges or additional logistical obligations to transport finished vehicles. In many cases, there must be consideration for Port to Port moves, additional agent fees, driver fees, and shipping cost. Those items would be taken into consideration on a case by case bases and addressed with the member at the time of quote.	*

Table 7: Marketing Plan

Line Item	Question	Response *
36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	At its core, this contract opportunity is designed to assist government agencies in meeting their fleet vehicle needs. This requires a comprehensive marketing strategy tailored to reach key decision-makers within the public sector. First, we will continue to learn and understand our audience. We will identify the specific government agencies that will benefit from this program such as law enforcement agencies, public utilities, municipal governments, and more. Once we have an audience targeted, we will understand their specific fleet requirements, budget constraints, and procurement processes. Currently, we use social media channels such as LinkedIn and Facebook, because that is where we know our audience spends their time keeping up with the industry and communicating with others in the industry. While maintaining our current strategy, we will conquest new customers by way of tradeshows, word-of-mouth, and social media. If we were to get this contract, we will clearly articulate the benefits of the program to our customers. This would include cost savings, access to specialized vehicles, and streamlined procurement processes. Part of this process will include creating educational content that we will present to all of our current and prospective customers. In order for this to be successful, we understand the importance of communication and transparency. Compliance with regulatory requirements will instill confidence in the program and help build long-term relationships with our clients. By providing our customers with all of the relevant, clear, and precise information, they will be able to see how beneficial this program is to their businesses. Once we have the educational content created, we will share these with the decision-makers using direct mail, email campaigns, social media, and, ideally, in-person meetings – tailoring the information to fit the needs of each entity. We already have a strong foundation of partnerships and alliances; however, we will continue to collaborate with industry associations, government agencies, and other stakeholders to build credibility and expand our reach. All these efforts will be led with the universal goal of getting clients to our website, which attracts 25,000 new visitors each month. Our website is where we will have a wealth of knowledge, an FAQ page, and the finer details of the program. We at Olathe understand the power of the Advertising Dollar and will continue to fund efforts to reach new clientele.
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	By integrating technology and digital data utilization into the marketing strategy, organizations can gain valuable insights, optimize campaign performance, and effectively engage with public sector agencies to promote the contract with Sourcewell. We currently find that our audience is most receptive in the world of LinkedIn. However, we will continue to monitor all social media platforms to understand conversations and trends related to fleet management and government procurement. This can provide valuable insights into the pain points and preferences of target agencies which, in turn, will help us tailor messaging and outreach efforts accordingly. On top of that, we currently use targeted online advertising. We have used platforms like Google Ads and social media advertising to target decision-makers within government agencies. By segmenting the audience based on job titles, organizational roles, and interests relevant to fleet management, we are able to precisely target our audience at higher conversion rates. As we know, Electric Vehicles is a current hot topic. Knowing that our clientele is staying in the know about the EV products, we are putting our name in front of them each time they use a search engine. This leads to associating Olathe with their fleet and chassis needs. Once we have these digital campaigns rolled out, we use data and metadata analytics to measure the performance of the content marketing efforts. We currently and will continue to analyze metrics like engagement rates, click-through rates, and conversion to identify high-performing content and optimize future campaigns. Leveraging our metadata analysis tools to extract valuable insights helps us identify patterns, trends, and key themes related to our services. Email marketing plays an important role in the advertising efforts. We have implemented email marketing automation platforms to streamline outreach campaigns and to nurture leads. Together with the knowledge we gain of our prospective customers, we will put together curated, personalized emails that lean into the different sectors we serve.
38	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	The recognizable Sourcewell brand holds a lot of weight and trust in the industry. Having the Sourcewell name in our arsenal of tools will help in our efforts to prove our honesty, loyalty, and legitimacy to our prospective and current customers. Collaborating with a trusted brand serves as a form of validation and endorsement for our business. In the government sector of this industry, Sourcewell is synonymous with the elimination of the need to bid. Creating an avenue of ease and convenience for our customers holds an exponential amount of value. It is well-known that Sourcewell's documentation review is in-depth and detailed further proving that their acceptance goes a long way. Sourcewell has done such a great job making the process of procuring vehicles efficient, flexible, and user-friendly. Sourcewell's role in promoting contracts would be to continue to meet the standards they have set throughout the years and throughout the industry.
39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	As of today, we do not have a formal e-procurement ordering process. If awarded the Sourcewell contract, our vision is to develop an extensive online platform for all five of our OEMs, EV upfitters, commercial truck builders, ambulance providers, bus manufacturers, and other key partners to be available for our customers every minute of every day of every year. From requisition to payment, we want to streamline the procurement process and we know a contract with Sourcewell is a step in the right direction. The vision we have for our e-procurement system is to have a secure, password-protected portal for each user, ensuring that only authorized personnel can access the platform. From there, the user would be served a catalog of approved products and services available for purchase. Ideally, authorized users will be able to create purchase requisitions within the portal, specifying details like quantity, specifications, and budgets. Once a customer has input their custom build, they will then have the option to finalize the transaction by submitting a purchase order. This would give the customer the autonomy of building, spec'ing, and purchasing without talking to a sales person, however it also allows a communication line to be open at all times between the member and our team should there be any issues or questions. The goal we have in mind for our future e-procurement system is to provide transparency and compliance, enhance vendor relationships, and achieve cost savings. By leveraging this technology, these customers can achieve greater efficiency and effectiveness.

Table 8: Value-Added Attributes

Line Item	Question	Response *	
40	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	Olathe through its partnerships with Ford, Chevrolet, GMC, Dodge and Mercedes will extend all training and service related programs. These OEM's offer a variety of training both online and in person. Any programs which have a cost, Olathe will be transparent and pass those cost through with no additional charge to your members.	*
41	Describe any technological advances that your proposed products or services offer.	Each of our OEM partners are making significant improvements in technology in all of their models. By partnering with Olathe your members are going to continue to have the most up to date technology in their chassis purchases. Some of the most significant improvements are around safety, such as the 360 degree camera systems or fleet telematics allowing members to better manage their fleets' service needs, preventative maintenance and overall cost of ownership.	*
42	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	Olathe stays on the forefront of Green initiatives with all of our OEM partners. Today, we are offering fully electric products such as F150 Lighting, Mach E, E-Transit, and a fully electric E-450 and G4500 through our partner Optimal EV. We have EV Chevrolet Silverado, Blazers, and Equinox's as well. Though Mercedes we have the E-Sprinter and later this year we will have an EV Dodge Promaster. There are even more EV's currently in the design process that Olathe will bring to market with our OEM partners through the term of this engagement.	*
43	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	Through our many OEM Partners and Optimal EV Sourcewell members can take full advantage of vehicles with the highest levels of ratings and certifications such as CARB. (California Air Resource Board) In additional, many of our Partners are continuing to work on new products, offerings and processes to continuously improve energy conservation and efficiency. At the dealership level we continue to invest in many sustainability initiatives such as solar panels, recycling programs, and electric vehicle charging stations. Olathe consistency reviews and audits our carbon footprint and looks at any and all opportunities to continue to reduce it.	*
44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or HUB partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	In 2021, Olathe Ford requested with Ford Motor Company to be recognized as a Minority Dealer. We were accepted and became a part of Ford's Minority Dealer Network on November 19, 2021. Olathe has attached a copy of its letter confirmation from Ford Motor Company. (Minority Dealer Network Acceptance Letter)	*
45	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	Our team is none like any other in the Chassis industry. We come with a full service of offerings across 5 OEM's. Our management team has over 150 years of service combined, supporting our fleet customers. We started with a 1 person operation and through hard work, experience and incredible customer service we've grown it into the largest chassis supplier in the US with a keen focus on supporting the government sector.	*

Table 9A: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure.

You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
46	Do your warranties cover all products, parts, and labor?	Yes, each of our Manufactures offer warranties. We've attached each of our OEM warranties for reference. Additionally, each add on partners also offers different warranties on their modifications. Those warranties are specific to each spec, request, modification and usage case. We'll work with each member to ensure they receive the best warranties in the market for their specific needs.	*
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	Many manufactures have different usage restrictions based on a number of factors. This includes the improper usage of a chassis which could void the warranty. One example: Certain chassis come with prep packages from the OEM, School Bus Prep, Shuttle Bus Prep, Ambulance Prep, Gaseous Prep to name a few. If a School Bus Prep Chassis was used to build an Ambulance the OEM would most likely void many of the warranties items because of the misuse of the chassis. Olathe will help answer any questions and be a resource in order to help members through these restrictions. We also recommend that each member understand these restrictions prior to the chassis going into its specific usage case.	*
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Yes, in many cases the expense of the technician, travel time, mileage, or towing cost will be covered by the warranty. Most OEM recommend the members Vehicle be taken to the nearest supporting dealership or service shop.	*
49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	We have the largest network in the US and are confident regardless of the geographical area we'll be able to help meet your member's needs. Having said that, each OEM geographical coverage is slightly different so we encourage members to reach out to our team and discuss their specific geographic location and usage for the chassis so we can help them make the best OEM decision.	*
50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	All warranties are different across our OEM partners and Body Modifier. Depending on the claim we pass those situations directly to the OEM or Body Modifier. If the clams are approved in many cases Olathe can help with the repairs and solutions.	*
51	What are your proposed exchange and return programs and policies?	Once an order is placed with an OEM there is a point where the factory has the order scheduled. Each OEM is slightly different with what this point is, however at this time there is a no-cancellation policy. Thus Olathe will be unable to cancel or return any units. In the event, a member orders a unit and wants to cancel it prior to the OEM confirming it and Olathe can cancel it without penalty we would allow a member to cancel.	*
52	Describe any service contract options for the items included in your proposal.	Olathe offers many different service contracts across all of our OEMs. Some of these offers are OEM direct/specific and others are through third party providers. Olathe will work with each member directly based on their specific vehicle type, usage case, and service desires and provide them with the best solutions in the market. We will offer discounts much like our chassis offerings on these products as well.	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	
53	Describe your payment terms and accepted payment methods.	Olathe's payment terms are Net 30 with acceptable payment methods being ACH, Wire, or a Check	*
54	Describe any leasing or financing options available for use by educational or governmental entities.	Olathe has a broad offering of leasing and financing options. We have short-term and long-term financing options through Ford Motor Credit as well as additional 3rd party partners. We also offer a variety of leasing options, both in house leasing options as well as through 3rd party partners. We have full service lease options as well. We are confident Olathe can offer the best in market leasing solutions to your customers no matter their need or situation.	*
55	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	Olathe orders and processes over 30,000 units per year through our 5 OEM partners. We have a well organize, transparent, and efficient method for these orders. Since the Sourcewell contract would be new to Olathe we envision developing and modifying the current documents to specifically serve your members. The main milestones in the process would be the overall quote, member specific specs, price, order confirmation, production and delivery schedule and timeline.	*
56	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Yes, we accept up to $2,500 per vehicle, upfit or service. If a member would like to put more than $2,500 on a P-Card we will accept that form of payment however a transaction fee will be added to the total cost. This fee will be a direct pass through to the member.	*

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *	
57	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	Olathe is offering discounts off of MSRP for all 5 of our OEM partners and for any model within those partners that meet the specifications of this contract. This applies to any future products that OEMs could bring to market during the term of this agreement. Additionally, Olathe is allowing all upfits to be added to any chassis through either Olathe's partners or through the member's partner of choice.	*
58	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	Olathe's pricing discount range by OEM Manufacturer. Ford Motor Company – from 3.47% - 17.67% Stellantis – from 4.96% - 15.55% General Motors (Chevrolet / GMC) – 5.25% - 19.87% Mercedes – from 4.44% - 12.38% Other pricing details are outlined in our pricing attachment.	*
59	Describe any quantity or volume discounts or rebate programs that you offer.	We encourage any member ordering 20 chassis or more at a time to reach out to Olathe directly so we can review additional discounts and supply the member with an exact quote.	*
60	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	Any open market items that need to be sourced will be source with a mark-up at or below 10% depending on the item and current open market conditions.	*
61	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	Olathe is well versed and experienced in this industry segment, therefore we've considered all cost and taken all cost into account with our proposal. If a member has a unique or unforeseen request for their particular situation Olathe will work to offer them the very best solution at the lowest market price. In the event, a member has a Chassis upfitted and therefore needs special consideration those cost would be included in the cost of the upfit at the time the request is made. Olathe will provide those details to the member during the quoting process so they are able to review and evaluate.	*
62	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	All OEM manufactures charges a "delivery and destination fee" these charges are displayed on every window sticker regardless of the model. This does not include any Chassis that are being moved to an upfitter and/or then delivered to the end member. At the time of quoting the upfitted unit Olathe will outline and include all additional delivery charges for those instances.	*
63	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	These area's or regions carry some of the most difficult and time consuming freight movements. In many cases there are numerous additional cost such as port entry, agent fees, driver cost, ferries, and other logistical specialties. In any of these instances Olathe will work to provide the lowest cost to your members based on their specific needs as well as provide all of those cost upfront during the quote process for your member to reveiew.	*
64	Describe any unique distribution and/or delivery methods or options offered in your proposal.	Due to Olathe's size and scope we have key partnerships with many freight and automotive carriers which we constantly review in order to ensure we are receiving at or below market rates which we will pass along to your members. In addition, some of our partners including but not limited to AFI have an OEM ship through which allows Olathe to upfit certain vehicles and then put them back into the OEMs transportation platform and have them delivered to the member at no additional cost.	*

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
65	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	Due to the size and scope of Sourcewell Olathe believes that offering your members the best overall pricing and value makes sense and creates value for Sourcewell, your members, and Olathe.

Table 13: Audit and Administrative Fee

Line Item	Question	Response *	
66	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	Currently we have numerous internal audit processes to ensure we are compliant with all of our customers across our 5 OEMs, multiple industries and 30,000 plus chassis. In addition, our vision for the Sourcewell contract would be expand on our current processes while implementing a customer inquiry, chassis building, quoting, and ordering tool via portal or online tool. We believe that this transparency will help drive adoption of the contract while also creating a great customer experience for your members. Once all of this data is collected then mining it for trends, successes and failure will ensure we continue to improve the service to your members.	*
67	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	Several internal metrics can be tracked and recorded to ensure our efforts with Sourcewell are proving to be successful. First, we'll track the overall volume of calls, emails, and general inquiries to ensure we are gaining notoriety for our new award. From there, we'll begin to measure the number of quotes and opportunities that Olathe provides and the corresponding conversion of those quotes into OEM orders. In addition, we will track the overall order processing time. Measuring the time it takes from receiving a vehicle acquisition request to processing the order and confirming it in the system will ensure we are using our time and our clients' time efficiently. On top of that, we will tracking the accuracy of our inventory data on a regular basis to confirm that the system reflects actual availability and status of vehicles, minimizing errors in procurement and allocation. Fulfillment rate will be monitored to verify that our system effectively matches demand with available inventory and processes are streamlined. Most importantly, we will actively engage with and track user satisfaction with the program and our services.	*
68	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	We believe in a simple and transparent administrate fee that allows the contract to grow in volume and member adoption. Olathe agrees to pay Sourcewell $500 per unit. This includes all brands and all models that fall under this contract terms.	*

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Proposers submitting a proposal in Category 1 as defined herein will be submitting in the broad category that includes all types of engines, fuel, and propulsion systems. For example, if a Proposer offers chassis and cabs with Internal Combustion Engines (ICE) as well as chassis and cabs with electric propulsion systems the Proposer should designate it is seeking an award in Category 1 **only**. Proposers seeking an award in Category 2, as defined herein, must include at least one solution offered within the scope of Category 2 for electric propulsion systems **only**.

Line Item	Category Selection *	
69	Category 1: All engines, fuel, and propulsion type chassis and cabs	*

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *	
70	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	Olathe is offering 5 OEMs with numerous models in the class 3-7 range. This includes Trucks, Vans, Cutaway, Cab Chassis in addition to hundreds of potential upfit add-ons. We can offer anything from a commercial truck application, School transportation, Ambulance and Fire, crane trucks, truck bodies, shelving etc. Additionally, we have countless ways to help support your members from special financing, customizable warranties, fleet management, and prepaid service plans. Olathe believes we truly are the one stop shop for all your members needs regardless of location or specific use case.	*
71	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	We are confident we can meet any of your members needs through our overall suite of offerings. We aren't considering any of our offerings subcategories. We want your member to know that regardless of the offerings they choose Olathe is committed to serving their needs with the highest level of customer service and customer experience. Through the term of the contract we may find additional needs for your members that we haven't determined yet and subcategories could organically occur.	
72	Describe any manufacturing processes or materials utilized that contribute to chassis strength, cab strength, overall durability, driver safety.	Olathe is partnering with the leading OEM's in our industry. Ford, Chevrolet, GMC, Dodge/Ram, and Mercedes continue to improve their products year over year. I think a few key areas where OEMs are doing the most development are around fuel economy, driver safety, and durability or increase GVWR. When partnering with Olathe your members will continue to see improved products as each OEM brings to market these chassis.	
73	Describe any differentiating serviceability attributes (remote diagnostics, etc.) your proposal offers.	Olathe offers both OEM telematics as well as third party telematics. Olathe even offers a solution where we will manage your fleet for you. This includes repairs, preventive maintenance, fuel savings and other Fleet KPIs. Additionally, Olathe continues to work with our OEM partners on mobile service for our customers. We know that each of our chassis is put to work serving a mission critical need and downtime is unacceptable. Mobile service in many cases can increase uptime for fleets helping improve the ROI for their vehicle expenses.	

Table 15: Category 1 - Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Proposers submitting a proposal in Category 1 will be submitting in the broad category that includes all types of engines, fuel, and propulsion systems. See RFP Section II. B. 1 for details.

☐ We will not be submitting for Table 15: Category 1 - Depth and Breadth of Offered Equipment Products and Services

Line Item	Category or Type	Offered *	Chassis Type (ICE and/or BEV)	Comments	
74	Class 4 chassis	◉ Yes ○ No	Both Chassis Types (ICE and BEV)	Through our 5 OEMs for ICE, Optimal EV for BEV	*
75	Class 5 chassis	◉ Yes ○ No	Internal Combustion Engine fuel types (ICE)	Through our 5 OEM Partners.	*
76	Class 6 chassis	◉ Yes ○ No	Internal Combustion Engine fuel types (ICE)	Through our 5 OEM Partners	*
77	Class 7 chassis	◉ Yes ○ No	Internal Combustion Engine fuel types (ICE)	Through our 5 OEM Partners	*
78	Class 8 chassis	○ Yes ◉ No	Internal Combustion Engine fuel types (ICE)	Not at this time.	*
79	Related equipment, accessories, parts, upfitting, services, used chassis and Class 3 chassis	◉ Yes ○ No	Both Chassis Types (ICE and BEV)	Through our 5 OEM partners for Chassis. We will also be offering various add-ons through our Upfitter Partners ranging from bed configurations, bin/shelving configurations, accessories, boxes, work truck beds. These upfits can be added through Olathe's Partner or the members partner of choice.	

Table 16: Category 2 - Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Proposers seeking an award in Category 2, as defined herein, must include at least one solution offered within the scope of Category 2 for electric propulsion systems **only**. See RFP Section II. B. 1 for details.

☐ We will not be submitting for Table 16: Category 2 - Depth and Breadth of Offered Equipment Products and Services

Line Item	Category or Type	Offered *	Comments	
80	Battery Electric Vehicle (BEV) Class 4 Chassis	◉ Yes ○ No	We have fully electrified E450 and G4500 chassis through our dealer partner Optimal EV.	*
81	Battery Electric Vehicle (BEV) Class 5 Chassis	○ Yes ◉ No	Not at this time.	*
82	Battery Electric Vehicle (BEV) Class 6 Chassis	○ Yes ◉ No	Not at this time.	*
83	Battery Electric Vehicle (BEV) Class 7 Chassis	○ Yes ◉ No	Not at this time.	*
84	Battery Electric Vehicle (BEV) Class 8 Chassis	○ Yes ◉ No	Not at this time.	*
85	Related equipment, accessories, parts, upfitting, services, used chassis and Class 3 chassis	◉ Yes ○ No	Not at this time.	

Table 17: Exceptions to Terms, Conditions, or Specifications Form

Line Item 86. **NOTICE**: To identify any exception, or to request any modification, to Sourcewell standard Contract terms, conditions, or specifications, a Proposer must submit the proposed exception(s) or requested modification(s) via redline in the Contract Template provided in the "Bid Documents" section. Proposer must upload the redline in the "Requested Exceptions" upload field. All exceptions and/or proposed modifications are subject to review and approval by Sourcewell and will not automatically be included in the Contract.

Do you have exceptions or modifications to propose?	Acknowledgement *
	○ Yes ◉ No

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.

2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.

3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.

4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

- Pricing - Pricing Attachment.docx - Thursday March 28, 2024 10:53:45
- Financial Strength and Stability - Financial Strength Documents.pdf - Wednesday March 27, 2024 15:33:18
- Marketing Plan/Samples (optional)
- WMBE/MBE/SBE or Related Certificates - Minority Dealer Verification Letter - Olathe Ford.pdf - Wednesday March 27, 2024 15:28:03
- Warranty Information - Warranty Docs.zip - Wednesday March 27, 2024 19:05:18
- Standard Transaction Document Samples (optional)
- Requested Exceptions (optional)
- Upload Additional Document (optional)

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
    1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf;
    2. Included on the government-wide exclusions lists in the United States System for Award Management found at: https://sam.gov/SAM/; or
    3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☑ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Josh Allison , Vice President, Sales, Olathe Ford Sales, INC

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

○ **Yes** ◉ **No**

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "**I have reviewed this addendum"** below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_7_Class 4-8 Chassis and Cabs _RFP_032824 Thu March 21 2024 08:45 AM	☑	1
Addendum_6_Class 4-8 Chassis and Cabs _RFP_032824 Wed March 20 2024 12:36 PM	☑	3
Addendum_5_Class 4-8 Chassis and Cabs _RFP_032824 Mon March 18 2024 12:01 PM	☑	1
Addendum_4_Class 4-8 Chassis and Cabs _RFP_032824 Wed March 6 2024 09:38 AM	☑	1
Addendum_3_Class 4-8 Chassis and Cabs _RFP_032824 Wed February 21 2024 04:08 PM	☑	2
Addendum_2_Class 4-8 Chassis and Cabs _RFP_032824 Wed February 14 2024 04:12 PM	☑	1
Addendum_1_Class 4-8 Chassis and Cabs _RFP_032824 Thu February 8 2024 04:24 PM	☑	1

Olathe Ford #032824-OLA

Pricing for contract #032824-OLA offers Sourcewell participating agencies the following discount ranges by OEM Manufacturer:

- Ford Motor Company: from 3.47% - 17.67%
- Stellantis: from 4.96% - 15.55%
- General Motors (Chevrolet/GMC): from 5.25% - 19.87%
- Mercedes: from 4.44% - 12.38%
- In addition, a volume discount may be offered on a case-by-case basis for orders of 20 or more chassis

OLATHE FLEET

Purchase Order / Quote

OLATHE FORD
SANDRA GONZALEZ
GOVERNMENT FLEET SOLUTIONS TEAM
DIRECT - 505-850-5504

Date	9/22/25
Valid Until	10/22/25
Contract	SOURCEWELL - 032824- OLA
PO	
Lead Time	IN STOCK

Customer:	Invoice Address:	Delivery Address:
FLAGSTAFF PD		

Description	Line Total
POLICE INTERCEPTOR EXPLORER 2025 UTILITY AWD - OXFORD WHITE EXTERIOR 119" WHEELBASE 3.0L ECOBOOST V6 ENGINE 10-SPEED AUTO TRANSMISSION EBONY CLOTH FRT/VINYL REAR	$46,088.00

EXTERIOR
- ☐ 18" H.D.STEEL WHEELS
- ☐ 255/60R18 A/S BSW POLICE TIRES
- ☐ CLASS III HITCH RECEIVER
- ☐ DUAL EXHAUST SYSTEM
- ☐ DUAL POWER MIRRORS
- ☐ FULL SIZE 18" SPARE W/TPMS
- ☐ HEADLAMPS - AUTO, LED LOW/HIGH INCLUDES FRONT HOUSING (W/ LED WIG-WAG)
- ☐ KEY LOCKS (DR/PASS/LFTGT)
- ☐ PRIVACY GLASS 2ND/3RD ROW

INTERIOR
- ☐ 35/30/35 SPLIT VINYL REAR
- ☐ A/C W/AUTOMATIC CLIMATE CONTROL, DUAL ZONE
- ☐ BLACK VINYL FLOOR COVERING
- ☐ CERTIFIED SPEEDOMETER
- ☐ CLOTH BUCKET FRONT SEATS
- ☐ CONSOLE MOUNTING PLATE
- ☐ ENGINE HOUR / IDLE METER
- ☐ HTD SANITIZATION SOLUTION
- ☐ RED/WHITE TASK LIGHTING
- ☐ PWR DR/PASS SEAT W/LUMBAR
- ☐ SEATBACK INTRUSION PLATES
- ☐ TILT/TELESCOPING STEERING WHL W/ 4 CONFIGURABLE LATCHING SWITCHES

☐ UNIVERSAL TOP TRAY

FUNCTIONAL
- ☐ AM/FM/MP3/BLUETOOTH & USB
- ☐ COLUMN MOUNTED SHIFTER
- ☐ ENGINE OIL COOLER
- ☐ FULL-TIME ALL WHEEL DRIVE SYSTEM
- ☐ HEAVY DUTY SUSPENSION
- ☐ HEAVY-DUTY 80-AMP BATTERY
- ☐ INTERIOR TRUNK/LIFTGATE RELEASE
- ☐ POLICE BRAKES: 4 WHL DISC W/ ABS & TRACTION CONTROL
- ☐ POWER STEERING W/EPAS
- ☐ REAR VIEW CAMERA
- ☐ TRANSMISSION OIL COOLER

☐ TRANSMISSION-10-SPEED AUTO

SAFETY/SECURITY
- ☐ 75 MPH REAR-CRASH TESTED
- ☐ ADVANCETRAC™ WITH RSC®
- ☐ AIRBAGS - FRONT AND SIDE
- ☐ AIRBAGS - SAFETY CANOPY
- ☐ SOS POST CRASH ALERT SYS
- ☐ TIRE PRESSURE MONITOR SYS

WARRANTY
- ☐ 3 YR/36K MILE BUMPER-TO-BUMPER WARRANTY
- ☐ 5 YR/100K MILE POWERTRAIN CARE EXTENDED SERVICE PLAN

OPTIONAL EQUIPMENT/OTHER
.FM STEREO
3.0L ECOBOOST V6 ENGINE 950.00
10-SPEED AUTO TRANSMISSION NO CHARGE
READY FOR THE ROAD PACKAGE 3,800.00
.HID PLUNG W/R HNDL INOPERABLE
.100 WATT SIREN / SPEAKER
.TAIL LAMP LIGHTING SOLUTION
.REAR LIGHTING SOLUTION
.REAR CONSOLE MOUNTING PLATE
GLOBAL LOCK/UNLOCK NO CHARGE
FRONT WARNING AUX LIGHT 580.00
50 STATE EMISSIONS NO CHARGE
REAR AUXILIARY LIFTGATE LIGHTS 400.00
DRIVER SIDE LED SPOT LAMP 400.00
NOISE SUPPRESSION BOND STRAPS 100.00
SIDE MARKER LIGHTS SKULL CAPS 340.00
QUARTER GLASS LIGHT 580.00
FRONT HEADLAMP LIGHT SOLUTION NO CHARGE
REAR DR HNDL AND LOCKS INOPR NO CHARGE
CLOTH BUCKETS/CLOTH REAR SEATS 70.00
SPECIAL ORDER 53 2415
025MY PIU GRILLE RED/BLUE 54.00
025MY PIU REAR LED RED/BLUE 62.00
025MY PIU MIRROR RED/BLUE 59.00
025MY PIU FRT MARKER R/B 285.00
025MY PIU REAR MARKER R/B 65.00
025MY PIU FRONT MARKER R/B 285.00
025MY PIU REAR QTR RED/BLUE 60.00
025MY PIU FRT AUX R/B 215.00
025MY PIU REAR LIFTGATE R/B 181.00

TURNKEY POLICE PATROL PACKAGE - QTE - Q10063 — $12,884.46

COMES WITH FACTORY WHELEN LIGHTING PACKAGE

WESTIN PUSH BUMPER
CONSOLE - WITH COMPUTER MOUNT, ARM REST
WINDOW BARS
LAGUNA - SEAT, REVERSE SEATBELT, PANELS, REAR PARITION
INNOVATIVE - ELECTRONICS TRAY
RADIO -PRE-WIRE
WHELEN CENCOM SYSTEM

TOTAL OPTIONS/OTHER — $8,886.00

Special Notes and Instructions

CUST RESPONSIBLE FOR REGISTRATION, INPSECTION AND TAXES

Subtotal		$67,858.46
Sales Tax	0.00%	$0.00
Tire Tax	0	$0.00
Extended Warranty and Maintenance Plan		$0.00
Flooring		$0.00
Delivery		$1,000.00
MSO / ODO		$0.00
Total Per Unit less Trade-In		$68,858.46
Quantity of Units		1
Sale Total		**$68,858.46**

Above information is not an invoice and only an estimate of services/goods described above. Quote subject to change.

Please confirm your acceptance of this quote by signing this document, and returning your PO.

Signature _____

Print Name _____

Date _____

If you have any questions concerning this quote, contact Sandra Gonzalez

Thank you for your business!

OLATHE FLEET

Purchase Order / Quote

OLATHE FORD
SANDRA GONZALEZ
GOVERNMENT FLEET SOLUTIONS TEAM
DIRECT - 505-850-5504

Date	9/22/2025
Valid Until	10/22/25
Contract	SOURCEWELL - 032824- OLA
PO	
Lead Time	READY NOW

Customer:	Invoice Address:	Delivery Address:
FLAGSTAFF PD		

Description	Line Total
POLICE INTERCEPTOR EXPLORER 2025 UTILITY AWD OXFORD WHITE EXTERIOR 119" WHEELBASE 3.3L TI-VCT V6 ENGINE INTERIOR 10-SPEED AUTO TRANSMISSION EBONY CLOTH FRT/VINYL REAR	$46,197.00

EXTERIOR
- ☐ 18" H.D.STEEL WHEELS
- ☐ 255/60R18 A/S BSW POLICE TIRES
- ☐ CLASS III HITCH RECEIVER
- ☐ DUAL EXHAUST SYSTEM
- ☐ DUAL POWER MIRRORS
- ☐ FULL SIZE 18" SPARE W/TPMS
- ☐ HEADLAMPS - AUTO, LED LOW/HIGH INCLUDES FRONT HOUSING (W/ LED WIG-WAG)
- ☐ KEY LOCKS (DR/PASS/LFTGT)
- ☐ PRIVACY GLASS 2ND/3RD ROW

INTERIOR
- ☐ 35/30/35 SPLIT VINYL REAR
- ☐ A/C W/AUTOMATIC CLIMATE CONTROL, DUAL ZONE
- ☐ BLACK VINYL FLOOR COVERING
- ☐ CERTIFIED SPEEDOMETER
- ☐ CLOTH BUCKET FRONT SEATS
- ☐ CONSOLE MOUNTING PLATE
- ☐ ENGINE HOUR / IDLE METER
- ☐ HTD SANITIZATION SOLUTION
- ☐ RED/WHITE TASK LIGHTING
- ☐ PWR DR/PASS SEAT W/LUMBAR
- ☐ SEATBACK INTRUSION PLATES
- ☐ TILT/TELESCOPING STEERING WHL W/ 4 CONFIGURABLE LATCHING SWITCHES

FUNCTIONAL
- ☐ UNIVERSAL TOP TRAY
- ☐ AM/FM/MP3/BLUETOOTH & USB
- ☐ COLUMN MOUNTED SHIFTER
- ☐ ENGINE OIL COOLER
- ☐ FULL-TIME ALL WHEEL DRIVE SYSTEM
- ☐ HEAVY DUTY SUSPENSION
- ☐ HEAVY-DUTY 80-AMP BATTERY
- ☐ INTERIOR TRUNK/LIFTGATE RELEASE
- ☐ POLICE BRAKES: 4 WHL DISC W/ ABS & TRACTION CONTROL
- ☐ POWER STEERING W/EPAS
- ☐ REAR VIEW CAMERA
- ☐ TRANSMISSION OIL COOLER

SAFETY/SECURITY
- ☐ TRANSMISSION-10-SPEED AUTO
- ☐ 75 MPH REAR-CRASH TESTED
- ☐ ADVANCETRAC™ WITH RSC®
- ☐ AIRBAGS - FRONT AND SIDE
- ☐ AIRBAGS - SAFETY CANOPY
- ☐ SOS POST CRASH ALERT SYS
- ☐ TIRE PRESSURE MONITOR SYS

WARRANTY
- ☐ 3 YR/36K MILE BUMPER-TO-BUMPER WARRANTY
- ☐ 5 YR/100K MILE POWERTRAIN CARE EXTENDED SERVICE PLAN

INCLUDED ON THIS VEHICLE EQUIPMENT GROUP 500A OPTIONAL EQUIPMENT/OTHER .FM STEREO 3.3L TI-VCT V6 ENGINE 10-SPEED AUTO TRANSMISSION NO CHARGE HID PLUNG W/R HNDL INOPERABLE 50 STATE EMISSIONS NO CHARGE SPOT LAMP LED DR - WHELEN NOISE SUPPRESSION BOND STRAPS SIDE MARKER LIGHTS SKULL CAPS POL WIRE HARNESS CONNECTOR KIT .POLICE WIRING KIT REAR .POLICE WIRING KIT FRONT REAR DR HNDL AND LOCKS INOPR NO CHARGE DEFLECTOR PLATE REAR CONSOLE MOUNTING PLATE FRONT LICENSE PLATE BRACKET	TURNKEY - SOUNDOFF - PATROL BUILD - AFI - 39072 TOTAL OPTIONS/OTHER $1,620.00
	$20,034.56

Special Notes and Instructions

CUST RESPONSIBLE FOR REGISTRATION, INPSECTION AND TAXES

Subtotal		$67,851.56
Sales Tax	0.00%	$0.00
Tire Tax	0	$0.00
Extended Warranty and Maintenance Plan		$0.00
Flooring		$0.00
Delivery		$1,000.00
Docs & Registration		$0.00
Total Per Unit less Trade-In		$68,851.56
Quantity of Units		2
Sale Total		**$137,703.12**

Above information is not an invoice and only an estimate of services/goods described above. Quote subject to change.

Please confirm your acceptance of this quote by signing this document, and returning your PO.

Signature _____

Print Name _____

Date _____

If you have any questions concerning this quote, contact Sandra Gonzalez

Thank you for your business!

Alt Fuel Innovations, llc
6606 Stadium Drive
Kansas City, MO 64129
(816) 861-4000
lanny@altfuelinnovations.com
afi-kc.com

Estimate #39072

Created: 9/3/2025 09:51 AM CST
Payment Term: Net 30
Service Writer: Steve Fase

* OLATHE FORD
sgonzalez@olathefleet.com

TURN KEY PIU #2 Weiser Products			
Description	**Price**	**QTY**	**Subtotal**
Part: AFIPB-UBKT-LT *"UNIVERSAL PUSH BUMPER BRACKET PB-UBKT-LT"*	$24.92	2	$49.84
Part: AFICC-20UV-V10 *"10"" CONSOLE W/DUAL CUPHOLDERS, OPEN STORAGE, 5X8 ARMREST CC-20UV-V10"*	$480.18	1	$480.18
Part: AFICM-SDMT-SL-LED *"CONSOLE SIDE, HT ADJ, MOUNT W/SLIDE ARM FOR DOCKING STATION CM-SDMT-SL-LED"*	$489.32	1	$489.32
Part: AFIWEI-005 *"36"" 6-CHANNEL BACKBONE DUAL WEAPON MOUNT WEI-005"*	$536.92	1	$536.92
Part: AFIKIT-TP-SL6U-BB-S *"FRONT PART ; TP-E-SL6-US-SS, SAB-20-FDUV-BB, KP-UV20-DAP-SS*	$1,070.86	1	$1,070.86
Part: AFIAC-TB-ARMMNT-58 *ARM REST; LEFT SIDE CONSOLE*			$137.63
	Shop Supplies (8%): $0.00		**Total: $2,764.75**

TURN KEY PIU #2 LIGHTS AND SIREN SOUND OFF			
Description	**Price**	**QTY**	**Subtotal**
Part: AFIEXTLightsKit *FLASHER/STROBE/LIGHT BAR Lights INSTALLATION KIT - Installation Kit required for Flashers, Strobes, Light Bars, etc... and all necessary connectors, Wire Ties, Toggle Switch, etc.*	$950.00	1	$950.00
Part: AFISF-NMOKHFUD17 *NMO Cable Kit 17ft*	$53.85	1	$53.85
Part: AFI3S601 *"PRO GUARD LIGHT BAR GROMET 35601"*	$9.50	1	$9.50
Part: AFIEMPSCG2STS5RBW *"MPOWER 4"" 3 WIRE STUD MOUNT EMPSCG2STS5RBW"*	$188.31	2	$376.62
Part: AFIPMP2WSSSB *"SHROUD PMP2WSSSB"*	$22.50	4	$90.00
Part: AFIELUC3H010J *"UNIVERSAL UNDERCOVER INSERT*	$114.92	4	$459.68

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TURN KEY PIU #2 LIGHTS AND SIREN SOUND OFF

ELUC3H010J"			
Part: AFIEMPSCG2STS4J *"MPOWER FASCIA 4"" 3 WIRE STUD MOUNT* *EMPSCG2STS4J"*	$169.62	4	$678.48
Part: AFIENNLB01838-49B *"NFORCE LIGHT NXT LIGHT BAR* *ENNLB01838-49B"*	$3,131.31	1	$3,131.31
Part: AFIEMPSCG2STS5RBW *"MPOWER 4"" 3 WIRE STUD MOUNT* *EMPSCG2STS5RBW"*	$188.31	4	$753.24
Part: AFIPLUCTCL1 *"COLLAR KIT* *PLUCTCL1"*	$5.40	4	$21.60
Part: AFIETSS100J *"100J SPEAKER* *ETSS100J"*	$269.31	2	$538.62
Part: AFIENGLMK013 *"BLUEPRINT LINK MICRO KIT* *ENGLMK013"*	$508.85	1	$508.85
Part: AFIENGSA5200RSP *"BLUEPRINT 500 SERIES REMOTE* *ENGSA5200RSP"*	$1,312.62	1	$1,312.62
Part: AFIENGN		1	$0.00
Part: AFIENG04102 *ENG04102; bluePRINT® Remote Node with Magnetic ID*	$334.62	2	$669.24
Part: AFIMisc-Parts *ENGHNK06* *NODE HARNESS* *SOUND OFF*	$111.14	2	$222.28
	Shop Supplies (8%): $0.00		**Total: $9,775.89**

TURN KEY PIU #2 PUSH BUMPER WESTIN

Description	Price	QTY	Subtotal
Part: AFI36-2125 *Push Bumper Elite - Police Interceptor Utility 2020-2025*	$473.08	1	$473.08
Part: AFI36-6005SMP *2 LIGHT CHANNEL SOUNDOFF 36-6005SMP2*	$50.55	1	$50.55
Part: AFI36-2125WC *Elite Upright Wire Cover*	$43.98	1	$43.98
	Shop Supplies (8%): $0.00		**Total: $567.61**

TURN KEY PIU #2 LAGUNA

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Kansas City, MO 64129
(816) 861-4000
lanny@altfuelinnovations.com
afi-kc.com

Estimate #39072

Created: 1/3/2025 09:51 AM CST
Payment Term: Net 30
Service Writer: Steve Fase

TURN KEY PIU #2 LAGUNA			
Description	**Price**	**QTY**	**Subtotal**
Part: AFIFE7502-RB *Ford Police UI 2020 Seat with Ready Buckle Dual Switching Retractor Seat Belts and Rear Cargo Steel Screen*	$1,479.00	1	$1,479.00
Part: AFIFE7502-DC *"LAGUNA 3P PEAR PASSENGER AND RIVERS DOOR ABS SLIP COVER FE7502-DC"*	$329.23	1	$329.23
Part: AFIFE7502-RWS *Ford Police UI Steel Security Screens for Rear Windows High Visibility*	$349.23	1	$349.23
Part: AFI-INV-ES-ET-FD-UNIV *ELECTRONIC STORAGE, ELECTRONIC TRAY, FOLD DOWN, UNIVERSAL, POLY COATED*	$448.85	1	$448.85
	Shop Supplies (8%): $0.00		**Total: $2,606.31**

TURN KEY PIU #2 LABOR		
Description		**Subtotal**
Labor: Labor *AFI Installation Cost*		$4,250.00
	Shop Supplies (8%): $70.00	**Total: $4,320.00**

Estimates provided are an approximation of timing and charges to you for the services requested. They are based on the anticipated work to be done. It is possible for unexpected complications to cause some deviation from the original quote. You hereby authorize the repair work described in this estimate to be done along with the procurement of the necessary material(s), including permission to operate the vehicle for on-road testing or inspection. If any additional repairs are required, we will prepare a revised work order providing the cost of additional parts and labor and total revised cost. All parts are new unless specified otherwise.

Deposits are non-refundable. No returns or refunds on special ordered items or electrical parts. There is no warranty for used parts or customer supplied parts.

You agree that we are not responsible for loss or damage to your vehicle, including loss of articles left in the vehicle, including, without limitation, in case of fire, theft, or any other cause(s) beyond our control.

Labor	$4,250.00
Parts	$15,714.56
Subtotal	$19,964.56
Shop Supplies	$70.00
Tax	$0.00
Grand Total	**$20,034.56**
Paid To Date	($0.00)
REMAINING BALANCE	**$20,034.56**

We are not responsible for any delays caused by unavailability of parts or delays in delivery of parts by the supplier or transporter. You have the right to know before authorizing any additional repairs what those repairs will be and what they will cost. If required repairs exceed the authorized estimated amount, we must obtain your approval to perform the repairs. We will keep you informed and perform only repairs authorized by you.

Signature _____

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Marshall Ronningen, Facilities Maintenance Superintendent

Co-Submitter: Jen Brown

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:

Consideration and Approval of Contract: Cooperative purchase with Corporate Technoology Solutions, LLC in an amount not to exceed $300,000.00 for City-Wide Verkada Security and Protection Systems.

STAFF RECOMMENDED ACTION:

1. Approve the cooperative purchase with Corporate Technologies Solutions, LLC (CTS) in an amount not to exceed $300,000.00 for City-Wide Verkada Security and Protection Systems; and
2. Authorize the City Manager to execute the necessary documents.

Executive Summary:

Facilities Maintenance established the Facilities Advisory Committee (FAC) in 2021 and meets monthly to assist in better communications and coordination between divisions for the maintenance and management of facilities. The FAC was tasked to investigate enhanced security services and protocols at the city facilities in 2022. After exhaustive research and discussion, the FAC collectively agreed on the Verkada Security and Protection System for access control, surveillance and building monitoring. This cooperative purchase will continue to add Verkada Security and Protection Systems to take City facilities' security to the next level by enhancing access control points and greatly improving security access and video surveillance in needed locations. Upcoming projects include access control and video surveillance for the Flagstaff Police Department Evidence Warehouse; PROSE locations such as, the Jay Lively Activity Center, Joe C. Montoya Adult Center, Hal Jensen recreation center and the Aquaplex recreation center; as well as the Moonshot campus.

Financial Impact:

Project Name: City-Wide Verkada Security and Protection System Services
Cost: Not to exceed $300,000
Account Number Budgeted: GL # 001-06-152-0522-03-4435; 053-07-215-0860-4-4435; 001-04-061-0225-2-4407 and 202-08-307-1073-0-4410
FY2025-26 Budget is $264,000; any purchases over this amount will require additional budget appropriation to be identified before the purchase can be made.
Grant Funded: No
Funding Source: General Fund, BBB - Tourism Fund, Water Services - Drinking

Policy Impact:

Policy impacts from enhancing building security and security process would set the tone that the City takes employee security seriously and is committed to creating a stronger and healthy work environment while ensuring citizen safety when visiting city facilities in a proactive manner.

Previous Council Decision or Community Discussion:

The City has utilized cooperative purchases with CTS for multiple Security and Protection System projects since at least 2023, including, at City Hall, Library Facilities: Downtown, Eastside, Tuba City, and a Water Services building. This cooperative purchase will add Flagstaff Police Department, PROSE, Economic Vitality locations.

Options and Alternatives to Recommended Action:

1. Approve the cooperative purchase with CTS in an amount not to exceed $300,000.00 utilizing State of Arizona Department of Administration Cooperative Contract #CTR056380 and associated contract documents; or
2. Do not approve the cooperative purchase and provide alternative direction to staff and discuss further with end users.

Background and History:
The City of Flagstaff Purchasing Section researched for an agency contract to create a cooperative to utilize better pricing. The State of Arizona Department of Administration Cooperative Contract conducted a competitive and open procurement process through Request for Proposal BPM003541 that resulted in Contract #CTR056380 with Contractor.

Contract #CTR056380 will expire on July 27, 2026 pursuant to Section 3.2 of the Special Terms and Conditions. If City staff decides to continue to contract with CTS for Security and Protection Systems for the locations described here and in active agreements, prior to the date of expiration, City staff will be required to work with the Purchasing Section to update the cooperative purchase documentation.

Connection to PBB Priorities and Objectives:
Safe and Healthy Community – Ensure the built environment is safe through the use of consistent standards, rules & regulations, & land use practices. This project directly supports this PBB priority to ensure we provide the most robust and safe environment we can for current infrastructure.

Connection to Regional Plan:
None

Connection to Carbon Neutrality Plan:
None

Connection to 10-Year Housing Plan:
None

Connection to Division Specific Plan:
None

Attachments: State Contract Corporate Technology Solution, LLC

Request for Proposal

Solicitation No. BPM003541

Security and Protection Systems - Statewide

Arizona Department of Administration
General Services Division
1400 W. Washington St., Ste. B200
Phoenix, AZ 85007

Offer and Acceptance Form

SUBMISSION OF OFFER: Undersigned hereby offers and agrees to provide Security and Protection Systems - Statewide in compliance with the Solicitation indicated above and our Offer indicated by the latest dated version below:

Initial Offer:	6/9/21	Curtis Johnson		
	Date	Signature		
Revised Offers:				
	Date	Signature	Date	Signature
	Date	Signature	Date	Signature
Best and Final Offer:				
	Date	Signature		

Corporate Technology Solutions, LLC
Offeror company name

Curtis Johnson
Signature of person ~~authorized to sign~~ Offer

1971 E 5th St., Ste 111
Address

Curtis Johnson – Security Division Mgr
Printed name and title

Tempe AZ 85281
City | State | ZIP

Curtis Johnson – Security Division Mgr
Contact name and title

27-0884582
Federal tax identifier (EIN or SSN)

480-377-0225 x238
Contact phone (office)

602-397-0688
Contact phone (mobile)

Cjohnson@ctscabling.com
Contact Email Address

CERTIFICATION: By signature in the above, Offeror certifies that it:

1. will not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, [Arizona] State Executive Order 2009-9 or A.R.S. § 41 – 1461 through 1465;
2. 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 will result in rejection of the Offer. Signing the Offer with a false statement will void the Offer, any resulting contract, and may be subject to legal penalties under law;
3. complies with A.R.S. § 41-3532 when offering electronics or information technology products, services, or maintenance; ad
4. is not debarred from, or otherwise prohibited from participating in any contract awarded by federal, state, or local government.

ACCEPTANCE OF OFFER: State hereby accepts the initial Offer, Revised Offer, or Best and Final Offer identified by the latest date and number at the top of this form (the Accepted Offer). Offeror is now bound (as Contractor) to carry out the Work under the attached Contract, of which the Accepted Offer forms a part. Contractor is cautioned not to commence any billable work or to provide any material or perform any service under the Contract until Contractor receives the applicable Order or written notice to proceed from the Procurement Officer.

State's Contract Number is: CTR056380 **Contract Effective Date:** July 28, 2021

Crista Clevenger 7/23/2021
Procurement Officer Signature — Award Date

Crista Clevenger, Procurement Manager
Procurement Officer Name — Title

Notice Page

1.0 What the State Is Soliciting

The Arizona Department of Administration, General Services Division, its Agencies, Boards and Commissions (the State), as well as Cooperative Members, as authorized under A.R.S.§ 41-2501 is seeking proposals from qualified contractors to provide services, equipment and materials on an as-needed basis for Access Control Systems, Intrusion Systems, and Closed Circuit Television (CCTV).

The State anticipates awarding multiple Contracts to begin providing services by a target date of July 28, 2021.

The Special Terms and Conditions provide a more detailed definition of Eligible Agencies.

List of all state agencies is available at: https://azdirect.az.gov/agencies

Active Co-Op Members List is available at: https://spo.az.gov/procurement-services/cooperative-procurement/state-purchasing-cooperative .

OFFERORS SHOULD READ THE ENTIRE SOLICITATION CAREFULLY.

2.0 How and When Proposals Are Due

PROPOSAL DUE DATE AND TIME: Wednesday, June 9, 2021 at 2:00 PM Arizona Time

Proposals will only be accepted **online in "The State's e-Procurement System" at https://app.az.gov until the "Bid/Offer Due Date" indicated in "The State's e-Procurement System" for the Solicitation No. shown at the top of this page**. Proposals must be in the States possession online no later than the deadline indicated.

Submit technical inquiries about navigating and/or submitting proposals in the State's e-Procurement System to the State's e-Procurement System Help Desk:

- by phone at (602) 542-7600, option2; or
- by email to app@azdoa.gov

LATE PROPOSALS WILL NOT BE CONSIDERED. No extension or grace period will be given for delays or incomplete proposals caused by internet connectivity problems, file uploading difficulties, or misunderstanding of the requirements or procedures for online submission in "The State's e-Procurement System".

3.0 Pre-Offer Conference

The State **WILL NOT** conduct a Pre-Offer Conference for this Solicitation.

4.0 Inquiries

Any question related to this Request for Proposal shall be submitted utilizing the State's "**Discussions with Buyer**" Tab in the e-procurement system. The Offeror shall not contact or ask questions of the department for which the requirement is being procured.

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Uniform Terms and Conditions 40

Solicitation Summary

1.0 What the State Is Soliciting

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1.0 Introduction

The Arizona Department of Administration, General Services Division (hereinafter referred to as the "State") invites proposals from qualified Contractors to provide all services, equipment and materials for Access Control Systems, Intrusion Systems, and Closed Circuit Television (CCTV) for an eligible agency on an as-needed basis.

The State is seeking to establish one or more “statewide” contracts with qualified Contractors to begin providing services by a target date of July 28, 2021

2.0 Purpose and Background

The purpose of this solicitation is to conduct a competitive process, in accordance with Arizona Revised Statues (A.R.S.) §41-2501 to create a contract(s) from which the State and its Cooperative Members (hereinafter referred to as Eligible Agencies) may acquire these products and services.

3.0 Definitions

Actual Parts Manufacturer - A manufacturer of equipment parts supplied direct to original equipment manufacturers for incorporating into the production equipment and/or resale as replacement parts. The original equipment manufacturer is the actual parts manufacturer for those parts produced solely by it.

Consumable Products – Products that are depleted or degraded while directly performing the services required by this contract.

Drive Time – An hourly labor rate paid to compensate the primary worker along with any additional helpers for their time spent traveling between the Contractor’s facility and the service location.

Emergency Repair – This is a priority designator that places this project above all others. A project with an “emergency” designator is to be given necessary resources until completed.

Facilities Maintenance Coordinator (FMC) – The individual responsible for the department surveillance of the work in accordance with the contract. The FMC communicates with the Contractor on needed services and repairs. The FMC will participate in periodic quality inspections. The FMC will contact the Contractor to request a repair or service.

Helper – If necessary, additional workers may be used to complete a project. Helpers have separate line items for their labor rates.

Original Equipment Manufacturer – The manufacturer of the complete production equipment whether assembled from parts of its own manufacturer or from parts or components furnished by other manufacturers or a combination of both.

Preventive Maintenance (PM) – That service performed by the Contractor on a scheduled basis, which is designed to keep the equipment/systems in proper operating condition. It includes a verification of proper tolerances (tightness, fluid levels, voltages, etc.), and adjustments or other actions as necessary and appropriate in accordance with the manufacturer’s maintenance specifications and as authorized in the work order.

Rework – To work again or to work again an additional time.

Trip Charge – A fee paid to compensate the Contractor for the distance (per mile) traveled by its employees for round trips greater than 50 miles from the Contractor's facility to the service location.

Quality Control – Those actions taken by the Contractor to control the production of services so that they meet the requirements of the contract.

Quality Control Inspection (QC) – Those actions taken by FMC to check maintenance and repair services to determine if they meet contract requirements.

4.0 General Requirements

4.1 Contractor(s) may be required to ensure that the facilities are in compliance with all existing standards, codes, rules and regulations.

4.2 Contractor(s) are encouraged to offer any additional services their company provides and must indicate those services in their proposal.

4.3 Contractor(s) must ensure all equipment is compatible to the best industrial standards and must function as designed after installation.

4.4 All necessary wiring, fasteners, fittings, hardware, anchors, or other necessary miscellaneous items, except specialty equipment, to successfully provide the services required herein shall be provided by the Contractor(s) at no additional cost to the Eligible Agency.

4.5 Contractor(s) must designate a single point of contact to be the liaison for state information technology staff to handle the day to day operations.

4.6 Contractor(s) may not apply surcharges for transportation, fuel, energy, insurance or any other reason throughout the duration of the contract(s).

4.7 Contractor(s) must guarantee workmanship at Contractors' expense for a period of twelve (12) months from the date of installation.

4.8 Work shall be performed in accordance with manufactures' recommendations and with all current local codes, regulations, and installation guidelines.

4.9 The awarded Contractor(s) may be required to do some work after normal business hours; however, it is anticipated that most work will be completed during normal business hours.

4.10 Once the Contractor has possession of the equipment to be installed, the responsibility of all equipment, including storage during installation work, shall be at the awarded Contractors expense when storage space is unavailable at the jobsite.

4.11 Contractor(s) staff is responsible for performing a standard site walk-through.

4.12 Contractor(s) shall provide competent personnel able to perform the specific scope of work required.

4.12.1 Due to the nature of these scopes of work and the liability involved, each Eligible Agency will have the final determination of competency in all matters regarding personnel provided by the Contractor.

5.0 Maintenance and Repair of All Systems and Response Times, (including Emergency Repair) Unless previously agreed upon by eligible agency:

5.1 Normal Response to trouble calls within 8 hours, including weekends and holidays.

5.1.1 Rural Area Normal Response to trouble calls within 8 hours, including weekends and holidays.

5.2 Emergency Response to trouble calls within 2 hours, including weekends and holidays.

5.2.1 Rural Area Emergency Response to trouble calls within 4 hours, including weekends and holidays.

5.3 Repair Technicians must carry adequate hardware inventory to replace, repair, and/or maintain each system at the dispatched location.

5.3.1 Contractor(s) will be responsible for any additional expenses and mileage resulting from inadequate hardware inventory to replace, repairs, and/or maintain each system.

5.4 Repair Technicians must be prepared to provide an immediate replacement for defective equipment and **shall not** remove a defective unit without an immediate replacement.

5.5 Replacement and repair of equipment must be provided at a specific location, or within an assigned geographical area inside a location.

6.0 Access Control Systems – Category 1

The Access Control Systems category includes all aspects of Access Control System Services, including but not limited to the following services:

6.1 Consulting;

6.2 Inspection as required by the using eligible agency;

6.3 Installation of new systems;

6.4 Replacement or upgrade of existing systems;

6.5 Removal of existing systems;

6.6 Integration of various types of systems;

6.7 Provide and install all related equipment and miscellaneous items such as wire, fasteners, hardware, etc. that may be needed to compete the scope of work;

6.8 Provide programming and work individually with eligible agencies information technology staff when installing new or maintaining previously installed systems; and

6.9 Contractor(s) must possess the ability to provide individual access codes and provide all access codes and access procedures to the eligible agency.

7.0 Intrusion Systems – Category 2

The Intrusion Systems category includes all aspects Intrusion System Services, including but not limited to the following services:

7.1 Consulting;

7.2 System Monitoring:

7.2.1 Provide a 24-hour UL Listed Station

7.2.2 Provide Backup communication if requested by eligible agencies, i.e. radio or cell phone

7.3 Inspections as required by the eligible agency;

7.4 Installation of new systems;

7.5 Replacement or upgrade of existing systems;

7.6 Removal of existing systems;

7.7 Integration of various types of systems;

7.8 Provide and install all related equipment and miscellaneous items such as wire, fasteners, hardware, etc. that may be needed to complete the scope of work;

7.9 The work provided within this section includes a complexity of various single zone and multi-zoned systems, including circuit boards, communication devices, phone lines, system wiring, power supply, and batteries installed with or without panic buttons, motion detectors, door sensors, window sensors, glass-break sensors, key pads, and various notification devices (horns, strobes, etc.);

7.10 Existing systems must be matched in any new additions or new construction. During renovations, the system in the renovated area being replaced must match the system that is currently in operation and must become an integral part thereof. Contract must ensure complete connectivity and integration to each existing system in those instances where an addition or upgrade is warranted.

7.11 The Contractor(s) must designate a project manager as the single point of contact who must be certified to program all alarm systems in use throughout eligible agency facilities.

7.12 The Contractor(s) must possess the ability to provide individual access codes and provide all access codes and access procedures to the eligible agency.

8.0 Closed Circuit Television Systems (CCTV) – Category 3

The CCTV category includes all aspects of CCTV Services, Including but not limited to the following services:

8.1 Consulting

8.2 Inspection as required by the using eligible agency

8.3 Installation of new systems;

8.4 Replacement or upgrade of existing systems;

8.5 Removal of existing systems;

8.6 Integration of various types of systems;

8.7 Provide and install all related equipment and miscellaneous items such as wire, fasteners, hardware, etc. that may be needed to complete the scope of work;

8.8 Provide the option to use CCTV video cards for video surveillance;

8.8.1 Video cards must have the capability to handle from four (4) to twenty-four (24) cameras in the system;

8.8.2 Contractor must offer video cards with various capacity sizes to meet all potential needs;

8.8.3 All cameras used in an installation must be matched to work with the video card selected by the eligible agency.

8.9 Provide the option to utilize Digital Video Recording Equipment (DVR), Network Video Recording Equipment (NVR), and/or Gateway and Hosted Video Equipment;

8.10 Provide the option for eligible agencies to build their own stand-alone computer to run the system, or request that the Contractor build it for them; and

8.11 Offer a wide variety of indoor and outdoor cameras and wireless transmitters to work in conjunction with video cards.

9.0 Agreements

9.1 Contractor(s) shall not require Eligible Agencies to sign any additional or separate agreements subordinate to the resulting contract.

9.2 Contractor(s) shall provide separate quotes within 48 hours of request, unless otherwise agreed upon by the eligible agency, for each new or replacement installation as required by the eligible agency

9.2.1 Quotes should offer price difference for lease vs. purchase options as requested by eligible agency.

9.3 Eligible Agencies may have proprietary equipment. It is Contractor(s) responsibility to work with or notify the eligible agency regarding maintenance and repair of proprietary equipment.

10.0 Background Checks

10.1 Contractors employees assigned to the contract may be required to submit to and pass background checks.

10.1.1 All costs associated with background checks shall be at the contractor's expense.

10.2 It is the Contractor's responsibility to ensure the following;

10.2.1 Contractor(s) may not begin work on the contract until clearance has been issued by the eligible agency; and

10.2.2 Notification and access to eligible agency will be pre-authorized by the eligible agency.

11.0 Public Works Projects

11.1 Any projects that are federally funded may be subject to the requirements of Davis-Bacon Act and/or the Davis-Bacon Wage Decision.

11.1.1 Labor prices for affect projects may be negotiated between the eligible agency and the contractor, provided the contractor provides adequate documentation for any negotiated increase.

11.1.1.1 Documentation shall include payroll records, copies of wage decisions, and/or other information that establishes a clear difference between the

contractor's standard wage and the prevailing Davis-Bacon wage for any affected employee for that project.

11.1.1.2 Under no circumstances will that price be increased by an amount higher than the difference between the normal hourly rate and the hourly rate required by the applicable Davis-Bacon Wage Decision.

11.2 Contractor(s) must include in job quotes the standard business hours and prevailing wage rate for the job location. Quotes should include shift differential, if any, for working nights and weekends.

11.3 Jobsites must be cleaned every day.

11.4 Contractor(s) must complete any punch lists within five days of receipt. Exceptions to this standard may be addressed on an individual project basis.

12.0 Standard of Performance and Acceptance

12.1 The Standard of Performance applies to all product(s) purchased under a resultant contract, including any additional, replacement or substitute product(s), as well as any product(s) which are modified by or with the written approval of the Contractor and after acceptance by the eligible agency.

12.2 The Acceptance Testing period shall be seven (7) calendar days, or any other time period previously agreed upon, beginning with the day after the product is installed and certification is received that the product is ready for Acceptance Testing.

12.3 If the product does not meet the Standard of Performance during the initial period of Acceptance Testing, the eligible agency may, at its discretion, continue Acceptance Testing on a day-to-day basis until the Standard of Performance is met.

12.4 Upon rejection, the contractor will have three (3) days to cure and Standard of Performance issue(s).

12.5 If, after the cure period, the product still has not met the Standard of Performance, the eligible agency may, at its option;

12.5.1 Declare the contractor to be in breach and terminate the order;

12.5.2 Demand a replacement product from the contractor at no additional cost to the eligible agency; or

12.5.3 Continue the cure period for an additional time period agreed upon by the eligible agency and the contractor.

12.6 Contractor(s) shall pay all costs related to the preparation and shipping of returned products;

12.7 No product shall be accepted and no charges shall be paid until the Standard of Performance is met; and

12.8 The Warranty Period will begin upon approval by the eligible agency.

Pricing Document

1.0 Compensation

1.1 COMPENSATION METHOD

Contractor will be compensated based on the final detailed written quote approved by the Customer. Pricing shall not exceed the labor rates indicated on the Pricing Document.

2.0 Pricing

2.1 CONTRACTOR'S BEST PRICING. Supplier warrants that, for the term of the Contract, the prices and discounts set out in Exhibit A_PRICING – Security and Protections Systems - Statewide, including any subsequent agreed amendment to it (the "Contract Pricing"), will be equal to or better than the lowest prices and largest discounts, both separately and in combination, at which Contractor sells equivalent services, items of equipment and materials.

2.1.1 That price-plus-discount equivalence ("Contractor's Best Pricing") is intended to be irrespective of whether or not those other sales have special purchase terms, conditions, rebates or allowances.

2.1.2 If Contractor's Best Pricing for equivalent services, items of equipment and materials is better than the Contract Pricing, then Contractor agrees to adjust the Contract Pricing to match the Contractor's Best Pricing for all sales related to the Contractor made after the date when the Contractor's Best Pricing was first better than the Contract Pricing.

2.1.3 For clarification of intent, that date is intended to be the date when the difference first occurred, which might have been before the difference was first identified. If it was before, then Supplier agrees to charge at less than the Contract Pricing until the extended difference that would have been realized (i.e., if the Contractor's Best Pricing had been applied when it should have been) has been settled.

2.2 PRICING-ALL-INCLUSIVE:

2.2.1 Pricing is all-inclusive, including any ancillary fees and costs required to accomplish the Scope of Work and all aspects of Contractor's offer as accepted by State. Details of service not explicitly stated in the Scope of Work or in Contractor's Offer, but necessarily a part of, are deemed to be understood by Contractor and included herein. All administrative, reporting, or other requirements, all overhead costs and profit and any other costs toward the accomplishment of the requirements in the Contract are included in the pricing provided.

2.3 PRICE INCREASES:

2.3.1 The State may review a fully documented request for a price increase. The requested increase shall be in writing and be based upon a cost increase to the contractor that was clearly unpredictable at the time of the offer and is directly correlated to the price of the product concerned. Contractor must provide conclusive evidence of a need for any price increases such as being substantiated by the Producer Price Index, Consumer Price Index, or similar pricing guide.

(a) Initial Contract prices will be honored for one year after award of Contract.

(b) All written requests for price adjustments made by the contractor shall be initiated thirty (30) days in advance of any desired price increase to allow State sufficient time to make a fair and equitable determination to any such requests. This may be waived upon proper documentation demonstrating the urgency of the request.

(c) All price adjustments will be implemented by a formal contract amendment. State shall determine whether the requested price increase or an alternate option is in the best interest of State.

2.4 PRICE REDUCTIONS:

2.4.1 Price reductions shall be immediately passed along to State and may be submitted in writing to State for consideration at any time during the Contract period. The contractor shall offer State a price reduction on the Contract product(s) concurrent with a published price reduction made to other customers. State at its own discretion may accept a price reduction. The price reduction request shall be in writing and include documentation showing the actual reduction of cost. Sales promotions requests shall include difference in pricing, begin, and end date of promotion along with the products covered.

2.5 ADDITIONAL CHARGES:

2.5.1 Any charges or fees not delineated in the Contract may not be added, billed, or invoiced under the Contract.

2.6 TRAVEL.

2.6.1 Contractor shall get written approval prior to any travel under the Contract in which reimbursement of expenses will be requested. Contractor will be reimbursed for actual expenses incurred in accordance with the current rates specified in State's Travel Policy. Contractor shall itemize all per diem and lodging charges. State Travel Policy, including State rates, may be located at https://gao.az.gov/travel . The Eligible Entity / Customer shall reject any claim for travel reimbursement without prior written approval.

3.0 Funding

No particular funding considerations apart from paragraph 4.4 [*Availability of Funds for the Next State fiscal year*] and 4.5 [*Availability of Funds for the current State fiscal year*] of the Uniform Terms and Conditions have been identified as of the Solicitation date.

4.0 Invoicing

4.1 INVOICES GO TO BUYING ENTITY. Contractor shall submit all billing notices or invoices to the ordering Eligible Entity/Customer (e.g. Eligible Agency or Co-Op Buyer) at the address indicated on the applicable Order document or by utilizing the Buying Entity's purchasing tool/process.

4.2 MINIMUM INVOICE REQUIREMENTS. Every invoice must include the following information:

Item	Required
Bill-to name and address	●
Contractor name and contact information	●
Remit-to address	●
State contract number	●
Order number (typically the State's e-Procurement System PO #)	●
Invoice number and date	●
Date the items shipped or services performed	●
Applicable payment terms	●
Contract line item number	●
Contract line item description	●
Quantity delivered or performed	●
Line item unit of measure	●

Item price	●
Extended pricing	●
Discount off list or catalog	●
Taxes *(as a separate invoice line item)*	●
Trip fee (if applicable)	●
Travel (if applicable)	●
Total invoice amount due	●

4.3 NO INVOICE WITHOUT AUTHORIZATION. Contractor shall not seek payment for any:

1. Materials or Services that have not been authorized on an acknowledged Order;
2. Expediting, overtime, premiums, trip fee, travel, or upcharges absent State's express prior approval; or
3. Materials or Services that are the subject of a Contract Amendment that has not been fully signed.

4.4 PRE-INVOICE REVIEW. Shortly before Contractor is scheduled to submit each invoice, the parties' representatives shall meet informally to review any issues relevant to that upcoming invoice so that the formal invoice process is thereby facilitated and made more efficient.

4.5 SUBMITTING INVOICES. Contractor shall submit an invoice to the ordering Eligible Agency or Co-Op Buyer using the form and/or process provided or required by the ordering Eligible Entity/Customer (Eligible Agency or Co-Op Buyer). Every invoice must be signed by Contractor's authorized representative and accompanied by all supporting information and documentation required by the Contract and applicable laws.

4.6 DEFECTIVE INVOICES. Without prejudice to its other rights under the Contract or further obligation to Contractor, the ordering Eligible Entity/Customer (Eligible Agency or Co-Op Buyer) may, at its discretion, reject any materially defective invoice.

4.6.1 The ordering Authorize Entity/Customer (Eligible Agency or Co-Op Buyer) shall notify Contractor within 5 (five) business days after receipt if it determines an invoice to be materially defective.

4.6.2 Invoices will be deemed automatically rejected upon delivery if they:

(a) are sent to an incorrect address;

(b) do not reference the correct State contract number; or

(c) are payable to any Person other than the Contractor.

4.6.3 The ordering Eligible Entity/Customer (Eligible Agency or Co-Op Buyer) will have no obligation to pay against a defective invoice unless and until Contractor has re-submitted it free of defects.

5.0 Payments

5.1 PAYMENT. The applicable Eligible Agency or Co-Op Buyer shall pay undisputed amounts due to Contractor within the time period specified in Section 4.0 Costs and Payments of the Uniform Terms and Conditions

5.2 JOINT CHECKS OR DIRECT PAY. applicable Eligible Agency or Co-Op Buyer may, but is under no obligation to, pay by joint check or to pay directly to any Subcontractor or other creditor to whom any portion of Contractor's requested payment is owed.

5.3 RECOVERY OF OVER-PAYMENT. If applicable Eligible Agency or Co-Op Buyer determines that an over-payment has been made to Contractor on any prior invoice, it shall inform Contractor of the amount and date of the over-payment and may deduct the over-paid amount from amounts then or thereafter due to Contractor.

5.4 PAYMENTS TO SUBCONTRACTORS. Contractor shall make payment of all undisputed amounts due to Subcontractors within thirty (30) days of receipt of funds from applicable Eligible Agency or Co-Op Buyer applicable to their services.

5.5 PURCHASING CARD. Applicable Eligible Agency or Co-Op Buyer may pay invoices for some or all Orders using a purchasing card. Any and all fees related to payment using a Purchasing Card are the responsibility of Contractor. Unless otherwise stated in the Contract there will be no additional fees or increase in prices associated with this method of payment.

5.6 AUTOMATED CLEARING HOUSE. Applicable Eligible Agency or Co-Op Buyer may pay invoices for some or all Orders through an Automated Clearing House (ACH). In order to receive payments in this manner from Eligible Agencies, Contractor must complete an ACH Vendor Authorization Form (form GAO-618) within 30 (thirty) days after the effective date of the Contract. The form is available online at:

https://gao.az.gov/afis/vendor-information

6.0 Exhibits to the Pricing Document

Excel Pricing Spreadsheet attached as a separate document

End of Section Pricing Document

Special Terms and Conditions

The Special Terms and Conditions modify the Uniform Terms and Conditions and its Appendices. It can modify them by replacing, deleting, appending to, or revising the text of an existing provision or by inserting a new paragraph into an existing article. No other document modifies or adds to the Uniform Terms and Conditions, except as may subsequently be otherwise and expressly agreed and incorporated by Contract Amendment.

1.0 Definition of Terms

As used in the Contract, the terms listed below are defined as follows:

1.1	**Acceptance**	"Acceptance" means the document headed "Offer and Acceptance Form" bearing the State contract number once Procurement Officer has signed it to signify (1) State's formal acceptance of the Accepted Offer and (2) the formation of the Contract. For clarity of intent, the foregoing is not to be confused with the term "acceptance" used throughout the Contract in the context of delivery, inspection, etc., with respect to Materials or Services.
1.2	**Accepted Offer**	If State did not request a Revised Offer, then "Accepted Offer" means the Initial Offer. If State did request a Revised Offer but not a Best and Final Offer, then "Accepted Offer" means the latest Revised Offer. If State requested a Best and Final Offer, then "Accepted Offer" means the Best and Final Offer.
1.3	**Arizona Procurement Code; A.R.S.; A.A.C.**	"Arizona Procurement Code, "A.R.S.," and "A.A.C." are each defined in the Instructions to Offerors.
1.4	**Arizona TPT**	"Arizona TPT" means Arizona Transaction Privilege Tax. For information, refer to the Arizona Department of Revenue (DOR) website at: https://www.azdor.gov/business/transactionprivilegetax.aspx.
1.5	**Attachment**	"Attachment" means any item that: 1. the Solicitation required Offeror to submit as part of the relevant Offer (e.g., Initial Offer, Revised Offer, or BAFO); 2. was attached to an Offer when submitted; and 3. was included in the Accepted Offer.
1.6	**Pricing Document**	"Pricing Document" means Pricing Specifications the Solicitation Documents, provided that, if there is no such Section in the Contract, then "Pricing Document" is to be construed as referring to whatever item in the Contract contains the contracted pricing and payment provisions.
1.7	**Contract Amendment**	"Contract Amendment" means a document signed by Procurement Officer that has been issued for the purpose of making changes to the Contract after execution.
1.8	**Contract Terms and Conditions**	"Contract Terms and Conditions" means the Special Terms and Conditions and these Uniform Terms and Conditions taken collectively.
1.9	**Contractor**	"Contractor" means the Person identified on the Accepted Offer who has entered into the Contract with State.
1.10	**Contractor Indemnitor**	"Contractor Indemnitor" means Contractor or any of its owners, officers, directors, agents, employees, or Subcontractors.
1.11	**Co-Op Buyer**	"Co-Op Buyer" means a member of the State Purchasing Cooperative that has entered into a "Cooperative Purchasing Agreement" with the Arizona Department of Administration State Procurement Office under A.R.S. § 41-2632. Unless there is an applicable Cooperative Purchasing Agreement in effect at the time, a State Purchasing Cooperative member cannot be a Co-Op Buyer. For reference, "Co-Op Buyer" is to be construed as encompassing "eligible procurement unit" under A.A.C. R2-7-101(23). NOTE: Membership in the State Purchasing Cooperative is open to all Arizona political subdivisions, including cities, counties, school districts, and special districts. Membership is also

available to non-profit organizations, other state governments, the federal government and tribal nations. For reference, "non-profit organizations" are defined in A.R.S. § 41-2631(4) as any nonprofit corporation as designated by the IRS under section 501(c)(3) through 501(c)(6) of the tax code.

1.12 Eligible Agency

If the Special Terms and Conditions indicates that the Contract is a "single-agency" contract, then "Eligible Agency" means the particular State of Arizona agency, university, commission, or board identified therein. If the Special Terms and Conditions indicates that the Contract is a "statewide" contract, then "Eligible Agency" means any State of Arizona department, agency, university, commission, or board.

1.13 Indemnified Basic Claims

"Indemnified Basic Claims" means any and all claims, actions, liabilities, damages, losses, or expenses, including court costs, attorneys' fees, and costs of claim processing, investigation and litigation, for bodily injury or personal injury, including death, or loss or damage to any real or tangible or intangible personal property, collectively. See paragraph 6.3.

1.14 Instructions to Offerors

"Instructions to Offerors" is Instructions to Offerors of the Solicitation Documents.

1.15 Order

"Order" means the instrument by which State authorizes Contractor to perform some or all of the Work. Whether the Contract will have one Order or many Orders depends the scope of the Contract and how State will use it. The Special Terms and Conditions provide that information. Any of the following is to be construed as being an "Order":

1. "Release" or "Release Purchase Order" in The State's e-Procurement System;
2. "task order", "service order," or "job order" when a Release Purchase Order for Services has already been committed in The State's e-Procurement System; or
3. "purchase order" for buying by Co-Op Buyers, if co-op buying applies.

1.16 The State's e-Procurement System

"The State's e-Procurement System" means State's official electronic procurement system, established pursuant to A.A.C. R2-7-201 as set forth in the Arizona Department of Administration State Procurement Office policy document *Technical Bulletin No. 020, The State's e-Procurement System – The Official State eProcurement System*.

NOTE (1): Technical Bulletin No. 020 is available online at:

https://spo.az.gov/administration-policy/state-procurement-resource/procurement-regulations

1.17 State

With respect to the Contract generally, "State" means the State of Arizona and its department, agency, university, commission, or board that has executed the Contract. With respect to administration or rights, remedies, obligations and duties under the Contract for a given Order, "State" means each of Eligible Agency or Co-Op Buyer who has issued the Order.

1.18 State Indemnitees

"State Indemnitees" means, collectively, the State of Arizona, its departments, agencies, universities, commissions, and boards and, and their respective officers, agents, and employees.

1.19 Subcontractor

"Subcontractor" has the meaning given in A.R.S. § 41-2503(38), which, for convenience of reference only, is "… a person who contracts to perform work or render service to … [C]ontractor or to another [S]ubcontractor as a part of a contract with a state governmental unit . . ."The Contract is to be construed as "a contract with a state governmental unit" for purposes of the definition. For clarity of intent, a Person carrying out any element of the Work is a Subcontractor from the moment they first carry out that element of the Work regardless of whether or not a Subcontract exists then or subsequently.

1.20 Work

"Work" means the totality of the Materials and the Services and all the acts of administration, creation, production, and performance necessary to fulfill and incidental to fulfilling all of Contractor's obligations and duties under the Contract in conformance with the Contract and applicable laws.

2.0 Contract Interpretation

2.1 Usage

Where the Contract:

1. assigns obligations to Contractor, any reference to "Contractor" is to be construed to be a

reference to "Contractor and all Subcontractors, whether they are first-tier subcontractors, sub-subcontractors, suppliers, sub-suppliers, consultants, or sub-consultants, as well as all of Contractor's and the Subcontractors' respective agents, representatives, and employees" in every instance unless the context plainly requires that it is be a reference only to Contractor as apart from Subcontractors;

2. uses the permissive "may" with respect to a party's actions, determinations, etc., the term is to be interpreted as in A.A.C. R2-7-101(31) [*Definitions*]. For clarity of intent, any right given to State using "State may" or a like construction denotes discretion and freedom to act so far as any regulatory or operative constraints permit in the relevant circumstances, provided that: (a) where written "may, at its discretion," the discretion extends to whatever is most advantageous to State; and (b) where written only as "may," the discretion is constrained by what is fair, reasonable, and as accommodating of the respective best interests of both parties as practicable under the circumstances;
3. uses the imperative "shall" with respect to a party's actions, duties, etc., the term is to be interpreted as in A.A.C. R2-7-101(43) [*Definitions*]. Conversely, the phrase "shall not" is to be interpreted as an imperative prohibition.
4. uses the term "must" with respect to a requirement, criterion, etc., the term is to be interpreted as conveying compulsion or strict necessity, and is to be read as though written "*must, if [the subject] is to be entitled to have [the object] considered or credited as being compliant with, conforming to, or satisfying [the requirement, criterion, constraint, etc.], otherwise, [the object] will be considered or debited as being non-compliant, non-conforming, or unsatisfactory for its Contract-related purposes*" in every instance;
5. uses the term "might" with respect to an event, outcome, action, etc., the term is to be interpreted as conveying contingency or non-discretionary conditionality; and
6. uses the term "will" or the phrases "is to be" or "are to be" with respect to an event, outcome, action, etc., the term or phrase is to be interpreted as conveying such certainty or imperativeness that "shall" is either unnecessary or irrelevant in that instance.

2.2 Contract Order of Precedence

COMPLEMENTARY DOCUMENTS. All of the documents forming the Contract are complementary. If certain work, requirements, obligations, or duties are set out only in one but not in another, Contractor shall carry out the Work as though the relevant work, requirements, obligations, or duties had been fully described in all, consistent with the other documents forming the Contract and as is reasonably inferable from them as being necessary to produce complete results.

CONFLICTS. In case of any inconsistency, conflict, or ambiguity among the documents forming the Contract and their provisions, they are to prevail in the following order, descending from most dominate to most subordinate, provided that, among categories of documents or provisions having the same rank, the document or provision with the latest date prevails. Information being identified in one document but not in another is not to be considered a conflict or inconsistency.

(a) Contract Amendments;
(b) the final Solicitation Documents, in the order:
  (1) Special Terms and Conditions;
  (2) Exhibits to the Special Terms and Conditions;
  (3) Uniform Terms and Conditions;
  (4) Scope of Work;
  (5) Exhibits to the Scope of Work;
  (6) Pricing Document;
  (7) Exhibits to the Pricing Document;
  (8) Specifications; and
  (9) any other documents referenced or included in the Solicitation;
(c) Orders, in reverse chronological order; and
(d) Accepted Offer.

ATTACHMENTS AND EXHIBITS. For clarity of intent, if an item was an Attachment in the Solicitation

Documents or an Offer (either Initial, Revised, Best and Final, or Accepted) and was subsequently made into an Exhibit, or its content was incorporated into one of the other Contract documents, then that Attachment no longer exists contractually as an "Attachment" since it has at that point been made into some other Contract document. In every other case, an Attachment and the Offeror data therein remain part of the Accepted Offer for purposes of precedence and contractual effect.

2.3 Independent Contractor

Contractor is an independent contractor and shall act in an independent capacity in performance under the Contract. Neither party is or is to be construed as being to be the employee or agent of the other party, and no action, inaction, event, or circumstance will be grounds for deeming it to be so.

2.4 Complete Integration

The Contract, including any documents incorporated into the Contract by reference, is intended by the parties as a final and complete expression of their agreement. There are no prior, contemporaneous, or additional agreements, either oral or in writing, pertaining to the Contract.

3.0 Contract Administration and Operation

3.1 Term of Contract

The term of the Contract will commence on the date indicated on the Offer and Acceptance and continue for **twelve (12) months unless cancelled, terminated, or permissibly extended**.

3.2 Contract Extensions

State may at its discretion extend the initial Contract term in increments of one or more months and do so one or more times, provided that, the maximum aggregate term of the Contract including extensions cannot exceed the maximum aggregate term of five (5) years.

3.3 Notices and Correspondence

3.3.1 TO CONTRACTOR. State shall:

(a) address all Contract correspondence other than formal notices to the email address indicated as "Default for Type" for "General Mailing Address" in Contractor's corresponding The State's e-Procurement System Vendor Profile; and

(b) address any required notices to Contractor to the "Contact Name and Title" at the "Mailing Address" indicated on the Accepted Offer, as that address might have been amended during the term of the Contract.

3.3.2 TO STATE. Contractor shall :

(a) address all Contract correspondence other than format notices to the email address indicated in "Contact Instructions" in the State's e-Procurement System Summary for State; and

(b) address any required notices to State to Procurement Officer identified as "Purchaser" in the State's e-Procurement System Summary at the following mailing address:

Arizona Department of Administration
General Services Division
1400 W. Washington Street, Suite B200
Phoenix, AZ 85007

3.3.3 CHANGES. State may change the designated Procurement Officer, update contact information, or change the applicable mailing address by Contract Amendment.

3.4 Signing of Contract Amendments

Contractor's counter-signature – or "approval" in The State's e-Procurement System, in the case of an amendment – is not required to give effect if the Contract Amendment only covers either:

1. extension of the term of the Contract within the maximum aggregate term;
2. revision to Procurement Officer appointment or contact information; or
3. modification of a clerical nature that have no effect on terms, conditions, price, scope, or other material aspect of the Contract.

In every case other than those listed in *(1)*, *(2)*, and *(3)* above, both parties' signature – or "approval" in The State's e-Procurement System, in the case of an Amendment – are required to give it effect.

3.5 Click-Through Terms and Conditions

If either party uses a web based ordering system, an electronic purchase order system, an electronic order acknowledgement, a form of an electronic acceptance, or any software based ordering system with respect to the Contract (each an "Electronic Ordering System"), the parties acknowledge and agree that an Electronic Ordering System is for ease of administration only, and Contractor is hereby given notice that the persons using Electronic Ordering Systems on behalf of State do not have any actual or apparent authority to create legally binding obligations that vary from the terms and conditions of the Contract. Accordingly, where an authorized State user is required to "click through" or otherwise accept or be made subject to any terms and conditions in using an Electronic Ordering Systems, any such terms and conditions are deemed void upon presentation. Additionally, where an authorized State user is required to accept or be made subject to any terms and conditions in accessing or employing any Materials or Services, those terms and conditions will also be void.

3.6 Books and Records

3.6.1 RETAIN RECORDS. By A.R.S. § 41-2548(B), Contractor shall retain and shall contractually require each Subcontractor to retain books and records relating for any cost and pricing data submitted in satisfaction of § 41-2543 for the period specified in the statute.

3.6.2 RIGHT TO AUDIT. The retained books and records are subject to audit by State during that period. By A.R.S. § 41-2548(B), Contractor shall retain and shall contractually require each Subcontractor to retain books and records relating to performance under the Contract for the period specified in the statute and those retained books and records are subject to audit by State during that period.

3.6.3 AUDITING. Contractor or Subcontractor shall either make all such books and records under subparagraphs 3.6.1 and 3.6.2 available to State at all reasonable times or produce the records at a designated State office on State's demand, the choice of which being at State's discretion. For the purpose of this paragraph, "reasonable times" are during normal business hours and in such a manner so as to not unreasonably interfere with normal business activities.

3.7 Contractor Licenses

Contractor shall maintain current all federal, state and local licenses and permits required for the operation of its business in general, for its operations under the Contract, and for the Work itself.

3.8 Inspection and Testing

By A.R.S. § 41-2547, State may at reasonable times inspect the part of Contractor's or Subcontractors' plant or places of business related to performance under the Contract. Accordingly, Contractor agrees to permit (for itself) and ensure (for Subcontractors) access for inspection at any reasonable time to its facilities, processes, and services. State may inspect or test, at its own cost, any finished goods, work-in-progress, components, or unfinished materials that are be supplied under the Contract or that will be incorporated into something to be supplied under the Contract. If the inspection or testing shows non-conformance or defects, then Contractor will owe State reimbursement or payment of all costs it incurred in carrying out or contracting for the inspection and testing, as well as for any re-inspection or re-testing that might be necessary. Neither inspection of facilities nor testing of goods, work, components, or unfinished materials will of itself constitute acceptance by State of those things.

3.9 Ownership of Intellectual Property

3.9.1 RIGHTS IN WORK PRODUCT. All intellectual property originated or prepared by Contractor pursuant to the Contract, including but not limited to, inventions, discoveries, intellectual copyrights, trademarks, trade names, trade secrets, technical communications, records reports, computer programs and other documentation or improvements thereto, including Contractor's administrative communications and records relating to the Contract, are considered work product and Contractor's property, provided that, State has Government Purpose Rights to that work product as and when it was delivered to State.

(a) "Government Purpose Rights" are:

i. the unlimited, perpetual, irrevocable, royalty free, non-exclusive, worldwide right to use, modify, reproduce, release, perform, display, sublicense, disclose and create derivatives from that work product without restriction for any activity in which State is a party;

ii. the right to release or disclose that work product to third parties for any State

government purpose; and

iii. the right to authorize those to whom it rightfully releases or discloses that work product to use, modify, release, create derivative works from the work product for any State government purpose; such recipients being understood to include the federal government, the governments of other states, and various local governments.

(b) "Government Purpose Rights" do not include any right to use, modify, reproduce, perform, release, display, create derivative works from, or disclose that work product for any commercial purpose or to authorize others to do so.

3.9.2 JOINT DEVELOPMENTS. The parties may each use equally any ideas, concepts, know-how, or techniques developed jointly during the course of the Contract, and may do so at their respective discretion, without obligation of notice or accounting to the other party.

3.9.3 PRE-EXISTING MATERIAL. All pre-existing software and other materials developed or otherwise obtained by or for Contractor or its affiliates independently of the Contract or applicable Purchase Orders are not part of the work product to which rights are granted State under subparagraph 3.9.1 above, and will remain the exclusive property of Contractor, provided that:

(a) any derivative works of such pre-existing material or elements thereof that are created pursuant to the Contract are part of that work product;

(b) any elements of derivative work of such pre-existing material that was not created pursuant to the Contract are not part of that work product; and

(c) except as expressly stated otherwise, nothing in the Contract is to be construed to interfere or diminish Contractor's or its affiliates' ownership of such pre-existing materials.

3.9.4 DEVELOPMENTS OUTSIDE OF CONTRACT. Unless expressly stated otherwise in the Contract does not preclude Contractor from developing competing materials outside the Contract, irrespective of any similarity to materials delivered or to be delivered to State hereunder.

3.10 Subcontracts

3.10.1 INITIAL LIST. At the time of Contract execution, Contractor's candidate Subcontractors were identified in Attachment 5 to the Accepted Offer [*Proposed Subcontractors*]. Agreeing to them being included in the Accepted Offer signified Procurement Officer's advance consent for Contractor to enter into a Subcontract with each candidate, which Contractor shall do as promptly as necessary to ensure its ability to carry out the Work in a timely manner.

3.10.2 ADDITIONAL NAMES. Contractor shall not enter into a Subcontract without first obtaining Procurement Officer's written consent with any prospective Subcontractor that (a) was not listed on Attachment 5 at time of Contract execution or (b) is for any Materials or Services categories other than the ones for which they were previously consented. For either case *(a)* or *(b)*, Contractor shall submit a written request sufficiently in advance of the need date for those materials or services so that performance under the Contract is not impaired. Procurement Officer may request any additional information he or she determines is necessary to assess the submittal, and may withhold consent pending it.

3.10.3 FLOW-DOWN. Contractor shall incorporate the provisions, terms, and conditions of the Contract into every Subcontract by inclusion or by reference, as appropriate. When making any post-execution consent requests, Contractor shall include its warrant that it will do the same for the pending Subcontracts covered by the request. Entering into Subcontracts will not relieve Contractor of any of its obligations or duties under the Contract, including, among other things, the duty to supervise and coordinate the work of Subcontractors. Nothing contained in any Subcontract will create or is to be construed as creating any contractual relationship between State and the Subcontractor.

3.11 Offshore Performance of Certain Work Prohibited

Contractor shall only perform those portions of the Services that directly serve State or its clients and involve access to secure or sensitive data or personal client data within the defined territories of the United States. Unless specifically stated otherwise in the Scope of Work, this paragraph

does not apply to indirect or overhead services, redundant back-up services, or services that are incidental to performance under the Contract. This provision applies to work performed by Subcontractors at all tiers.

3.12 Orders

3.12.1 ORDER SUFFICIENCY. The Contract was awarded in accordance with the Arizona Procurement Code; the transactions and procedures required by the code for competitive source selection have been met. An Order issued that cites the correct State contract number will suffice to authorize Contractor to provide the Materials and perform the Services covered by that Order.

3.12.2 ORDER TERMS. All Orders are subject to the Contract Terms and Conditions; an Order cannot modify the Contract Terms and Conditions.

3.12.3 ORDERS ARE OBLIGATORY. Until the expiration or earlier termination of the Contract, State may issue and Contractor shall accept Orders that make proper reference to the Contract and are permissible hereunder, provided that, Contractor is not obliged to accept any Order that is not consistent with the then-current pricing, lead times, specifications, or payment provisions of the Contract. Contractor shall fulfill and complete any Orders that are begun but not yet completed as of expiration or earlier termination of the Contract unless State instructs otherwise at the time.

3.12.4 SPECIAL CASE. In the special case where both the following conditions are true, Procurement Officer's signature on the Acceptance is Contractor's authorization to perform and therefore no Order is required: (a) the Contract is identified as being a "single-agency/single-project" contract and (b) the Contract was created in The State's e-Procurement System as something other than a "Master/ Blanket" type.

3.12.5 NO MINIMUMS OR COMMITMENTS. (a) Contractor shall not impose any minimum dollar amount, item count, services volume, or services duration on Orders; (b) State makes no commitment of any kind concerning the quantity or monetary value of activity actually initiated or completed during the term of the Contract; (c) Contractor shall only deliver or perform as authorized by Orders; and (d) State is not limited as to the number of Orders it may issue for the Contract. For clarity of intent, the foregoing applies equally whether an Eligible Agency issues the Order or, if applicable, a Co-Op Buyer issues it.

3.12.6 NON-CONTRACTED MATERIALS OR SERVICES. Any attempt to knowingly represent for sales, marketing, or related purposes that goods or services not specifically awarded are under a State contract is a violation of the Contract and law.

3.13 Provisions for Statewide Contracts:
- **Co-Op Usage**
- **Eligible Agencies**
- **Quarterly Reporting**

The Contract is a "statewide" contract for multiple purchases, projects, or assignments, and can be purchased against by some or all Eligible Agencies and any Co-Op Buyers that elect to participate. Even if only one Eligible Agency needs or elects to purchase against the Contract, it is to be construed as being a "statewide" contract hereunder.

The Contract is an indefinite delivery, indefinite quantity (ID/IQ) type of contract; it is to be construed as a "delivery order" sub-type of ID/IQ contract to the extent the Work is Materials, and a "task order" sub-type to the extent the Work is Services.

Co-Op Usage

1. Contractor shall verify if an ordering entity is a bona fide Co-Op Buyer before selling Materials to or providing Services for them under the Contract. The current list of Co-Op Buyers is available on the State Procurement Office website:

   https://spo.az.gov/procurement-services/cooperative-procurement/state-purchasing-cooperative

2. Contractor shall sell to Co-Op Buyers at the same price and on the same lead times and other terms and conditions under which it sells to Eligible Agencies, with the sole exception of any legitimately additional costs for extraordinary shipping or delivery requirements if the Co-Op Buyer is having Materials delivered or installed or Services performed at locations not contemplated in the contracted pricing (e.g. delivery to a location outside Arizona).
3. Contractor shall pay State an administrative fee against all Contract sales to Co-Op Buyers, as provided for under A.R.S. § 41-2633. The fee rate is one (1%) percent. Failure to remit the administrative fees is a material breach of contract, and will entitle State to its remedies under Article 8 and its right to terminate for default under Article 9. Method of calculation,

payment procedures, and other details are provided on the State Procurement Office website:

https://spo.az.gov/contractor-resources/statewide-contracts-administrative-fee

4. Contractor shall acknowledge each Order from Co-Op Buyers in conformance with each buyer's instructions given at the time of ordering or in any supplemental participating agreement Contractor might have with them. Orders from Co-Op Buyers create no obligation on State's part, since they are entirely between the Co-Op Buyer and Contractor. That notwithstanding, Contractor's obligation under the Contract is to service Co-Op Buyers commercially as though they were with an Eligible Agency, and Contractor's refusal to do so would be a material breach of the Contract.

Eligible Agencies – Orders

Contractor shall acknowledge each Order from Eligible Agencies within 1 (one) business day after receipt by either:

(a) "Approving" the Order electronically in The State's e-Procurement System, which will indicate Contractor's unqualified acceptance of the Order as-issued; or,

(b) "Rejecting" the Order electronically in The State's e-Procurement System, with a concurrent explanation by email to relevant originator as to the reason for rejecting it. By way of reminder, the only grounds on which Contractor may reject or refuse an Order are those set out in subparagraph 3.14.3 (Orders are Obligatory).

Unless and until Contractor has approved the Order in the State's e-Procurement System, it will have no effect under the Contract and will not oblige either State or Contractor. If the relevant Eligible Agency explicitly instructs at the time that a verbal acceptance is sufficient because of urgency or other unusual circumstances and Contractor duly gives its verbal acceptance, then Contractor will be deemed to have accepted the Order immediately upon commencing performance, provided that, Contractor must follow-up its verbal acceptance by accepting the Purchase Order electronically In The State's e-Procurement System within three (3) business days. Contractor shall thereafter be barred from subsequently rejecting the Order in The State's e-Procurement System and if it does so the rejection will be void.

Quarterly Usage Reports

Contractor shall submit to State a *Quarterly Usage Report* documenting all Contract sales to both Eligible Agencies and Co-Op Buyers, itemized separately. A *Quarterly Usage Report* shall still be submitted, even if there have been no sales to either Eligible Agencies and/or Co-Op Buyers. Contractor shall further itemize divisions, groups or areas within a given Eligible Agency if they place Orders independently of each other. Failure to submit the report is a material breach of contract, and will entitle State to its remedies under Article 8 and its right to terminate for default under Article 9. Contractor shall submit the report using the forms and following the instructions on the State Procurement Office website:

https://spo.az.gov/contractor-resources/statewide-contracts-administrative-fee

3.14 Multiple-Use Provisions

Eligible Agencies may issue Orders for Services in several forms, all of which become final and effective by a "Release Purchase Order" in The State's e-Procurement System. Orders issued by Co-Op Buyers will be in whatever form the Co-Op Buyer normally uses. Regardless of origin, Orders must cite the State contract number to be valid. State may, at its discretion in each instance, determine the scope, schedule, and price for each Order in any of the following ways:

1. By choosing some or all of the Materials or Services items covered by the Contract for which a price is established in the Pricing Document, then preparing an Order using those prices (e.g., filling out an order form), and sending it to Contractor.
2. By instructing Contractor to provide a comprehensive proposal of item quantities, combinations, etc., or services hours, personnel, etc., for a defined scope using those established prices as a basis, then validating and negotiating the proposal with Contractor and issuing an Order if and when reaching agreement.
3. As described in *(2)* above but requesting the proposal from both Contractor and other

vendors who are contracted within the applicable scope categories and locations, either sequentially or concurrently, then selecting the proposal or proposals combination that is most advantageous to State.

4. As described in *(3)* above but introducing ad-hoc commercial competition by making the selection and ordering conditional on obtaining more favorable prices than the contractually-established ones.

When evaluating the proposals under *(3)* and *(4)* above, State may select based on price (for example, a quoted number of hours times the contracted or improved rate plus a fixed amount for incidentals), by experience and qualifications (for example, having an office nearer the required work location), or whatever combination thereof it determines is most appropriate to the work in question.

3.15 Other Contractors

State may undertake with its own forces or award other contracts to the same or other vendors for additional or related work. In such cases, Contractor shall cooperate fully with State's employees and such other vendors and carefully coordinate, fit, connect, accommodate, adjust, or sequence its work to the related work by others. Where the Contract requires handing-off Contractor's work to others, Contractor shall cooperate as State instructs regarding the necessary transfer of its work product, services, or records to State or the other vendors. Contractor shall not commit or permit any act that interferes with the State's or other vendors' performance of their work, provided that, State shall enforce the foregoing section equitably among all its vendors so as not impose an unreasonable burden on any one of them.

3.16 Work on State Premises

3.16.1 COMPLIANCE WITH RULES. Contractor is responsible for ensuring that its personnel comply with State's rules, regulations, policies, documented practices, and documented operating procedures while delivering or installing Materials or performing Services on State's grounds or in its facilities. For clarity of intent, the foregoing means that if Contractor is required to comply with certain security requirements in order to deliver, install, or perform at that particular location, then it shall do so nonetheless and without entitlement to any additional compensation or additional time for performance if those particular requirements are not expressly stated in the Contract. Contractor is reminded that violation of the prohibition under A.R.S. § 13-1502 against possession of weapons on State's property by anyone for whom Contractor is responsible is a material breach of contract and grounds for termination for default.

3.16.2 PROTECTION OF GROUNDS AND FACILITIES. Contractor shall deliver or install the Materials and perform the Services without damaging any State grounds or facilities. Contractor shall repair or replace any damage it does cause promptly and at its own expense, subject to whatever instructions and restrictions State needs to make to prevent inconvenience or disruption of operations. If Contractor fails to make the necessary repairs or replacements and do so in a timely manner, State will be entitled to exercise its remedies under paragraph 8.5 [*Right of Offset*].

4.0 Costs and Payments

4.1 Payments

4.1.1 PAYMENT DEADLINE. State shall make payments in compliance with Arizona Revised Statues Titles 35 and 41. Unless and then only to the extent expressly stated otherwise in the Pricing Document, State shall make payment in full for Materials that have been delivered and accepted and Services that have been performed and accepted within the time specified in A.R.S. § 35-342 after both of the following become true: (a) all of the Materials being invoiced have been delivered or installed (as applicable) and accepted and all of the Services being invoiced have been performed and accepted; and (b) Contractor has provided a complete and accurate invoice in the form and manner called for in the Pricing Document, provided that, State will not make or be liable for any payments to Contractor until Contractor has registered properly in The State's e-Procurement System and provided a current IRS Form W-9 to State unless excused by law from providing one.

4.1.2 PAYMENTS ONLY TO CONTRACTOR. Unless compelled otherwise by operation of law or order of a court of competent jurisdiction, State will only make payment to Contractor under the federal tax identifier indicated on the Accepted Offer.

4.2 Applicable Taxes

4.2.1 CONTRACTOR TO PAY ALL TAXES. State is subject to Arizona TPT. Therefore, Arizona TPT applies to all sales under the Contract and Arizona TPT is Contractor's responsibility (as seller) to remit. Contractor's failure to collect Arizona TPT or any other applicable sales or use taxes from an Eligible Agency or Co-Op Buyer (as buyer) will not relieve Contractor of any obligation to remit sales or use taxes that are due under the Contract or laws. Unless stated otherwise in the Pricing Document, all prices therein include Arizona TPT as well as every other manner of transaction privilege or sales/use tax that is due to a municipality or another state or its political subdivisions. Contractor shall pay all federal, state, and local taxes applicable to its operations and personnel.

4.2.2 TAX INDEMNITY. Contractor shall hold State harmless from any responsibility for taxes or contributions, including any applicable damages and interest, that are due to federal, state, and local authorities with respect to the Work and the Contract, as well any related costs; the foregoing expressly includes Arizona TPT, unemployment compensation insurance, social security, and workers' compensation insurance.

5.0 Contract Changes

5.1 Contract Amendments

The Contract is issued for State under the authority of Procurement Officer. Only a Contract Amendment can modify the Contract, and then only if it does not change the Contract's general scope. Purported changes to the Contract by a person not expressly authorized by Procurement Officer or made unilaterally by Contractor will be void and without effect; Contractor will not be entitled to any claim made under the Contract based on any such purported changes.

5.2 Assignment and Delegation

5.2.1 IN WHOLE. Contractor shall not assign in whole its rights or delegate in whole its duties under the Contract without Procurement Officer's prior written consent, which consent Procurement Officer may withhold at his or her discretion. If Contractor's proposed assignment or delegation stems from a split, sale, acquisition, or other non-merger change in control, then no such consent will be given in any event without the assignee or delegate giving State satisfactory and equivalent evidence or assurance of its financial soundness, competency, capacity, and qualification to perform as that which Contractor possessed when State first awarded it the Contract.

5.2.2 IN PART. Subject to paragraph 3.10 [*Subcontracts*] with respect to subcontracting, Contractor may assign particular rights or delegate particular duties under the Contract, but shall obtain Procurement Officer's written consent before doing so. Procurement Officer shall not unreasonably withhold consent so long as the proposed assignment or delegation does not attempt to modify the Contract in any way or to alter or impair State's rights or remedies under the Contract or laws.

6.0 Risk and Liability

6.1 Risk of Loss

Contractor shall bear all risk of loss to Materials while in pre-production, production, storage, transit, staging, assembly, installation, testing, and commissioning, if and as those duties are within the scope of the Work, until they have been accepted as conforming by State in the particular location and situation specified in the Order, or as specified generally elsewhere in the Contract if the Order does not provide particulars, provided that, risk of loss for nonconforming Materials will remain with Contractor notwithstanding acceptance to the extent the loss stems from the nonconformance.

6.2 Contractor Insurance

Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, its agents, representatives, employees or subcontractors, and Contractor is free to purchase

additional insurance.

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

1. Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$2,000,000
Products – Completed Operations Aggregate	$1,000,000
Personal and Advertising Injury	$1,000,000
Damage to Rented Premises	$ 50,000
Each Occurrence	$1,000,000

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

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

2. Business Automobile Liability

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

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

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

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

3. Worker's Compensation and Employers' Liability

Workers' Compensation……	Statutory
Each Accident	$1,000,000
Disease – Each Employee	$1,000,000
Disease – Policy Limit	$1,000,000

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

b. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. 23-901, and when such contractor or subcontractor executes the appropriate waiver form (Sole Proprietor/Independent Contractor).

4. Professional Liability (Errors and Omissions Liability)

Each Claim	$ 2,000,000

Annual Aggregate	$ 2,000,000

a. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: "Sexual Abuse and Molestation coverage is included" or "Sexual Abuse and Molestation coverage is not excluded." This coverage may be sub-limited to no less than $500,000.

SAM coverage is required only if Contractor's services involve working with, or caring for, children and/or vulnerable adults ("Vulnerable Adults" means physically and developmentally disabled adults or inmates that are in the care, custody, and control of the State of Arizona).

b. In the event that the Professional Liability insurance required by this Contract is written on a claims-made basis, the Contractor warrants that any retroactive date under the Policy shall precede the effective date of this Contract; and, either continuous coverage will be maintained or an extended discovery period will be exercised, for a period of two (2) years beginning at the time work under this Contract is completed.

c. The Policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this Contract.

5. Technology Errors & Omissions Insurance – *Required as applicable to the services provided*.

Each Claim	$ 2,000,000
Annual Aggregate	$ 2,000,000

a. Such insurance shall cover any, and all errors, omissions, or negligent acts in the delivery of products, services, and/or licensed progrms under this contract.

b. Coverage shall include copyright infringement, infringement of trade dress, domain name, title or slogan.

c. In the event that the Tech E&O insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract and, either continuous coverage will be maintained or an extended discovery period willb e exercised for a period of two (2) years, beginning at the time work under this Contract is completed.

d. Technology Errors and Omissions insurance coverage shall only be required from each Contractor or subcontractor who is providing one of the following Training Delivery Formats:

1. Computer Based training (CBT) and/or
2. E-Learning (E).

6. Network Security (Cyber) and Privacy Liability – *Required as applicable to the services provided*.

Each Claim	$ 2,000,000
Annual Aggregate	$ 2,000,000

a. Such insurance shall include, but not be limited to, coverage for third party claims and losses with respect to network risks (such as data breaches, unauthorized access or use, ID theft, theft of data) and invasion of privacy regardless of the type of media involved in the loss of private information, crisis management and identity theft response costs. This should also include breach notification costs, credit remediation and credit monitoring, defense and claims expenses, regulatory defense costs plus fines and penalties, cyber extortion, computer program and electronic data restoration expenses coverage (data asset protection), network business interruption, computer fraud coverage, and funds transfer loss.

b. In the event that the Network Security and Privacy Liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract and, either continuous coverage will be maintained, or an extended discovery

period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

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

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

e. Network Security (Cyber) and Privacy Liability coverage shall only be required from each Contractor or subcontractor who is providing one of the following Training Delivery Formats:

1. Computer Based training (CBT) and/or
2. E-Learning (E).

ADDITIONAL INSURANCE REQUIREMENTS: The policies shall include, or be endorsed to include, the following provisions:

1. The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 E
2. Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

NOTICE OF CANCELLATION: Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to State Procurement Office.

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

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

All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

Each insurance policy required by this Contract must be in effect at, or prior to , commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

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

time.

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

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

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

6.3 Indemnification

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense, and judgement costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of, its officers, officials, agents, and employees for losses arising from the work performed by the Contractor for the State of Arizona. This indemnification will survive the termination of the above listed contract with the Contractor.

This indemnity shall not apply if the Contractor or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

6.4 Patent and Copyright Indemnification

CONTRACTOR/VENDOR (NOT PUBLIC AGENCY). With respect to Materials or Services provided or proposed by a Contractor Indemnitor for performance under the Contract, Contractor shall indemnify, defend and hold harmless State Indemnitees against any third-party claims for liability, costs, and expenses, including, but not limited to reasonable attorneys' fees, for infringement or violation of any patent, trademark, copyright, or trade secret by the Materials and the Services. With respect to the defense and payment of claims under this subparagraph:

1. State shall provide reasonable and timely notification to Contractor of any claim for which Contractor may be liable under this paragraph;
2. Contractor, with reasonable consultation from State, shall have control of the defense of any action on an indemnified claim including all negotiations for its settlement or compromise;
3. State may elect to participate in such action at its own expense; and
4. State may approve or disapprove any settlement or compromise, provided that, (i) State shall not unreasonably withhold or delay such approval or disapproval and (ii) State shall cooperate in the defense and in any related settlement negotiations.

If Contractor is a public agency, this paragraph 6.4 does not apply.

6.5 Force Majeure

6.5.1 DEFINITION. For this paragraph, "force majeure" means an occurrence that is (a) beyond the control of the affected party, (b) occurred without the party's fault or negligence, and (c) something the party was unable to prevent by exercising reasonable diligence. Without limiting the generality of the foregoing, force majeure expressly includes acts of God, acts of the public enemy, war, riots, strikes, mobilization, labor disputes, civil disorders, fire, flood, lockouts, injunctions-intervention-acts, failures or refusals to act by government authorities, and, subject to paragraph 7.66 [*Performance in Public Health Emergency*], declared public health emergencies. Force majeure expressly does not include late delivery caused by congestion at a manufacturer's plant or elsewhere, an oversold condition of the market, late performance by a Subcontractor unless the delay arises out of an occurrence of force majeure, or inability of either Contractor or any Subcontractor to acquire or maintain any required insurance, bonds, licenses, or permits.

6.5.2 RELIEF FROM PERFORMANCE. Except for payment of sums due, the parties are not liable to each other if an occurrence of force majeure prevents its performance under the Contract. If either party is delayed at any time in the progress of their respective performance under the Contract by an occurrence of force majeure, the delayed party shall notify the other no later than the following working day after the occurrence, or as soon as it could reasonably have been expected to recognize that the occurrence had effect in cases where the effects were not readily apparent. In any event, the notice must make specific reference to this paragraph specifying the causes of the delay in the notice and, if the effects of the occurrence are on-going, provide an initial notification and thereafter the delayed party shall provide regular updates until such time as the effects are fully known. To the extent it is able, the delayed party shall cause the delay to cease promptly and notify the other party when it has done so. The parties shall extend the time of completion by Contract Amendment for a period equal to the time that the results or effects of the delay prevented the delayed party from performing.

6.5.3 EXCUSABLE DELAY IS NOT DEFAULT. Failure in performance by either party will not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if and to the extent that such failure was or is being caused by an occurrence of force majeure.

6.5.4 DEFAULT DIMINISHES RELIEF. Entitlement to relief from the effects of an occurrence of force majeure is diminished to the extent that the delay did or will result from the affected party's default unrelated to the occurrence, in which case and to that extent the other party's normal remedies and the affected party's obligations would apply undiminished.

6.6 Third Party Antitrust Violations

Contractor assigns to State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to Contractor toward fulfillment of the Contract.

7.0 Warranties

7.1 Conformity to Requirements

Contractor warrants that, unless expressly provided otherwise elsewhere in the Contract, the Materials and Services will for 1 (one) year after acceptance and in each instance: (1) conform to the requirements of the Contract, which by way of reminder include without limitation all descriptions, specifications, and drawings identified in the Scope of Work and any Contractor affirmations included as part of the Contract; (2) be free from defects of material and workmanship; (3) conform to or perform in a manner consistent with current industry standards; and (4) be fit for the intended purpose or use described in the Contract. Mere delivery or performance does not substitute for express acceptance by State. Where inspection, testing, or other acceptance assessment of Materials or Services cannot be done until after installation, the forgoing warranty will not begin until State's acceptance.

7.2 Contractor Personnel

Contractor warrants that its personnel will perform their duties under the Contract in a professional manner, applying the requisite skills and knowledge, consistent with industry standards, and in accordance with the requirements of the Contract. Contractor further warrants that its key personnel will maintain any certifications relevant to their work, and Contractor shall provide individual evidence of certification to State's authorized representatives upon request.

7.3 Intellectual Property

Contractor warrants that the Materials and Services do not and will not infringe or violate any patent, trademark, copyright, trade secret, or other intellectual property rights or laws, except only to the extent the Specifications do not permit use of any other product and Contractor is not and cannot reasonably be expected to be aware of the infringement or violation.

7.4 Licenses and Permits

Contractor warrants that it will maintain all licenses required under paragraph 3.7 [*Contractor Licenses*] and all required permits valid and in force.

7.5 Operational Continuity

Contractor warrants that it will perform without relief notwithstanding being sold or acquired; no such event will operate to mitigate or alter any of Contractor's duties hereunder absent a consented delegation under paragraph 5.3 [*Assignment and* Delegation] that expressly recognizes the event.

7.6 Performance in Public Health Emergency

Contractor warrants that it will:

1. have in effect promptly after commencement a plan for continuing performance in the event of a declared public health emergency that addresses, at a minimum: (a) identification of response personnel by name; (b) key succession and performance responses in the event of sudden and significant decrease in workforce; and (c) alternative avenues to keep sufficient product on hand or in the supply chain; and
2. provide a copy of its current plan to State within 3 (three) business days after State's written request. If Contractor claims relief under paragraph 6.5 [*Force Majeure*] for an occurrence of force majeure that is a declared public health emergency, then that relief will be conditioned on Contractor having first implemented its plan and exhausted all reasonable opportunity for that plan implementation to overcome the effects of that occurrence, or mitigate those effects to the extent that overcoming entirely is not practicable.

For clarification of intent, being obliged to implement the plan is not of itself an occurrence of force majeure, and Contractor will not be entitled to any additional compensation or extension of time by virtue of having to implement it. Furthermore, failure to have or implement an appropriate plan will be a material breach of contract.

7.7 Lobbying

7.7.1 PROHIBITION.

(a) Contractor warrants that:

i. it will not engage in lobbying activities, as defined in 40 CFR part 34 and A.R.S. § 41-1231, et seq., using monies awarded under the Contract, provided that, the foregoing does not intend to constrain Contractor's use of its own monies or property, including without limitation any net proceeds duly realized under the Contract or any value thereafter derived from those proceeds; and

ii. upon award of the Contract, it will disclose all lobbying activities to State to the extent they are an actual or potential conflict of interest or where such activities could create an appearance of impropriety.

(b) Contractor shall implement and maintain adequate controls to assure compliance with *(a)* above.

(c) Contractor shall obtain an equivalent warranty from all Subcontractors and shall include an equivalent no-lobbying provision in all Subcontracts.

7.7.2 EXCEPTION. This paragraph does not apply to the extent that the Services are defined in the Contract as being lobbying for State's benefit or on State's behalf.

7.8 Survival of Warranties

All representations and warrants made by Contractor under the Contract will survive the expiration or earlier termination of the Contract.

8.0 State's Contractual Remedies

No modifications to uniform terms and conditions section

9.0 Contract Termination

No modifications to uniform terms and conditions section

10.0 Contract Claims

10.1 Claim Resolution

Notwithstanding any law to the contrary, all contract claims or controversies under the Contract are to be resolved according to Arizona Revised Statutes Title 41, Chapter 23, Article 9, and rules adopted thereunder, including judicial review under A.R.S. § 12-1518.

10.2 Mandatory Arbitration

In compliance with A.R.S. § 12-1518, the parties agree to comply in a judicial review proceeding with any applicable, mandatory arbitration requirements.

11.0 General Provisions for Materials

11.1 Applicability

Article 11 applies to the extent the Work is or includes Materials.

11.2 Off-Contract Materials

Contractor shall ensure that the design and/or procedures for the Materials ordering method prevents Orders for off-contract items or excluded items. Notwithstanding that State might have its own internal administrative rules regarding off-contract or excluded item ordering, and endeavors to prevent such orders from occurring, Contractor is responsible for not accepting any such Orders, State may, at its discretion, return any such items under subparagraph 11.17 or cancel any such Order under subparagraph 11.18, n either case being without obligation and at Contractor's expense. As used above, "off-contract item" refers to any product not included in the scope of the Contract and for which no price or compensation has been established contractually, and "excluded item" refers to any product expressly stated in the Contract as being excluded from the Contract.

11.3 Compensation for Late Deliveries

Contractor shall have clear, published policies in place regarding late delivery, order cancelation, discounts, or rebates given to compensate for late deliveries, etc., and make them readily available to those Eligible Agencies, and Co-Op Buyers if applicable, that are likely to need them

11.4 Indicate Shipping Costs on Order

Contractor shall identify and provide the required substantiating documentation for the amount it intends to add for shipping in the Order acknowledgment if shipping is additional to the contracted price or rate for an item; otherwise, Contractor shall indicate that shipping is included in the Order price (in other words, every Order must indicate clearly whether or not shipping is included in the Order price, and if not included, how much is to be added and why that amount is the correct or appropriate one)

11.5 Current Products

Contractor shall keep all products being offered under the Contract: (a) in current and ongoing production; (b) in its advertised product lines; (c) as models or types that are actively functioning in other paying customer environments; and (d) in conformance to the requirements of the Contract

11.6 Maintain Comprehensive Selection

Contractor shall provide at all times the comprehensive selection of products for which a price is established in the Commercial Document for ordering by Eligible Agencies, and Co-Op Buyers if applicable.

11.7 Additional Products

State, at its discretion, may modify the scope of the Contract by Contract Amendment to include additional products or product categories so long as they are within the general scope of the ones originally covered by the Contract. Once the Contract Amendment has been fully executed, Contractor shall then update all applicable catalogs and price lists and make them available to all affected entities at no additional cost. Either party may make the request to add products to the Contract; regardless of who makes the request, the parties shall negotiate in good faith a fair price for any additional products, but State may elect not to add some or all of the products in question if no agreement is reached on pricing in a timely manner. Contractor's request or proposal in response to State's request must include: (a) documentation demonstrating that the additional products meet or exceed the specifications for the original products while remaining in the same product groups as the original ones; and (b) documentation demonstrating that the proposed price for the additional products is both fair and reasonable and at the same level of discount relative to market price as were the original ones. Demonstration of *(b)* typically requires showing how prices at which sales are currently or were last made to a significant number of buyers compare to the prices or discounts (as applicable) being proposed for the additional products

11.8 Discounted

If a product or groups of products covered by the Contract are discontinued by the manufacturer,

Products

Contractor shall notify State within 5 (five) business days after receiving the manufacturer's notification. State, at its discretion, will either allow Contractor to provide substitutes for the discontinued products or delete the products from the scope of the Contract, both of which will be accomplished by Contract Amendment. Contractor shall then update all applicable catalogs and price lists and make them available to all affected entities at no additional cost. The parties shall negotiate in good faith a fair price for any substitute product, but State may elect to delete the products from the scope of the Contract if no agreement is reached on substitute pricing in a timely manner. When notifying State of the discontinuance, Contractor shall provide: (a) manufacturer's announcement or documentation stating that the products have been discontinued, with identification by model/part number; (b) documentation demonstrating that the substitute products meet or exceed the specifications for the discontinued products while remaining in the same product groups as were the discontinued ones; and (c) documentation demonstrating that the proposed price for the substitute products is both fair and reasonable and at the same level of discount relative to market price as were the discontinued ones.

11.9 Forced Substitutes

Forced substitutions will not be permitted; Contractor shall obtain State's prior written consent before making any discretionary substitution for any product covered by the Contract.

11.10 Recalls

In the event of a recall notice, technical service bulletin, or other important notification affecting a product offered under the Contract (collectively, "recalls" hereinafter), Contractor shall send timely notice to State for each applicable Order referencing the affected Order and product. Notwithstanding whatever protection Contractor might have under A.R.S. § 12-684 with respect to a manufacturer, Contractor shall handle recalls entirely and without obligation on State's part, other than to permit removal of installed products, retrieval of stored products, etc., as necessary to implement the recall

11.11 Delivery

11.11.1 PRICING. Unless stated otherwise in the Commercial Document, all Materials prices set forth therein are FCA (seller's dock) Incoterms®2010, with "seller's dock" meaning the last place of manufacturing, assembly, integration, final packing, or warehousing before departure to designated point of delivery to State. For reference, the foregoing is to be construed as equivalent to "F.o.b. Origin, Contractor's Facility" under FAR 52.247-30

11.12 Delivery Time

11.11.2 LIABILITY. Unless stated otherwise in the Commercial Document or an Order, Contractor's liability for all Materials is DDP (State-designated receiving point per Order) Incoterms®2010, but with unloading at destination included. For reference, the foregoing is to be construed as equivalent to "F.o.b. Destination, Within Consignee's Premises" under FAR 52.247-35.

11.13 Delivery Locations

11.11.3 PAYMENT. Unless stated otherwise in the Commercial Document or an Order, State shall reimburse Contractor the costs of the difference between DDP (State-designated receiving point per Order) and FCA (seller's dock) with no mark-up, which Contractor shall itemize and invoice separately

Unless stated otherwise in the Commercial Document generally or in the applicable Order particularly, Contractor shall make delivery within 2 (two) business days after receiving each Order

Contractor shall offer deliveries to every location served under the scope of the Contract, specifically

1. if the Contract is for a single State agency in a single area, then Contractor shall deliver to any agency location in that area;
2. if the Contract is for a single State agency in all its locations, then Contractor shall deliver to any of that agency's location in Arizona;
3. if the Contract is for statewide use but excludes certain areas, then Contractor shall deliver to any Eligible Agency or Co-Op Buyer location that is not in the excluded areas; and
4. if the Contract is for unrestricted statewide use, then:
   i. Contractor shall deliver to any Eligible Agency or Co-Op Buyer anywhere in Arizona;

b) If a prospective Co-Op Buyer outside Arizona wishes to order against the Contract, Contractor agrees to negotiate in good faith any fair and reasonable price or lead time adjustments necessary to serve that location if practicable to do so within the scope of its normal business; and,

c) if the Commercial Document indicates defined delivery areas and prices, those always apply unless the Order expressly states otherwise and Contractor accepts it.

11.14 Conditions at Delivery Location

Contractor shall verify receiving hours and conditions (i.e. height/weight restrictions, access control, etc.) with the relevant purchaser for the receiving site before scheduling or making a delivery. State will neither allow extra charges for wait time, comebacks, or the like nor excuse late delivery if Contractor has failed to make the verification or comply with the applicable conditions. Contractor shall make each delivery to the specific location indicated in the Order, which Contractor acknowledges might be inside an industrial building, institutional building, low-rise office building, or high-rise office building instead of a normal receiving dock. Contractor might be required to make deliveries to locations inside a secured perimeter at certain institutional facilities such as prisons where prior clearances are required for each delivery and driver individually. Contractor shall contact each such facility directly to confirm its most-current security clearance procedures, allowable hours for deliveries, visitor dress code, and other applicable rules. State will neither allow extra charges for wait time, comebacks, or the like nor excuse late delivery if Contractor has failed to make the confirmation or comply with the applicable conditions

11.15 Materials

State has the right to make acceptance of Materials subject to a complete inspection on delivery and installation, if installation is Contractor's responsibility. State may apply as acceptance criteria conformity to the Contract, workmanship and quality, correctness of constituent materials, and any other matter for which the Contract or applicable laws state a requirement, whether stated directly or by reference to another document, standard, reference specification, etc. Contractor shall remove any rejected Materials from the delivery location, or from any immediate environs to which it might have been reasonably necessary to move it, carry it off the delivery premises, and subsequently deliver an equal number or quantity of conforming items. State will not owe Contractor any payment for rejected Materials, and State may, at its discretion, withhold or make partial payment for any rejected Materials that have been returned to Contractor in those instances where State has agreed to permit repair instead of demanding replacement.

11.16 Acceptance

Contractor shall, at no additional cost and without entitlement to extension of any delivery deadline or specified time for performance, remove or exchange and replace any defective or non-conforming delivered or installed Materials

11.17 Correcting Defects

1. Contractor shall be solely responsible for the cost of any associated cutting and patching, temporary protection measures, packing and crating, hoisting and loading, transportation, unpacking, inspection, repacking, reshipping, and reinstallation if installation is within the scope of the Contract.
2. If Contractor fails to do so in a timely manner, State will be entitled to exercise its remedies under paragraph 8.5 [*Right of Offset*] of the Uniform Terms and Conditions.
3. Whether State will permit Contractor to repair in place or demands that Contractor remove and replace is at State's discretion in each instance, provided that, State shall not apply that discretion punitively if repair in place is practicable and doing so would not create safety hazards, put property at risk, unreasonably interfere with operations, create public nuisance, or give rise to any other reasonable concern on State's part.

11.18 Returns

State may, at its discretion, return for full credit and with no restocking charges any delivered Materials unused in the original packaging, including any instruction manuals or other incidental item that accompanied the original shipment, within thirty (30) days after receipt. If State elects to return delivered Materials, then State shall pay all freight, delivery, and transit insurance costs to return the products to the place from which Contractor shipped them, provided that, if State returns delivered Materials because they are defective or non-conforming or for any other reason having to do with Contractor fault or error, then State will not be responsible for paying freight, delivery, or transit insurance costs to return the products and may, at its discretion, either have

Order Cancellations

those billed directly to Contractor or offset them under paragraph 8.5 [*Right of Offset*] of the Uniform Terms and Conditions.

State may cancel Orders within a reasonable period after issuance and at its discretion. The same method as that used for ordering will be used for cancellation. If State cancels an Order, then State shall:

1. pay Contractor for any portion of the Materials and Services from that Order that have been properly delivered or performed as of the cancellation effective date plus one (1) additional business day
2. reimburse Contractor for:
   (a) its actual, documented costs incurred in fulfilling the Order up to the cancellation effective date plus one (1) additional business day;
   (b) the cost of any obligations it incurred in fulfilling the Order up to the cancellation effective date plus one (1) additional business day that demonstrably cannot be canceled, or that have pre-established cancelation penalties specified in the relevant Subcontracts, to the extent the penalties are reasonable and customary for the work in question; and,
3. Contractor shall not charge or be entitled to charge State for any new costs it incurs after receiving the cancellation notice.

By way of reminder, State is not liable for any products that were produced, shipped, or delivered or any services that were performed before Contractor had acknowledged the corresponding Order

Materials as-shipped must comply with applicable safety regulations and standards. Unless expressly stated otherwise in the Scope of Work, State is not responsible for making any Materials safe or compliant following acceptance and is relying exclusively on Contractor to deliver only products that are already safe and compliant

11.19 Product Safety

Contractor shall timely provide State with any "Safety Data Sheets" (SDS) and any other hazard communication documentation required under the US Department of Labor's Occupational Safety and Health Administration (OSHA) "Hazard Communication Standard" (often referred to as the "HazCom 2012 Final Rule") that is reasonably necessary for State to comply with regulations when it or its other contractors install, handle, operate, repair, maintain or remove any Materials. Note that, in the past, those documents might have been referred to as "Material Safety Data Sheets" or "Product Safety Data Sheets", but State (and this Contract) use only the more up-to-date "SDS" reference. Contractor shall ensure that all its relevant personnel understand the nature of and hazards associated with, to the extent it they are Contractor's responsibility under the Contract, the design, shipping, handling, delivery, installation, repair and maintenance of any portion of the Work that is, contains or will become upon use a hazardous material, with "hazardous material" being any material or substance that is: (1) identified now or in the future as being hazardous, toxic or dangerous under applicable laws; or (2) subject to statutory or regulatory requirement governing special handling, disposal or cleanup

11.20 Hazardous Materials

12.0 General Provisions for Services

12.1 Applicability

Article 12 applies to the extent the Work is or includes Services.

12.2 Comprehensive Services Offering

Contractor shall provide the comprehensive range of services for which a price is established in the Pricing Document for ordering by Eligible Agencies, and Co-Op Buyers if co-op buying applies.

12.3 Additional Services

State at its discretion may modify the scope of the Contract by Contract Amendment to include additional services or service categories that are within the general scope of the ones originally covered by the Contract if it determines that doing so is in its best interest. Once the Contract Amendment is fully executed, Contractor shall then update all applicable price lists and make them available to all affected entities at no additional cost. Either party may make the request to add services to the Contract; regardless of who makes the request, the parties shall negotiate in good

faith a fair price for any additional services, but State may elect not to add some or all of the services in question if no agreement is reached on pricing in a timely manner. Contractor's request or proposal in response to State's request must include documentation demonstrating that the proposed price for the additional services is both fair and reasonable and comparable to the original ones.

12.4 Off-Contract Services

Contractor shall ensure that the design and/or procedures for the Services ordering method prevents Orders for off-contract or excluded services. Notwithstanding that State might have its own internal administrative rules regarding off contract or excluded service ordering, and endeavors to prevent such orders from occurring, Contractor is responsible for not accepting any such Orders. State may, at its discretion, cancel any such Order without obligation. As used above, "off-contract service" refers to any service not included in the scope of the Contract and for which no price or compensation has been established contractually, and "excluded service" refers to any service expressly excluded from the scope of the Contract.

12.5 Removal of Personnel

Notwithstanding that Contractor is in every circumstance responsible for hiring, assigning, directing, managing, training, disciplining, and rewarding its personnel, State may at its discretion and without the obligation to demonstrate cause instruct Contractor to remove any of its personnel from State's facilities or from further assignment under the Contract. In such cases, Contractor shall promptly replace them with other personnel having equivalent qualifications, experience, and capabilities.

12.6 Transitions

During commencement, Contractor shall attend transition meetings with any outgoing vendors to coordinate and ease the transition so that the effect on State's operations is kept to a minimum. State may elect to have outgoing vendors complete some or all of their work or orders in progress to ease the transition as is safest and most efficient in each instance, even if that scope is covered under the Contract. Conversely, State anticipates having a continued need for the same materials and services upon expiration or earlier termination of the Contract. Accordingly, Contractor shall work closely with any new (incoming) vendor and State to ensure as smooth and complete a transfer as is practicable. State's representative shall coordinate all transition activities and facilitate joint development of a comprehensive transition plan by both Contractor and the incoming vendor. As with the incoming transition. State may permit Contractor (outgoing) to complete work or orders in progress to ease the transition as is safest and most efficient in each instance.

12.7 Accuracy of Work

Contractor is responsible for the accuracy of the Services, and shall promptly make all necessary revisions or corrections resulting from errors and omissions on its part without additional compensation. Acceptance by State will not relieve Contractor of responsibility for correction of any errors discovered subsequently or necessary clarification of any ambiguities.

12.8 Requirements at Services Location

Contractor personnel shall perform their assigned portions of the Services at the specific location indicated in the Order (if applicable). Contractor acknowledges that the location might be inside an industrial building, institutional building, or one of various office types and classes. Additionally, if performing the Services requires Contractor personnel to work inside a secured perimeter at certain institutional facilities such as prisons where prior clearances are required, Contractor shall contact the facility directly to confirm its most-current security clearance procedures, allowable hours for work, visitor dress code, and other applicable rules. State will neither allow extra charges for wait time, comebacks, or the like nor excuse late performance if Contractor has failed to make the confirmation or comply with the applicable conditions.

12.9 Services Acceptance

State has the right to make acceptance of Services subject to acceptance criteria. State may apply as acceptance criteria conformity to the Contract, accuracy, completeness, or other indicators of quality or other matter for which the Contract or law states a requirement, whether stated directly or by reference to another document, standard, reference specification, etc. State will not owe Contractor any payment for un-accepted Services; and State may, at its discretion, withhold or make partial payment for any rejected Services if Contractor is still in the process of re-performing or otherwise curing the grounds for State's rejection.

12.10 Corrective Action Required

Notwithstanding any other guarantees, general warranties, or particular warranties Contractor has given under the Contract, if Contractor fails to perform any material portion of the Services, including failing to complete any contractual deliverable, or if its performance fails to meet agreed-upon service levels or service standards set out in or referred to in the Contract, then Contractor shall perform a root-cause analysis to identify the source of the failure and use all commercially reasonable efforts to correct the failure and meet the Contract requirements as promptly as is practicable.

1. Contractor shall provide to State a report detailing the identified cause and setting out its detailed corrective action plan promptly after the date the failure occurred (or the date when the failure first became apparent, if it was not apparent immediately after occurrence).
2. State may demand to review and approve Contractor's analysis and plans, and Contractor shall make any corrections State instructs and adopt State's recommendations so far as is commercially practicable, provided that State may insist on any measures it determines within reason to be necessary for safety or protecting property and the environment.
3. Contractor shall take the necessary action to avoid any like failure in the future, if doing so is appropriate and practicable under the circumstances.

13.0 Data and Information Handling

13.1 Applicability

Article 13 applies to the extent the Work includes handling of any (1) State's proprietary and sensitive data or (2) confidential or access-restricted information obtained from State or from others at State's behest.

13.2 Data Protection and Confidentiality of Information

Contractor warrants that it will establish and maintain procedures and controls acceptable to State for ensuring that State's proprietary and sensitive data is protected from unauthorized access and information obtained from State or others in performance of its contractual duties is not mishandled, misused, or inappropriately released or disclosed. For purposes of this paragraph, all data created by Contractor in any way related to the Contract, provided to Contractor by State, or prepared by others for State are proprietary to State, and all information by those same avenues is State's confidential information. To comply with the foregoing warrant:

1. Contractor shall: (a) notify State immediately of any unauthorized access or inappropriate disclosures, whether stemming from an external security breach, internal breach, system failure, or procedural lapse; (b) cooperate with State to identify the source or cause of and respond to each unauthorized access or inappropriate disclosure; and (c) notify State promptly of any security threat that could result in unauthorized access or inappropriate disclosures; and
2. Contractor shall not: (a) release any such data or allow it to be released or divulge any such information to anyone other than its employees or officers as needed for each person's individual performance of his or her duties under the Contract, unless State has agreed otherwise in advance and in writing; or (b) respond to any requests it receives from a third party for such data or information, and instead route all such requests to State's designated representative.

13.3 Personally Identifiable Information.

Without limiting the generality of paragraph 13.2, Contractor warrants that it will protect any personally identifiable information ("PII") belonging to State's employees' or other contractors or members of the general public that it receives from State or otherwise acquires in its performance under the Contract.

For purposes of this paragraph:

1. PII has the meaning given in the [federal] Office of Management and Budget (OMB) *Memorandum M-17-12 Preparing for and Responding to a Breach of Personally Identifiable Information", January 3, 2017*; and
2. "protect" means taking measures to safeguard personally identifiable information and prevent its breach that are functionally equivalent to those called for in that OMB memorandum and elaborated on in the [federal] General Services Administration (GSA) *Directive CIO P* 2180*.1 GSA Rules of Behavior for Handling Personally Identifiable*

Information.

NOTE (1): For convenience of reference only, the OMB memorandum is available at:

https://dpcld.defense.gov/Privacy/Authorities-and-Guidance/

NOTE (2): For convenience of reference only, the GSA directive is available at:

http://www.gsa.gov/portal/directive/d0/content/658222

13.4 Protected Health Information

Contractor warrants that, to the extent performance under the Contract involves individually identifiable health information (referred to hereinafter as protected health information ("PHI") and electronic PHI ("ePHI") as defined in the Privacy Rule referred to below), it:

1. is familiar with and will comply with the applicable aspects of the following collective regulatory requirements regarding patient information privacy protection: (a) the "Privacy Rule" in CFR 45 Part 160 and Part 164 pursuant to the Health Insurance Portability and Accountability Act ("HIPAA") of 1996; (b) Arizona laws, rules, and regulations applicable to PHI/ePHI that are not preempted by CFR 45-160(B) or the Employee Retirement Income Security Act of 1974 ("ERISA") as amended; and (c) State's current and published PHI/ePHI privacy and security policies and procedures;
2. will cooperate with State in the course of performing under the Contract so that both State and Contractor stay in compliance with the requirements in *(1)* above; and
3. will sign any documents that are reasonably necessary to keep both State and Contractor in compliance with the requirements in *(1)* above, in particular "Business Associate Agreements" in accordance with the Privacy Rule.

NOTE: For convenience of reference only, the Privacy Rule is available at:

http://www.hhs.gov/hipaa/for-professionals/privacy/index.html

14.0 Information Technology Work

14.1 Applicability

Article 14 applies to any Invitation for Bids, Request for Proposals, or Request for Quotations for "Information Technology," as defined In A.R.S. § 41-3501(6) 6: " . . . computerized and auxiliary automated information processing, telecommunications and related technology, including hardware, software, vendor support and related services, equipment and projects" if and to the extent that the Work is or includes Information Technology.

14.2 Background Checks

Each of Contractor's personnel who is an applicant for an information technology position must undergo the security clearance and background check procedure, which includes fingerprinting, as required by A.R.S § 41-710. Contractor shall obtain and pay for the security clearance and background check. Contractor personnel who will have administrator privileges on a State network must additionally provide identify and address verification and undergo State-specified training for unescorted access, confidentiality, privacy, and data security.

14.3 Information Access

14.3.1 SYSTEM MEASURES. Contractor shall employ appropriate system management and maintenance, fraud prevention and detection, and encryption application and tools to any systems or networks containing or transmitting State's proprietary data or confidential information.

14.3.2 INDIVIDUAL MEASURES. Contractor personnel shall comply with applicable State policies and procedures regarding data access, privacy, and security, including prohibitions on remote access and obtaining and maintaining access IDs and passwords. Contractor is responsible to State for ensuring that any State access IDs and passwords are used only by the person to whom they were issued. Contractor shall ensure that personnel are only provided the minimum only such level of access necessary to perform his or duties. Contractor shall on request provide a current register of the access IDs and passwords and corresponding access levels currently assigned to its personnel.

14.3.3 ACCESS CONTROL. Contractor is responsible to State for ensuring that hardware, software, data, information, and that has been provided by State or belongs to or is in the

custody of State and is accessed or accessible by Contractor personnel is only used in connection with carrying out the Work, and is never commercially exploited in any manner whatsoever not expressly permitted under the Contract. State may restrict access by Contractor personnel, or instruct Contractor to restrict access their access, if in its determination the requirements of this subparagraph are not being met.

14.4 Pass-Through Indemnity

14.4.1 INDEMNITY FROM THIRD PARTY. For computer hardware or software included in the Work as discrete units that were manufactured or developed solely by a third party, Contractor may satisfy its indemnification obligations under the Contract by, to the extent permissible by law, passing through to State such indemnity as it receives from the third-party source (each a "Pass-Through Indemnity") and cooperating with State in enforcing that indemnity. If the third party fails to honor its Pass-Through Indemnity, or if a Pass-Through Indemnity is insufficient to indemnify State Indemnitees to the extent and degree Contractor is required to do by the Uniform Terms and Conditions, then Contractor shall indemnify, defend and hold harmless State Indemnitees to the extent the Pass-Through Indemnity does not.

14.4.2 NOTIFY OF CLAIMS. State shall notify Contractor promptly of any claim to which a Pass-Through Indemnity might apply. Contractor, with reasonable consultation from State, shall control of the defense of any action on any claim to which a Pass-Through Indemnity applies, including negotiations for settlement or compromise, provided that:

(a) State reserves the right to elect to participate in the action at its own expense;

(b) State reserves the right to approve or reject any settlement or compromise on reasonable grounds and if done so timely; and

(c) State shall in any case cooperate in the defense and any related settlement negotiations.

14.5 Systems and Controls

In consideration for State having agreed to permit Pass-Through Indemnities in lieu of direct indemnity, Contractor agrees to establish and keep in place systems and controls appropriate to ensure that State funds under this Contract are not knowingly used for the acquisition, operation, or maintenance of Materials or Services in violation of intellectual property laws or a third party's intellectual property rights.

14.6 Redress of Infringement.

14.6.1 REPLACE, LICENSE, OR MODIFY. If Contractor becomes aware that any Materials or Services infringe, or are likely to be infringing on, any third party's intellectual property rights, then Contractor shall at its sole cost and expense and in consultation with State either:

(a) replace any infringing items with non-infringing ones;

(b) obtain for State the right to continue using the infringing items; or

(c) modify the infringing item so that they become non-infringing, so long as they continue to function as specified following the modification.

14.6.2 CANCELLATION OPTION. In every case under 14.6.1, if none of those options can reasonably be accomplished, or if the continued use of the infringing items is impracticable, State may cancel the relevant Order or terminate the Contract and Contractor shall take back the infringing items. If State does cancel the Order or terminate the Contract, Contractor shall refund to State:

(a) for any software created for State under the Contract, the amount State paid to Contactor for creating it;

(b) for all other Materials, the net book value of the product provided according to generally accepted accounting principles; and

(c) for Services, the amount paid by State or an amount equal to 12 (twelve) months of charges, whichever is less.

14.6.3. EXCEPTIONS. Contractor will not be liable for any claim of infringement based solely on

any of the following by a State Indemnitee:

(a) modification or use of Materials other than as contemplated by the Contract or expressly authorized or proposed by a Contractor Indemnitor;

(b) operation of Materials with any operating software other than that supplied by Contractor or authorized or proposed by a Contractor Indemnitor; or

(c) combination or use with other products in a manner not contemplated by the Contract or expressly authorized or proposed by a Contractor Indemnitor.

14.7 First Party Liability Limitation

14.7.1 LIMIT. Subject to the provisos that follow below and unless stated otherwise in the Special Terms and Conditions, State's and Contractor's respective first party liability arising from or related to the Contract is limited to the greater of $1,000,000 (one million dollars) or 3 (three) times the purchase price of the specific Materials or Services giving rise to the claim.

14.7.2 PROVISOS. This paragraph 14.7 limits liability for first party direct, indirect, incidental, special, punitive, and consequential damages relating to the Work regardless of the legal theory under which the liability is asserted. This paragraph 14.7 does not limit liability arising from any:

(a) Indemnified Claim against which Contractor has indemnified State Indemnitees under paragraph 6.3;

(b) claim against which Contractor has indemnified State Indemnitees under paragraph 6.4; or

(c) provision of the Contract calling for liquidated damages or specifying amounts or percentages as being at-risk or subject to deduction for performance deficiencies.

14.7.3 PURCHASE PRICE DETERMINATION. If the Contract is for a single-agency and a single Order (or if no Order applies), then "purchase price" in Subparagraph 14.7.1 above means the aggregate Contract price current at the time of Contract expiration or earlier termination, including all Contract Amendments having an effect on the aggregate price through that date. In all other cases, "purchase price" above means the total price of the Order for the specific equipment, software, or services giving rise to the claim, and therefore a separate limit will apply to each Order.

14.7.4 NO EFFECT ON INSURANCE. This paragraph does not modify the required coverage limits, terms, and conditions of, or any insured's ability to claim against, any insurance that Contractor is required by the Contract to provide, and Contractor shall obtain express endorsements that it does not.

14.8 Information Technology Warranty

14.8.1 SPECIFIED DESIGN. Where the Scope of Work for information technology Work provides a detailed design specification or sets out specific performance requirements, Contractor warrants that the Work will provide all functionality material to the intended use stated in the Contract, provided that, the foregoing warranty does not extend to any portions of the Materials that are:

(a) modified or altered by anyone not authorized by Contractor to do so;

(b) maintained in a way inconsistent to any applicable manufacturer recommendations; or

(c) operated in a manner not within its intended use or environment.

14.8.2 COTS SOFTWARE. With respect to Materials provided under the Contract that are commercial-off-the-shelf (COTS) software, Contractor warrants that:

(a) to the extent possible, it will test the software before delivery using commercially available virus detection software conforming to current industry standards;

(b) the COTS software will, to the best of its knowledge, at the time of delivery be free of viruses, backdoors, worms, spyware, malware, and other malicious code that could hamper performance, collect unlawfully any personally identifiable

information, or prevent products from performing as required by the Contract; and

(c) it will provide a new or clean install of any COTS software that State has reason to believes contains harmful code.

14.8.3 PAYMENT HAS NO EFFECT. The warranties in this paragraph are not affected by State's inspection, testing, or payment.

14.9 Specific Remedies

Unless expressly stated otherwise elsewhere in the Contract, State's remedy for breach of warranty under paragraph 14.8 includes, at State's discretion, re-performance, repair, replacement, or refund of any amounts paid by State for the nonconforming Work, plus (in every case) Contractor's payment of State's additional, documented, and reasonable costs to procure materials or services equivalent in function, capability, and performance at that first called for. For clarification of intent, the foregoing obligations are limited by the limitation of liability in paragraph 14.7. If none of the forgoing options can reasonably be effected, or if the use of the materials by State is made impractical by the nonconformance, then State may seek any remedy available to it under law.

14.10 Section 508 Compliance

Unless specifically authorized in the Contract, any electronic or information technology offered to the State of Arizona under this Contract shall comply with A.R.S. § 18-131 and § 18-132 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

14.11 Cloud Applications

The following are required for Contractor of any "cloud" solution that hosts State data outside of the State's network, or transmits and/or receives State data.

1. Submit a completed Arizona Baseline Infrastructure Security Controls assessment spreadsheet as found at: https://aset.az.gov/resources/policies-standards-and-procedures, and mitigate or install compensating controls for any issues of concern identified by State. Contractor is required to provide any requested documentation supporting the review of the assessment. The assessment shall be re-validated on a minimum annual basis.
2. State reserves the right to conduct Penetration tests or hire a third party to conduct penetration tests of the Contractor's application. Contractor will be alerted in advance and arrangements made for an agreeable time. Contractor shall respond to all serious flaws discovered by providing an acceptable timeframe to resolve the issue and/or implement a compensating control.
3. Contractor must submit copy of system logs from cloud system to State of AZ security team on a regular basis to be added to the State SIEM (Security Information Event Monitor) or IDS (Intrusion Detection System).

Contractor must employ a government-rated cloud compartment to better protect sensitive or regulated State data.

End of Section Special Terms and Conditions

Uniform Terms and Conditions

Version: 9 (7/1/2013)

1.0 Definition of Terms

As used in the Contract, the terms listed below are defined as follows:

1.1	**Attachment**	"Attachment" means any item the solicitation requires the Offeror to submit as part of the Offer.
1.2	**Contract**	"Contract" " means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments.
1.3	**Contract Amendment**	"Contract Amendment" means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
1.4	**Contractor**	"Contractor" means any Person who has a Contract with the State.
1.5	**Days**	"Days" means calendar days unless otherwise specified.
1.6	**Exhibit**	"Exhibit" means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.
1.7	**Gratuity**	"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.
1.8	**Materials**	"Materials" means all property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.
1.9	**Procurement Officer**	"Procurement Officer" means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract.
1.10	**Services**	"Services" has the meaning given in A.R.S. § 41-2503(35), which, for convenience of reference only, is "… the furnishing of labor, time, or effort by [the] [C]ontractor or [S}ubcontractor which does not involve the delivery of a specific end product other than required reports and performance [but] does not include employment agreements or collective bargaining agreements." Services includes Building Work and the service aspects of software described in paragraph 1.8.
1.11	**State**	"State" means the State of Arizona and Department or Agency of the State that executes the Contract.
1.12	**State Fiscal Year**	"State Fiscal Year" means the period beginning with July 1 and ending June 30.
1.13	**Subcontract**	"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 furnishing of any material or any service required for the performance of the Contract.

2.0 Contract Interpretation

2.1	**Arizona Law**	The Arizona law applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.
2.2	**Implied 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.
2.3	**Contract Order of Precedence**	In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below: 2.3.1. Special Terms and Conditions;

2.3.2. Uniform Terms and Conditions;

2.3.3. Statement or Scope of Work;

2.3.4. Specifications;

2.3.5. Attachments;

2.3.6. Exhibits;

2.3.7. Documents referenced or included in the Solicitation.

2.4 Relationship of Parties The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.

2.5 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.

2.6 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 and no other understanding either oral or in writing shall be binding.

2.7 No Waiver Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a 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.

3.0 Contract Administration and Operation

3.1 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" 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 by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.

3.2 Non-Discrimination The Contractor shall comply with State Executive Order No. 2009-09 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

3.3 Audit Pursuant to ARS § 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 State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.

3.4 Facilities Inspection and Materials Testing The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes or services, at reasonable times for inspection of the facilities or materials covered under this Contract. The State shall also have the right to test, at its own cost, the materials to be supplied under this Contract. Neither inspection of the Contractor's facilities nor materials testing shall constitute final acceptance of the materials or services. If the State determines noncompliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.

3.5 Notices Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State 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 notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.

3.6 Advertising, Publishing and Promotion of Contract The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.

3.7 Property of the State Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. 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 State.

3.8 Ownership of Intellectual Property

Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark, and/or trade secrets created or conceived pursuant to or as a result of this contract and any related subcontract ("Intellectual Property"), shall be work made for hire and the State shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Contractor shall notify the State, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by contractor or its subcontractor(s) to any entity not the State without the express written authorization of the agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract.

3.9 Federal Immigration and Nationality Act

The contractor shall comply with all federal, state and local immigration laws and regulations relating to the immigration status of their employees during the term of the contract. Further, the contractor shall flow down this requirement to all subcontractors utilized during the term of the contract. The State shall retain the right to perform random audits of contractor and subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the State determine that the contractor and/or any subcontractors be found noncompliant, the State may pursue 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.

3.10 E-Verify Requirements

In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A.

3.11 Offshore Performance of Work Prohibited.

Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph 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.

4.0 Costs and Payments

4.1 Payments

Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.

4.2 Delivery

Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all freight delivery and unloading at the destination.

4.3 Applicable Taxes

4.3.1. Payment of Taxes. The Contractor shall be responsible for paying all applicable taxes.

4.3.2. State and Local Transaction Privilege Taxes. The State of Arizona 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 such taxes from the buyer does not relieve the seller from its obligation to remit taxes.

4.3.3. 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 State 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.

4.3.4. IRS W9 Form. In order to receive payment the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law

4.4 Availability of Funds

Funds may not presently be available for performance under this Contract beyond the current

	for the Next State fiscal year	state fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current state fiscal year until funds are made available for performance of this Contract.
4.5	**Availability of Funds for the current State fiscal year**	Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the State may take any of the following actions: 4.5.1. Accept a decrease in price offered by the contractor; 4.5.2. Cancel the Contract; or 4.5.3. Cancel the contract and re-solicit the requirements

5.0 Contract Changes

5.1	**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. 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 a person who is not specifically authorized by the procurement officer in writing or made unilaterally by the Contractor are violations of the Contract and of 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 under this Contract based on those changes.
5.2	**Subcontracts**	The Contractor shall not enter into any Subcontract under this Contract for the performance of this contract without the advance written approval of the Procurement Officer. The Contractor shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Contract.
5.3	**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 State shall not unreasonably withhold approval.

6.0 Risk and Liability

6.1	**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.
6.2	**Indemnification**	6.2.1. Contractor/Vendor Indemnification (Not Public Agency) The parties to this contract agree that the State of Arizona, its departments, agencies, boards and commissions shall be indemnified and held harmless by the contractor for the vicarious liability of the State as a result of entering into this contract. However, the parties further agree that the State of Arizona, its departments, agencies, boards and commissions shall be responsible for its own negligence. Each party to this contract is responsible for its own negligence. 6.2.2. Public Agency Language Only Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers."
6.3	**Indemnification – Patent and Copyright**	The Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. If the contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.
6.4	**Force Majeure**	6.4.1 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; injunctions-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.

6.4.2. Force Majeure shall **not** include the following occurrences:

6.4.2.1. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;

6.4.2.2. 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 6.4.2.3. Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.

6.4.3. 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 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.

6.4.4. 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 to the extent that such delay or failure is caused by force majeure.

6.5 Third Party Antitrust Violations

The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

7.0 Warranties

7.1 Liens

The Contractor warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.

7.2 Quality

Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:

7.2.1. Of a quality to pass without objection in the trade under the Contract description;

7.2.2. Fit for the intended purposes for which the materials are used;

7.2.3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;

7.2.4. Adequately contained, packaged and marked as the Contract may require; and

7.2.5. Conform to the written promises or affirmations of fact made by the Contractor.

7.3 Fitness

The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

7.4 Inspection/Testing

The warranties set forth in subparagraphs 7.1 through 7.3 of this paragraph are not affected by inspection or testing of or payment for the materials by the State.

7.5 Compliance with Laws

The materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable license and permit requirements.

7.6 Survival of Rights and Obligations after Contract Expiration or Termination

7.6.1. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.

7.6.2. 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 Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

8.0 State's Contractual Remedies

8.1 Right to Assurance

If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the contract.

8.2 Stop Work Order

8.2.1. The State 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 period(s) of days indicated by the State after the order is delivered to the Contractor. 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.

8.2.2. 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.

8.3 Non-exclusive Remedies

The rights and the remedies of the State under this Contract are not exclusive.

8.4 Nonconforming Tender

Materials or services supplied under this Contract shall fully comply with the Contract. The delivery of materials or services or a portion of the materials or services that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials or services, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

8.5 Right of Offset

The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

9.0 Contract Termination

9.1 Cancellation for Conflict of Interests

Pursuant to A.R.S. § 38-511, the State 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 State is or becomes at any time while the Contract or an extension of 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. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.

9.2 Gratuities

The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a

representative of the Contractor to any officer or employee of the State 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 State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.

9.3 Suspension or Debarment

The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the contractor is not currently suspended or debarred. If the contractor becomes suspended or debarred, the contractor shall immediately notify the State.

9.4 Termination for Convenience

The State reserves the right to terminate the Contract, in whole or in part at any time when in the best interest of the State, without penalty or recourse. Upon receipt of the written notice, the Contractor shall 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 State. 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 State upon demand. 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. R2-7-701 shall apply.

9.5 Termination for Default

9.5.1. In addition to the rights reserved in the contract, the State may 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.

9.5.2. Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.

9.5.3. The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.

9.6 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.

10.0 Contract Claims

10.1 Contract Claims

All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

11.0 Arbitration

11.1 Arbitration

The parties to this Contract agree to resolve all disputes arising out of or relating to this contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).

12.0 Comments Welcome

12.1 Comments Welcome

The State Procurement Office periodically reviews the Uniform Terms and Conditions and welcomes any comments you may have. Please submit your comments to: State Procurement Administrator, State Procurement Office, 100 North 15th Avenue, Suite 201, Phoenix, Arizona, 85007.

End of Section Uniform Terms and Conditions

Price Sheet

Solicitation No.: BPM003541

Description: Security and Protection Systems

Offeror Name: Corporate Technology Solutions, LLC

If a website is not available you may attach an electronic copy with your offer

	Discount Off Manufacturer List Price (Offeror may include additional Manufacturers in the blank spaces below)				
	Manufacturer Name	**Equipment**	**Parts**	**Supplies**	**Catalog Website***
1	Ademco	20%	20%	20%	Located in Offer Documents
2	Aiphone	20%	20%	20%	Located in Offer Documents
3	Altronix	20%	20%	20%	Located in Offer Documents
4	Amseco	5%	5%	5%	
5	Andover Controls	NA	NA	NA	
6	Axis	1%	1%	1%	Located in Offer Documents
7	Bosch	20%	20%	20%	Located in Offer Documents
8	CheckVideo	NA	NA	NA	
9	Continuum	NA	NA	NA	
10	Dell	NA	NA	NA	
11	DMP	NA	NA	NA	
12	Dortronics	NA	NA	NA	
13	DSC	10%	10%	10%	Located in Offer Documents
14	Dukane	NA	NA	NA	
15	Elite	NA	NA	NA	
16	Elk	10%	10%	10%	Located in Offer Documents
17	Epusite	NA	NA	NA	
18	EST	NA	NA	NA	
19	Europlex	NA	NA	NA	
20	Fargo	NA	NA	NA	
21	FBI	NA	NA	NA	
22	Firelite	NA	NA	NA	
23	Garrett	NA	NA	NA	
24	GE	NA	NA	NA	
25	HES	20%	20%	20%	Located in Offer Documents part of ASSA Abloy
26	HID	15%	15%	15%	Located in Offer Documents
27	Honeywell	30%	30%	30%	Located in Offer Documents
28	HP	NA	NA	NA	
29	HY Security	NA	NA	NA	
30	Infinity	NA	NA	NA	
31	JSIIDS	NA	NA	NA	
32	Kantech	NA	NA	NA	

	Manufacturer Name	Equipment	Parts	Supplies	Catalog Website*
33	KVM	NA	NA	NA	
34	Lenel	16%	16%	16%	Located in Offer Documents
35	Liebert	NA	NA	NA	
36	Lorex	NA	NA	NA	
37	MagiCard	NA	NA	NA	
38	Moose	NA	NA	NA	
39	Napco	NA	NA	NA	
40	Northern Computer	NA	NA	NA	
41	Orion	NA	NA	NA	
42	Panasonic	15%	15%	15%	Located in Offer Documents
43	Pelco	5%	5%	5%	
44	Radionics	NA	NA	NA	
45	Sentrol	NA	NA	NA	
46	Silent Knight	NA	NA	NA	
47	Simplex	NA	NA	NA	
48	SSD	NA	NA	NA	
49	Tyco	NA	NA	NA	
50	Vicon	NA	NA	NA	
51	Viking	NA	NA	NA	
52	Xceed ID	NA	NA	NA	
53	Hirsch	NA	NA	NA	
54	S2	NA	NA	NA	
55	RS2	20%	20%	20%	Located in Offer Documents
56	DSX	NA	NA	NA	
57	Maxxess	NA	NA	NA	
58	Verint	NA	NA	NA	
59	IC Realtime	NA	NA	NA	
60	Avigilon	10%	10%	10%	
61	OnSSI	NA	NA	NA	
62	Exacq	NA	NA	NA	
63	Von Duprin	10%	10%	10%	Located in Offer Documents
64	Schlage	17%	17%	17%	Located in Offer Documents
65	BEST	NA	NA	NA	
66	Arecont	NA	NA	NA	
67	Corbin Russwin	NA	NA	NA	
68	Sargent	5%	5%	5%	
69	Adams Rite	15%	15%	15%	Located in Offer Documents
70	Yale	NA	NA	NA	
71	Vanderbilt	NA	NA	NA	
72	LCN	15%	15%	15%	Located in Offer Documents

73	3VR	NA	NA	NA	
74	Verkada	9%	9%	9%	Located in Offer Documents
75	Milestone	3%	3%	3%	Located in Offer Documents
76	Brivo	12%	12%	12%	Located in Offer Documents
77	HikVision	NA	NA	NA	
78	Allegion	15%	15%	15%	Located in Offer Documents
79	Bogen	NA	NA	NA	
80	Antaira	2%	2%	2%	Located in Offer Documents
81	APC	NA	NA	NA	
82	Tripp Lite	NA	NA	NA	
83	Chatsworth Products	NA	NA	NA	
85	Alarm Controls	15%	15%	15%	Located in Offer Documents
86	ASSA ABLOY	15%	15%	15%	Located in Offer Documents
87	Ives	5%	5%	5%	Located in Offer Documents
88	Windy City Wire	10%	10%	10%	Located in Offer Documents
89	DoorKing	25%	25%	25%	Located in Offer Documents
90	SDC Security	15%	15%	15%	Located in Offer Documents
91	Hanwha	15%	15%	15%	Located in Offer Documents
92	Talk A Phone	3%	3%	3%	Located in Offer Documents
93	Command Access	20%	20%	20%	Located in Offer Documents
93	All Other Manufactures	10%	10%	10%	Applied to all manufactures not listed but required to proivde applicable products and services.

BPM003541 Pricing Document
Security and Protection Systems - Statewide

Offeror: Corporate Technology Solutions, LLC

Labor Rates applicable to Installation, Inspection, Replacement, Removal, Maintenance, Repair, and Programming at a minimum
Provide pricing as requested below, additions under Other Miscellaneous allowed

CATEGORY: ACCESS CONTROL SYSTEMS

	LABOR RATES	
	Technician (Hourly)	Programmer/Advanced Technician (Hourly)
Standard Labor Rates All Inclusive (40 Hours or Less per Week)	$ 75.00	$ 85.00
Overtime Hours (Over 40 Hours per Week) & Weekend/Holiday Labor Rates	$ 90.00	$ 100.00

Please **mark** STATEWIDE or indicate REGION your Company will provide services

X **Statewide** ___ Region 1 ___ Region 2 ___ Region 3 ___ Region 4

___ Region 5 ___ Region 6 ___ Region 7

OTHER MISCELLANEOUS LABOR COSTS

Description	Rate per Hour
1	$
2	$
3	$

CATEGORY: INTRUSION SYSTEMS

	LABOR RATES	
	Technician (Hourly)	Programmer/Advanced Technician (Hourly)
Standard Labor Rates All Inclusive (40 Hours or Less per Week)	$ 75.00	$ 85.00
Overtime Hours (Over 40 Hours per Week) & Weekend/Holiday Labor Rates	$ 90.00	$ 100.00

Please **mark** STATEWIDE or indicate REGION your Company will provide services

X **Statewide** ___ Region 1 ___ Region 2 ___ Region 3 ___ Region 4

___ Region 5 ___ Region 6 ___ Region 7

OTHER MISCELLANEOUS LABOR COSTS

Description	Rate per Hour
1	$
2	$
3	$

Additional Serivces

	Monthly
Monitoring	$ 45.00

CATEGORY: CLOSED CIRCUIT TELEVISION SYSTEMS (CCTV)

	LABOR RATES	
	Technician (Hourly)	Programmer/Advanced Technician (Hourly)
Standard Labor Rates All Inclusive (40 Hours or Less per Week)	$ 75.00	$ 85.00
Overtime Hours (Over 40 Hours per Week) & Weekend/Holiday Labor Rates	$ 90.00	$ 100.00

Please **mark** STATEWIDE or indicate REGION your Company will provide services

X **Statewide** ___ Region 1 ___ Region 2 ___ Region 3 ___ Region 4

___ Region 5 ___ Region 6 ___ Region 7

OTHER MISCELLANEOUS LABOR COSTS

Description	Rate per Hour
1	$
2	$
3	$

	Contract Amendment	Arizona Department of Administration General Services Division 1400 W. Washington St., Ste. B200 Phoenix, AZ 85007
	Contract ID: **CTR056380** Contractor: **CORPORATE TECHNOLOGY SOLUTIONS, LLC**	
	Extension #4 | Date: 7/2/2025	

SECURITY AND PROTECTION SYSTEMS

1. The above-mentioned contract is hereby amended as follows:

   a. In accordance with the Special Terms and Conditions, Section 3.2 Contract Extensions, the above referenced contract shall be extended from 7/28/2025 to 7/27/2026.

      i. No optional extension remaining of a 5-year contract

   b. All Terms, Conditions and Provisions of the contract shall remain unchanged and apply during the renewal period unless otherwise amended.

ALL OTHER REQUIREMENTS, SPECIFICATIONS, TERMS AND CONDITIONS REMAIN UNCHANGED

ACKNOWLEDGEMENT AND AUTHORIZATION

This change order shall be fully executed upon the approval electronically in APP by an authorized representative of the Contractor and applied to the contract in APP by the Procurement Officer or delegate.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Georganna Staskey, Deputy City Clerk

Date: 10/16/2025

Meeting Date: 10/21/2025

TITLE:

Council Confirmation of Direction: Approval of direction and instruction given by City Council to City Attorney and staff in executive session on October 21, 2025 to proceed with the presentation with the Bureau of Reclamation and staff related to findings of the value planning study entitled: Future Water Supply Study for Navajo Nation, Flagstaff and Regional Water Users.

STAFF RECOMMENDED ACTION:

Approval of direction and instruction given in Executive Session on October 21, 2025 to proceed with the presentation with the Bureau of Reclamation and staff related to findings of the value planning study entitled: Future Water Supply Study for Navajo Nation, Flagstaff and Regional Water Users.

Executive Summary:

Approval of direction and instruction given by City Council to City Attorney and staff in executive session on October 21, 2025.

Financial Impact:

Project Name:
Cost:
Account Number Budgeted:
FY Budgeted Amount:
Grant Funded:
Funding Source:

Policy Impact:

Previous Council Decision or Community Discussion:

Options and Alternatives to Recommended Action:

Connection to PBB Priorities and Objectives:

Connection to Regional Plan:

Connection to Carbon Neutrality Plan:

Connection to 10-Year Housing Plan:

Attachments:

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Justin Emerick, Project Manager, Water Services

Co-Submitter: Mac McNamara

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:

Consideration and Approval of Contract: Construction Manager at Risk (CMAR) Construction Phase Services Agreement - GMP with PCL Construction, Inc. for the Lake Mary Water Treatment Plant - Sedimentation Basin Improvements in an amount not to exceed $13,642,244.00, including fees and taxes.

STAFF RECOMMENDED ACTION:

1. Approve the CMAR Construction Phase Services Agreement - GMP with PCL Construction, Inc. for the Lake Mary Water Treatment Plant - Sedimentation Basin Improvements in an amount of $13,242,244.00;
2. Approve an Owner's Contingency amount of $400,000.00, for a total GMP amount not to exceed $13,642,244.00, including fees and taxes; and
3. Authorize the City Manager to execute the necessary documents.

Executive Summary:

The Lake Mary Water Treatment Plant treats up to 8 million gallons per day of surface water from Lake Mary and has been Flagstaff's primary potable water source since 1963. To address our aging water production infrastructure, the Construction Phase Services Agreement will see the rehabilitation of the Lake Mary Sedimentation Basins ("Project"). These two 1-million gallon basins are a critical step of the Lake Mary Water Treatment Plant's treatment process, responsible for clarifying and removing suspended solids and sediment in the water. These basins were constructed in 1963 and the equipment that operates in this harsh environment has been in service for over 60 years. The engineering firm Brown and Caldwell was hired to produce a design for this project and PCL Construction, Inc. was found to be the most qualified CMAR construction contractor to deliver this project.

Construction is expected to last for two years, and can be performed one basin at a time to keep continuity of operations and water production running with only minimal plant shutdowns scheduled. All the equipment in the basins will be replaced, including the flocculation mixers, the sedimentation rake assemblies and the discharge weirs. This Project also includes electrical and controls upgrades, in addition to water chemistry data sensors throughout the basins. PCL Construction, Inc. was able to complete a 100% GMP which provides significant detail on each of the parts of the construction. The document attached to the CMAR Construction Phase Contract - GMP is an Executive Summary which provides an accurate description of this Project without disclosing certain proprietary and confidential water infrastructure information.

Financial Impact:

Lake Mary Sedimentation Basins Rehabilitation Project
$13,642,244.00
Account Number Budgeted: 202-08-370-3372-0-4463
FY 2025-2026 Budgeted Amount: $7,000,000.00
FY 2026-2027 Current Budgeted Amount: $4,800,000.00. During the FY2026-27 budget process, Water Services will re-prioritize funding to allocate the additional $1,842,244 needed to fund the remaining portion of this project.
Grant Funded: No
Funding Source:Water Services - Drinking Water Fund

Policy Impact:
Maintain, upgrade and repair water production facilities.

Previous Council Decision or Community Discussion:

1. January 15, 2020, City Council entered into a Contract for Professional Services with Brown and Caldwell to provide the Lake Mary Treatment Plant Basin Engineering Design. On January 8, 2025, this contract was renewed to continue engineering design services.
2. February 4, 2025, City Council entered into a Construction Manager at Risk Design Phase Services Agreement with PCL Construction, Inc. to provide design phase services for the Lake Mary Treatment Plant Sedimentation Basin Improvements.

Options and Alternatives to Recommended Action:

1. Approve CMAR Construction Phase Services Agreement - GMP in the total amount of $13,642,244.00, as recommended; or
2. Do not approve this CMAR Construction Phase Services Agreement - GMP and direct Staff to continue to utilize the existing basins and equipment for City water production.

Background and History:
The Lake Mary Water Treatment Plant was originally built in 1941 to supply the growing drinking water needs of early Flagstaff. The Plant treats surface water from Lake Mary and pumps this water to our drinking water distribution system. Over the years, the Plant has seen numerous upgrades and expansions to meet an ever-increasing water demand. A major expansion in 1963 saw the installation of two 1-million gallon sedimentation and flocculation basins, expanding the treatment capacity of the Plant to 8 million gallons per day. These basins are a critical step in the treatment process where suspended sedimentation in the raw water is removed through a process of flocculation and settling. Water from Upper Lake Mary is Flagsatff's most energy efficient source of potable water.

On August 27, 2024, Procurement staff posted a Request for Statements of Qualifications (RSOQ) solicitation for Construction Manager at Risk (CMAR) services on the PlanetBids electronic bidding website and advertised it in the Arizona Daily on Saturday August 31 and Tuesday September 7, 2024. On September 19, 2024, Procurement received three (3) Statements of Qualifications (SOQs) from contractors responding to the RSOQ. A Selection Committee of six members, including one member in professional services of engineering. The evaluation committee independently reviewed and evaluated the SOQs in accordance with guidelines established by the enabling legislation. After meeting to discuss the scoring, the committee decided based upon the numerical scoring of the written SOQs, the Committee identified the most qualified contractor to perform the CMAR services for the project and recommended commencing negotiations for a scope and fee proposal to be provided by PCL Construction Inc. Final scores of all firms are as follows:
PCL Construction - 699 Points
Schofield - 679 Points
KEAR - 675 Points

Connection to PBB Priorities and Objectives:
Connections to Priority Based Priorities and Objectives include:
Sustainable and Innovative Infrastructure -- by building and maintaining our water production infrastructure, we are able to meet our communities' demands and provide for sustainable growth
Safe and Healthy Community -- providing safe, clean drinking water, we are contributing significantly to a safe and healthy community

Connection to Regional Plan:
Connections to the Regional Plan:
This project aligns with the goals of the Flagstaff Regional Plan by upgrading Public Facilities, continuing responsible use of Natural Resources, and being Energy minded with our water production.

Connection to Carbon Neutrality Plan:
Connection to Flagstaff's Carbon Neutrality Plan:
This project will contribute to surface water production capacity, our least energy intensive form of water production, as well as the City's water security.

Connection to 10-Year Housing Plan:
N/A

Connection to Division Specific Plan:
The Water Services Division:
The installation and maintenance of new and existing infrastructure to meet Flagstaff's water demands

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Attachments: PCL CMAR Construction Phase Services - GMP
PCL CMAR Design Phase Services
LMWTP Rehab GMP Presentation
Lake Mary Sedimentation Basins Allowance Justification Form

City of Flagstaff, Arizona

City of Flagstaff Lake Mary Sedimentation Basin Improvements

CONSTRUCTION MANAGER AT RISK

CONSTRUCTION PHASE SERVICES AGREEMENT - GMP

Agreement No. 2025-01

Mayor
Becky Daggett

Council

Austin Aslan
Anthony Garcia
Khara House
Lori Matthews
David Spence
Miranda Sweet

City Manager
Greg Clifton

Water Services Director
Lee Williams

Planning & Development Services Director
Michelle McNulty

Public Works Director
Scott Overton

Engineering & Capital Improvements Director
Paul Mood

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SIGNATURE PAGE 42

EXHIBIT A – PROJECT DESCRIPTION

EXHIBIT B – GMP SUBMITTAL REQUIREMENTS

City of Flagstaff, Arizona

City of Flagstaff Lake Mary Sedimentation Basin Improvements
CONSTRUCTION MANAGER AT RISK
CONSTRUCTION PHASE SERVICES
Agreement No. 2025-01

This Construction Services Agreement ("Agreement") is made and entered into by and between the City of Flagstaff, a political subdivision of the State of Arizona ("Owner"), and PCL Construction, Inc., an Arizona corporation ("Construction Manager at Risk" or "CMAR") on this ___ day of _____, 20__.

RECITALS

A. The City Manager of the City of Flagstaff, Arizona, is authorized and empowered by provisions of the City Charter to execute agreements for professional services and construction services.

B. The Owner intends to construct the *City of Flagstaff Lake Mary Sedimentation Basin Improvements,* as more fully described in Exhibit "A," attached ("Project").

C. To undertake the construction administration of the Project, the Owner has entered into separate agreements with *Brown and Caldwell* ("Design Professional(s)").

D. CMAR has represented to the Owner the ability to provide construction phase services for the Project, and based on this representation, the Owner hereby engages CMAR to provide these services and construct the Project.

E. A Design Phase Services Agreement (Contract No. 2025-01) has been executed previously between the Owner and CMAR to perform design phase services for the Project. Those services may continue during the duration of this Agreement.

AGREEMENT

***NOW THEREFORE*,** for and in consideration of the mutual covenants and considerations hereinafter contained, it is agreed by and between the Owner and CMAR as follows:

Article 1 – Terms and Definitions

"Addenda" - Written or graphic instruments issued prior to the submittal of the GMP Proposal(s), which clarify, correct or change the GMP Proposal(s) requirements.

"Agreement (Contract)" - This written document signed by the Owner and CMAR covering the design phase of the Project, and including other documents itemized and referenced in or attached to and made part of this Agreement.

"Alternate Systems Evaluations" - Alternatives for design, means and methods or other scope considerations that are evaluated using value engineering principles which have the potential to reduce construction costs while still delivering a quality and functional Project that meets the Owner requirements.

"Change Directive" - A written order prepared and signed by the Owner, directing a change in the Work prior to agreement on an adjustment in the Contract Price and the Contract Time.

"Change Order" - A type of contract amendment issued after execution of the Contract Documents where unanticipated or unforeseen circumstances in the Work have been encountered. Each Change Order shall be signed by the Owner and CMAR, stating their agreement upon all of the following: the addition, deletion or revision in the scope of services or Deliverables; the amount of the adjustment to the Contract Price; the amount of the adjustment to the Contract Time;.

"City (Owner)" - The City of Flagstaff, a political subdivision of the State of Arizona, with whom CMAR has entered into this Agreement and for whom the services are to be provided pursuant to said Agreement.

"CMAR" - The Contractor selected by the Owner to provide design phase services as detailed in this Agreement.

"CMAR Representative" - The designated CMAR Representative.

"CMAR Senior Representative" - The designated CMAR Senior Representative.

"Construction Documents" - Certain plans, specifications and drawings prepared by the Design Professionals after correcting for permit review requirements or dated plans and specifications specifically identified as the "Construction Documents" herein or in an Exhibit or Addendum which is attached hereto.

"Construction Fee" - CMAR's administrative costs for providing off-site management, supervision, General Conditions support, support of construction activities, home office overhead, and profit, as applicable to this Project, whether at CMAR's principal or branch offices.

"Contingency, CMAR's" - A fund to cover cost growth during the Project, legitimate unforeseen construction expenses, or expenses otherwise agreed to by the Owner to be used at the discretion of CMAR usually for costs that result from Project circumstances. The amount of CMAR's Contingency shall be negotiated as a separate line item in each GMP package. Use and management of CMAR's Contingency is described in this Agreement.

"Contingency, Owner's" - A fund to cover cost growth during the Project used at the discretion of the Owner usually for costs that result from the Owner-directed changes or unforeseen Site conditions. The amount of the Owners' Contingency shall be set solely by the Owner and shall be in addition to the CMAR's GMP.

"Contract Documents" - The following items and documents in descending order of precedence executed by the Owner and CMAR: (i) all written, amendments and Change Orders; (ii) this Agreement, including all exhibits and attachments; (iii) Construction Documents; and (iv) GMP Plans and Specifications.

"Contract Price" - The cost for services for this Agreement.

"Contract Time(s)" - The number of days or the dates related to the construction phase, including authorized adjustments, allotted in the Construction Documents for Substantial and final Completion of the Work, subject to Winter Shutdown.

"Cost Models" - Cost tabulation for the construction of the Project developed by the CMAR and continually updated throughout the preconstruction phase fee and utilized to develop the Guaranteed Maximum Price Proposal. The Cost Model is created using the Design Professionals list of standard pay items.

"Cost of the Work" - The direct costs necessarily incurred by CMAR in the proper performance of the Work. The Cost of the Work shall include direct labor costs, subcontract costs, costs of materials and equipment incorporated in the completed construction, costs of other materials and equipment, temporary facilities, permit and license fees, materials testing, and related items. The Cost of the Work shall not include CMAR's Construction Fee, General Conditions Cost, bonds, insurance, or taxes.

"Critical Path Method" or "CMP" - A scheduling technique used to predict project duration by analyzing

which sequence of activities has the least amount of scheduling flexibility thus identifying the path (sequence) of activities which represent the longest time required to complete the Project. Delay in completion of the identified activities shall cause a delay in achieving Substantial Completion.

"Day(s)" - Calendar days unless otherwise specifically noted in the Contract Documents.

"Deliverables, Construction Phase Services Agreement" - The Work conducted by CMAR during the construction phase which may include, but is not limited to: Construction Management Plan, Project Schedule, Schedule of Values, alternative system evaluations, procurement strategies and plans, cost models, construction market surveys, cash flow projections, GMP Proposals, Subcontractor procurement plan, Statement of Proposed Minority Business Enterprise/Women's Business Enterprise ("MBE/WBE") Utilization as may be required or appropriate, Subcontractor agreements, Subcontractor bid packages, Supplier agreements, and others as indicated in this Agreement or required by the Project Team and other services set forth in this Agreement or reasonably inferable therefrom.

"Deliverables, Design Phase Services Agreement" - The Work conducted by CMAR during the design phase which may include, but is not limited to: design recommendations, Project scheduling, constructability reviews, alternate systems evaluation, cost estimate, Minority Business Enterprise/Woman's Business Enterprise/Small Business Enterprise ("MBE/WBE/SBE") utilization, Subcontractor agreements, Subcontractor bid packages, GMP preparations and other services set forth in this Agreement or reasonably inferable therefrom.

"Design Professional(s)" - A qualified, licensed design professional who furnishes design, construction documents, and/or construction administration services required for the Project.

"Drawings (Plans)" - Documents, which visually represent the scope, extent and character of the Work to be furnished and performed by CMAR during the construction phase, and which have been prepared or approved by the Design Professional(s) and the Owner. Includes Drawings that have reached a sufficient stage of completion and released by the Design Professional(s) solely for the purposes of review and/or use in performing constructability or biddability reviews and in preparing cost models (e.g., conceptual design Drawings, preliminary design Drawings, detailed design Drawings at 30%, 60%, 90% or 100% or schematic, design development, construction documents), but "not for construction". Shop Drawings are not Drawings as so defined.

"Differing Site Conditions" - Concealed or latent physical conditions or subsurface conditions at the Site that: (i) materially differ from the conditions indicated in the Contract Documents; or (ii) are of an unusual nature, differing materially from the conditions ordinarily encountered and generally recognized as inherent in the Work.

"Final Completion" - 100% completion of all construction Work noted in, or reasonably inferred from, the Contract Documents, including but not limited to, all Punch Lists work, all record and close-out documents specified in Owner's Project specifications and Owner training/start up activities.

"Float" - The number of Days by which an activity can be delayed without lengthening the CMP and extending the Substantial Completion date.

"General Conditions Costs" - All on-site Project-specific costs required to perform the Work, but not itemized or included in the Cost of the Work. Includes, but is not limited to, the following types of costs for CMAR during the construction phase: (i) payroll costs for Project manager or CMAR for Work conducted at the Site, (ii) payroll costs for the superintendent and full-time general foremen, (iii) payroll costs for other management personnel resident and working at the Site, (iv) workers not included as direct labor costs engaged in support (e.g. loading/unloading, clean-up, etc.), (v) costs of offices and temporary facilities setup solely for this Project including office materials, office supplies, office equipment and minor expenses, (vi) cost of utilities, fuel, sanitary facilities and telephone services at the Site; (vii) costs of liability and other applicable insurance premiums not include in labor burdens for direct labor costs; (viii) costs of bonds

premiums; (ix) costs of consultants not in the direct employee of CMAR or Subcontractors.

"Guaranteed Maximum Price" ("GMP)" - The sum of the maximum Cost of the Work; the Construction Fee, General Conditions Costs, taxes, and CMAR's Contingency.

"GMP Plans and Specifications" - Plans and specifications upon which the Guaranteed Maximum Price Proposal is based.

"Guaranteed Maximum Price (GMP) Proposal" - The offer or proposal of CMAR submitted on the prescribed form setting forth the GMP prices for the entire Work or portions of the Work to be performed during the construction phase. The GMP Proposal(s) are to be developed pursuant to Article 2 of this Agreement.

"Legal Requirements" - All applicable federal, state and local laws, codes, ordinances, rules, regulations, orders and decrees of any government or quasi-government entity having jurisdiction over the Project or Site, the practices involved in the Project or Site, or any Work.

"Notice to Proceed" or "NTP" - The directive issued by the Owner, authorizing CMAR to start Work.

"Opening Physical Conditions" - The current physical conditions present on the Site as jointly documented by an inspection of the Site by Owner and CMAR at the Pre-construction Conference.

"Owner's Representative" - The designated City Project Manager.

"Owner's Senior Representative" - The City of Flagstaff's designated Division/Department Head.

"Performance Period" - The period of time allotted in the Contract Documents to complete the Work comprised within a GMP. The Performance Period shall be stated with each GMP and shown on the Project Master Schedule.

"Payment Request" - The form used by CMAR in requesting progress payments or final payment and which shall include such supporting documentation as is required by the Contract Documents and or the Owner.

"Pre-construction Conference" - A Conference held between Owner and CMAR prior to the commencement of any Work, as scheduled by the Owner's Representative or designee.

"Product Data" - Illustrations, standard schedules, performance charts, instructions, brochures, diagrams, and other information furnished by CMAR to illustrate materials or equipment for some portion of the Work.

"Project" - The Work to be completed in the execution of this Agreement, as amended, and as described in the Recitals above and in Exhibit "A" attached.

"Project Team" - The design phase services team consisting of the Design Professional(s), CMAR, the Owner's Representative, the Owner's Client Department representatives and other stakeholders who are responsible for making decisions regarding the Project.

"Schedule of Values (SOV)" - A statement furnished by CMAR to the Owner's Representative for approval, reflecting the portions of the GMP allotted for the various parts of the Work and used as the basis for evaluating CMAR's applications for progress payments.

"Shop Drawings" - All drawings, diagrams, schedules and other data specifically prepared for the Work by CMAR or a Subcontractor, Sub-Subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Work.

"Site" - Land or premises on which the Project is located.

"Specifications" - The part(s) of the Contract Documents for the construction phase consisting of written technical descriptions of materials, equipment, construction systems, standards and workmanship, as applied to the Work, and certain administrative details applicable thereto.

"Subconsultant" - A person, firm or corporation having an agreement with CMAR to furnish services required as its independent professional associate or consultant with respect to the Project.

"Subcontractor" - An individual or firm having a direct agreement with CMAR or any other individual or firm having an agreement with the aforesaid contractors at any tier, who undertakes to perform a part of the design phase services or construction phase Work at the Site for which CMAR is responsible.

"Submittals" - Documents and/or things that may be produced or presented by one party for consideration, review, or such other actions as may be required by this Agreement by another party, entity or person. Examples of Submittals include, but are not limited to, preliminary or evolving drafts, product data samples, etc.

"Substantial Completion" - The construction services for the Work (or a specified part thereof) has progressed to the point where, in the opinion of the Owner's Representative, as evidenced by a Certificate of Substantial Completion, such construction services are sufficiently complete in accordance with the Contract Documents, so that the Work (or specified part) can be utilized for the purposes for which it is intended; without any outstanding concurrent Work at the site, except as may be required to complete or correct Punch List items. If no such certificate is issued, Substantial Completion takes place when the construction services Work or a Construction Phase is complete and ready for final payment as evidenced by the written recommendation of final payment by the Owner's Representative. The terms "substantially complete" and "substantially completed" as applied to all or part of the construction Work refers to Substantial Completion thereof.

"Supplier" - A manufacturer, fabricator, supplier, distributor, materialman or vendor having a direct agreement with CMAR or with any Subcontractor to furnish materials or equipment to be incorporated in the construction phase Work by CMAR or any Subcontractor.

"Winter Shutdown" - 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 CMAR) on the Project and CMAR 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 Owner reserves the right to initiate and terminate a Winter Shutdown at the Owner's sole discretion in the event of adverse weather conditions. A Winter Shutdown may be declared by the Owner despite delays, for any reason, on the Project.

"Work" - The entire completed construction or the various separately identifiable parts thereof, required to be furnished during the construction phase. Work includes and is the result of performing or furnishing labor and furnishing and incorporating materials, resources and equipment into the construction, and performing or furnishing services and documents as required by the Contract Documents for the construction phase.

Article 2 – CMAR's Services and Responsibilities

2.0 CMAR shall furnish any and all labor, materials, equipment, transportation, utilities, services and facilities required to perform all Work for the construction of the Project, and to completely and totally construct the same and install the material therein for the Owner. All Work shall be performed in a good and workmanlike and substantial manner and within the care and skill of a qualified CMAR in Flagstaff, Arizona. The Work shall be to the satisfaction of the Owner and strictly pursuant to and in conformity with the Project's Contract Documents. It is not required that the services be performed in the sequence in which they are described.

2.1 General Services

CMAR's Representative shall be reasonably available to the Owner and shall have the necessary expertise and experience required to supervise the Work. CMAR's Representative shall communicate regularly with the Owner but not less than once a week and shall be vested with the authority to act on behalf of CMAR. CMAR's Representative may be replaced only with the written consent of the Owner.

2.2 Government Approvals and Permits

2.2.1 Unless otherwise provided, CMAR shall obtain all applicable and/or necessary permits, approvals and licenses required for the prosecution of the Work from any government or quasi-government entity having jurisdiction over the Project. CMAR is specifically reminded of the need to obtain the applicable and/or necessary environmental permits or file the applicable and/or necessary environmental notices.

2.2.2 Copies of the permits and notices identified in this Agreement must be provided to the Owner's Representative prior to starting the permitted activity. In the case of Fire Department permits, a copy of the application for permit shall also be provided to the Owner's Representative. This provision does not constitute an assumption by the Owner of an obligation of any kind for violation of said permit or notice requirements.

2.2.3 Owner shall be responsible for City of Flagstaff review and permit(s) fees for grading and drainage, water, sewer, floodplain, and landscaping. Owner shall also pay for utility design fees for permanent services.

2.2.4 CMAR shall be responsible for all other permits and review fees not specifically listed in this Agreements

2.2.5 CMAR shall be responsible for the cost of water meter(s), water and sewer taps, fire lines and taps, and all water bills on the project meters until Substantial Completion of the Project. Arrangements for construction water are CMAR's responsibility.

2.3 Pre-construction Conference

2.3.1 Prior to the commencement of any Work, the Owner's Representative or designee shall schedule and conduct a Preconstruction Conference.

2.3.1.1 At the Pre-Construction Conference, Owner and CMAR shall document the Opening Physical Conditions of the Site as jointly documented by an inspection of the Site by Owner and CMAR at the Pre-Construction.

2.3.2 The purpose of this conference is to establish a working relationship between CMAR, utility firms, and various City agencies. The agenda shall include critical elements of the work schedule, submittal schedule, cost breakdown of major lump sum items, Payment Requests and processing, coordination with the involved utility firms, the level of Project Record Documents required and emergency telephone numbers for all representatives involved during construction.

2.3.3 The Notice to Proceed date shall be concurred with by the parties or set by the Owner at the Preconstruction Conference. After the meeting and upon receipt of a signed Agreement and delivery of the required bonds and insurance in an Owner approved format, a Notice to Proceed letter shall be issued confirming the construction start date, Performance Period and if applicable, the Substantial Completion date. If a Substantial Completion date is established the conditions of the Substantial Completion shall be listed and/or as set forth in Article 1 herein. Failure by CMAR to provide the properly executed bond and insurance forms in a timely manner may delay the

construction start date; however, it shall not alter the proposed Substantial Completion date nor be a basis for any time extension request or other claims.

2.3.4 CMAR shall provide a Schedule of Values based on the categories used in the buyout of the Work but not greater than the approved GMPs and identifying CMAR's Contingency. The Schedule of Values shall subdivide the Work into all items comprising the Work. The Schedule of Values shall contain sufficient detail to identify each individual element of the Work and shall relate to the approved GMPs Schedule. The Schedule of Values shall be subject to approval by the Owner's representative.

2.3.5 Minimum attendance by CMAR shall be CMAR's Representative, who is authorized to execute and sign documents on behalf of the firm, the CMAR Senior Representative, and CMAR's safety officer.

2.4 Control of the Work

2.4.1 Unless otherwise provided in the Contract Documents to be the responsibility of the Owner or a separate Contractor, CMAR shall provide through itself or Subcontractors the necessary supervision, labor, inspection, testing, start-up, material, equipment, machinery, temporary utilities, and other temporary facilities to permit CMAR to complete the Work consistent with the Contract Documents.

2.4.2 CMAR shall perform all construction activities efficiently and with the requisite expertise, skill, and competence to satisfy the requirements of the Contract Documents. CMAR shall at all times exercise complete and exclusive control over the means, methods, sequences and techniques of construction.

2.4.3 CMAR's Representative or CMAR's Senior Representative shall be present at the Sites at all times that construction activities are taking place.

2.4.3.1 All elements of the Work shall be under the direct supervision of a foreman or his designated representative on the Sites who shall have the authority to take actions required to properly carry out that particular element of the work.

2.4.3.2 In the event of noncompliance with this Section, the Owner may require CMAR to stop or suspend the Work in whole or in part.

2.4.4 Where the Contract Documents require that a particular product be installed and/or applied by an applicator approved by the manufacturer, it is CMAR's responsibility to ensure the Subcontractor employed for such work is approved by the manufacturer.

2.4.5 Before ordering materials or doing work, CMAR and each Subcontractor shall verify measurements at the Site and shall be responsible for the correctness of such measurements. No extra charge or compensation shall be allowed because of differences between actual dimensions and the dimensions indicated on the drawings; differences which may be found shall be submitted to the Owner for resolution before proceeding with the Work.

2.4.6 CMAR shall take field measurements and verify field conditions and shall carefully compare such field measurements and conditions and other information known to CMAR with the Contract Documents before commencing activities. Errors, inconsistencies, or omissions discovered shall be reported to the Owner at once.

2.4.7 CMAR shall establish and maintain all construction grades, lines, levels, and benchmarks, and shall be responsible for accuracy and protection of same. This Work shall be performed or supervised by a Civil Engineer or Surveyor licensed as such in the State of Arizona.

2.4.8 Any person employed by CMAR or any Subcontractor who, in the opinion of the Owner, does not perform his or her work in a proper, skillful, and safe manner or is intemperate or disorderly shall, at the written request of the Owner, be removed from the Work by CMAR or Subcontractor employing such person, and shall not be employed again in any portion of Work without the written approval of the Owner. CMAR or Subcontractor shall hold the Owner harmless from damages or claims which may occur in the enforcement of this Section.

2.4.9 CMAR assumes responsibility to the Owner for the proper performance of the work of Subcontractors and any acts and omissions in connection with such performance. Nothing in the Contract Documents is intended or deemed to create any legal or contractual relationship between the Owner and any Subcontractor or Sub-Subcontractor, including but not limited to any third-party beneficiary rights.

2.4.10 CMAR shall coordinate the activities of all Subcontractors. If the Owner performs other work on the Project or at the Site with separate contractors under the Owner's control, CMAR agrees to reasonably cooperate and coordinate its activities with those of such separate contractors so that the Project can be completed in an orderly and coordinated manner without unreasonable disruption.

2.5 Control of the Work Site

2.5.1 Throughout all phases of construction, including suspension of Work, CMAR shall keep the Site reasonably free from debris, trash and construction wastes to permit CMAR to perform its construction services efficiently, safely and without interfering with the use of adjacent land areas. Upon Substantial Completion of the Work, or a portion of the Work, CMAR shall remove all debris, trash, construction wastes, materials, equipment, machinery and tools arising from the Work or applicable portions thereof to permit the Owner to occupy the Project or a portion of the Project for its intended use.

2.5.2 CMAR shall take whatever steps, procedures or means to prevent any dust nuisance due to construction operations. The dust control measures shall be maintained at all times to the satisfaction of the Owner and in accordance with the requirements of the Arizona Department of Environmental Quality rules and regulations.

2.5.3 CMAR shall maintain ADA, ADAAG and ANSI accessibility requirements during construction activities in an occupied building or facility. ADA, ADAAG and ANSI accessibility requirements shall include, but not be limited to, parking, building access, entrances, exits, restrooms, areas of refuge, and emergency exit paths of travel. CMAR shall be responsible for the coordination of all work to minimize disruption to building occupants and facilities.

2.5.4 Only materials and equipment which are to be used directly in the Work shall be brought to and stored on the Site by CMAR. When equipment is no longer required for the Work, it shall be removed promptly from the Site. Protection of construction materials and equipment stored at the Site from weather, theft, damage and all other adversity is solely the responsibility of CMAR.

2.6 Shop Drawings, Product Data and Samples

2.6.1 Shop Drawings, Product Data, Samples and similar Submittals are not Contract Documents. The purpose of their submittal is to demonstrate, for those portions of the Work for which Submittals are required, the way CMAR proposes to conform to the information given and the design concept expressed in the Contract Documents.

2.6.2 CMAR shall review, approve, verify, and submit to the Owner five copies of each Shop Drawing, Product Data, Sample, and similar Submittals required by the Contract Documents in accordance with the approved GMP schedule as to cause no delay in the Work or in the activities of the Owner

or of separate contractors. Submittals made by CMAR, which are not required by the Contract Documents, may be returned without action.

2.6.3 CMAR shall perform no portion of the Work requiring submittal and review of Shop Drawings, Product Data, Samples, or similar Submittals until the respective submittal has been approved by the Owner or Owner's designee. Such Work shall be in accordance with approved Submittals.

2.6.4 By approving, verifying and submitting Shop Drawings, Product Data, Samples and similar Submittals, CMAR represents that CMAR has determined and verified materials, field measurements and field construction criteria related thereto, or shall do so, and has checked and coordinated the information contained within such Submittals with the requirements of the Work and of the Contract Documents.

2.6.5 CMAR shall not be relieved of responsibility for deviations from requirements of the Contract Documents by the Owner's approval of Shop Drawings, Product Data, Samples or similar Submittals unless CMAR has specifically informed the Owner in writing of such deviation at the time of submittal and the Owner has given written approval to the specific deviation. CMAR shall not be relieved of responsibility for errors or omissions in Shop Drawings, Product Data, Samples, or similar Submittals by the Owner's approval thereof.

2.6.6 CMAR shall direct specific attention, in writing or on resubmitted Shop Drawings, Product Data, Samples, or similar Submittals, to revisions other than those requested by the Owner on previous Submittals.

2.6.7 Informational Submittals upon which the Owner is not expected to take responsive action may be so identified in the Contract Documents.

2.6.8 When professional certification of performance criteria of materials, systems or equipment is required by the Contract Documents, the Owner shall be entitled to rely upon the accuracy and completeness of such calculations and certifications.

2.7 Quality Control, Testing and Inspection

2.7.1 All materials used in the Work shall be new and unused, unless otherwise noted, and shall meet all quality requirements of the Contract Documents.

2.7.2 All construction materials to be used on the Work or incorporated into the Work, equipment, plant, tools, appliances or methods to be used in the Work may be subject to the inspection and approval or rejection by the Owner. Any material rejected by the Owner shall be removed immediately and replaced in an acceptable manner.

2.7.3 The procedures and methods used to sample and test material shall be determined by the Owner. Unless otherwise specified, samples and tests shall be made in accordance with the most recently adopted edition of the City of Flagstaff Engineering Division Design and Construction Standards and Specifications.

2.7.4 The Owner shall select a City or Independent Testing Laboratory and shall pay for initial City Acceptance Testing.

2.7.4.1 When the first and/or subsequent tests indicate noncompliance with the Contract Documents, the cost associated with that noncompliance and the cost of all tests, except the first test, shall be paid for by CMAR. CMAR's Contingency cannot be utilized for the cost of re-testing.

2.7.4.2 When the first and/or subsequent tests indicate noncompliance with the Contract Documents, all retesting shall be performed by the same testing agency.

2.7.5 CMAR shall cooperate with the selected testing laboratory and all others responsible for testing and inspecting the work and shall provide them access to the Work at all times.

2.7.6 At the option of the Owner, materials may be approved at the source of supply before delivery is started.

2.7.7 Code compliance testing and inspections required by codes or ordinances, or by a plan approval authority, and which are made by a legally constituted authority, shall be the responsibility of and shall be paid by CMAR, unless otherwise provided in the Contract Documents.

2.7.8 CMAR's convenience and quality control testing and inspections shall be the sole responsibility of CMAR and paid by CMAR.

2.8 Trade Names and Substitutions

2.8.1 Unless indicated that no substitutions are permitted, CMAR may request a substitution or alternative to Contract Document references to equipment, materials or patented processes by manufacturer, trade name, make or catalog number, subject to the following:

2.8.2 The substitution shall be submitted by CMAR in writing to the Owner.

2.8.3 CMAR shall certify that the substitution shall perform the functions and achieve the results called for by the general design, be similar and of equal substance, and be suited to the same use as that specified.

2.8.4 The submittal shall state any required changes in the Contract Documents to adapt the design to the proposed substitution.

2.8.5 The submittal shall contain an itemized estimate of all costs and credits that will result directly and indirectly from the acceptance of such substitution, including cost of design, license fees, royalties, and testing. Also, the submittal shall include any adjustment in the Contract Time created by the substitution.

2.8.6 CMAR if requested by the Owner shall submit Samples or any additional information that may be necessary to evaluate the acceptability of the substitution.

2.8.7 The Owner shall make the final decision and shall notify CMAR in writing as to whether the substitution has been accepted or rejected.

2.8.8 If the Owner does not respond in a timely manner, CMAR shall continue to perform the Work in accordance with the Contract Documents and the substitution shall be considered rejected.

2.9 Project Record Documents

2.9.1 During the construction period, CMAR shall maintain at the Site a set of blueline or blackline prints of the Construction Document drawings and shop drawings for Project Record Document purposes.

2.9.1.1 CMAR shall mark these drawings to indicate the actual installation where the installation varies appreciably from the original Construction Documents. CMAR shall give particular attention to information on concealed elements, which would be difficult to identify or measure and record later. Items required to be marked include but are not limited to:

2.9.1.1.1 Dimensional changes to the drawings

2.9.1.1.2 Revisions to details shown on drawings

2.9.1.1.3 Locations and depths of underground utilities

2.9.1.1.4 Revisions to routing of piping and conduits

2.9.1.1.5 Actual equipment locations

2.9.1.1.6 Locations of concealed internal utilities

2.9.1.1.7 Changes made by Change Order, Change Order Directive, Field Order, Record of Field Change, ASI's and RFI's

2.9.1.1.8 Addenda and other details not on original Agreement Drawings

2.9.1.2 CMAR shall mark completely and accurately Project Record Drawing prints of Construction Documents or Shop Drawings, whichever is the most capable of indicating the actual physical condition. Where Shop Drawings are marked, show cross-reference on the Construction Documents location.

2.9.1.3 CMAR shall mark Project Record Drawings sets with red erasable colored pencil.

2.9.1.4 CMAR shall note RFI Numbers, ASI Numbers and Change Order numbers, etc., as required to identify the source of the change to the Construction Documents.

2.9.1.5 CMAR shall, as a condition of Substantial Completion, submit Project Record Drawing prints and Shop Drawings to the Owner or its representative for review and comment.

2.9.2 Upon receipt of the reviewed Project Record Drawings from the Owner, CMAR shall correct any deficiencies and/or omissions to the drawings and prepare the following for submission to the Owner within 14 Days:

2.9.2.1 CMAR shall provide a complete set of electronic Project Record Drawings prepared in AutoCAD format compatible with City of Flagstaff CADD technology. The Design Professional shall provide files of the original Construction Documents to CMAR for the use of preparing these final Project Record Drawings or CMAR may contract with the Design Professional to revise and update the electronic drawing files. Each drawing shall be clearly marked with "As-Built Document."

2.9.2.2 CMAR shall provide a complete set of digital final AutoCAD drawings.

2.9.2.3 CMAR shall provide the original copy of the Project Record Drawings (redline mark-ups).

2.10 Project Safety

2.10.1 CMAR recognizes the importance of performing the Work in a safe manner so as to prevent damage, injury or loss to (i) all individuals at the Site, whether working or visiting, (ii) the Work, including materials and equipment incorporated into the Work or stored on-Site or off-Site, and (iii) all other property at the Site or adjacent thereto.

2.10.2 CMAR assumes responsibility for implementing and monitoring all safety precautions and programs related to the performance of the Work.

2.10.3 CMAR shall, prior to commencing construction, designate a Safety Representative with the necessary qualifications and experience to supervise the implementation and monitoring of all safety precautions and programs related to the Work. Unless otherwise required by the Contract Documents, CMAR's Safety Representative shall be an individual stationed at the Site who may have other responsibilities on the Project in addition to safety.

2.10.4 The Safety Representative shall make routine daily inspections of the Site and shall hold weekly safety meetings with CMAR's personnel, Subcontractors and others as applicable.

2.10.5 CMAR and Subcontractors shall comply with all Legal Requirements relating to safety, as well as any City-specific safety requirements set forth in the Contract Documents, provided that such City-specific requirements do not violate any applicable Legal Requirement.

2.10.6 CMAR shall immediately report in writing any safety-related injury, loss, damage or accident arising from the Work to Owner's Representative and, to the extent mandated by Legal Requirements, to all government or quasi-government authorities having jurisdiction over safety-related matters involving the Project or the Work.

2.10.7 CMAR's responsibility for safety under this Section is not intended in any way to relieve Subcontractors and Sub-Subcontractors of their own contractual and legal obligations and responsibility for (i) complying with all Legal Requirements, including those related to health and safety matters, and (ii) taking all necessary measures to implement and monitor all safety precautions and programs to guard against injury, losses, damages or accidents resulting from their performance of the Work.

2.11 Warranty

2.11.1 CMAR warrants to Owner that the construction, including all materials and equipment furnished as part of the construction, shall be new unless otherwise specified in the Contract Documents, of good quality, in conformance with the Contract Documents and free of defects in materials and workmanship.

2.11.2 CMAR's warranty obligation shall be for one (1) year, except for such greater period as may be required by the technical specifications.

2.11.3 Nothing in this warranty is intended to limit any manufacturer's warranty which provides The Owner with greater warranty rights than set forth in this Section or the Contract Documents. CMAR shall provide Owner with all manufacturers' warranties upon Substantial Completion.

2.11.4 Nothing in this warranty is intended to limit any other remedy at law that may be available to the Owner.

2.12 Correction of Defective Work

2.12.1 CMAR agrees to correct any Work that is found to not be in conformance with the Contract Documents, including that part of the Work subject to this Agreement, within a period of one (1) year from the date of Substantial Completion of the Work or any portion of the Work, or within such longer period to the extent required by the Contract Documents, or as may be available to the Owner by law. A progress payment, or partial or entire use or occupancy of the Project by the Owner, shall not constitute acceptance of Work not in accordance with the Contract Documents.

2.12.2 During the performance of the Work, CMAR shall take meaningful steps to commence correction of such nonconforming Work as notified by the Owner or as discovered by CMAR. This includes the correction, removal or replacement of the nonconforming Work and any damage caused to other parts of the Work affected by the nonconforming Work. If CMAR fails to commence the necessary steps during the performance of the Work, Owner, in addition to any other remedies provided under the Contract Documents, may provide CMAR with written notice that Owner shall commence correction of such nonconforming Work with its own forces.

2.12.3 CMAR shall, take meaningful steps to commence correction of nonconforming Work subject to this Agreement, within seven (7) days of receipt of written notice from Owner. This includes the

correction, removal or replacement of the nonconforming Work and any damage caused to other parts of the Work affected by the nonconforming Work. If CMAR fails to commence the necessary steps within such seven-day period, Owner, in addition to any other remedies provided under the Contract Documents, may provide CMAR with written notice that Owner shall commence correction of such nonconforming Work with its own forces.

2.12.4 If Owner does perform such corrective Work, CMAR shall be responsible for all reasonable costs incurred by Owner in performing such correction.

2.12.5 For nonconforming Work that creates an emergency requiring an immediate response, CMAR shall respond and initiate corrections within twenty-four hours.

2.12.6 The one-year period identified in this Agreement applies only to CMAR's obligation to correct nonconforming Work relative to the warranty set forth in that section and is not intended to constitute a period of limitations for any other rights or remedies the Owner may have regarding CMAR's other obligations under the Contract Documents or as may be allowed by law.

Article 3 - The Owner's Services and Responsibilities

3.1 Duty to Cooperate.

3.1.1 Owner shall, throughout the performance of the Work, cooperate with CMAR and perform its responsibilities, obligations and services in a timely manner to facilitate CMAR's timely and efficient performance of the Work and so as not to delay or interfere with CMAR's performance of its obligations under the Contract Documents.

3.1.2 Owner shall furnish at CMAR's request, at no cost to CMAR, a CADD file of the Construction Documents in AutoCAD format compatible with the City of Flagstaff CADD technology.

3.2 The Owner's Representative

3.2.1 Owner's Representative shall be responsible for providing Owner supplied information and approvals in a timely manner to permit CMAR to fulfill its obligations under the Contract Documents.

3.2.2 Owner's Representative shall also provide CMAR with prompt notice if Owner's Representative observes any failure on the part of CMAR to fulfill its contractual obligations, including any default or defect in the project or non-conformance with the drawings and specifications.

3.2.3 The Owner may utilize field inspectors to assist the Owner's Representative during construction in observing performance of CMAR. The inspector is for the purpose of assisting the Owner's Representative and should not be confused with an inspector with a City regulatory department.

3.2.3.1 The field inspector shall be authorized to inspect all Work and materials furnished. Such inspection may extend to all or part of the Work and to the preparation, fabrication or manufacture of the materials to be used.

3.2.3.2 The field inspector shall not be authorized to issue instructions contrary to the Construction Documents or to act as foreman for CMAR.

3.2.3.3 The field inspector shall have the authority to reject work or materials until any questions at issue can be decided by the Owner's Representative.

3.2.3.4 The furnishing of such services for the Owner shall not make the Owner responsible for or give the Owner control over construction means, methods, techniques, sequences or procedures or for

safety precautions or programs or responsibility for CMAR's failure to perform the work in accordance with Contract Documents.

3.3 Design Professional Services

3.3.1 The Owner may contract separately with one or more Design Professional(s) to provide construction administration of the Project. The Design Professional(s)' agreement as well as other firms hired by the Owner shall be available for review by CMAR. CMAR shall not have any right however, to limit or restrict any contract provisions and/or modifications that are mutually acceptable to the Owner and Design Professional(s).

3.3.2 The Owner may contract with the Design Professional(s) to provide some or all of the following services during the performance of the Work.

3.3.2.1 Provide oversight of the Work. The Owner and CMAR shall endeavor to communicate through the Design Professional. Communications by and with the Design Professional(s)' consultants shall be through the Design Professional(s).

3.3.2.2 Conduct Site visits at intervals appropriate to the stage of construction to become generally familiar with the progress and quality of the completed Work and to determine in general if the Work is being performed in accordance with the Contract Documents. The Design Professional(s) shall keep the Owner informed of progress of the Work and any noted defects and deficiencies of the Work and shall endeavor to guard the Owner against defects and deficiencies in the Work. The Design Professional(s) may have authority to reject construction, which does not conform to the Construction Documents and to require additional inspection or testing of the construction in accordance with this Agreement.

3.3.2.3 Review and recommend approval of Payment Requests.

3.3.2.4 Review and approve or take other appropriate action upon CMAR's Submittals such as Shop Drawings, Product Data and Samples in accordance with this Agreement.

3.3.2.5 Interpret and decide matters concerning performance under and requirements of the Contract Documents on written request of either the Owner or CMAR. The Design Professional(s)' response to such requests shall be made with reasonable promptness and within any time limits agreed upon.

3.3.2.6 Prepare Change Orders and may authorize minor changes in the Work as defined in this Agreement.

3.3.2.7 Conduct inspections to determine Substantial Completion and Final Acceptance.

3.3.2.8 Receive and forward to the Owner for the Owner's review and records written warranties and related documents required by the Contract Documents and assembled by CMAR.

3.4 Owner's Separate Contractors

3.4.1 Owner is responsible for all work performed on the Project or at the Site by separate contractors under Owner's control. Owner shall contractually require its separate contractors to cooperate with and coordinate their activities so as not to interfere with CMAR in order to enable CMAR to timely complete the Work consistent with the Contract Documents.

3.5 Permit Review and Inspections

3.5.1 If requested by CMAR, the Owner's Representative shall provide assistance and guidance in obtaining necessary reviews, permits and inspections, however, the responsibility for obtaining the necessary reviews, permits and inspections remains with CMAR.

3.5.2 Regulating agencies of the Owner, such as Community Development, Fire, Planning, Building Inspection, Environmental Services, and Engineering Departments, enforce Legal Requirements. These enforcement activities are not subject to the responsibilities of the Owner under this Agreement.

Article 4 - Contract Time

4.0 Contract Time

4.0.1 Contract Time shall start with the NTP with construction services and shall end with Substantial Completion.

4.0.2 Where there is more than one GMP, each GMP shall establish a separate NTP date and a Performance Period. The Performance Periods for individual GMPs may be sequential or concurrent as established in the individual Notices to Proceed. The Performance Period for the GMPs under this Agreement shall be three hundred sixty-five (365) calendar days starting with the NTP.

4.0.3 CMAR agrees that it shall commence timely performance of the Work and shall achieve substantial completion within the Performance Periods and Contract Time.

4.0.4 All of the times set forth in this Article 4 shall be subject to adjustment in accordance with other provisions of this Agreement.

4.0.5 Time is of the essence, for time matters and the rest of this Agreement. Pursuant to this Agreement, if, in the sole discretion of the Capital Improvements Division of the City of Flagstaff, the Project is not at Substantial Completion prior to the advent of adverse weather conditions, a Winter Shutdown shall occur during which no Work will be performed by any person or entity (including but not limited to the CMAR) on the Project and CMAR 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 Owner reserves the right to initiate and terminate a Winter Shutdown at the Owner's sole discretion in the event of adverse weather conditions. A Winter Shutdown may be declared by the Owner despite delays, *for any reason,* on the Project.

4.1 Substantial Completion

4.1.1 Substantial Completion shall be for the entire Project unless a partial Substantial Completion is identified in the approved GMP schedule and stated in the Notice to Proceed letter or as may be mutually agreed by the parties in writing. Substantial Completion shall be in accordance with the definition in this Agreement and with the criteria set forth in the NTP.

4.1.2 Prior to notifying the Owner, CMAR shall inspect the Work and prepare and submit to the Owner a comprehensive list of items to be completed or corrected. CMAR shall proceed promptly to complete and correct items on the list. Failure to include an item on such list does not alter the responsibility of CMAR to complete all Work in accorda*nce with the Co*ntract Documents**.**

4.1.3 CMAR shall notify Owner when it believes the Work, or to the extent permitted in the Contract Documents, a portion of the Work, is substantially complete.

4.1.4 Within five (5) days of Owner's receipt of CMAR's notice, the Owner and CMAR shall jointly inspect such Work to verify that it is substantially complete in accordance with the requirements of the Contract Documents.

4.1.5 If such Work is substantially complete, Owner shall prepare and issue a Certificate of Substantial Completion that shall set forth (i) the date of Substantial Completion of the Work or portion thereof, (ii) the remaining items of Work that have to be completed within thirty (30) calendar days before Final Acceptance, (iii) provisions (to the extent not already provided in the Contract Documents) establishing Owner's and CMAR's responsibility for the Project's security, maintenance, utilities and insurance pending Final Acceptance and (iv) an acknowledgment that warranties commence to run on the date of Substantial Completion, except as may otherwise be noted in the Certificate of Substantial Completion.

4.1.6 Owner, at its option, may use a portion of the Work which has been determined to be substantially complete, provided, however, that (i) a Certificate of Substantial Completion has been issued for the portion of Work addressing the items in this Agreement, (ii) CMAR and Owner have obtained the consent of their sureties and insurers, and to the extent applicable, the appropriate government authorities having jurisdiction over the Project, and (iii) Owner and CMAR agree that Owner's use or occupancy shall not interfere with CMAR's completion of the remaining Work.

4.2 Final Completion

4.2.1 Upon receipt of written notice that the Work or identified portions of the Work is ready for final inspection and acceptance, Owner and CMAR shall jointly inspect to verify that the remaining items of Work have been completed. The Owner shall issue a Final Completion Letter and payment pursuant to this Agreement.

4.3 Liquidated Damages

4.3.1 CMAR understands that if Substantial Completion is not attained within the Contract Time as adjusted, the Owner shall suffer damages, which are difficult to determine and accurately specify. CMAR agrees that if Substantial Completion is not attained within the Contract Time as adjusted, CMAR shall pay the Owner **$1,780.00** (to be determined on an agreement-by-agreement basis) per day as liquidated damages for each Day that Substantial Completion extends beyond the date determined by the Contract Time as adjusted and further agrees that such amount is reasonable under the circumstances.

4.3.2 CMAR understands that if Final Completion is not attained within the Contract Time as adjusted, the Owner shall suffer damages, which are difficult to determine and accurately specify. CMAR agrees that if Final Completion is not attained within the Contract Time as adjusted, CMAR shall pay the Owner **$1,780.00** (to be determined on an agreement-by-agreement basis) per day as liquidated damages for each Day that Final Completion extends beyond the date determined by the Contract Time as adjusted and further agrees that such amount is reasonable under the circumstances.

4.4 Project Master Schedule

4.4.1 The Project Master Schedule approved as part of a GMP shall be updated and maintained throughout the Work by CMAR.

4.4.2 The Project Master Schedule shall be revised by CMAR as required by conditions and progress of the Work, but such revisions shall not relieve CMAR of its obligations to complete the Work within the Contract Time, as such dates may be adjusted in accordance with the Contract Documents.

4.4.3 Updated Project Master Schedules shall be submitted monthly by CMAR to the Owner as part of the Payment Request.

4.4.3.1 CMAR shall provide Owner with a monthly status report with each Project Master Schedule detailing the progress of the Work, including: (i) if the Work is proceeding according to schedule, (ii) any discrepancies, conflicts, or ambiguities found to exist in the Contract Documents that require resolution, and (iii) other items that require resolution so as not to jeopardize ability to complete the Work as presented in the GMP and within the Contract Time.

4.4.3.2 With each schedule submittal CMAR shall include a transmittal letter including the following:

4.4.3.2.1 Description of problem tasks (referenced to field instructions, requests for information ("RFI's"), as appropriate.

4.4.3.2.2 Current and anticipated delays including:

4.4.3.2.2.1 Cause of the delay

4.4.3.2.2.2 Corrective action and schedule adjustments to correct the delay

4.4.3.2.2.3 Known or potential impact of the delay on other activities, milestones, and/or the date of Substantial Completion

4.4.3.2.3 Changes in construction sequence

4.4.3.2.4 Pending items and status thereof including but not limited to:

4.4.3.2.4.1 Time Extension requests

4.4.3.2.4.2 Other items

4.4.3.2.5 Substantial Completion date status:

4.4.3.2.5.1 If ahead of schedule, the number of calendar days ahead

4.4.3.2.5.2 If behind schedule, the number of calendar days behind

4.4.3.2.5.3 Other project or scheduling concerns

4.4.4 Owner's review of and response to the Project Master Schedule is only for general conformance with the scheduling requirements of the Contract Documents. The review shall not relieve CMAR from compliance with the requirements of the Contract Documents or be construed as relieving CMAR of its complete and exclusive control over the means, methods, sequences and techniques for executing the Work.

4.4.5 The Project Master Schedule shall include a CPM diagram schedule that shall show the sequence of activities, the interdependence of each activity and indicate the Critical Path.

4.4.5.1 The CPM diagram schedule shall be in Days and indicate duration, earliest and latest start and finish dates for all activities, and total Float times for all activities except critical activities. The CPM diagram schedule shall be presented in a time scaled graphical format for the Project as a whole.

4.4.5.2 The CPM diagram schedule shall indicate all relationships between activities.

4.4.5.3 The activities making up the schedule shall be in sufficient detail to assure that adequate planning has been done for proper execution of the Work and such that it provides an appropriate basis for monitoring and evaluating the progress of the Work.

4.4.5.4 The CPM diagram schedule shall be based upon activities, which would coincide with the Schedule of Values.

4.4.5.5 The CPM diagram schedule shall show all Submittals associated with each work activity and the review time for each submittal.

4.4.5.6 The CPM diagram schedule shall show milestones, including milestones for Owner-furnished information, and shall include activities for Owner-furnished equipment and furniture when those activities are interrelated with CMAR activities.

4.4.5.7 The CPM diagram schedule shall include a critical path activity that reflects anticipated weather delay during the performance of the Agreement. The duration shall reflect the average climatic range and usual industrial conditions prevailing in the locality of the Site. Weather data shall be based on the information set forth on the City of Flagstaff's Table of "Monthly Anticipated Adverse Weather Calendar Days" and the explanatory paragraphs attached thereto.

4.4.6 The Project Master Schedule shall consider the Owner's and the tenants' occupancy requirements showing portions of the Project having occupancy priority, and Contract Time.

4.4.7 Float time shall be as prescribed below:

4.4.7.1 The total Float within the overall schedule, is not for the exclusive use of either the Owner or CMAR but is jointly owned by both and is a resource available to and shared by both parties as needed to meet Agreement milestones and the Project completion date.

4.4.7.2 CMAR shall not sequester shared Float through such strategies as extending activity duration estimates to consume available Float, using preferential logic, or using extensive crew/resource sequencing, etc. Since Float time within the schedule is jointly owned, no time extensions shall be granted nor delay damages paid until a delay occurs which extends the Work beyond the Substantial Completion date and then only if any such extensions or damages are shown to be justified under the Contract Documents.

4.4.7.3 Since Float time within the schedule is jointly owned, it is acknowledged that Owner-caused delays on the Project may be offset by Owner-caused time savings (i.e., critical path Submittals returned in less time than allowed by the Agreement, approval of substitution requests and credit changes which result in savings of time to CMAR, etc.). In such an event, CMAR shall not be entitled to receive a time extension or delay damages until all Owner-caused time savings are exceeded, and the Substantial Completion date is also exceeded.

Article 5- Contract Price

5.0 General

5.0.1 CMAR agrees at his own cost and expense, to completely construct and install all Work and materials as called for by this Agreement, free and clear of all claims, liens and charges whatsoever, in the manner and under the conditions specified in the Contract Documents, within the time or times stated in the approved GMP.

5.1 Contract Price

5.1.1 The Contract Price shall be as approved in the Guaranteed Maximum Price Proposal attached as Exhibit B and an amount of **$13,242,249.00** with an additional **$400,000.00** allowed for Owner's Contingency for a total contract price of **$13,642,244.00**.

5.1.2 The Cost of the Work is actual costs and is a not-to-exceed reimbursable amount.

5.1.3 The General Conditions Costs will be included in the GMP as a not to exceed amount and paid for on actual costs based on submitted and approved invoices. The Construction Fee will be paid as a firm lump sum.

5.1.4 Taxes are deemed to include all sales, use consumer and other taxes, which are legally enacted when negotiations of the GMP were concluded, whether or not yet effective, or merely scheduled to go into effect. Taxes are actual costs and are a not-to-exceed reimbursable amount.

5.2 Guaranteed Maximum Price

5.2.1 The GMP is composed of the maximum Cost of the Work; the Construction Fee; General Conditions Costs; taxes; and CMAR's contingency all of which are not-to-exceed cost reimbursable or lump sum amounts. CMAR is at risk to cover any additional Project costs. If the Cost of Work amount, set forth in the GMP, is in excess of the actual Cost of Work and/or CMAR's Contingency, said amount by which the Cost of Work set forth in the GMP is in excess of the actual Cost of Work and/or CMAR's Contingency, shall revert to the Owner.

5.2.2 A Separate Construction Phase Agreement will be used for phased projects with separate GMPs for each phase of construction in a phased project.

5.2.3 The GMP is subject to adjustments made in accordance with this Agreement and by GMP amendments or change orders to this Agreement and phased Agreements.

5.2.4 GMP phased Agreements and change order amendments are cumulative except for CMAR's Contingency. The amount of CMAR's Contingency for each GMP shall be negotiated separately.

5.2.5 If the GMP requires an adjustment due to changes in the scope of the Work the cost of such changes is determined subject to this Agreement. The markups that may be allowed on such changes shall be no greater than the markups delineated in the approved GMP.

5.3 Contingencies

5.3.1 CMAR's Contingency is an amount CMAR may use at its sole discretion for, an increase in the Cost of Work, and may use for increases in General Conditions Costs with written approval of the Owner. CMAR's Contingency is assumed to be a direct Project cost and all applicable markups shall be applied at the time of GMP submission.

5.3.2 When CMAR utilizes CMAR's Contingency funds, CMAR shall make the appropriate changes to the Schedule of Values with the next regular progress payment request. CMAR shall deduct the amount of CMAR's Contingency funds used from CMAR's Contingency line item and add the same amount to the line item on the Schedule of Values where the funds were used. If CMAR's contingency funds are used for a new line item that was not given with the original Schedule of Values, these shall be so indicated.

5.3.3 Owner's Contingency are funds to be used at the sole discretion of the Owner to cover any increases in Project costs that result from Owner directed changes or unforeseen Site conditions. Owner's Contingency shall be added to the GMP amount provided by CMAR, the sum of which shall be the full Contract Price for construction. At the time that Owner's Contingency is used the appropriate markups shall be applied.

5.4 Open Book

5.4.1 CMAR shall submit to the Owner upon request all payrolls, reports, estimates, records and any other data concerning the Work performed or to be performed or concerning materials supplied or to be supplied, as well as Subcontractor or Consultant payment applications or invoices and such Subcontractor's or Consultant progress payment checks. The requirements of this Section shall be included in all Agreements between CMAR and its Subcontractors and Consultants. The Owner may exercise its rights under this Agreement as often as reasonably necessary in the Owner's sole judgment to assure the Owner has a complete and accurate understanding of all Project costs.

5.4.2 Upon Project closeout and immediately prior to the release of final payment, the CMAR shall provide to the Owner a Final Cost Report detailing all Project costs for each division of work with supporting documentation for materials, labor, equipment and other appurtenant items.

Article 6 - Changes to the Contract Price and Time

6.0 Delays to the Work

6.0.1 If CMAR is delayed in the performance of the Work that shall cause a change in the date of Substantial Completion due to acts, omissions, conditions, events, or circumstances beyond its control and due to no fault of its own, or, those for whom CMAR is responsible, the Contract Times for performance shall be reasonably extended by Change Order. However, the Owner and the CMAR must agree on the determination of whether acts, omissions, conditions, events, or circumstances are actually beyond the CMARs control and/or whether they are due to no fault of the CMAR, or those for whom CMAR is responsible; if the Owner and the CMAR do not agree, then an independent third party, selected by both parties, shall make the determination of whether acts, omissions, conditions, events, or circumstances are actually beyond the CMARs control and/or whether they are due to no fault of the CMAR, or those for whom CMAR is responsible.

6.0.2 CMAR shall request an increase in the Contract Time by written notice including an estimate of probable effect of delay on progress of the Work within three (3) days of the occurrence of the delay. In the case of a continuing delay only one request is necessary.

6.0.3 By way of example, events that shall entitle CMAR to an extension of the Contract Time include acts or omissions of Owner or anyone under Owner's control (including separate Contractors), changes in the Work, Differing Site Conditions, Hazardous Conditions, delays by regulating agencies, wars, floods, labor disputes, unusual delay in transportation, epidemics abroad, earthquakes, adverse weather conditions not reasonably anticipated, and other acts of God.

6.0.4 If adverse weather conditions are the basis for a request for additional Contract Time, such requests shall be documented by data substantiating that weather conditions were abnormal for the period of time and could not have been reasonably anticipated, and that weather conditions had an adverse effect on the scheduled Substantial Completion. All terms, conditions, and definitions necessary for the application of this paragraph shall be as set forth on the City of Flagstaff's Table of "Monthly Anticipated Adverse Weather Calendar Days" and the explanatory paragraphs attached thereto.

6.0.5 It is understood, however, that permitting CMAR to proceed to complete any Work, or any part of the Work, after the date to which the time of completion may have been extended, shall in no way act as a waiver on the part of the Owner of any of its legal rights herein.

6.0.6 In addition to CMAR's right to a time extension for those events set forth in this Agreement, CMAR shall also be entitled to an appropriate adjustment of the Contract Price provided, however, that the Contract Price shall not be adjusted for those events set forth in this Section that are beyond the control of both CMAR and Owner, including the events of war, floods, labor disputes, earthquakes, epidemics, adverse weather conditions not reasonably anticipated, and other acts of God and shall not be adjusted absent a showing of actual damage.

6.1 Differing Site Conditions

6.1.1 If CMAR encounters a Differing Site Condition, CMAR shall be entitled to an adjustment in the Contract Price and/or Contract Times to the extent CMAR's cost and/or time of performance are actually adversely impacted by the Differing Site Condition.

6.1.2 Upon encountering a Differing Site Condition, CMAR shall provide prompt written notice to Owner of such condition, which notice shall not be later than seven (7) days after such condition has been encountered. CMAR shall, to the extent reasonably possible, provide such notice before the Differing Site Condition has been substantially disturbed or altered.

6.2 Errors, Discrepancies and Omissions

6.2.1 If CMAR observes errors, discrepancies or omissions in the Contract Documents, CMAR shall promptly notify the Design Professional and request clarification.

6.2.2 If CMAR proceeds with the Work affected by such errors, discrepancies, or omissions, without receiving such clarifications, CMAR does so at its own risk. Adjustments involving such circumstances made by CMAR prior to clarification by the Design Professional shall be at CMAR's risk.

6.3 The Owner Requested Change in Work

6.3.1 The Owner reserves the right to make, at any time during the progress of the Work, such alterations as may be found necessary or in the Owner's best interest.

6.3.2 Such alterations and changes shall not invalidate this Agreement nor release the surety and CMAR agrees to perform the Work as altered, the same as if it has been a part of the original Contract Documents.

6.3.3 The Owner shall request a proposal for a change in Work from CMAR, and an adjustment in the Contract Price and/or Contract Times shall be made based on a mutual agreed upon cost and time.

6.4 Legal Requirements

6.4.1 The Contract Price and/or Contract Times shall be adjusted to compensate CMAR for the effects of any changes in the Legal Requirements enacted after the date of their Agreement or the date of the GMP, affecting the performance of the Work

6.5 Change Directives and Change Orders

6.5.1 Owner and CMAR shall negotiate in good faith and as expeditiously as possible the appropriate adjustments for a Change Directive if any adjustments are appropriate. Upon reaching an agreement, the parties shall prepare and execute an appropriate Change Order reflecting the terms of the adjustment.

6.5.2 All changes in Work authorized by Change Directives and/or Change Orders shall be performed under the conditions of the Contract Documents.

6.6 Minor Changes in the Work

6.6.1 The Owner has authority to order minor changes in Work that do not materially and adversely affect the Work, including the design, quality, performance, and workmanship required by the Contract Documents. Such changes shall be affected by written order and shall be binding on the Owner and CMAR. CMAR shall carry out such written orders promptly.

6.6.2 CMAR may make minor changes in Work, provided, however that CMAR shall promptly inform Owner, in writing, of any such changes and record such changes, if appropriate, on the Project Record Documents maintained by CMAR.

6.6.3 Minor changes in Work shall not involve an adjustment in the Contract Price and/or Contract Times.

6.7 Contract Price Adjustments

6.7.1 The increase or decrease in Contract Price resulting from a change in the Work shall be determined by one or more of the following methods:

6.7.1.1 Unit prices set forth in this Agreement or as subsequently agreed to between the parties;

6.7.1.2 A mutually accepted, lump sum, properly itemized and supported by sufficient substantiating data to permit evaluation by Owner; and

6.7.1.3 Costs, fees and any other markups.

6.7.2 The markups that shall be allowed on such changes shall be no greater than the markups delineated in the approved GMP as shown on Exhibit B.

6.7.3 If an increase or decrease cannot be agreed to as set forth in this Agreement and Owner issues a Change Directive, the cost of the change of the Work shall be determined by the reasonable expense and savings in the performance of the Work resulting from the change, including a reasonable overhead and profit, as may be set forth in their Agreement. CMAR shall maintain a documented, itemized accounting evidencing the expenses and savings associated with such changes.

6.7.4 If unit prices are set forth in the Contract Documents or are subsequently agreed to by the parties, but application of such unit prices shall cause substantial inequity to Owner or CMAR because of differences in the character or quantity of such unit items as originally contemplated, such unit prices shall be equitably adjusted.

6.7.5 If Owner and CMAR disagree upon whether CMAR is entitled to be paid for any services required by Owner, or if there are any other disagreements over the scope of Work or proposed changes to the Work, Owner and CMAR shall resolve the disagreement pursuant this Agreement.

6.7.5.1 As part of the negotiation process, CMAR shall furnish Owner with a good faith estimate of the costs to perform the disputed services in accordance with Owner's interpretations.

6.7.5.2 If the parties are unable to agree and Owner expects CMAR to perform the services in accordance with Owner's interpretations, CMAR shall proceed to perform the disputed services, conditioned upon Owner issuing a written order to CMAR (i) directing CMAR to proceed and (ii) specifying Owner's interpretation of the services that are to be performed.

6.8 Emergencies

6.8.1 In any emergency affecting the safety of persons and/or property, CMAR shall act, at its discretion, to prevent threatened damage, injury or loss. Any change in the Contract Price and/or Contract Time resulting from emergency work under this Section shall be determined as provided in this Article.

6.9 Force Majeure

6.9.1 The parties acknowledge that there may be events that occur during the term of this Contract that are beyond the control of both the Owner and the CMAR, 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. 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.

6.9.2 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 Owner will pay no additional costs incurred as a result of such events.

6.9.3 The parties agree to act in good faith to extend the Contract completion date without any penalty to the CMAR 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.

Article 7- Procedure for Payment

7.0 General

7.0.1 For and in consideration of the faithful performance of the Work herein embraced as set forth in the Contract Documents, which are a part hereof and in accordance with the directions of the Owner and to the Owner's satisfaction, the Owner agrees to pay CMAR the actual Cost of the Work and any applicable General Conditions Costs including, insurance and bonding, taxes and CMAR's Construction Fee, but no more than the GMP as adjusted by any change orders. Payment for the specific Work under this Agreement shall be made in accordance with payment provisions detailed below.

7.1 GMP Payment Request

7.1.1 At the pre-construction conference prescribed in this Agreement, CMAR shall submit for Owner's review and approval a Schedule of Values. The Schedule of Values shall serve as the basis for monthly progress payments made to CMAR throughout the Work.

7.1.2 At least five (5) working days prior to the date established for a Payment Request, CMAR shall submit an updated Project Master Schedule and meet with the Owner's Representative to review the progress of the Work as it shall be reflected on the Payment Request.

7.1.3 The Payment Request shall constitute CMAR's representation that the Work has been performed consistent with the Contract Documents, has progressed to the point indicated in the Payment Request, and that title to all Work shall pass to Owner free and clear of all claims, liens, encumbrances, and security interests upon the incorporation of the Work into the Project. The Payment Request shall include, at a minimum:

7.1.3.1 Monthly Executive summary detailing work completed during the pay period, a statement addressing the project budget and schedule and the items of work anticipated for the upcoming pay period

7.1.3.2 Current critical path schedule

7.1.3.3 Pay application cover sheet, detailed schedule of values and conditional lien waivers upon release of progress payment

7.1.3.4 Subcontractor and Supplier invoices and conditional lien waivers for current pay period

7.1.3.5 General Conditions invoices for current pay period

7.1.3.6 Daily Reports for current pay period

7.1.3.7 Weekly reports for current pay period

7.1.3.8 Project meeting minutes for current pay period

7.1.3.9 Certified payroll reports- alphabetical by subcontractor (when required for Davis Bacon projects)

7.1.4 The Payment Request may request payment for stored equipment and materials if construction progress is in reasonable conformance with the approved schedule.

7.1.4.1 For equipment and materials suitably stored at the Site, the equipment and materials shall be protected by suitable insurance and Owner shall receive the equipment and materials free and clear of all liens and encumbrances.

7.1.4.2 For materials and equipment stored off the Site, the Owner must approve the storage. The material and equipment must be stored within Coconino County or other Sites as may be approved and be accessible for Owner's inspection. CMAR must establish Owner title to such materials and equipment or otherwise protect the Owner's interest and shall include applicable insurance, bonding, storage and transportation to the Site.

7.1.4.3 All bonds and insurance required for stored materials shall name the Owner as the loss payee to the extent of its interest in the stored materials.

7.1.5 CMAR shall submit the Payment Request to Owner monthly either on the first of the month for payment on the 15th or on the 19th of the month for payment on the 30th or 31st. If the payment date is on a Saturday, payment shall be on Friday. If the payment date is on a Sunday, payment shall be on Monday.

7.2 Payment of GMP

7.2.1 Owner shall make payment in accordance with A.R.S. § 34-607. Payment shall be made no later than fourteen (14) days after the Payment Request is certified and approved, but in each case less the total of payments previously made, and less amounts properly retained under this Agreement.

7.2.2 Owner shall pay CMAR all amounts properly due. If Owner determines that CMAR is not entitled to all or part of a Payment Request, it shall notify CMAR in writing within (7) days after the date Payment Request is received by the Owner. The notice shall indicate the specific amounts Owner intends to withhold, the reasons and contractual basis for the withholding, and the specific measures CMAR shall take to rectify Owner's concerns. CMAR and Owner shall attempt to resolve Owner's concerns. If the parties cannot resolve such concerns, CMAR may pursue its rights under the Contract Documents, including those identified in this Agreement.

7.3 Retention of GMP

7.3.1 Owner shall retain ten percent (10%) of each Payment Request amount provided. When fifty percent (50%) of the Work has been completed by CMAR, upon request of CMAR, Owner may reduce the amount retained to five percent (5%) from CMAR's subsequent Payment Requests if CMAR's performance of Work has been satisfactory.

7.3.2 In lieu of retention, CMAR may provide as a substitute, an assignment of time certificates of deposit (CDs) from a bank licensed by the State of Arizona, securities of or guaranteed by the United States of America, securities of counties, municipalities and school districts within the State of Arizona or shares of savings and loan institutions authorized to transact business in Arizona.

7.3.2.1 CDs assigned to the Owner must be maintained at the Owner's single servicing bank, in the form of time deposit receipt accounts.

7.3.2.2 Securities deposited in lieu of retention must be deposited into a separate account with a bank within the State of Arizona.

7.3.2.3 CDs and Securities shall be assigned exclusively for the benefit of the City of Flagstaff pursuant to the Owner's form of Escrow Agreement. Escrow Agreement forms may be obtained from the Purchasing Department by contacting Matthew Luhman, Purchasing Manager.

7.4 Substantial Completion

7.4.1 Upon Substantial Completion of the entire Work or, if applicable, any portion of the Work, Owner shall release to CMAR all retained amounts relating, as applicable, to the entire Work or completed portion of the Work, less an amount up to two and one-half (2.5) times the reasonable value of all remaining or incomplete items of Work as noted in the Certificate of Substantial Completion.

7.5 Final Payment

7.5.1 After receipt of a final Payment Request, Owner shall make final payment within sixty (60) days after receipt by the Owner, provided that CMAR has completed all of the Work in conformance with the Contract Documents and a Final Completion Letter has been issued by the Owner.

7.5.2 At the time of submission of its final Payment Request, CMAR shall provide the following information:

7.5.2.1 An affidavit affirming that there are no claims, obligations or liens outstanding or unsatisfied for labor, services, material, equipment, taxes or other items performed, furnished or incurred for or in connection with the Work which shall in any way affect Owner's interests;

7.5.2.2 A general release executed by CMAR waiving, upon receipt of final payment by CMAR, all claims, except those claims previously made in writing to Owner and remaining unsettled at the time of final payment; and

7.5.2.3 Consent of CMAR's surety, if any, to final payment.

7.6 Payments To Subcontractors or Suppliers

7.6.1 CMAR shall pay its Subcontractors or suppliers within seven (7) calendar days of receipt of each progress payment from the Owner. CMAR shall pay for Work performed or materials supplied by each Subcontractor or supplier as accepted and approved by the Owner with each progress payment. In addition, any reduction of retention by the Owner to CMAR shall result in a corresponding reduction to Subcontractors or suppliers who have performed satisfactory work. CMAR shall pay Subcontractors or suppliers the reduced retention within fourteen (14) calendar days of the payment of the reduction of the retention to CMAR. No agreement between CMAR and its Subcontractors and suppliers may materially alter the rights of any Subcontractor or supplier to receive prompt payment and retention reduction as provided herein.

7.6.2 If CMAR fails to make payments in accordance with these provisions, the Owner may take any one or more of the following actions and CMAR agrees that the Owner may take such actions:

7.6.2.1 Hold CMAR in default under this Agreement;

7.6.2.2 Withhold future payments including retention until proper payment has been made to Subcontractors or suppliers in accordance with these provisions;

7.6.2.3 Reject all future offers to perform work for the Owner from CMAR for a period not to exceed one (1) year from Substantial Completion date of this Project; or

7.6.2.4 Terminate this Agreement.

7.6.3 If CMAR's payment to a Subcontractor or supplier is in dispute, it shall act in compliance with A.R.S. § 32-1129.02(D) and related statutes as amended and shall further hold the Owner harmless from any ensuing damages, claims or costs.

7.6.4 Should the Owner fail or delay in exercising or enforcing any right, power, privilege, or remedy under this Section, such failure or delay shall not be deemed a waiver, release, or modification of the requirements of this Section or of any of the terms or provisions thereof.

7.6.5 CMAR shall include these prompt payment provisions in every subcontract, including procurement of materials and leases of equipment for this Agreement.

7.7 Record Keeping and Finance Controls

7.7.1 Records of CMAR's direct personnel payroll, reimbursable expenses pertaining to this Project and records of accounts between the Owner and CMAR shall be kept on a generally recognized accounting basis and shall be available for three (3) years after Final Completion of the Project.

7.7.2 The Owner, its authorized representative, and/or the appropriate federal agency, reserve the right to audit CMAR's records to verify the accuracy and appropriateness of all pricing data, including data used to negotiate Contract Documents and any Change Orders.

7.7.3 The Owner reserves the right to decrease Contract Price and/or payments made on this Agreement if, upon audit of CMAR's records, the audit discloses CMAR has provided false, misleading, or inaccurate cost and pricing data.

7.7.4 CMAR shall include a similar provision in all of its agreements with Subconsultants and Subcontractors providing services under the Contract Documents to ensure the Owner, its authorized representative, and/or the appropriate federal agency, has access to the Subconsultants' and Subcontractors' records to verify the accuracy of cost and pricing data.

7.7.5 The Owner reserves the right to decrease Contract Price and/or payments made on this Agreement if the above provision is not included in Subconsultant's and Subcontractor's Agreements, and one or more Subconsultants and/or Subcontractors do not allow the Owner to audit their records to verify the accuracy and appropriateness of pricing data.

7.7.6 The Owner and its employees, agents, and authorized representatives shall have the right at all reasonable times and during all business hours to inspect and examine CMAR's records related to this Agreement. CMAR shall comply with the City of Flagstaff's records retention policy. This record retention requirement shall remain in effect following expiration of the Agreement or termination of the Agreement by either Party.

Article 8 - Claims and Disputes

8.0 Requests for Agreement Adjustments and Relief.

8.0.1 If either CMAR or Owner believes that it is entitled to relief against the other for any event arising out of or related to Work, such party shall provide written notice to the other party of the basis for its claim for relief.

8.0.2 Such notice shall, if possible, be made prior to incurring any cost or expense and in accordance with any specific notice requirements contained in applicable sections of the Agreement.

8.0.3 In the absence of any specific notice requirement, written notice shall be given within a reasonable time, not to exceed fourteen (14) days, after the occurrence giving rise to the claim for relief or after the claiming party reasonably should have recognized the event or condition giving rise to the request, whichever is later.

8.0.4 Such notice shall include sufficient information to advise the other party of the circumstances giving rise to the claim for relief, the specific contractual adjustment or relief requested and the basis of such request.

8.1 Dispute Avoidance and Resolution

8.1.1 The parties are fully committed to working with each other throughout the Project and agree to communicate regularly with each other at all times so as to avoid or minimize disputes or disagreements. If disputes or disagreements do arise, CMAR and Owner each commit to resolving such disputes or disagreements in an amicable, professional and expeditious manner so as to avoid unnecessary losses, delays and disruptions to the Work.

8.1.2 CMAR and Owner shall first attempt to resolve disputes or disagreements at the field level through discussions between CMAR's Representative and Owner's Representative.

8.1.3 If a dispute or disagreement cannot be resolved through CMAR's Representative and Owner's Representative, CMAR's Senior Representative and Owner's Senior Representative, upon the request of either party, shall meet as soon as conveniently possible, but in no case later than thirty (30) days after such a request is made, to attempt to resolve such dispute or disagreement. Prior to any meetings between the Senior Representatives, the parties shall exchange relevant information that shall assist the parties in resolving their dispute or disagreement.

8.1.4 Except as otherwise agreed by the parties, any litigation brought by either party against the other to enforce the provisions of this Agreement shall be filed in the Coconino County Superior Court and Arizona law shall apply and control. In the event any action at law or in equity is instituted between the parties in connection with this Agreement, the prevailing party in the action shall be entitled to its costs including reasonable attorneys' fees and court costs from the non-prevailing party.

8.2 Duty to Continue Performance.

8.2.1 Unless provided to the contrary in the Contract Documents, CMAR shall continue to perform the Work and Owner shall continue to satisfy its payment obligations to CMAR, pending the final resolution of any dispute or disagreement between CMAR and Owner.

8.3 Representatives of the Parties

8.3.1 The Owner's Representatives

8.3.1.1 The Owner designates the individual listed below or his/her designee as its Senior Representative ("Owner's Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under this Agreement:

Mac McNamara, P.E., Water Services Engineering Section Director
City of Flagstaff Water Services
211 West Aspen Avenue
Flagstaff, AZ 86001
Phone: (928) 213-2410
Email: MMnNamara@flagstaffaz.gov

8.3.1.2 Owner designates the individual listed below as its Owner's Representative ("Owner's Representative"), which individual has the authority and responsibility under this Agreement:

Justin Emerick, Water Services Project Manager
City of Flagstaff Water Services
211 West Aspen Avenue
Flagstaff, AZ, 86001
Phone: (928) 607-2541
Email: jemerick@flagstaffaz.gov

8.3.2 CMAR's Representatives

8.3.2.1 CMAR designates the individual listed below as its Senior Representative ("CMAR's Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under this Agreement:

Ankur Talwar, District Manager
PCL Construction, Inc.
1711 West Greentree Drive, Suite 201
Tempe, AZ 85284
Telephone: 480-829-6333
Email: ATalwar@pcl.com

8.3.2.2 CMAR designates the individual listed below as its CMAR's Representative ("CMAR's Representative"), which individual has the authority and responsibility set forth in this Agreement:

Ray Torrejon, Special Projects Manager
PCL Construction
1711 West Greentree Drive, Suite 201
Tempe, AZ 85284
Telephone: 720-357-6253
Email: rtorrejon@pcl.com

Article 9 – Suspension and Termination

9.0 Owner's Right to Stop Work

9.0.1 Owner may, at its discretion and without cause, order CMAR in writing to stop and suspend the Work. Such suspension shall not exceed one hundred and eighty (180) consecutive days.

9.0.2 CMAR 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 Owner.

9.1 Termination for Convenience

9.1.1 The Owner may terminate this Agreement at any time for any reason by giving at least thirty (30) days written notice to the CMAR. In such event, Owner shall pay CMAR only the direct value of its completed Work and materials supplied as of the date of termination. CMAR shall be entitled to profit and overhead on completed Work only but shall not be entitled to anticipated profit or anticipated overhead.

9.1.2 If the Owner suspends the Work for one hundred eighty-one (181) consecutive days or more, such suspension shall be deemed a termination for convenience.

9.1.3 Upon such notice of termination for convenience, CMAR shall proceed with the following obligations:

9.1.3.1 Stop Work as specified in the notice.

9.1.3.2 Place no further subcontracts or orders.

9.1.3.3 Terminate all subcontracts to the extent they relate to the Work terminated. CMAR shall ensure that all subcontracts contain this same termination for convenience provision set forth in this Agreement.

9.1.3.4 At the Owner's sole discretion and if requested in writing by the Owner, assign to the Owner all rights, title and interest of CMAR under the subcontracts subject to termination.

9.1.3.5 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 CMAR and in which the Owner has or may acquire an interest.

9.1.4 CMAR shall submit complete termination inventory schedules no later than one hundred twenty (120) days from the date of the notice of termination.

9.1.5 The Owner shall pay CMAR the following:

9.1.5.1 The direct value of its completed Work and materials supplied as of the date of termination.

9.1.5.2 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 CMAR's failure to perform as required under this Agreement.

9.1.5.3 CMAR 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 CMAR would have sustained a loss on the entire Work had they been completed, CMAR shall not be allowed profit and the Owner shall reduce the settlement to reflect the indicated rate of loss.

9.1.6 CMAR 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 this Agreement.

9.2 The Owner's Right to Perform and Terminate for Cause

9.2.1 If the Owner provides CMAR 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 CMAR fails to comply in a time frame specified, the Owner may have work accomplished by other sources at CMAR's sole expense.

9.2.2 If CMAR persistently fails to (i) provide a sufficient number of skilled workers, (ii) supply the materials required by the Contract Documents, (iii) comply with applicable Legal Requirements, (iv) timely pay, without cause, Subconsultants and/or Subcontractors, (v) 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 (vi) perform material obligations under the Contract Documents, then Owner, in addition to any other rights and remedies provided in the Contract Documents or by law, shall have the rights set forth in this Agreement.

9.2.3 Upon the occurrence of a terminable event, Owner may provide written notice to CMAR that it intends to terminate this Agreement unless the problem cited is cured, or commenced to be cured, within seven (7) days of CMAR's receipt of such notice.

9.2.3.1 If CMAR fails to cure, or reasonably commence to cure, such problem, then Owner may give a second written notice to CMAR of its intent to terminate within an additional seven (7) day period.

9.2.3.2 If CMAR, within such second seven (7) day period, fails to cure, or reasonably commence to cure, such problem, then Owner may declare this Agreement terminated for default by providing written notice to CMAR of such declaration.

9.2.4 Upon declaring this Agreement terminated, Owner may enter upon the premises and take possession, for the purpose of completing the Work, of all materials, equipment, scaffolds, tools, appliances and other items thereon, which have been purchased or provided for the performance of the Work, all of which CMAR hereby transfers, assigns and conveys to Owner 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.

9.2.5 In the event of such termination, CMAR 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, CMAR shall only be entitled to be paid for Work performed and accepted by the Owner prior to its default.

9.2.6 If Owner's cost and expense of completing the Work exceeds the unpaid balance of the Contract Price, then CMAR shall be obligated to pay the difference to Owner. 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 Owner in connection with the re-procurement and defense of claims arising from CMAR's default.

9.2.7 If Owner improperly terminates the Agreement for cause, the termination for cause shall be converted to a termination for convenience in accordance with the provisions of this Agreement.

9.3 Maintenance During Winter Shutdown of Work; Snow Removal

9.3.1 The Capital Improvements Division of the City of Flagstaff retains the right to declare a Winter Shutdown when, in the opinion of the Owner, it would be unreasonable to continue Work due to adverse weather conditions. The Winter Shutdown determination is at the sole discretion of the Owner. If Work has been suspended due to winter weather, the CMAR 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 CMAR is required to perform the repairs and/or maintenance within twenty-four (24) hours of notification from the Owner. If the needed repairs and/or maintenance are not addressed within the timeframe, the Owner will accomplish the repairs and/or maintenance and deduct the cost from monies due or become due to the CMAR.

9.3.2 The Owner shall provide snow removal operations on active traffic lanes only. All other snow removal and maintenance operations shall be the responsibility of the CMAR. 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.

9.3.3 Upon termination of the Winter Shutdown by the Owner, the CMAR shall have the right to complete the Work and the Project.

9.3.4 The CMAR shall be solely responsible for any and all costs incurred either as a direct or indirect result of a Winter Shutdown and shall hold the Owner harmless from the same.

Article 10 - Insurance and Bonds

10.0 Insurance Requirements

10.0.1 CMAR and Subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Agreement are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the Work hereunder by CMAR, its agents, representatives, employees or Subcontractors.

10.0.2 The insurance requirements herein are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement.

10.0.3 The Owner in no way warrants that the minimum limits contained herein are sufficient to protect CMAR from liabilities that might arise out of the performance of the work under this Agreement by CMAR, its agents, representatives, employees, or subcontractors. CMAR is free to purchase such additional insurance as may be determined necessary.

10.1 Minimum Scope and Limits of Insurance

10.1.1 Commercial General Liability - Occurrence Form

General Aggregate/for this Project	$2,000,000/$1,000,000
Products – Completed Operations Aggregate	$1,000,000
Each Occurrence	$1,000,000

The policy shall be endorsed to include the following additional insured language: **"The City of Flagstaff shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of CMAR."**

Additional Insured Status. The insurance coverage, except Workers' Compensation, required by this Agreement, shall name the CITY, its agents, representatives, directors, officials, employees, and officers, as additional insured AND be accompanied by the required endorsement. Such evidence of additional insured status shall be subject to the approval of the Risk Management Department of the City of Flagstaff. The absence of acceptable insurance and endorsement shall be deemed a breach of this Agreement.

10.1.2 Automobile Liability **-** Bodily injury and property damage for any owned, hired, and non-owned vehicles used in the performance of this Agreement.

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

The policy shall be endorsed to include the following additional insured language: **"The City of Flagstaff shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of CMAR, including automobiles owned, leased, hired or borrowed by CMAR."**

10.1.3 Worker's Compensation: The CMAR shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes.

10.1.4 Builders' Risk Insurance or Installation Floater $ N/A

In an amount equal to the initial Contract Amount plus additional coverage equal to Contract Amount for all subsequent change orders.

10.1.4.1 The City of Flagstaff, CMAR, Subcontractors, Design Professional(s) and Design Professional(s)' consultant and any others with an insurable interest in the Work shall be Named Insureds on the policy**.**

10.1.4.2 Coverage shall be written on an all risk, replacement cost basis and shall include coverage for soft costs, flood and earth movement.

10.1.4.3 Coverage shall be maintained until whichever of the following shall first occur: (i) final payment has been made; or, (ii) until no person or entity, other than the City of Flagstaff, has an insurable interest in the property required to be covered.

10.1.4.4 Coverage shall be endorsed such that the insurance shall not be canceled or lapse because of any partial use or occupancy by the City.

10.1.4.5 CMAR shall provide coverage from the time any covered property becomes the responsibility of CMAR, and continue without interruption during construction, renovation, or installation, including any time during which the covered property is being transported to the construction installation Site, or awaiting installation, whether on or off Site.

10.1.4.6 Coverage shall contain a waiver of subrogation against the City of Flagstaff.

10.1.4.7 CMAR is responsible for the payment of all policy deductibles.

10.1.5 Umbrella/Excess Liability Insurance not less than $2,000,000 per occurrence combined limit Bodily Injury and Property Damage, that "follows form" and applies in excess of the Commercial General Liability, Automobile Liability as required above.

10.2 Additional Insurance Requirements

10.2.1 The policies shall include, or be endorsed to include the following provisions:

10.2.2 The City, its officers, officials, agents, employees and volunteers shall be additional insured to the full limits of liability purchased by CMAR even if those limits of liability are in excess of those required by this Agreement.

10.2.3 CMAR's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

10.2.4 Coverage provided by CMAR shall not be limited to the liability assumed under the indemnification provisions of this Agreement.

10.2.5 The policies shall contain a Waiver of Subrogation against the City, its officers, officials, agents, and employees for losses arising from work performed by the CMAR for the Owner.

10.3 Notice of Cancellation

10.3.1 Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be suspended, voided, canceled, reduced in coverage or endorsed to lower limits except after thirty (30) days prior written notice has been given to the Owner. Such notice shall be sent directly to the Purchasing Section by certified mail, return receipt requested.

10.4 Acceptability of Insurers

10.4.1 Insurance is to be placed with insurers who are duly licensed companies in the State of Arizona with an "A.M. Best" rating of A-7, or as approved by the City and licensed in the State of Arizona with policies and forms satisfactory to the Owner. The Owner in no way warrants that the above-required minimum insurer rating is sufficient to protect CMAR from potential insurer insolvency.

10.5 Verification Of Coverage

10.5.1 CMAR shall furnish the Owner with Certificates of Insurance (ACORD form or equivalent approved by the Owner) as required by this Agreement. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

10.5.2 All Certificates of Insurance and endorsements are to be received and approved by the Owner before work commences. Each insurance policy required by this Agreement shall be in effect at or prior to commencement of Work under this Agreement and remain in effect for the duration of the Project. Failure to maintain the insurance policies as required by this Agreement or to provide evidence of renewal is a material breach of contract.

10.5.3 All Certificates of Insurance required by this Agreement shall be sent directly to City's Purchasing Section. The City project/contract number and project description shall be noted on the Certificate of Insurance. The Owner reserves the right to require complete, certified copies of all insurance policies required by this Agreement at any time.

10.5.4 If the Certificate of Insurance reflecting policy coverage and cancellation notice does not conform to the Owner's requirements, the CMAR must submit a current Certificate of Insurance (dated within fifteen (15) days of the payment request submittal) with each payment request form. The payment request shall be rejected if the Certificate of Insurance is not submitted with the payment request.

10.6 Subcontractors

10.6.1 CMAR's Certificate(s) of Insurance shall include all Subcontractors as additional insureds under its policies. All coverages for Subcontractors shall be subject to the minimum requirements identified above.

10.7 Approval

10.7.1 Any modification or variation from the insurance requirements in this Agreement shall be made by the Owner Attorney's Office, whose decision shall be final. Such action shall not require a formal contract amendment but may be made by administrative action.

10.8 Bonds and Other Performance Security

10.8.1 Prior to execution of this Agreement, CMAR shall provide a performance bond and a labor and materials bond, each in an amount equal to the full amount of the GMP.

10.8.2 Each such bond shall be executed by a surety company, or companies, holding a Certificate of Authority to transact surety business in the State of Arizona, issued by the Director of the Arizona Department of Insurance. A copy of the Certificate of Authority shall accompany the bonds. The Certificate shall have been issued or updated within two (2) years prior to the execution of this Agreement.

10.8.3 The bonds shall be made payable and acceptable to the City of Flagstaff.

10.8.4 The bonds shall be written or countersigned by an authorized representative of the surety who is either a resident of the State of Arizona or whose principal office is maintained in Arizona, as by law required, and the bonds shall have attached thereto a certified copy of Power of Attorney of the signing official.

10.8.4.1 If one Power of Attorney is submitted, it shall be for twice the total GMP amount.

10.8.4.2 If two Powers of Attorney are submitted, each shall be for the total GMP amount. Personal or individual bonds are not acceptable.

10.8.5 Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract Documents, CMAR shall promptly furnish a copy of the bonds or shall permit a copy to be made.

10.8.6 All bonds submitted for this project shall be provided by a company which has been rated AM Best rating of "A-,7, or better for the prior four quarters" by the A.M. Best Company.

Article 11 - Indemnification

11.1 CMAR's Liability and Indemnification

11.1.1 To the fullest extent permitted by law, CMAR shall defend, indemnify and hold harmless the Owner, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted from the negligent, reckless, or intentional acts, errors, mistakes, omissions, work or services of CMAR, its employees, agents, or any tier of subcontractors in the performance of this Agreement. CMAR's duty to defend, hold harmless and indemnify the Owner, its agents, representatives, officers, directors, officials and employees shall arise in connection with the claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting therefrom, caused by any acts, errors, mistakes, omissions, work or services in the performance of this Agreement including any employee of CMAR or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services CMAR may be legally liable.

11.1.2 The amount and type of insurance coverage requirements set forth herein shall in no way be construed as limiting the scope of the indemnity in this paragraph.

Article 12 – General Provisions

12.1 Contract Documents

12.1.1 This Agreement, Plans, Standard Specifications and Details, Special Provisions, Addenda (if any) dated the ___ day of _____, 20___ and used as the basis for the Guaranteed Maximum Price Proposal and Guaranteed Maximum Price Proposal, as accepted by the Mayor and Council

per Council Minutes the ____ day of _____, 20__, Performance Bond, Payment Bond, Certificates of Insurance, Construction Documents and Change Orders (if any) are by this reference made a part of this Agreement to the same extent as if set forth herein in full.

12.1.2 The Contract Documents are intended to permit the parties to complete the Work and all obligations required by the Contract Documents within the Contract Times for the Contract Price. The Contract Documents are intended to be complementary and interpreted in harmony so as to avoid conflict, with words and phrases interpreted in a manner consistent with construction and design industry standards.

12.1.3 In the event of any inconsistency, conflict, or ambiguity between or among the Contract Documents, the Contract Documents shall take precedence in the order in which they are listed in the definitions section of this Agreement.

12.1.3.1 On the drawings, given dimensions shall take precedence over scaled measurements, and large-scale drawings over small-scale drawings.

12.1.3.2 Specifications take precedence over Plans.

12.1.3.3 In the event of any inconsistency, conflict, or ambiguity between the Contract Documents and the Design Phase Agreement, the Contract Documents take precedence over the Design Phase Agreement

12.1.4 The headings used in this Agreement, or any other Contract Documents, are for ease of reference only and shall not in any way be construed to limit or alter the meaning of any provision.

12.1.5 The Contract Documents form the entire agreement between Owner and CMAR and by incorporation herein are as fully binding on the parties as if repeated herein. No oral representations or other agreements have been made by the parties except as specifically stated in the Contract Documents.

12.2 Amendments

12.2.1 The Contract Documents may not be changed, altered, or amended in any way except in writing signed by a duly authorized representative of each party.

12.3 Time is of the Essence

12.3.1 The Owner and CMAR mutually agree that time is of the essence with respect to the dates and times set forth in the Contract Documents.

12.4 Mutual Obligations

12.4.1 Owner and CMAR commit at all times to cooperate fully with each other and proceed on the basis of trust and good faith, to permit each party to realize the benefits afforded under the Contract Documents.

12.5 Cooperation and Further Documentation

12.5.1 CMAR agrees to provide the Owner such other duly executed documents as shall be reasonably requested by the Owner to implement the intent of the Contract Documents.

12.6 Assignment

12.6.1 CMAR shall not, without the written consent of the Owner, assign, transfer or sublet any portion of

this Agreement or part of the Work or the obligations required by the Contract Documents. Notwithstanding the Owner's consent to assignment, CMAR as Assignor, and the Assignee shall both remain liable under all rights, obligations, terms, and conditions of this Agreement.

12.7 Successorship

12.7.1 CMAR and Owner intend that the provisions of the Contract Documents are binding upon the parties, their employees, agents, heirs, successors and assigns.

12.8 Third Party Beneficiary

12.8.1 Nothing under the Contract Documents shall be construed to give any rights or benefits in the Contract Documents to anyone other than the Owner and CMAR, and all duties and responsibilities undertaken pursuant to the Contract Documents shall be for the sole and exclusive benefit of Owner and CMAR and not for the benefit of any other party.

12.9 Governing Law

12.9.1 This Agreement and all Contract Documents shall be deemed to be made under, and shall be construed, in accordance with and governed by the laws of the State of Arizona without regard to the conflicts or choice of law provisions thereof. Any action to enforce any provision of this Agreement or to obtain any remedy with respect hereto shall be brought in the Superior Court, Coconino County, Arizona, and for this purpose, each party hereby expressly and irrevocably consents to the jurisdiction and venue of such Court.

12.10 Severability

12.10.1 If any provision of the Contract Documents or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of the Contract Documents and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

12.11 Compliance with All Laws

12.11.1 CMAR will comply with all applicable Federal, State, County and City laws, regulations and policies. CMAR understands and acknowledges the applicability of the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989. CMAR agrees to comply with these laws in performing the Agreement and to permit the Owner to verify such compliance.

12.12 Legal Requirements

12.12.1 CMAR shall perform all Work in accordance with all Legal Requirements and shall provide all notices applicable to the Work as required by the Legal Requirements.

12.13 Construction Documents

12.13.1 It is not CMAR's responsibility to ascertain that the Construction Documents are in accordance with applicable laws, statutes, ordinances, building codes, rules and regulations. However, if CMAR recognizes that portions of the Construction Documents are at variance therewith, CMAR shall promptly notify the Design Professional and Owner in writing, describing the apparent variance or deficiency.

12.14 Independent Contractor

12.14.1 CMAR is and shall be an independent contractor. Any provisions in the Contract Documents that may appear to give the Owner the right to direct CMAR as to the details of accomplishing the Work or to exercise a measure of control over the Work means that CMAR shall follow the wishes of the Owner as to the results of the Work only. These results shall comply with all applicable laws and ordinances.

12.15 The Owner's Right of Cancellation

12.15.1 All parties hereto acknowledge that this Agreement is subject to cancellation by the Owner pursuant to the provisions of A.R.S. § 38-511.

12.16 Survival

12.16.1 All warranties, representations and indemnifications by CMAR shall survive the completion or termination of this Agreement.

12.17 Covenant against Contingent Fees

12.17.1 CMAR warrants that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, and that no member of the Owner Council, or any employee of Owner has any interest, financially, or otherwise, in the firm. For breach or violation of this warrant, the Owner shall have the right to annul this Agreement without liability, or at its discretion to deduct from the Contract Price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

12.18 No Waiver

12.18.1 The failure of either party to enforce any of the provisions of the Contract Documents or to require performance of the other party of any of the provisions hereof shall not be construed to be a waiver of such provisions, nor shall it affect the validity of the Contract Documents or any part thereof, or the right of either party to thereafter enforce each and every provision.

12.19 Notice

12.19.1 Notices 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. Rejection, any refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice as of the date of such rejection, refusal or inability to deliver.

To CMAR:

Ray Torrejon, Special Projects Manager
PCL Construction
1711 West Greentree Drive, Suite 201
Tempe, AZ 85284
Telephone: 720-357-6253
Email: rtorrejon@pcl.com

To Owner:

City of Flagstaff
211 West Aspen Avenue
Flagstaff, AZ 86001
Attn: Emily Markel, Purchasing Manager
Phone: (928) 213-2276
emarkel@flagstaffaz.gov

With a copy to:

Justin Emerick, Water Services Project Manager
City of Flagstaff Water Services
211 West Aspen Avenue
Flagstaff, AZ, 86001
Phone: (928) 607-2541
jemerick@flagstaffaz.gov

Design Professional(s):

Brian Hamrick, Treatment Plants Lead
Brown and Caldwell
2 North Central Avenue, Suite 1600
Phoenix, Arizona 85004
Telephone 602-567-3822
Email: bhamerick@brwncald.com

12.19.2 Notices Related to Payment, Securities-in-lieu, Bonds. Any notice, request, instruction or other document to be given under this Agreement by any party to any other party related to payment, securities-in-lieu, bonds or other instrument securing the performance of this Agreement, including but not limited to, bid bonds, performance bonds, payment bonds or letters of credit, shall be in writing and shall be delivered in person or by courier or facsimile transmission or mailed by certified mail, postage prepaid, return receipt requested and shall be deemed given upon (a) confirmation of receipt of a facsimile transmission, (b) confirmed delivery by hand or standard overnight mail or (c) upon the expiration of three (3) business days after the day mailed by certified mail. Rejection, any refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice as of the date of such rejection, refusal or inability to deliver.

To CMAR:

Ray Torrejon, Special Projects Manager
PCL Construction
1711 West Greentree Drive, Suite 201
Tempe, AZ 85284
Telephone: 720-357-6253
Email: rtorrejon@pcl.com

To Owner:

City of Flagstaff
211 West Aspen Avenue
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Attn: Emily Markel, Purchasing Manager
Phone: (928) 213-2276
emarkel@flagstaffaz.gov

With a copy to:

Justin Emerick, Water Services Project Manager
City of Flagstaff Water Services
211 West Aspen Avenue
Flagstaff, AZ, 86001
Phone: (928) 607-2541
jemerick@flagstaffaz.gov

12.20 Confidentiality of Plans and Specification

12.20.1 Any plans or specifications regarding this Project shall be for official use only. CMAR shall not share them with others except as required to fulfill the obligations of this Agreement with the Owner.

12.20.2 All Record Documents, Shop Drawings and other plans or drawings prepared or submitted by CMAR shall include the following language: “These plans are for official use only and may not be shared with others except as required to fulfill the obligations of the Beulah/University Roadway Project Agreement with the City of Flagstaff.”

12.21 CMAR and Subcontractor Employee Security Inquiries. The parties acknowledge that security measures required in this Section are necessary in order to preserve and protect the public health, safety and welfare. In addition to the specific measures set forth below, CMAR shall take such other measures, as it deems reasonable and necessary to further preserve and protect the public health, safety and welfare.

12.21.1 Security Inquiries. CMAR acknowledges that all of the employees that it provides pursuant to this Agreement shall be subject to background and security checks and screening ("Security Inquiries"). CMAR shall perform all such security inquiries and shall make the results available to Owner for all employees considered for performing work (including supervision and oversight) under this Agreement. Owner may make further security inquiries. Whether or not further security inquires are made by Owner, Owner may, at its sole, absolute and unfettered discretion, accept or reject any or all of the employees proposed by CMAR for performing work under this Agreement. Employees rejected by Owner for performing services under this Agreement may still be engaged by CMAR for other work not involving the Owner. An employee rejected for work under this Agreement shall not be proposed to perform work under other Owner Agreements or engagements without Owner's prior approval.

12.21.2 Criteria for Evaluating Security Inquiries. Once formally adopted by Owner, criteria for excluding an individual from performing work under this Agreement shall be communicated by Owner to CMAR and used by CMAR as a factor in making its decision. Prior to such adoption, CMAR shall use its best judgment in making its decision using, among other criteria, applicable law, administrative regulations of federal, state and local agencies concerned with work performed under this Agreement, specific local concerns that deal with the specific work and work location(s) of the Project, and standards used by Owner in evaluating its own personnel.

12.21.3 Additional Owner Rights Regarding Security Inquiries. In addition to the foregoing, Owner reserves the right to: (1) have an employee/prospective employee of CMAR be required to provide fingerprints and execute such other documentation as may be necessary to obtain criminal justice information pursuant to A.R.S. § 41-1750(G)(4); (2) act on newly acquired information whether or not such information should have been previously discovered; (3) unilaterally change its standards and criteria relative to the acceptability of CMAR 's employees and/or prospective employees; and, (4) object, at any time and for any reason, to an employee of CMAR performing work (including supervision and oversight) under this Agreement.

12.21.4 Background and Security-Contracts and Subcontracts. CMAR shall include the security inquiry terms of this Section for employee background and security checks and screening in all contracts and subcontracts for work performed under this Agreement, including supervision and oversight.

12.21.5 Materiality of Security Inquiry Provisions. The security inquiry provisions of this Agreement, as set forth above, are material to Owner 's entry into this Agreement and any breach thereof by CMAR may, at Owner's sole and unfettered discretion, be considered to be a breach of contract of sufficient magnitude to terminate this Agreement. Such termination shall subject CMAR to liability for its breach of this Agreement.

12.22 Hazardous Materials

12.22.1 Unless included in the Work, if CMAR encounters material on the Site which it reasonably believes to contain asbestos, polychlorinated biphenyl (PCB), or other hazardous substances or materials regulated by applicable law, it shall immediately stop work and report the condition to the Owner.

12.22.2 If the material is found to contain asbestos, PCB or other hazardous substances or materials regulated by applicable law, CMAR shall not resume work in the affected area until the material has been abated or rendered harmless. CMAR and the Owner may agree, in writing, to continue work in non-affected areas on the Site.

12.22.3 An extension of Contract Time may be granted in accordance with this Agreement.

12.22.4 CMAR shall comply with all applicable laws/ordinances and regulations and take all appropriate health and safety precautions upon discovery.

12.23 Computer Systems

12.23.1 CMAR shall warrant fault-free performance in the processing of date and date-related data including, but not limited to calculating, comparing, and sequencing by all equipment and software products, individually and in combination, from the commencement of the Work. Fault-free performance shall include the manipulation of data when dates are in the 20th or 21st centuries and shall be transparent to the user. Failure to comply with "Year 2000" requirements shall be considered a breach of this Agreement.

12.24 Traffic Control

12.24.1 CMAR shall comply with all provisions of the latest version of the Manual on Uniform Traffic Control Devices and any other traffic control provisions as may be provided in the technical specifications.

12.25 No Boycott of Israel

12.25.1 Pursuant to A.R.S. §§ 35-393 and 35-393.01, if a Party has over ten (10) employees and the Agreement is worth at least one-hundred thousand dollars and no cents ($100,000), the Party shall certify that it is not currently engaged in, and agrees, for the duration of the Agreement, will not engage in a boycott of Israel.

12.26 Forced Labor of Ethnic Uyghurs

12.26.1 If CMAR engages in for-profit activity and has ten (10) or more employees, pursuant to A.R.S. §35-394, CMAR certifies that it does not currently, and agrees for the duration of the contract that it will not, use: 1) the forced labor of ethnic Uyghurs in the People's Republic of China; 2) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; and 3) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If CMAR

becomes aware during the term of the Contract that the company is not in compliance with the written certification, CMAR shall notify the Owner within five business days after becoming aware of the noncompliance. If CMAR does not provide the Owner with a written certification that CMAR has remedied the noncompliance within 180 days after notifying the Owner of the noncompliance, this Contract terminates, except that if the Contract termination date occurs before the end of the remedy period the Contract terminations on the Contract termination date.

(Signatures Appear on the Next Page)

This Agreement shall be in full force and effect only when it has been approved and executed by the duly authorized City officials.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this ____ day of _____, 20____.

CONTRACTOR

_____

Print name:_____

Title:_____

CITY OF FLAGSTAFF

_____

Print name:_____

Title:_____

Attest:

_____
City Clerk

Approved only as to form:

_____
City Attorney's Office

Notice to Proceed issued:_____, 20___

Last updated February 28, 2024

EXHIBIT A - PROJECT DESCRIPTION

Following is a brief description of the Project for which the design phase service services specified in this Agreement are to be performed:

The general project scope includes the following work:

The Project is at 4500 Lake Mary Road in Flagstaff, Arizona and can be generally described as the rehabilitation, removal, and replacement of the major mechanical and electrical equipment associated with the sedimentation and flocculation basins at the Lake Mary Water Treatment Plant. This project will be delivered through the CMAR project delivery process.

The CMAR Design Phase or Preconstruction Services will primarily include reviewing and providing input on design, plans, schedules, quantities, costs estimates, subsurface utility investigations, and constructability in coordination with an Engineering Professional to assist in the preparation of comprehensive construction documents and develop a Project master schedule, cost models, and GMPs required for Project completion. The Scope of Work for the Design Phase or Preconstruction Services portion of the Project is attached hereto in the letter dated December 30, 2024.

The CMAR Construction Phase Services will generally consist of coordination with various stakeholders, Engineering Professional, and city staff while performing the construction of the Project. Refer to the attached construction documents and Addendums for the scope of work.

The final scope of the Project shall be based on the investigation and determination made in the preparation of the Project construction documents and recommendations by the Engineering Professional and Contractor who are selected for the Project.

EXHIBIT B – GMP SUBMITTAL (TO BE ATTACHED)*

PROJECT #: 2025-01 Construction Phase Services Agreement – GMP

DATE OF GMP 1: September 16, 2025

PROJECT NAME: City of Flagstaff Lake Mary Sedimentation Basin Improvements

*The attached documents for the GMP include the Executive Summary. The 100% GMP General Estimate Summary & Time Analysis Sheet dated September 16, 2025 contain Proprietary and Confidential information which is on file with the Water Services Section.

SHARING YOUR VISION. BUILDING SUCCESS.

CONSTRUCTION

September 16, 2025

Justin Emerick
City of Flagstaff
Water Services Project Manager
Project Number: WA 3372

Re: Price Proposal – City of Flagstaff Lake Mary Sedimentation Basin Improvements

Dear Mr. Emerick,

PCL Construction respectfully submits for your review and approval, our proposal to perform the Lake Mary Sedimentation Basin Improvements Project, project number WA 3372.

Please see attached our price proposal in the amount of $13,642,244.00 for the Lake Mary Sedimentation Basin Project, which include the following documents:

1. Price Proposal Summary.
2. Scope of work.
3. Assumptions and Clarification to Proposal.
4. Supplier and Subcontractor Quotes.
5. Schedule.

Please do not hesitate to contact me if you have any questions or comments.

Best Regards,

PCL CONSTRUCTION, INC.

Seth Richards
Arizona Special Projects Manager
sethrichards@pcl.com
Mobile: 602-509-2884

PCL CONSTRUCTION, INC.
1711 West Greentree Drive, Suite 201, Tempe, AZ 85284
Telephone: 480-829-6333 ♦ Fax: 480-829-8252 ♦ www.pcl.com

Equal Opportunity Employer

EXECUTIVE SUMMARY

DUE DATE: 08/22/2025

PRE-CONSTRUCITON SCHEDULE:

- **Preconstruction Proposal Submitted** **11/27/2024**

CONSTRUCITON SCHEDULE:

- **100% FINAL GMP** **08/22/2025**
- **FINAL CITY OF FLAGSTAFF APPROVAL** **10/2025**

PROJECT OVERVIEW

Scope of Work

The project entails a complete plant shutdown to construct a new static mixer vault and install a new static mixer in the raw water pipeline. This includes removing and replacing basin isolation valves, removing flow meters and replacing them with spools, repairing the channel troughs, and replacing MCC buckets. Additionally, a partial plant shutdown will be required for the demolition of major mechanical equipment, structural supports, and modifications. The scope also includes repair of damaged concrete in the basins, sloping the basin floor, installing new mechanical equipment, coating the launder channel trough, installing trough covers, and implementing electrical modifications.

SUMMARY OF PRICE MODEL DEVELOPEMENT

PCL has concluded its review and analysis of the design documentation, as provided by Brown & Caldwell, and has developed its 100% GMP price model for the project. PCL has worked collaboratively with the Brown & Caldwell team to clarify design criteria to the extent possible at the 100% design stage. We have referenced the following documents in the development of our pricing:

- Drawings: City of Flagstaff, Arizona – Lake Mary Water Treatment Plant – Sedimentation Basin Improvements – COF Project NO. WA 3372 - September 2022
- Specifications: City of Flagstaff – Lake Mary Water Treatment Plant – Sedimentation Basin Improvement Design – COF Project NO. WA 3372 – Technical Specifications – September 2022
- Addendum #'s 4, 5, and 6.
    - Addendum #'s 1-3 are not included as they address previous pre bid meeting dates.

Estimating Methodology Used: PCL used BEST Estimating software. PCL utilized historical productions for self-perform work and solicited supplier and subcontractor quotations for major scopes of supply and subcontract.

The following subcontractors and supplier input and/or quotes were incorporated into our preliminary proposal. However, the subcontractors/ suppliers are subject to change based on the City of Flagstaff's contract terms and PCL Construction's qualification requirements.

UPDATE LIST

Div 2 – Excavation / Shoring - TSR
Div 2 – Trucking (Export / Import) – LP Excavation
Div 3 – Reinforcement – Tyler Rebar
Div 3 – Concrete - Cemex
Div 5 – Metals – PPS Fabrication
Div 9 – Coatings – PPS Coatings
Division 11 – Coombs Hopkins & Misco
Div 15 – Mechanical – Ferguson Waterworks
Div 16 – Electrical – AME Electrical
Div 17 – Programming / Instruments – AME Electrical / Enterprise Automation

PRICE MODEL CLARIFICATIONS AND EXCLUSIONS

General Requirements

1. The GMP assumes we will be provided an NTP by **12/12/2025** Date.
2. The GMP proposal is valid for a period of 30 Days from receipt.
3. The GMP assumes that the owner will contract separately for any professional design consultant services and for construction engineering inspection services.
4. The GMP proposal assumes a lump sum contract per section 5.2.1 of the sample contract.
5. The GMP assumes liquidated damages will be as outlined in section 108.9, table 108-1 of MAG Standard Specifications.
6. The GMP includes an adverse weather allowance. This allowance will be used to cover the cost of accommodating adverse weather conditions (such as snow removal) and/or weather-related delays up to the total number of adverse weather days listed on the City of Flagstaffs Table of Monthly Adverse Weather Calendar Days for the months of December through March. Unused funds from this allowance shall be returned to the City of Flagstaff upon final completion of the project.
7. The GMP includes a typical one-year warranty from substantial completion or beneficial use by the Owner, unless otherwise specified for certain equipment. The GMP assumes that the City of Flagstaff shall grant Partial Substantial Completion Certificates separately for each treatment train, or otherwise definable feature of work prior to being put into service or when that feature of work is ready for use for its intended purpose.

8. The GMP excludes AIS, BABA and all DBE/SBE requirements including all state or federal funding sources. The GMP excludes prevailing Wage (Davis Bacon)

9. New or unknown changes to tariffs that come into effect after the date of submission are excluded from our price. If any new tariffs or trade policies that result in price increases for raw materials, supplies, tools, equipment, components, parts, refined materials and/or systems; the increase as shown by reasonable support documentation will be included and the price increase shall be funded via an owner provided change order.

10. The GMP does not include price for remediation of hazardous waste materials, abatement, or archeological mitigation. PCL shall be responsible for only those hazardous materials and/or chemicals as brought on site by contractor forces; and shall not be responsible for any existing hazardous conditions that are not disclosed in the documents. Owner shall be designated as Generator for all pre-existing hazardous materials found on site.

11. The GMP excludes costs associated with permits except for Dust Control & SWPPP permits.

12. The GMP excludes any/all costs associated with the usage of temporary power consumption.

13. The GMP excludes public outreach firm service.

14. The GMP excludes all excavation dewatering if encountered.

15. The GMP excludes costs associated with inspections and special inspections, with the exception of the following: Welding Inspections and Coatings Inspections.

16. The GMP excludes all costs associated with protecting migratory birds or endangered species. Should accommodations for these conditions be required, associated impacts will be paid for by City of Flagstaff via Change Order.

17. Changes in design scope from the drawings dated September 2022 and addendum 4, 5, and 6, change in conditions, unforeseen conditions, or owner directed changes will be covered by an owner provided change order.

18. The GMP assumes a 40-hour workweek, 5 days a week 7am-4pm.

19. A CONTRACTOR'S contingency of $679,194.00 has been included in this GMP proposal for CONTRACTOR's use on any portion of the Work. CONTRACTORS contingency is for the sole use of the CONTRACTOR until Substantial Completion of the entire project. The Contractors contingency includes, but is not limited to the following:
    - Weather
    - Concrete Repair
    - Utility Relocation
    - Hard Dig
    - Mixer Vault Location
    - Material Escalation
    - Subcontractor Escalation
    - Landscaping

19.A The GMP includes a $400,000.00 Owner's Contingency

20. The GMP provides labor, small tools, insurances, bonds, and equipment for this project based on the following billable Rate Schedule. These rates are agreed to be accepted for any future change orders:

Craft Classification	Billable Hourly Rate ($/HR)
Senior Project Manager	$187.00
Project Manager	$156.50
Superintendent	$147.00
Project Engineer	$115.50
Equipment Operator 2	$69.93
Equipment Operator 4	$96.60
Truck Driver	$69.93
Laborer	$56.70
Cement Mason	$71.46
Carpenter	$71.46
Foreman	$85.05

21. Fee, Small Tools Assessment / Insurance Rates / Bond Rates:

- Fee 9.25%
- Small Tools Assessment $1.25/manhour
- Project Bond Rate 5%
- Subcontract Bond Rate $13.70/ $1,000.00
- Equipment Bond Rate $13.70/ $1,000.00
- General Liability Insurance $9.00/ $1,000.00
- Builder's Risk Insurance $4.00/ $1,000.00

22. Billable hourly equipment rates shall be FHWA operated rates published by Bluebook (penton) on equipmentwatch.com.

Technical Clarifications, Assumptions, and Exclusions

1. Per Addendum 5: 1 Basin can be down during winter months.

2. The GMP assumes no stoppage of work due to the "Winter Shutdown". GMP assumes work will be allowed 12 months a year per pre-construction meeting discussions.

3. The GMP does not include any pricing for utility relocations, buried structures, or concrete encasements not described in the contract documents.
The GMP assumes the Cemex proposed mix design will be approved for use.

4. Per Addendum 5, RFBI # 42 Response – "Owner to provide programming"
Per direction of the City of Flagstaff, the cost of programing is included in this GMP.
The GMP includes the utilization of Enterprise Automation for PLC Programing. A deduct of $309,750.00 can be provided if it is not required to sole source Enterprise Automation.

5. Price proposal incorporates all clarifications, assumptions, and exclusions as listed on the attached Ovivo proposal as in fully set forth herein. Refer to Ovivo's proposal.
6. Per Addendum 5, RFBI # 37, "No concrete topping demo or replacement required"
   - Through discussion with the City of Flagstaff, concrete topping demolition to a depth of 2" and replacement is included in this GMP. Material to be used is assumed to be a 5000psi grout.
7. Price proposal incorporates all clarifications, assumptions, and exclusions as listed on the attached concrete repair subcontractor's proposal as in fully set forth herein. Refer to Truesdell's attached proposal outlining quantities, repair means and methods, etc…
8. The GMP includes up to the following quantities of concrete spall repairs, as determined by investigations performed and reported on by concrete repair subcontractor, and witnessed and reviewed by PCL and Brown & Caldwell. However, the full extent of concrete and/or subgrade repairs could not be determined without destructive investigation methods so actual quantities may vary based. Any repairs above and beyond the quantities listed below will be taken from the contingency included in this GMP. If total quantity of repairs exceeds what is listed below and the contractors contingency, additional repairs will be funded via an owner provided change order.
   - Repair S1101: 130 SF
   - Repair S1102: 130 SF
   - Repair S1103: 2090 SF
   - Repair S1104: 262 SF
   - Slope Basin Walls – Floor Rebuild: 1060 SF
   - Resurface Tunnel Walls, Columns, & Pony Wall: 4452 SF
   - Resurface Mixing Vaults: 486 SF
   - Gravity Feed Cracks: 6700 SF
9. Price proposal assumes PCL shall be authorized for use of the fill station at Lake Mary Water Treatment Facility for Construction Water.
10. Price proposal excludes all lighting as shown on sheet E-102 and luminaire schedule shown on sheet E-113. This was directed verbally during the project kickoff meeting since this work has reportedly already been completed.
11. This GMP includes cast in place concrete for basin corners and on the shelf underneath the launder trough in lieu of shotcrete in accordance with approved Value Engineering Proposal by PCL and approved by Brown & Caldwell and City of Flagstaff.
12. This GMP includes a steel staircase on the east side of the basins in lieu of cast in place concrete staircase in accordance with approved Value Engineering Proposal by PCL and approved by Brown & Caldwell and City of Flagstaff.
13. This GMP includes cost for demo, purchase, and installation of eleven (11EA) plug valves and associated fittings on the line leading to the sludge drying beds per direction by the City of Flagstaff. This GMP assumes the valves are buried at a depth of 3'6".
14. This GMP excludes Cathodic Protection.
15. This GMP assumes yard pipe depths not shown on the drawings will be to a depth of 4'6" to top of pipe.
16. This GMP does not include coating of the FRP Baffle Walls.

17. Per specification 06 83 30, PCL has included Enduro, the sole approved FRP Supplier. However, PCL has received additional pricing from an alternate supplier as a potential "or equal" that has not been submitted to Brown & Caldwell as an approved manufacturer. If this potential "Or Equal" manufacturer is approved, the City of Flagstaff may consider the attached alternate suppliers quote as an additional option.

18. This GMP includes pricing for the specified carbon steel clarifier equipment, which also includes clarifier coating touch up.

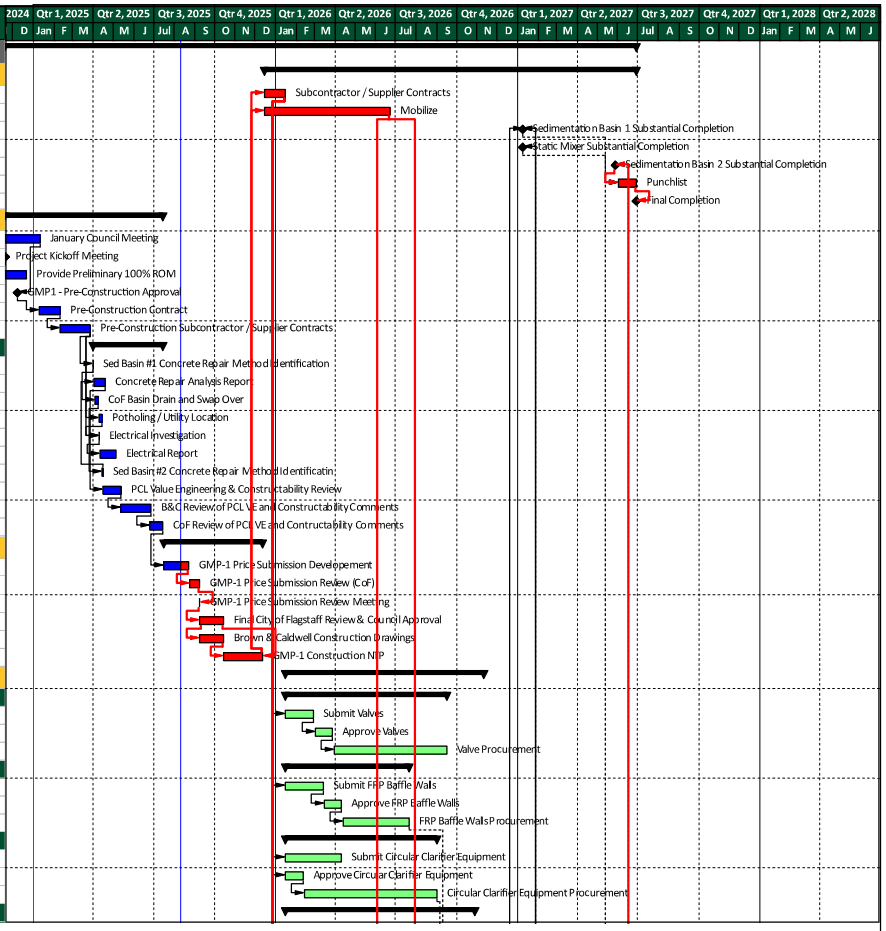
Alternate Pricing for 304SS and 316SS are as follows:

- **304SS**: $69,319.00 (Estimated Savings of $23,817.00)
- **316SS**: $190,443.00

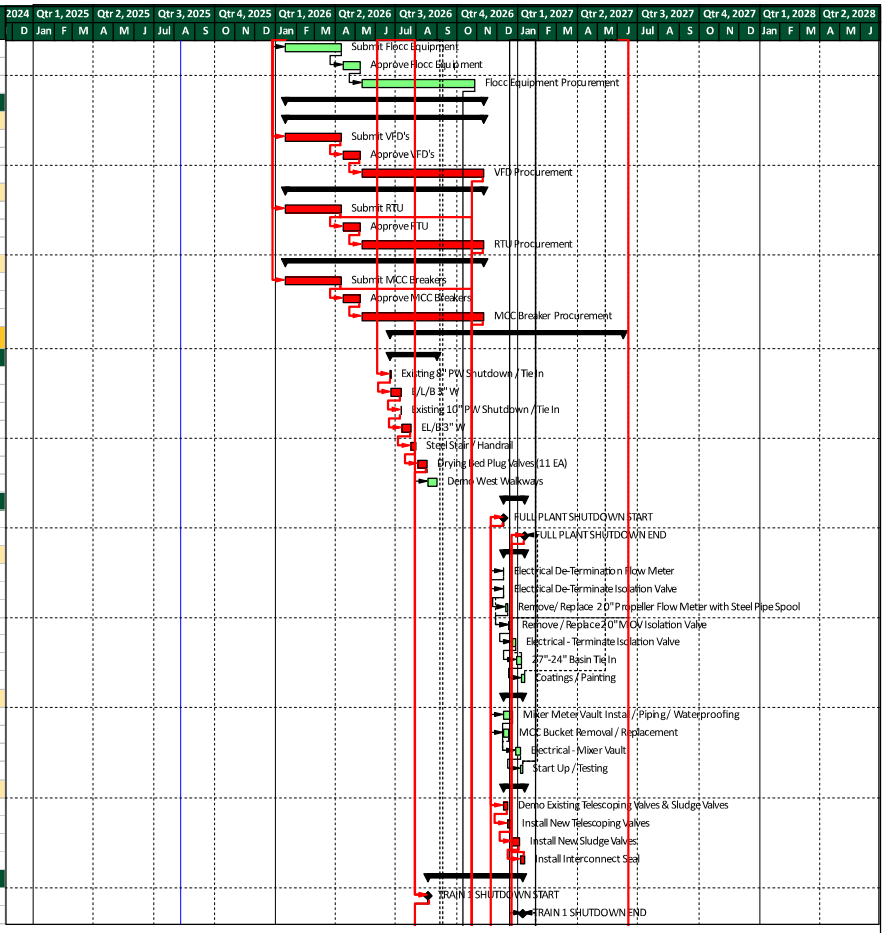
CITY OF FLAGSTAFF GMP SUMMARY TABLE

A	B	D	E
	ITEM DESCRIPTION		**TOTAL**
DIRECT COSTS			
COST OF WORK			**$ 9,491,480.00**
INDIRECT COSTS			
GENERAL CONDITIONS COST (GCs) (Percentage of Cost of Work)		12%	**$ 1,153,885.00**
	Subtotal # 1 - Cost of work + GCs		**$ 10,645,365.00**
CONSTRUCTION FEE (Fee) (Percentage of Subtotal #1)		9.25%	**$ 984,696.00**
	Subtotal # 2 - Cost of work + GCs + Fee		**$ 11,630,061.00**
PAYMENT & PERFORMANCE BONDS (Bonds) (Percentage of Subtotal #2)		1.3%	**$ 153,445.00**
	Subtotal # 3 - Cost of Work + GCs + Fee + Bonds		**$ 11,783,506.00**
INSURANCE (Perccentage of Subtatal #3)		1.4%	**$ 163,320.00**
	Subtotal # 4 - Cost of Work + GCs + Fee + Bonds + Insuraance		**$ 11,946,826.00**
SALES TAX (Percentage of Subtotal #4, Percentage = 65% x City of Flagstaff current tax rate)			**$ 616,230.00**
CMAR CONTINGENCY (Percentage of Cost of Work)		6.38%	**$ 679,194.00**
GMP			**$ 13,242,249.00**
OWNERS CONTINGENCY (Percentage of Cost of Work)			$ 400,000.00
CONTRACT PRICE			$ 13,642,244.00

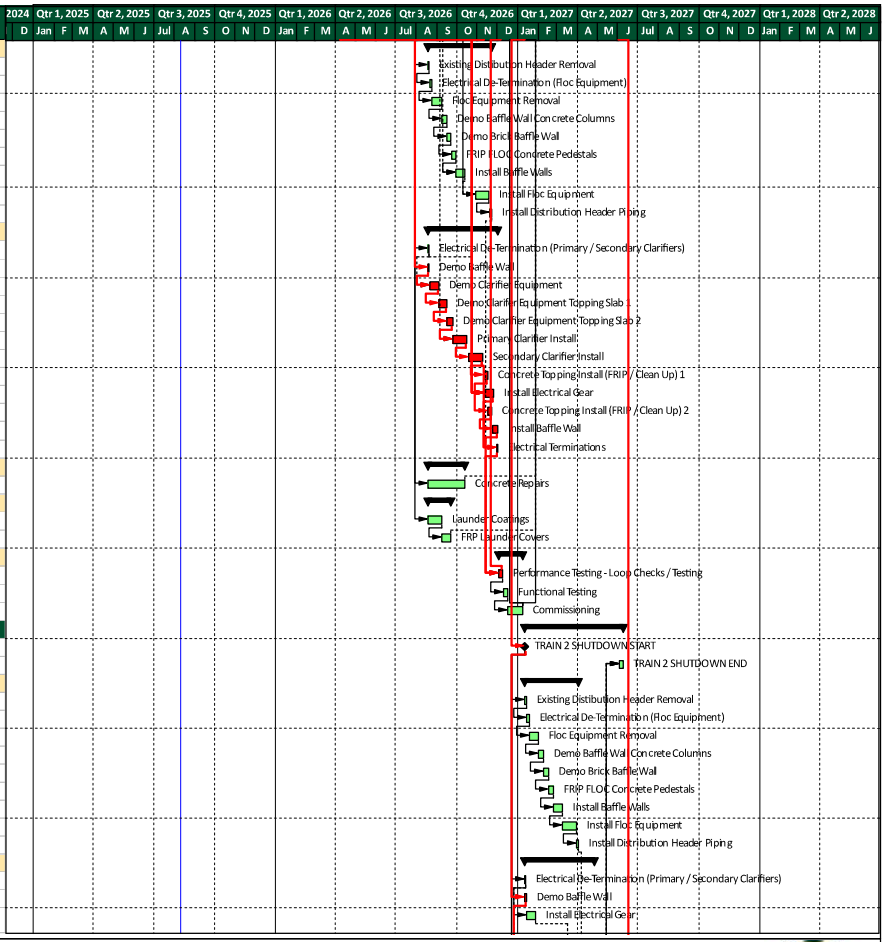
#	Activity ID	Activity Name	Original Duration	Start	Finish
1		COF - Lake Mary WTP Sedimentation Basin Improvements GMP-1 St	656	18-Nov-24 A	28-Jun-27
2		MILESTONES	387	15-Dec-25	28-Jun-27
3	A1430	Subcontractor / Supplier Contracts	21	15-Dec-25	15-Jan-26
4	A1580	Mobilize	131	15-Dec-25	22-Jun-26
5	A1450	Sedimentation Basin 1 Substantial Completion	0		08-Jan-27
6	A1490	Static Mixer Substantial Completion	0		08-Jan-27
7	A1460	Sedimentation Basin 2 Substantial Completion	0		28-May-27
8	A1470	Punchlist	20	01-Jun-27	28-Jun-27
9	A1500	Final Completion	0		28-Jun-27
10		PRECONSTRUCTION	35	18-Nov-24 A	15-Jul-25 A
11	A3370	January Council Meeting	13	18-Nov-24 A	10-Jan-25 A
12	A3110	Project Kickoff Meeting	0	19-Nov-24 A	
13	A3120	Provide Preliminary 100% ROM	7	19-Nov-24 A	20-Dec-24 A
14	A3240	GMP1 - Pre-Construction Approval	0		07-Dec-24 A
15	A3150	Pre-Construction Contract	22	10-Jan-25 A	10-Feb-25 A
16	A3160	Pre-Construction Subcontractor / Supplier Contracts	22	10-Feb-25 A	27-Mar-25 A
17		Preconstruction Activities	18	31-Mar-25 A	15-Jul-25 A
18	A3380	Sed Basin #1 Concrete Repair Method Identification	4	31-Mar-25 A	01-Apr-25 A
19	A3220	Concrete Repair Analysis Report	5	02-Apr-25 A	18-Apr-25 A
20	A3470	CoF Basin Drain and Swap Over	5	03-Apr-25 A	08-Apr-25 A
21	A3180	Potholing / Utility Location	2	09-Apr-25 A	14-Apr-25 A
22	A3190	Electrical Investigation	1	10-Apr-25 A	10-Apr-25 A
23	A3210	Electrical Report	5	11-Apr-25 A	05-May-25 A
24	A3390	Sed Basin #2 Concrete Repair Method Identificatin	4	14-Apr-25 A	15-Apr-25 A
25	A3320	PCL Value Engineering & Constructability Review	5	16-Apr-25 A	13-May-25 A
26	A3330	B&C Review of PCL VE and Constructability Comments	5	13-May-25 A	26-Jun-25 A
27	A3340	CoF Review of PCL VE and Contructability Comments	5	26-Jun-25 A	15-Jul-25 A
28		GMP 1 - CONSTRUCTION PHASE	269	16-Jul-25 A	12-Dec-25
29	A3250	GMP-1 Price Submission Developement	21	16-Jul-25 A	22-Aug-25
30	A3260	GMP-1 Price Submission Review (CoF)	10	25-Aug-25	08-Sep-25
31	A3270	GMP-1 Price Submission Review Meeting	1	08-Sep-25	08-Sep-25
32	A3300	Final City of Flagstaff Review & Council Approval	26	09-Sep-25	14-Oct-25
33	A3350	Brown & Caldwell Construction Drawings	26	09-Sep-25	14-Oct-25
34	A3310	GMP-1 Construction NTP	41	15-Oct-25	12-Dec-25
35		MAJOR SUBMITTALS / REVIEW / PROCUREMENT	210	16-Jan-26	11-Nov-26
36		Isolation Valves	170	16-Jan-26	16-Sep-26
37	A2720	Submit Valves	30	16-Jan-26	27-Feb-26
38	A2730	Approve Valves	20	02-Mar-26	27-Mar-26
39	A2740	Valve Procurement	120	30-Mar-26	16-Sep-26
40		FRP Baffle Walls	130	16-Jan-26	21-Jul-26
41	A2750	Submit FRP Baffle Walls	40	16-Jan-26	13-Mar-26
42	A2760	Approve FRP Baffle Walls	20	16-Mar-26	10-Apr-26
43	A2770	FRP Baffle Walls Procurement	70	13-Apr-26	21-Jul-26
44		Circular Clarifier Equipment	160	16-Jan-26	01-Sep-26
45	A2780	Submit Circular Clarifier Equipment	60	16-Jan-26	10-Apr-26
46	A2790	Approve Circular Clarifier Equipment	20	16-Jan-26	12-Feb-26
47	A2800	Circular Clarifier Equipment Procurement	140	13-Feb-26	01-Sep-26
48		Flocculation Equipment	200	16-Jan-26	28-Oct-26



#	Activity ID	Activity Name	Original Duration	Start	Finish
49	A2810	Submit Flocc Equipment	60	16-Jan-26	10-Apr-26
50	A2830	Approve Flocc Equipment	20	13-Apr-26	08-May-26
51	A2840	Flocc Equipment Procurement	120	11-May-26	28-Oct-26
52	Electrical		210	16-Jan-26	11-Nov-26
53	VFD		210	16-Jan-26	11-Nov-26
54	A2850	Submit VFD's	60	16-Jan-26	10-Apr-26
55	A2820	Approve VFD's	20	13-Apr-26	08-May-26
56	A2860	VFD Procurement	130	11-May-26	11-Nov-26
57	RTU		210	16-Jan-26	11-Nov-26
58	A3050	Submit RTU	60	16-Jan-26	10-Apr-26
59	A3060	Approve RTU	20	13-Apr-26	08-May-26
60	A3070	RTU Procurement	130	11-May-26	11-Nov-26
61	MCC Breakers		210	16-Jan-26	11-Nov-26
62	A3080	Submit MCC Breakers	60	16-Jan-26	10-Apr-26
63	A3090	Approve MCC Breakers	20	13-Apr-26	08-May-26
64	A3100	MCC Breaker Procurement	130	11-May-26	11-Nov-26
65	CONSTRUCTION		243	23-Jun-26	09-Jun-27
66	SITEWORK		49	23-Jun-26	31-Aug-26
67	A2420	Existing 8" PW Shutdown / Tie In	1	23-Jun-26	23-Jun-26
68	A2430	E/L/B 3" W	10	24-Jun-26	08-Jul-26
69	A2440	Existing 10" PW Shutdown / Tie In	1	09-Jul-26	09-Jul-26
70	A2450	EL/B 3" W	10	10-Jul-26	23-Jul-26
71	A2370	Steel Stair / Handrail	6	24-Jul-26	31-Jul-26
72	A2380	Drying Bed Plug Valves (11 EA)	11	03-Aug-26	17-Aug-26
73	A3510	Demo West Walkways	10	18-Aug-26	31-Aug-26
74	FULL PLANT SHUTDOWN - MIXER VAULT / RW / ISOLATION VALVES		20	10-Dec-26	11-Jan-27
75	A3480	FULL PLANT SHUTDOWN START	0	10-Dec-26	
76	A3620	FULL PLANT SHUTDOWN END	0		11-Jan-27
77	BASINS 1&2 INFLUENT LINES		20	10-Dec-26	11-Jan-27
78	A1890	Electrical De-Termination Flow Meter	1	10-Dec-26	10-Dec-26
79	A1930	Electrical De-Terminate Isolation Valve	1	11-Dec-26	11-Dec-26
80	A1870	Remove/ Replace 20"Propeller Flow Meter with Steel Pipe Spool	4	14-Dec-26	17-Dec-26
81	A1860	Remove / Replace 20" MOV Isolation Valve	4	18-Dec-26	23-Dec-26
82	A1950	Electrical - Terminate Isolation Valve	2	24-Dec-26	29-Dec-26
83	A1940	27"-24" Basin Tie In	5	30-Dec-26	06-Jan-27
84	A1900	Coatings / Painting	3	07-Jan-27	11-Jan-27
85	STATIC MIXER VAULT		19	10-Dec-26	08-Jan-27
86	A1880	Mixer Meter Vault Install / Piping / Waterproofing	11	10-Dec-26	24-Dec-26
87	A1920	MCC Bucket Removal / Replacement	7	10-Dec-26	18-Dec-26
88	A1910	Electrical - Mixer Vault	5	29-Dec-26	05-Jan-27
89	A2920	Start Up / Testing	3	06-Jan-27	08-Jan-27
90	TELESCOPING VALVE REPLACEMENT		20	10-Dec-26	11-Jan-27
91	A3520	Demo Existing Telescoping Valves & Sludge Valves	5	10-Dec-26	16-Dec-26
92	A3530	Install New Telescoping Valves	5	17-Dec-26	23-Dec-26
93	A3540	Install New Sludge Valves	5	24-Dec-26	04-Jan-27
94	A3630	Install Interconnect Seal	5	05-Jan-27	11-Jan-27
95	TRAIN 1 (SOUTH)		98	18-Aug-26	08-Jan-27
96	A3490	TRAIN 1 SHUTDOWN START	0	18-Aug-26*	
97	A3600	TRAIN 1 SHUTDOWN END	0		08-Jan-27



#	Activity ID	Activity Name	Original Duration	Start	Finish
98	**FLOCCULATORS-CREW 1**		69	18-Aug-26	23-Nov-26
99	FLOC11000	Existing Distibution Header Removal	3	18-Aug-26	20-Aug-26
100	FLOC11010	Electrical De-Termination (Floc Equipment)	2	21-Aug-26	24-Aug-26
101	FLOC11020	Floc Equipment Removal	10	25-Aug-26	08-Sep-26
102	FLOC11030	Demo Baffle Wall Concrete Columns	5	09-Sep-26	15-Sep-26
103	FLOC11040	Demo Brick Baffle Wall	5	16-Sep-26	22-Sep-26
104	FLOC11050	FRIP FLOC Concrete Pedestals	5	23-Sep-26	29-Sep-26
105	FLOC11060	Install Baffle Walls	10	30-Sep-26	13-Oct-26
106	FLOC11070	Install Floc Equipment	15	29-Oct-26	18-Nov-26
107	FLOC11080	Install Distribution Header Piping	3	19-Nov-26	23-Nov-26
108	**COLLECTORS-CREW 2**		74	18-Aug-26	02-Dec-26
109	CLAR11010	Electrical De-Termination (Primary / Secondary Clarifiers)	2	18-Aug-26	19-Aug-26
110	CLAR11000	Demo Baffle Wall	3	18-Aug-26	20-Aug-26
111	CLAR11020	Demo Clarifier Equipment	10	21-Aug-26	03-Sep-26
112	CLAR11030	Demo Clarifer Equipment Topping Slab 1	7	04-Sep-26	15-Sep-26
113	CLAR11040	Demo Clarifier Equipment Topping Slab 2	7	16-Sep-26	24-Sep-26
114	CLAR11050	Primary Clarifier Install	16	25-Sep-26	16-Oct-26
115	CLAR11060	Secondary Clarifier Install	16	19-Oct-26	09-Nov-26
116	CLAR11070	Concrete Topping Install (FRIP / Clean Up) 1	5	10-Nov-26	16-Nov-26
117	CLAR11080	Install Electrical Gear	10	12-Nov-26	25-Nov-26
118	CLAR11090	Concrete Topping Install (FRIP / Clean Up) 2	5	17-Nov-26	23-Nov-26
119	CLAR11100	Install Baffle Wall	5	24-Nov-26	02-Dec-26
120	CLAR1110	Electrical Terminations	3	30-Nov-26	02-Dec-26
121	**CONCRETE REPAIRS**		40	18-Aug-26	13-Oct-26
122	A3610	Concrete Repairs	40	18-Aug-26	13-Oct-26
123	**TRAIN 1 LAUNDERS**		25	18-Aug-26	22-Sep-26
124	COMM1030	Launder Coatings	15	18-Aug-26	08-Sep-26
125	COMM1040	FRP Launder Covers	10	09-Sep-26	22-Sep-26
126	**START UP / TRAINING / COMMISSIONING**		24	03-Dec-26	08-Jan-27
127	A2870	Performance Testing - Loop Checks / Testing	5	03-Dec-26	09-Dec-26
128	A2880	Functional Testing	5	10-Dec-26	16-Dec-26
129	A2900	Commissioning	14	17-Dec-26	08-Jan-27
130	**TRAIN 2 (NORTH)**		105	12-Jan-27	09-Jun-27
131	A3640	TRAIN 2 SHUTDOWN START	0	12-Jan-27	
132	A3500	TRAIN 2 SHUTDOWN END	5	03-Jun-27	09-Jun-27
133	**FLOCCULATORS-CREW 1**		58	12-Jan-27	02-Apr-27
134	FLOC21000	Existing Distibution Header Removal	3	12-Jan-27	14-Jan-27
135	FLOC21010	Electrical De-Termination (Floc Equipment)	2	15-Jan-27	18-Jan-27
136	FLOC21020	Floc Equipment Removal	10	19-Jan-27	01-Feb-27
137	FLOC21030	Demo Baffle Wall Concrete Columns	5	02-Feb-27	08-Feb-27
138	FLOC21040	Demo Brick Baffle Wall	5	09-Feb-27	16-Feb-27
139	FLOC21050	FRIP FLOC Concrete Pedestals	5	17-Feb-27	23-Feb-27
140	FLOC21060	Install Baffle Walls	10	24-Feb-27	09-Mar-27
141	FLOC21070	Install Floc Equipment	15	10-Mar-27	30-Mar-27
142	FLOC21080	Install Distribution Header Piping	3	31-Mar-27	02-Apr-27
143	**COLLECTORS-CREW 2**		74	12-Jan-27	26-Apr-27
144	CLAR21010	Electrical De-Termination (Primary / Secondary Clarifiers)	2	12-Jan-27	13-Jan-27
145	CLAR21000	Demo Baffle Wall	3	12-Jan-27	14-Jan-27
146	CLAR21080	Install Electrical Gear	10	14-Jan-27	27-Jan-27



City of Flagstaff, Arizona

Lake Mary Water Treatment Plant
Sedimentation Basin Improvement Project

CONSTRUCTION MANAGER AT RISK

DESIGN PHASE SERVICES

Agreement No. 2025-01

Mayor
Becky Daggett

Council

Austin Aslan
Anthony Garcia
Khara House
Lori Matthews
David Spence
Miranda Sweet

City Manager
Greg Clifton

Interim Water Services Director
Lee Williams

Community Development Director
Dan Folke

Public Works Director
Scott Overton

Engineering & Capital Improvements Director
Paul Mood

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City of Flagstaff, Arizona

City of Flagstaff Lake Mary Sedimentation Basin Improvements
CONSTRUCTION MANAGER AT RISK
DESIGN PHASE SERVICES
Agreement No. 2025-01

This Design Phase Services Agreement ("Agreement"), made and entered by and between City of Flagstaff, a political subdivision of the State of Arizona ("Owner") and PCL Construction, Inc., an Arizona Corporation, hereinafter designated the ("Construction Manager at Risk" or "CMAR) is entered into on this 4 day of February, 2025.

RECITALS

A. The City Manager of the City of Flagstaff, Arizona, is authorized and empowered by provisions of the City Charter to execute agreements for professional services and construction services.

B. The Owner intends to perform the City of Flagstaff Lake Mary Sedimentation Basin Improvements – Design Phase Services, as more fully described in Exhibit "A," attached ("Project".)

C. To undertake the construction administration of the Project, the Owner has entered into separate agreements with Brown and Caldwell ("Design Professional(s)").

D. CMAR has represented to the Owner the ability to provide design phase services the Project, and based on this representation, the Owner hereby engages CMAR to provide these services and design the Project.

E. At the end of the design phase, at the Owner's discretion, the Owner may enter into a separate Construction Phase Services Agreement with CMAR for construction phase services.

AGREEMENT

NOW THEREFORE, for and in consideration of the mutual covenants and considerations hereinafter contained, it is agreed by and between the Owner and CMAR as follows:

ARTICLE 1 - TERMS AND DEFINITIONS

"Addenda" - Written or graphic instruments issued prior to the submittal of the GMP Proposal(s), which clarify, correct or change the GMP Proposal(s) requirements.

"Agreement (Contract)" - This written document signed by the Owner and CMAR covering the design phase of the Project, and including other documents itemized and referenced in or attached to and made part of this Agreement.

"Alternate Systems Evaluations" - Alternatives for design, means and methods or other scope considerations that are evaluated using value engineering principles which have the potential to reduce construction costs while still delivering a quality and functional Project that meets the Owner requirements.

"Change Directive" - A written order prepared and signed by the Owner, directing a change in the Work prior to agreement on an adjustment in the Contract Price and the Contract Time.

"Change Order" - A type of contract amendment issued after execution of the Contract Documents where unanticipated or unforeseen circumstances in the Work have been encountered. Each Change Order shall be signed by the Owner and CMAR, stating their agreement upon all of the following: the addition, deletion or revision in the scope of services or Deliverables; the amount of the adjustment to the Contract Price; the amount of the adjustment to the Contract Time; or other modifications of other Agreement terms.

"City (Owner)" - The City of Flagstaff, a political subdivision of the State of Arizona, with whom CMAR has entered into this Agreement and for whom the services are to be provided pursuant to said Agreement.

"CMAR" - The Contractor selected by the Owner to provide design phase services as detailed in this Agreement.

"CMAR Representative" - The designated CMAR Representative.

"CMAR Senior Representative" - The designated CMAR Senior Representative.

"Construction Documents" - Certain plans, specifications and drawings prepared by the Design Professionals after correcting for permit review requirements or dated plans and specifications specifically identified as the "Construction Documents" herein or in an Exhibit or Addendum which is attached hereto.

"Construction Fee" - CMAR's administrative costs for providing off-site management, supervision, General Conditions support, support of construction activities, home office overhead, and profit, as applicable to this Project, whether at CMAR's principal or branch offices.

"Contingency, CMAR's" - A fund to cover cost growth during the Project, legitimate unforeseen construction expenses, or expenses otherwise agreed to by the Owner to be used at the discretion of CMAR usually for costs that result from Project circumstances. The amount of CMAR's Contingency shall be negotiated as a separate line item in each GMP package. Use and management of CMAR's Contingency is described in this Agreement.

"Contingency, Owner's" - A fund to cover cost growth during the Project used at the discretion of the Owner usually for costs that result from the Owner-directed changes or unforeseen Site conditions. The amount of the Owners' Contingency shall be set solely by the Owner and shall be in addition to the CMAR's GMP.

"Contract Documents" - The following items and documents in descending order of precedence executed by the Owner and CMAR: (i) all written modifications, amendments and Change Orders; (ii) this Agreement, including all exhibits and attachments; (iii) Construction Documents; and (iv) GMP Plans and Specifications.

"Contract Price" - The cost for services for this Agreement.

"Contract Time(s)" - The number of days or the dates related to the construction phase, including authorized adjustments, allotted in the Construction Documents for Substantial and final Completion of the Work, subject to Winter Shutdown.

"Cost Models" - Cost tabulation for the construction of the Project developed by the CMAR and continually updated throughout the preconstruction phase fee and utilized to develop the Guaranteed Maximum Price Proposal. The Cost Model is created using the Design Professionals list of standard pay items.

"Cost of the Work" - The direct costs necessarily incurred by CMAR in the proper performance of the Work. The Cost of the Work shall include direct labor costs, subcontract costs, costs of materials and equipment incorporated in the completed construction, costs of other materials and equipment, temporary facilities, permit and license fees, materials testing, and related items. The Cost of the Work shall not include CMAR's Construction Fee, General Conditions Cost, bonds, insurance, or taxes.

"Critical Path Method" or "CMP" - A scheduling technique used to predict project duration by analyzing which sequence of activities has the least amount of scheduling flexibility thus identifying the path (sequence) of activities which represent the longest time required to complete the Project. Delay in completion of the identified activities shall cause a delay in achieving Substantial Completion.

"Day(s)" - Calendar days unless otherwise specifically noted in the Contract Documents.

"Deliverables, Construction Phase Services Agreement" - The Work conducted by CMAR during the construction phase which may include, but is not limited to: Construction Management Plan, Project Schedule, Schedule of Values, alternative system evaluations, procurement strategies and plans, cost models, construction market surveys, cash flow projections, GMP Proposals, Subcontractor procurement plan, Statement of Proposed Minority Business Enterprise/Women's Business Enterprise ("MBE/WBE") Utilization as may be required or appropriate, Subcontractor agreements, Subcontractor bid packages, Supplier agreements, and others as indicated in this Agreement or required by the Project Team and other services set forth in this Agreement or reasonably inferable therefrom.

"Deliverables, Design Phase Services Agreement" - The Work conducted by CMAR during the design phase which may include, but is not limited to: design recommendations, Project scheduling, constructability reviews, alternate systems evaluation, cost estimate, Minority Business Enterprise/Woman's Business Enterprise/Small Business Enterprise ("MBE/WBE/SBE") utilization, Subcontractor agreements, Subcontractor bid packages, GMP preparations and other services set forth in this Agreement or reasonably inferable therefrom.

"Design Professional(s)" - A qualified, licensed design professional who furnishes design, construction documents, and/or construction administration services required for the Project.

"Drawings (Plans)" - Documents, which visually represent the scope, extent and character of the Work to be furnished and performed by CMAR during the construction phase, and which have been prepared or approved by the Design Professional(s) and the Owner. Includes Drawings that have reached a sufficient stage of completion and released by the Design Professional(s) solely for the purposes of review and/or use in performing constructability or biddability reviews and in preparing cost models (e.g., conceptual design Drawings, preliminary design Drawings, detailed design Drawings at 30%, 60%, 90% or 100% or schematic, design development, construction documents), but *"not for construction"*. Shop Drawings are not Drawings as so defined.

"Differing Site Conditions" - Concealed or latent physical conditions or subsurface conditions at the Site that: (i) materially differ from the conditions indicated in the Contract Documents; or (ii) are of an unusual nature, differing materially from the conditions ordinarily encountered and generally recognized as inherent in the Work.

"Final Completion" - 100% completion of all construction Work noted in, or reasonably inferred from, the Contract Documents, including but not limited to, all Punch Lists work, all record and close-out documents specified in Owner's Project specifications and Owner training/start up activities.

"Float" - The number of Days by which an activity can be delayed without lengthening the CMP and extending the Substantial Completion date.

"General Conditions Costs" - All on-site Project-specific costs required to perform the Work, but not itemized or included in the Cost of the Work. Includes, but is not limited to, the following types of costs for CMAR during the construction phase: (i) payroll costs for Project manager or CMAR for Work conducted at the Site, (ii) payroll costs for the superintendent and full-time general foremen, (iii) payroll costs for other management personnel resident and working at the Site, (iv) workers not included as direct labor costs engaged in support (e.g. loading/unloading, clean-up, etc.), (v) costs of offices and temporary facilities setup solely for this Project including office materials, office supplies, office equipment and minor expenses, (vi) cost of utilities, fuel, sanitary facilities and telephone services at the Site; (vii) costs of liability and other applicable insurance premiums not include in labor burdens for direct labor costs; (viii) costs of bonds premiums; (ix) costs of consultants not in the direct employee of CMAR or Subcontractors.

"Guaranteed Maximum Price" ("GMP)" - The sum of the maximum Cost of the Work; the Construction Fee, General Conditions Costs, taxes, and CMAR's Contingency.

"GMP Plans and Specifications" - Plans and specifications upon which the Guaranteed Maximum Price Proposal is based.

"Guaranteed Maximum Price (GMP) Proposal" - The offer or proposal of CMAR submitted on the prescribed form setting forth the GMP prices for the entire Work or portions of the Work to be performed during the construction phase. The GMP Proposal(s) are to be developed pursuant to Article 2 of this Agreement.

"Legal Requirements" - All applicable federal, state and local laws, codes, ordinances, rules, regulations, orders and decrees of any government or quasi-government entity having jurisdiction over the Project or Site, the practices involved in the Project or Site, or any Work.

"Notice to Proceed" or "NTP" - The directive issued by the Owner, authorizing CMAR to start Work.

"Opening Physical Conditions" - The current physical conditions present on the Site as jointly documented by an inspection of the Site by Owner and CMAR at the Pre-construction Conference.

"Owner's Representative" - The designated City Project Manager.

"Owner's Senior Representative" - The City of Flagstaff's designated Division/Department Head.

"Performance Period" - The period of time allotted in the Contract Documents to complete the Work comprised within a GMP. The Performance Period shall be stated with each GMP and shown on the Project Master Schedule.

"Payment Request" - The form used by CMAR in requesting progress payments or final payment and which shall include such supporting documentation as is required by the Contract Documents and or the Owner.

"Pre-construction Conference" - A Conference held between Owner and CMAR prior to the commencement of any Work, as scheduled by the Owner's Representative or designee.

"Product Data" - Illustrations, standard schedules, performance charts, instructions, brochures, diagrams, and other information furnished by CMAR to illustrate materials or equipment for some portion of the Work.

"Project" - The Work to be completed in the execution of this Agreement, as amended, and as described in the Recitals above and in Exhibit "A" attached.

"Project Team" - The design phase services team consisting of the Design Professional(s), CMAR, the Owner's Representative, the Owner's Client Department representatives and other stakeholders who are responsible for making decisions regarding the Project.

"Schedule of Values (SOV)" - A statement furnished by CMAR to the Owner's Representative for approval, reflecting the portions of the GMP allotted for the various parts of the Work and used as the basis for evaluating CMAR's applications for progress payments.

"Shop Drawings" - All drawings, diagrams, schedules and other data specifically prepared for the Work by CMAR or a Subcontractor, Sub-Subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Work.

"Site" - Land or premises on which the Project is located.

"Specifications" - The part(s) of the Contract Documents for the construction phase consisting of written technical descriptions of materials, equipment, construction systems, standards and workmanship, as applied to the Work, and certain administrative details applicable thereto.

"Subconsultant" - A person, firm or corporation having an agreement with CMAR to furnish services required as its independent professional associate or consultant with respect to the Project.

"Subcontractor" - An individual or firm having a direct agreement with CMAR or any other individual or firm having an agreement with the aforesaid contractors at any tier, who undertakes to perform a part of the design phase services or construction phase Work at the Site for which CMAR is responsible.

"Submittals" - Documents and/or things that may be produced or presented by one party for consideration, review, or such other actions as may be required by this Agreement by another party, entity or person. Examples of Submittals include, but are not limited to, preliminary or evolving drafts, product data samples, etc.

"Substantial Completion" - The construction services for the Work (or a specified part thereof) has progressed to the point where, in the opinion of the Owner's Representative, as evidenced by a Certificate of Substantial Completion, such construction services are sufficiently complete in accordance with the Contract Documents, so that the Work (or specified part) can be utilized for the purposes for which it is intended; without any outstanding concurrent Work at the site, except as may be required to complete or correct Punch List items. If no such certificate is issued, Substantial Completion takes place when the construction services Work or a Construction Phase is complete and ready for final payment as evidenced by the written recommendation of final payment by the Owner's Representative. The terms "substantially complete" and "substantially completed" as applied to all or part of the construction Work refers to Substantial Completion thereof.

"Supplier" - A manufacturer, fabricator, supplier, distributor, materialman or vendor having a direct agreement with CMAR or with any Subcontractor to furnish materials or equipment to be incorporated in the construction phase Work by CMAR or any Subcontractor.

"Winter Shutdown" - 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 CMAR) on the Project and CMAR 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 Owner reserves the right to initiate and terminate a Winter Shutdown at the Owner's sole discretion in the event of adverse weather conditions. A Winter Shutdown may be declared by the Owner despite delays, *for any reason,* on the Project.

"Work" - The entire completed construction or the various separately identifiable parts thereof, required to be furnished during the construction phase. Work includes and is the result of performing or furnishing labor and furnishing and incorporating materials, resources and equipment into the construction, and performing or furnishing services and documents as required by the Contract Documents for the construction phase.

ARTICLE 2 – BASIC DESIGN PHASE SERVICES

2.1 GENERAL

2.1.1 CMAR, to further the interests of the Owner, shall perform the services required by, and in accordance with this Agreement, to the satisfaction of the Owner, exercising the degree of care, skill and judgment a professional construction manager performing similar services in Flagstaff, Arizona would exercise at such time, under similar conditions. CMAR shall, at all times, perform the required services consistent with sound and generally accepted construction management and construction contracting practice.

2.1.2 Program Evaluation. As a participating member of the Project Team, CMAR shall provide to the Owner and Design Professional(s) a written evaluation of the Owner's Project Program and Project Budget, each in terms of the other, with recommendations as to the appropriateness of each.

2.1.3 Project Meetings. CMAR shall attend Project Team meetings which may include, but are not limited to, monthly Project management meetings, Project workshops, special Project meetings, construction document rolling reviews and partnering sessions.

2.1.4 CMAR shall provide design phase services, described herein, in a proactive manner and consistent with the intent of the most current Drawings and Specifications. CMAR shall promptly notify the Owner in writing whenever CMAR determines that any Drawings or Specifications are inappropriate for the Project and/or cause changes in the scope of Work requiring an adjustment in the cost models, Project Schedule, GMP Proposals and/or in the Contract Time for the Work, to the extent such are established.

2.1.5 CMAR, when requested by the Owner, shall attend, make presentations and participate as may be appropriate in public agency and or community meetings, germane to the Project. CMAR shall provide drawings, schedule diagrams, budget charts and other materials describing the Project, when their use is required or apropos in any such public agency meetings.

2.2 CONSTRUCTION MANAGEMENT PLAN

2.2.1 CMAR may, and at the written request of the Owner, shall prepare a Construction Management Plan ("CMP"), which, at the written request of the Owner, shall include CMAR's professional opinions concerning: (a) Project milestone dates and the Project Schedule, including the broad sequencing of the design and construction of the Project, (b) investigations, if any, to be undertaken to ascertain subsurface conditions and physical conditions of existing surface and subsurface facilities and underground utilities, (c) alternate strategies for fast-tracking and/or phasing the construction, (d) the number of separate subagreements to be awarded to Subcontractors and Suppliers for the Project construction, (e) permitting strategy, (f) safety and training programs, (g) construction quality control, (h) a commissioning program, (i) the cost models and basis of the GMP Proposal, and (j) a matrix summarizing each Project Team member's responsibilities and roles.

2.2.2 CMAR may, and at the written request of the Owner, shall add detail to its previous version of the CMP to keep it current throughout the design phase, so that the CMP is ready for implementation at the start of the construction phase. The update/revisions may, and at the written request of the Owner shall, take into account (a) revisions in Drawings and Specifications; (b) the results of any additional investigatory reports of subsurface conditions, drawings of physical conditions of existing surface and subsurface facilities and documents depicting underground utilities placement and physical condition, whether obtained by the Owner, Design Professional(s) or CMAR, (c) unresolved permitting issues, and significant issues, if any, pertaining to the acquisition of land and right of way, (d) the fast-tracking if any of the construction, or other chosen construction delivery methods, (e) the requisite number of separate bidding documents to be advertised, (f) the status of the procurement of long-lead time equipment (if any) and/or materials, and (g) funding issues identified by the Owner.

2.3 PROJECT MASTER SCHEDULE

2.3.1 The fundamental purpose of the "Project Master Schedule" is to identify, coordinate and record the tasks and activities to be performed by all of the Project Team members and then for the Project Team to utilize that Deliverable as a basis for managing and monitoring all member's compliance with the schedule requirements of the Project. Each Project Team member is responsible for its compliance with the Project Master Schedule requirements. CMAR shall develop and maintain the "Project Master Schedule" on behalf of and to be used by the Project Team based on input from the other Project Team members. The Project Master Schedule shall be consistent with the most recent revised/updated CMP. The Project Master Schedule shall use the Critical Path Method (CPM) technique, unless required otherwise, in writing by the Owner. CMAR shall use scheduling software to develop the Project Master Schedule that is acceptable to the Owner. The Project Master Schedule shall be presented in graphical and tabular reports as agreed upon by the Project Team. If Project phasing as described below is required, the Project Master Schedule shall indicate milestone dates for the phases once determined.

2.3.2. The Project Master Schedule shall include a CPM diagram schedule that shall show the sequence of activities, the interdependence of each activity and indicate the CPM.

2.3.2.1 The CPM diagram schedule shall be in Days and indicate duration, earliest and latest start and finish dates for all activities, and total Float times for all activities except critical activities. The CPM diagram schedule shall be presented in a time scaled graphical format for the Project as a whole.

2.3.2.2 The CPM diagram schedule shall indicate all relationships between activities.

2.3.2.3 The activities making up the CPM diagram schedule shall be in sufficient detail to assure that adequate planning has been done for proper execution of the Work and such that it provides an appropriate basis for monitoring and evaluating the progress of the Work. Formulation of the Project Master Schedule must

also be based on the Opening Physical Conditions of the Site and any potential Winter Shutdown in the event the Work on the Project is delayed for any reason.

2.3.2.4 The CPM diagram schedule shall be based upon activities, which would coincide with the schedule of values.

2.3.2.5 The CPM diagram schedule shall show all Submittals associated with each work activity and the review time for each submittal.

2.3.2.6 The CPM diagram schedule shall show milestones, including milestones for Owner-furnished information, and shall include activities for Owner-furnished equipment and furniture when those activities are interrelated with CMAR activities.

2.3.2.7 The schedule shall include a CPM activity that reflects anticipated weather delay during the performance of this Agreement. The duration shall reflect the average climatic range and usual industrial conditions prevailing in the locality of the Site. Weather data shall be based on the information set forth on the City of Flagstaff's Table of "Monthly Anticipated Adverse Weather Calendar Days" Exhibit "D" attached, and the explanatory paragraphs attached thereto.

2.3.3 The Project Schedule shall consider the Owner's and the tenants' occupancy requirements showing portions of the Project having occupancy priority, and Contract Time.

2.3.4 Float time shall be as prescribed below:

2.3.4.1 The total Float within the overall schedule, is not for the exclusive use of either the Owner or CMAR, but is jointly owned by both and is a resource available to and shared by both parties as needed to meet Agreement milestones and the Project completion date.

2.3.4.2 CMAR shall not sequester shared Float through such strategies as extending activity duration estimates to consume available Float, using preferential logic, or using extensive crew/resource sequencing, etc. Since Float time within the schedule is jointly owned, no time extensions shall be granted nor delay damages paid until or unless a delay occurs which extends the Work beyond the Substantial Completion date.

2.3.4.3 Since Float time within the schedule is jointly owned, it is acknowledged that the Owner-caused delays on the Project may be offset by Owner-caused time savings (e.g., CPM Submittals returned in less time than allowed by the Agreement, approval of substitution requests and credit changes which result in savings of time to CMAR, etc.). In such an event, CMAR shall not be entitled to receive a time extension or delay damages until all Owner-caused time savings are exceeded, and the Substantial Completion date is also exceeded.

2.3.5 The Project Schedule shall be updated and maintained by CMAR throughout the design phase such that it shall not require major changes at the start of the construction phase to incorporate CMAR's plan for the performance of the construction phase Work. CMAR shall provide updates and/or revisions to the Project Schedule for use by the Project Team, whenever required, but no less often than at the monthly Project Team meetings. CMAR shall include with such Submittals a narrative describing its analysis of the progress achieved to-date vs. that planned, any concerns regarding delays or potential delays, and any recommendations regarding mitigating actions.

2.3.6 If phased construction is deemed appropriate and the Owner and Design Professional(s) approve, CMAR shall review the design and make recommendations regarding the phased issuance of Construction Documents to facilitate phased construction of the Work, with the objective of reducing the Project Schedule and/or Cost of the Work. CMAR shall take into consideration such factors as natural and practical lines of Work severability, sequencing effectiveness, access and availability constraints, total time for completion, construction market conditions, labor and materials availability, and any other factors pertinent to saving time and cost.

2.4 DESIGN DOCUMENT REVIEWS

2.4.1 CMAR shall evaluate periodically the availability of labor, materials/equipment, building systems, cost-sensitive aspects of the design; and other factors that may impact the cost models, GMP Proposals and/or the Project Master Schedule.

2.4.2 CMAR shall recommend, in conjunction with the Project Team, those additional surface and subsurface investigations that, in its professional opinion, are required to provide the necessary information for CMAR to construct the Project. Before initiating construction operations, CMAR may request additional investigations in their GMP Proposal to improve the adequacy and completeness of the Site condition information and data made available with the Construction Documents.

2.4.3 CMAR shall meet with the Project Team, as required, to review designs during their development. CMAR shall familiarize itself with the evolving documents through the various design phases. CMAR shall proactively advise the Project Team and make recommendations on factors related to construction costs, and concerns pertaining to the feasibility and practicality of any proposed means and methods, selected materials, equipment and building systems, and, labor and material availability. CMAR shall advise the Project Team on proposed Site improvements, excavation and foundation considerations, as well as, concerns that exist with respect to coordination of the Drawings and Specifications. CMAR shall recommend cost effective alternatives.

2.4.4 CMAR shall conduct constructability and bidability reviews of the Drawings and Specifications as necessary to satisfy the needs of the Project Team and at a minimum as scheduled and identified by milestones in the Project Master Schedule. The reviews shall attempt to identify all discrepancies and inconsistencies in the Construction Documents especially those related to clarity, consistency, and coordination of Work of Subcontractors and Suppliers.

2.4.4.1 Constructability Reviews. CMAR shall evaluate whether (a) the Drawings and Specifications are configured to enable efficient construction, (b) design elements are standardized, (c) construction efficiency is properly considered in the Drawings and Specifications, (d) module/preassembly design are prepared to facilitate fabrication, transport and installation, © the design promotes accessibility of personnel, material and equipment and facilitates construction under adverse weather conditions, (f) sequences of Work required by or inferable from the Drawings and Specifications are practicable, and (g) the design has taken into consideration, efficiency issues concerning; access and entrance to the Site, laydown and storage of materials, staging of Site facilities, construction parking, and other similar pertinent issues.

2.4.4.2 Bidability Reviews. CMAR shall check cross-references and complementary Drawings and sections within the Specifications, and in general evaluate whether (a) the Drawings and Specifications are sufficiently clear and detailed to minimize ambiguity and to reduce scope interpretation discrepancies, (b) named materials and equipment are commercially available and are performing well or otherwise, in similar installations, (c) Specifications include alternatives in the event a requirement cannot be met in the field, and (d) in its professional opinion, the Project is likely to be subject to differing Site conditions.

2.4.4.3 Results of the reviews shall be provided to the Owner in formal, written reports clearly identifying all discovered discrepancies and inconsistencies in the Drawings and Specifications with notations and recommendations made on the Drawings, Specifications and other documents. If requested by the Owner, CMAR shall meet with the Owner and Design Professional(s) to discuss any findings and review reports.

2.4.4.4 CMAR's reviews shall be from a contractor's perspective, and though it shall serve to reduce the number of Requests for Information (RFI) and changes during the construction phase, responsibility for the Drawings and Specifications shall remain with the Design Professional(s) and not CMAR.

2.4.5 Notification of Variance or Deficiency. It is CMAR's responsibility to assist the Design Professional(s) in ascertaining that, in CMAR's professional opinion, the Construction Documents are in accordance with applicable laws, statutes, ordinances, building codes, rules and regulations. If CMAR recognizes that

portions of the Construction Documents are at variance with applicable laws, statutes, ordinances, building codes, rules and regulations, it shall promptly notify the Design Professional(s) and Owner in writing, describing the apparent variance or deficiency. However, the Design Professional(s) is ultimately responsible for the compliance with those laws, statutes, ordinances, building codes, rules and regulations.

2.4.6 Alternate Systems Evaluations. The Project Team shall routinely identify and evaluate using value engineering principles any alternate systems, approaches, design changes that have the potential to reduce Project costs while still delivering a quality and functional product. If the Project Team agrees, CMAR in cooperation with the Design Professional(s) shall perform a cost/benefit analysis of the alternatives and submit such in writing to the Project Team. The Project Team shall decide which alternatives shall be incorporated into the Project. The Design Professional(s) shall have full responsibility for the incorporation of the alternatives into the Drawings and Specifications. CMAR shall include the cost of the alternatives into the cost models and any GMP Proposals.

2.5 COST MODEL

2.5.1 Unless otherwise agreed by both parties, within fourteen (14) days after receipt of the documents for the various phases of design, CMAR shall develop a detailed Cost Model for the entire Project for review by the Owner and the Design Professional(s). The Cost Model shall be prepared in a format agreed upon in advance by the Owner and the CMAR. It will be based on the Design Professional(s)' list of standard pay items.

2.5.2 During the review period, the Cost Model will be compared with the estimates prepared by the CMAR and the Owner. The Design Professional(s) and CMAR shall reconcile any disagreements on the estimate to arrive at an agreed cost. If no consensus is reached, the Owner shall make the final determination. Once approved by the Owner, the Cost Model will be continually updated and kept current as the design progresses throughout the Preconstruction Phase until a GMP is agreed upon by both the CMAR and the Owner.

2.5.3 The Cost Model shall not include the CMAR's preconstruction services fee, sums due to CMAR, the cost of land, right of way, or other costs which are the responsibility of the Owner. The CMAR shall communicate to the Project Team any assumptions made in preparing the Cost Model.

2.5.4 Each Cost Model submitted shall be accompanied by backup documentation which shall include, but not be limited to the following:

2.5.4.1 Unit prices and quantity take-offs using the Design Professional(s)' standard pay items;

2.5.4.2 Details of all allowances and unit price work shown and specified in the detailed design documents;

2.5.4.3 Include a list of all assumptions and description and breakdown of all allowances;

2.5.4.4 Material costs, equipment costs, labor costs, General Conditions costs, hourly labor rates, and total cost;

2.5.4.5 Copies of quotations from subcontractors and suppliers;

2.5.4.6 Portion of the work to be performed by subcontractors including subcontractors overhead and profit;

2.5.4.7 Production rates, transportation, and other facilities and services necessary for the proper execution of the work, whether temporary or permanent, and whether or not incorporated or to be incorporated into the work;

2.5.4.8 All fixed equipment, site improvements, utility and equipment installations;

2.5.4.9 Project overhead;

2.5.4.10 Allocated general and administrative expenses;

2.5.4.11 Bonds, taxes, insurance;

2.5.4.12 The CMAR's profit; and

2.5.4.13 Memoranda, narratives, reports, and all other information included by the CMAR to arrive at the price shown in the Cost Model or GMP.

2.5.5 If any Cost Model submitted to the Owner exceeds previously accepted Cost Models or the Owner's Project budget, CMAR shall make appropriate recommendations on methods and materials to the Owner and Design Professional(s) that CMAR believes shall bring the Project back into the Project budget.

2.5.6 In between these milestone estimates, CMAR shall periodically provide a tracking report, which identifies the upward or downward movements of costs due to value engineering or scope changes. It shall be the responsibility of CMAR to keep the Owner and Design Professional(s) informed as to the major trend changes in costs relative to the Owner's budget.

2.5.7 If requested by the Owner, CMAR shall prepare a preliminary "cash flow" projection based upon historical records of similar type projects to assist the Owner in the financing process.

2.6 *SECTION LEFT INTENTIONALLY BLANK*

2.7 GUARANTEED MAXIMUM PRICE (GMP) PROPOSALS

2.7.1 The proposed GMP for the entire Work (or portions thereof) shall be presented in a format acceptable to the Owner and utilizing the formulas as shown in Exhibit "C" attached. The Owner may request a GMP Proposal for all or any portion of the Project and at any time during the design phase. Any GMP Proposals submitted by CMAR shall be based on and consistent with the current update/revised cost model at the time of the request and shall include any clarifications or assumptions upon which the GMP Proposal(s) are based. CMAR guarantees to complete the Project at or less than the final approved GMP Proposal amount, plus approved Change Orders, and agrees that it shall be responsible for any increase in the actual cost of the Work above that amount.

2.7.2 The Contract Price is the sum of the GMP and the Owner's Contingency. The Contract Price is comprised of the following actual costs and is a not-to-exceed, reimbursable amount.

2.7.2.1 The General Conditions will be included in the GMP as a not-to-exceed, reimbursable amount paid for on actual costs based on submitted and approved invoices.

2.7.2.2 The Construction Fee is a firm fixed lump sum and shall be paid monthly in accordance with the percentage of completion of the work.

2.7.2.3 Bonds are actual costs and are a not-to-exceed reimbursable amount.

2.7.2.4 Insurance is actual costs and is a not-to-exceed reimbursable amount.

2.7.2.5 Taxes are deemed to include all sales, use, consumer and other taxes, which are legally enacted when negotiations of the GMP were concluded, whether or not yet effective, or merely scheduled to go into effect. Taxes are actual costs and are a not-to-exceed reimbursable amount.

2.7.2.6 CMAR's Contingency is an amount CMAR may use at its sole discretion for increases in the Cost of the Work, legitimate unforeseen construction expenses, or expenses otherwise agreed to by the Owner, and for increases in General Condition Costs with written approval of the Owner. CMAR's Contingency shall

be included in the GMP amount provided by the CMAR, but all appropriate markups shall not be applied to the CMAR's Contingency at the time of GMP submission. At the time that the CMAR's Contingency is used the appropriate markups shall be applied, which shall only include Construction Fees, Bonds, Insurance, and Sales Tax. CMAR shall submit a Field Order Proposal, with supporting itemized schedule and pricing documentation, for Owner review and confirmation of appropriate CMAR's Contingency use for the project and for verification that appropriate markups are applied. The Owner has the authority to reject any use of the CMAR's Contingency if the Owner believes in its reasonable judgement that a portion or all the proposed amount is not a legitimate expense for the Project.

2.7.2.7 Owner's Contingency are funds to be used at the sole discretion of the Owner to cover any increases in Project costs that result from Owner directed changes or unforeseen Site conditions. Owner's Contingency shall be added to the GMP amount provided by the CMAR, the sum of which shall be the Contract Price for construction. At the time that Owner's Contingency is used, the appropriate markups shall be applied and shall only include Construction Fees, Bonds Insurance, and Sales Tax.

2.7.3 GMP amendments are cumulative except for CMAR's Contingency. The amount of CMAR's Contingency for each GMP shall be negotiated separately.

2.7.4 CMAR, in preparing any GMP Proposal, shall obtain from the Design Professional(s), three (3) sets of signed, sealed, and dated plans and specifications (including all addenda). CMAR shall prepare its GMP in accordance with the Owner's request for GMP Proposal requirements based on the most current completed plans and specifications at that time. CMAR shall mark the face of each document of each set upon which its proposed GMP is based. These documents shall be identified as the GMP Plans and Specifications. CMAR shall send one set of those documents to the Owner's Representative, keep one set and return the third set to the Design Professional(s).

2.7.5 An updated/revised Project Master Schedule shall be included with any GMP Proposal(s) that reflects the GMP Plans and Specifications. Any such Project Master Schedule updates/revisions shall continue to comply with the requirements of Section 2.3 above.

2.7.6 The Project Master Schedule required above shall include a preliminary Construction Schedule developed in a CPM with the first requested GMP. If subsequent GMP's are requested, CMAR shall include an updated CPM Construction Schedule with their GMP submittal.

2.7.7 GMP savings resulting from a lower actual Project cost than anticipated by CMAR remaining at the end of the project, shall revert to the Owner.

2.7.8 GMP Proposal(s) Review and Approval Process

2.7.8.1 The Owner may request a GMP from CMAR at any time during the performance of the design phase services. It is the Owner's expectation that the GMP shall not exceed the Owner-stated Project budget.

2.7.8.2 CMAR shall meet with the Owner and Design Professional(s) to review the GMP Proposal(s) and the written statement of its basis. In the event the Owner or Design Professional(s) discovers inconsistencies, inaccuracies or confusion in the information presented, CMAR shall make adjustments as necessary to the GMP Proposal, its basis or both.

2.7.8.3 CMAR's detailed cost model and GMP shall be reviewed by the Design Professional(s) and the Owner for reasonableness and compatibility with the Owner's Project and the Owner's budget. CMAR shall provide a response to the Design Professional(s) and Owner's questions and an explanation of differences between the Owner's Project budget and CMAR's cost model and corresponding GMP. Owner may require that such responses and explanations be submitted in writing. CMAR, Owner and Design Professional(s) shall engage in a mutually agreeable process in an effort to achieve a clearly understood mutually acceptable GMP.

2.7.8.4 If the GMP exceeds the Owner's Project budget, the Owner reserves the right to direct CMAR (and CMAR shall) work in conjunction with the Design Professional(s) to assist in the redesign of the Project

as necessary to meet the agreed upon program and the stated Project budget as follows:

2.7.8.4.1 After direction from the Owner, CMAR shall coordinate and cooperate with the Project Team to assist the Design Professional(s) in altering and re-drafting Construction Documents as necessary to accomplish the required reduction in cost.

2.7.8.4.2 CMAR shall develop and provide to the Owner a GMP in connection with the altered Construction Documents to accomplish the necessary reductions in cost.

2.7.8.4.3 CMAR shall analyze the Design Professional(s)' original submittal and as altered and redrafted Construction Documents and make recommendations to the Owner as to ways and methods to reduce the costs of constructing the Project to a sum which does not exceed the stated Project budget.

2.7.8.4.4 CMAR shall perform the work set forth in this Agreement without additional compensation.

2.7.8.4.5 The Owner, upon receipt of any GMP proposal from CMAR, may submit the GMP Plans and Specifications to a third-party for review and verification.

2.7.8.4 If the GMP Proposal is greater than the third-party estimate or if the Owner, for some other stated reason may desire, the Owner may require CMAR to reconfirm its GMP Proposal. CMAR shall accept the third-party's estimate for the cost of Work as part of its GMP Proposal or present a report within seven (7) days of a written request by the Owner for such a report identifying, explaining, and substantiating the differences and/or explaining other concerns the Owner may raise. CMAR may be requested to, or at its own discretion, submit a revised GMP Proposal for consideration by the Owner.

2.7.8.5 If during the review and negotiation of GMP Proposals design changes are required, the Owner shall authorize and cause the Design Professional(s) to revise the Construction Documents to the extent necessary to reflect the agreed-upon assumptions and clarifications contained in the final approved GMP Proposal. Such revised Construction Documents shall be furnished to CMAR. CMAR shall promptly notify the Design Professional(s) and Owner in writing if any such revised Construction Documents are inconsistent with the agreed-upon assumptions and clarifications.

2.7.8.6 After final submission of the GMP Proposal, the Owner may do any of the following:

2.7.8.7.1 Accept the CMAR original or revised GMP Proposal, if within the Owner's budget, without comment;

2.7.8.7.2 Accept the CMAR original or revised GMP Proposal that exceeds the Owner's budget, and indicate in writing to CMAR that the Project Budget has been increased to fund the differences; or

2.7.8.7.3 Reject the CMAR original or revised GMP Proposal in which event, the Owner may terminate this Agreement and/or elect to not enter into a separate Agreement with CMAR for the construction phase services associated with the scope of Work reflected in the GMP Proposal.

2.7.8.7 Upon acceptance by the Owner of a GMP Proposal, the Owner shall prepare, and CMAR shall execute, the Owner's specified form of Agreement to reflect the GMP, and the GMP as approved shall become part of the Construction Services Agreement. Within ten (10) days after execution of the Construction Services Agreement, CMAR shall provide to the Procurement Section a Performance Bond and a Labor and Material Payment Bond, each for 100% of the full Agreement price.

2.8 SUBCONTRACTORS AND MAJOR SUPPLIERS SELECTION

2.8.1 There are three (3) ways to select Subcontractors and Major Suppliers prior to submission of any GMP Proposal. They are:

2.8.1.1 A combination of qualifications and price derived through competitive bidding.

2.8.1.2 Qualitative selection with the subsequent negotiation of a price that is reasonable, a prudent use of public funds and in the Owner's best interest.

2.8.1.3 Absent special circumstances documented in writing by CMAR as set forth below, the combination of qualifications and price derived through the competitive bidding process shall be used to select Subcontractors and Major Suppliers. The Owner has the sole discretion as to whether to allow the purely qualitative selection of Subcontractors and Major Suppliers. In any event, CMAR shall ensure compliance with A.R.S. § 34-603 et seq.

2.8.2 The Owner may approve the selection of Subcontractors and Major Suppliers based only on their qualifications when CMAR can demonstrate, in writing, that it is in the best interest of the Project and that the selection process shall constitute a prudent use of public funds.

2.8.2.1 A purely qualification-based selection of Subcontractors and Major Suppliers shall only occur prior to the submittal of any applicable GMP Proposal.

2.8.2.2 CMAR shall prepare a Subcontractor and Supplier selection plan and submit the plan to the Owner for approval. CMAR shall apply the plan in the evaluation of the qualifications of Subcontractors and Major Suppliers and provide the Owner with its review and recommendation.

2.8.2.3 CMAR shall obtain Owner approval of the selected Subcontractors and Major Suppliers. If CMAR is to self-perform under this alternative, CMAR shall submit a detailed explanation and demonstration of the cost of the Work it shall self-perform. CMAR shall further provide documentation to demonstrate that for any Work that is self-performed, the cost of any such Work is a reasonable and prudent use of public funds. The Owner shall approve CMAR self-performance of any part of the Work and the cost therefore prior to accepting any GMP Proposal.

2.8.2.4 CMAR shall negotiate costs for services/supplies from each of the Subcontractors and Major Suppliers selected under this method.

2.8.2.5 Within three (3) days of negotiating cost for services/supplies from all Subcontractors and Major Suppliers selected under this method, CMAR shall then prepare a report for the Owner's approval identifying the recommended Subcontractors and Major Suppliers for each category of the Work to be performed. The report shall be in a format approved by the Owner's Representative and shall include, among other things, the amount of each such cost. CMAR shall, at its discretion or at the request of the Owner's Representative, request written verification of any costs selected. CMAR shall provide an explanation of the qualifying factors for each selection.

2.8.3 In all other cases, CMAR shall select Subcontractors and Major Suppliers pursuant to the following process, which includes a combination of qualifications and price, derived through competitive bidding or as may otherwise be agreed in writing by the parties. CMAR shall ensure that any such process is fully compliant with Arizona law.

2.8.3.1 CMAR shall develop the interest of Subcontractors and Major Suppliers, submit the names of a minimum of three (3) qualified Subcontractors and Major Suppliers selected pursuant to a qualifications-based procedure, for each trade in the Project for approval by the Owner and solicit bids for the various construction categories. If there are not three (3) qualified Subcontractors or Major Suppliers available for a specific trade or there are extenuating circumstances warranting such, CMAR may request approval by the Owner to submit less than three (3) names. Without prior written approval by the Owner, no change in the Owner-approved Subcontractors shall be allowed.

2.8.3.2 If CMAR desires to self-perform certain portions of the Work, it shall comply with, and be subject to, the requirements set forth in this Agreement.

2.8.3.3 If the Owner objects to any nominated Subcontractors and Major Suppliers to any nominated self-performed Work for good reason, CMAR shall nominate substitute Subcontractors or Major Suppliers.

2.8.3.4 CMAR shall distribute drawings and specifications, and when appropriate, conduct a pre-bid conference with prospective Subcontractors and Major Suppliers.

2.8.3.5 CMAR shall receive, open, record and evaluate the bids. The apparent low bidders shall be interviewed to determine the responsiveness of their proposals. In evaluating the responsiveness of bid proposals, CMAR, in addition to bid price, shall consider the following factors: past performance on similar projects, qualifications and experience of personnel assigned, quality management plan, approach or understanding of the Work to be performed, and performance schedule to complete the Work. The final evaluation of Subcontractors' and Major Suppliers' bids shall be done with the Owner representative in attendance to observe and witness the process. CMAR shall resolve any Subcontractors' or Major Suppliers' bid withdrawal, protest or disqualification in connection with the award at no increase in the cost of the Work.

2.8.4 Upon completion of the Subcontractors or Major Suppliers' selection process, CMAR shall submit a summary report to the Owner of the entire Subcontractor selection process, including, the selected Subcontractors for each category of Work. The report shall indicate, by bid process, all Subcontractors contacted to determine interest, the Subcontractors solicited, the bids received and costs negotiated, compliance with Arizona law.

2.8.5 The selected Subcontractors and Major Suppliers shall provide a schedule of values, which shall be used to create the overall Project schedule of values.

2.8.6 CMAR shall contract with only Subcontractors and Major Suppliers who are duly licensed in Arizona and qualified to perform the Work per the requirements of the Contract Documents.

2.8.7 Regardless of the selection procedure, CMAR is responsible for ensuring that the costs of the Subcontractor's and Major Supplier's services are reasonable and a prudent use of public funds.

2.8.8 Regardless of the selection procedure, and in any case, CMAR is solely responsible for the cost and performance of the selected Subcontractors and Major Suppliers. The Owner's approvals under this Agreement are not, and shall not, be construed to be a waiver, in part or in whole, of CMAR's responsibility and obligation to perform as set forth in this Agreement or any subsequent construction agreement or GMP and for the cost, or less than the cost, set forth in any GMP to which the parties agree.

ARTICLE 3 - PERIOD OF SERVICES

3.1 The design phase services described in this Agreement shall be performed by CMAR in accordance with the most current updated/revised Project Master Schedule. Failure on the part of CMAR to adhere to the Project Master Schedule requirements for activities for which it is responsible shall be sufficient grounds for termination of this Agreement by the Owner.

3.1.1 If CMAR fails to adhere to the approved Project Master Schedule, the Owner may provide written notice to CMAR that it intends to terminate this Agreement unless the problem cited is cured, or commenced to be cured, within three (3) days of CMAR's receipt of such notice.

3.2 If the date of performance of any obligation or the last day of any time period provided for herein should fall on a Saturday, Sunday, or holiday for the Owner, then said obligation shall be due and owing, and said time period shall expire, on the first day thereafter which is not a Saturday, Sunday or legal City holiday. Except as may otherwise be set forth herein, any performance provided for herein shall be timely made if completed no later than 4:00 p.m. (Flagstaff time) on the day of performance.

ARTICLE 4 - CONTRACT PRICE AND PAYMENTS

4.1 CONTRACT PRICE

4.1.1 The Owner shall pay CMAR a Contract Price for the design phase services Work as proposed by CMAR and accepted by the Owner:

Basic Design Phase Services	$ 199,235.00
Additional services and allowances, as described in Section 4.3:	
Reimbursable Expenses	N/A
Total Design Phase Services Agreement Contract Price Not to Exceed	$ 199,235.00

4.2 PAYMENTS

4.2.1 Requests for monthly payments by CMAR for design phase services shall be submitted on the Owner's "Contract Payment Request" form and shall be accompanied by a progress report, detailed invoices and receipts, if applicable. Any requests for payment shall include, as a minimum, a narrative description of the tasks accomplished during the billing period, a listing of any Deliverables submitted, and copies of any Subconsultants' requests for payment, plus similar narrative and listings of Deliverables associated with their Work. Payment for services negotiated as a lump sum shall be made in accordance with the percentage of Work completed during the preceding month. Services negotiated as a not-to-exceed fee shall be paid in accordance with the Work effort expended on that service during the preceding month.

4.2.2 Fees for CMAR and any Subconsultants shall be based upon the Hourly Rate Schedule included as Exhibit "B" attached hereto.

4.2.3 CMAR shall pay all sums due Subconsultants for services and reimbursable expenses within fourteen (14) calendar days after CMAR has received payment for those services from the Owner.

4.2.4 CMAR agrees that no charges or claims for costs or damages of any type shall be made by it for any delays or hindrances beyond the reasonable control of the Owner during the progress of any portion of the services specified in this Agreement. Such delays or hindrances, if any, shall be solely compensated for by an extension of time for such reasonable period as may be mutually agreed between the parties. It is understood and agreed, however, that permitting CMAR to proceed to complete any services, in whole or in part after the date to which the time of completion may have been extended, shall in no way act as a waiver on the part of the Owner of any of its legal rights herein.

4.2.5 No compensation to CMAR shall be allowed contrary to Article I, Chapter I, Title 34 of the Arizona Revised Statutes.

4.2.6 If any service(s) executed by CMAR is delayed or suspended in whole or in part, for a period of more than one hundred eighty (180) days through no fault of CMAR, CMAR shall be paid for the services performed prior to the delay or suspension.

4.2.7 In no event shall the Owner pay more than ninety percent (90%) of the Contract Price until final acceptance of all design phase services, and award of the final approved GMP for the entire Project by City Council.

4.3 ADDITIONAL DESIGN PHASE SERVICES

4.3.1 CMAR may be required to provide services in excess of those identified in this Agreement. Mark-ups are not authorized and only the reimbursables specifically identified below shall be reimbursed as authorized

herein. Any additional services shall be requested by the Owner, in writing, prior to the delivery of said services. There shall be no payment by the Owner for any additional services provided prior to or without the written request of the Owner for said services.

4.3.2 When authorized by the Owner, CMAR shall be entitled to reimbursement at cost of design phase services related expenses incurred for the following items:

4.3.2.1 Reasonable charges for air transportation (not to exceed standard coach rates), ground travel (for automobile rental, taxi, parking, etc. not to exceed $50 per day), and authorized expenses while traveling (not to exceed the corporate rate at major business hotels in the area and a per diem for meal and miscellaneous business expenses of $45) shall be reimbursed. CMAR shall provide detailed receipts for all reimbursable charges. Travel expenses shall not exceed $0.00 without further approval of the Owner.

4.3.2.2 Non-overhead printing expenses incurred including the printing of Construction Documents for bidding, courier services or other Project-related services that may be requested by the Owner. The cost of such service shall not exceed **$ 0.00** (reimbursable allowance) without further approval by the Owner.

ARTICLE 5 - OWNER'S RESPONSIBILITIES

5.1 The Owner, at no cost to CMAR, shall furnish the following information:

5.1.1 One (1) copy of data the Owner determines pertinent to the work. However, CMAR shall be responsible for searching the records and requesting information it deems reasonably required for the Project.

5.1.2 All available data and information pertaining to relevant policies, standards, criteria, studies, etc.

5.1.3 The name of the person designated to be the Owner's representative during the term of this Agreement. The Owner's Representative has the authority to administer this Agreement and shall monitor CMAR's compliance with all terms and conditions stated herein. All requests for information from or decisions by the Owner on any aspect of the work or Deliverables shall be directed to the Owner's Representative.

5.2 The Owner additionally shall:

5.2.1 Contract separately, with one or more Design Professional(s), to provide architectural and/or engineering design services for the Project. The scope of services for the Design Professional(s) shall be provided to CMAR for its information. CMAR shall have no right, to limit or restrict any changes of such services that are otherwise mutually acceptable to the Owner and Design Professional(s).

5.2.2 Supply, without charge, all necessary copies of programs, reports, drawings, and specifications reasonably required by CMAR except for those copies whose cost has been reimbursed by the Owner.

5.2.3 Provide CMAR with adequate information in its possession or control regarding the Owner's requirements for the Project.

5.2.4 Give prompt written notice to CMAR when the Owner becomes aware of any default or defect in the Project or non-conformance with the Drawings and Specifications, or any of the services required hereunder. Upon notice of failure to perform, the Owner may provide written notice to CMAR that it intends to terminate this Agreement unless the problem cited is cured, or commenced to be cured, within three (3) days of CMAR's receipt of such notice.

5.2.5 Notify CMAR of changes affecting the budget allocations or schedule.

5.3 The Owner's Representative shall have authority to approve the Project Budget and Project Master Schedule and render decisions and furnish information the Owner's Representative deems appropriate to CMAR.

ARTICLE 6 - AGREEMENT CONDITIONS

6.1 PROJECT DOCUMENTS AND COPYRIGHTS

6.1.1 Owner Ownership of Project Documents. All work products (electronically or manually generated) including but not limited to: cost estimates, studies, design analyses, original mylar drawings, Computer Aided Drafting and Design (CADD) file diskettes, and other related documents which are prepared specifically in the performance of this Agreement (collectively referred to as Project Documents) are to be and remain the property of the Owner and are to be delivered to the Owner's Representative before the final payment is made to CMAR. Nonetheless, in the event these Projects Documents are altered, modified or adapted without the written consent of CMAR, which consent CMAR shall not unreasonably withhold, the Owner agrees to hold CMAR harmless to the extent permitted by law, from the legal liability arising out of and or resulting from the Owner's alteration, modification or adaptation of the Project Documents.

6.1.2 CMAR to Retain Copyrights. The copyrights, patents, trade secrets or other intellectual property rights associated with the ideas, concepts, techniques, inventions, processes or works of authorship developed or created by CMAR, its Subcontractors or personnel, during the course of performing this Agreement or arising out of the Project shall belong to CMAR.

6.1.3 License to Owner for Reasonable Use. CMAR hereby grants, and shall require its Subcontractors to grant, a license to the Owner, its agents, employees, and representatives for an indefinite period of time to reasonably use, make copies, and distribute as appropriate the Project Documents, works or Deliverables developed or created for the Project and this Agreement. This license shall also include the making of derivative works as guided by this Agreement.

6.1.4 Documents to Bear Seal. When applicable and required by state law, CMAR and its Subcontractors shall endorse by an Arizona professional seal all plans, works, and Deliverables prepared by them for this Agreement.

6.1.5 Records Inspection. The Owner and its employees, agents, and authorized representatives shall have the right at all reasonable times and during all business hours to inspect and examine CMAR's records related to this Agreement.

6.1.6 Record Retention. CMAR shall comply with the Owner's record retention policy regarding all records associated with the Project. This record retention requirement shall remain in effect following expiration of the Agreement or termination of the Agreement by either Party.

6.2 COMPLETENESS AND ACCURACY OF CMAR'S WORK

6.2.1 CMAR shall be responsible for the completeness and accuracy of its reviews, reports, supporting data, and other design phase Deliverables prepared or compiled pursuant to its obligations under this Agreement and shall at its sole expense correct its work or Deliverables. Any damage incurred by the Owner as a result of additional construction cost caused by such willful or negligent errors, omissions or acts shall be chargeable to CMAR to the extent that such willful or negligent errors, omissions and acts fall below the standard of care and skill that a professional CMAR in Flagstaff, Arizona would exercise under similar conditions. The fact that the Owner has accepted or approved CMAR's Work or Deliverables shall in no way relieve CMAR of any of its responsibilities under this Agreement, nor does this requirement to correct the Work or Deliverables constitute a waiver of any claims or damages otherwise available by law or this Agreement to the Owner. Correction of errors, omissions and acts discovered on architectural or engineering plans and specifications shall be the responsibility of the Design Professional(s).

6.3 ALTERATION IN CHARACTER OF WORK

6.3.1 In the event an unanticipated or unforeseen alteration or modification in the character of Work or Deliverables results in a substantial change in this Agreement, thereby materially increasing or

decreasing the scope of services, cost of performance, or Project Master Schedule, the Work or Deliverables shall nonetheless be performed as directed by the Owner. However, before any altered or modified Work begins, a Change Order or Amendment shall be approved and executed by the Owner and CMAR. Such Change Order or Amendment shall not be effective until approved by the Owner.

6.3.2 Additions to, modifications, or deletions from the Project provided herein may be made, and the compensation to be paid to CMAR may accordingly be adjusted by mutual agreement of the contracting parties.

6.3.3 No claim for extra work done, or materials furnished, by CMAR shall be allowed by Owner except as provided herein, nor shall CMAR do any work or furnish any material(s) not covered by this Agreement unless such work or material is first authorized in writing. Work or material(s) furnished by CMAR without such prior written authorization shall be at CMAR's sole jeopardy, cost, and expense, and CMAR hereby agrees that without prior written authorization no claim for compensation for such work or materials furnished shall be made.

6.4 DATA CONFIDENTIALITY

6.4.1 As used in this Agreement, data ("Data") means all information, whether written or verbal, including plans, photographs, studies, investigations, audits, analyses, samples, reports, calculations, internal memos, meeting minutes, data field notes, work product, proposals, correspondence and any other similar documents or information prepared by or obtained by CMAR in the performance of this Agreement.

6.4.2 The parties agree that all Data, including originals, images, and reproductions, prepared by, obtained by, or transmitted to CMAR in connection with CMAR's performance of this Agreement is confidential and proprietary information belonging to the Owner.

6.4.3 CMAR shall not divulge Data to any third party without prior written consent of the Owner. CMAR shall not use the Data for any purposes except to perform the services required under this Agreement. These prohibitions shall not apply to the following Data:

6.4.3.1 Data, which was known to CMAR prior to its performance under this Agreement unless such data was acquired in connection with work performed for the Owner;

6.4.3.2 Data which was acquired by CMAR in its performance under this Agreement and which was disclosed to CMAR by a third party, who to the best of CMAR's knowledge and belief, had the legal right to make such disclosure and CMAR is not otherwise required to hold such data in confidence; or

6.4.3.3 Data which is required to be disclosed by CMAR by virtue of law, regulation, or court.

6.4.4 In the event CMAR is required or requested to disclose Data to a third party, or any other information to which CMAR became privy because of any other Agreement with the Owner, CMAR shall first notify the Owner as set forth in this Article of the request or demand for the Data. CMAR shall timely give the Owner sufficient facts, such that the Owner can have a meaningful opportunity to either first give its consent or take such action that the Owner may deem appropriate to protect such Data or other information from disclosure.

6.4.5 CMAR, unless prohibited by law, within ten (10) calendar days after completion of services for a third party on real or personal property owned or leased by the Owner, shall promptly deliver, as set forth in this section, a copy of all Data to the Owner. All Data shall continue to be subject to the confidentiality agreements of this Agreement.

6.4.6 CMAR assumes all liability for maintaining the confidentiality of the Data in its possession and agrees to compensate the Owner if any of the provisions of this section are violated by CMAR, its employees, agents or Subconsultants. Solely for the purposes of seeking injunctive relief, it is agreed that a breach of this section shall be deemed to cause irreparable harm that justifies injunctive relief in court.

6.5 PROJECT STAFFING

6.5.1 Prior to the start of any work or Deliverables under this Agreement, CMAR shall submit to the Owner, an organization chart for CMAR staff and Subcontractors and detailed resumes of key personnel listed in its response to the Owner's Request for Qualifications or subsequent fee proposals (or revisions thereto), that shall be involved in performing the services prescribed in this Agreement. Unless otherwise informed, the Owner hereby acknowledges its acceptance of such personnel to perform such services under this Agreement. In the event CMAR desires to change such key personnel from performing such services under this Agreement, CMAR shall submit the qualifications of the proposed substituted personnel to the Owner for prior approval. Key personnel shall include, but are not limited to, principal-in-charge, project manager, superintendent, project director or those persons specifically identified to perform services of cost estimating, scheduling, value engineering, and procurement planning.

6.5.2 CMAR shall maintain an adequate number of competent and qualified persons, as determined by the Owner, to ensure acceptable and timely completion of the scope of services described in this Agreement throughout the period of those services. If the Owner objects, with reasonable cause, to any of CMAR's staff, CMAR shall take prompt corrective action acceptable to the Owner and, if required, remove such personnel from the Project and replace with new personnel acceptable to the Owner.

6.6 INDEPENDENT CONTRACTOR

6.6.1 CMAR is and shall be an independent contractor and whatever measure of control the Owner exercises over the work or Deliverables pursuant to this Agreement shall be as to the results of the Work only. No provision in this Agreement shall give, or be construed to give, the Owner the right to direct CMAR as to the details of accomplishing the work or Deliverables. These results shall comply with all applicable laws and ordinances.

6.7 SUBCONTRACTORS

6.7.1 Prior to beginning the work or Deliverables, CMAR shall furnish, for the Owner's approval, the names of all Subcontractors to be used on this Project. All subsequent changes shall be subject to the approval of the Owner.

6.8 TERMINATION

6.8.1 The Owner and CMAR hereby agree to the full performance of the covenants contained herein, except that the Owner reserves the right, at its discretion and without cause, to terminate any or all services provided for in this Agreement or terminate any portion of the Project for which services have been performed by CMAR.

6.8.2 In the event the Owner terminates any or all of the services or any part of the services as herein provided, the Owner shall so notify CMAR in writing, and CMAR shall immediately after receiving such notice, discontinue advancing the Work specified under this Agreement and mitigate the expenditure, if any, of costs resulting from such termination.

6.8.3 CMAR, upon such termination, shall promptly deliver to the Owner all reports, estimates and other Work or Deliverables entirely or partially completed, together with all unused materials supplied by the Owner.

6.8.4 CMAR shall appraise the Work completed and submit an appraisal to the Owner for evaluation. The Owner shall have the right to inspect CMAR's Work or Deliverables to appraise the Work completed.

6.8.5 CMAR shall receive compensation in full for services satisfactorily performed to the date of such termination and the reasonable direct costs and direct expenses attributable to such termination. The fee shall be paid in accordance with this Agreement and shall be an amount mutually agreed upon by CMAR and the Owner. The Owner shall make the final payment within sixty (60) days after CMAR has delivered the last of the partially or otherwise completed Work items and the final fee has been agreed upon.

6.9 DISPUTE AVOIDANCE AND RESOLUTION

6.9.1 The parties are fully committed to working with each other throughout the Project and agree to communicate regularly with each other at all times so as to avoid or minimize disputes or disagreements. If disputes or disagreements do arise, CMAR and Owner each commit to resolving such disputes or disagreements in an amicable, professional and expeditious manner so as to avoid unnecessary losses, delays and disruptions to the Work.

6.9.2 CMAR and the Owner shall first attempt to resolve disputes or disagreements at the field level through discussions between CMAR's Representative and the Owner's Representative.

6.9.3 If a dispute or disagreement cannot be resolved through CMAR's Representative and the Owner's Representative, CMAR's Senior Representative and the Owner's Senior Representative, upon the request of either party, shall meet as soon as conveniently possible, but in no case later than thirty (30) days after such a request is made, to attempt to resolve such dispute or disagreement. Prior to any meetings between the Senior Representatives, the parties shall exchange relevant information that shall assist the parties in resolving their dispute or disagreement.

6.9.4 Except as otherwise agreed by the parties, any litigation brought by either party against the other to enforce the provisions of this Agreement shall be filed in the Coconino County Superior Court and Arizona law shall apply and control. In the event any action at law or in equity is instituted between the parties in connection with this Agreement, the prevailing party in the action shall be entitled to its costs including reasonable attorneys' fees and court costs from the non-prevailing party.

6.10 WITHHOLDING PAYMENT

6.10.1 The Owner reserves the right to withhold funds from the Owner's progress payments up to the amount equal to the claims the Owner may have against CMAR, until such time that a settlement on those claims has been reached.

6.11 RECORDS/AUDIT

6.11.1 Records of CMAR's direct personnel payroll, reimbursable expenses pertaining to the Project and records of accounts between the Owner and CMAR shall be kept on a generally recognized accounting basis and shall be available for up to three (3) years following final completion of the Project. The Owner, its authorized representative, and/or the appropriate federal agency, reserve the right to audit CMAR's records to verify the accuracy and appropriateness of all pricing data, including data used to negotiate this Agreement and any Change Orders. The Owner reserves the right to decrease the Contract Price and/or payments made under this Agreement if, upon audit of CMAR's records, the audit discloses that CMAR has provided false, misleading, or inaccurate cost and pricing data.

6.11.2 CMAR shall include a provision identifying that generally recognized accounting practices shall be included in all of its agreements with Subconsultants, Subcontractors, and Suppliers providing services under this Agreement to ensure the Owner, its authorized representative, and/or the appropriate federal agency, has access to the Subconsultants', Subcontractors', and Suppliers' records to verify the accuracy of cost and pricing data. The Owner reserves the right to decrease the Contract Price and/or payments made under this Agreement if the above provision is not included in Subconsultant, Subcontractor, and Supplier Agreements, and one or more of those parties do not allow the Owner to audit their records to verify the accuracy and appropriateness of pricing data.

6.12 INDEMNIFICATION

6.12.1 To the fullest extent permitted by law, CMAR agrees to defend, indemnify and hold harmless the Owner, its officers, agents and employees, and any jurisdiction or agency issuing permits for any Work included in the Project, their officers, agents and employees, hereinafter individually and collectively referred to as "indemnitee", from all suits and claims, including attorney's fees and cost of litigation, actions, losses, damage, expenses, costs or claims of any character or any nature relating to, arising out of, or alleged to have resulted from the negligent, reckless, or intentional acts, errors, mistakes, omissions, work or services of the CMAR related to the Work or Deliverables done in fulfilling the terms of this Agreement, or on account of any act, claim or amount arising out of or recovered under Workmen's Compensation Law, or arising out of the failure of CMAR to conform to any statutes, ordinances, regulation, law or court decree. It is agreed that CMAR shall be responsible for primary loss investigation, defense and judgment costs where this Agreement of indemnity applies.

6.13 NOTICES

6.13.1 Notices or demands required to be given under this Agreement, may be given 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. 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.

to CMAR:

Ray Torrejon, Special Projects Manager
PCL Construction
1711 West Greentree Drive, Suite 201
Tempe, AZ 85284
Telephone: 720-357-6253
Email: rtorrejon@pcl.com

to Owner:

Justin Emerick, Water Services Project Manager
City of Flagstaff Water Services
211 West Aspen Avenue
Flagstaff, AZ, 86001
Phone: (928) 607-2541
jemerick@flagstaffaz.gov

With a copy to:

Emily Markel, Purchasing Manager
City of Flagstaff Purchasing
211 West Aspen Avenue
Flagstaff, Arizona 86001
Phone: (928) 213-2276
emarkel@flagstaffaz.gov

With a copy to Design Professionals:

Brian Hamrick, Treatment Plants Lead
Brown and Caldwell
2 North Central Avenue, Suite 1600
Phoenix, Arizona 85004
Telephone 602-567-3822
Email: bhamerick@brwncald.com

Or to other such place and with such other copies as either party may designate as to itself by written notice to the other party. Rejection, any refusal to accept, or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice as of the date of such rejection, refusal, or inability to deliver.

6.14 COMPLIANCE WITH ALL LAWS

6.14.1 CMAR will comply with all applicable Federal, State, County and City laws, regulations and policies. CMAR understands and acknowledges the applicability of the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989. CMAR agrees to comply with these laws in performing the Contract Documents and to permit the Owner to verify such compliance.

6.15 CONFLICT OF INTEREST

6.15.1 To evaluate and avoid potential conflicts of interest, CMAR shall provide written notice to the Owner of any work or services performed by CMAR for third-parties that may involve or be associated with any real property or personal property owned or leased by the Owner. Such notice shall be given at least seven (7) business days prior to commencement of the Project by CMAR for a third party, or at least seven (7) business days prior to an adverse action as defined below. Written notice and disclosure shall be sent to:

Patrick Brown
Purchasing Director
City of Flagstaff
211 West Aspen Avenue
Flagstaff, Arizona 86001

6.15.2 Actions considered to be adverse to the Owner under this Agreement include but are not limited to:

6.15.2.1 Using Data, as defined in this Agreement, acquired in connection with this Agreement to assist a third party in pursuing administrative or judicial action against the Owner;

6.15.2.2 Filing a notice of claim or lawsuit against the City of Flagstaff, testifying or providing evidence on behalf of any person in connection with an administrative or judicial action against the City of Flagstaff; or

6.15.2.3 Using Data to produce income for CMAR or its employees independently of performing the services under this Agreement, without the prior written consent of the Owner.

6.15.3 CMAR represents that except for those persons, entities and projects previously identified in writing to the Owner, the services to be performed by CMAR under this Agreement are not expected to create an interest with any person, entity, or third-party project that is or may be adverse to the interests of the Owner.

6.15.4 CMAR's failure to provide a written notice and disclosure of the information as set forth in this section shall constitute a material breach of this Agreement.

6.16 CONTRACTOR'S LICENSE

6.16.1 Prior to award of this Agreement, CMAR shall provide to the Procurement Section, its Contractor's License Classification and number and its Federal Tax I.D. number.

6.17 SUCCESSORS AND ASSIGNS

6.17.1 The Owner and CMAR and their partners, successors, assigns, and legal representatives shall each be bound to the other party to this Agreement and to the partners, successors, assigns, and legal representatives of such other party in respect to all covenants of this Agreement. Neither the Owner nor CMAR shall assign, sublet, or transfer its interest in this Agreement without the written consent of the other. In no event shall any contractual relationship be created or be construed to be created as between any third party and the Owner. Notwithstanding the Owner's consent to assignment, CMAR as Assignor, and the Assignee shall both remain liable under all rights, obligations, terms, and conditions of this Agreement.

6.18 FORCE MAJEURE

6.18.1 The parties acknowledge that there may be events that occur during the term of this Agreement that are beyond the control of both the Owner and the CMAR, 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 Agreement. 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 Agreement.

6.18.2 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 Owner will pay no additional costs incurred because of such events.

6.18.3 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.

6.19 COVENANT AGAINST CONTINGENT FEES

6.19.1 CMAR warrants that no person has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, and that no member of the City Council, or any employee of the Owner has any interest, financially, or otherwise, in CMAR. The Owner shall in the event of the breach or violation of this warranty, have the right to annul this Agreement without liability, or at its discretion to deduct from the Contract Price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

6.20 NON-WAIVER PROVISION

6.20.1 The failure of either party to enforce any of the provisions of this Agreement or to require performance by the other party of any of the provisions hereof shall not be construed to be a waiver of such provisions, nor shall it affect the validity of this Agreement or any part thereof, or the right of either party to thereafter enforce each and every provision.

6.21 JURISDICTION

6.21.1 This Agreement shall be deemed to be made under, and shall be construed in accordance with, and governed by the laws of the State of Arizona, without regard to the conflicts or choice of law provisions thereof. An action to enforce any provision of this Agreement or to obtain any remedy with respect hereto shall be brought in the Superior Court, Coconino County, Arizona, and for this purpose, each party hereby expressly and irrevocably consents to the jurisdiction and venue of such Court.

6.22 SURVIVAL

6.22.1 All warranties, representations and indemnifications by CMAR shall survive the completion or termination of this Agreement.

6.23 MODIFICATION

6.23.1 No supplement, modification, or amendment of any term of this Agreement shall be deemed binding or effective unless in writing and signed by the parties hereto and in conformation with provisions of this Agreement, except as expressly provided herein to the contrary.

6.24 SEVERABILITY

6.24.1 If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

6.25 INTEGRATION

6.25.1 This Agreement contains the full agreement of the parties hereto. Any prior or contemporaneous written or oral agreement between the parties regarding the subject matter hereof is merged and superseded hereby.

6.26 TIME IS OF THE ESSENCE

6.26.1 Time of each of the terms, covenants, and conditions of this Agreement is hereby expressly made of the essence.

6.27 THIRD PARTY BENEFICIARY

6.27.1 This Agreement shall not be construed to give any rights or benefits in the Agreement to anyone other than the Owner and CMAR. All duties and responsibilities undertaken pursuant to this Agreement shall be for the sole and exclusive benefit of the Owner and CMAR and not for the benefit of any other party.

6.28 COOPERATION AND FURTHER DOCUMENTATION

6.28.1 CMAR agrees to provide the Owner such other duly executed documents as may be reasonably requested by the Owner to implement the intent of this Agreement.

6.29 CONFLICT IN LANGUAGE

6.29.1 All Work or Deliverables performed shall conform to all applicable Owner codes, ordinances and requirements as outlined in this Agreement. If there is a conflict in interpretation between provisions in this Agreement and any Exhibits, the provisions in this Agreement shall prevail.

6.30 CANCELLATION FOR CONFLICT OF INTEREST

6.30.1 All parties hereto acknowledge that this Agreement is subject to cancellation for conflict of interest by the Owner pursuant to the provisions of A.R.S. Section 38-511.

6.31 CONFIDENTIALITY OF PLANS & SPECIFICATIONS

6.31.1 Any plans or specifications received by CMAR regarding the Project are for official use only. CMAR may not share them with others except as required to fulfill Agreement obligations with the Owner.

6.32 NO BOYCOTT OF ISRAEL

6.32.1 Pursuant to A.R.S. §§ 35-393 and 35-393.01, if a Party has over ten (10) employees and the Agreement is worth at least one-hundred thousand dollars and no cents ($100,000), the Party shall certify that it is not currently engaged in, and agrees, for the duration of the Agreement, will not engage in a boycott of Israel.

6.33 FORCED LABOR OF ETHNIC UYGHURS

6.33.1 If CMAR engages in for-profit activity and has ten (10) or more employees, pursuant to A.R.S. §35-394, CMAR certifies that it does not currently, and agrees for the duration of the contract that it will not, use: 1) the forced labor of ethnic Uyghurs in the People's Republic of China; 2) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; and 3) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If CMAR becomes aware during the term of the Contract that the company is not in compliance with the written certification, CMAR shall notify the Owner within five business days after becoming aware of the noncompliance. If CMAR does not provide the Owner with a written certification that CMAR has remedied the noncompliance within 180 days after notifying the Owner of the noncompliance, this Contract terminates, except that if the Contract termination date occurs before the end of the remedy period the Contract terminations on the Contract termination date.

ARTICLE 7 - INSURANCE

CMAR shall procure and maintain for the duration of this Agreement, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the Work or Deliverables hereunder by CMAR, its agents, representatives, employees, Subconsultants, Subcontractors, and/or Suppliers. Insurance requirements related to any construction Work done during the design phase or during the construction phase shall be defined in a separate Agreement associated with the construction phase. CMAR shall cause all Subcontracts to contain identical terms and conditions to those included in this Article.

The insurance requirements herein are minimum requirements for this Agreement and in no way limit the indemnity covenants that might arise out of the performance of the Work or Deliverables under this Agreement by CMAR, its agents, representatives, employees, Subconsultants, Subcontractors, or Suppliers and CMAR is free to purchase such additional insurance as it may determine necessary.

7.1 MINIMUM SCOPE AND LIMITS OF INSURANCE

7.1.1 CMAR shall provide coverage at least as broad and with limits of liability not less than those stated below.

7.1.1.1 Commercial General Liability-Occurrence Form

General Aggregate/per project	$2,000,000/$1,000,000
Products-Completed Operations Aggregate	$1,000,000
Each Occurrence	$1,000,000

7.1.1.2 Automobile Liability-Any Auto or Owned, Hired and Non-Owned Vehicles

Combined Single Limit Per Accident for Bodily Injury and Property Damage	$1,000,000

The policy shall be endorsed to include the following additional insured language: **"The City of Flagstaff shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of CMAR, including automobiles owned, leased, hired or borrowed by CMAR."**

7.1.1.3 Workers Compensation and Employers Liability

CMAR shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes.

Additional Insured Status. The insurance coverage, except Workers' Compensation, required by this Agreement, shall name the CITY, its agents, representatives, directors, officials, employees, and officers, as additional insured AND be accompanied by the required endorsement. Such evidence of additional insured status shall be subject to the approval of the Risk Management Department of the City of Flagstaff. The absence of acceptable insurance and endorsement shall be deemed a breach of this agreement.

7.1.2 Self-Insured Retentions

Any self-insured retentions and deductibles greater than $10,000 shall be declared to and approved by the Owner.

7.2 OTHER INSURANCE REQUIREMENTS

7.2.1 The Commercial General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions:

7.2.1.1 The City, its officers, officials, agents, and employees, are to be named as additional insureds with respect to liability arising out of: activities performed by or on behalf of CMAR, including the Owner's general supervision of CMAR; products and completed operations of CMAR; and automobiles owned, leased, hired, or borrowed by CMAR.

7.2.1.2 The Commercial General Liability Insurance shall contain broad form contractual liability coverage and shall not exclude liability arising out of the explosion, collapse, or underground hazard ("EXU").

7.2.1.3 The City, its officers, officials, agents, and employees shall be additional insureds to the full limits of liability purchased by CMAR, even if those limits of liability are in excess of those required by this Agreement. The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form B CG 20 10 11 85.

7.2.2 CMAR's insurance coverage shall be primary insurance with respect to the City, its officers, officials, agents, and employees. Insurance or self-insurance maintained by the City, its officers, officials, agents, and employees shall be in excess of CMAR's insurance and shall not contribute to it.

7.2.3 CMAR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. The coverage provided by CMAR and its Subcontractors shall not be limited to the liability assumed under the indemnification provisions of this Agreement.

7.2.4 The policies shall contain a waiver of subrogation against the City, its officers, officials, agents, and employees for losses arising from Work performed for the Owner.

7.2.5 Workers' Compensation and Employers Liability polices are to contain, or be endorsed to contain, the following: The insurer shall agree to waive all rights of subrogation against the City, its officers, officials, agents, and employees for losses arising from work performed for the Owner.

7.3 SUBCONTRACTOR INSURANCE

7.3.1 CMAR's certificate(s) shall include all Subcontractors as insureds under its policies. All coverages for Subcontractors shall be subject to the minimum requirements identified above.

7.4 NOTICE OF CANCELLATION

7.4.1 Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice has been given, by certified mail, return receipt requested to:

Patrick Brown
Purchasing Director
City of Flagstaff
211 West Aspen Avenue
Flagstaff, Arizona 86001
pbrown@flagstaffaz.gov

7.5 ACCEPTABILITY OF INSURERS

7.5.1 Insurance is to be placed with insurers duly licensed companies in the State of Arizona, and with an A.M. Best's rating of no less than A-,7, or as approved by the City and licensed in the State of Arizona with policies and forms satisfactory to the City. The Owner in no way warrants that the above required minimum insurer rating is sufficient to protect CMAR from potential insurer insolvency.

7.6 VERIFICATION OF COVERAGE

7.6.1 CMAR shall furnish the Owner, Certificates of Insurance (ACORD form or equivalent approved by the Owner) with original endorsements effecting coverage as required by this Agreement. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Any policy endorsement(s) that restricts or limits coverages shall be clearly noted on the Certificate of Insurance.

7.6.2 All certificates and endorsements are to be received and approved by the Owner before work commences. Each insurance policy required by this Agreement shall be in effect at or prior to the earlier of commencement of work under this Agreement or signing of this Agreement, and remain in effect for the duration of the Project. Failure to maintain the insurance policies as required by this Agreement or to provide evidence of renewal shall constitute a material breach of this Agreement.

7.6.3 All Certificates of Insurance required by this Agreement shall be sent directly to the Contracts Division. The Project Number and Project description shall be included on the Certificates of Insurance. The Owner reserves the right to require complete, certified copies of all insurance policies required by this Agreement at any time.

7.7 APPROVAL

7.7.1 Any modification or variation from the insurance requirements in this Agreement shall be approved by the City Attorney's Office, whose decision shall be final. Such action shall not require a formal Agreement amendment but may be made by administrative action.

This Agreement shall be in full force and effect only when it has been approved and executed by the duly authorized City officials.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on 2/4/2025.

CONSTRUCTION MANAGER AT RISK

Ankur Talwar

Print name: ANKUR TALWAR

Title: District Manager

Ken Iverson
Manager,
Finance & Commerical Risk

CITY OF FLAGSTAFF

Greg Clifton

Print name:
Greg Clifton signed on 2/4/2025 8:00:57 AM

Title: City Manager

Attest:

Stacy Saltzburg

City Clerk
Stacy Saltzburg signed on 2/4/2025 11:31:45 AM

Approved as to form:

Christina Kinnear

City Attorney's Office
Christina Kinnear signed on 1/31/2025 9:22:44 AM

Notice to Proceed issued: _____, 20___

Late updated February 28,2024

EXHIBIT A – PROJECT DESCRIPTION

The Project is at 4500 Lake Mary Road in Flagstaff, Arizona and can be generally described as the rehabilitation, removal, and replacement of the major mechanical and electrical equipment associated with the sedimentation and flocculation basins at the Lake Mary Water Treatment Plant. This project will be delivered through the CMAR project delivery process.

The CMAR Design Phase or Preconstruction Services will primarily include reviewing and providing input on design, plans, schedules, quantities, costs estimates, subsurface utility investigations, and constructability in coordination with an Engineering Professional to assist in the preparation of comprehensive construction documents and develop a Project master schedule, cost models, and GMPs required for Project completion. The Scope of Work for the Design Phase or Preconstruction Services portion of the Project is attached hereto in the letter dated December 30, 2024.

The CMAR Construction Phase Services will generally consist of coordination with various stakeholders, Engineering Professional, and city staff while performing the construction of the Project. Refer to the attached construction documents and Addendums for the scope of work.

The final scope of the Project shall be based on the investigation and determination made in the preparation of the Project construction documents and recommendations by the Engineering Professional and Contractor who are selected for the Project.

CONSTRUCTION

SHARING YOUR VISION. BUILDING SUCCESS.

December 30, 2024

Justin Emerick
City of Flagstaff
Water Services Project Manager
Project Number: WA 3372

Re: Pre-Construction Services Proposal – City of Flagstaff Lake Mary Sedimentation Basin Improvements

Dear Mr. Emerick,

PCL Construction respectfully submits for your review and approval, our pre-construction price proposal to perform the pre-construction services for the Lake Mary Sedimentation Basin Improvements Project, project number WA 3372.

Please find attached our price proposal of $199,235.00 for the Lake Mary Sedimentation Basin Project.

This pre-construction proposal includes the following documents:

1. Price Summary
2. Deliverable Summary
3. Preliminary Schedule

Please do not hesitate to contact me if you have any questions or comments.

Best Regards,

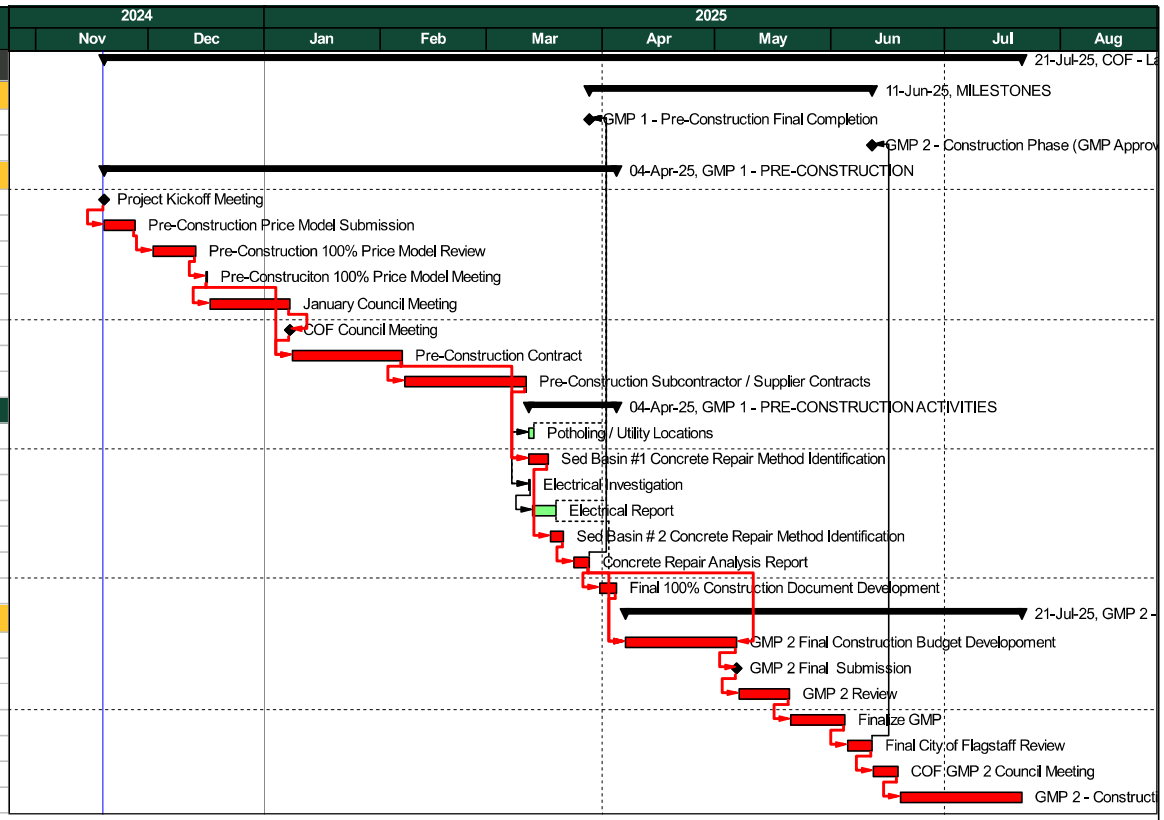
PCL CONSTRUCTION, INC.
Michael T. Cox
Arizona Special Projects Preconstruction Manager
mtcox@pcl.com
Mobile: 480-353-8761

DELIVERABLES :

- Project Meetings :
    - Four (4) each project meetings (teams' meetings) – Project updates (Constructability / VE Development / Schedule workshops.
    - Subcontractor / Supplier Selection Plan
    - Includes two (2) each price model presentations (GMP's)
    - Includes two (2) site visits.
- Project Schedule
- GMP Developments
- Design Phase Allowance :
    - Potholing allowance: Includes labor, equipment, and materials for two days to conduct exploratory investigations for existing utility's locations. Includes 1 day of travel allowance.
    - Electrical design assistance allowance: Includes verifying routing of existing raceways, cable tray system and cable tray fill. Review of the Eaton 2100 MCC for VFD and review the RTU and layouts.
    - Concrete Repair Assessment Allowance
        - Includes two separate inspections – Estimated 4 days for Sedimentation Basin No. 1 and second inspection estimated 4 days for Sedimentation Basin No. 2
        - Includes PCL support for repair assessments which includes labor, equipment, material, and travel allowance.

Description	Construction Manager		Preconstruction Man.		Lead Estimator		Estimator		Project Manager		Superintendent		Total	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
PROJECT MEETINGS														
Monthly Project Meetings (4 ea) - Teams Meetings	8.00		8.00		8.00		0.00		8.00		8.00		40.00	
Price Model/GMP Presentations	8.00		8.00		8.00		0.00		8.00		8.00		40.00	
Site Visits (2 EA)	8.00		8.00		16.00		0.00		8.00		16.00		56.00	
Subtotal (Hours):	24.00		24.00		32.00		0.00		24.00		32.00		136.00	
Subtotal (Cost):	$4,992		$4,176		$4,096		$0		$4,176		$5,920		$23,360	
PRECONSTRUCTION DELIVERABLES														
Project Schedule	2.00		16.00		8.00		0.00		16.00		8.00		50.00	
100% Budget (Includes Constructability/VE Development)	8.00		40.00		80.00		0.00		16.00		16.00		160.00	
Subcontractor/Supplier Selection Plan	2.00		16.00		16.00		0.00		2.00		2.00		38.00	
Early Procurement GMP Development	0.00		0.00		0.00		0.00		0.00		0.00		0.00	
GMP Development	8.00		40.00		80.00		0.00		24.00		24.00		176.00	
Subtotal (Hours):	20.00		112.00		184.00		0.00		58.00		50.00		424.00	
Subtotal (Cost):	$4,160		$19,488		$23,552		$0		$10,092		$9,250		$66,542	
Totals (Hours):	44.00		136.00		216.00		0.00		82.00		82.00		478.00	
Total Hourly Rate:	$208.00		$174.00		$128.00		$105.00		$174.00		$185.00			
Total Design Phase Staff Costs:	$9,152		$23,664		$27,648		$0		$14,268		$15,170		**$89,902.00**	
Electrical Design Assist Allowance													$7,500.00	
Potholing Allowance													$12,000.00	
Concrete Repair Assement Allowance (Two Separate Inspections)													$89,833.00	
Total Design Phase Allowance Costs:													**$109,333.00**	
Total Preconstruction Services													**$199,235.00**	

Activity Name	Original Duration	Start	Finish
COF - Lake Mary WTP Sedimentation Basin - Pre Construction	167	19-Nov-24	21-Jul-25
MILESTONES	52	28-Mar-25	11-Jun-25
GMP 1 - Pre-Construction Final Completion	0		28-Mar-25
GMP 2 - Construction Phase (GMP Approval)	0		11-Jun-25
GMP 1 - PRE-CONSTRUCTION	93	19-Nov-24	04-Apr-25
Project Kickoff Meeting	0	19-Nov-24	
Pre-Construction Price Model Submission	7	19-Nov-24	27-Nov-24
Pre-Construction 100% Price Model Review	10	02-Dec-24	13-Dec-24
Pre-Construciton 100% Price Model Meeting	1	16-Dec-24	16-Dec-24
January Council Meeting	13	17-Dec-24	07-Jan-25
COF Council Meeting	0		07-Jan-25
Pre-Construction Contract	22	08-Jan-25	06-Feb-25
Pre-Construction Subcontractor / Supplier Contracts	22	07-Feb-25	11-Mar-25
GMP 1 - PRE-CONSTRUCTION ACTIVITIES	18	12-Mar-25	04-Apr-25
Potholing / Utility Locations	2	12-Mar-25	13-Mar-25
Sed Basin #1 Concrete Repair Method Identification	4	12-Mar-25	17-Mar-25
Electrical Investigation	1	12-Mar-25	12-Mar-25
Electrical Report	5	13-Mar-25	19-Mar-25
Sed Basin # 2 Concrete Repair Method Identification	4	18-Mar-25	21-Mar-25
Concrete Repair Analysis Report	5	24-Mar-25	28-Mar-25
Final 100% Construction Document Development	5	31-Mar-25	04-Apr-25
GMP 2 - GMP CONSTRUCTION	74	07-Apr-25	21-Jul-25
GMP 2 Final Construction Budget Developoment	22	07-Apr-25	06-May-25
GMP 2 Final Submission	0		06-May-25
GMP 2 Review	10	07-May-25	20-May-25
Finalize GMP	10	21-May-25	04-Jun-25
Final City of Flagstaff Review	5	05-Jun-25	11-Jun-25
COF GMP 2 Council Meeting	5	12-Jun-25	18-Jun-25
GMP 2 - Construction Contract	22	19-Jun-25	21-Jul-25



PCL CONSTRUCTION, INC.
CITY OF FLAGSTAFF - LAKE MARY WTP SEDIMENTATION BASIN IMPROVEMENTS PRE-CONSTRUCTION

Data Date: 19-Nov-24
Print Date: 25-Nov-24

Actual Work
Remaining Work
Critical Remaining Work
Remaining Level of Effort
Actual Level of Effort
Milestone
Summary

PCL CONSTRUCTION

EXHIBIT B – HOURLY RATE SCHEDULE

(See Attached Fee Sheet)

Description	Construction Manager		Preconstruction Man.		Lead Estimator		Estimator		Project Manager		Superintendent		Total	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
PROJECT MEETINGS														
Monthly Project Meetings (4 ea) - Teams Meetings	8.00		8.00		8.00		0.00		8.00		8.00		40.00	
Price Model/GMP Presentations	8.00		8.00		8.00		0.00		8.00		8.00		40.00	
Site Visits (2 EA)	8.00		8.00		16.00		0.00		8.00		16.00		56.00	
Subtotal (Hours):	24.00		24.00		32.00		0.00		24.00		32.00		136.00	
Subtotal (Cost):	$4,992		$4,176		$4,096		$0		$4,176		$5,920		$23,360	
PRECONSTRUCTION DELIVERABLES														
Project Schedule	2.00		16.00		8.00		0.00		16.00		8.00		50.00	
100% Budget (Includes Constructability/VE Development)	8.00		40.00		80.00		0.00		16.00		16.00		160.00	
Subcontractor/Supplier Selection Plan	2.00		16.00		16.00		0.00		2.00		2.00		38.00	
Early Procurement GMP Development	0.00		0.00		0.00		0.00		0.00		0.00		0.00	
GMP Development	8.00		40.00		80.00		0.00		24.00		24.00		176.00	
Subtotal (Hours):	20.00		112.00		184.00		0.00		58.00		50.00		424.00	
Subtotal (Cost):	$4,160		$19,488		$23,552		$0		$10,092		$9,250		$66,542	
Totals (Hours):	44.00		136.00		216.00		0.00		82.00		82.00		478.00	
Total Hourly Rate:	$208.00		$174.00		$128.00		$105.00		$174.00		$185.00			
Total Design Phase Staff Costs:	$9,152		$23,664		$27,648		$0		$14,268		$15,170		**$89,902.00**	
Electrical Design Assist Allowance													$7,500.00	
Potholing Allowance													$12,000.00	
Concrete Repair Assement Allowance (Two Separate Inspections)													$89,833.00	
Total Design Phase Allowance Costs:													**$109,333.00**	
Total Preconstruction Services													**$199,235.00**	

EXHIBIT C - SUBMITTAL REQUIREMENTS FOR THE GMPs

Submit an electronic/(PDF) GMP Proposal or Proposals to the Owner's Project Representative.

Table of Contents:

1. Scope of Work
2. Summary of the GMP
3. Schedule of Values
4. List of Plans and Specifications
5. List of Clarifications and Assumptions
6. Project Master Schedule

1. Scope of work

Include the Contract 2025-01, Project Name, and submittal date. Provide a brief description of the work to be performed by CMAR and major points that CMAR and the Owner shall be aware of pertaining to the scope.

2. Summary of the GMP

Include a total cost for each of the cost components of the GMP requested under this Agreement. The CMAR shall present this information in the format shown on the attached table. All costs should be listed individually for future use. The General Conditions Costs shall include a detailed breakdown of itemized costs separate but similar to the Schedule of Vales.

3. Schedule of Values

Provide a summary spreadsheet with the estimated cost organized by subagreement categories, contingencies, general conditions, taxes, bonds, insurances, and construction fee. Additionally, provide supporting documents for the spreadsheet in an organized manner that correlates with the schedule of values. The backup information shall consist of the most current version of the Cost Model utilized to develop the GMP.

4. List of Plans and Specifications

Provide a list of plans and specifications with latest issuance date including all addenda used in preparation of the GMP proposal. This document must be date stamped and signed by CMAR.

5. List of Clarifications and Assumptions

Provide a list of the clarifications and assumptions made by CMAR in the preparation of the GMP proposal. This information is intended to supplement the information contained within other documents submitted to the Owner.

6. Project Master Schedule

Provide a Critical Path Method (CPM) diagram and other information to identify the Project Master Schedule.

(**Do not acquire bond or insurance until notified by the Owner's Project Representative.**)

NOTE: Keep the submittal package as simple as possible all on 8 ½ x 11 sheets. Color or shading shall be kept to a minimum. If used, make sure the color or shading shall not affect the reproduction of the submittal. For questions regarding the submittal requirements, please contact Emily Markel, Purchasing Manager (EMarkel@flagstaffaz.gov).

CITY OF FLAGSTAFF SAMPLE GMP SUMMARY TABLE

	A	B	D	E	
1	**ITEM DESCRIPTION**			**TOTAL**	
2	**DIRECT COSTS**				
3	COST OF THE WORK			$ 8,000,000.00	Total Cost of the Schedule of Values
4	**INDIRECT COSTS**				
5	GENERAL CONDITIONS COSTS (GCs) (Percentage of Cost of the Work)		10.00%	$ 800,000.00	Percentage based on Cost of the Work (E5/E3)
6		**SUBTOTAL #1 - Cost of the work + GCs**		**$ 8,800,000.00**	**Sum of E3 and E5**
7	CONSTRUCTION FEE (Fee) (Percentage of Subotal #1)		5.68%	$ 500,000.00	Percentage based on Subtotal #1 (E7/E6)
8		**SUBTOTAL #2 - Cost of the work + GCs + Fee**		**$ 9,300,000.00**	**Sum of E6 and E7**
9	PAYMENT & PERFORMANCE BONDS (Bonds) (Percentage of Subtotal #2)		1.08%	$ 100,000.00	Percentage based on Subtotal #2 (E9/E8)
10		**SUBTOTAL #3 - Cost of the work + GCs + Fee + Bonds**		**$ 9,400,000.00**	**Sum of E8 and E9**
11	INSURANCE (Percentage of Subtotal #3)		0.85%	$ 80,000.00	Percentage based on Subtotal #3 (E11/E10)
12		**SUBTOTAL #4 - Cost of the work + GCs + Fee + Bonds + Insurance**		**$ 9,480,000.00**	**Sum of E10 and E11**
13	SALES TAX (Percenage of Subtotal #4, Percentage = 65% x City of Flagstaff current tax rate)		5.82%	$ 551,560.62	Subtotal #4 multipled by current tax rate x 0.65 (E12xD13)
14					
15	CMAR CONTINGENCY (Percentage of Cost of the Work)		1.25%	$ 100,000.00	Percentage based on Cost of the Work (E15/E3)
16					
17	**GMP**			**$ 10,131,560.62**	**Sum of E12 through E15**
18	OWNER'S CONTINGENCY (Percentage of Cost of the Work)		2.50%	$ 200,000.00	Percentage based on Cost of the Work (E18/E3)
19	**CONTRACT PRICE**			**$ 10,331,560.62**	**Sum of E17 and E18**

Contractor can choose to fill in table using percentages or flat rates.

Last Revised 5/9/2018

EXHIBIT D – MONTHLY ANTICIPATED ADVERSE WEATHER DAYS

CMAR 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 in Table 108.7.

TABLE 108.7 – MONTHLY ANTICIPATED ADVERSE WEATHER CALENDAR DAYS

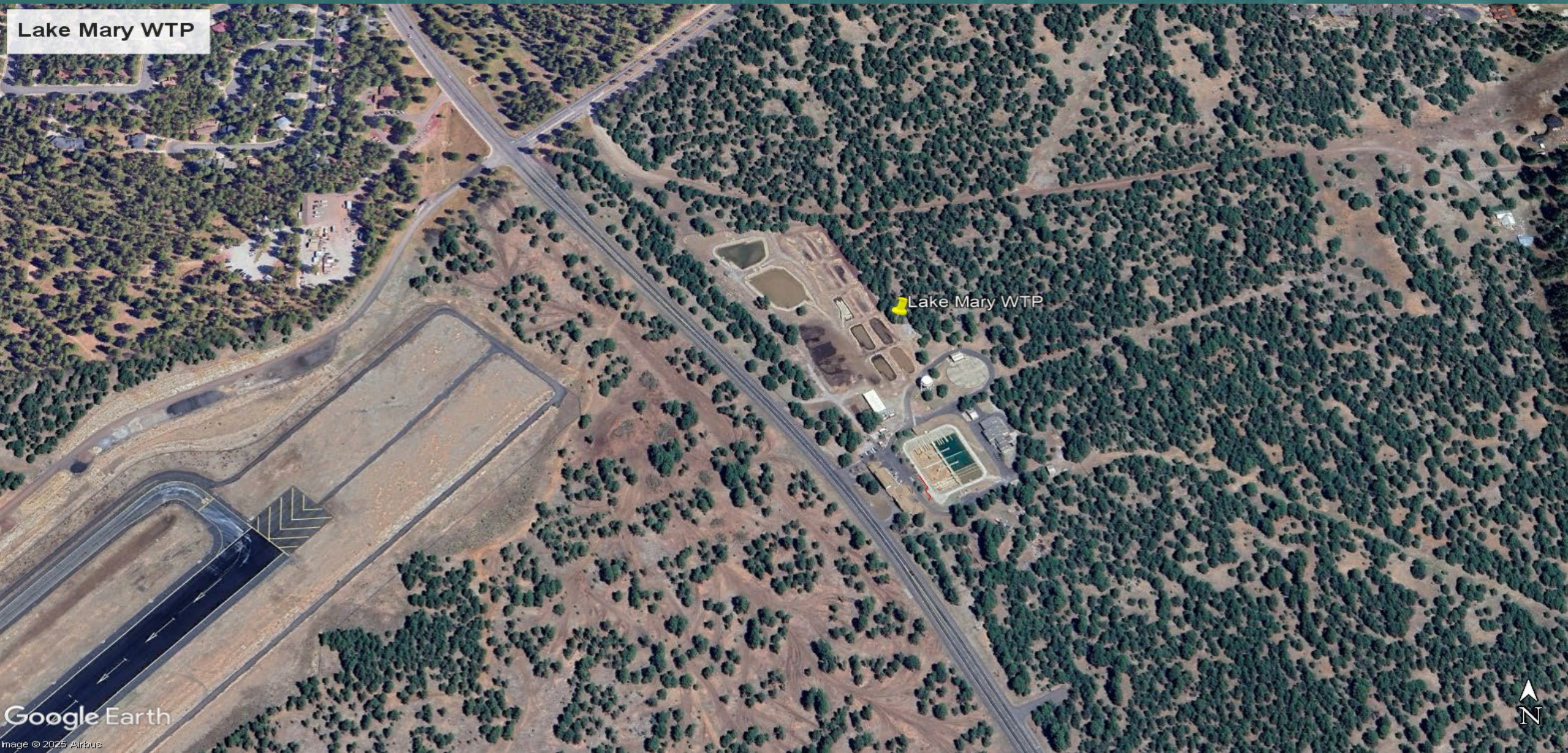
MONTH	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
MONTHLY ANTICIPATED ADVERSE WEATHER CALENDAR DAYS	**7 days**	**7 days**	**8 days**	**6 days**	**4 days**	**3 days**
AVERAGE MONTHLY PRECIPITATION	1.98”	1.96”	2.05”	1.84”	0.68”	0.51”
MONTHLY DAILY HIGH TEMPERATURE ≤32º F	5 days	3 days	2 days	0 days	0 days	0 days
MONTH	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
MONTHLY ANTICIPATED ADVERSE WEATHER CALENDAR DAYS	**12 day**	**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”
MONTHLY DAILY HIGH TEMPERATURE ≤ 32º F	0 days	0 days	0 days	0 days	1 day	5 days

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 inch and daily high temperatures below 32º Fahrenheit.

Lake Mary Sedimentation Basins Rehabilitation

October 21, 2025

Project Location



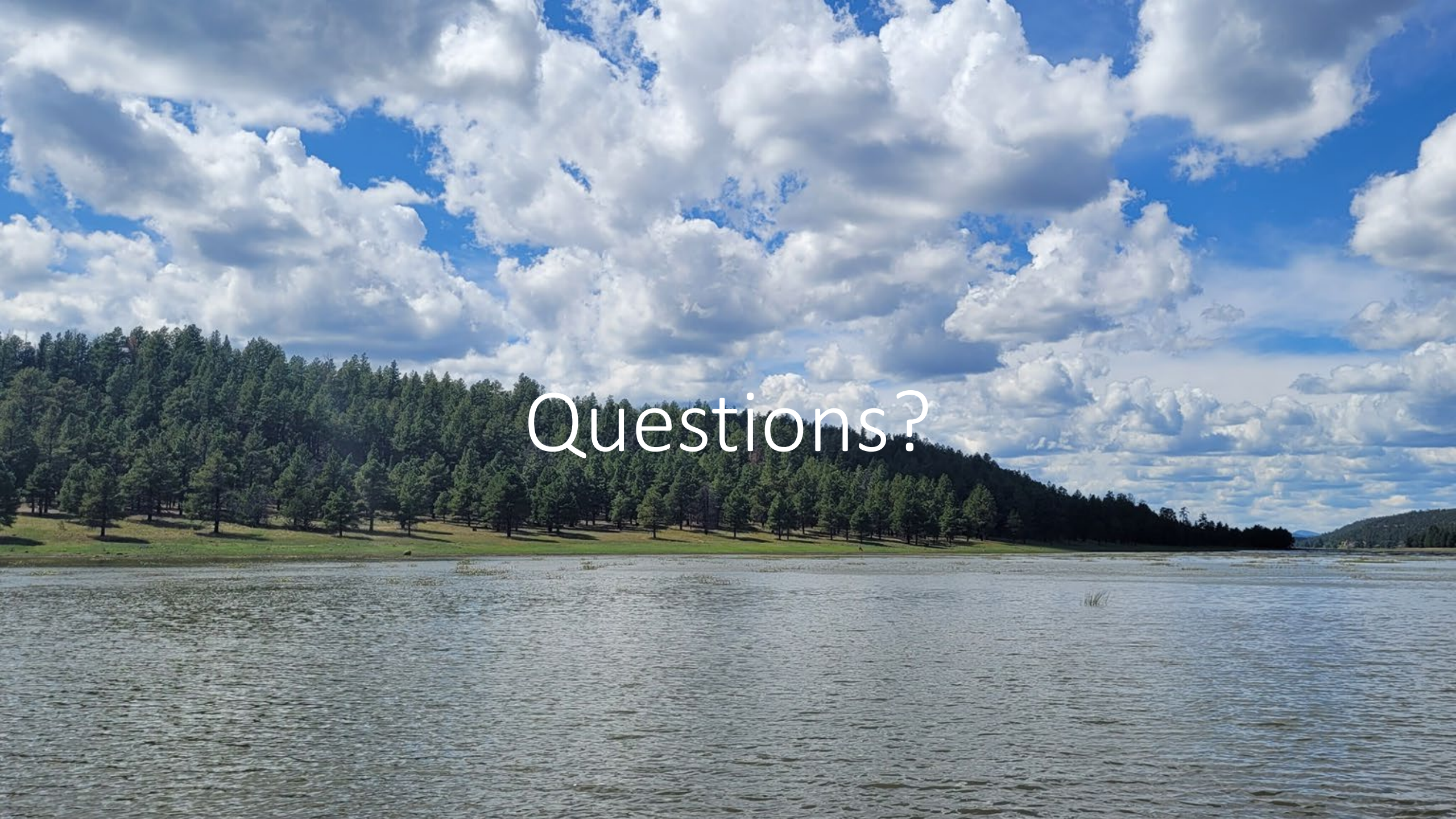
Lake Mary Water Treatment Plant Sedimentation Basins

- Original Lake Mary Water Treatment Plant built in 1941
- Two 1-million gallon Sedimentation Basins built in 1963
- Basins serve to settle out suspended materials in lake (surface) water
- Lake Mary WTP provides up to 60% of Flagstaff’s water supply or 8mgd
- Large mechanical mixers and rake assemblies installed in 1963

Sedimentation Removal Rakes

PCL Construction was selected through an RSOQ process as the most qualified respondent and provided a proposal for rehabilitation of the Sedimentation Basins and equipment replacement project

Aging Degraded Concrete


Questions?

CONTRACT SUPPLEMENTARY JUSTIFICATION

☒ CONTRACT ALLOWANCE

☐ ADMINISTRATIVE CHANGE ORDER

PROJECT NO.	WA 3372	**PROJECT NAME**	**Lake Mary Sedimentation Basins**
FILE NO.	08-3772	**PROJECT MANAGER**	**Justin Emerick**
CONTRACTOR / CONSULTANT	**PCL Construction Inc.**		

PROJECT DESCRIPTON

The Project generally consists of the rehabilitation of two large one million gallon concrete settling basins and complete equipment replacements of the coagulation and flocculation mixers, as well as the replacement of four sludge rake assemblies, including electrical and controls upgrades for all this equipment. The amount of concrete work is extensive as much of the existing concrete is failing due to age and wear, mixers and rake assemblies are in equally poor condition. A static mixer will also be installed to aid in coagulant mixing aiding in microfloc formation. New instrumentation and controls features will help to modernize the treatment processes from the existing 1960s technology.

JUSTIFICATION FOR USE & AMOUNT

Contract Allowance Amount $ 400,000 (3.0% of GMP)

Justification

Request is to provide an allowance to accommodate unanticipated and/or unforeseen issues during construction. Design plans provided by Brown & Caldwell are based on numerous sets of as-built drawings spanning many decades of various plant projects. Unknown conflicting utility infrastructure encounters should be anticipated and resources to manage these conflicts must available. 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 interruptions to water production 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 $ 400,000 (3%)

Justification

Allowance request is 3% of the $13,242,249 GMP from PCL Construction. Adequate funding exists in the FY25and FY26 authorized budget total of $14,000,000. The budget accommodates design, construction costs, permitting, testing and inspection.

APPROVALS

Project Manager	Justin Emerick	**Justin Emerick**	**10/09/2025**
Section Head		**Mac McNamara**	10/9/2025
Division Head	FOR LEE WILLIAMS	**Lee Williams/ Erin Young (acting Water Services Director)**	10/09/2025
	Signature		Date

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Gail Brockman, Park Flag

Co-Submitter: Rick Tadder

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:

Consideration and Adoption of Resolution No. 2025-54, Resolution No. 2025-55, and Ordinance No. 2025-21: A resolution of the Flagstaff City Council, repealing Resolution No. 2017-03 related to ParkFlag District fees; repeal of conflicting resolutions; and establishing an effective date; a resolution of the Flagstaff City Council declaring as a public record that certain documents filed with the City Clerk and entitled "2025 ParkFlag Code Amendments"; and an ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, Title 3 Business Regulations, to establish parking and permit fees for the ParkFlag District, and Title 9 Traffic, to update provisions related to the Comprehensive Parking Management Program and duties of the Office of the Parking Manager; providing for penalties, repeal of conflicting ordinances, severability, authority for clerical corrections, and establishing an effective date

STAFF RECOMMENDED ACTION:

1. Adopt Resolution No. 2025-54
2. Adopt Resolution No. 2025-55
3. Read Ordinance No. 2025-21 by title only for the final time
4. City Clerk reads Ordinance No. 2025-21 by title only (if approved above)
5. Adopt Ordinance No. 2025-21

Executive Summary:

The ParkFlag District was created in 2017 to manage parking and traffic in the Downtown and Southside areas, ensure parking spaces turn over regularly, generate revenue to purchase additional parking in these areas, and support local businesses. The public currently pays $1.00 per hour for use of a parking space during posted hours, while employees may purchase monthly or annual permits. Since its inception, hourly parking rates have not changed, even as operating costs for vendors, maintenance, staffing, and technology continue to rise at a rate of 3%--8% annually.

In July 2025, a Parking Rates and Fees Analysis was completed by the Management Services Division in the City of Flagstaff. The study found that Flagstaff's rates are below both peer communities and local private operators and confirmed that, without an adjustment, projected revenues will not keep up with anticipated expenses over the next 10 years.

If adopted, the proposed ordinance will increase the hourly parking rate to $2.00 per hour for on-street spaces and $3.00 per hour for future covered parking. Revenues will be used as follows:

1. ParkFlag will continue to set aside 20% of all parking revenues into the restricted fund balance of the ParkFlag fund for acquisition of 450 parking spaces ("the Lockbox").
2. A portion of the new revenues will be used for ParkFlag operating costs.
3. A portion of the new revenues will be used to provide enhanced municipal services to help regulate traffic and improve the public rights-of-way in the parking district. Property owners within the Flagstaff Downtown Business and Improvement Revitalization District ("FDBIRD") and members of the Downtown Business Alliance are requesting enhanced municipal services in this area due to the high volume of pedestrian and vehicular traffic in this area. FDBIRD is a special taxing district with authority to levy secondary property

taxes to help pay for enhanced municipal services and with authority to contract with the City to provide such services. The City currently participates in funding FDBIRD through an Intergovernmental Agreement. City staff will be requesting that the City Council at its October 21, 2025 public meeting consider approval of a proposed new IGA with FDBIRD wherein FDBIRD would receive funding to provide enhanced municipal services in public rights-of-way in Downtown and Southside as permitted by A.R.S. Section 48-6808.A.2 & A.14.

The proposed ordinance will increase the hourly parking rate effective March 1, 2026. Prior to the rate increase going live, staff will conduct public outreach, and enforcement staff will spend about one week updating kiosk software, followed by one to two weeks assisting customers with the updated kiosks. The ordinance will also establish new parking permits--vendor (V) and construction (C) effective December 1, 2025.

Financial Impact:
Economic Vitality and Management Services staff partnered to develop a Parking Rates and Fees Analysis Report that was posted for public review and provided as an attachment to this staff summary. The proposed rate adjustments are expected to increase annual revenues, stabilize the long-term operating budget, provide additional funds to provide enhanced municipal services within the ParkFlag District, and provide additional funding for investments in parking capacity.

Policy Impact:
ParkFlag funding has historically been restricted to parking operations and inventory. Approval of this ordinance will authorize the use of funds for additional services within the rights-of-way in the parking district. Additionally, the parking permit and hourly fee schedule will be codified in City Code 3-10-001-0009, providing greater clarity on parking fees. As part of this adjustment, new permit types have been added to the administrative guidelines to expand eligibility, reflecting public feedback and addressing an identified gap in the program.

Previous Council Decision or Community Discussion:
In April 2025, during the budget retreat, staff presented consideration of proposed parking rate changes to Council and received direction to proceed with a rate analysis and potential rate increase. As part of the current process, ParkFlag hosted two public meetings after the rate study was published on the ParkFlag website (parkflag.org), the City of Flagstaff website, and in the Arizona Daily Sun. Staff collected and reviewed community feedback, including questions and concerns raised during the public meetings as well as those submitted online or by email. The enhanced services being considered were proposed by the Flagstaff Downtown Business Allicance (FDBA) and the Flagstaff Downtown Business Improvement and Revitalization District (FDBIRD), with ongoing discussions involving their boards and downtown businesses.

Options and Alternatives to Recommended Action:

1. Approve the proposed rate adjustment (Recommended action)
    - Implement the new parking rates as proposed.
    - Aligns revenues with projected expenditures and supports enhanced services in the parking district.
2. Approve a different rate adjustment
    - Implement a modified rate increase (higher or lower than proposed).
    - May partially address revenue shortfalls while balancing community impact.
3. Postpone adoption of the ordinance and the resolutions and direct staff to perform additional analysis
    - Delay rate changes while staff conducts further study of financial impacts, peer benchmarks, or community feedback.
    - Provides more data to inform future decisions but postpones addressing the revenue gap.
4. Do not approve the ordinance and resolutions
    - Keep existing parking fees and permit types unchanged.
    - Identify alternative funding sources to cover operational increases.
    - Risk continued revenue shortfalls to pay for ParkFlag operational costs and limit the ability to fund enhanced municipal services.

Background and History:
City staff is proposing to increase paid parking rates to $2.00 per hour per parking space, and $3.00 per hour for

covered parking. The proposed parking rate adjustment is needed to keep ParkFlag financially stable and to allow for future improvements in the parking district. Since 2017, vendor contracts have increased approximately 5% annually, while other costs such as maintenance, staffing, and technology have increased 3%-8% annually. Without an adjustment, revenues are not expected to keep up with expenses over the next 10 years. In fact, ParkFlag currently uses a one-time funding of $60,000 for ongoing expenses, which is not sustainable.

The recent rate study confirmed this challenge. It showed that expenditure increases are outpacing revenue trends, furthering an imbalance. The study also found that Flagstaff's parking rates are lower than those in many peer cities, communities of similar size with universities and tourism-based economies that experience comparable parking demand. For example, San Luis Obispo, a small beach town in California with a large tourism base, charges $3 to $4 per hour depending on location and duration; Provo, Utah, a university town, charges $3 per hour; and Colorado Springs, a university city in Colorado, charges $1 to $1.50 per hour, depending on location, with additional payment required each time you move your vehicle. Locally, downtown rates are also below the market, as private operators such as American Valet, Northern Arizona University and others charge $3.00 to $4.00 per hour. This shows that Flagstaff's current rates are not in alignment with both regional and local standards. Additional parking fee comparisons are provided in the attached rate study.

The proposed adjustment will help align revenues with expenses, maintain reserves, and bring rates closer to regional and local standards. A portion of the new revenue will support enhanced municipal services in the parking district being requested by the Flagstaff Downtown Business Alliance (FDBA). These services would be used for maintenance and improvement of public rights-of-way in the ParkFlag District, including graffiti removal from parking kiosks and signage, trash and pet waste cleanup, pressure washing sidewalks and improved snow and cinder removal during the winter and spring months.

The ParkFlag program has made several changes and data-driven decisions since its launch, including:

- 2019 Program Changes
  - Modified downtown management hours, which reduced annual revenues by over $150,000.
  - Reduced permit fees to better align with community needs.
- COVID-19 Suspension
  - One-year suspension of the paid parking program during the pandemic.

Despite the program changes and suspension of paid parking, ParkFlag has restricted $2 million in the lockbox fund, reserved for the future development of additional parking. City staff are working on multiple negotiations underway intended to provide new parking inventory in the near future.

Approval of the staff proposed parking rate change will strengthen ParkFlag's financial foundation while enhancing the downtown areas for the community.

Connection to PBB Priorities and Objectives:
High Performing Governance

- Serve the public by providing high quality customer service
- Maintain the organization's fiscal stability through strong financial policies and best practices
- Implement and communicate innovative and efficient local government programs, new ideas, and best practices

Sustainable and Innovative Infrastructure

- Deliver outstanding services to residents through a healthy, well-maintained infrastructure system

Connection to Regional Plan:
Goal E&C.2. Achieve carbon neutrality for the Flagstaff community by 2030.
Goal LU.10. Increase the proportion of urban neighborhoods to achieve walkable, compact growth
Goal LU.12. Accommodate pedestrians, bicyclists, transit riders, and private cars to supplement downtown's status as the best-served and most accessible location in the region.

Connection to Carbon Neutrality Plan:
Decrease Dependence on Cars, DD-3: Encourage Flagstaff residents and visitors to walk, bike, roll and take a bus.
This proposal supports the City's Carbon Neutrality Plan by encouraging shifts to more sustainable modes of transportation. Higher parking rates may motivate some downtown visitors and employees to choose alternatives such as biking, ride-sharing, or public transit. ParkFlag will continue to offer the VIP Commuter Pass program, which provides free bus passes to downtown employees, and will also continue promoting carpooling and highlighting bicycle rack locations on the ParkFlag website. These measures align with the City's goals of reducing vehicle miles traveled and fostering a cleaner, more sustainable downtown.

Connection to 10-Year Housing Plan:
None

Attachments:
ParkFlag Rate Analysis
2025 Parking Code Amendments
Res. 2025-54
Res. 2025-55
Ord. 2025-21
ParkFlag Presentation
Presentation

CITY OF FLAGSTAFF, ARIZONA

ParkFlag

Parking Rates and Fees

Analysis Report – 2025

Economic Vitality and Management Services Divisions

July 2025

Executive Summary

The City of Flagstaff is considering changes to its public parking rates and parking permit fees in the downtown area known as the ParkFlag District. The Economic Vitality Division and Management Services Division have prepared a financial analysis to provide a review of what increased parking revenues would be generated to help fund necessary expenditures for ParkFlag enhanced operations, enhanced maintenance, and additional capital costs for public parking and expansion of public parking inventory. Staff intend to provide City Council with a recommendation for fees and rates at the September 2, 2025, and September 16, 2025, Council meetings. It is anticipated an Ordinance will be adopted with the new rates at the September 16, 2025, Council meeting with an anticipated effective date of March 1, 2026.

Park Flag District Overview

The City Council established a comprehensive public parking program for the ParkFlag District in 2016. The City Council has adopted paid parking and permit fees for use of public parking in district pursuant to its authority under A.R.S. Section 9-276(a)(1) to "regulate the use...or otherwise improve streets, alleys, avenues, sidewalks...and off-street parking." In addition, the City has authority under state law and its City Charter to manage public rights-of-way and other real property owned by the City, such as off-street public parking lots. A map showing the boundaries of the ParkFlag District along with public parking areas can be found here:
https://www.parkflag.org/_files/ugd/c1bde0_18b32f06a17e4c8daab4b4a34d3408e4.pdf

ParkFlag is a City program within the Economic Vitality Division established under Flagstaff City Code Section 9-01-001-0014 **Office of Parking Manager**. ParkFlag works in partnership with the City Traffic Engineer and Flagstaff Police Department to enforce downtown parking regulations. All revenues and expenditures, however, are managed in a separate Special Revenue Fund that was established under the Flagstaff City Code Section 9-01-001-0015 **Comprehensive Parking Management Program Special Revenue Fund Created**. All revenues/expenses associated with the parking program stay separate from the City's General Fund and must currently be used for parking, traffic regulation, and street improvements. Funds in this account must be associated with the operation and maintenance of the ParkFlag system and may not be used for other city initiatives, projects, areas of service, etc.

Furthermore, in addition to the separate accounting, the City Code requires that a minimum of 20% of gross revenues must be set aside in a separate fund dedicated to the acquisition of additional parking supply. This is a key provision, and for the very first time, it requires funds be set aside for future parking facilities.

The ParkFlag team consists of seven staff members, including five Parking Aides, one Lead Aide, and the Program Manager. One of the aides is assigned to the Flagstaff Pulliam Airport, and that position is fully funded by the Airport. Parking Aides are first and foremost ambassadors to the Downtown area, assisting customers with kiosk payments, educating parkers on proper payment and parking practices as well as providing directions to nearby shops, restaurants, and attractions.

ParkFlag Pay to Park Rates

Staff Proposal

Staff recommends updates to the current parking rates to provide additional revenues to support ParkFlag public parking enhanced operations, enhanced maintenance, and additional capital costs for public parking and expansion of public parking inventory.

Discussion of ParkFlag District

The City receives over 5 million visitors annually. A substantial portion of these visitors spend time in the downtown area managed by ParkFlag. The Flagstaff Visitor Intercept Study sites that Downtown Flagstaff is the top activity for visitors while they are in market. The Comprehensive Parking Program helps manage parking downtown to regulate traffic and improve the overall downtown visitor experience.

Parking District Metrics Overview

ParkFlag manages approximately 1,036 paid parking spaces, both on-street and off-street, within the ParkFlag District. A portion of the on-street spaces are available not only to the public for Pay-to-Park using kiosks or the mobile app but are also designated for use by Employee Permit holders. These spaces are regulated and open for general public use during the following hours:

- Weekday: Sunday through Thursday: 9:00 AM – 5:00 PM
- Weekend: Friday and Saturday: 9:00 AM – 8:00 PM

Current occupancy trends show strong public demand for paid parking in the district:

- **Weekdays**: Average occupancy reaches approximately 60%, indicating consistent daytime demand.
- **Weekends**: Average occupancy reaches approximately 80%, reflecting high peak activity demand.

These occupancy trends demonstrate that the Parking District operates near optimal capacity based on industry standards, especially on weekends, and provide critical insights for resource planning, rate adjustments, and potential program expansions.

Current pay to park revenue per available space trends show less than what we would expect based on the higher occupancy trends, but consideration should be given as spaces may be occupied by permit holders who pay $10 monthly to park on a daily basis. (Pay to park revenue per available space = total number of spaces X total number of hours / total pay to park revenue earned)

Weekdays: Pay to park revenue per available space is approximately 21% of total paid parking hours
Weekends: Pay to park revenue per available space is approximately 60% of total paid parking hours
Overall: Combined average pay to park revenue per available space is approximately 34%

Market review: The following information is based on ParkFlag market research.

Location	Cost Per Hour	Daily Rate	Surface Lot or Covered	Notes
Downtown Flagstaff- ParkFlag	$1.00	NA	Streets, Lots	Street and some lots
Downtown Flagstaff- Private	$4.00	NA	Garages, Lots	Garages and lots, privately managed.
Phoenix - Municipal	$1.50	NA	Streets, Lots	Downtown, uptown, capitol, and college areas; enforced 8 a.m. to 10 p.m.
Phoenix, Roosevelt Area - Private	$4.00 to $12.00	NA	Lots	In Roosevelt Neighborhood
Phoenix, Downtown- Private		$12.00 to $30.00	Lots, and Garages	Mostly garages, some lots
Tempe- Municipal	$1.50 to $2.00	NA	Street	Street parking rate is set by location.
Mesa- Municipal		NA	Garages, Streets, Lots	Advertised as over 5,000 free spaces, no rate listed
Scottsdale- Municipal	$1.00 to $4.00	NA	Garages, Streets, Lots	There is no daily limit. Parking is Monday-Saturday 8 am- 10 pm. Parking is not metered Sundays.
Tucson - Municipal	$1.00	NA		Free after 5pm and on weekends. Advertises 9,000 public parking spaces in garages and 1,800 metered spaces on streets Metered parking in downtown core, Fourth Ave, Main Gate Square, Mercade District Mon - Fri 8 am to 5 pm
Tucson - Municipal	$1.00	$3.00 to $5.00	Garage	Garage managed by Park Tucson
Tucson - Private	NA	$7.00 to $20.00	Garage	Private garages
Prescott - Municipal	$0	NA	Streets	Parking is free
Jerome - Municipal	NA	$5.00	Streets, Lots	Downtown Jerome
Durango - Municipal	$0.50 to $1.50	$5.00	Streets, Lots	Parking varies based on location.
Durango- Private	$2.00	NA	Lot	Only one private parking option in Durango.
Albuquerque - Municipal	$2.00	$10.00	Garages, Lots	Structures, Lots, and Streets
Albuquerque - Municipal	$0.05 to $1.00	NA	Streets	

Location	Cost Per Hour	Daily Rate	Surface Lot or Covered	Notes
Albuquerque-Private	$2.00 to $6.00	NA	Garages, Lots	
Santa Fe - Municipal	$1.00 to $2.00	$12.00	Garage, Lots	$1 for the first hour, $2 for the second, and max rate of $12 a day, some garages are 24/7, some are 7 a.m. to 11 p.m.- 1 a.m.
Santa Fe - Municipal	$2.00	NA	Streets	Mon- Sat 8 a.m. to 6 p.m., Free on Sunday
Taos - Municipal	$2.00**	$10.00	Streets, Lots	$2 an hour for the first hour, $1 for every hour after, Cash is always $1 an hour, even for first hour, Max is $10 per day. Mon- Sat 9 a.m. to 6 p.m. Sunday is free
Los Angeles-Municipal	$2.00 to $6.00	NA	Streets, Lots	Price is dependent on location

Enhanced Parking District Maintenance

The Parking District is very well utilized and ParkFlag is looking to provide enhancement to the district. The City has received requests for enhanced municipal services in the downtown area, such as a desire for restroom maintenance, graffiti removal, snow and cinder removal in sidewalks and alleys, painting of infrastructure, trash service, pressure washing, weed removal, and others as appropriate.

The City will consider managing a contract for these services, hiring additional staff to deliver these services, or use a third-party agreement to manage and deliver the services. Not all enhanced municipal services relate to public parking and therefore some may need to be paid for with other funding sources. Parking revenues collected could be used for funding maintenance of parking spaces, curbs, improved signage, streets, and other needed amenities.

Operations Costs

Personnel costs are expected in increase annually at approximately 3.5% due to the pay plan and compensation plans. Increases support employee wage adjustments necessary to meet the high cost of living in Flagstaff. With some minor staff reorganizations, the district does not anticipate adding staff over the next 10 years. ParkFlag experiences an annual cost increase of at least 5% in software systems and will see increased credit card charges related to the parking rate changes. There are also rising costs for parts, supplies, and other inflation-related expenses. ParkFlag does expect to see technology changes in the next 2-5 years for areas such as credit card acceptance, camera systems, and integrations with our Municipal Court. An increase in parking rates will cover those necessary expenditures. We are required to set aside 20% of annual parking rate revenues (Lockbox) for the purpose of future parking expansion. This plan will demonstrate the set aside and use for new parking expansions.

Parking Inventory Changes

The availability of parking spaces in the downtown parking district will see various changes over the next 5 years. There are three off-street parking lots that may be repurposed for other needs such as partnerships that are developing downtown.

The City is considering future parking structure improvements within the downtown parking district. These new parking structures may be delivered by the City or a partnership with property owners within the district for a shared structure. Any parking partnership opportunities will require initial City investments which can be debt financed and additional operating costs.

Parking structures are more expensive to build than surface lots but can offer increased parking inventory as well as the benefits some levels being protected from weather conditions. Therefore, we are considering having a higher parking rate at these parking structure locations.

Proposed Parking Rates/Fees

Based on the above considerations, staff is proposing a $2.00 per hour rate for all on street and uncovered parking lots and a $3.00 per hour rate for parking in a parking structure. This parking rate increase anticipates having the needed funding for sustainable operations cost growth, enhanced maintenance in the district, increased parking lock box for future sites, and expansion of parking capacity. The financial analysis below will provide a 10-year outlook of the ParkFlag financial plan.

As mentioned earlier, the cost to deliver structured parking is significant. For this reason, the City is considering several different delivery methods. In each, the cost of structured parking is well over $40,000 per space. Thus, in consideration of the high cost to construct and the benefits of parking structure the City is considering a higher fee structure for the covered spaces.

ParkFlag Permit Fees

Staff Proposal

Staff recommends updates to the permits for the ParkFlag district to include two new permit types using the existing fee schedule of $10 monthly. These additional permits will address evolving needs withing the parking district. Staff recommends updating the Administrative Guidelines to include the following additions:

1. **Construction Employee Permit:** For construction workers in the downtown area. Permits follow the same process and restrictions as Employee Permits; permits must be purchased and managed through the online permit portal, with parking restricted to designated employee zones.
2. **Vendor Employee Permit:** For sales representatives from various industries (e.g., beer, food, retail). Permits must be purchased and managed through the online permit portal, with parking restricted to designated employee zones.

The addition of these new permit types would benefit the need for designated parking for these two unique but prevalent groups while also generating ParkFlag revenues.

Discussion of ParkFlag permits

We currently offer two types of employee parking permits: Employee Zone North (EN) and Employee Zone South (ES). These permits are valid only within their designated zones. If a vehicle with an employee permit is parked in a paid parking area outside of the designated EN or ES zones, the driver is required to pay to park hourly rate.

Over the past twelve months, ParkFlag has generated $72,414 in permit revenue, this number also includes Amtrak Permits and Encroachment Permit sales.

Current Active Permits	As of 6/30/2025
Employee North (EN)	318
Employee South (ES)	128
Total Active Permits	446

We expect to see a slight increase in revenues with the introduction of these two new permit types, Construction Employee Permit and the Vendor Employee Permit.

Other Permits and Fee Considerations

Council provided direction to explore additional types of permits which may be adopted by Council at the public meeting to adopt fees, such as Flagstaff resident permits.

Proposed Parking Permit Fees

We do not intend to change the current permit fee schedule; we are only adding new permit for Construction and Vendor Employees which will need to be adopted by Council.

Financial Plans

Review of ParkFlag Financial Plans

Based on the staff proposals mentioned in this report, staff has developed a financial analysis to demonstrate balancing of the ParkFlag needs over the next 10-years. When preparing the financial plans for this report, there were several factors taking into consideration. Future changes to these factors will have fiscal impacts to the plan.

Proposed: $3.00 parking structure rate, $2.00 hourly rate all other locations, and new permit fees

The financial plan presented in Table 1 demonstrates the resource and uses of funds for a balanced 10-year plan for the ParkFlag fund. The initial year, FY 2025-26, is based on an effective date of 3/1/2025 and therefore is only about 25% of the potential annual revenue impact. FY 2026-27 will show the first full year of revenues and expenditure after the pay to park and permit fee changes are adopted.

TABLE 1:

Line	Financial Plan	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35
1	Beginning Fund Balance	$ 2,700,500	2,632,600	1,078,500	1,584,100	2,248,400	624,300	761,800	916,500	1,016,100	1,057,500
2	Resources										
3	Parking Revenue-Current Rate	1,286,700	1,293,900	1,301,100	1,308,300	1,315,700	1,323,100	1,330,500	1,337,900	1,345,400	1,352,900
4	Other Revenue	67,500	26,300	10,800	15,800	22,500	6,200	7,600	9,200	10,200	10,600
5	Pay to Park Rate Increase	242,500	975,000	1,102,400	1,231,000	1,237,100	1,243,200	1,249,400	1,255,700	1,262,000	1,268,300
6	Permit Revenue Increase	400	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
7	Pay to Park Spaces Change	-	(97,200)	52,900	92,400	174,300	174,300	174,300	174,300	174,300	174,300
8	Loan Proceeds	-	1,500,000	-	-	3,700,000	-	-	-	-	-
9	Total Resources and Balance	4,297,600	6,331,800	3,546,900	4,232,800	8,699,200	3,372,300	3,524,800	3,694,800	3,809,200	3,864,800
10	Uses of Funds										
11	Operation Expenses	1,043,700	1,083,000	1,123,700	1,214,100	1,259,800	1,307,400	1,356,800	1,408,000	1,461,300	1,516,500
12	Increase Operations Expenses	21,900	341,800	383,100	305,200	320,600	328,900	337,400	346,300	355,400	364,800
13	Parking District Enhancements	259,400	267,200	275,200	283,500	292,000	400,800	409,800	419,100	428,700	438,600
14	Debt Service	115,000	217,500	160,000	160,000	480,000	480,000	480,000	480,000	480,000	480,000
15	Capital Expense	25,000	3,343,800	20,800	21,600	5,022,500	93,400	24,300	25,300	26,300	27,400
16	Contingency	200,000	-	-	-	700,000	-	-	-	-	-
17	Total Uses of Funds	1,665,000	5,253,300	1,962,800	1,984,400	8,074,900	2,610,500	2,608,300	2,678,700	2,751,700	2,827,300
18	Ending Fund Balance	$ 2,632,600	1,078,500	1,584,100	2,248,400	624,300	761,800	916,500	1,016,100	1,057,500	1,037,500
19											
20	Restricted Fund Balance-Lockbox	2,143,200	599,200	932,900	1,302,600	72,800	142,400	215,000	290,700	369,300	450,800
21											
22	Unrestricted Fund Balance	489,400	479,300	651,200	945,800	551,500	619,400	701,500	725,400	688,200	586,700
23	Minimum Fund Balance (20%)	319,400	439,800	493,700	529,700	550,200	549,600	552,600	555,700	558,600	561,500
24	Over/(Under) Minimum Fund Balance	170,000	39,500	157,500	416,100	1,300	69,800	148,900	169,700	129,600	25,200

Resources/Revenues

In Table 1, baseline revenues are provided on lines 3 and 4 and rate change revenue impacts are provided on lines 5-7 in the table. Pay to park rate increases (line 5) shows anticipated revenue gains over baseline revenues. When calculating new pay to park revenues, we take into consideration the revenue trends related to available spaces as well as recognizing there may be short term reductions due to consumer concerns for higher parking rates. The City will set aside 20% of annual operating revenues per ordinance leaving 80% to fund operations.

Permit revenue increases (line 6) is based on anticipating a monthly average issuance of 10 additional monthly parking permits for the new construction and vendor employee permits.

This financial plan recognizes there will be impacts to off-street/parking lots in the downtown over the next 10-years and we show our anticipated impacts to the revenues under pay to park spaces change (line 7). Currently there are two city parking lots that will be impacted by development. This plan also projected growth in paid parking spaces with possible partnerships with other developments in the downtown district area which may provide over 100 parking structure spaces. Staff has worked to determine what potential impacts the parking lot space changes will have on parking revenues.

The financial analysis also recommends the issuance of loans (line 8) for the construction or partnerships for additional spaces in the parking district as mentioned in the previous paragraph. While the City will continue to set aside 20% of parking revenues to support future expansion of downtown parking, those revenues alone will not fully fund the construction or purchase of spaces. Therefore, we will consider issue loans (or other financing options) to timely deliver the spaces which will be paid back by future proceeds from the parking lockbox. The analysis of revenue and uses of lockbox funds are provided in Table 2.

Uses of Funds/Expenditures

Forecasted operational expenses are shown within the Uses of Funds section of the table. The Operation Expense shown (line 11) is tied to the operation budget approved for fiscal year 2025-26 and projected going forward based on certain anticipated growth rates. Personnel forecasts a 3.5% annual increase which is supported by the City's pay plan. Contractual and commodity forecast are using a 4% annual increase. This was determined as a blend of categories that may see inflation at certain rates, most notable is the costs for software contracts increasing at 5.0% annually.

The financial analysis provides for Increased Operations Expense (line 12) based on several future operational needs as a result of pay to park rate increase, technology improvements, future lease expense for new parking, and maintenance. The cost of processing credit card transactions is 9% of the transaction costs. As fees are increased and new parking availability changes, these costs will also increase. As we work with downtown developments for additional parking opportunities, we would need to consider operating leases for those spaces as well as increased maintenance. Lastly there are technology needs over the next 1-5 years that require funding from the fee increases. This includes upgrading credit card technology at the parking kiosks to meet processing standards.

Parking District Enhancements (line 13) is related to expenditures to provide a higher level of service in the parking district area as discussed earlier in this report. The portion shown here is for the specific enhancement costs related to the parking right-of-way. The baseline for the enhancements in fiscal year 2025-26 is $550,000 total based on information previously provide to City Council in April. The difference from this line of the report and the total investments for enhancements will be funded with other resources as determined. The parking portion increases by 3% annually for inflation.

Debt Service (line 14) in this plan is related to current financing of the initial kiosk purchase as well as a portion of the future parking investments that are made above the Lockbox cash portion available.

Capital expenses (line 15) are for operational capital and construction or possible partnership costs for expanded parking opportunities. Operational capital includes the replacement of a vehicle and the annual replacement of kiosks as they become damaged or no longer functioning. In fiscal year 2026-27, capital funding is identified for a development project that would allow the City to purchase and provide additional spaces. And in fiscal year 2029-30, the plan allows for the acquisition or construction of parking spaces in the downtown area.

Lastly, the financial plan has a one-time set aside for Contingency (line 16) which is available for unforeseen expenditures that were unbudgeted as well as a set aside Contingency in fiscal year 2029-30 to alleviate economic downturns that have not been forecasted in the revenue projections.

Fund Balance

At the beginning of fiscal year 2025-26, the total fund balance is estimated at $2.7 million. Of this fund balance, $1.8 million is restricted for use related to the Lockbox requirement. The ending fund balance (line 18) includes restricted and unrestricted fund balance at the end of each fiscal year. We then demonstrate what portion of the fund balance is restricted for Lock Box requirements which will tie out in Table 2 in this report. The difference equals the unrestricted fund balance (line 22) of Table 1. The City understands the need to reserve a portion of fund balance annually and has determined to set that amount at 20% of operating revenues (line 23) to add fiscal stability during economic downturns. The analysis shows that we are meeting the minimum fund balance at the end of each fiscal year. Of note, in fiscal years 2033-34 and 2034-35 we show that ongoing revenues are not keeping pace with ongoing operating expense. This is related to the annual revenue growth being estimated at 1.5% and operating expenses tend to grow at 3.5%-4.0% annually. The City will need to complete another financial analysis of the ParkFlag fund in approximately 5-6 years to determine what adjustments will need to be made to assure long-term health of the fund.

Lockbox

Table 2 demonstrates meeting the requirements to reserve 20% of parking revenues (Lockbox) for future parking. The proposed plan demonstrates the use of the lock box funds for parking expansion as mentioned earlier in this report.

TABLE 2:

Line	Parking Lockbox Analysis	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35
1	Beginning Balance	$ 1,823,800	2,143,200	599,200	932,900	1,302,600	72,800	142,400	215,000	290,700	369,300
2	Resources										
3	Parking Revenue 20% Set Aside	319,400	439,800	493,700	529,700	550,200	549,600	552,600	555,700	558,600	561,500
4	Total Resources and Balance	2,143,200	2,583,000	1,092,900	1,462,600	1,852,800	622,400	695,000	770,700	849,300	930,800
5	Uses of Funds										
6	Parking Expansion - Cash	-	1,823,800	-	-	1,300,000	-	-	-	-	-
7	Parking Expansion - Debt	-	160,000	160,000	160,000	480,000	480,000	480,000	480,000	480,000	480,000
8	Other	-	-	-	-	-	-	-	-	-	-
9	Total Uses of Funds	-	1,983,800	160,000	160,000	1,780,000	480,000	480,000	480,000	480,000	480,000
10	Ending Balance	$ 2,143,200	599,200	932,900	1,302,600	72,800	142,400	215,000	290,700	369,300	450,800

The Lockbox has a current balance of $1.8 million from required set asides since the beginning of the parking district. The parking revenue annual set aside (line 3) shows the change and increases related to new rates and fees over the next 10 years. Based on the discussion earlier about new construction and partnerships, we demonstrate the use of cash balances (line 6) versus debt financing (line 7) to deliver additional spaces. We work on using cash balances first, then debt finance additional needs. The principal and interest debt payments will be paid with the Lockbox collections.

Community Outreach and Future Meetings

Public Outreach Meetings

ParkFlag and other City staff will provide opportunities for the public to meet and discuss the parking rate and fee changes during July and August. Feedback will be shared with City Council as part of the adoption of new fees and rates. The pay to park rate increases and the downtown enhancements program has been presented to the Downtown Business Alliance Board of Directors, and we worked with that organization on these concepts. Discussion also occurred with the Flagstaff Downtown Business Improvement & Revitalization District (FDBIRD) during one of their public meetings. At least two public meetings will be held prior to the Council meetings to welcome comments from the public to inform the discussion.

City Council Meetings

On April 25, 2025, staff presented information related to pay to park rates to support ParkFlag and Enhanced Parking District Maintenance to City Council during the fiscal year 2025-26 Budget Retreat. Council provided direction to City staff to move forward with a rate and fee analysis with a $1.00 per hour increase to the pay to park program and with funding support for enhanced maintenance funding in the parking district.

On September 2, 2025, and September 16, 2025, the City will hold two public hearings where staff will present an ordinance along with the fees and rates analysis information to the Council. The Council could accept staff recommendations or adjust, such as increasing or decreasing the fees and rates. 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 September 2, 2025, a second read will be required at the September 16, 2025, meeting prior to official adoption the fees and rates. Fees and rates are anticipated to be effective March 1, 2026.

2025 PARKFLAG CODE AMENDMENTS

Part 1: Fees

The Flagstaff City Code, Title 3 Business Regulations, is hereby amended by: (a) renumbering Section 3-10-001-010 Annual Adjustments; Adoption; Verification as Section 3-10-001-011; (b) renaming Section 3-10-01-001-009 Parking Fees as "Parking Fees – Airport"; and (c) by adding a new Section 3-01-001-010 Parking Fees - ParkFlag District to read as follows:

SECTION 3-10-01-001-010 PARKING FEES – PARKFLAG DISTRICT

A. PARKING FEES (EFFECTIVE MARCH 1, 2026)

UNCOVERED SPACE	$2.00/HOUR
COVERED SPACE	$3.00/HOUR
HOODING FEE WITH EVENT PERMIT SPACE	$2.00/HALF-DAY
HOODING FEE WITH ENCROACHMENT PERMIT SPACE	$5.00/DAY
MOBILE APP CONVENIENCE FEE (NOT A CITY FEE)	PER SOFTWARE CONTRACT

B. PERMIT PARKING

A	AMTRAK PERMIT	$8.00/DAY
C	CONSTRUCTION CONTRACTOR WORKING IN PARKFLAG DISTRICT – PER INDIVIDUAL	$10/MONTH $120/YEAR
D -SFR	DOWNTOWN SINGLE-FAMILY RESIDENCE	$0
DR	DOWNTOWN RESIDENT (OFF-STREET PARKING NOVEMBER 1 TO APRIL 1)	$60/MONTH
E	EMPLOYEE/ BUSINESS OWNER IN PARKFLAG DISTRICT – PER INDIVIDUAL	$10/MONTH $120/YEAR
G	GUEST PERMIT	$5.00/DAY
R 1	RESIDENT	$0
R 2	RESIDENT	$250/YEAR
R 3	RESIDENT	$350/YEAR
R 4	RESIDENT	$450/YEAR
V	VENDOR CONTRACTED TO SELL OR DELIVER GOODS TO A BUSINESS IN PARKFLAG DISTRICT – PER INDIVIDUAL.	$10/MONTH $120/YEAR

THE OFFICE OF THE PARKING MANAGER IS HEREBY DELEGATED AUTHORITY TO ESTABLISH AND ISSUE PERMITS ALLOWING CITY COUNCIL MEMBERS, CITY COMMISSIONERS, AND CITY EMPLOYEES TO USE DESIGNATED FACILITY LOTS OR DESIGNATED PARKING SPACES AT NO CHARGE.

C. PRORATION

a. MONTHLY PERMITS (MONTHLY C, DR, E, AND V PERMITS) ARE ISSUED FOR A CALENDAR MONTH.

b. ANNUAL C, E, AND V PERMITS ARE ISSUED FOR A CALENDAR YEAR.

c. ANNUAL PERMITS R1, R2, R3, R4 ARE ISSUED ON A ROLLING YEAR BASIS.

d. NO PERMITS SHALL BE PRO-RATED, REGARDLESS OF ISSUANCE DATE.

D. TRANSFER

MONTHLY AND ANNUAL PERMITS MAY BE TRANSFERRED TO A NEW VEHICLE OWNED BY THE SAME INDIVIDUAL.

E. ADMINISTRATIVE GUIDELINES

ALL FEES AND PERMITS ARE ADMINISTERED AS PROVIDED FOR IN THE ADMINISTRATIVE GUIDELINES FOR THE COMPREHENSIVE PARKING MANAGEMENT PROGRAM (POSTED ON THE CITY'S WEBSITE).

Part 2: Management

The Flagstaff City Code, Title 9, Traffic, Chapter 9-01, Traffic Code, is amended by renumbering current Section 9-01-0001-0014 as Section -0015 and amending the same, and renumbering prior Section 9-01-001-0015 as -0016 and amending the same, and adopting a new Section 9-01-0001-0014, all to read as set forth below (deletions shown as stricken, and additions shown as red capitalized text):

9-01-001-0014 COMPREHENSIVE PARKING MANAGEMENT PROGRAM

A. THE CITY ADOPTED A COMPREHENSIVE PARKING MANAGEMENT PROGRAM BY RESOLUTION NO. 2016-01, TO REGULATE TRAFFIC AND MAKE STREET IMPROVEMENTS IN DOWNTOWN, THE SOUTHSIDE, AND THE SURROUNDING AREAS IMPACTED BY HIGH PARKING DEMAND ("THE PARKFLAG DISTRICT").

B. ALL PERSONS USING PUBLIC PARKING WITHIN THE PARKFLAG DISTRICT ARE SUBJECT TO THE ADMINISTRATIVE GUIDELINES, WHICH INCLUDE BUT ARE NOT LIMITED TO THE PARKFLAG DISTRICT BOUNDARIES, PAY-TO-PARK AREAS, PAY-TO-PARK HOURS, PARKING PERMIT TYPES AND ELIGIBILITY, AND PARKING REGULATIONS FOR SUCH DISTRICT.

C. A COPY OF THE COMPREHENSIVE PARKING MANAGEMENT PROGRAM, ADMINISTRATIVE GUIDELINES FOR THE PROGRAM, INCLUDING THE PARKFLAG DISTRICT BOUNDARIES SHALL BE KEPT ON FILE WITH THE CITY CLERK AND POSTED ON THE CITY WEBSITE FOR PUBLIC INSPECTION.

9-01-001-0015 OFFICE OF PARKING MANAGER ~~CREATED~~

A. The Office of Parking Manager is hereby established within the Economic Vitality Division, under the authority of the City Manager.
B. General Powers:

1. ~~Duties:~~ The Parking Manager, or his or her designee, shall regulate and manage all public parking ~~as authorized by the City Council through~~ consistent with the Comprehensive Parking Management Program ~~adopted by Resolution No. 2016-01 and all attachments thereto, by the City Council~~ and other provisions of this code.~~, including but not limited to establishing, changing, suspending or removing:~~

~~a. Administrative guidelines, including permit parking, time-limited parking, or pay-to-park requirements and programs, and other~~ 2. THE PARKING MANAGER SHALL ESTABLISH AND IMPLEMENT THE ADMINISTRATIVE GUIDELINES, INCLUDING BUT NOT LIMITED TO THE PARKFLAG DISTRICT BOUNDARIES, PAY-TO-PARK AREAS, PAY-TO-PARK HOURS, PARKING PERMIT TYPES AND ELIGIBILITY, PARKING REGULATIONS, procedures, protocols, or requirements as may be deemed necessary and desirable to implement AND MANAGE the Comprehensive Parking Management Program. ~~Current administrative guidelines shall be filed with the City Clerk.~~

~~b. Pay-to-park rates, including parking permit fees;. Current parking rate schedules shall be filed with the City Clerk.~~

~~c.~~ 3. THE PARKING MANAGER SHALL ENFORCE PUBLIC PARKING REGULATIONS IN THE PARKFLAG DISTRICT AND AT THE FLAGSTAFF PULLIAM AIRPORT.

~~4.~~ THE PARKING MANAGER SHALL ARRANGE FOR MAINTENANCE OF PUBLIC Parking lots or spaces, safety and loading zones, and other parking areas, facilities, markings and signs, or equipment, including parking meters or other pay-to-park equipment IN THE PARKFLAG DISTRICT.

~~2. Limited Scope of Authority:~~

~~a. The duties of the Parking Manager shall include only those areas of the City with pay-to-park requirements or permit-parking programs. Unless mutually defined otherwise by the Traffic Engineer and the Parking Manager, said area is formally defined by a rectangular boundary that encompasses all areas with pay-to-park requirements or permit-parking programs. Upon recommendation of the Parking Manager, implementation of new or additional pay-to-park requirements or permit-parking programs outside of said area shall be determined by the City Council in its sole discretion.~~

~~b. The Comprehensive Parking Management Program adopted by Resolution No. 2016-01, and all attachments thereto, by the City Council which addresses the high parking demand areas only of the Downtown areas, Southside area, and those surrounding areas impacted by the demand in Downtown and Southside areas.~~

~~c. Parking management in and around other high parking demand areas in Flagstaff may be added to the duties of the Parking Manager by City Council adoption of a revised Comprehensive Parking Management Program.~~

C. Appeal Procedure: Decisions of the Parking Manager, not related to enforcement actions, which are appealed by the process identified in Section 9-01-001-0003(G), may be appealed by any aggrieved party through the following process:

1. Administrative Review: The aggrieved party may appeal a decision of the Parking Manager to the City Manager by written request within ten (10) days following the actual date the decision was rendered. The City Manager shall review the Parking Manager's decision and make a determination supporting, overriding, or modifying that decision within ten (10) working days of receipt of the request.

2. Appeal of a regulation shall not stay the enforcement of violation notices issued prior to the date of any change in the regulation.

D. The Parking Manager shall report periodically to the City Council on the parking management activities of the office and make recommendations regarding additional areas that may, in the City Council's discretion, become subject to pay-to-park requirements or permit-parking programs.

~~E. The Comprehensive Parking Management Program adopted by Resolution No. 2016-01 addresses the high parking demand areas of Downtown and Southside and the surrounding areas impacted by the demand in Downtown and Southside. Managing parking in and around other high parking demand areas may be added to the Comprehensive Parking Management Program by City Council adoption of a revised Comprehensive Parking Management Program and there shall be separate accounting for each such area that may be added.~~ (Ord. 2016-05, Enacted, 02/02/2016; Ord. 2017-01, Amended, 02/07/2017)

9-01-001-0016 COMPREHENSIVE PARKING MANAGEMENT PROGRAM SPECIAL REVENUE FUND CREATED

A. Except for funds collected from fines on parking violations, there shall be a separate accounting for all funds collected pursuant to the Comprehensive Parking Management Program. The use of said funds shall be restricted to:

1. Areas of the City under the authority of the Parking Manager (areas of the City with pay-to-park requirements or permit-parking programs); and

2. Programs identified in the Comprehensive Parking Management Program TO REGULATE TRAFFIC AND IMPROVE PUBLIC STREETS AND RIGHTS-OF-WAY, including capital development or improvement of parking facilities, land acquisition for parking, parking system management and operational expenses, ~~and~~ debt~~.~~, AND MAINTENANCE.

3. Until four hundred fifty (450) new public parking spaces have been added to serve the Downtown area, twenty percent (20%) of the annual revenues in the Special Revenue Fund shall be used only for the acquisition and/or development of new public parking spaces serving the Downtown area, specifically any expenses directly related to the acquisition and development of public parking facilities to serve the Downtown area and shall not be diverted or appropriated to any other fund including but not limited to the General Fund.

4. Promoting the use of alternative modes of transportation and other parking demand reduction expenses.

B. At least sixty (60) days prior to consideration of any change to any provision of this section, notice of a public meeting to consider a proposed change shall be conspicuously posted on the City website, published in a newspaper of general circulation in the City, and mailed by first class mail to any person who has registered with the City Clerk's office to receive such notice, at the last known address on file with the City Clerk's office.

RESOLUTION NO. 2025-54

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, REPEALING RESOLUTION NO. 2017-03 RELATED TO PARKFLAG DISTRICT FEES; REPEAL OF CONFLICTING RESOLUTIONS; AND ESTABLISHING AN EFFECTIVE DATE

RECITALS:

WHEREAS, the City is authorized to regulate standing or parking of vehicles, pursuant to A.R.S. § 28-627(A)(1), and has established an Office of Parking Manager (ParkFlag) to regulate and manage public parking, pursuant to the Flagstaff City Code Section 9-01-001-0014; and

WHEREAS, the City desires to repeal its existing Resolution No. 2017-03 relating to ParkFlag District fees and is separately adopting new parking fees by ordinance to be set forth in the City Code.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. In General.

The Permit Parking fees schedule set forth in Resolution No. 2017-03 (as administratively modified in 2010 pursuant to City Council direction) is hereby repealed.

The Pay-to-Park and Meter Exemption Fee (Hooding Fee) schedules set forth in Resolution No. 2017-03 are repealed effective March 1, 2025.

SECTION 2. Repeal of Conflicting Resolutions

All resolutions and parts of resolutions in conflict with the provisions of this resolution or any part are hereby repealed.

SECTION 3. Effective Date.

This resolution shall be effective December 1, 2025.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 21st day of October, 2025.

_____

MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

RESOLUTION NO. 2025-55

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED "2025 PARKFLAG CODE AMENDMENTS"

RECITALS:

WHEREAS, pursuant to A.R.S. § 9-802 a municipality may enact or amend provisions of the City Code by reference to a public record, provided that the adopting ordinance is published in full; and

WHEREAS, the City Council of the City of Flagstaff ("City") desires to amend City Code provisions related to management of public parking, and parking rates and fees in the ParkFlag District (downtown area) by ordinance referencing a public record.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. In General.

That certain document known as *"2025 ParkFlag Code Amendments"* attached hereto as Exhibit A is hereby declared to be a public record, and one (1) paper copy and one (1) electronic copy, maintained in compliance with A.R.S. § 44-7041, shall remain on file with the City Clerk and kept available for public use and inspection.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 21st day of October, 2025.

_____
MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

Exhibits:
2025 ParkFlag Code Amendments

ORDINANCE NO. 2025-21

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 3 BUSINESS REGULATIONS, TO ESTABLISH PARKING AND PERMIT FEES FOR THE PARKFLAG DISTRICT, AND TITLE 9 TRAFFIC, TO UPDATE PROVISIONS RELATED TO THE COMPREHENSIVE PARKING MANAGEMENT PROGRAM AND DUTIES OF THE OFFICE OF THE PARKING MANAGER BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "*2025 PARKFLAG CODE AMENDMENTS*"; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

RECITALS:

WHEREAS, the City is authorized to regulate standing or parking of vehicles, pursuant to A.R.S. § 28-627(A)(1); and

WHEREAS, the City is authorized to regulate the use and improve City streets, alleys, and sidewalks pursuant to A.R.S. § 9-276(A)(1); and

WHEREAS, the City Council adopted Resolution No. 2016-01 establishing a Comprehensive Parking Management Program, Resolution No. 2017-03 to establish parking rates and fees, and adopted Sections 9-01-001-0014 and -0015 of the City Code to establish an office of the Parking Manager to adopt Administrative Guidelines and to implement the Comprehensive Parking Management Plan, and to establish a special revenue fund, all in an effort to regulate traffic and public parking in Downtown Flagstaff, the Southside, and immediately surrounding areas ("the ParkFlag District"); and

WEHREAS, the City Council directed the Parking Manager in 2019 to reduce the Employee/Business Owner Permit – Individual fees; and

WHEREAS, the City Council has adopted Resolution No. 2025-54 repealing Resolution No. 2017-03; and

WHEREAS, the City Council desires to adopt this ordinance to update the City Code provisions related to the Comprehensive Parking Management Program, and to establish updated public parking rates and permit fees for the ParkFlag District; and

WHEREAS, pursuant to A.R.S. § 9-499-15, a written notice of intent to modify and increase parking rates and fees was posted on the City's website at least 60 days prior to adoption and distributed through the City's social media accounts.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. In General.

That certain document known as the “2025 ParkFlag Code Amendments”, one(1) paper copy and (1) electronic copy of which are on file in the office of the City Clerk of the City of Flagstaff, Arizona, has been declared a public record by Resolution No. 2025-55 of the City of Flagstaff, Arizona, is hereby referred to, adopted and made a part hereof as if fully set out in this ordinance.

SECTION 2. 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 3. Severability.

If any section, subsection, sentence, clause, phrase or portion of this ordinance or any part of the code adopted herein by reference is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 4. Clerical Corrections.

The City Clerk is hereby authorized to correct typographical and grammatical errors, as well as errors of wording and punctuation, as necessary related to this ordinance as amended herein, and to make formatting changes needed for purposes of clarity and form, or consistency, within thirty (30) days following adoption by the City Council.

SECTION 5. Effective Date.

This ordinance shall become effective December 1, 2025.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 21st day of October, 2025.

_____
MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

ParkFlag Downtown Parking Rate Increase

TEAM FLAGSTAFF

WE MAKE THE CITY BETTER

Ordinance First Read

Ordinance No. 2025-

TEAM FLAGSTAFF

WE MAKE THE CITY BETTER

Background

Program Implementation

- Implemented in 2017
- Parking Rate of $1.00 an hour
- Pay by Plate System
  - Pay at one kiosk with ability to move car within the district
  - Park and pay at any kiosk downtown when you need to add time
  - One Zone is Unique to ParkFlag

Background

Program Developement

- Ongoing Development
  - Residential zones
  - 2 New Lots (150 Spaces)
  - Additional ParkFlag staff & technology
- 2019 Program Changes
  - Reduced pay-to-park hours
  - Reduced permit fees

Changing expenses

- Increase in Cost of Operations
  - Increasing wages
  - Vendor Contracts increasing 5% year over year
  - Replacement Parts and kiosk Maintenance
- Plateau of Parking Revenues
  - Average parking session is 2 hours

Background

Program history

- Suspension
  - All revenue suspended for one year during Covid – most expenses remained
- Airport
  - Services provided to the Airport are paid for through Airport revenue

Improvements

- Use of License Plate Reader to assist with 2-hour parking enforcement
- Review and adjustment of permits and hours
- Firm focus on ambassadorship

Background

Revenue, lockbox and other considerations

- 20% of all revenue restricted
  - Lockbox is currently $2M
  - Negotiations underway for two potential projects
- Credit card fees cost approximately 9% of total credit card revenues
- Updates to kiosks coming soon

Proposal

Proposed Rate Increase

- $2.00 per hour per space & $3.00 per hour per space for future covered parking options

  - No increase in Permit Fees – considering permit expansions
  - Hours of operation remain the same
  - Supports ongoing needs of the program and cost growth
  - Accelerates creation of inventory (increased funds in lockbox)
  - Provides funding for enhanced services in the District
    - Requested and potentially provided by the Downtown Business Alliance

Enhanced Services

Enhanced Services provided in the right-of-way (In negotiations)

- Sidewalk Cleaning
  - Pressure Washing
  - Pet/Human Waste Removal
  - Gum Removal
  - Snow and Cinder Removal
  - Weed Pulling
- Alleyways and Access
  - Snow Removal
  - Cinder Removal
- Graffiti Removal
  - Kiosks
  - Municipal Signage
- Other

ParkFlag Rates and Fees Analysis

Financial Overview

- Key components to the rate and fee study
  - Addressing revenue growth versus operating growth
    - Currently no capacity for growth in operating expenditures
  - Enhanced maintenance in the parking district
  - Expansion of permit types
  - Changes in parking inventory over next 10 years
  - Increased funding for future parking structures or partnerships
    - Lockbox capacity for cash and debt funding strategies
  - Adequate and sustainable fund balance

ParkFlag Rates and Fees Analysis

Financial Overview - Revenues

Financial Plan	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Revenues						
Parking Revenue-Current Rate	$ 1,286,700	1,293,900	1,301,100	1,308,300	1,315,700	1,323,100
Other Revenue	67,500	26,300	10,800	15,800	22,500	6,200
Pay to Park Rate Increase	242,500	975,000	1,102,400	1,231,000	1,237,100	1,243,200
Permit Revenue Increase	400	1,200	1,200	1,200	1,200	1,200
Pay to Park Spaces Change	-	(97,200)	52,900	92,400	174,300	174,300
Total Parking Revenue	$ 1,597,100	2,199,200	2,468,400	2,648,700	2,750,800	2,748,000

- Current revenues – slow growth, other revenue minimal
- Pay to park rate increase $2/hour, $3/hour covered parking
- Changes in behaviors
- 2 new permits, limited revenues,
- Change in parking space availability

ParkFlag Rates and Fees Analysis

Financial Overview – Uses of Funds

Financial Plan	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Uses of Funds						
Operation Expenses	$ 1,043,700	1,083,000	1,123,700	1,214,100	1,259,800	1,307,400
Increase Operations Expenses	21,900	341,800	383,000	304,700	320,200	328,400
Parking District Enhancements	259,400	267,200	275,200	283,500	292,000	400,800
Debt Service	115,000	217,500	160,000	160,000	480,000	480,000
Capital Expense	25,000	3,343,800	20,800	21,600	5,022,500	93,400
Contingency	200,000	-	-	-	700,000	-
Total Uses of Funds	1,665,000	5,253,300	1,962,700	1,983,900	8,074,500	2,610,000
Ending Fund Balance	$ 2,632,600	1,078,500	1,584,100	2,248,400	624,300	761,800

- Operating expenditures outpacing revenues, relying on 1X for ongoing costs
- Credit card fees, technology upgrades, lot maintenance, parking leases, inflation
- Parking enhancement funding, allowable cost only
- $8.3M parking expansion using debt financing, lease payments

ParkFlag Rates and Fees Analysis

Financial Overview – Fund Balance

Financial Plan	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Ending Fund Balance						
Restricted Fund Balance-Lockbox	$ 2,143,200	599,200	932,600	1,301,300	70,400	137,700
Unrestricted Fund Balance	489,400	479,300	650,300	941,100	542,900	608,200
	$ 2,632,600	1,078,500	1,582,900	2,242,400	613,300	745,900
Over/(Under) Minimum Fund Balance	$ 170,000	39,500	157,500	416,100	1,300	71,000

- Majority of fund balance restricted for parking Lockbox
- Minimum 20% recommended unrestricted fund balance
- Potential future impacts: parking capacity changes, recession,

ParkFlag Rates and Fees Analysis

Financial Overview – Lockbox

Parking Lockbox Analysis	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Beginning Balance	$ 1,823,800	2,143,200	599,200	932,900	1,302,600	72,800
Resources						
Parking Revenue 20% Set Aside	319,400	439,800	493,700	529,700	550,200	549,600
Total Resources and Balance	2,143,200	2,583,000	1,092,900	1,462,600	1,852,800	622,400
Uses of Funds						
Parking Expansion - Cash	-	1,823,800	-	-	1,300,000	-
Parking Expansion - Debt	-	160,000	160,000	160,000	480,000	480,000
Total Uses of Funds	-	1,983,800	160,000	160,000	1,780,000	480,000
Ending Balance	$ 2,143,200	599,200	932,900	1,302,600	72,800	142,400

- Shows required set aside 20% of parking revenues
- Lockbox began with $2 millon this fiscal year
- Higher rates allow more capacity to add parking with debt financing available

ParkFlag Rates and Fees Analysis

Financial Summary

- Approval of the proposed rates and fees:
  - ✓Addresses the fiscal health of the ParkFlag Fund
  - ✓Funding for enhanced services in the ParkFlag District
  - ✓Enhances technology needs
  - ✓Improves the capacity to add future parking spaces
    - Partnerships and debt financing
  - ✓Revenues estimate dependent on timing of future parking lot

Public Comments

Staff held 2 public meetings, comments below

- Limit free parking, focus on other mobility options
- Better signage on kiosks
- Maps to show where free parking exists
- Can we offer resident discounts
- Better snow removal downtown, berm removal
- When are we building a garage
- Confusion of City parking versus Private Parking

Looking Ahead

Curbside Plan and Other Potential Initiatives

- Curbside Management Plan
- Provide improved parking map highlighting free parking areas
- Pay by phone option (which does not require the app)
- App and website upgrades
- Kiosk upgrades
- Provide first 30 minutes for $1 with each full hour at $2
- More employee parking zones / eligibility

Timeline for Adoption

Next Steps for Adoption

- October 7th – 1st Read of Ordinance and Resolutions
- October 21st – 2nd Read and Adoption of Ordinance
- October 21st – Adopt Resolutions
- October 21st – Enhanced Services IGA approval
- December 1st – New permits available
- March 1, 2026 – New parking rates effective

ParkFlag Rates and Fee Adoption

City Council Meeting
October 7, 2025

City Council

Questions and Comments

ParkFlag Downtown Parking Rate Increase Update

TEAM FLAGSTAFF

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Enhanced Downtown Services

Fiscal Update from 1st Read of the Ordinance

- Staff met internally to review potential funding levels for the Enhanced Downtown Services
  - Funding sources will include ParkFlag, BBB Funds and General Fund support
- Staff reviewed the rate study and reallocated expenses based on new information provided
- Higher enhancement funding than the $500,000 provided at the April Budget Retreat,
  - Now potentially over $700,000 with all funding sources
- Fund stays structurally balanced for 7 years

Enhanced Downtown Services

1st Read of the Ordinance – Uses of Funds

Financial Plan	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Uses of Funds					
Operation Expenses	1,083,000	1,123,700	1,214,100	1,259,800	1,307,400
Increase Operations Expenses	341,800	383,000	304,700	320,200	328,400
Parking District Enhancements	267,200	275,200	283,500	292,000	400,800
Debt Service	217,500	160,000	160,000	480,000	480,000
Capital Expense	3,343,800	20,800	21,600	5,022,500	93,400
Contingency	-	-	-	700,000	-
Total Uses of Funds	5,253,300	1,962,700	1,983,900	8,074,500	2,610,000
Ending Fund Balance	1,078,500	1,584,100	2,248,400	624,300	761,800

Enhanced Downtown Services

Updated – Uses of Funds

Financial Plan	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Uses of Funds					
Operation Expenses	1,016,600	1,054,700	1,142,300	1,185,200	1,229,800
Increase Operations Expenses	232,400	278,100	203,000	213,800	217,500
Parking District Enhancements	443,700	501,700	560,200	562,900	565,700
Debt Service/Lease Payments	264,300	255,200	258,500	581,900	585,500
Capital Expense	3,343,800	20,800	21,600	5,122,500	93,400
Contingency	-	-	-	-	-
Total Uses of Funds	5,300,800	2,110,500	2,185,600	7,666,300	2,691,900
Ending Fund Balance	1,068,950	1,426,750	1,888,350	669,250	725,850
Restricted Fund Balance-Lockbox	599,300	933,000	1,302,400	71,800	141,500
Unrestricted Fund Balance	469,650	493,750	585,950	597,450	584,350
Over/(Under) Minimum Fund Balance	29,650	50	56,450	47,950	34,650

- Keeps Kiosk Credit Card upgrades, removed future software enhancements, removed lot maintenance, adjusted future recession contingency, still provides projected 7 years of a balanced fund

Enhanced Downtown Services

Revised Funding from ParkFlag Revenues

Financial Plan	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Revenues					
Pay to Park Rate Increase	975,000	1,102,400	1,231,000	1,237,100	1,243,200
Less: Lockbox 20%	(195,000)	(220,480)	(246,200)	(247,420)	(248,640)
Less: Credit Cards 10%	(97,500)	(110,240)	(123,100)	(123,710)	(124,320)
Total Parking Revenue	682,500	771,680	861,700	865,970	870,240
65% to Enhanced Downtown Svcs	$ 443,700	$ 501,600	$ 560,200	$ 562,900	$ 565,700
35% to ParkFlag Operations	$ 238,800	$ 270,080	$ 301,500	$ 303,070	$ 304,540

- By reducing ParkFlag operating expenses and reallocating to Enhanced Downtown Services:
  - FY 2026-27 increased $168,500 for Enhanced Downtown Services
  - Now allocating 65% of new parking revenues to the enhancements
    - After Lockbox and credit card expenses (30%)

ParkFlag Rates and Fee Adoption

City Council Meeting
October 21, 2025

City Council

Questions and Comments

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Trevor Henry, Capital Improvements Engineer

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:

Consideration and Approval of Contract: Approve the A/E Professional Services Contract with WSP USA, Inc. in the amount of $358,599.56 for the Butler Avenue Complete Streets Project, Phase 1 - Environmental Clearance

STAFF RECOMMENDED ACTION:

1. Approve the A/E Professional Services Contract to WSP USA, Inc. in the amount of $358,599.56 for the Butler Avenue Complete Streets Improvement Project, Phase 1 - Environmental Clearance; and
2. Authorize the City Manager to execute the necessary documents.

Executive Summary:

An award of the A/E Professional Services Contract to WSP USA, Inc. will authorize the Phase 1 - Environmental Clearance work to begin. Staff intends to return to City Council with a modification of this contract to include Phase 2 - Design Services which will include plans, specifications and estimates (PS&Es).

The Butler Avenue Complete Streets Improvement Project is a bicycle and pedestrian improvement project that will improve the corridor from Milton Avenue to Sawmill Road. The project is in the vicinity of Butler Avenue in Flagstaff, Arizona, and can be generally described as a separated and elevated bicycle lane improvement project with protected intersections. The project is funded by the City of Flagstaff Transportation Tax, Proposition 419, which was approved by voters in November 2018.

Several intersections will be impacted along the Butler Avenue corridor. The Beaver Street, San Francisco Street, and Sawmill Road intersections will be improved to a protect intersection. There will be an existing beacon crosswalk at Humphreys Street that will be upgraded and the installation of a new beacon crosswalk at O'Leary Street. Acquisition of new Right-of-Way is expected for the separated and elevated bike lanes/sidewalk.

Financial Impact:

The awarded A/E Professional Services Contract will be funded by Transportation Tax -- Roadway, Pedestrian, Bicycle and Safety Improvements -- Bikeways -- Butler Avenue Complete Streets fund from the authorized FY2025-26 budget of $3,280,000, Acct #048-10-120-6412-6.

Policy Impact:

N/A

Previous Council Decision or Community Discussion:

On June 12, 2024, Safe Streets for All Grant agreement was approved.

Options and Alternatives to Recommended Action:

1. Approve the A/E Professional Services Contract as recommended. Approval will allow work to move forward; or

2. Reject the A/E Professional Services Contract, not recommended. This action would delay the Project and put into jeopardy the awarded grants.

Background and History:
Butler Avenue is a four-lane minor arterial that provides important east-west connectivity south of the BNSF railroad. The corridor intersects with multiple existing and planned bikeways, connecting routes to multiple destinations. Construction of the Butler Avenue Complete Streets project will help anchor the City's expanding active transportation infrastructure and encourage bicycling for a broader segment of the City's population.

The primary goal of the project is to improve multimodal safety and mobility by providing complete streets in accordance with the City's 2022 Active Transportation Master Plan (ATMP).

In December 2023, the City was awarded a $9.6 million Safe Streets and Roads for All (SS4A) grant from the US Department of Transportation for the Butler Avenue Complete Streets project. The grant funding covers construction of the separated and elevated bike lanes, crossing improvements at Humphreys Street and O'Leary Street, and protected intersections at Beaver Street, San Francisco Street, and Sawmill Road.

The project is included as part of the City's Transportation Tax Proposition 419 program.

Purchasing staff issued a Request for Statement of Qualifications (RSOQ) solicitation for engineering professional services, and it was published on PlanetBids, the City of Flagstaff's Bidding platform, on May 23, 2025, and closed the invitation on June 24, 2025. The City received five Statements of Qualifications from engineering consultant firms. A five -- member Selection Committee consisted of City staff and one local contractor reviewed and evaluated the statements. The evaluation committee moved forward with interviewing the highest scoring firms. Based upon the numerical scoring of the SOQs, the Selection Committee recommended negotiation of a scope and fee proposal with WSP USAA, Inc.

Expanded Financial Impact:
The total project cost is currently estimated at $12 million. The approved budget for FY26 and FY27 is $12,007,056 from the Transportation Tax- Roadway, Pedestrian, Bicycle and Safety Improvements -- Bikeways -- Butler Avenue Complete Streets appropriations.

A Safe Streets for All Grant was awarded by the U.S. Department of Transportation and will be used for portions of the Environmental services, Design services and Construction.
An AZ SMART Fund grant was awarded by the State of Arizona and will offset or supplement City funds that will be used for the project.

Community Benefits and Considerations:
Providing infrastructure that promotes Bicycle and Pedestrian use.

Community Involvement:
Inform, Involve, Empower

Connection to PBB Priorities and Objectives:
Safe & Healthy Community: Promote physical and mental well-being through providing recreational opportunities, parks, open space, and active transportation options

Sustainable and Innovative Infrastructure: Provide, manage, and maintain effective infrastructure for multimodal and active transportation

Livable Community: Provide amenities and activities that support a healthy lifestyle

Connection to Regional Plan:
Policy T.1.1. Integrate a balanced, multimodal, regional transportation system.

Policy T.1.2. Apply Complete Street Guidelines to accommodate all appropriate modes of travel in transportation improvement projects.

Policy T.1.6. Provide and promote strategies that increase alternate modes of travel and demand for vehicular travel to reduce peak period traffic.

Policy T.2.1. Design infrastructure to provide safe and efficient movement of vehicles, bicycles, and pedestrians.

Policy T.3.2. Promote transportation systems that reduce the use of fossil fuels and eventually replace with carbon neutral alternatives.

Connection to Carbon Neutrality Plan:
Decreased Dependence on Cars

DD-2: Create inclusive networks for walking and biking that are continuous, attractive, safe, comprehensive, and convenient for people of all ages.

DD-3: Encourage Flagstaff residents and visitors to walk, bike, roll and take the bus.

Connection to 10-Year Housing Plan:
None

Connection to Division Specific Plan:
None

Attachments: Professional Services Contract
Context Map
Vicinity Map
Presentation

A/E PROFESSIONAL SERVICES CONTRACT
Title 34 Projects
Contract No.: 2025-240

The Contract is entered into this _____ day of _____, 20___ by and between the City of Flagstaff, a political subdivision of the State or Arizona ("City"), and WSP USA, Inc., a New York Corporation ("Firm").

WHEREAS, the City desires to receive and Firm is able to provide professional services; and

NOW THEREFORE, in consideration for the mutual promises contained herein, the City and Firm (the "Parties") agree as follows:

SERVICES

1. Scope of Work: Firm shall provide the professional services generally described as follows:

BUTLER AVENUE COMPLETE STREETS PROJECT
PHASE 1 – ENVIRONMENTAL CLEARANCE

and as more specifically described in the Scope of Work attached hereto as *Exhibit A*.

2. Schedule of Services: Contractor shall perform all work per the schedule set forth in *Exhibit A.*

3. Standard Terms and Conditions: The City of Flagstaff Standard Terms and Conditions, attached hereto as *Exhibit B* are hereby incorporated by reference and shall apply to performance of this Contract, except to the extent modified in *Exhibit A*.

4. Key Personnel/Subcontractors: Firm's Key Personnel, Subcontractors (if any), and contact information are designated in Exhibit A. Key Personnel are those employees whose license number and signature will be placed on key documents and those employees who have significant responsibilities for completion of the services. The City Representative for this Contract has the right to approve any proposed substitution of Key Personnel or Subcontractors.

CITY RESPONSIBILITIES

5. City Representative: The City Representative is Trevor Henry or his designee. All communications to the City shall be through the City Representative. The City Representative is responsible for bringing any request for a Contract amendment or price adjustment to the attention of the Procurement Agent.

6. City Cooperation: The City will cooperate with Firm by placing at its disposal all available information concerning the City, City property, or the City project reasonably necessary for Firm's performance of this Contract.

CONTRACT TERM

7. Contract Term: The Contract shall be effective as of the date signed by both parties. Performance shall commence within ten (10) days from the City's issuance of the Notice to Proceed and shall be in force for an initial term of three (3) consecutive years.

8. Renewal: The Contract may be renewed for up to two (2) additional one (1) year terms by mutual written consent of the parties. The City Manager or his designee (the Purchasing Director) shall have authority to approve renewal on behalf of the City.

9. Termination: The Contract may be terminated pursuant to the Standard Terms and Conditions attached hereto as ***Exhibit B***.

PAYMENT

10. Compensation: Firm shall be paid for satisfactory performance of the services in an amount not to exceed **three hundred fifty-eight thousand five hundred ninety-nine dollars and fifty-six cents ($358,599.56)**, including fees and local taxes, in accordance with the Scope of Work identified in ***Exhibit A***.

11. Price Adjustment: Any price adjustment must be approved by mutual written consent of the parties through a formal amendment. The City Manager or his/her designee (the Purchasing Director) may approve an amendment if the total amount of the Contract as amended is less than $100,000; otherwise, City Council approval is required.

12. Grant Provisions: Contractor shall meet the Grant Provisions for the project titled "Safe Streets for All (SS4A) Butler Avenue Complete Streets Conversion (Base Phase – NEPA & Design Phase) from Funding Agency: U.S. Department of Transportation Federal Highway Administration Office of Safety Grant Agreement No.: 693JJ32440443 as set forth in ***Exhibit D***.

DATA AND RECORDS

13. City Ownership of Document and Data: Any original documents prepared or collected by Firm in performance of this Contract such as models, samples, reports, test plans, survey results, graphics, tables, charts, plans, maps, specifications, surveys, computations and other data shall be the property of City ("City's work product"), unless otherwise agreed by the parties in writing. Firm agrees that all materials prepared under this Contract are "works for hire" within the meaning of the copyright laws of the United States and hereby assigns to the City all rights and interests Firm may have in the materials it prepares under this Contract, including any right to derivative use of the material.

14. Re-Use: The City may use the City's work product without further compensation to Firm; provided, however, that the City's reuse without written verification or adaption by Firm for purposes other than contemplated herein is at the City's sole risk and without liability to Firm. Firm shall not engage in any conflict of interest nor appropriate any portion of the City's work product for the benefit of Firm or any third parties without the City's prior written consent.

15. Delivery of Document and Data: Upon termination of this Contract in whole or part, or upon expiration if not previously terminated, Firm shall immediately deliver to the City copies all of the City's work product and any other documents and data accumulated by Firm in performance of this Contract, whether complete or in process.

INSURANCE

16. Insurance: Firm shall meet insurance requirements of the City, as set forth in ***Exhibit C***.

MISCELLANEOUS

17. Notice: Any notice concerning this Contract shall be in writing and sent by certified mail and email as follows:

To the City:
Trevor Henry
Capital Improvements Engineer
City of Flagstaff
211 W. Aspen Ave
Flagstaff, AZ 86001
THenry@flagstaffaz.gov

To Contractor:
Joy Melita, PE
Vice President
WSP USA, Inc.
117 North Church Avenue, Suite 1105
Tucson, AZ 85701
Joy.Melita@wsp.com

With a copy to:
Emily Markel
Purchasing Manager
City of Flagstaff
211 W. Aspen Ave.
Flagstaff, AZ 86001
EMarkel@flagstaffaz.gov

18. Authority: Each Party warrants that it has authority to enter into the Contract and perform its obligations hereunder, and that it has taken all actions necessary to enter into the Contract.

WSP USA, Inc.:

_____

Print name:_____

Title:_____

CITY OF FLAGSTAFF

_____

Print name:_____

Title:_____

Attest: _____
City Clerk

Approved as to form:

_____
City Attorney's Office

Notice to Proceed issued:_____, 20___

WSP USA

CONTRACT NO. TBD

Project No. TBD

Scope of Work
For
Butler Avenue Complete Streets Project
Phase 1 – Environmental Clearance
RSOQ NO. 2025-240

September 2025

GENERAL DESCRIPTION OF WORK:

WSP USA, Inc. (WSP) will provide Environmental Services (Phase 1) and Engineering Design Services (Phase 2) for the Butler Avenue Complete Streets (BACS) project for the City of Flagstaff, AZ. This scope of work is for Phase 1 services. Phase 2 scope of work will be amended to this contract with a future contract modification. The primary goal of the project is to improve multimodal safety and mobility by providing complete streets in accordance with the City's 2022 Active Transportation Master Plan (ATMP) and the 2020 Southside Community Plan. The corridor intersects with multiple existing and planned bikeways, connecting routes to multiple destinations. The project will include the following components:

1. Existing sidewalks, bike lanes, curb-and-gutter, catch basins, and driveways will be reconstructed along both sides of Butler Avenue between Milton Road and the eastern limit of the project between Sawmill Road and River Run Road.
2. The center section of the road will be maintained, including two 11-foot travel lanes in each direction and the existing median (landscaped median and left turn lanes).
3. A new sidewalk and separated, directional bike lanes will be constructed along both sides of the street. This facility will typically be 11 feet in width (6-foot sidewalk and 5-foot bikeway), constructed of concrete, and separated from the roadway by a 5-foot parkway where feasible.
4. Protected intersections will be constructed at Beaver Street, San Francisco Street, and Sawmill Road. The protected intersections will complement the protected intersection currently under construction at Lone Tree Road and Butler Avenue.
5. The existing rapid flashing beacon (RFB) crossing at Humphreys Street will be enhanced, and a new RFB crossing will be added at O'Leary Street and Butler Avenue.
6. Curb ramps and other ADA compliance upgrades will be included throughout the corridor.
7. Reconstruction and reconfiguration of six existing Mountain Line transit stops along the corridor (at San Francisco Street, Elden Street, Regent Street, and Lumber Street).
8. New landscaping will be added to replace and augment existing landscaping that will be removed by the project. Existing landscaping in the center median will not be affected.
9. Low retaining walls will likely be needed in a few locations to accommodate minor grade differences.

10 Striping, pavement markings, and signage will be per the Manual on Uniform Traffic Control Devices (MUTCD) and City of Flagstaff standards.
11 Incidental work is expected to include utility adjustments, light pole relocations, and traffic signal modifications.
12 Minor right-of-way (ROW) acquisitions and temporary construction easements (TCEs) are anticipated, although complete parcel and building takes are not expected.

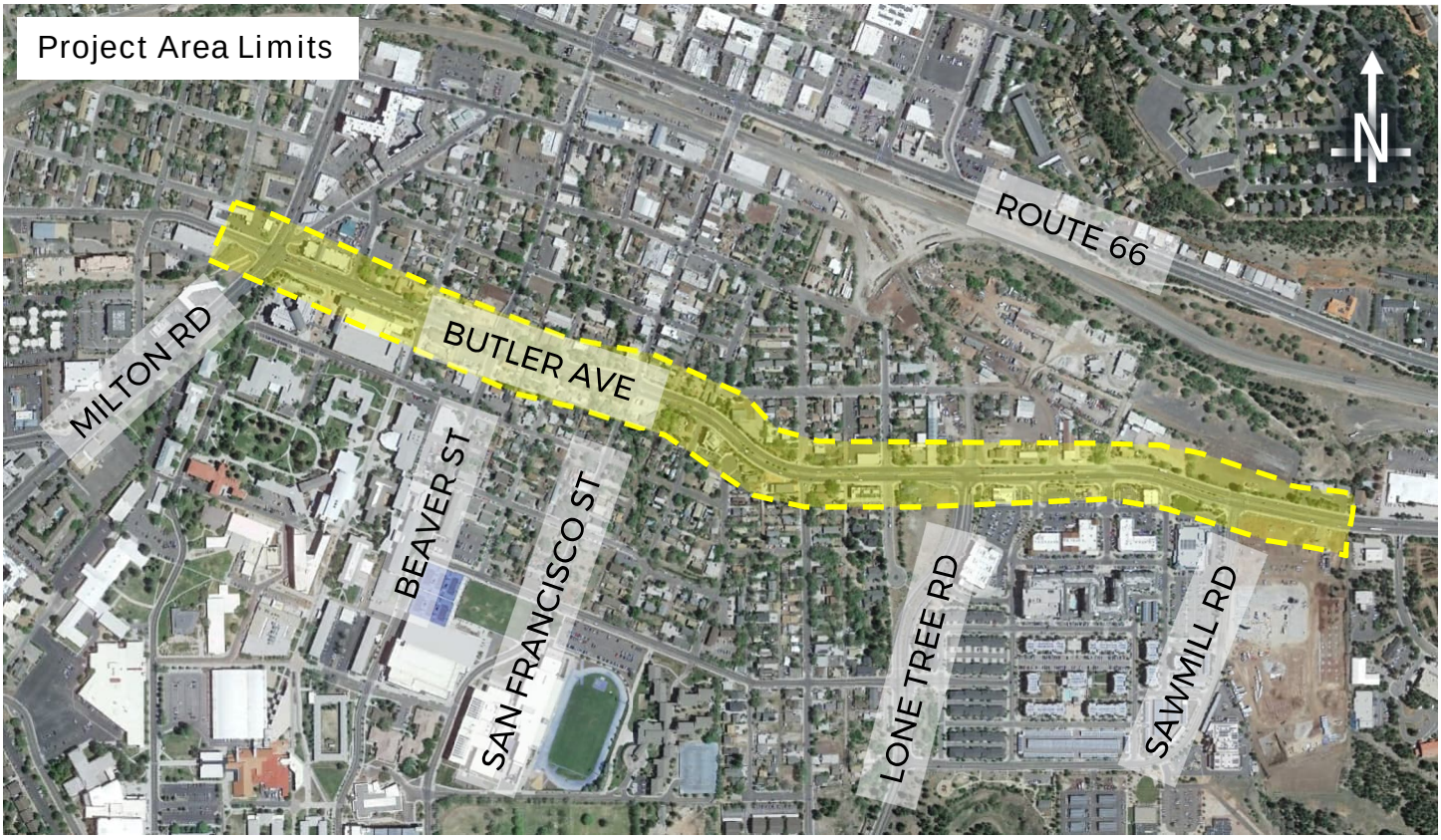
The project includes funding from a FHWA Safe Streets and Roads for All (SS4A) Grant and an Arizona State Match Advantage for Rural Transportation (AZ SMART) Funds. As such, the project requires National Environmental Policy Act (NEPA) compliance. The consulting services for the project include NEPA clearances, survey, public involvement (PI), final sealed plans, cost estimate, and project specifications.

The scope of work for Phase 1 (this contract) includes environmental services to support grant requirements through the NEPA clearance. 30% engineering design will be initiated during Phase 1 to confirm areas of potential impacts and environmental footprints in support of the environmental clearances. The focus of 30% design will be developing the 15% concept to refine the project footprint and refine anticipated ROW needs. FHWA approval of the NEPA document will be required prior to beginning Phase 2 – Final Design.

The following major work elements will be completed in accordance with this Phase 1 scope of work:

1 Project Management and Administration
2 Monthly Progress Meetings
3 Public Involvement
4 NEPA Environmental Document
5 30% Concept Development

The work will be performed using the hourly rate schedule developed under this contract, not to exceed the fee shown in the attached proposal based on the scope outlined herein. If additional scope is required, a subsequent contract modification will be submitted to the City for approval prior to any additional work being completed. WSP will invoice the City for the actual hours of the work required for the Scope of Work and for efforts required to administer the task.



SCHEDULE

WSP will prepare a detailed project schedule using Microsoft Project within 10 calendar days from the notice to proceed. WSP will provide schedule updates to the City PM immediately upon identification of a change and will update the detailed project schedule to reflect these adjustments. WSP will coordinate with the City PM to provide each submittal in digital format (PDFs).

Anticipated project duration for Phase 1 is six months from notice to proceed (NTP). Extensions in this duration resulting from delays in obtaining necessary approvals, data, input, or feedback may result in additional project costs. If delays are encountered, the WSP Project Manager (PM) will communicate with the City PM to identify mitigation opportunities.

Major project milestones are outlined below, with estimated timeframe of occurrence:

Phase 1:

1. September 2025: Phase 1 NTP
2. December 2025: Pre-NEPA Document for City review
3. February 2026: Phase 1 Complete; NEPA Document & 30% Stage Submittal

DESIGN REFERENCES

WSP will use the design references developed and published by the City, as well as other design references developed by other agencies and adopted by the City. These references include, but are not limited to, Flagstaff City Code Title 13 standards and specifications, City of Flagstaff *Active Transportation Master Plan* (ATMP), FHWA's *Manual on Uniform Traffic Control Devices* (MUTCD) 11th Edition, The United States Access Board's *Public Right-of-Way Accessibility Guidelines* (PROWAG), NACTO's Urban Street Design Guide, NACTO's Urban Bikeway Design Guide, AZ STEP Guide Safe Transportation for Every Pedestrian, NACTO's Transit Street Design Guide, AASHTO's *Policy on Geometric Design of Highways and Streets* manual, 7th Edition, AASHTO's Guide for the Development of

Bicycle Facilities, 5th Edition, and the Maricopa Association of Governments (MAG) Uniform Standard Specifications and Details for Public Works Construction.

The Phase conceptual design will be further developed using the 15% design concept as a basis. The 15% concept is documented in the Butler Avenue Separated Bike Lanes Technical Report, the Beaver Street Protected Intersection Evaluation Technical Memo, and the San Francsico Street Protected Intersection Evaluation Technical Memo.

TASK 1.0 – PROJECT MANAGEMENT AND COORDINATION

The work under this task will include general project management and coordination activities during Phase 1. This task includes project management, meetings, project documentation, development of meeting agendas and minutes, coordination with subconsultants, and quality control/quality assurance (QAQC) reviews.

All submittals will be submitted as electronic documents in PDF format. Excel, Word, and CAD files will be provided upon request. Quantity backup calculations will be provided upon request. No hard copy submittals will be provided.

SUBTASKS:

TASK 1.1 PROJECT ADMINISTRATION

Project Management work will include project set up, monthly invoicing, project tracking through MS Project, and general contractual coordination with subconsultants. This scope assumes 6 months of Project Administration.

TASK 1.2 MEETINGS

Project meetings will be held throughout this scope of work to coordinate with the City of Flagstaff and obtain feedback. A project kickoff meeting and field review will be scheduled following NTP. The kickoff meeting is anticipated to last three hours including the meeting and field review and includes travel time to and from the site. Monthly progress review meetings will be scheduled for the duration of the project, with 3 progress meetings assumed (October 2025-February 2026). A meeting agenda and minutes will be prepared for each meeting and include documentation of decisions. Each progress meeting is anticipated to last one hour plus time for agenda preparation and meeting minutes. It is assumed that the WSP PM and Environmental Lead will attend monthly meetings with FHWA during this phase of the project. No meeting agenda or minutes will be required for meetings with FHWA.

ASSUMPTIONS:

1. The project kickoff meeting will be attended by five WSP staff (Sr PM, PM, Environmnetal Lead, Roadway Lead, and Drainage Lead). This meeting will be held at City of Flagstaff town hall and will be followed by a site walkthrough after the meeting.
2. The monthly progress meetings will be attended by four WSP staff (PM, Environmental Lead, Roadway Lead, and Drainge Lead).
3. It is assumed that all meetings except the kickoff will be virtual and do not require travel.

DELIVERABLES:

Meeting Agendas (Electronic PDF), Meeting Minutes (Electronic PDF)

TASK 1.3 PROJECT COORDINATION

Project coordination will include coordination efforts by the project manager and environmental lead throughout the project. The PM and DPM will coordinate with the City PM, task leads, and subconsultants.

TASK 2.0 – ENVIRONMENTAL SERVICES

The work under this task will include preparation of a NEPA Environmental Document.

TASK 2.1 ENVIRONMENTAL COORDINATION

Environmental services will include coordination of the WSP environmental team with City environmental and project management staff, as well as support and coordination with FHWA and regulatory agencies to ensure a complete and timely review of all environmental aspects of the project. A monthly virtual status update meeting through an anticipated clearance date of February 2026 is assumed.

TASK 2.2 NEPA REVIEW

The overall environmental review will be documented through a Categorical Exclusion (CE). WSP will work with the City and FHWA to confirm the class of action and agree upon the category used as listed under the Code of Federal Regulations. This task will include the development of the CE document (including up to two rounds of review from the City and FHWA), which will include the development of the Purpose and Need, and project description, as well as the incorporation of the resource and regulatory reviews described in the following tasks. This task will also include confirmation of the survey area with the City project team, plans review in context of the environmental clearance, and quality assurance.

If it is determined during the progress of the NEPA review that an Environmental Assessment (EA) is required, additional scope of work and time would be required through a contract modification.

TASK 2.3 CULTURAL RESOURCES REVIEW

The cultural resources review for this project will include a desktop literature review for the project area. This will include a review of AZSITE database and National Register Information System database as well as information from the Archaeology Records Office (ARO), General Land Office (GLO) plats, and USGS topographic quadrangles. The search will cover a 1-mile radius of the project area.

Following the desktop review, WSP will conduct a Class III pedestrian survey of the project area and agreed upon Area of Potential Effect (APE). The team will record and map any cultural resources sites and/or isolated occurrence that may occur within the project area. The team will evaluate the significance of all identified cultural resources in terms of eligibility for listing in the Arizona and National Register of historic places. Based on a preliminary database review of the project area, the area has not been previously surveyed.

All work will be conducted under the direction of a qualified Principal Investigator, approved and permitted through the Arizona State Museum (ASM).

WSP will prepare a report following State Historic Preservation Office (SHPO) guidelines (such as Survey Report Summary Form (SRSF)) as applicable. The report will include the results of the literature review, a description of the field methods, a record of isolated occurrences, a detailed description of each site recorded, an evaluation of each site's potential eligibility for listing, and management recommendations.

WSP will provide consultation letters for FHWA to lead Section 106 consultation with SHPO, allowing for sufficient time for review and the 35-day consultation period. These costs will include one round of review and comment from the City and FHWA and one round of comment response resulting from consultation.

WSP will recommend mitigation or commitments such as flagging, avoidance, monitoring, and additional plans as needed based on the survey findings and planned project impacts. An unanticipated discovery clause will be part of the commitments. Implementation of these commitments is not covered under this task and will require a change order if needed.

Scope under this task will include permitting fees through ASM.

Scope under this task will include documentation of historic structures up to 1 previously recorded site (Rt 66) and 27 in-use historic structures within the project APE.

TASK 2.4 BIOLOGICAL RESOURCES REVIEW

The biological resources review will be limited to a desktop database review, due to the project location in urban Flagstaff. There is no remaining natural habitat, thus impact to wildlife and other biological resources are not anticipated. WSP will review the Arizona Game and Fish (AGFD) Online Environmental Review Tool (OERT), the US Fish and Wildlife Service (USFWS) Information for Planning and Consultation (IPaC) and other online databases and aerial imagery as appropriate. The Qualified WSP biologist will document the review using a template similar to the Arizona Department of Transportation's Biological Evaluation Short Form (BESF). A general biology site visit is not anticipated to be needed but can be combined with the Water Resources Review site visit if needed. No biological agency scoping letters are anticipated under this task.

TASK 2.5 WATER RESOURCES REVIEW

A Clean Water Act Section 404 review will be required for the portion of Rio De Flag that crosses the project area. If drainage improvements or other project impacts are anticipated at this location, an Approved Jurisdictional Determination (AJD) would be appropriate. In addition to this AJD, a wetland delineation would be required due to the known vegetation in the drainage. An AJD package will include the required forms, spreadsheets, figures, and documentation required by the US Army Corps of Engineers (USACE). If required for the project, the AJD will reference the AJD used for the Downtown Mile Project, and request that the Rio De Flag in this area also be determined non-jurisdictional.

If the Rio de Flag drainage is not impacted by this project, a water resources memorandum will be drafted noting features in the area and how impacts to these features will not be impacted.

Initial desktop review for this task will include review of US Army Corps of Engineers ORM database, USFWS National Wetland Inventory database, aerial imagery, and the Arizona Department of Environmental Quality eMaps database, and supporting LiDAR data.

Scope under this task assumes up to two rounds of review from the City, FHWA, and USACE.

Scope under this task assumes that a Clean Water Act Section 404 permit is not required and thus is not included in this scope.

TASK 2.6 HAZARDOUS MATERIALS REVIEW

The project review will include a Preliminary Initial Site Assessment review. WSP will conduct a site visit and database review, documenting findings through a template similar to that used by ADOT.

WSP will collect up to 10 samples each (20 samples total) for analysis for asbestos-containing materials and lead-based paint. Samples will be collected at the time of the site visit. Representative samples will be collected, and sampling will not be conducted in areas that require traffic control.

Phase I Environmental Site Assessments are not included in this scope of work. If required for identified right-of-way acquisition, this scope of work may be modified for required work under a future contract modification.

TASK 2.7 AIR QUALITY AND NOISE REVIEW

The project is not located in an air quality non-attainment area, nor is it adding capacity that triggers noise analysis. This review will be documented within the CE Checklist.

TASK 2.8 SECTIONS 4(F) AND 6(F) REVIEW

The Section 4(f) and 6(f) reviews will be conducted as part of this task. The results of the reviews will be documented in a memorandum and included in the CE Checklist. WSP will review the project area and a ½ mile buffer for impacts to 4(f) and 6(f) resources. Use and/or impacts are not expected for this project.

ASSUMPTIONS

1. Traffic control may be needed for sampling or environmental field work.
2. If additional historical structures are identified above what is listed in the Cultural Resources task, a cost modification may be requested.
3. If more rounds of review and comment are required on the documents listed under each task, a cost modification may be requested.
4. The cultural resources task does not include monitoring or other post-design services.
5. Any wetland delineation work will need to be conducted outside of the winter season.
6. Fieldwork will not be impacted by inclement weather.
7. A Clean Water Act Section 404 permit is not anticipated for this project.
8. If required, Environmental Site Assessments (ESAs) will be added in Phase 2.

DELIVERABLES

1. NEPA CE Checklist (Electronic PDF)
2. Biology Checklist (Electronic PDF)
3. Cultural Resources Report (Class III) (Electronic PDF)
4. Cultural Resources Consultation Letters (Electronic PDF)
5. Water Resources Memorandum (Electronic PDF)
6. Electronic information collected during field survey work (Existing Format, available on request)

TASK 3.0 – PUBLIC ENGAGEMENT

The work under this task will include public involvement and community coordination during the project.

TASK 3.1 PUBLIC INVOLVEMENT

Public involvement (PI) will be led by Beta PR. See attached subconsultant scope of work for more information.

WSP will coordinate with Beta PR to support their PI effort, including scheduling assistance, providing CAD files for exhibits, and communicating PI action items to the design team.

ASSUMPTIONS:

1. Beta PR will schedule, organize, and run 1 public meeting as part of the NEPA process.
2. Two WSP staff will attend the public meeting.

DELIVERABLES:

None.

TASK 4.0 – SURVEY DATA

The work under this task will include collection of field survey and right-of-way (ROW) survey. Northland Exploration Surveys will provide survey services; see attached subconsultant scope of work for more information. WSP will coordinate with Northland

throughout the project and develop topo and existing ROW base files based on survey information. Hours for coordination are included in Task 1.3.

TASK 5.0 – ROADWAY DESIGN

The work under this task will include development of a preliminary design including reconstructed sidewalks, bike lanes, curb & gutter, and driveways between Milton Road and the eastern project limit; new sidewalks and separated directional bike lanes between Milton Road and the eastern project limit; curb ramp and other ADA compliance upgrades between Milton Road and the eastern project limit; reconstruction and reconfiguration of six existing Mountain Line transit stops at San Francisco Street, Elden Street, Regent Street, and Lumber Street; protected intersections at Beaver Street, San Francisco Street, and Sawmill Road; and improvements to accommodate a new RFB crossing at O'Leary Street as described above in the General Description of Work section. Peak Design will provide roadway design from the western project limit to WC Riles Street; see attached subconsultant scope of work for more information. The preliminary concepts developed during Phase 1 will be refined during Phase 2 under a separate scope of work.

It is anticipated that the protected intersection currently under construction at Butler Avenue and Lone Tree Road will remain and not require reconstruction. The approaches on Butler Avenue will require reconstruction to provide separated bike lanes. Coordination with the Lone Tree Overpass project will be required to provide a consistent separated bike lane environment in the project area and minimize reconstruction of recently constructed elements (including storm drain and curb).

TASK 5.1 DATA COLLECTION

WSP will review as-built plans and LTO construction as-builts to incorporate into the project. The 15% conceptual design prepared for the Butler Avenue Separated Bike Lanes Study will be used as the starting point for design.

TASK 5.2 30% CONCEPT SUBMITTAL

WSP will develop a 30% Concept Submittal to support the NEPA evaluation and FHWA grant requirements. This 30% submittal will refine concepts outlined in the previous 15% design efforts. One Roll Plot at a scale of 1" = 40' will be developed to include aerial imagery of the roadway footprint, roadway geometry and layout, project constraints, potential ROW impacts, and existing utilities. The roadway Roll Plot will also depict conceptual pavement striping and drainage improvements. Potential ROW impacts will be refined from the previous 15% design efforts, and opportunities will be explored to eliminate new ROW or utilize temporary construction easements instead. It is assumed that new ROW will be acquired where necessary to have existing and new sidewalk and bike lanes in City ROW. New ROW takes will be shown on the 30% roll plot.

DELIVERABLES:

30% Roadway Roll Plot and Engineer's Estimate (Electronic PDF)

TASK 5.3 QUALITY CONTROL

WSP will perform Quality Control procedures as described in the project Quality Plan for the preliminary 30% concept submittal.

TASK 5.4 QUANTITIES & COSTS

WSP will perform quantity take-offs and compile an Engineer's Estimate for the roadway components to be included with the preliminary 30% concept submittal.

TASK 6.0 – PHASE 1 DRAINAGE

All drainage design and analysis will be in accordance with the City of Flagstaff 2025 Stormwater Management Design Manual. The Phase 1 Environmental Clearance drainage coordination & data collection work will consist of the following items:

TASK 6.1 DATA COLLECTION

WSP will research, collect and review as-built plans and GIS data to incorporate into the project existing condition base file. In addition, WSP will coordinate with Stormwater to obtain all drainage reports that have been included with past Butler Avenue improvements. WSP will meet with the City department to review condition reports and assessments for the existing drainage within the project limits.

TASK 6.2 MEETINGS (7 TOTAL)

Drainage Lead, PM and Drainage Engineer will meet with Stormwater and Maintenance Staff (anticipate two (2) virtual meetings) to discuss inspection and condition reports for the existing storm drain system. Meeting summaries will be drafted and submitted to attendees.

Drainage Team will attend two (2) internal coordination meetings with the Environmental team to collaborate on environmental clearance needs based on assumed drainage impacts.

TASK 6.3 EXISTING CONDITION BASE FILE PREPARATION

WSP will use the data collected to create a drainage base file for the project environmental evaluation.

TASK 7.0 – TRAFFIC DESIGN

The work under this task will include pavement marking, signing, traffic signal, lighting, and traffic control design between Milton Road and the eastern project limit. Peak Design will provide pavement marking, signing, and lighting design from the western project limit to WC Riles Street; see attached subconsultant scope of work for more information.

TASK 7.1 PAVEMENT MARKING

Pavement marking design will extend from Milton Road to the eastern project limit. The eastern pavement marking limit may extend east of the roadway reconstruction limits due to anticipated MOT activities. Pavement markings will include refresh/reestablishment of existing striping on Butler Avenue and striping to delineate the bike lane and sidewalk. For Phase 1, pavement marking will be shown on the roadway roll plot. Pavement marking plans will be provided in Phase 2.

TASK 7.2 SIGNING

Signing design and plans will be included with Phase 2. For Phase 1, signing costs will be estimated based on project extent.

TASK 7.3 TRAFFIC SIGNALS

WSP will design traffic signal modifications at Beaver Street, San Francisco Street, and Sawmill Road to accommodate the new protected intersection configuration. The traffic signal plans will also include modifications to the existing RFB crossing at Humphreys Street and a new RFB at O'Leary Street. Existing equipment will remain where feasible. For Phase 1, pole layouts will be shown on the roadway roll plot. Signal plans will be provided in Phase 2.

Traffic analysis, signal timing analysis, and recommended signal timing are excluded from this scope of work. If required, they will be added in Phase 2.

TASK 7.4 LIGHTING

Design of lighting modifications will extend from Milton Road to the eastern project limit. The lighting will be designed to match Title 13 Chapter 12, including light pole spacing requirements. It is anticipated that some light poles will be removed due to project improvements. Other light poles may be removed to match new light pole spacing. Existing poles that are not impacted by project improvements and are compatible with light pole spacing will remain. No lighting analysis will be performed in Phase 1. For Phase 1, light poles will be shown on the roadway roll plot. Lighting plans will be provided in Phase 2.

TASK 7.5 TRAFFIC CONTROL

WSP will develop traffic control plans for the project in Phase 2. For Phase 1, traffic control costs will be estimated based on the roadway construction cost estimate.

DELIVERABLES:

None. Pavement markings, signal pole layouts, and light poles will be shown on the 30% roadway roll plot.

ASSUMPTIONS:

1. The project will not require restriping of the Butler Avenue and Lone Tree Road protected intersection.
2. The existing traffic signals on Butler Avenue at Milton Road and Lone Tree Road will not require any modifications.

DIRECT EXPENSES

Direct Expenses are based upon the agreed upon rates as established by the Contract. See the attached cost proposal for additional information.

EXCLUSIONS

The following items are not included in this scope of work. If required, they will be added by contract modification at the City's direction.

1. Structural design for catch basins. All catch basins are expected to be designed per standard details.
2. Collection of traffic, pedestrian, and bicycle count data – existing data sources will be used.
3. An earthwork report is not included in this scope of work. Earthwork is expected to be minimal and incidental to other items.
4. No design for utility facilities is included in this scope of work.
5. Cross sections will not be provided for this project (Typical Sections will be provided).
6. No existing or proposed roadway centerline profiles will be shown.
7. Utility potholing is not included in this scope of work. It is anticipated that identification of pothole locations and potholing work will be included in Phase 2.

CONTINGENCY

A contingency item is included that may be utilized at the discretion of the City PM. The project team shall obtain written approval (which could include an email or letter) from the City PM prior to expending contingency item funds. Upon the City's request, WSP can provide support for services not covered or excluded from this Scope of Work.

Contract No.:

Butler Avenue Complete Streets Conversion Phased Project
Phase 1

New Contract:

Contract Mod:

DERIVATION OF COST PROPOSAL SUMMARY

ESTIMATED DIRECT LABOR

Classification	Manhours	% of Total Hours	Billable Hourly Rate	Estimated Labor Costs
Project Principal	6	0.5%	$335.00	$2,010.00
Sr Project Manager	32	2.5%	$315.00	$10,080.00
Project Manager	103	8.2%	$250.00	$25,750.00
Construction Engineer	0	0.0%	$245.00	$0.00
Project Engineer-Sr	63	5.0%	$290.00	$18,270.00
Project Engineer	99	7.9%	$210.00	$20,790.00
Engineer	242	19.2%	$155.00	$37,510.00
Designer - Sr.	0	0.0%	$210.00	$0.00
Designer	24	1.9%	$125.00	$3,000.00
Enviro Lead	159	12.6%	$240.00	$38,160.00
Enviro Planner - Sr.	24	1.9%	$190.00	$4,560.00
Enviro Planner	188	14.9%	$95.00	$17,860.00
CADD Technician	184	14.6%	$125.00	$23,000.00
Admin	46	3.7%	$120.00	$5,520.00
Project Admin	12	1.0%	$110.00	$1,320.00
GIS Analyst	76	6.0%	$140.00	$10,640.00
TOTAL Hours	1,258			
				$218,470.00

ESTIMATED DIRECT EXPENSES

Mileage	$1,584.00
Travel	$275.00
Miscellaneous Expenses	$5,000.00
	$7,459.00

ESTIMATED OUTSIDE SERVICES AND CONSULTANTS

Subconsultant	Method of Compensation	DBE	Fee
Peak Engineering, INC	Unit Rate	No	$33,000.00
Northland Exploration Surve	Unit Rate	No	$53,200.00
Beta Public Relations	Unit Rate	No	$13,870.56
Norris Design	Unit Rate	No	$0.00
			$100,070.56

ESTIMATED TOTAL

$325,999.56

CONTRACT TIME: 6 months

OWNER CONTINGENCY: 10% $32,600.00

Melita

Signature

9/22/2025

Date

Contract No.:

Butler Avenue Complete Streets Conversion Phased Project
Phase 1 - Environmental Effort (Tasks 1 & 2)

New Contract:

Contract Mod:

DERIVATION OF COST PROPOSAL SUMMARY

ESTIMATED DIRECT LABOR

Classification	Manhours	% of Total Hours	Billable Hourly Rate	Estimated Labor Costs
Project Principal	6	0.9%	$335.00	$2,010.00
Sr Project Manager	14	2.1%	$315.00	$4,410.00
Project Manager	65	9.9%	$250.00	$16,250.00
Construction Engineer	0	0.0%	$245.00	$0.00
Project Engineer-Sr	19	2.9%	$290.00	$5,510.00
Project Engineer	35	5.3%	$210.00	$7,350.00
Engineer	44	6.7%	$155.00	$6,820.00
Designer - Sr.	0	0.0%	$210.00	$0.00
Designer	0	0.0%	$125.00	$0.00
Enviro Lead	151	23.0%	$240.00	$36,240.00
Enviro Planner - Sr.	24	3.7%	$190.00	$4,560.00
Enviro Planner	188	28.7%	$95.00	$17,860.00
CADD Technician	0	0.0%	$125.00	$0.00
Admin	46	7.0%	$120.00	$5,520.00
Project Admin	12	1.8%	$110.00	$1,320.00
GIS Analyst	52	7.9%	$140.00	$7,280.00
TOTAL Hours	656			
				$115,130.00

ESTIMATED DIRECT EXPENSES

Mileage	$1,584.00
Travel	$275.00
Miscellaneous Expenses	$5,000.00
	$7,459.00

ESTIMATED OUTSIDE SERVICES AND CONSULTANTS

Subconsultant	Method of Compensation	DBE	Fee
Peak Engineering, INC	Unit Rate	No	$0.00
Northland Exploration Surve	Unit Rate	No	$0.00
Beta Public Relations	Unit Rate	No	$0.00
Norris Design	Unit Rate	No	$0.00
			$0.00

ESTIMATED ENVIRONMENTAL EFFORT TOTAL

$122,589.00

CONTRACT TIME: 6 months

OWNER CONTINGENCY: 0% $0.00

Butler Avenue Complete Streets Conversion Phased Project Phase 1
Contract No. 2025-240

TASK/DISCIPLINE	Project Principal	Sr Project Manager	Project Manager	Construction Engineer	Project Engineer-Sr	Project Engineer	Engineer	Designer - Sr.	Designer	Enviro Lead	Enviro Planner - Sr.	Enviro Planner	CADD Technician	Admin	Project Admin	GIS Analyst	Total
1.0 PROJECT MGMT	6	14	65	0	19	3	0	0	0	47	0	0	0	0	12	0	166.0
2.0 ENVIRONMENTAL	0	0	0	0	0	32	44	0	0	104	24	188	0	46	0	52	490.0
3.0 PUBLIC ENGAGEMENT	0	0	12	0	0	16	0	0	0	8	0	0	16	0	0	0	52.0
4.0 SURVEY DATA	0	0	4	0	0	0	8	0	0	0	0	0	8	0	0	0	20.0
5.0 ROADWAY	0	0	0	0	20	48	112	0	0	0	0	0	104	0	0	0	284.0
6.0 DRAINAGE	0	0	4	0	12	0	60	0	0	0	0	0	32	0	0	24	132.0
7.0 TRAFFIC	0	18	18	0	12	0	18	0	24	0	0	0	24	0	0	0	114.0
PROJECT TOTAL HOURS	6	32	103	0	63	99	242	0	24	159	24	188	184	46	12	76	1258

Butler Avenue Complete Streets Conversion Phased Project Phase 1
Contract No. 2025-240

1.0 PROJECT MGMT TASK DESCRIPTION	Total Hours	Project Principal	Sr Project Manager	Project Manager	Construction Engineer	Project Engineer-Sr	Project Engineer	Engineer	Designer - Sr.	Designer	Enviro Lead	Enviro Planner - Sr.	Enviro Planner	CADD Technician	Admin	Project Admin	GIS Analyst
Project Administration																	
1.1 Project Management (6 Month Duration)	42	6	6	18												12	
1.2 Meetings																	
1.2A Kickoff Meeting (1 Total, 5 Staff, 3 hour, in person)	40		8	8		16					8						
1.2B Monthly Progress Meetings (3 Total, 4 Staff, 1 hour)	12			3		3	3				3						
1.2C Meeting Preparation and Minutes (6 Total)	12			6							6						
1.2D FHWA Meetings	12			6							6						
1.3 Project Coordination																	
1.3A General Coordination (2 hour per month)	24			12							12						
1.3B Subconsultant Coordination (2 hour per month)	24			12							12						
SUBTOTAL 1.0 PROJECT MGMT	166	6	14	65	0	19	3	0	0	0	47	0	0	0	0	12	0

Task Cost: $ 41,410.00

Butler Avenue Complete Streets Conversion Phased Project Phase 1
Contract No. 2025-240

2.0 ENVIRONMENTAL TASK DESCRIPTION	Total Hours	Project Principal	Sr Project Manager	Project Manager	Construction Engineer	Project Engineer-Sr	Project Engineer	Engineer	Designer - Sr.	Designer	Enviro Lead	Enviro Planner - Sr.	Enviro Planner	CADD Technician	Admin	Project Admin	GIS Analyst
2.1 Environmental Coordination	72										24		24		24		
2.2 NEPA Review	84										40		24		8		12
2.3 Cultural Resources Review	160						16	44			8		72		8		12
2.4 Biological Resources Review	28						16				2		4		2		4
2.5 Water Resources Review	80										8	24	32				16
2.6 Hazardous Materials Review	42										4		32		4		2
2.7 Air Quality and Noise Review	10										10						
2.8 Sections 4(f) and 6(f) Review	14										8						6
SUBTOTAL 2.0 ENVIRONMENTAL	490	0	0	0	0	0	32	44	0	0	104	24	188	0	46	0	52

Task Cost: $ 73,720.00

Butler Avenue Complete Streets Conversion Phased Project Phase 1
Contract No. 2025-240

3.0 PUBLIC ENGAGEMENT TASK DESCRIPTION	Total Hours	Project Principal	Sr Project Manager	Project Manager	Construction Engineer	Project Engineer-Sr	Project Engineer	Engineer	Designer - Sr.	Designer	Enviro Lead	Enviro Planner - Sr.	Enviro Planner	CADD Technician	Admin	Project Admin	GIS Analyst
3.1 Public Engagement																	
3.1A BetaPR PI Coordination	36			4			16							16			
3.1B Public Meeting	16			8							8						
SUBTOTAL 3.0 PUBLIC ENGAGEMENT	52	0	0	12	0	0	16	0	0	0	8	0	0	16	0	0	0

Task Cost: $ 10,280.00

Butler Avenue Complete Streets Conversion Phased Project Phase 1
Contract No. 2025-240

4.0 SURVEY DATA TASK DESCRIPTION	Total Hours	Project Principal	Sr Project Manager	Project Manager	Construction Engineer	Project Engineer-Sr	Project Engineer	Engineer	Designer - Sr.	Designer	Enviro Lead	Enviro Planner - Sr.	Enviro Planner	CADD Technician	Admin	Project Admin	GIS Analyst
4.1 Survey Coordination																	
3.1 Northland Coordination	20			4				8						8			
SUBTOTAL 4.0 SURVEY DATA	20	0	0	4	0	0	0	8	0	0	0	0	0	8	0	0	0
													Task Cost:				$ 3,240.00

Butler Avenue Complete Streets Conversion Phased Project Phase 1
Contract No. 2025-240

5.0 ROADWAY TASK DESCRIPTION	Total Hours	Project Principal	Sr Project Manager	Project Manager	Construction Engineer	Project Engineer-Sr	Project Engineer	Engineer	Designer - Sr.	Designer	Enviro Lead	Enviro Planner - Sr.	Enviro Planner	CADD Technician	Admin	Project Admin	GIS Analyst
Roadway Design																	
5.1 Data Collection	40						8	16						16			
5.2 30% Concept Submittal	196					12	24	80						80			
5.3 Quality Control	16					4	4							8			
5.4 Quantities & Costs	32					4	12	16									
SUBTOTAL 5.0 ROADWAY	284	0	0	0	0	20	48	112	0	0	0	0	0	104	0	0	0

Task Cost: $ 46,240.00

Butler Avenue Complete Streets Conversion Phased Project Phase 1
Contract No. 2025-240

6.0 DRAINAGE TASK DESCRIPTION	Total Hours	Project Principal	Sr Project Manager	Project Manager	Construction Engineer	Project Engineer-Sr	Project Engineer	Engineer	Designer - Sr.	Designer	Enviro Lead	Enviro Planner	Enviro Planner - Sr.	CADD Technician	Admin	Project Admin	GIS Analyst
6.1 Data Collection	48					8		40									
6.2 Meetings (4 Total, 1 hour, 3 staff)	12			4		4		4									
6.3 Exsisting Drainage Base FIle	72							16						32			24
	0																
	0																
	0																
	0																
SUBTOTAL 6.0 DRAINAGE	132	0	0	4	0	12	0	60	0	0	0	0	0	32	0	0	24

Task Cost:	$ 21,140.00

Butler Avenue Complete Streets Conversion Phased Project Phase 1
Contract No. 2025-240

7.0 TRAFFIC TASK DESCRIPTION	Total Hours	Project Principal	Sr Project Manager	Project Manager	Construction Engineer	Project Engineer-Sr	Project Engineer	Engineer	Designer - Sr.	Designer	Enviro Lead	Enviro Planner - Sr.	Enviro Planner	CADD Technician	Admin	Project Admin	GIS Analyst
Trafic Design																	
7.1 Pavement Marking	30		4	4		2		4		4				12			
7.2 Signing	6					2		2		2							
7.3 Traffic Signals	42		8	8		2		8		8				8			
7.4 Lighting	8					2		4		2							
	0																
QAQC	14		2	2		2				4				4			
Traffic Quantities / Estimation	14		4	4		2				4							
	0																
	0																
	0																
	0																
	0																
	0																
	0																
	0																
	0																
SUBTOTAL 7.0 TRAFFIC	114	0	18	18	0	12	0	18	0	24	0	0	0	24	0	0	0

Task Cost: $ 22,440.00

Butler Avenue Complete Streets Conversion Phased Project Phase 1
Contract No. 2025-240

DIRECT EXPENSES

ITEM						No.	Unit Cost	Cost
Outside Reproduction								
11"x17" Copies (Color)							$ 1.25	$ -
11"x17" Copies (B&W)							$ 0.50	$ -
8 ½" x 11" Copies (Color)							$ 0.75	$ -
8 ½" x 11" Copies B&W)							$ 0.25	$ -
5" x 10" card stock mailer (color, 50% bleed)							$ 0.50	$ -
							SUB-TOTAL:	$ -
Courier/Postage/Overnight Mail								
Courier						0	$ 7.95	$ -
Postage						0	$ 0.50	$ -
Overnight Mail						0	$ 5.00	$ -
							SUB-TOTAL:	$ -
Mileage								
Travel to site for Kickoff Meeting	2 mtgs	@	300 miles	roundtrip		600	$ 0.660	$ 396.00
Travel to Flagstaff for Public Meeting	2 mtgs	@	300 miles	roundtrip		600	$ 0.660	$ 396.00
Travel for Cultural Resources Field Work	2 mtgs	@	300 miles	roundtrip		600	$ 0.660	$ 396.00
Travel for Water Resources and HazMat field work	2 mtgs	@	300 miles	roundtrip		600	$ 0.660	$ 396.00
		@				0	$ 0.660	$ -
							SUB-TOTAL:	$ 1,584.00
Travel*								
Meals during kickoff meeting	5 staff	@	1 trips	@	1 day	5	$ 25.00	$ 125.00
Meals during public meeting	2 staff	@	1 trips	@	1 day	2	$ 25.00	$ 50.00
Meal during field work	2 staff	@	2 days	@	1 day	4	$ 25.00	$ 100.00
		@		@		0	$ -	$ -
		@		@		0	$ -	$ -
*Covers only travel 15 miles or more beyond the City Limits or by Frims from other than Flagstaff							SUB-TOTAL:	$ 275.00
Miscellaneous Expenses								
Arizona State Museum Permit Fee						1	$ 2,500.00	$ 2,500.00
Traffic Control for HazMat work						1	$ 2,500.00	$ 2,500.00
							SUB-TOTAL:	$ 5,000.00

Lab Testing	Quantity	Unit	Rate	Cost
Sieve Analsyis, (Washed) (ASTM C136, ARIZ 201)	0	EA	$95	$ -
Plasticity Index (Wet Prep) (ASTM D4318)	0	EA	$120	$ -
One-Dimensional Expansion (Swell) (ASTM D4546)	0	EA	$160	$ -
R-Value (ASTM D2844, AASHTO T190)	0	EA	$300	$ -
Proctor - Standard (ASTM D698, ARIZ 225/245)	0	EA	$135	$ -
Asbestos Containing Materials	10	EA	$30	$ 300.00
Lead Based Paint	10	EA	$30	$ 300.00
			SUB-TOTAL:	$600.00

TOTAL DIRECT EXPENSES

TOTAL: $ 7,459.00

August 27, 2025

Mr. Jason Carlaftes
WSP

Re: Butler Avenue Complete Streets Conversion Project: Phase 1 – Scope of Work and Estimate for Public Involvement Services

Mr. Carlaftes:

Beta Public Relations (BetaPr) respectfully submits this scope of work and estimated fee for Public Involvement Services on Phase 1 of the City of Flagstaff's Butler Avenue Complete Streets Conversion Project. These services will help the project team inform, educate and involve area stakeholders and the Flagstaff community.

Due to the eventual benefits and high-profile nature of this project, public involvement is critical for managing perception of the project. We have developed a comprehensive approach to public involvement for the surrounding community. Outlined below are the tasks associated with the project and estimated costs. If necessary, we can adjust our estimate to accommodate any changes to the scope of work. Billing will be based on hours spent per task. If a task is not completed as part of this project, then no charges will be applied to it.

Project Scope	Estimated Cost
Task 1 – **Develop Public Involvement Plan** A Public Involvement Plan (PIP) will outline the community outreach effort for the project team. The PIP will align with City requirements and will be delivered to the project team prior to our tasks commencing. The PIP will include information regarding the outreach activities BetaPr will undertake, the project's stakeholders, goals and approach. **Task Deliverables:** Public Involvement Plan Document	$800.00
Task 2 – **Public Notice Flier Design, Production and Mailing** BetaPr will design and produce a Public Notice Flier for distribution. The flier will introduce the project to local stakeholders, invite them to attend the public meeting, provide information on project timelines and highlight avenues to stay informed and involved as the project moves forward. The project flyers will be bulk mailed to fully saturate areas in and around the project corridor. Additionally, the flier will be mailed directly to property owners directly along the project corridor. **Task Deliverables:** Public Notice Flier (Physical and Digital versions)	$1,200.00

Task 3 – **Stakeholder Outreach** BetaPr will hand deliver a Public Notice Flier to each stakeholder directly along the project corridor and attempt to gather stakeholder contact information. Additional outreach activities include but are not limited to: one-on-one meetings, phone calls, emails and coordination with local stakeholder groups, commissions, emergency services, public transportation, local schools and businesses. **Task Deliverables:** Stakeholder Contact Log Spreadsheet	$1,950.00
Task 4 – **Stakeholder Contact Database** BetaPr will develop a comprehensive stakeholder database for this project. This database will be developed using the City's and WSP's stakeholder list from the Lone Tree Extension Project, BetaPr's existing City contact database, a sign-up list on the City's webpage and any City/project team contacts. This list will be updated continuously throughout the project as contacts are obtained through outreach activities, and will be available to the project team at all times should stakeholder contact be required. **Task Deliverables:** Stakeholder Contact Database	$500.00
Task 5 – **Translation Services** BetaPr will translate any and all project documents from English to Spanish. **Task Deliverables:** Translated project documents (as needed)	$1,000.00
Task 6 – **Project Team Meetings** To coordinate the public involvement effort, receive schedules, and discuss project details, BetaPr will attend up to 12 project team meetings as needed.	$1,560.00
Task 7 – **Graphic Design Services** BetaPr will support WSP to design various graphic resources for this project, such as maps, FAQ's and educational pieces, as well as anything else requested from the Project Team. **Task Deliverables:** Graphic designs, images and documents (as needed)	$2,000.00
Task 8 – **Press Releases and Social Media Support** BetaPr will coordinate with the City's Public Affairs Director to develop press releases and generate copy for social media updates. **Task Deliverables:** Press Release documents and social media plans	$900.00

Task 9 – **Web Domain and Project Website Assistance** BetaPr will acquire a user-friendly, project-specific web domain. The web domain will be directed to the City of Flagstaff's *SocialPinpoint* webpage. The City's *SocialPinpoint* platform will be treated as the main hub for project details, and will be populated with project-specific information, maps, FAQ's, and additional resources to help stakeholders understand the project and how they can stay connected as it develops. BetaPr will work with City staff to develop the *SocialPinpoint* webpage and ensure it remains up-to-date throughout the project. **Task Deliverables:** Web domain ownership and project website plan	$1,000.00
Task 10 – **Facilitate Public Meeting** BetaPr will facilitate a public meeting for the project. The meeting will be held to introduce the project to the community and area stakeholders and connect them with the project team. Facilitation includes acquiring a venue, producing meeting materials, assisting with presentations, and meeting set-up and take-down. After the meeting is complete, a public meeting summary will be provided to the team compiling all comments and input received. **Task Deliverables:** Public Meeting Summary	$1,900.00
Total Estimated Labor Expenses	**$12,810.00**

Direct Expenses	Estimated Cost
Public Notice Flier Printing – 1,400 pieces* x $0.50 per piece ** Includes mailings, door-to-door distribution, and supplying copies to project team.*	$700.00
Bulk mail postage – 1,027 pieces* x $0.28 per piece ** Based on current USPS data to fully saturate project corridor and surrounding area, totaling 860 residents and 167 business addresses.*	$287.56
Direct mail postage – 100 pieces* x $0.73 per piece ** Includes property owner addresses generated from the Coconino County Assessor's website.*	$73.00
Total Estimated Direct Expenses	**$1,060.56**

Total Estimated Project Cost $13,870.56

Thank you for the opportunity to work on this project. If you have any questions regarding the scope of work, feel free to contact me at (928) 440-5080. We look forward to working with WSP to provide effective public involvement support for this project.

Sincerely,

Conner Cassens
Vice President/Sr. Project Manager
BetaPr

Wednesday, August 27, 2025

WSP USA, Inc.
Jason.Carlaftes@swp.com

Attn: Payton

817 N. Humphreys St.
Flagstaff AZ 86001
928.774.5058
www.NESincAZ.com

Re: COF Butler Ave, Milton to River Run Rd full R.O.W. and Topographic Survey

Please accept this letter as our estimate to provide surveying services for the subject project. The following is an itemized scope of work and fee schedule.

Scope and Fee:

Office Pre-Calculations, Research	$4,200.00
Topographic & R.O.W. Survey: Milton to River Run Rd. 10-15' Beyond Right of Way. All visible utilitie, face of buildings, driveways, alleys, and match points	$39,750.00
Topographic Exhibit Map: including Right of Way for Butler Ave	$9,250.00
Total Field and Office cost:	**$53,200.00**

MISCELLANEOUS:
All work shall be performed under the direct supervision of an Arizona Registered Land Surveyor and shall conform to the current Standards for the practice of land surveying in the State of Arizona.

Should authorized work begin and then be terminated for any reason, all work completed prior to notice of termination shall be due and payable at the hourly rates in effect when the work was completed.

There are no understandings or agreements, written or verbal, other than those written herein.

Thank you for the opportunity to provide this proposal. Please call if you have any questions.

Billings will be submitted as work proceeds on a monthly basis for the estimated percentage of work completed to date.

We will conduct the survey utilizing the Flagstaff Low Distortion coordinate system and NAVD 88 Vertical Datum. We will deliver an ASCII file of the surveyed points, a cad base file, an Aerial orthomosiac image of the site, and a stamped PDF copy of the Topographic Exhibit.

Re: COF Butler Ave, Milton to River Run Rd full R.O.W. and Topographic Survey

Respectfully Submitted,

Tim Janes, LSIT
Field Operations Manager
Northland Exploration Surveys, Inc.

Proposal for this Phase 1 will be limited to 20% of Task 1 and Task 2. Other work shown is for Phase 2.

SCOPE OF SERVICES – ENGINEERING DESIGN

Date: August 2025

Project: **City of Flagstaff Butler Avenue Complete Streets Conversion**

Client Project No: tbd

Peak Project No: 25WSP01

Prepared For: Jason Carlaftes

Prepared By: Julie Leid

The Butler Avenue Complete Streets Conversion Projects is to improve multimodal safety and mobility as identified in the City's Active Transportation Master Plan and the 2020 Southside Community Plan. The corridor intersects with multiple existing and planned bikeways, connecting routes to multiple destinations. The proposed design features new sidewalks, separated bike lanes, protected intersections and enhanced safety crossings along Butler Avenue from Milton Road to east of Sawmill Road. The project includes three protected intersections at Sawmill Road, Beaver Street and San Francisco Street and enhanced crossings at Humphreys St and O'Leary St.

The project is funded by a *Federal Highways Safe Streets and Roads for All* grant with *AZ SMART* funds for the local match.

As a subconsultant to WSP, Peak Engineering's role is to provide civil engineering design for the segment of Butler Avenue from Milton Road to WC Riles Street (east side). The following table identifies design components and responsibility.

Civil Engineering Design Component	**WSP**	**Peak**	**Others**
Basis of Design, Design Criteria	x		
Roadway Edge Improvement Design (sidewalk, bike lane, curb and gutter, driveways)	WC Riles - E. of Sawmill	Milton - WC Riles	
Traffic Signals & RFB Pedestrian Signals	x		
Protected Intersection Layout & Grading	Sawmill	Beaver & San Francisco	
Striping and Signage	WC Riles - E. of Sawmill	Milton - WC Riles	
Transit Stop Design	4 of 6	2 of 6	
Regional Drainage Design (Rio de Flag Floodplain)	x		
Roadway Drainage Analysis & Infrastructure Design	WC Riles - E. of Sawmill	Milton - WC Riles	
Retaining Walls	X		

Civil Engineering Design Component	WSP	Peak	Others
Landscaping & Irrigation			x
Traffic Modeling	X		
Public Engagement	Lead	Support	
Legal Descriptions & Easements			X
Utility Basemap		X	
Construction Phasing/Sequencing	X		
Construction Phase Support	X	X	X

TASK 1: Administration & Coordination Meetings

Peak Engineering has budgeted to attend the following meetings:

- Preparation, Support and Attendance at two public meetings (PM)
- Preparation, Support and Attendance at one commission/committee meeting (PM)
- Attendance at one Council meeting (PM)
- Participation in regular team coordination meetings through the course of design (18 month design schedule) and weekly updates and tracking of utility coordination efforts.

Administration costs are estimated to be 10% of the total proposed fee, distributed monthly for the duration of the scope. Administration costs include internal project management (schedule, staffing, quality assurance, budget management), and meetings and communications not related to meetings listed above.

TASK 2: Concept Roadway Design

In 2024, WSP prepared the Butler Avenue to Sawmill Separated Bike Lanes technical report and conceptual layout (15% design) for the project. WSP intends to update and develop the design to a 30% level. Peak Engineering will support this effort by collecting and providing background utility data, participating in coordination meetings for emergency access, and documenting existing conditions as described below. For this task only, Peak Engineering's scope is the full project limits from Milton to Sawmill.

Peak Engineering will collect available utility map and as-built information and will create a CAD file to be used as the background for design. This task includes review of the existing stormdrain network and coordination with City staff to collect system information (such as repairs, known issues).

Peak will review the concept layout for emergency access, coordinate with City staff and provide suggestions/details for accommodating emergency vehicles to be included in WSP's concept roadway design.

Peak will walk the project and evaluate driveway conditions to identify possible impacts to private property and if modifications need to made to existing driveway width/location.

Peak will walk the project with the survey data in-hand to document type and condition of utility appurtenances.

Deliverables (internal): Utility background file, emergency access criteria and details, driveway/access report, survey basemap notes

TASK 3: Design Development (~60% Design) – Milton to WC Riles

Peak Engineering will prepare 60% design plans. The plans will include keynotes and construction notes with enough information to communicate intent but will not be fully keynoted or detailed.

WSP will prepare the cover, notes and details sheet for the plan set.

We anticipate the following design sheets for inclusion in WSP's plans:

- Details
- Demolition/Removals Plan
- Roadway Plan and Profile (Back of Curb)
- Intersection Layout
- Geometric Design
- Stormdrain layout sheet(s)
- Striping & Signage

Peak Engineering will perform spread calculations for stormwater impacts within the narrowed roadway prism. This will inform the extent of inlets and lateral pipe connections needed to meet engineering requirements. We may find that the current stormdrain system is undersized and we anticipate coordination with City staff to determine a feasible stormwater capture strategy if it is not possible to meet engineering requirements. Should the stormdrain main(s) requires replacement, we have presented an allowance (Task 7) for the addition of this design effort.

Catchbasin and lateral design will be an iterative process and we expect to develop project specific details to meet requirements while working with the limitations of existing infrastructure.

Peak will furnish quantities and an opinion of probable construction cost in PDF and as an excel sheet for inclusion in the overall project estimate by WSP.

Peak Engineering will submit plans to and request utility response letters from APS (electric), UniSource Energy Services (UES, natural gas), Lumen (communications), Optimum (communications) and AT&T (communications).

Deliverables: 60% Design Plans, EOPCC, Franchise Utility Letters

TASK 4: Final 1 Plans (90%)– Milton to WC Riles

Peak Engineering will prepare Final 1 Plans. Refer to Task 3 for anticipated plan sheets. The sheet(s) listed as future submittals will be developed and included in this task. The Final 1 Plans will be fully developed, detailed and sealed for submittal to the City of Flagstaff.

Peak Engineering will update the EOPCC and provide an excel spreadsheet for inclusion in WSP's overall project estimate.

Peak Engineering will prepare a drainage report for the roadway stormwater capture.

This phase includes a detailed quality control (QC) review of the team's design plans for coordination and to check for conflicts between disciplines. Peak will prepare a QC checklist and will include this with the Final 1 submittal if requested.

Deliverable: Final 1 Design Plans, EOPCC.

TASK 5: Final 2 Plans (100%) – Milton to WC Riles

Peak Engineering will address comments and edits in Final 2 Plans for approval and signatures.

Deliverable: Final 2 Design Plans, Comment Responses.

TASK 6: Erosion Control Plan

DRAFT

Peak Engineering will prepare and Erosion Control Plan as required for City permitting and for the Contractor's stormwater pollution prevention plan. The erosion control plan sheets include a cover, notes and specifications sheet, details, and plan layout with erosion control locations. The erosion control plan will be for the entire corridor. We will prepare the ECP for the Final 1 Plans and will address minor comments in the Final 2 Plans.

Deliverable: Erosion Control Plans in the Final 1 and Final 2 Plans

TASK 7: Stormdrain Replacements on Butler (ALLOWANCE, IF NEEDED)

Peak Engineering will incorporate stormdrain main replacement in Butler into the 60% design and Final 1 Plans and Final 2 Plans, if determined to be undersized and requires replacements.

For this allowance budget, we anticipate stormdrain main replacement on both the north and south sides of Butler between Milton and WC Riles. Peak would prepare plan and profile sheets for the stormdrain main replacements for inclusion in the 60% design, Final 1 and Final 2 plans. The drainage report would be expanded to address the main replacements.

TASK 8: Construction Phase Support (ALLOWANCE)

Scope of services for construction phase support may include participation in regular owner-engineer-contractor (OEC) meetings, response to requests for information, review of material submittals, preparation of design revisions (notice of field design changes), field visits to document conditions and general office support. The City of Flagstaff requires preparation of record drawings at project completion as part of the Contractor's responsibilities. We have included a budget amount for this effort and we assume that the Contractor will furnish the information required for inclusion in the record drawings.

Not all tasks listed above may be needed during construction and some tasks may require more effort. The scope of services is not explicit as it is construction phase support for a variety of tasks and response to unknown or new conditions. Therefore, this scope is presented as a time and materials budget. Authorized work will not exceed the estimated budget without prior authorization. Peak Engineering will stop work when the agreed upon funding limit is reached and will seek authorization for any additional work required to complete the scope outlined herein.

ASSUMPTIONS & EXCLUSIONS

A topographic survey will be conducted by others and furnished to Peak in AutoCAD format with the project surface (DTM). The topographic survey will include benchmarks for survey control.

WSP will prepare project specifications or special provisions. Peak will provide text for items that may be unique to our section and require a specification.

Medians are to remain.

Design of new medians is not included.

The right turn lane into the Drury will remain; right turn lane analysis is not included.

Street lighting will be per the City's engineering standards for fixture type and location. Electrical engineering design is not required or included.

Utility design is not included (water, sewer, franchise utilities). Utility coordination is limited to notifications and a meeting with franchise utility companies at each milestone.

WSP will provide traffic modeling.

Street lighting is to remain or existing fixtures to be relocated. Lighting design and lumen analysis is not included.

DRAFT

Client Name: WSP

Project Name: COF Butler Complete Streets Conversion

Project Number: 25WSP01

Client Information

Name: *Jason Carlaftes*

Address:

Project Budget Summary

20% Task 1 = $11,064

Task	Task Description	Principal Engineer		Project Manager		Project Engineer		Designer		Engineering Intern		Technical Drafter		Clerical		Total Hours	Labor Cost per Task
	Hourly Rate:	$240		$215		$195		$150		$100		$100		$90			
		Hours	Dollars	Hours	Dollars	Hours	Dollars	Hours	Dollars	Hours	Dollars	Hours	Dollars	Hours	Dollars		
1	Administration & Coordination Meetings	18.00	$ 4,320	132.00	$ 28,380	116.00	$ 22,620	-	$ -	-	$ -	-	$ -	-	$ -	266.00	$ 55,320
2	Concept Roadway Design	-	$ -	19.00	$ 4,085	50.00	$ 9,750	54.00	$ 8,100	-	$ -	-	$ -	-	$ -	123.00	$ 21,935
3	60% Design - Milton to WC Riles	18.00	$ 4,320	154.00	$ 33,110	172.00	$ 33,540	401.00	$ 60,150	-	$ -	-	$ -	-	$ -	745.00	$ 131,120
4	Final 1 Plans	18.00	$ 4,320	148.00	$ 31,820	189.00	$ 36,855	448.00	$ 67,200	-	$ -	-	$ -	-	$ -	803.00	$ 138,145
5	Final 2 Plans	9.00	$ 2,160	40.00	$ 8,600	60.00	$ 11,700	80.00	$ 12,000	-	$ -	-	$ -	-	$ -	189.00	$ 34,460
6	Erosion Control Plan	-	$ -	6.00	$ 1,290	-	$ -	58.00	$ 8,700	-	$ -	-	$ -	-	$ -	64.00	$ 9,990
7	Stormdrain Design (ALLOWANCE, if needed)	-	$ -	80.00	$ 17,200	-	$ -	120.00	$ 18,000	-	$ -	-	$ -	-	$ -	200.00	$ 35,200
8	Construction Phase Support	-	$ -	19.00	$ 4,085	89.00	$ 17,355	60.00	$ 9,000	-	$ -	-	$ -	-	$ -	168.00	$ 30,440
9	-	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -
10	-	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -
	LABOR TOTAL:		$ 15,120		$ 128,570		$ 131,820		$ 183,150		$ -				$ -		$ 456,610

Reimbursable Project Expenses

A	Printing & Reprographics	$ 200
B	Mileage	$ -
C	Meals & Lodging	$ -
D	Equipment	$ -
E	Other (Parking)	$ -
	RPE TOTAL:	$ 200

Sub-Consultants

Survey	$ -
Landscape Architect	$ -
Architect	$ -
Geotechnical	$ -
Other	$ -
SUB-CONSULTANT TOTAL:	$ -

PROJECT TOTAL:

$ 456,810

Task 1 - $11,065
Task 2 - $21,935
Total - $33,000

EXHIBIT B

STANDARD TERMS AND CONDITIONS

(Last Updated January 19, 2023)

*The term “Contractor” may substitute for the term “vendors,” “consultants,” or “firms,” depending on the purpose of the underlying Contract.

IN GENERAL

1. **PARTIES:** The City of Flagstaff (“City”) and the contractor identified in the Contract (“Contractor”) may be referred to individually as “Party” or collectively as “Parties”.

2. **NOTICE TO PROCEED:** Contractor shall not commence performance until after the City has issued a Notice to Proceed.

3. **LICENSES AND PERMITS:** Contractor its expense shall maintain current federal, state, and local licenses, permits and approvals required for performance of the Contract and provide copies to City upon request.

4. **COMPLIANCE WITH LAWS:** Contractor shall comply with all applicable federal, state and local laws, regulations, standards, codes and ordinances in performance of the Contract.

5. **NON-EXCLUSIVE:** Unless expressly provided otherwise in the Contract, the Contract is non-exclusive and the City reserves the right to contract with others for materials or services.

6. **SAMPLES:** Any sample submitted to the City by the Contractor and relied upon by City as representative of quality and conformity, shall constitute an express warranty that all materials and/or service to be provided to City shall be of the same quality and conformity.

MATERIALS

7. **PURCHASE ORDERS:** The City will issue a purchase order for the materials covered by the Contract, and such order will reference the Contract number.

8. **QUALITY:** Contractor warrants that all materials supplied under the Contract will be new and free from defects in material or workmanship. The materials will conform to any statements made on the containers or labels or advertisements for the materials and will be safe and appropriate for use as normally used. The City’s inspection, testing, acceptance or use of materials shall not serve to waive these quality requirements. This warranty shall survive termination or expiration of the Contract.

9. **ACCEPTANCE:** All materials and services provided by Contract are subject to final inspection and acceptance by the City. Materials and services failing to conform to the Contract specifications may be rejected in whole or part. If rejected, Contractor is responsible for all costs associated arising from rejection.

10. **MANUFACTURER’S WARRANTIES:** Contractor shall deliver all Manufacturer’s Warranties to the City upon the City’s acceptance of the materials.

11. PACKING AND SHIPPING: Contractor shall be responsible for industry standard packing which conforms to requirements of carrier's tariff and ICC regulations. Containers shall be clearly marked as to lot number, destination, address and purchase order number. All shipments shall be F.O.B. Destination, City of Flagstaff, 211 West Aspen Avenue, Flagstaff, Arizona 86001, unless otherwise specified by the City. C.O.D. shipments will not be accepted.

12. TITLE AND RISK OF LOSS: The title and risk of loss of material shall not pass to the City until the City actually receives the material at the point of delivery and the City has completed inspection and has accepted the material, unless the City has expressly provided otherwise in the Contract.

13. NO REPLACEMENT OF DEFECTIVE TENDER: Every tender of materials shall fully comply with all provisions of the Contract. If a tender is made which does not fully conform, this shall constitute a breach and Contractor shall not have the right to substitute a conforming tender without prior written approval from the City.

14. DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH: Contractor may not substitute nonconforming materials and/or services. Delivery of nonconforming materials and/or services, or a default of any nature, shall constitute a breach of the Contract as a whole.

15. SHIPMENT UNDER RESERVATION PROHIBITED: Contractor is not authorized to ship materials under reservation and no tender of a bill of lading shall operate as a tender of the materials.

16. LIENS: All materials and other deliverables supplied to the City shall be free of all liens, other than the security interest held by Contractor, until payment in full is made by the City. Upon request of the City, Contractor shall provide a formal release of all liens.

17. CHANGES IN ORDERS: The City reserves the right at any time to make changes in any one or more of the following: (a) methods of shipment or packing; (b) place of delivery; and (c) quantities. If any change causes an increase or decrease in the cost of or the time required for performance, an equitable adjustment may be made in the price or delivery schedule, or both. Any claim for adjustment shall be evidenced in writing and approved by the City Purchasing Director prior to the institution of the change.

PAYMENT

18. INVOICES: A separate invoice shall be issued for each shipment and each job completed. Invoices shall include the Contract and/or Purchase Order number and dates when goods had been shipped or work performed. Invoices shall be sent within thirty (30) days following performance. Payment will only be made for satisfactory materials and/or services received and accepted by City.

19. LATE INVOICES: The City may deduct up to 10% of the payment price for late invoices. The City operates on a fiscal year budget, from July 1 through the following June 30. Except in unusual circumstances, which are not due to the fault of Contractor, the City will not honor any invoices or claims submitted after August 15 for materials or services supplied in the prior fiscal year.

20. TAXES: Contractor shall be responsible for payment of all taxes including federal, state, and local taxes related to or arising out of Contractor's performance of the Contract. Such taxes include but are not limited to federal and state income tax, social security tax, unemployment insurance taxes, transaction privilege taxes, use taxes, and any other taxes or business license fees as required.

Exception: The City will pay any taxes which are specifically identified as a line-item dollar amount in the Contractor's bid, proposal, or quote, and which were considered and approved by the City as part of the Contract award process. In this event, taxes shall be identified as a separate line item in Contractor's invoices.

21. FEDERAL EXCISE TAXES: The City is exempt from paying certain Federal Excise Taxes and will furnish an exemption certificate upon request.

22. FUEL CHARGES: Contractor at its own expense is liable for all fuel costs related to performance. No fuel surcharges will be accepted or paid by the City.

23. DISCOUNTS: If the Contract provides for payment discounts, payment discounts will be computed from the later date of the following: (a) when correct invoice is received by the City; or (b) when acceptable materials and/or materials were received by the City.

24. AMOUNTS DUE TO THE CITY: Contractor must be current and remain current in all obligations due to the City during performance. Payments to Contractor may be offset by any delinquent amounts due to the City or fees and charges owed to the City under the Contract.

25. OFAC: No payments may be made to any person in violation of Office of Foreign Assets Control regulations. 31 C.F.R. Part 501.

SERVICES

26. INDEPENDENT CONTRACTOR: Contractor shall be an independent contractor for purposes of all laws, including but not limited to the Fair Labor Standards Act, Federal Insurance Contribution Act, Social Security Act, Federal Unemployment Tax Act, Internal Revenue Code, Immigration and Naturalization Act; Arizona revenue and taxation, workers' compensation, and unemployment insurance laws.

27. CONTROL: Contractor shall be responsible for the control of the work.

28. WORK SITE: Contractor shall inspect the work site and notify the City in writing of any deficiencies or needs prior to commencing work.

29. SAFEGUARDING PROPERTY: Contractor shall responsible for any damage to real property of the City or adjacent property in performance of the work and safeguard the worksite.

30. QUALITY: All work shall be of good quality and free of defects, performed in a diligent and professional manner.

31. ACCEPTANCE: If the City rejects Contractor's work due to noncompliance with the Contract, the City, after notifying Contractor in writing, may require Contractor to correct the

deficiencies at Contractor's expense, or cancel the work order and pay Contractor only for work properly performed.

32. WARRANTY: Contractor warrants all work for a period of one year following final acceptance by the City. Upon receipt of written notice from the City, Contractor at its own expense shall promptly correct work rejected as defective or as failing to conform to the Contract, whether observed before or after acceptance, and whether or not fabricated, installed or completed by Contractor, and shall bear all costs of correction. If Contractor does not correct deficiencies within a reasonable time specified in the written notice from the City, the City may perform the work and Contractor shall be liable for the costs. This one year warranty is in addition to and does not limit Contractor's other obligations herein. This warranty shall survive termination or expiration of the Contract.

INSPECTION, RECORDS, ADMINISTRATION

33. RECORDS: The City shall have the right to inspect and audit all Contractor books and records related to the Contract for up to five years after completion of the Contract.

34. RIGHT TO INSPECT BUSINESS: The City shall have the right to inspect the place of business of the Contractor or its subcontractor during regular business hours at reasonable times, to the extent necessary to confirm Contract performance.

35. PUBLIC RECORDS: The Contract and any related materials are a matter of public record and subject to disclosure pursuant to Arizona Public Records Law. A.R.S. § 39-121 et seq. If Contractor has clearly marked its proprietary information as "confidential", the City will endeavor to notify Contractor prior to release of such information.

36. CONTRACT ADMINISTRATION: Contractor will be required to participate in the City's contract administration process. Contractor will be closely monitored for Contract compliance and will be required to promptly correct any deficiencies.

INDEMNIFICATION

37. GENERAL INDEMNIFICATION: Contractor shall indemnify and hold the City, and its officers, agents, employees, and subcontractors, harmless from and against any third-party claims, actions, liabilities, costs, including reasonable attorneys' fees and other costs of defense, arising out of the acts, errors, or omissions of Contractor, its officers, agents, employees, and subcontractors, in performing or failing to perform the responsibilities identified in the Contract. In the event any such action or claim is brought against the City, Contractor shall, if the City so elects, and upon tender by the City: (a) defend the same at Contractor's sole cost and expense; and/or (b) promptly satisfy any judgment adverse to the City; or (c) reimburse the City for any loss, cost, damage, or expense, including attorneys' fees, suffered or incurred by the City. The City shall notify Contractor, within a reasonable time, of any claim, threat of claim, or legal action as it relates to the responsibilities identified in the Contract. This indemnification shall survive termination or expiration of the Contract.

38. INTELLECTUAL PROPERTY INDEMNIFICATION: Contractor shall indemnify and hold the City, and its officers, agents, employees, and subcontractors, harmless from and against any third-party claims, actions, liabilities, costs, including reasonable attorneys' fees and other costs of defense arising out of the alleged infringement of any patent, trademark or copyright or other proprietary rights of any third-parties arising out of Contract performance

or use by the City of materials furnished or work performed under the Contract. In the event any such action or claim is brought against the City, Contractor shall, if the City so elects and upon tender by the City: (a) defend the same at Contractor's sole cost and expense; and/or (b) promptly satisfy any judgment adverse to the City; or (c) reimburse the City for any loss, cost, damage, or expense, including attorneys' fees, suffered or incurred by the City. The City shall notify Contractor, within a reasonable time, of any claim, threat of claim, or legal action as it relates to the responsibilities identified in the Contract. This indemnification shall survive termination or expiration of the Contract.

39. NETWORK SECURITY AND PRIVACY LIABILITY: Contractor shall indemnify and hold the City, and its officers, agents, employees, and subcontractors, harmless from an against any third-party claims, actions, liabilities, costs, including reasonable attorneys' fees and other costs of defense arising out of all acts, errors, omissions, negligence, infringement of intellectual property (except patent and trade secret); network security and privacy risks, including but not limited to unauthorized access, failure of security, breach of privacy perils, wrongful disclosure, collection, or other negligence in the handling of confidential information, privacy perils, and including coverage for related regulatory defense and penalties; data breach expenses, including but not limited to, consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services in the performance of services for the City. In the event any such action or claim is brought against the City, Contractor shall, if the City so elects and upon tender by the City: (a) defend the same at Contractor's sole cost and expense; and/or (b) promptly satisfy any judgment adverse to the City; or (c) reimburse the City for any loss, cost, damage, or expense, including attorneys' fees, suffered or incurred by the City. The City shall notify Contractor, within a reasonable time, of any claim, threat of claim, or legal action as it relates to the responsibilities identified in the Contract. This indemnification shall survive termination or expiration of the Contract.

CONTRACT CHANGES

40. PRICE INCREASES: Except as expressly provided for in the Contract, no price increases will be approved.

41. COMPLETE AGREEMENT: The Contract is intended to be the complete and final agreement of the Parties.

42. AMENDMENTS: The Contract may be amended by written agreement of the Parties.

43. SEVERABILITY: If any term or provision of the Contract is found by a court of competent jurisdiction to be illegal or unenforceable, then such term or provision is deemed deleted and the remainder of the Contract shall remain in full force and effect.

44. NO WAIVER: Both Parties have the right insist upon strict performance of the Contract, and the prior failure of a Party to insist upon strict performance, or a delay in any exercise of any right or remedy, or acceptance of materials or services, shall not be deemed a waiver of any right to insist upon strict performance.

45. ASSIGNMENT: Contractor was selected for its special knowledge, skills, and expertise, and shall not assign the services/materials required in the Contract, in whole or in part, without the City's prior written consent, which may be withheld for any reason. Any

assignment without such consent shall be null and void. No assignment shall relieve Contractor (Assignor) from any of its obligations and liabilities under the Contract with respect to the City. The Purchasing Director shall have authority to consent to an assignment on behalf of the City.

46. BINDING EFFECT: The Contract shall be binding upon and inure to the benefit of the Parties and their successors and assigns.

EMPLOYEES AND SUBCONTRACTORS

47. SUBCONTRACTING: Contractor was selected for its special knowledge, skills, and expertise, and shall not assign the services/materials required in the Contract, in whole or in part, without the City's prior written consent, which may be withheld for any reason. The City reserves the right to withhold consent if the subcontractor is deemed irresponsible and/or subcontracting may negatively affect performance. All subcontracts shall comply with the underlying Contract. Contractor is responsible for Contract performance whether or not subcontractors are used.

48. NONDISCRIMINATION: Contractor shall not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, sex, national origin, disability, genetic information, veteran's status, pregnancy, familial status and represents and warrants that it complies with all applicable federal, state and local laws and executive orders regarding employment. In addition, any Contractor whose business is located within City of Flagstaff limits shall comply with the City Code, Chapter 14-02, *Civil Rights*, which also prohibits discrimination based on sexual orientation, or gender identity or expression.

49. DRUG FREE WORKPLACE: The City has adopted a Drug Free Workplace policy for itself and those doing business with the City to ensure the safety and health of all persons working on City contracts and projects. Contractor's personnel shall abstain from use or possession of illegal drugs while engaged in performance of the Contract.

50. IMMIGRATION LAWS: Pursuant to A.R.S. § 41-4401, Contractor hereby warrants to the City that Contractor and each of its subcontractors shall comply with all state and federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). A breach of state and federal immigration laws and regulations shall constitute a material breach of the Contract and shall subject Contractor to penalties up to and including termination of the Contract. The City may, at its sole discretion, conduct random verification of the employment records of the employees of the Contractor and any subcontractors to ensure compliance with all state and federal immigration laws and regulations. Neither Contractor nor any subcontractor shall be deemed to have materially breached the Contract if Contractor or subcontractor establishes that it has complied with the employment verification provisions prescribed by sections 274A and 274B of the Federal Immigration and Nationality Act and the E-verify requirements prescribed by A.R.S. § 23-214(A).

DEFAULT AND TERMINATION

51. TERMINATION FOR DEFAULT: Prior to terminating the Contract for a material breach, the non-defaulting Party shall give the defaulting Party written notice and reasonable opportunity to cure the default, not to exceed thirty (30) days unless a longer period of time is granted by the non-defaulting Party in writing. In the event the breach is not timely cured,

or in the event of a series of repeated breaches the non-defaulting Party may elect to terminate Contract by written notice to Contractor, which shall be effective upon receipt. In the event of default, the Parties may execute all remedies available at law in addition to the Contract remedies provided for herein.

52. CITY REMEDIES: In the event of Contractor's default, the City may obtain required materials and/or services from a substitute contractor, and Contractor shall be liable to the City to pay for the costs of such substitute service. The City may deduct or offset the cost of substitute service from any balance due to Contractor, and/or seek recovery of the costs of substitute service against any performance security, and/or collect any liquidated damages provided for in the Contract. Remedies herein are not exclusive.

53. CONTRACTOR REMEDIES: In the event of the City's default, Contractor may pursue all remedies available at law, except as provided for herein.

54. TERMINATION FOR NONAPPROPRIATION OF FUNDS: The City may terminate all or a portion of the Contract due to budget constraints and non-appropriation of funds for the following fiscal year, without penalty or liability to Contractor.

55. TERMINATION FOR CONVENIENCE: Unless expressly provided for otherwise in the Contract, the Contract may be terminated in whole or part by the City for convenience upon thirty (30) days written notice, without further penalty or liability to Contractor. If the Contract is terminated, City shall be liable only for payment for satisfactory materials and/or services received and accepted by the City before the effective date of termination.

56. TERMINATION DUE TO INSOLVENCY: If Contractor becomes a debtor in a bankruptcy proceeding, or a reorganization, dissolution or liquidation proceeding, or if a trustee or receiver is appointed over all or a substantial portion of the property of Contractor under federal bankruptcy law or any state insolvency law, Contractor shall immediately provide the City with a written notice thereof. The City may terminate the Contract, and Contractor is deemed in default, at any time if the Contractor becomes insolvent, or is a party to any voluntary bankruptcy or receivership proceeding, makes an assignment for a creditor, or there is any similar action that affects Contractor's ability to perform under the Contract.

57. PAYMENT UPON TERMINATION: Upon termination of the Contract, the City will pay Contractor for satisfactory performance up until the effective date of termination. The City shall make final payment within thirty (30) days from receipt of the Contractor's final invoice.

58. CANCELLATION FOR GRATUITIES: The City may cancel the Contract at any time, without penalty or further liability to Contractor, if City determines that Contractor has given or offered to give any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with award or performance of the Contract.

59. CANCELLATION FOR CONFLICT OF INTEREST: Pursuant to A.R.S. § 38-511, if the City identifies a conflict of interest in the award or performance of the Contract, the City may cancel the Contract within three years after its execution, without penalty or further liability to Contractor.

MISCELLANEOUS

60. COOPERATIVE PURCHASE CONTRACTS: Presuming that Contractor agreed to such during the procurement process, Contractor will enter into cooperative purchase arrangements, as sanctioned by state and federal law, to allow Contractor to sell materials and services to any member of a cooperative group under the same pricing, terms and conditions of the contract awarded to the Contractor by the public procurement unit, following a competitive procurement process.

61. ADVERTISING: Contractor shall not advertise or publish information concerning its Contract with the City without the prior written consent of the City.

62. NOTICES: All notices given pursuant to the Contract shall be delivered at the addresses as specified in the Contract or updated by Notice to the other Party. Notices may be: (a) personally delivered, with receipt effective upon personal delivery; (b) sent via certified mail, postage prepaid, with receipt deemed effective four days after being sent; or (c) sent by overnight courier, with receipt deemed effective two days after being sent. Notice may be sent by email as a secondary form of notice.

63. THIRD PARTY BENEFICIARIES: The Contract is intended for the exclusive benefit of the parties. Nothing herein is intended to create any rights or responsibilities to third parties.

64. GOVERNING LAW: The Contract shall be construed in accordance with the laws of Arizona.

65. FORUM: In the event of litigation relating to the Contract, any action at law or in equity shall be filed in Coconino County, Arizona.

66. ATTORNEYS' FEES: If any action at law or in equity is necessary to enforce the terms of the Contract, the prevailing party shall be entitled to recover its reasonable attorneys' fees, costs, professional fees and expenses.

67. FORCE MAJUERE:

a. There may be events that occur during the term of the Contract that are beyond the control of both the City and Contractor, including events of war, floods, labor, disputes, earthquakes, epidemics, pandemics, adverse weather conditions not reasonably anticipated, forest fires, and other acts of God ("Events"). 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 the Contract.

b. There shall be no claims arising from a temporary delay of contractual deliverables, or the permanent inability to provide the contractual deliverables caused by the Events and the City shall not pay additional costs incurred by Contractor as a result of such Events.

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

68. **NO BOYCOTT OF ISRAEL:** Pursuant to A.R.S. §§ 35-393 and 35-393.01, if a Party has over ten (10) employees and the Contract is worth at least one-hundred thousand dollars and no cents ($100,000), the Party shall certify that it is not currently engaged in, and agrees, for the duration of the Contract, will not engage in a boycott of Israel.

69. **CHANGES TO CONTRACT:** The Contract shall not be modified within the first year after Contract award where: (a) an amendment may result in a competitive advantage that was not made available to other proposers/bidders; or (b) requests for changes may delay commencement of performance.

70. **FORCED LABOR OF ETHNIC UYGHURS:** If Contractor engages in for-profit activity and has ten (10) or more employees, pursuant to A.R.S. §35-394, the Contractor certifies that it does not currently, and agrees for the duration of the contract that it will not, use: 1) the forced labor of ethnic Uyghurs in the People's Republic of China; 2) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; and 3) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If the Contractor becomes aware during the term of the contract that the company is not in compliance with the written certification, the Contractor shall notify the City within five (5) business days after becoming aware of the noncompliance. If the Contractor does not provide the City with a written certification that the Contractor has remedied the noncompliance within 180 days after notifying the City of the noncompliance, this Contract terminates, except that if the contract termination date occurs before the end of the remedy period the Contract terminations on the Contract termination date.

EXHIBIT C

STANDARD INSURANCE REQUIREMENTS

(Last Updated January 19, 2023)

*The term "Contractor" may substitute for the term "vendors," "consultants," or "firms," depending on the purpose of the underlying Contract.

1. IN GENERAL: Contractor shall maintain insurance against claims for injury to persons or damage to property, arising from performance of or in connection with the Contract by Contractor, its agents, representatives, employees, and/or subcontractors.

2. REQUIREMENT TO PROCURE AND MAINTAIN: Each insurance policy required by the Contract shall be in effect at, or before, commencement of work under the Contract and shall remain in effect until all of Contractor's obligations under the Contract have been met, including any warranty periods. Contractor's failure to maintain the insurance policies as required by the Contract, or to provide timely evidence of renewal, will be considered a material breach of the Contract.

3. MINIMUM SCOPE AND LIMITS OF INSURANCE: The following insurance requirements are minimum requirements for the Contract and in no way limit the indemnity covenants contained in the Contract. The City does not represent or warrant that the minimum limits set forth in the Contract are sufficient to protect Contractor from liabilities that might arise out of the Contract, and Contractor is free to purchase such additional insurance as Contractor may determine is necessary.

Where applicable, as related to the Scope of Work, Contractor shall provide coverage at least as broad and with limits not less than those stated below.

a. Commercial General Liability - Occurrence Form

General Aggregate	$2,000,000
Products/Completed Operations	$1,000,000
Each Occurrence	$1,000,000

b. Umbrella Coverage $2,000,000

c. Automobile Liability

Any Automobile or Owned, Hired, and Non-owned Vehicles Combined Single Limit Per Accident for Bodily Injury & Property Damage	$1,000,000

d. Workers' Compensation and Employer's Liability

Workers' Compensation	Statutory
Employer's Liability: Each Accident	$1,000,000
Disease - Each Employee	$1,000,000
Disease - Policy Limit	$1,000,000

e. Professional Liability $2,000,000

f. Network Security and Privacy Liability

Per claim	$2,000,000
Annual Aggregate	$2,000,000

4. **NETWORK SECURITY AND PRIVACY LIABILITY:** Contractor shall maintain the requisite insurance requirements covering all acts, errors, omissions, negligence, infringement of intellectual property (except patent and trade secret); network security and privacy risks, including but not limited to unauthorized access, failure of security, breach of privacy perils, wrongful disclosure, collection, or other negligence in the handling of confidential information, privacy perils, and including coverage for related regulatory defense and penalties; data breach expenses, including but not limited to, consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services in the performance of services for the City. The insurance policy shall include coverage for third-party claims. The insurance policy shall contain an affirmative coverage grant for contingent bodily injury and property damage emanating from the failure of the technology services or an error or omission in the content/information provided.

5. **SELF-INSURED RETENTION:** Any self-insured retentions must be declared to and approved by the City. If not approved, the City may require that Contractor reduce or eliminate such self-insured retentions with respect to the City, its officers, agents, employees, and/or subcontractors. Contractor shall be solely responsible for any self-insured retention amounts. The City at its option may require Contractor to secure payment of such self-insured retention by a surety bond or irrevocable and unconditional letter of credit.

6. **OTHER INSURANCE REQUIREMENTS:** The insurance policies shall contain, or be endorsed to contain, the following provisions:

   a. Additional Insured: In Commercial General Liability and Automobile Liability Coverages, the City of Flagstaff, its officers, officials, agents, employees, and/or subcontractors shall be named and endorsed as additional insureds with respect to liability arising out of the Contract and activities performed by or on behalf of Contractor, including products and completed operations of Contractor, and automobiles owned, leased, hired, or borrowed by Contractor.

   b. Broad Form: Contractor's insurance policy shall contain broad form contractual liability coverage.

   c. Primary Insurance: Contractor's insurance coverage shall be primary insurance with respect to the City, its officers, officials, agents, employees, and/or subcontractors. Any insurance or self-insurance maintained by the City, its officers, officials, agents, employees, and/or subcontractors shall be in excess of the coverage of Contractor's insurance and shall not contribute to it.

   d. Each Insured: Contractor's insurance policies shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

   e. Not Limited: Coverage provided by Contractor shall not be limited to the liability assumed under the indemnification provisions of the Contract.

f. Waiver of Subrogation: The insurance policies shall contain a waiver of subrogation against the City, its officers, officials, agents, employees, and/or subcontractors for losses arising from work performed by Contractor for the City.

7. NOTICE OF CANCELLATION: Each insurance policy required by the insurance provisions of the Contract shall provide the required coverage and shall not be suspended, voided, cancelled, and/or reduced in coverage or in limits unless prior written notice has been given to the City. Notices required by this section shall be sent directly to the Procurement Agent and shall reference the Contract Number.

8. ACCEPTABILITY OF INSURERS: Contractor shall place insurance hereunder with insurers duly licensed or approved unlicensed companies in the State of Arizona and with a "Best's" rating of not less than A-: VII. The City does not represent or warrant that the above required minimum insurer rating is sufficient to protect Contractor from potential insurer insolvency.

9. CERTIFICATES OF INSURANCE: Contractor shall furnish the City with certificates of insurance (ACORD form) as required by the Contract. The certificates for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. Any policy endorsements that restrict or limit coverage shall be clearly noted on the certificate of insurance. The City Contract number shall be noted on the certificates of insurance. If requested by the City, all certificates of insurance and endorsements must be received and approved by the City before the Contractor commences work.

10. POLICIES: The City reserves the right to require, and receive within ten (10) days, complete, certified copies of all insurance policies and endorsements required by the Contract. The City shall not be obligated, however, to review any insurance policies or to advise Contractor of any deficiencies in such policies and endorsements. The City's receipt of Contractor's policies or endorsements shall not relieve Contractor from, or be deemed a waiver of, the City's right to insist on strict fulfillment of Contractor's obligations under the Contract.

11. MODIFICATIONS: Any modification or variation from the insurance requirements in the Contract must have the prior approval of the City's Attorney's Office in consultation with the City's Risk Manager, whose decision shall be final. Such action will not require a formal Contract amendment but may be made by their handwritten revision and notation to the foregoing insurance requirements.

Exhibit D

GRANT PROVISIONS

Grant Project Title: Safe Streets for All (SS4A) Butler Avenue Complete Streets Conversion *(Base Phase - NEPA & Design Phase)*

Funding Agency: U.S. Department of Transportation Federal Highway Administration Office of Safety

Grant Agreement No.: 693JJ32440443

U.S. DEPARTMENT OF TRANSPORTATION

GENERAL TERMS AND CONDITIONS UNDER THE FISCAL YEAR 2024 SAFE STREETS AND ROADS FOR ALL ("SS4A") GRANT PROGRAM: FHWA PROJECTS

Date: June 13, 2024
Revised: October 1, 2024
Revised: March 17, 2025

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GENERAL TERMS AND CONDITIONS

The Infrastructure Investment and Jobs Act (Pub. L. 117–58, November 15, 2021; also referred to as the "IIJA") established the Safe Streets and Roads for All (the "SS4A") Discretionary Grant Program (IIJA Section 24112) and appropriated funds to the United States Department of Transportation (the "**USDOT**") under Division J, Title VIII of IIJA to implement the program. The funds are available to provide Federal financial assistance to support local initiatives to prevent death and serious injury on roads and streets, commonly referred to as "Vision Zero" or "Toward Zero Deaths" initiatives.

The USDOT published a Notice of Funding Opportunity (the "**NOFO**") to solicit applications for Federal financial assistance in Fiscal Year 2024 for the SS4A Discretionary Grant Program.

These general terms and conditions are incorporated by reference in a project-specific grant agreement under the fiscal year 2024 SS4A grant program. Articles 1–6 are in the project-specific portion of the agreement. The term "Recipient" is defined in the project-specific portion of the agreement. Attachments A through F are project-specific attachments.

ARTICLE 7
PURPOSE

7.1 Purpose. The purpose of this award is to improve roadway safety by significantly reducing or eliminating roadway fatalities and serious injuries through safety action plan development or projects focused on all users, including pedestrians, bicyclists, public transportation users, motorists, personal conveyance and micromobility users, and commercial vehicle operators. The parties will accomplish that purpose by achieving the following objectives:

(1) timely completing the Project; and

(2) ensuring that this award does not substitute for non-Federal investment in the Project, except as proposed in the Grant Application, as modified by section 3.3 and Attachment B.

ARTICLE 8
USDOT ROLE

8.1 Division of USDOT Responsibilities.

(a) The Office of the Secretary of Transportation is ultimately responsible for the USDOT's administration of the SS4A Grant Program.

(b) The Federal Highway Administration (the "**FHWA**") will administer this grant agreement on behalf of the USDOT. In this agreement, the "**Administering Operating Administration**" means the FHWA.

8.2 USDOT Program Contact.

Safe Streets and Roads for All
Federal Highway Administration
Office of Safety
1200 New Jersey Avenue SE
HSSA-1, Mail Drop E71-117
Washington, DC 20590
SS4A.FHWA@dot.gov
(202) 366-2822

ARTICLE 9
RECIPIENT ROLE

9.1 Statements on the Project. The Recipient states that:

(1) all material statements of fact in the Grant Application were accurate when that application was submitted; and

(2) Attachment B documents all material changes in the information contained in that application.

9.2 Statements on Authority and Capacity. The Recipient states that:

(1) it has the authority to receive Federal financial assistance under this agreement;

(2) it has the legal authority to complete the Project, including either ownership and/or maintenance responsibilities over a roadway network; safety responsibilities that affect roadways; or has an agreement from the agency that has ownership and/or maintenance responsibilities for the roadway within the applicant's jurisdiction; if applicable;

(3) it has the capacity, including institutional, managerial, and financial capacity, to comply with its obligations under this agreement;

(4) not less than the difference between the "Total Eligible Project Cost" and the "SS4A Grant Amount" listed in section 3.3 are committed to fund the Project;

(5) it has sufficient funds available, or an agreement with the agency that has ownership and/or maintenance responsibilities for the roadway within the

recipient's jurisdiction, to ensure that infrastructure completed or improved under this agreement will be operated and maintained in compliance with this agreement and applicable Federal law; and

(6) the individual executing this agreement on behalf of the Recipient has authority to enter this agreement and make the statements in this article 9 and in section 27.7 on behalf of the Recipient.

9.3 USDOT Reliance. The Recipient acknowledges that:

(1) the USDOT relied on statements of fact in the Grant Application to select the Project to receive this award;

(2) the USDOT relied on statements of fact in both the Grant Application and this agreement to determine that the Recipient and the Project are eligible under the terms of the NOFO;

(3) the USDOT relied on statements of fact in both the Grant Application and this agreement to establish the terms of this agreement; and

(4) the USDOT's selection of the Project to receive this award prevented awards under the NOFO to other eligible applicants.

9.4 Project Delivery.

(a) The Recipient shall complete the Project under the terms of this agreement.

(b) The Recipient shall ensure that the Project is financed, constructed, operated, and maintained in accordance with all applicable Federal laws, regulations, and policies.

(c) The Recipient shall provide any certifications or assurances deemed necessary by the USDOT in ensuring the Recipient's compliance with all applicable laws, regulations, and policies.

(d) The Recipient shall provide access to records as provided at 2 C.F.R. 200.337.

9.5 Rights and Powers Affecting the Project.

(a) The Recipient shall not take or permit any action that deprives it of any rights or powers necessary to the Recipient's performance under this agreement without written approval of the USDOT.

(b) The Recipient shall act, in a manner acceptable to the USDOT, promptly to acquire, extinguish, or modify any outstanding rights or claims of right of others that would interfere with the Recipient's performance under this agreement.

9.6 Notification of Changes to Key Personnel. The Recipient shall notify all USDOT representatives who are identified in Section 4.3 in writing within 30 calendar days of any change in key personnel who are identified in Section 4.2.

ARTICLE 10
AWARD AMOUNT, OBLIGATION, AND TIME PERIODS

10.1 Federal Award Amount The USDOT hereby awards a SS4A Grant to the Recipient in the amount listed in section 2.2 as the SS4A Grant Amount.

10.2 Federal Obligations.

This agreement obligates funds for the period of performance listed on Page 1, Block 6 of the grant agreement.

(a) If the Federal Obligation Type identified in section 2.3 is "Single," then the project-specific agreement obligates for the budget period the amount listed in Section 2.2. as the Grant Amount and sections 10.2 (c)–10.2(f) do not apply to the project specific agreement.

(b) If the Federal Obligation Type identified in section 2.3 is "Multiple," (for phased agreements) then an amount up to the Grant Amount listed in Section 2.2 will be obligated with one initial obligation and one or more subsequent, optional obligations, as described in sections 10.2(c)–10.2(f).

(c) The Obligation Condition Table in section 2.3 allocates the Grant funds among separate phases of the Project for the purpose of the Federal obligation of funds. The scope of each phase of the Project that is identified in that table is described in section 2.3.

(d) The project-specific agreement obligates for the budget period only the amounts allocated in the Obligation Condition Table in section 2.3 to portions of the Project for which that table does not list an obligation condition.

(e) The project-specific agreement does not obligate amounts allocated in the Obligation Condition Table in section 2.3 to portions of the Project for which that table lists an obligation condition. The parties may obligate the amounts allocated to those portions of the Project only by modifying the project specific agreement under section 21.

(f) For each portion of the Project for which the Obligation Condition Table in section 2.3 lists an obligation condition, the amount allocated in that table to that portion of the Project will be obligated if the condition is met not later than the date listed in Section 2.4 of the project-specific agreement.

(g) For any portion of the Project for which the Obligation Condition Table in section 2.3 lists an obligation condition, if the obligation condition is satisfied, the parties amend this agreement documenting that:

(1) the FHWA determines that the obligation condition listed in that table for that portion of the Project is satisfied; and

(2) the FHWA determines that all applicable Federal requirements for obligating the amount are satisfied.

(h) The Recipient shall not request reimbursement of costs for a portion of the Project for which the Obligation Condition Table in section 2.3 lists an obligation condition, unless the amount allocated in that table to that portion of the Project is obligated under section 10.2(c)-(f).

(i) Reserved.

(j) The Recipient acknowledges that:

(1) the FHWA is not liable for payments for a portion of the Project for which the Obligation Condition Table in section 2.3 lists an obligation condition, unless the amount allocated in that table to that portion of the Project is obligated under section 10.2(c)-(f);

(2) any portion of the Grant that is not obligated under this section 10.2 by the budget period end date identified in the project-specific agreement for those funds lapses on the day after that date and becomes unavailable for the Project; and

(3) the FHWA may consider the failure to obligate funds by the budget period end date identified in the project-specific agreement as applicable to the Grant Program for those funds to be a basis for terminating the project-specific agreement under section 16.

10.3 Budget Period

The budget period for this award begins on the effective date of this agreement and ends on the budget period end date that is listed in section 2.4, which shall be no later than 5 years from the date of grant execution. In this agreement, "budget period" is used as defined at 2 C.F.R. 200.1.

10.4 Period of Performance.

(a) The period of performance for this award begins on the effective date of award listed in page 1, Block 2 and ends on the period of performance end date that is listed in Page 1, Block 6.

(b) In this agreement, "period of performance" is used as defined at 2 C.F.R. 200.1.

ARTICLE 11
STATEMENT OF WORK, SCHEDULE, AND BUDGET CHANGES

11.1 Notification Requirement. The Recipient shall notify all USDOT representatives who are identified in section 4.3 in writing within 30 calendar days of any change in circumstances or commitments that adversely affect the Recipient's plan to complete the Project. In that notification, the Recipient shall describe the change and what actions the Recipient has taken or plans to take to ensure completion of the Project. This notification requirement under this section 11.1 is separate from any requirements under this article 11 that the Recipient request amendment of this agreement.

11.2 Statement of Work Changes. If the Project's activities differ from the statement of work that is described in section 3.1 and Attachment B, then the Recipient shall request an amendment of this agreement to update section 3.1.

11.3 Schedule Changes. If one or more of the following conditions are satisfied, then the Recipient shall request an amendment of this agreement to update the relevant date(s):

(1) a substantial completion date for the Project or a component of the Project that is listed in section 3.2 and the Recipient's estimate for that milestone changes to a date that is more than six months after the date listed in section 3.2; or

(2) a schedule change would require the period of performance to continue after the period of performance end date listed on Page 1, Block 6 (i.e., for projects with multiple phases, changes to the base phase budget period end date for projects with two phases, or changes to base or secondary phase budget period end dates for projects with three phases, etc., will not trigger notification/modification requirements).

For other schedule changes, the Recipient shall request an amendment of this agreement unless the USDOT has consented, in writing consistent with applicable requirements, to the change.

11.4 Budget Changes.

(a) The Recipient acknowledges that if the cost of completing the Project increases:

(1) that increase does not affect the Recipient's obligation under this agreement to complete the Project; and

(2) the USDOT will not increase the amount of this award to address any funding shortfall.

(b) The Recipient shall request an amendment of this agreement to update section 3.3 and Attachment B if, in comparing the Project's budget to the amounts listed in section 3.3:

(1) the "Non-Federal Funds" amount decreases; or

(2) the "Total Eligible Project Cost" amount decreases.

(c) For budget changes that are not identified in section 11.4(b), the Recipient shall request an amendment of this agreement to update section 3.3 and Attachment B unless the USDOT has consented, in writing consistent with applicable requirements, to the change.

(d) If the actual eligible project costs are less than the "Total Eligible Project Cost" that is listed in section 3.3, then the Recipient may propose to the USDOT, in writing consistent with applicable requirements, specific additional activities that are within the scope of this award, as defined in sections 7.1 and 3.1, and that the Recipient could complete with the difference between the "Total Eligible Project Cost" that is listed in section 3.3 and the actual eligible project costs.

(e) If the actual eligible project costs are less than the "Total Eligible Project Cost" that is listed in section 3.3 and either the Recipient does not make a proposal under section 11.4(d) or the USDOT does not accept the Recipient's proposal under section 11.4(d), then:

(1) in a request under section 11.4(b), the Recipient shall reduce the Federal Share by the difference between the "Total Eligible Project Cost" that is listed in section 3.3 and the actual eligible project costs; and

(2) if that amendment reduces this award and the USDOT had reimbursed costs exceeding the revised award, the Recipient shall request to add additional project work that is within the scope of this project.

In this agreement, "**Federal Share**" means the sum of the "SS4A Grant Amount" and the "Other Federal Funds" amounts that are listed in section 3.3(a).

(f) The Recipient acknowledges that amounts that are required to be refunded under section 11.4(e)(2) constitute a debt to the Federal Government that the USDOT may collect under 2 C.F.R. 200.346 and the Standards for Administrative Collection of Claims (31 C.F.R. part 901).

11.5 USDOT Acceptance of Changes. The USDOT may accept or reject amendments requested under this article 11, and in doing so may elect to consider only the interests of the SS4A grant program and the USDOT. The Recipient acknowledges that requesting an amendment under this article 11 does not amend, modify, or supplement this agreement unless the USDOT accepts that amendment request and the parties modify this agreement under section 21.1.

ARTICLE 12
GENERAL REPORTING TERMS

12.1 Report Submission. The Recipient shall send all reports required by this agreement to all USDOT contacts who are listed in section 4.3. Reports will be added to a central repository maintained by FHWA.

12.2 Alternative Reporting Methods. FHWA may establish processes for the Recipient to submit reports required by this agreement, including electronic submission processes. If the Recipient is notified of those processes in writing, the Recipient shall use the processes required by the FHWA.

12.3 Paperwork Reduction Act Notice.

Under 5 C.F.R. 1320.6, the Recipient is not required to respond to a collection of information that does not display a currently valid control number issued by the Office of Management and Budget (the "**OMB**"). Collections of information conducted under this agreement are approved under OMB Control No. 2125-0675.

ARTICLE 13
PROGRESS AND FINANCIAL REPORTING

13.1 Quarterly Performance Progress Reports. Quarterly, on or before the 20th day of the first month of each calendar year (e.g., reports due on or before January 20th, April 20th, July 20th, and October 20th) and until the end of the period of performance, the Recipient shall submit to the USDOT a Quarterly Performance Progress Report in the format and with the content described in Exhibit C. If the date of this agreement is in the final month of a calendar year, then the Recipient shall submit the first Quarterly Performance Progress Report in the second calendar year quarter that begins after the date of this agreement.

13.2 Quarterly Financial Status. Quarterly, on or before the 20th day of the first month of each calendar year (e.g., reports due on or before January 20th, April 20th, July 20th, and October 20th) and until the end of the period of performance, the Recipient shall submit a Federal Financial Report using SF-425.

13.3 Final Performance Progress Reports and Financial Status. No later than 120 days after the end of the period of performance, the Recipient shall submit:

(1) a Final Performance Progress Report in the format and with the content described in Exhibit C for each Quarterly Performance Progress Report, including a final Federal Financial Report (SF-425); and

(2) any other information required under the Administering Operating Administration's award closeout procedures.

ARTICLE 14
PERFORMANCE REPORTING

14.1 Baseline Performance Measurement. Recipients of Implementation Grants or Planning and Demonstration Grants with demonstration activities shall:

(1) collect data for each performance measure that is identified in the Performance Measure Table in Attachment A, accurate as of the Baseline Measurement Date that is identified in Attachment A; and

(2) on or before the Baseline Report Date that is stated in Attachment A, the Recipient shall submit a Baseline Performance Measurement Report that contains the data collected under this section 14.1 and a detailed description of the data sources, assumptions, variability, and estimated levels of precision for each performance measure that is identified in the Performance Measure Table in Attachment A.

14.2 SS4A Final Report.

The Recipient shall submit to the USDOT, not later than 120 days after the end of the period of performance, a report in the format specified by FHWA and with the content described in Attachment A that describes, consistent with sections 24112(g)-(h) of IIJA:

(1) the costs of each eligible project and strategy carried out using the grant;

(2) the roadway safety outcomes and any additional benefits (e.g., increased walking, biking, or transit use without a commensurate increase in serious and fatal crashes, etc.) that each such project and strategy has generated, as—

- identified in the grant application; and
- measured by data to the maximum extent practicable;

(3) [RESERVED]

(4) the lessons learned, and any recommendations related to future projects or strategies to prevent death and serious injuries on roads and streets.

14.3 Performance Measurement Information.

For each performance measure identified to be submitted annually in the Performance Measure Table in Attachment A, not later than January 31 of each year, the Recipient shall submit to the USDOT a Performance Measurement Report containing the data collected in the previous calendar year and stating the dates when the data was collected.

14.4 Performance Reporting Survival.

The data collection and reporting requirements in this article 14 survive the termination of this agreement which is three years post period of performance.

14.5 Program Evaluation.

As a condition of grant award, the recipient may be required to participate in an evaluation undertaken by USDOT, or another agency or partner. The evaluation may take different forms such as an implementation assessment across grant recipients, an impact and/or outcomes analysis of all or selected sites within or across grant recipients, before/after photographs of the sites, qualitative activities such as videos describing the project and its impact on the community, or a benefit/cost analysis or assessment of return on investment. The Department may require applicants to collect data elements to aid the evaluation. As a part of the evaluation, as a condition of award, grant recipients must agree to: (1) make records available to the evaluation contractor; (2) provide access to program records, and any other relevant documents to calculate costs and benefits; (3) in the case of an impact analysis, facilitate the access to relevant information as requested; and (4) follow evaluation procedures as specified by the evaluation contractor or USDOT staff.

ARTICLE 15

NONCOMPLIANCE AND REMEDIES

15.1 Noncompliance Determinations.

(a) If the USDOT determines that the Recipient may have failed to comply with the United States Constitution, Federal law, or the terms and conditions of this agreement, the USDOT may notify the Recipient of a proposed determination of noncompliance. For the notice to be effective, it must be written and the USDOT must include an explanation of the nature of the noncompliance, describe a remedy, state whether that remedy is proposed or effective at an already determined date, and describe the process through and form in which the Recipient may respond to the notice.

(b) If the USDOT notifies the Recipient of a proposed determination of noncompliance under section 15.1(a), the Recipient may, not later than 7 calendar days after the notice, respond to that notice in the form and through the process described in that notice. In its response, the Recipient may:

(1) accept the remedy;

(2) acknowledge the noncompliance, but propose an alternative remedy; or

(3) dispute the noncompliance.

To dispute the noncompliance, the Recipient must include in its response documentation or other information supporting the Recipient's compliance.

(c) The USDOT may make a final determination of noncompliance only:

(1) after considering the Recipient's response under section 15.1(b); or

(2) if the Recipient fails to respond under section 15.1(b), after the time for that response has passed.

(d) To make a final determination of noncompliance, the USDOT must provide a notice to the Recipient that states the basis for that determination.

15.2 Remedies.

(a) If the USDOT makes a final determination of noncompliance under section 15.1(d), the USDOT may impose a remedy, including:

(1) additional conditions on the award;

(2) any remedy permitted under 2 C.F.R. 200.339–200.340, including withholding of payments; disallowance of previously reimbursed costs, requiring refunds from the Recipient to USDOT; suspension or termination of the award; or suspension and disbarment under 2 C.F.R. part 180; or

(3) any other remedy legally available.

(b) To impose a remedy, the USDOT must provide a written notice to the Recipient that describes the remedy, but the USDOT may make the remedy effective before the Recipient receives that notice.

(c) If the USDOT determines that it is in the public interest, the USDOT may impose a remedy, including all remedies described in section 15.2(a), before making a final determination of noncompliance under section 15.1(d). If it does so, then the notice provided under section 15.1(d) must also state whether the remedy imposed will continue, be rescinded, or modified.

(d) In imposing a remedy under this section 15.2 or making a public interest determination under section 15.2(c), the USDOT may elect to consider the interests of only the USDOT.

(e) The Recipient acknowledges that amounts that the USDOT requires the Recipient to refund to the USDOT due to a remedy under this section 15.2 constitute a debt to the

Federal Government that the USDOT may collect under 2 C.F.R. 200.346 and the Standards for Administrative Collection of Claims (31 C.F.R. part 901).

15.3 Other Oversight Entities.

Nothing in this article 15 limits any party's authority to report activity under this agreement to the United States Department of Transportation Inspector General or other appropriate oversight entities.

ARTICLE 16
AGREEMENT TERMINATION

16.1 USDOT Termination.

(a) The USDOT may terminate this agreement and all its obligations under this agreement if any of the following occurs:

(1) the Recipient fails to obtain or provide any non-SS4A Grant contribution (all eligible project costs other than the SS4A Grant Amount, as described in section 3.3(a) of the grant agreement) or alternatives approved by the USDOT as provided in this agreement and consistent with article 3;

(2) a construction start date for the project or strategy is listed in section 3.2 and the Recipient fails to meet that milestone by six months after the date listed in section 3.2;

(3) a substantial completion date for the project or strategy is listed in section 3.2 and the Recipient fails to meet that milestone by six months after the date listed in section 3.2;

(4) the Recipient fails to comply with the terms and conditions of this agreement, including a material failure to comply with the schedule in section 3.2 even if it is beyond the reasonable control of the Recipient; or,

(5) the USDOT determines that termination of this agreement is in the public interest.

(6) the Recipient fails to expend the funds within 5 years after the date on which the government executes the grant agreement, which is the date funds are provided for the project.

(b) In terminating this agreement under this section, the USDOT may elect to consider only the interests of the USDOT.

(c) This section 16.1 does not limit the USDOT's ability to terminate this agreement as a remedy under section 15.2.

(d) The Recipient may request that the USDOT terminate the agreement under this section 16.1.

16.2 Closeout Termination.

(a) This agreement terminates on Project Closeout.

(b) In this agreement, "**Project Closeout**" means the date that the USDOT notifies the Recipient that the award is closed out. Under 2 C.F.R. 200.344, Project Closeout should occur no later than one year after the end of the period of performance.

16.3 Post-Termination Adjustments. The Recipient acknowledges that under 2 C.F.R. 200.345–200.346, termination of the agreement does not extinguish the USDOT's authority to disallow costs, including costs that USDOT reimbursed before termination, and recover funds from the Recipient.

16.4 Non-Terminating Events.

(a) The end of the period of performance described under section 10.4 does not terminate this agreement or the Recipient's obligations under this agreement.

(b) The liquidation of funds under section 20.1 does not terminate this agreement or the Recipient's obligations under this agreement.

16.5 Other Remedies. The termination authority under this article 16 supplements and does not limit the USDOT's remedial authority under article 15 or 2 C.F.R. part 200, including 2 C.F.R. 200.339–200.340.

ARTICLE 17
MONITORING, FINANCIAL MANAGEMENT, CONTROLS, AND RECORDS

17.1 Recipient Monitoring and Record Retention.

(a) The Recipient shall monitor activities under this award, including activities under subawards and contracts, to ensure:

(1) that those activities comply with this agreement; and

(2) that funds provided under this award are not expended on costs that are not allowable under this award or not allocable to this award.

(b) If the Recipient makes a subaward under this award, the Recipient shall monitor the activities of the subrecipient in compliance with 2 C.F.R. 200.332(e).

(c) The Recipient shall retain records relevant to the award as required under 2 C.F.R. 200.334.

17.2 Financial Records and Audits.

(a) The Recipient shall keep all project accounts and records that fully disclose the amount and disposition by the Recipient of the award funds, the total cost of the project, and the amount or nature of that portion of the cost of the project supplied by other sources, and any other financial records related to the project.

(b) The Recipient shall keep accounts and records described under section 17.2(a) in accordance with a financial management system that meets the requirements of 2 C.F.R. 200.302–200.307, 2 C.F.R. part 200, subpart F, and title 23, United States Code, and will facilitate an effective audit in accordance with 31 U.S.C. 7501–7506.

(c) The Recipient shall separately identify expenditures under the fiscal year 2024 SS4A grants program in financial records required for audits under 31 U.S.C. 7501–7506. Specifically, the Recipient shall:

(1) list expenditures under that program separately on the schedule of expenditures of Federal awards required under 2 C.F.R. part 200, subpart F, including "FY 2024" in the program name; and

(2) list expenditures under that program on a separate row under Part II, Item 1 ("Federal Awards Expended During Fiscal Period") of Form SF-SAC, including "FY 2024" in column c ("Additional Award Identification").

17.3 Internal Controls. The Recipient shall establish and maintain internal controls as required under 2 C.F.R. 200.303.

17.4 USDOT Record Access. The USDOT may access Recipient records related to this award under 2 C.F.R. 200.337.

ARTICLE 18
CONTRACTING AND SUBAWARDS

18.1 Build America, Buy America. This award term implements § 70914(a) of the Build America, Buy America Act, Pub. L. No. 117-58, div. G, tit. IX, subtitle A, 135 Stat. 429, 1294 (2021), 2 CFR part 184, and Office of Management and Budget (OMB) Memorandum M-24-02, "Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure."

Requirement to Use Iron, Steel, Manufactured Products, and Construction Materials Produced in the United States.

The Recipient shall not use funds provided under this award for a project for infrastructure unless:

(1) all iron and steel used in the project are produced in the United States—this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;

(2) all manufactured products used in the project are produced in the United States—this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product; and

(3) all construction materials are manufactured in the United States—this means that all manufacturing processes for the construction material occurred in the United States. The construction material standards for each construction material are provided at 2 CFR 184.6.

Inapplicability.

The domestic content procurement preference in this award term only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a domestic content procurement preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

Categorization of articles, materials, and supplies.

An article, material, or supply should only be classified into one of the following categories: (i) Iron or steel products; (ii) manufactured products; (iii) construction materials; or (iv) Section 70917(c) materials. An article, material, or supply should not be considered to fall into multiple categories. In some cases, an article, material, or supply may not fall under any of the categories listed in this paragraph. The classification of an article, material, or supply as falling into one of the categories listed in this paragraph must be made based on its status at the time it is brought to the work site for incorporation into an infrastructure project. In general, the work site is the location of the infrastructure project at which the iron, steel, manufactured products, and construction materials will be incorporated. An article, material, or supply incorporated into an infrastructure project must meet the requirements for only the single category in which it is classified.

Waivers.

When necessary, the Recipient may apply for, and the USDOT may grant, a waiver from the domestic content procurement preference in this award term.

A request to waive the application of the domestic content procurement preference must be in writing. The USDOT will provide instructions on the waiver process and on the format, contents, and supporting materials required for any waiver request. Waiver requests are subject to public comment periods of no less than 15 days and must be reviewed by the Office of Management and Budget (OMB) Made in America Office.

When the USDOT has made a determination that one of the following exceptions applies, the awarding official may waive the application of the domestic content procurement preference in any case in which the USDOT determines that:

(1) applying the domestic content procurement preference would be inconsistent with the public interest;

(2) the types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or

(3) the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent.

There may be instances where an award qualifies, in whole or in part, for an existing waiver described at https://www.transportation.gov/office-policy/transportation-policy/made-in-america.

Definitions

"**Construction materials**" means articles, materials, or supplies that consist of only one of the items listed in paragraph (21) of this definition, except as provided in paragraph (2) of this definition. To the extent that one of the items listed in paragraph (1) contains as inputs other items listed in paragraph (1), it is nonetheless a construction material.

(1) The listed items are:
- non-ferrous metals;
- plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables);
- glass (including optic glass);
- fiber optic cable (including drop cable)
- lumber;
- engineered wood; and
- drywall.

(2) Minor additions of articles, materials, supplies, or binding agents to a construction material do not change the categorization of the construction material.

"**Domestic content procurement preference**" means all iron and steel used in the project are produced in the United States; the manufactured products used in the project are produced in the United States; or the construction materials used in the project are produced in the United States.

"**Iron or steel products**" means articles, materials, or supplies that consist wholly or predominantly or iron or steel or a combination of both.

"**Manufactured products**" means

(1) Articles, materials, or supplies that have been: (i) Processed into a specific form and shape; or (ii) combined with other articles, materials, or supplies to create a product with different properties than the individual articles, materials, or supplies.

(2) If an item is classified as an iron or steel product, a construction material, or a Section 70917(c) material under 2 CFR 184.4(e) and the definitions set forth in 2 CFR 184.3, then it is not a manufactured product. However, an article, material, or supply classified as a manufactured product under 2 CFR 184.4(e) and paragraph (1) of this definition may include components that are construction materials, iron or steel products, or Section 70917(c) materials.

"**Predominantly of iron or steel or a combination of both**" means that the cost of the iron and steel content exceeds 50 percent of the total cost of all its components. The cost of iron and steel is the cost of the iron or steel mill products (such as bar, billet, slab, wire, plate, or sheet), castings, or forging utilized in the manufacture of the product and a good faith estimate of the cost of iron or steel components.

"Project" means the development of a safety action plan (including supplemental and topical plans) or the temporary or permanent construction, alteration, maintenance, or repair of infrastructure in the United States.

"**Section 70917(c) materials"** cement and cementitious materials; aggregates such as stone, sand, or gravel; or aggregate binding agents or additives.

18.2 Small and Disadvantaged Business Requirements. The Recipient shall expend all funds under this award in compliance with the requirements at 2 C.F.R. 200.321 including any amendments thereto.

18.3 Engineering and Design Services. The Recipient shall award each contract or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping, or related services with respect to the project in the same manner that a contract

for architectural and engineering services is negotiated under 2 C.F.R. 200.320 or an equivalent qualifications-based requirement prescribed for or by the Recipient.

18.4 Foreign Market Restrictions. The Recipient shall not allow funds provided under this award to be used to fund the use of any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

18.5 Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment. The Recipient acknowledges that Section 889 of Pub. L. No. 115-232, 2 C.F.R. 200.216 and 2 C.F.R. 200.471 prohibit the Recipient and all subrecipients from procuring or obtaining certain telecommunications and video surveillance services or equipment under this award.

18.6 Recipient Responsibilities for Subawards.

If the Recipient makes a subaward under this award, the Recipient shall comply with the requirements on pass-through entities under 2 C.F.R. parts 200 and 1201, including 2 C.F.R. 200.331–200.333.

18.7 Subaward and Contract Authorization.

If the USDOT Office for Subaward Authorization identified in section 5.1 is "FHWA Office of Acquisition and Grants Management," then the Recipient must follow the requirements in 2 C.F.R. 200.308 (f) (6) and 2 C.F.R. 200.333, as applicable, for the subaward of any SS4A Grant work under the Project-Specific Agreement. Approvals under 2 CFR 200.308(f)(6) do not apply to the procurement acquisition of goods and services.

ARTICLE 19
COSTS, PAYMENTS, AND UNEXPENDED FUNDS

19.1 Limitation of Federal Award Amount. Under this award, the USDOT shall not provide funding greater than the amount obligated on the SS4A Grant cover page, Item 11, Federal Funds Obligated. The Recipient acknowledges that USDOT is not liable for payments exceeding that amount, and the Recipient shall not request reimbursement of costs exceeding that amount.

19.2 Projects Costs. This award is subject to the cost principles at 2 C.F.R. part 200 subpart E, including provisions on determining allocable costs and determining allowable costs.

19.3 Timing of Project Costs.

(a) The Recipient shall not charge to this award costs that are incurred after the period of performance.

(b) The Recipient shall not charge to this award costs that were incurred before the effective date of award of this agreement unless there has been an approval of pre-award costs under 2 C.F.R. 200.458.

19.4 Recipient Recovery of Federal Funds. The Recipient shall make all reasonable efforts, including initiating litigation, if necessary, to recover Federal funds if the USDOT determines, after consultation with the Recipient, that those funds have been spent fraudulently, wastefully, or in violation of Federal laws, or misused in any manner under this award. The Recipient shall not enter a settlement or other final position, in court or otherwise, involving the recovery of funds under the award unless approved in advance in writing by the USDOT.

19.5 Unexpended Federal Funds. Any Federal funds that are awarded at section 10.1 but not expended on allocable, allowable costs remain the property of the United States.

19.6 Timing of Payments to the Recipient. When reimbursement is used, the Recipient shall not request reimbursement of a cost before the Recipient has entered an obligation for that cost.

19.7 Payment Method. The USDOT may deny a payment request that is not submitted using the method identified in section 5.2.

19.8 Information Supporting Expenditures.

(a) If the USDOT Payment System identified in section 5.2 is "DELPHI iSupplier," then when requesting reimbursement of costs incurred or credit for cost share incurred, the Recipient shall electronically submit the SF-270 (Request for Advance or Reimbursement) or SF-271 (Outlay Report and Request for Reimbursement for Construction Programs), shall identify the Federal share and the Recipient's share of costs, and shall submit supporting cost detail to clearly document all costs incurred. As supporting cost detail, the Recipient shall include a detailed breakout of all costs incurred, including direct labor, indirect costs, other direct costs, and travel.

(b) If the Recipient submits a request for reimbursement that the USDOT determines does not include or is not supported by sufficient detail, the USDOT may deny the request or withhold processing the request until the Recipient provides sufficient detail.

19.9 Reimbursement Frequency. If the USDOT Payment System identified in section 5.2 is "DELPHI iSupplier," then the Recipient shall not request reimbursement more frequently than monthly.

19.10 Match. The recipient should show on each request for reimbursement that at least 20 percent of the incurred costs will count towards match. If the recipient intends to vary the match percentage over the life of the project, it must communicate its plan to USDOT. The recipient is responsible for tracking match according to the plan. At the completion of the grant award, the cost share requirement must be met, and Federal funds must not exceed the project's Federal share.

ARTICLE 20
LIQUIDATION, ADJUSTMENTS, AND FUNDS AVAILABILITY

20.1 Liquidation of Recipient Obligations.

(a) The Recipient shall liquidate all obligations of award funds under this agreement not later than the earlier of (1) 120 days after the end of the period of performance or (2) the statutory availability to eligible entities date, which shall be 5 years after the date on which the grant is provided.

(b) Liquidation of obligations and adjustment of costs under this agreement follow the requirements of 2 C.F.R. 200.344–200.346.

ARTICLE 21
AGREEMENT MODIFICATIONS

21.1 Bilateral Amendments. The parties may amend, modify, or supplement this agreement by mutual agreement in writing signed by the USDOT and the Recipient. Either party may request to amend, modify, or supplement this agreement by written notice to the other party.

21.2 Unilateral Contact Modifications. The USDOT may update the contacts who are listed in section 4.3 by written notice to all the Recipient contacts who are listed in sections 4.1 and 4.2.

21.3 USDOT Unilateral Modifications.

(a) The USDOT may unilaterally modify this agreement to comply with Federal law, including the Program Statute.

(b) To unilaterally modify this agreement under this section 20.3(a), the USDOT must provide a notice to the Recipient that includes a description of the modification and state the date that the modification is effective.

21.4 Other Modifications. The parties shall not amend, modify, or supplement this agreement except as permitted under sections 21.1, 21.2, 21.3. If an amendment, modification, or supplement is not permitted under section 21.1, not permitted under section 21.2, and not permitted under section 21.3, it is void.

ARTICLE 22

[RESERVED]

ARTICLE 23

[RESERVED]

ARTICLE 24
LABOR AND WORKFORCE

24.1 Labor and Workforce. Attachment E documents the consideration of job quality and labor rights, standards, and protections related to the Project.

ARTICLE 25
CRITICAL INFRASTRUCTURE SECURITY AND RESILIENCE

25.1 Critical Infrastructure Security and Resilience.

Consistent with Presidential Policy Directive 21, "Critical Infrastructure Security and Resilience" (Feb. 12, 2013), and the National Security Presidential Memorandum on Improving Cybersecurity for Critical Infrastructure Control Systems (July 28, 2021), the Recipient shall consider physical and cyber security and resilience in planning, design, and oversight of the Project. Attachment F documents the consideration of critical security infrastructure for projects that include the purchase of information technology and/or operational technology.

ARTICLE 26
CIVIL RIGHTS AND TITLE VI

26.1 Civil Rights and Title VI

(a) The purpose of sections 26.1(b)–26.1(c) is to ensure that the Recipient has a plan to comply with civil rights obligations and nondiscrimination laws, including Title VI and 49 C.F.R. part 21, including any amendments thereto.

(b) If the Recipient is an Existing Recipient, the Recipient shall submit to the USDOT either:

(1) not later than one month after the date of this agreement, documentation showing that the Recipient has complied with all reporting requirements under the Administering Operating Administration's implementation of Title VI; or

(2) not later than six months after the date of this agreement, both a Title VI Plan and a Community Participation Plan, as those plans are described in chapter II, sections 3–4 of DOT Order 1000.12C.

(c) If the Recipient is "New," then the Administering Operating Administration completed a Title VI Assessment of the Recipient, as described in chapter II, section 2 of DOT Order 1000.12C., before entering this agreement.

(d) In this section 26.1:

(1) "**Title VI**" means Title VI of the Civil Rights Act of 1964, Pub. L. No. 88-352 (codified at 42 U.S.C. 2000d to 2000d-4a).

(2) **"Existing"** means a prior recipient of DOT federal financial assistance since the publication of DOT Order 1000.12C on June 11, 2021.

(3) "New" means a recipient who has not received DOT federal financial assistance since the publication of DOT Order 1000.12C on June 11, 2021.

ARTICLE 27
FEDERAL FINANCIAL ASSISTANCE, ADMINISTRATIVE, AND NATIONAL POLICY REQUIREMENTS

27.1 Uniform Administrative Requirements for Federal Awards. The Recipient shall comply with the obligations on non-Federal entities under 2 C.F.R. parts 200 and 1201.

27.2 Federal Law and Public Policy Requirements.

(a) The Recipient shall ensure that Federal funding is expended in full accordance with the United States Constitution, Federal law, and statutory and public policy requirements: including but not limited to, those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination; and Recipient will cooperate with Federal officials in the enforcement of Federal law, including cooperating with and not impeding U.S. Immigration and Customs Enforcement (ICE) and other Federal offices and components of the Department of Homeland Security in the enforcement of Federal immigration law.

(b) Pursuant to Executive Order 14173, *Ending Illegal Discrimination And Restoring Merit-Based Opportunity,* the Recipient agrees that its compliance in all respects with all

applicable Federal anti-discrimination laws is material to the government's payment decisions for purposes of section 3729(b)(4) of title 31, United States Code.

(c) Pursuant to Executive Order 14173, *Ending Illegal Discrimination And Restoring Merit-Based Opportunity,* by entering into this agreement, the Recipient certifies that it does not operate any programs promoting diversity, equity, and inclusion (DEI) initiatives that violate any applicable Federal anti-discrimination law.

(d) The failure of this agreement to expressly identify Federal law applicable to the Recipient or activities under this agreement does not make that law inapplicable.

27.3 Federal Freedom of Information Act.

(a) The USDOT is subject to the Freedom of Information Act, 5 U.S.C. 552.

(b) The Recipient acknowledges that the Technical Application and materials submitted to the USDOT by the Recipient related to this agreement may become USDOT records subject to public release under 5 U.S.C. 552.

27.4 History of Performance. Under 2 C.F.R 200.206, any Federal agency may consider the Recipient's performance under this agreement when evaluating the risks of making a future Federal financial assistance award to the Recipient.

27.5 Whistleblower Protection.

(a) The Recipient acknowledges that it is a "grantee" within the scope of 41 U.S.C. 4712, which prohibits the Recipient from taking certain actions against an employee for certain disclosures of information that the employee reasonably believes are evidence of gross mismanagement of this award, gross waste of Federal funds, or a violation of Federal law related this this award.

(b) The Recipient shall inform its employees in writing of the rights and remedies provided under 41 U.S.C. 4712, in the predominant native language of the workforce.

27.6 External Award Terms and Obligations.

(a) In addition to this document and the contents described in article 32, this agreement includes the following additional terms as integral parts:

(1) Appendix A to 2 C.F.R. part 25: System for Award Management and Universal Identifier Requirements;

(2) Appendix A to 2 C.F.R. part 170: Reporting Subawards and Executive Compensation;

(3) 2 C.F.R part 175: Award term for Trafficking in Persons; and

(4) Appendix XII to 2 C.F.R. part 200: Award Term and Condition for Recipient Integrity and Performance Matters.

(b) The Recipient shall comply with:

(1) 49 C.F.R. part 20: New Restrictions on Lobbying;

(2) 49 C.F.R. part 21: Nondiscrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964;

(3) 49 C.F.R. part 27: Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance; and

(4) Subpart B of 49 C.F.R. part 32: Governmentwide Requirements for Drug-free Workplace (Financial Assistance).

27.7 Incorporated Certifications. The Recipient makes the statements in the following certifications, which are incorporated by reference:

(1) Appendix A to 49 C.F.R. part 20 (Certification Regarding Lobbying).

ARTICLE 28
ASSIGNMENT

28.1 Assignment Prohibited. The Recipient shall not transfer to any other entity any discretion granted under this agreement, any right to satisfy a condition under this agreement, any remedy under this agreement, or any obligation imposed under this agreement.

ARTICLE 29
WAIVER

29.1 Waivers.

(a) A waiver granted by USDOT under this agreement will not be effective unless it is in writing and signed by an authorized representative of USDOT.

(b) A waiver granted by USDOT under this agreement on one occasion will not operate as a waiver on other occasions.

(c) If USDOT fails to require strict performance of a provision of this agreement, fails to exercise a remedy for a breach of this agreement, or fails to reject a payment during a breach of this agreement, that failure does not constitute a waiver of that provision or breach.

ARTICLE 30
ADDITIONAL TERMS AND CONDITIONS

30.1 Effect of Planning and Demonstration or Implementation Award. Based on information that the Recipient provided to the USDOT, including the Grant Application, as indicated in section 2.5, this agreement designates this award as a Planning and Demonstration award or an Implementation award, as defined in the NOFO. The Recipient shall comply with the requirements that accompany that designation as listed in the FY 2024 Notice of Funding Opportunity for Safe Streets and Roads for All.

30.2 Disclaimer of Federal Liability. The USDOT shall not be responsible or liable for any damage to property or any injury to persons that may arise from, or be incident to, performance or compliance with this agreement.

30.3 Environmental Review

(a) In this section, **"Environmental Review Entity"** means:

(1) if the Project is located in a State that has assumed responsibilities for environmental review activities under 23 U.S.C. 326 or 23 U.S.C. 327 and the Project is within the scope of the assumed responsibilities, the State; and

(2) for all other cases, the FHWA.

(b) Except as authorized under section 30.3(c), the Recipient shall not begin final design; acquire real property, construction materials, or equipment; begin construction; or take other actions that represent an irretrievable commitment of resources for the Project unless and until:

(1) the Environmental Review Entity complies with the National Environmental Policy Act, 42 U.S.C. 4321 to 4370m-12, and any other applicable environmental laws and regulations; and

(2) if the Environmental Review Entity is not the Recipient, the Environmental Review Entity provides the Recipient with written notice that the environmental review process is complete.

(c) If the Recipient is using procedures for early acquisition of real property under 23 C.F.R. 710.501 or hardship and protective acquisitions of real property 23 C.F.R. 710.503, the Recipient shall comply with 23 C.F.R. 771.113(d)(1).

(d) The Recipient acknowledges that:

(1) the Environmental Review Entity's actions under section 30.3(a) depend on the Recipient conducting necessary environmental analyses and submitting necessary documents to the Environmental Review Entity; and

(2) applicable environmental statutes and regulation may require the Recipient to prepare and submit documents to other Federal, State, and local agencies.

(e) Consistent with 23 C.F.R. 771.105(a), to the extent practicable and consistent with Federal law, the Recipient shall coordinate all environmental investigations, reviews, and consultations as a single process.

(f) The activities described in this agreement may inform environmental decision-making processes, but the parties do not intend this agreement to document the alternatives under consideration under those processes. If a build alternative is selected that does not align information in this agreement, then:

(1) the parties may amend this agreement under section 21.1 for consistency with the selected build alternative; or

(2) if the USDOT determines that the condition at section 16.1(a)(5) is satisfied, the USDOT may terminate this agreement under section 16.1(a)(5).

(g) The Recipient shall complete any mitigation activities described in the environmental document or documents for the Project, including the terms and conditions contained in the required permits and authorizations for the Project.

30.4 Railroad Coordination. If the agreement includes one or more milestones identified as a "Railroad Coordination Agreement," then for each of those milestones, the Recipient shall enter a standard written railroad coordination agreement, consistent with 23 C.F.R. 646.216(d), no later than the deadline date identified for that milestone, with the identified railroad for work and operation within that railroad's right-of-way.

30.5 Relocation and Real Property Acquisition.

(a) The Recipient shall comply with the land acquisition policies in 49 C.F.R. part 24 subpart B and shall pay or reimburse property owners for necessary expenses as specified in that subpart.

(b) The Recipient shall provide a relocation assistance program offering the services described in 49 C.F.R. part 24 subpart C and shall provide reasonable relocation payments and assistance to displaced persons as required in 49 C.F.R. part 24 subparts D–E.

(c) The Recipient shall make available to displaced persons, , comparable replacement dwellings in accordance with 49 C.F.R. part 24.

30.6 Equipment Disposition.

(a) In accordance with 2 C.F.R. 200.313 and 1201.313, if the Recipient or a subrecipient acquires equipment under this award, then when that equipment is no longer needed for the Project that entity shall request disposition instructions from the FHWA.

(b) In accordance with 2 C.F.R. 200.443(d), the distribution of the proceeds from the disposition of equipment must be made in accordance with 2 C.F.R. 200.313–200.316 and 2 C.F.R. 1201.313.

(c) The Recipient shall ensure compliance with this section 30.6 for all tiers of subawards under this award.

ARTICLE 31
MANDATORY AWARD INFORMATION

31.1 Information Contained in a Federal Award. For 2 C.F.R. 200.211:

(1) the "Federal Award Date" is the date of this agreement, as defined under section 33.2;

(2) the "Assistance Listings Number" is 20.939 and the "Assistance Listings Title" is "Safe Streets and Roads for All Grant Program"; and

(3) this award is not for research and development.

ARTICLE 32
CONSTRUCTION AND DEFINITIONS

N/A

32.1 Attachments. This agreement includes the following attachments as integral parts:

Attachment A	Performance Measurement Information
Attachment B	Changes from Application
Attachment C	Reserved
Attachment D	Reserved
Attachment E	Labor and Workforce
Attachment F	Critical Infrastructure Security and Resilience
Attachment G	Reserved

32.2 Exhibits. The following exhibits, which are in the document titled "Exhibits to FHWA Grant Agreements Under the Fiscal Year 2024 SS4A Grant Program", dated March 17, 2025, and available at https://www.transportation.gov/grants/ss4a/grant-agreements, are part of this agreement.

Exhibit A	Applicable Federal Laws and Regulations
Exhibit B	Additional Standard Terms
Exhibit C	Quarterly Performance Progress Reports: Format and Content
Exhibit D	Form for Subsequent Obligation of Funds

32.3 Construction. If a provision in the exhibits or the attachments conflicts with a provision in articles 1–30, then the provision in articles 1–30 prevails. If a provision in the attachments conflicts with a provision in the exhibits, then the provision in the attachments prevails.

32.4 Integration. This agreement constitutes the entire agreement of the parties relating to the SS4A grant program and awards under that program and supersedes any previous agreements, oral or written, relating to the SS4A grant program and awards under that program.

32.5 Definitions. In this agreement, the following definitions apply:

"**Program Statute**" means the BIL section 24112 and statutory text under the heading "Safe Streets and Roads for All Grants" in title I of division J of the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (November 15, 2021), and all other provisions of that act that apply to amounts appropriated under that heading.

"**Project**" means the project proposed in the Grant Application, as modified by the negotiated provisions of this agreement.

"**SS4A Grant**" means an award of funds that were made available under the SS4A NOFO.

"**Grant Application**" means the application identified in section 2.1, including Standard Form 424 and all information and attachments submitted with that form through Grants.gov.

ARTICLE 33
AGREEMENT EXECUTION AND EFFECTIVE DATE

33.1 Counterparts. This agreement may be executed in counterparts, which constitute one document. The parties intend each countersigned original to have identical legal effect.

33.2 Effective Date. The agreement will become effective when all parties have signed it. The effective date of this agreement will be the date this agreement is signed by the last party to sign it. This instrument constitutes a SS4A Grant when the USDOT's authorized representative signs it.

U.S. DEPARTMENT OF TRANSPORTATION

EXHIBITS TO FHWA GRANT AGREEMENTS UNDER THE FISCAL YEAR 2024 SAFE STREETS AND ROADS FOR ALL (SS4A) GRANT PROGRAM

June 13, 2024
Revised: March 17, 2025

EXHIBIT A
APPLICABLE FEDERAL LAWS AND REGULATIONS

By entering into this agreement for a FY 2024 Safe Streets and Roads for All Grant, the Recipient assures and certifies, with respect to this Grant, that it will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds for this Project. Performance under this agreement shall be governed by and in compliance with the following requirements, as applicable, to the type of organization of the Recipient and any applicable sub-recipients. The applicable provisions to this agreement include, but are not limited to, the following:

General Federal Legislation

a. Federal Fair Labor Standards Act – 29 U.S.C. 201, et seq.
b. Hatch Act – 5 U.S.C. 1501, et seq.
c. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 – 42 U.S.C. 4601, et seq.
d. National Historic Preservation Act of 1966 - Section 106 – 54 U.S.C. 306108
e. Archeological and Historic Preservation Act of 1974 – 54 U.S.C. 312501, et seq.
f. Native American Graves Protection and Repatriation Act – 25 U.S.C. 3001, et seq.
g. Clean Air Act, P.L. 90-148, as amended – 42 U.S.C. 7401, et seq.
h. Section 404 of the Clean Water Act, as amended – 33 U.S.C. 1344
i. Section 7 of the Endangered Species Act, P.L. 93-205, as amended – 16 U.S.C. 1536
j. Coastal Zone Management Act, P.L. 92-583, as amended – 16 U.S.C. 1451, et seq.
k. Flood Disaster Protection Act of 1973 - Section 102(a) – 42 U.S.C. 4012a
l. Age Discrimination Act of 1975 – 42 U.S.C. 6101, et seq.
m. American Indian Religious Freedom Act, P.L. 95-341, as amended
n. Drug Abuse Office and Treatment Act of 1972, as amended – 21 U.S.C. 1101, et seq.
o. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, P.L. 91-616, as amended – 42 U.S.C. 4541, et seq.
p. Sections 523 and 527 of the Public Health Service Act of 1912, as amended – 42 U.S.C. 290dd through 290dd-2
q. Architectural Barriers Act of 1968 – 42 U.S.C. 4151, et seq.
r. Power Plant and Industrial Fuel Use Act of 1978, P.L. 100-42 - Section 403 – 42 U.S.C. 8373
s. Contract Work Hours and Safety Standards Act – 40 U.S.C. 3701, et seq.
t. Copeland Anti-kickback Act, as amended – 18 U.S.C. 874 and 40 U.S.C. 3145
u. National Environmental Policy Act of 1969 – 42 U.S.C. 4321, et seq.
v. Wild and Scenic Rivers Act, P.L. 90-542, as amended – 16 U.S.C. 1271, et seq.
w. Federal Water Pollution Control Act, as amended – 33 U.S.C. 1251-1376
x. Single Audit Act of 1984 – 31 U.S.C. 7501, et seq.
y. Americans with Disabilities Act of 1990 – 42 U.S.C. 12101, et seq.
z. Title IX of the Education Amendments of 1972, as amended – 20 U.S.C. 1681 through 1683 and 1685 through 1687
aa. Section 504 of the Rehabilitation Act of 1973, as amended – 29 U.S.C. 794
bb. Title VI of the Civil Rights Act of 1964 – 42 U.S.C. 2000d, et seq.
cc. Title IX of the Federal Property and Administrative Services Act of 1949 – 40 U.S.C. 1101 -1104, 541, et seq.
dd. Limitation on Use of Appropriated Funds to Influence Certain Federal Contracting and

Financial Transactions – 31 U.S.C. 1352
ee. Freedom of Information Act – 5 U.S.C. 552, as amended
ff. Magnuson-Stevens Fishery Conservation and Management Act – 16 U.S.C. 1855
gg. Farmland Protection Policy Act of 1981 – 7 U.S.C. 4201, et seq.
hh. Noise Control Act of 1972 – 42 U.S.C. 4901, et seq.
ii. Fish and Wildlife Coordination Act of 1956 – 16 U.S.C. 661, et seq.
jj. Section 9 of the Rivers and Harbors Act and the General Bridge Act of 1946 – 33 U.S.C. 401 and 525
kk. Section 4(f) of the Department of Transportation Act of 1966 – 49 U.S.C. 303
ll. Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended – 42 U.S.C. 9601, et seq.
mm. Safe Drinking Water Act – 42 U.S.C. 300f to 300j-26
nn. Wilderness Act – 16 U.S.C. 1131-1136
oo. Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 – 42 U.S.C. 6901, et seq.
pp. Migratory Bird Treaty Act – 16 U.S.C. 703, et seq.
qq. The Federal Funding Transparency and Accountability Act of 2006, as amended (Pub. L. 109–282, as amended by section 6202 of Public Law 110–252)
rr. Cargo Preference Act of 1954 – 46 U.S.C. 55305
ss. Section 889 of the John D. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. 115-232
tt. Bringing in and harboring certain aliens – 8 U.S.C. 1324
uu. Aiding or assisting certain aliens to enter – 8 U.S.C. 1327

Executive Orders

a. Executive Order 11990 – Protection of Wetlands
b. Executive Order 11988 – Floodplain Management
c. Executive Order 12372 – Intergovernmental Review of Federal Programs
d. Executive Order 12549 – Debarment and Suspension
e. Executive Order 14005 – Ensuring the Future is Made in All of America by All of America's Workers
f. Executive Order 14025 – Worker Organizing and Empowerment
g. Executive Order 14149, Restoring Freedom of Speech and Ending Federal Censorship
h. Executive Order 14154, Unleashing American Energy
i. Executive Order 14151, Ending Radical and Wasteful Government DEI Programs and Preferencing
j. Executive Order 14168 Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government
k. Executive Order 14173, Ending Illegal Discrimination and Restoring Merit-Based Opportunity

Presidential Policy Directives and Memorandums

a. Presidential Policy Directive 21 – Critical Infrastructure Security and Resilience
b. National Security Presidential Memorandum on Improving Cybersecurity for Critical Infrastructure Systems

General Federal Regulations

a. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for

Federal Awards – 2 C.F.R. Parts 200, 1201

b. Non-procurement Suspension and Debarment – 2 C.F.R. Parts 180, 1200
c. Investigative and Enforcement Procedures – 14 C.F.R. Part 13
d. Procedures for predetermination of wage rates – 29 C.F.R. Part 1
e. Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States – 29 C.F.R. Part 3
f. Labor standards provisions applicable to contracts governing federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act) – 29 C.F.R. Part 5
g. Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements) – 41 C.F.R. Parts 60, et seq.
h. New Restrictions on Lobbying – 49 C.F.R. Part 20
i. Nondiscrimination in Federally Assisted Programs of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act of 1964 – 49 C.F.R. Part 21, including any amendments thereto
j. Uniform relocation assistance and real property acquisition for Federal and Federally assisted programs – 49 C.F.R. Part 24
k. Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance – 49 C.F.R. Part 25
l. Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance – 49 C.F.R. Part 27
m. DOT's implementation of DOJ's ADA Title II regulations compliance procedures for all programs, services, and regulatory activities relating to transportation under 28 C.F.R. Part 35
n. Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation – 49 C.F.R. Part 28
o. Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors – 49 C.F.R. Part 30
p. Governmentwide Requirements for Drug-Free Workplace (Financial Assistance) – 49 C.F.R. Part 32
q. DOT's implementing ADA regulations for transit services and transit vehicles, including the DOT's standards for accessible transportation facilities in Part 37, Appendix A – 49 C.F.R. Parts 37 and 38
r. Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs – 49 C.F.R. Part 26, including any amendments thereto (as applicable under section 18.3 of this agreement)

Office of Management and Budget Circulars

a. Any applicable OMB Circular based upon the specific FY 2024 Safe Streets and Roads for All Grant Recipient.

Highway Federal Legislation

a. Agreements relating to the use of an access to rights-of-way—Interstate System, 23 U.S.C. 111
b. Planning, 23 U.S.C. 134 and 135 (except for projects that are not regionally significant that do not receive funding under Title 23 or Chapter 53 of Title 49)

c. Tolls, 23 U.S.C. 301 (to the extent the recipient wishes to toll an existing free facility that has received Title 23 funds in the past); except as authorized by 23 U.S.C. 129 and 166.
d. Efficient Environmental Reviews - 23 U.S.C. 139
e. Policy on lands, wildlife and waterfowl refuges, and historic sites - 49 U.S.C. 303

Federal Highway Regulations

a. Planning – 23 C.F.R. Part 450 (except for projects that are not regionally significant that do not receive funding under Title 23 or Chapter 53 of Title 49)
b. National Highway System Design Standards – 23 C.F.R. Part 625
c. Location and Hydraulic Design of Encroachments on Flood Plains – 23 C.F.R. Part 650 Subpart A
d. Manual on Uniform Traffic Control Devices – 23 C.F.R. Part 655
e. Environmental Impact and Related Procedures – 23 C.F.R. Part 771
f. Parks, Recreation Areas, Wildlife and Waterfowl Refuges, and Historic Sites (Section 4(f)) – 23 C.F.R. Part 774
g. Permitting Requirements under the National Pollutant Discharge Elimination System – 40 C.F.R. Part 122

Specific assurances required to be included in the FY 2024 Safe Streets and Roads for All Grant agreement by any of the above laws, regulations, or circulars are hereby incorporated by reference into this agreement.

EXHIBIT B
ADDITIONAL STANDARD TERMS

TERM B.1
TITLE VI ASSURANCE
(Implementing Title VI of the Civil Rights Act of 1964, as amended)

ASSURANCE CONCERNING NONDISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS AND ACTIVITIES RECEIVING OR BENEFITING FROM FEDERAL FINANCIAL ASSISTANCE

(Implementing the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act, as amended)

49 C.F.R. Parts 21, 25, 27, 37, and 38

The United States Department of Transportation (USDOT)

Standard Title VI/Non-Discrimination Assurances

DOT Order No. 1050.2A

By signing and submitting the Technical Application and by entering into this agreement under the FY 2024 Safe Streets and Roads for All (SS4A) grant program, the Recipient **HEREBY AGREES THAT**, as a condition to receiving any Federal financial assistance from the U.S. Department of Transportation (DOT), through the Federal Highway Administration (FHWA), it is subject to and will comply with the following:

Statutory/Regulatory Authorities

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq*., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 C.F.R. Part 21, including any amendments thereto (entitled *Non-discrimination In Federally-Assisted Programs Of The Department Of Transportation—Effectuation Of Title VI Of The Civil Rights Act Of 1964*);
- 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964);

The preceding statutory and regulatory cites hereinafter are referred to as the "Acts" and "Regulations," respectively.

General Assurances

In accordance with the Acts, the Regulations, and other pertinent directives, circulars, policy, memoranda, and/or guidance, the Recipient hereby gives assurance that it will promptly take any measures necessary to ensure that:

> *"No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity," for which the Recipient receives Federal financial assistance from DOT, including the FHWA.*

The Civil Rights Restoration Act of 1987 clarified the original intent of Congress, with respect to Title VI and other Non-discrimination requirements (The Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973), by restoring the broad, institutional-wide scope and coverage of these non-discrimination statutes and requirements to include all programs and activities of the Recipient, so long as any portion of the program is Federally assisted.

Specific Assurances

More specifically, and without limiting the above general Assurance, the Recipient agrees with and gives the following Assurances with respect to its Federally assisted FY 2024 SS4A grant program:

1. The Recipient agrees that each "activity," "facility," or "program," as defined in §§ 21.23 (b) and 21.23 (e) of 49 C.F.R. Part 21, including any amendments thereto, will be (with regard to an "activity") facilitated, or will be (with regard to a "facility") operated, or will be (with regard to a "program") conducted in compliance with all requirements imposed by, or pursuant to the Acts and the Regulations.

2. The Recipient will insert the following notification in all solicitations for bids, Requests For Proposals for work, or material subject to the Acts and the Regulations made in connection with the FY 2024 SS4A Grant and, in adapted form, in all proposals for negotiated agreements regardless of funding source:

   > "*The Recipient, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.*"

3. The Recipient will insert the clauses of Appendix A and E of this Assurance in every contract or agreement subject to the Acts and the Regulations.

4. The Recipient will insert the clauses of Appendix B of this Assurance, as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a Recipient.

5. That where the Recipient receives Federal financial assistance to construct a facility, or part of a facility, the Assurance will extend to the entire facility and facilities operated in connection therewith.

6. That where the Recipient receives Federal financial assistance in the form, or for the acquisition of real property or an interest in real property, the Assurance will extend to rights to space on, over, or under such property.

7. That the Recipient will include the clauses set forth in Appendix C and Appendix D of this Assurance, as a covenant running with the land, in any future deeds, leases, licenses, permits, or similar instruments entered into by the Recipient with other parties:

    a. for the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
    b. for the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.

8. That this Assurance obligates the Recipient for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the Assurance obligates the Recipient, or any transferee for the longer of the following periods:

    a. the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or
    b. the period during which the Recipient retains ownership or possession of the property.

9. The Recipient will provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he/she delegates specific authority to give reasonable guarantee that it, other recipients, sub-recipients, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Acts, the Regulations, and this Assurance.

10. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Acts, the Regulations, and this Assurance.

By signing this ASSURANCE, the Recipient also agrees to comply (and require any sub-recipients, contractors, successors, transferees, and/or assignees to comply) with all applicable provisions governing the FHWA's access to records, accounts, documents, information, facilities, and staff. You also recognize that you must comply with any program or compliance reviews, and/or complaint investigations conducted by the FHWA. You must keep records, reports, and submit the material for review upon request to FHWA, or its designee in a timely, complete, and accurate way. Additionally, you must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

The Recipient gives this ASSURANCE in consideration of and for obtaining any Federal grants, loans, contracts, agreements, property, and/or discounts, or other Federal-aid and Federal financial assistance extended after the date hereof to the recipients by the U.S. Department of Transportation under the FY 2024 SS4A grant program. This ASSURANCE is binding on the Recipient, other recipients, sub-recipients, contractors, subcontractors and their subcontractors', transferees, successors in interest, and any other participants in the FY 2024 SS4A grant program.

APPENDIX A

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, Federal Highway Administration (FHWA), as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 C.F.R. Part 21, including any amendments thereto.

3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin.

4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the FHWA to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Recipient or the FHWA, as appropriate, and will set forth what efforts it has made to obtain the information.

5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non-discrimination provisions of this contract, the Recipient will impose such contract sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:

    a. withholding payments to the contractor under the contract until the contractor complies; and/or
    b. cancelling, terminating, or suspending a contract, in whole or in part.

6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as

the Recipient or the FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

APPENDIX B

CLAUSES FOR DEEDS TRANSFERRING UNITED STATES PROPERTY

The following clauses will be included in deeds effecting or recording the transfer of real property, structures, or improvements thereon, or granting interest therein from the United States pursuant to the provisions of Specific Assurance 4:

NOW, THEREFORE, the U.S. Department of Transportation as authorized by law and upon the condition that the Recipient will accept title to the lands and maintain the project constructed thereon in accordance with the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (Nov. 15, 2021), the Consolidated Appropriations Act, 2022, Pub. L. No. 117-103 (Mar. 15, 2022), the Consolidated Appropriations Act, 2024, Pub. L. No. 118-122 (Mar. 9, 2024) , the Regulations for the Administration of FY 2024 SS4A grant program**,** and the policies and procedures prescribed by the Federal Highway Administration (FHWA) of the U.S. Department of Transportation in accordance and in compliance with all requirements imposed by Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, including any amendments thereto, pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. § 2000d to 2000d-4), does hereby remise, release, quitclaim and convey unto the Recipient all the right, title and interest of the U.S. Department of Transportation in and to said lands described in Exhibit A attached hereto and made a part hereof.

(HABENDUM CLAUSE)

TO HAVE AND TO HOLD said lands and interests therein unto Recipient and its successors forever, subject, however, to the covenants, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and will be binding on the Recipient, its successors and assigns.

The Recipient, in consideration of the conveyance of said lands and interests in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns, that (1) no person will on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on, over, or under such lands hereby conveyed [,] [and]* (2) that the Recipient will use the lands and interests in lands and interests in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, including any amendments thereto, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations and Acts may be amended[, and (3) that in the event of breach of any of the above-mentioned non-discrimination conditions, the Department will have a right to enter or re-enter said lands and facilities on said land, and that above described land and facilities will thereon revert to and vest in and become the absolute property of the U.S. Department of Transportation and its assigns as such interest existed prior to this instruction].*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to make clear the purpose of Title VI.)

APPENDIX C

CLAUSES FOR TRANSFER OF REAL PROPERTY ACQUIRED OR IMPROVED UNDER THE ACTIVITY, FACILITY, OR PROGRAM

The following clauses will be included in deeds, licenses, leases, permits, or similar instruments entered into by the Recipient pursuant to the provisions of Specific Assurance 7(a):

A. The (Recipient, lessee, permittee, etc. as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in the case of deeds and leases add "as a covenant running with the land"] that:

    1. In the event facilities are constructed, maintained, or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the (Recipient, licensee, lessee, permittee, etc.) will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

B. With respect to licenses, leases, permits, etc., in the event of breach of any of the above Non-discrimination covenants, Recipient will have the right to terminate the (lease, license, permit, etc.) and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the (lease, license, permit, etc.) had never been made or issued.*

C. With respect to a deed, in the event of breach of any of the above Non-discrimination covenants, the Recipient will have the right to enter or re-enter the lands and facilities thereon, and the above described lands and facilities will there upon revert to and vest in and become the absolute property of the Recipient and its assigns. *

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

APPENDIX D

CLAUSES FOR CONSTRUCTION/USE/ACCESS TO REAL PROPERTY ACQUIRED UNDER THE ACTIVITY, FACILITY OR PROGRAM

The following clauses will be included in deeds, licenses, permits, or similar instruments/agreements entered into by Recipient pursuant to the provisions of Specific Assurance 7(b):

A. The (Recipient, licensee, permittee, etc., as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add, "as a covenant running with the land") that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (Recipient, licensee, lessee, permittee, etc.) will use the premises in compliance with all other requirements imposed by or pursuant to the Acts and Regulations, as amended, set forth in this Assurance.

B. With respect to (licenses, leases, permits, etc.), in the event of breach of any of the above Non-discrimination covenants, Recipient will have the right to terminate the (license, permit, etc., as appropriate) and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, permit, etc., as appropriate) had never been made or issued.*

C. With respect to deeds, in the event of breach of any of the above Non-discrimination covenants, Recipient will there upon revert to and vest in and become the absolute property of Recipient and its assigns.*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

APPENDIX E

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

Pertinent Non-Discrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq*., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 C.F.R. Part 21, including any amendments thereto.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq*.), as amended, (prohibits discrimination on the basis of disability); and 49 C.F.R. Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq*.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 U.S.C. § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 C.F.R. Parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. § 1681 et seq).

TERM B.2
CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS -- PRIMARY COVERED TRANSACTIONS

2 C.F.R. Parts 180 and 1200

These assurances and certifications are applicable to all Federal-aid construction contracts, design-build contracts, subcontracts, lower-tier subcontracts, purchase orders, lease agreements, consultant contracts or any other covered transaction requiring FHWA approval or that is estimated to cost $25,000 or more – as defined in 2 C.F.R. Parts 180 and 1200.

By signing and submitting the Technical Application and by entering into this agreement under the FY 2024 SS4A grant program, the Recipient is providing the assurances and certifications for First Tier Participants and Lower Tier Participants in the FY 2024 SS4A Grant, as set out below.

1. Instructions for Certification – First Tier Participants:

a. The prospective first tier participant is providing the certification set out below.

b. The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this covered transaction. The prospective first tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective first tier participant to furnish a certification or an explanation shall disqualify such a person from participation in this transaction.

c. The certification in this clause is a material representation of fact upon which reliance was placed when the contracting agency determined to enter into this transaction. If it is later determined that the prospective participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the contracting agency may terminate this transaction for cause of default.

d. The prospective first tier participant shall provide immediate written notice to the contracting agency to whom this proposal is submitted if any time the prospective first tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

e. The terms "covered transaction," "civil judgment," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 C.F.R. Parts 180 and 1200. "First Tier Covered Transactions" refers to any covered transaction between a Recipient or subrecipient of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a Recipient or subrecipient of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers to any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

f. The prospective first tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

g. The prospective first tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions," provided by the department or

contracting agency, entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the $25,000 threshold.

h. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the System for Award Management website (https://www.sam.gov/), which is compiled by the General Services Administration.

i. Nothing contained in the foregoing shall be construed to require the establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of the prospective participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

j. Except for transactions authorized under paragraph (f) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – First Tier Participants:

a. The prospective first tier participant certifies to the best of its knowledge and belief, that it and its principals:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;

(2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment, including a civil settlement, rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (a)(2) of this certification; and

(4) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

b. Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

2. Instructions for Certification - Lower Tier Participants:

(Applicable to all subcontracts, purchase orders and other lower tier transactions requiring prior FHWA approval or estimated to cost $25,000 or more - 2 C.F.R. Parts 180 and 1200)

a. The prospective lower tier participant is providing the certification set out below.

b. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department, or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

c. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous by reason of changed circumstances.

d. The terms "covered transaction," "civil settlement," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 C.F.R. Parts 180 and 1200. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations. "First Tier Covered Transactions" refers to any covered transaction between a Recipient or subrecipient of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a Recipient or subrecipient of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

e. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

f. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the $25,000 threshold.

g. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is

erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the System for Award Management website (https://www.sam.gov/), which is compiled by the General Services Administration.

h. Nothing contained in the foregoing shall be construed to require establishment of a system of records to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

i. Except for transactions authorized under paragraph e of these instructions, if a participant in a covered transaction knowingly enters a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Participants:

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

TERM B.3
REQUIREMENTS REGARDING DELINQUENT TAX LIABILITY OR A FELONY CONVICTION UNDER ANY FEDERAL LAW

As required by sections 744 and 745 of Title VII, Division E of the Consolidated Appropriations Act, 2023, Pub. L. No. 117-328 (Dec. 29, 2022), and implemented through USDOT Order 4200.6, the funds provided under this award shall not be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to, any corporation that:

(1) Has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, where the awarding agency is aware of the unpaid tax liability, unless a Federal agency has considered suspension or debarment of the corporation and made a determination that suspension or debarment is not necessary to protect the interests of the Government; or

(2) Was convicted of a felony criminal violation under any Federal law within the preceding 24 months, where the awarding agency is aware of the conviction, unless a federal agency has considered suspension or debarment of the corporation and made a determination that suspension or debarment is not necessary to protect the interests of the Government.

The Recipient therefore agrees:

1. **Definitions.** For the purposes of this exhibit, the following definitions apply:

   "**Covered Transaction**" means a transaction that uses any funds under this award and that is a contract, memorandum of understanding, cooperative agreement, grant, loan, or loan guarantee.

   "**Felony Conviction**" means a conviction within the preceding 24 months of a felony criminal violation under any Federal law and includes conviction of an offense defined in a section of the United States Code that specifically classifies the offense as a felony and conviction of an offense that is classified as a felony under 18 U.S.C. 3559.

   "**Participant**" means the Recipient, an entity who submits a proposal for a Covered Transaction, or an entity who enters into a Covered Transaction.

   "**Tax Delinquency**" means an unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted, or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.

2. **Mandatory Check in the System for Award Management.** Before entering a Covered Transaction with another entity, a Participant shall check the System for Award Management (the "**SAM**") at http://www.sam.gov/ for an entry describing that entity.

3. **Mandatory Certifications.** Before entering a Covered Transaction with another entity, a Participant shall require that entity to:

    (1) Certify whether the entity has a Tax Delinquency; and

    (2) Certify whether the entity has a Felony Conviction.

4 **Prohibition.** If

    (1) the SAM entry for an entity indicates that the entity has a Tax Delinquency or a Federal Conviction;

    (2) an entity provides an affirmative response to either certification in section 3; or

    (3) an entity's certification under section 3 was inaccurate when made or became inaccurate after being made

    then a Participant shall not enter or continue a Covered Transaction with that entity unless the USDOT has determined in writing that suspension or debarment of that entity are not necessary to protect the interests of the Government.

5. **Mandatory Notice to the USDOT.**

    (a) If the SAM entry for a Participant indicates that the Participant has a Tax Delinquency or a Felony Conviction, the Recipient shall notify the USDOT in writing of that entry.

    (b) If a Participant provides an affirmative response to either certification in section 1, the Recipient shall notify the USDOT in writing of that affirmative response.

    (c) If the Recipient knows that a Participant's certification under section 1 was inaccurate when made or became inaccurate after being made, the Recipient shall notify the USDOT in writing of that inaccuracy.

6. **Flow Down.** For all Covered Transactions, including all tiers of subcontracts and subawards, the Recipient shall:

    (1) require the SAM check in section 2;

    (2) require the certifications in section 3;

    (3) include the prohibition in section 4; and

    (4) require all Participants to notify the Recipient in writing of any information that would require the Recipient to notify the USDOT under section 5.

TERM B.4
RECIPIENT POLICY TO BAN TEXT MESSAGING WHILE DRIVING

(a) *Definitions.* The following definitions are intended to be consistent with the definitions in DOT Order 3902.10, Text Messaging While Driving (Dec. 30, 2009) and Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving (Oct. 1, 2009). For clarification purposes, they may expand upon the definitions in the executive order.

For the purpose of this Term B.4, "**Motor Vehicles**" means any vehicle, self-propelled or drawn by mechanical power, designed and operated principally for use on a local, State or Federal roadway, but does not include a military design motor vehicle or any other vehicle excluded under Federal Management Regulation 102-34-15.

For the purpose of this Term B.4, "**Driving**" means operating a motor vehicle on a roadway, including while temporarily stationary because of traffic congestion, a traffic signal, a stop sign, another traffic control device, or otherwise. It does not include being in your vehicle (with or without the motor running) in a location off the roadway where it is safe and legal to remain stationary.

For the purpose of this Term B.4, "**Text messaging**" means reading from or entering data into any handheld or other electronic device (including, but not limited to, cell phones, navigational tools, laptop computers, or other electronic devices), including for the purpose of Short Message Service (SMS) texting, e-mailing, instant messaging, obtaining navigational information, or engaging in any other form of electronic data retrieval or electronic data communication. The term does not include the use of a cell phone or other electronic device for the limited purpose of entering a telephone number to make an outgoing call or answer an incoming call, unless this practice is prohibited by State or local law. The term also does not include glancing at or listening to a navigational device that is secured in a commercially designed holder affixed to the vehicle, provided that the destination and route are programmed into the device either before driving or while stopped in a location off the roadway where it is safe and legal to remain stationary.

For the purpose of this Term B.4, the "**Government**" includes the United States Government and State, local, and tribal governments at all levels.

(b) *Workplace Safety.* In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving (Oct. 1, 2009) and DOT Order 3902.10, Text Messaging While Driving (Dec. 30, 2009), the Recipient, subrecipients, contractors, and subcontractors are encouraged to:

(1) adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving—

(i) Company-owned or -rented vehicles or Government-owned, leased or rented vehicles; or

(ii) Privately-owned vehicles when on official Government business or when performing any work for or on behalf of the Government.

(2) Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as—

(i) Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and

(ii) Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

(c) *Subawards and Contracts.* To the extent permitted by law, the Recipient shall insert the substance of this exhibit, including this paragraph (c), in all subawards, contracts, and subcontracts under this award that exceed the micro-purchase threshold, other than contracts and subcontracts for the acquisition of commercially available off-the-shelf items.

FEDERAL STANDARD GRANT PROVISIONS

The Contractor and its Subcontractor shall comply with the following grant provisions.

Applicable Laws
Compliance with all applicable Federal, State, and Local laws and regulations.

Awards to debarred and suspended parties
The City will not make any award or permit any award (subgrant or contract) at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Orders 12549 and 12689, ``Debarment and Suspension."

Contracting with small and minority firms, women's business enterprise and labor surplus area firms.
(a) The Contractor will take all necessary affirmative steps to assure that minority firms,women's business enterprises, and labor surplus area firms are used when possible.
(b) Affirmative steps shall include:
(1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
(2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
(3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
(4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;
(5) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and
(6) The Prime Contractor, if subcontracts are to be let, take affirmative steps listed in paragraph (b)(1) through (5) of this section.

Domestic preferences for procurements.
(a) As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award.

(b) For purposes of this section:

(1) “Produced in the United States” means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

(2) “Manufactured products” means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

Procurement of recovered materials.

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Equal Employment Opportunity

Compliance with Executive Order 11246 of September 24, 1965, entitled “Equal Employment Opportunity,” as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). (All construction contracts awarded in excess of $10,000 by grantees and their contractors or subgrantees)

Clean Water and Air Act

Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of $100,000)

Energy Policy and Conservation Act

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 (Pub. L. 94-163, 89 Stat. 871).

Resource Conservation and Recovery Act

Compliance with the Resource Conservation and Recovery Act (RCRA) requires federal agencies to assess the impact that debris, debris removal, hazardous wastes, and hazardous waste clean-up projects will have on air and water quality and take actions to prevent degradation. RCRA gives EPA the authority to control hazardous waste from the "cradle-to-grave" to facilities that generate hazardous materials and sets forth a framework for the management of non-hazardous waste (42 USC, 6901).

Conflicts of Interest

The City (grantee) and Contractor (subgrantees) will maintain a written code of
standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the grantee or subgrantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be
involved. Such a conflict would arise when:

(i) The employee, officer or agent,

(ii) Any member of his immediate family,

(iii) His or her partner, or

(iv) An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The grantee's or subgrantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements. Grantee and subgrantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards or conduct will provide for

penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's and subgrantee's officers, employees, or agents, or by contractors or their agents. The awarding agency may in regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest.

Copyrights

Reports, maps or other documents produced in whole or in part are works for hire and shall not be the subject of any application for copyright by or on behalf of the Contractor or its Subcontractor. The Contractor shall advise the City or its designee at the time of delivery of any copyrighted or copyrightable work furnished under this Agreement, or any adversely held copyrighted or copyrightable material incorporated in any such work and of any invasion of the right of privacy therein contained.

Patent Fees and Royalties

Contractor shall pay all license fees and royalties and assume all costs incident to the use in the performance of the Work or the incorporation in the Work of any invention, design, process, product, or device that is the subject of patent rights or copyrights held by others. If a particular invention, design, process, product, or device is specified in the Contract Documents for use in Funding Agency Contracting Provisions for Construction Projects the performance of the Work and if, to the actual knowledge of Owner or Engineer, its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights shall be disclosed by the Owner in the Contract Documents.

Responsible Contractors

The City will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

Access and Retention of Records

Access by the grantee, the subgrantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions. Retention of all required records for three years after grantees or subgrantees make final payments and all other pending matters are closed.

This content is from the eCFR and is authoritative but unofficial.

Title 2 —Federal Financial Assistance
Subtitle A —Office of Management and Budget Guidance for Federal Financial Assistance
Chapter II —Office of Management and Budget Guidance
Part 200 —Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

Authority: 31 U.S.C. 503; 31 U.S.C. 6101-6106; 31 U.S.C. 6307; 31 U.S.C. 7501-7507.
Source: 89 FR 30136, Apr. 22, 2024, unless otherwise noted.

Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

(A) Contracts for more than the simplified acquisition threshold, 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.

(B) All contracts in excess of $10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(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."

(D) ~~Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance 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. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance 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~~

Not Applicable

~~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 non-Federal entity must report all suspected or reported violations to the Federal awarding agency.~~

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance 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 must be 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 to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions 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.

(G) 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).

(H) 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 governmentwide 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.

(I) 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.

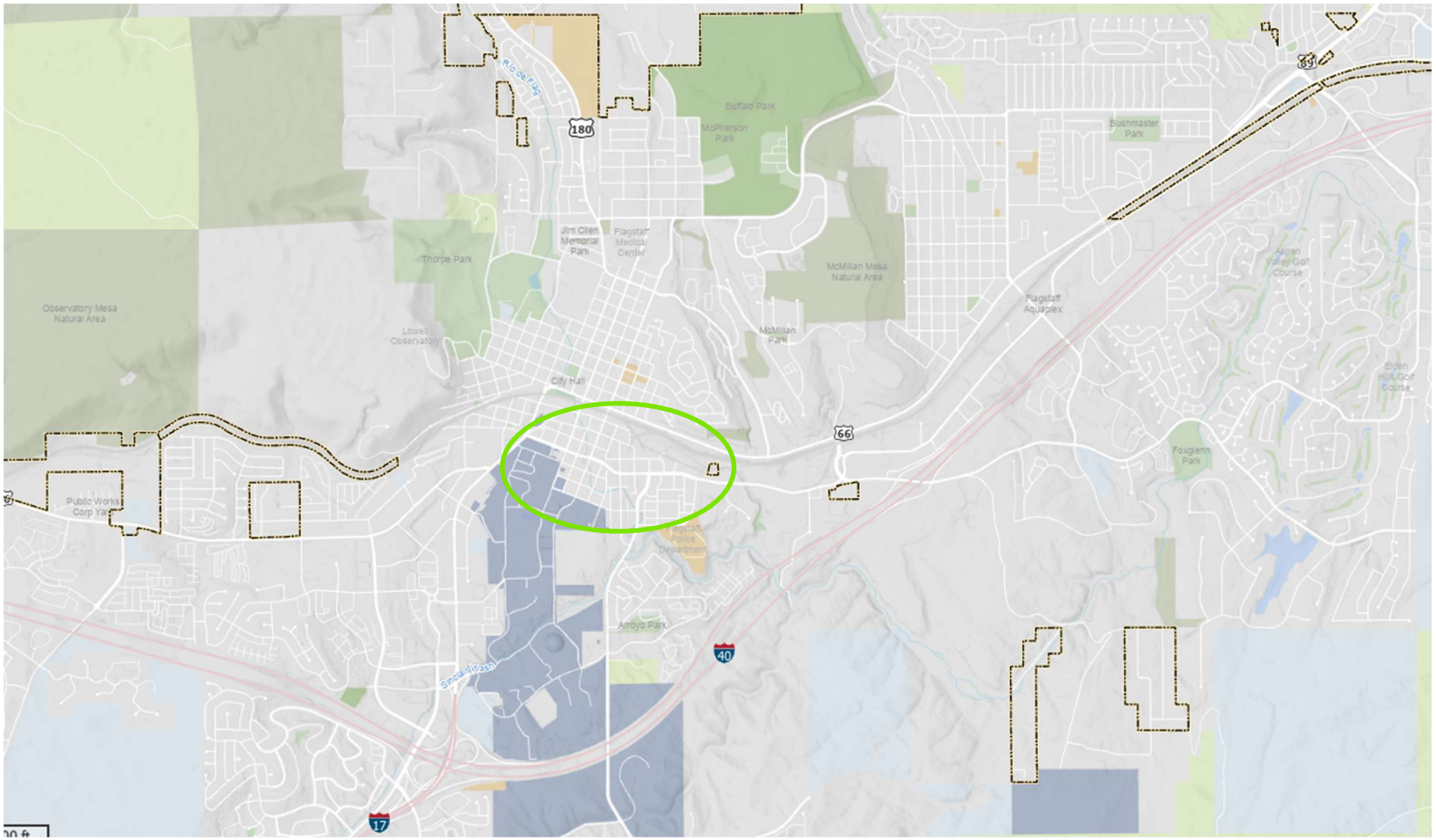
(J) See § 200.323.

(K) See § 200.216.

(L) See § 200.322.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75888, Dec. 19, 2014; 85 FR 49577, Aug. 13, 2020]

Butler Avenue Complete Streets – Phase 1



CONTEXT MAP

Butler Avenue Complete Streets – Phase 1

VICINITY MAP

Butler Avenue Complete Streets Professional Engineering Services Contract

October 21, 2025

TEAM FLAGSTAFF
WE MAKE THE CITY BETTER

Butler Avenue Complete Streets

Butler Avenue Complete Streets

Consideration and Approval of Contract:

Approve the Professional Engineering Services Contract with WSP USA, Inc. in the amount of $358,999.62 for the Butler Avenue Complete Streets Project.

Staff Recommended Action:

1. Approve the Professional Engineering Services Contract with WSP USA, Inc. in the amount of $358,999.62 and a contract duration of 300 calendar days;
2. Authorize the City Manager to execute the necessary documents.

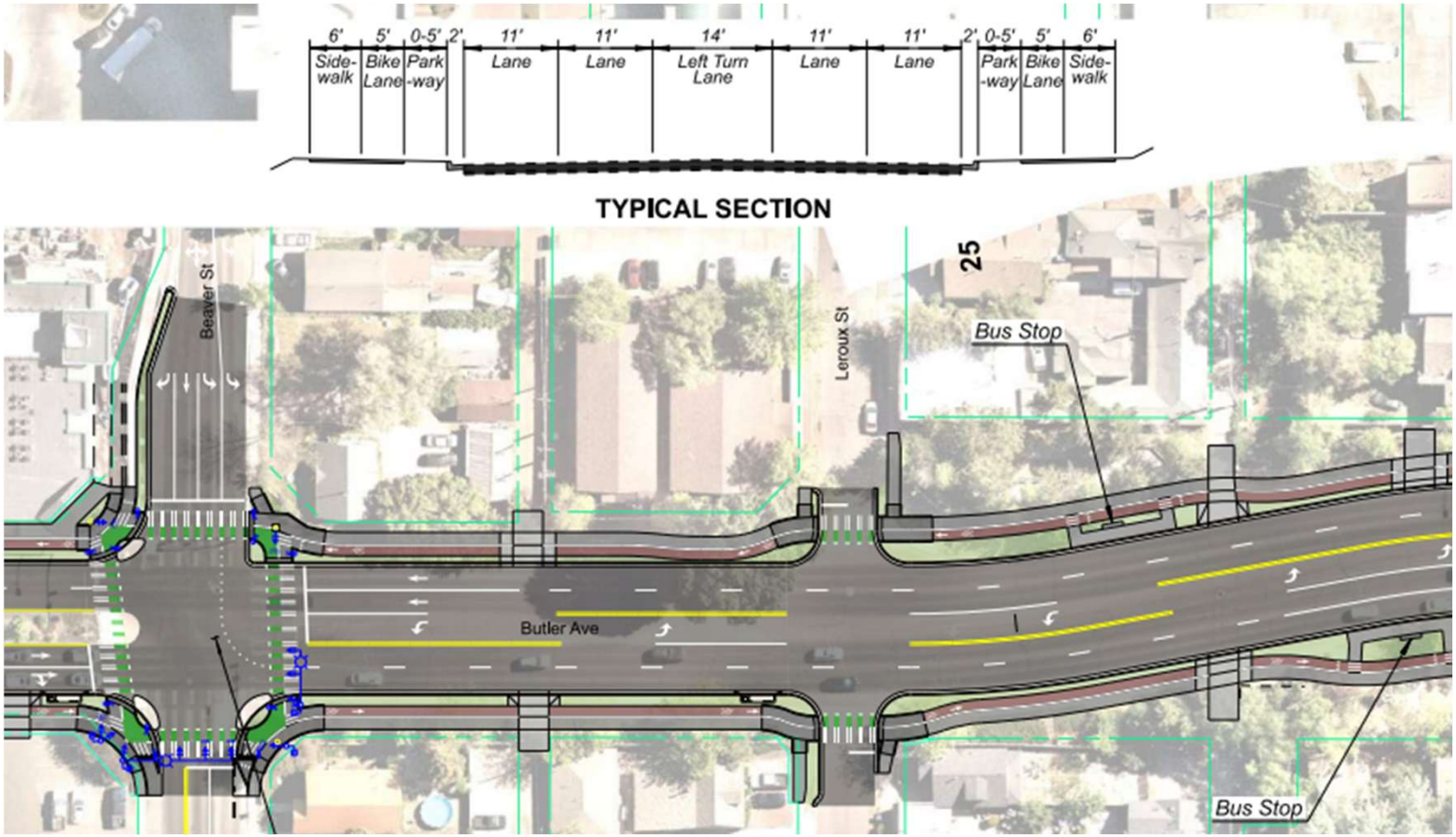
Butler Avenue Complete Streets

Project Background

- Transportation Tax, Proposition 419 (new tax) - November 2018
- Separated Bike Lanes – Pilot Projects 2021
- Active Transportation Master Plan – November 2022
- Safe Streets for All Grant – December 2023
- 15% Feasibility Study – April 2024
- AZ Smart Fund Grant – August 2024
- RSOQ – May 2025

Butler Avenue Complete Streets

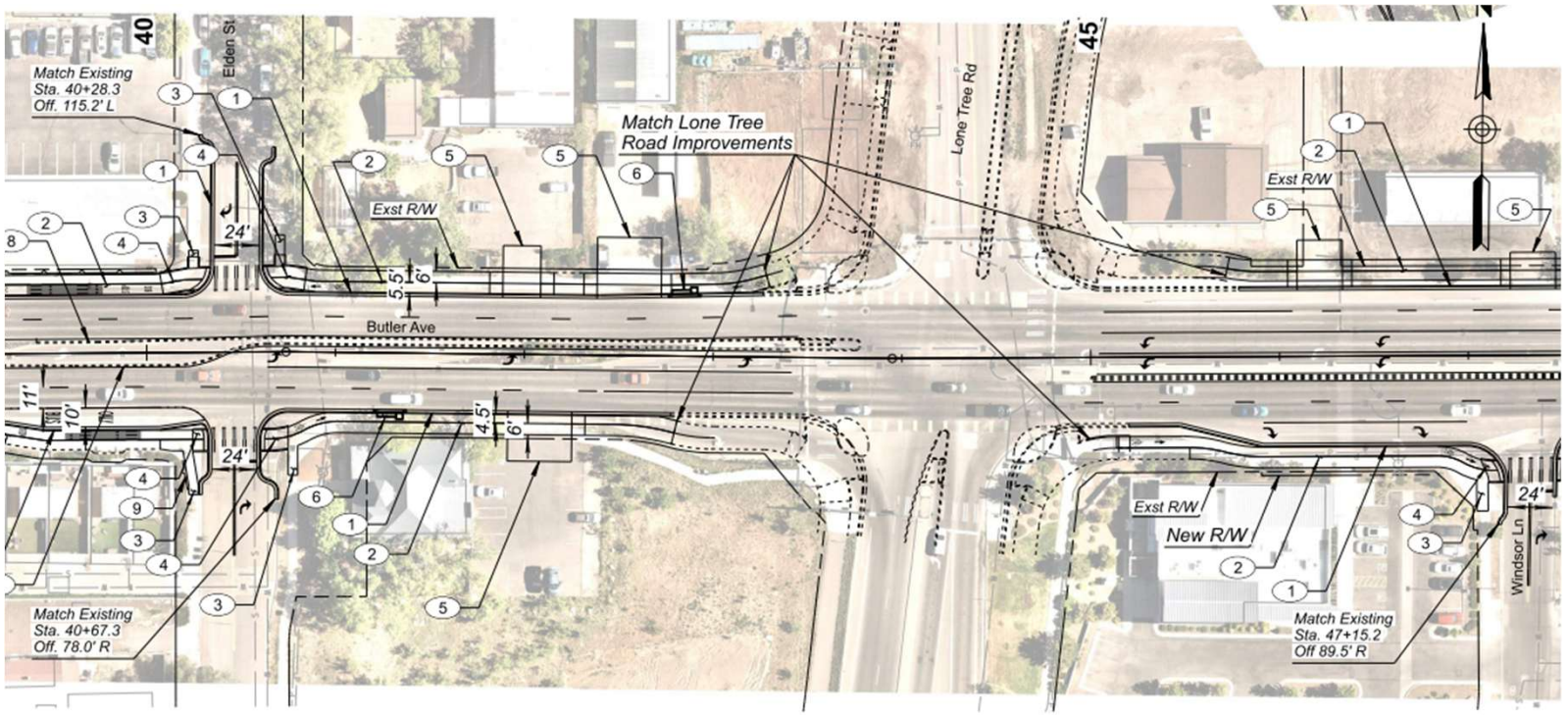
Proposed Cross Section



Butler Avenue Complete Streets

Project Considerations

- Coordination with Lone Tree Road improvements



Project Considerations

- Butler Avenue, Milton Road to Sawmill Road:
  - Bicycle and pedestrian improvements on both sides of the street
    - Separated and elevated bicycle lanes and sidewalk
    - Parkway space between street and sidewalk
- Intersection Improvements – Protected Intersections
  - Beaver Street, San Francisco Street and Sawmill Road intersections

Project Chartering and Scoping

- Upon award of contract, initial efforts will consist of:
  - Environmental services to support Grant requirements
  - Confirm areas of potential impacts and footprint for clearances
  - NEPA documentation
  - 30% concept design
  - Public and Stakeholder Meetings

Butler Avenue Complete Streets Improvements

Project Schedule

- Phase 1 will include Environmental Documentation and 30% design concept
- Phase 2 will take project to final design
  - Contract modification
- FHWA request for CMAR procurement
  - 60% design level
  - RSOQ
  - Contract award - City Council

Project Schedule

- Design: 2025-26
- Construction Start: 2027
- Construction Completion: 2028

Questions

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: David Millis, Development Engineer

Co-Submitter: Robert Thompson

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:

Consideration and Adoption of Resolution No. 2025-52 and Ordinance No. 2025-20: A Resolution of the City Council of the City of Flagstaff, Coconino County, Arizona declaring as a public record that certain document filed with the City Clerk and entitled "2025 Amendments To Flagstaff City Code, Title 13, Engineering Design Standards And Specifications For New Infrastructure" and an Ordinance of the City of Flagstaff, Coconino County, Arizona, amending the Flagstaff City Code, Title 13, Engineering Design Standards And Specifications For New Infrastructure.

STAFF RECOMMENDED ACTION:

1. Adopt Resolution No. 2025-52
2. Read Ordinance No. 2025-20 by title only for the final time
3. City Clerk reads Ordinance No. 2025-20 by title only (if approved above)
4. Adopt Ordinance No. 2025-20

Executive Summary:

The intent of the Engineering Standards and Specifications is to provide minimum acceptable design and construction practices for new public infrastructure in the City of Flagstaff. The last update to these standards in 2024 consisted of a broad set of technical updates and improvements. This amendment adds standard specifications and details allowing for the installation of fiberoptic communications infrastructure via micro-trenching within City roadways by authorized franchisees and licensees as well as contractors placing city-owned fiber infrastructure. The micro-trenching method of installation can be faster and more cost-effective than existing approved methods of underground installation such as open trenching or boring. Micro-trenching is accomplished by cutting a narrow slot trench along one or both sides of local and collector roadways typically at the joint between the concrete curb and asphalt pavement. City staff consulted with other cities where micro-trenching has already been adopted, conducted a pilot project to evaluate the draft standards and the impacts of the installation method on existing infrastructure and the community and revised the draft standards based on the experience and observations during the pilot project. The proposed standards have been developed to mitigate the impact to existing roadways while allowing for a new installation technology in support of expanding availability of high-speed internet to the public.

Financial Impact:

The installation of fiber communications infrastructure is most commonly completed by utility providers rather than the City of Flagstaff. City revenue may increase in the event that the adoption of these standards results in the expansion of fiber networks and associated ongoing fees paid by providers to the City in accordance with franchise or license agreements. These standards do not address fees, only construction methods. There may be future projects where City-owned fiber could be installed utilizing this technique and the financial impact would be expected to result in lower costs than currently-approved underground methods. We anticipate that the City of Flagstaff Development Engineering inspections and project management workload will significantly increase with the adoption of this amendment and will likely necessitate one additional inspector and one additional project manager to appropriately manage and inspect the anticipated widespread roll-out of new fiber network infrastructure. City of Flagstaff Water Services utility locate staff workload will also significantly increase during the construction phase as the adoption of these standards are anticipated to precipitate the roll-out of additional

fiber networks across much of the city.

Policy Impact:
Supports policy ED.3.9 - Develop infrastructure so that the community has access to high-speed internet and telecommunications.

Previous Council Decision or Community Discussion:
There have been no previous Council decisions on the adoption of micro-trenching standards.

Options and Alternatives to Recommended Action:
1. Approve the suggested code amendments.
2. Provide alternative direction to modify the suggested code amendments.
3. Do not approve the suggested code amendments.

Background and History:
Broadband infrastructure within City of Flagstaff right-of-way is currently placed underground via either open trenching or directional boring. Existing standards require directional boring to the greatest extent feasible to limit the impact to pavement resulting from asphalt cuts. Pole-mounted overhead infrastructure is also utilized where existing overhead facilities are available. City Code no longer allows for the placement of new poles or overhead alignments except in certain limited circumstances. The technology of micro-trenching has developed since the mid 2000's as service providers and industry worked to develop technologies that would allow for more rapid and cost-effective deployment of new fiberoptic networks. Some variants of this approach involved very shallow cuts within only the asphalt pavement itself followed by the placement of various methods of patch. There are documented failures of a shallow in-pavement approach, and it should be emphasized that these standards do not allow for in-pavement placement of fiber. These standards propose a narrow trench approximately 2 " wide, 16" deep and typically located at the joint between the lip of the concrete curb and gutter pan and the asphalt concrete. This approach has seen wider adoption in recent years and, particularly post-pandemic, as the demand for high-speed data for the home has increased. The state of California, for example in 2021 passed Senate Bill 378 which requires all municipalities within the state to develop standards which allow for fiber optic installations via micro-trenching.

Many municipalities within Arizona have adopted standards similar to those presented here. The City of Mesa, in particular, has lead the adoption of micro-trenching standards within Arizona. The standards proposed, as well as many other micro-trenching standards within Arizona, have utilized the standards that Mesa compiled as a baseline for the standards being adopted in other jurisdictions. The Maricopa Association of Governments (MAG) publishes a set of standard specifications and details which Flagstaff and most other Arizona municipalities have adopted those standards subject to local amendments. Although MAG has not yet published a set of micro-trenching standards, they are actively evaluating the technology and recently published a report titled "Microtrenching Best Practices", a summary of which is attached. This report was published after the preparation of the draft standards utilized in the City of Flagstaff pilot project. The full report can be downloaded at the following web address: https://azmag.gov/Programs/Transportation/Regional-and-Subregional-Studies/Microtrenching-Best-Practices

In the absence of a consensus set of standard specifications and details, City Engineering staff utilized the information and documents provided by Mesa and other municipalities to create these proposed standards. Earlier this year, the draft standards were then utilized as the baseline of a pilot project conducted by Wecom Fiber under an existing license agreement to evaluate this new technology prior to this proposal for formal adoption in code. These proposed standards include modifications made to the previous draft standards based on the experiences and lessons learned during the pilot project. Following are some of the highlights of staff's findings and observations from the pilot project:

- Micro-trenching averages 1,000 feet per day per trencher which is significantly faster than other underground methods of installation
- Micro-trenching results in a shorter duration of disruption to residents living along the path
- Where micro-trenches are placed at the curb-to-asphalt joint, staff assessed that the detrimental impact to the road structure is limited. The mastic overband does, however, affect the aesthetics.
- Locations where the micro-trench was realigned to locations other than the curb joint to avoid existing infrastructure and across intersections result in more significant impact to pavement at these locations as a

new joint which did not previously exist is created. These standards prohibit the installation of micro-trench that is both within and parallel to bike lanes except at the curb joint.

- Vaults and boxes mounted flush to the surface grade were utilized for the splicing and connection of fiber to the residences along the pilot project path. The pilot project licensee chose to utilize flush boxes. Other providers may utilize above-grade pedestals similar to the existing telephone and cable pedestals seen throughout the city. Locating the larger boxes in locations which both remain in right-of-way and avoid existing sidewalks or other improvements proved to be challenging. Where no other options were available, the flush-mounting of boxes within sidewalk was approved.
- The most frequent citizen concern was related to the placement of the vaults and boxes within the area of the right-of-way behind curb or sidewalk. Often residents and property owners are not familiar with the location of the property line separating the private property from right-of-way at the lot frontage and have improved this area of the right-of-way and have concerns about the rights of the provider to place facilities at these locations as well as the responsibility for the restoration of landscaping, driveways and frontage upon completion.
- Other citizen concerns related to the general disruption to the surrounding property during the installation process. Staff assess that due to the speed and narrow affected area of the micro-trenching process, these concerns would likely be greater with other available underground installation methods.

Staff provided these proposed standards for comment to other telecommunications, cable and fiber licensees and franchisees as well as posting for general public comment. All comments received are in the attachments.

Connection to PBB Priorities and Objectives:
Safe and Healthy Community - Ensure the built environment is safe through the use of consistent standards as well as best practices for building and land use.
Robust and Resilient Economy - Support and strengthen a robust, diverse, and sustainable economy.

Connection to Regional Plan:
Business Retention, Expansion and Entrepreneurship - ED.3.9 Develop infrastructure so that the community has access to high speed internet and telecommunications.

Connection to Carbon Neutrality Plan:
N/A

Connection to 10-Year Housing Plan:
N/A

Connection to Division Specific Plan:
N/A

Attachments:
Res. 2025-52
Attachment A Title 13 Changes
Ord. 2025-20
Presentation
Public Comments
MAG Summary of Best Practices

RESOLUTION NO. 2025-52

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED "2025 AMENDMENTS TO FLAGSTAFF CITY CODE, TITLE 13, ENGINEERING DESIGN STANDARDS AND SPECIFICATIONS FOR NEW INFRASTRUCTURE"

RECITALS:

WHEREAS, pursuant to A.R.S. § 9-802 a municipality may enact or amend provisions of the City Code by reference to a public record, provided that the adopting ordinance is published in full; and

WHEREAS, the City Council of the City of Flagstaff ("City") wish to declare the document entitled *"*2025 Amendments to Flagstaff City Code, Title 13, Engineering Design Standards and Specifications for New Infrastructure*"* to be a public record and to permit its adoption by reference into the City Code; and

WHEREAS, the Flagstaff City Code, Title 13, *Engineering Design Standards and Specifications for New Infrastructure*, contains engineering and design standards and specifications setting forth minimum acceptable design and construction practices, and these standards and specifications are periodically amended to reflect new and best practices, changes to other codes that are incorporated by reference within these standards, clerical corrections, legal considerations and input from the community; and

WHEREAS, the Engineering and Capital Improvements Division in consultation with other Divisions has evaluated the construction methodology commonly known as micro-trenching for the installation of underground fiber-optic cabling within public streets and found that the method provides for more rapid deployment of new fiber-optic facilities with manageable impacts to public roadways and infrastructure.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. In General.

That certain document known as *"*2025 Amendments to Flagstaff City Code, Title 13, Engineering Design Standards and Specifications for New Infrastructure*"* attached hereto as Exhibit A is hereby declared to be a public record, and one (1) paper copy and one (1) electronic copy, maintained in compliance with A.R.S. § 44-7041, shall remain on file with the City Clerk and kept available for public use and inspection.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 21st day of October, 2025.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

Exhibits:

A. 2025 Amendments to Flagstaff City Code, Title 13, Engineering Design Standards and Specifications for New Infrastructure

2025 Amendments to Flagstaff City Code, Title 13, Engineering Design Standards and Specifications for New Infrastructure

Amendment for Adoption Engineering Design Standards

Provisions that are being added are shown in bold red text except for the new standard detail exhibit.

SECTION 1. Add Title 13 Engineering Design Standards, Chapter 13-04: Easements and Rights-of-Way, Division 13-04-003: Work in Public Rights-of-Way and Easements, Section 13-04-003-0003, to read as follows:

Division 13-04-003
Work in Public Rights-of-Way and Easements

Sections:

13-04-003-0001 Permit Requirements

13-04-003-0002 Project Clean-up Requirement

13-04-003-0003 Approved Products List (APL) & Product Pre-approval Process

13-04-003-0003: Approved Products List (APL) & Product Pre-approval Process

Only products on the APL are acceptable for use in accordance with City of Flagstaff Engineering Design Standards and Specifications for New Infrastructure (Engineering Standards). Permittees may submit equipment, material, and processes that are not expressly approved in the micro-trenching standard or APL for City consideration. All products proposed for APL approval must demonstrate suitability for the design conditions of Flagstaff including expected weather conditions during and after installation. Permittees may submit a cover letter, manufacturer's specifications, installation guidelines, test results and other pertinent information for proposed equipment, materials, and processes related to micro-trenching for City review in accordance with the City of Flagstaff Engineering Materials Approval and APL Guidelines. The cover letter and supporting documentation will be reviewed by the City to determine if the proposed products meet applicable standards. The completed submittal shall be sent to Development Engineering for review. Once the City's review is complete, the Permittee will be notified in writing regarding the results of the evaluation. The Permittee may withdraw products from the evaluation process at any time by submitting a written request to Development Engineering. As part of the product review, the City may require the submission of additional information or consider the installation of certain products on a trial basis. Refusal by the Permittee to comply with City review requirements will result in the rejection of the product. Once approved, the products will be added to the APL and the City will provide the applicant with a copy of the submission that has a City approval stamp. Only products with the City approval stamp shall be valid.

2025 Amendments to Flagstaff City Code, Title 13, Engineering Design Standards and Specifications for New Infrastructure

SECTION 2. Add Division 13-09-008: Micro-Trenching to Title 13 Engineering Design Standards, Chapter 13-09: Water, Sewer, and Other Underground Utilities, to read as follows:

CHAPTER 13-09
WATER, SEWER, AND OTHER UNDERGROUND UTILITIES

Divisions:

13-09-001 Underground Utilities

13-09-002 Sewer System Design

13-09-003 Water System Design

13-09-004 City Participation In Utility Extensions

13-09-005 Reimbursement Agreement

13-09-006 Sewer and Water Line Materials

13-09-007 Reclaimed Wastewater System Design

13-09-008 Micro-Trenching

13-09-008: Micro-Trenching

Sections:

13-09-008-0001 Micro-Trench Fiber Optic Cable Installation

13-09-008-0002 Planning

13-09-008-0003 Ground Equipment (cabinets, meters, and misc. equipment)

13-09-008-0004 Construction

13-09-008-0005 Pavement Matching Modifications

13-09-008-0006 Citywide Maintenance Program

13-09-008-0007 Relocations

13-09-008-0008 Alternatives

13-09-008-0009 Citizen Complaint Resolution

13-09-008-0001 Micro-Trench Fiber-Optic Cable Installation

Micro-trenching is a construction technique used for placing micro-conduits and fiber-optic cables. Micro-trenching may be permitted for the installation of fiber-optic cables in small-diameter conduit or micro-duct pathways by a franchise utility or licensee authorized to place telecommunication, video, broadband or similar facilities within City of Flagstaff Right-of-Way or by a contractor or provider authorized to install fiber infrastructure serving public facilities within the City of Flagstaff. These pathways aim to provide broadband internet or communication services to residential neighborhoods, commercial buildings and public facilities throughout the area. Micro-trenching methods (where authorized) must adhere to these standards and may not be permitted within all roadways due to site-specific constraints such as conflicting existing facilities or locations where micro-trenching is otherwise not authorized. A valid Permit is required for the installation of fiber optic facilities within right-of-way or public utility easements. For the purposes of this Division, "Permittee" shall refer to the fiber provider and their authorized contractor(s) named on a valid permit authorizing the installation of fiber optic facilities within City of Flagstaff rights-of-way or public utility easements.

13-09-008-0002 Planning

A. Concept plan submittal shall be prepared in accordance with 13-09-001-0001.B.The City may limit the areas of simultaneous construction in order to minimize conflicts with other projects, maintain acceptable levels of traffic service and to ensure the availability of inspection and project management staff to adequately monitor and manage the project. Per MAG Section 107.11, Permittees shall not commence construction until all arrangements are made for the protection of others' facilities and property if necessary. The Permittee shall coordinate with other projects (private development, private utilities, City projects, etc.) to avoid construction conflicts, minimize impacts to traffic, and otherwise ensure the integrity of the rights-of-way. The Permittee shall submit plans to the private utilities and pay for any required design services and approvals, if applicable to the project. Private utility companies will need time to design new services, evaluate clearance requirements, and identify possible conflicts with the proposed work.

B. Micro-Trenching is authorized in local roads and minor collectors. Micro-trenching is not authorized in major collectors or arterials. Micro-trenching in any roadway paved or overlaid within a period of 5 years prior to the permit application date must demonstrate that other pathways or methods are not available for the fiber installation which would result in a lower impact to public infrastructure.

C. Each permit shall be one contiguous area, and shall encompass an area no more than 100 acres as measured using bounding streets and/or subdivision boundaries. Each permit shall involve installation of no more than 30,000 feet of micro-trench, trench, directional bore, aerial lashing, or a combination thereof. The City Engineer may require the Permittee to divide large projects into multiple smaller permits based on the complexity or anticipated community impact of a given permit.

D. During the preliminary planning stages of larger network rollouts, the Permittee shall provide broad maps of proposed permit areas prior to submittal of individual permit applications. The City will provide guidance on permit requirements for the proposed area.

E. Where Permittee proposes micro-trenching in a street in which no other micro-trench has been installed, Permittee shall plan and place all micro-trench in the preferred location at the lip of curb as indicated on standard details reserving the secondary offset micro-trench location for future fiber providers who may utilize the secondary location when the preferred location is previously-occupied. Where more than two providers proposed micro-trenching in a given street the City Engineer may require installation by methods other than micro-trenching unless a modification to the Engineering Standards is approved.

F. Permittees undertaking projects involving the installation of 1000 feet or more of micro-trench, trench, directional bore, or a combination thereof, shall adhere to the following procedure:

1. Permitting: Permittees will be allowed a maximum of 5 active permits at any given time. Permits in review and finalized permits shall not count against this limit. Permits of less than 1000 feet of micro-trench, trench, directional bore, aerial lashing, or a combination thereof may be exempt from this limit where the additional impact to the public is demonstrated to be minimal.

2. Permit Holds: City staff will continue to review permit applications, regardless of the number of active permits issued to the Permittee. If the Permittee has 5 active permits, applications that are ready for approval will be placed on hold until an active permit has been finalized by the City Inspector.

3. Preconstruction Meeting: If the Permittee has 4 or fewer active permits and has an approved permit application that is on hold, the Permittee may request a preconstruction meeting for that permit. At the preconstruction meeting, the Permittee shall provide a construction schedule that includes, at a minimum, contractor and subcontractor contact information, proposed start and end dates, and proposed phasing and milestone dates. The Permittee will also provide construction logistics information, including where vehicles, equipment, and materials will be staged.

4. Final Inspection: Upon completion of work under a permit, Permittee must promptly schedule and conduct a final inspection walk-through with the City Inspector. During this inspection, the Permittee must demonstrate that all restoration work, including but not limited to landscaping, irrigation systems, concrete, pavement, and any related infrastructure, is completed in accordance with all applicable standards. Any public complaints related to the work under the permit must be addressed prior to permit closeout. Permit closeout final inspection walk-through will include data deliverables and previous punch list items.

5. The Contractor is required to maintain continuous work during construction. Construction should proceed day by day, with sufficient equipment and workforce to ensure the project progresses effectively, maintaining public ways in satisfactory condition. Failure to adhere to the restoration timelines outlined in this section or neglecting to implement underground damage prevention methods will result in a reduction in maximum allowed active permits. The City may withdraw authorization for micro-trench installations after written notification with opportunity to cure where continuing failure to adhere to restoration timeline occurs.

6. Permittee may request approval of additional concurrent permits by the City Engineer where the Permittee demonstrates that adverse public impacts will not result.

13-09-008-0003 Ground Equipment (cabinets, meters, and misc. equipment)

The following guidelines govern the placement of equipment in public highways:

A. Equipment shall be designed and installed to:

1. Minimize the visual impact on the public;

2. Blend with the visual context and character of the rights-of-way, surrounding neighborhood, and development; and

3. Adhere to the highest standards of visual and functional quality. Equipment colors shall generally be earth tones and shall be indicated in the APL.

B. Equipment shall be flush or low-profile and pad-mounted unless City approval states otherwise.

C. Equipment shall be positioned two feet away from sidewalks, ramps, and walkways and located behind sidewalk unless other locations are approved in writing by the City Engineer. The width of the existing travel route shall not be reduced. Vaults, hand holes, junction boxes and similar facilities shall

not be placed in pavement, sidewalk, driveways or similar hardscape unless during plan review the Permittee demonstrates that there are no other viable locations to place such facilities behind sidewalk or in parkways. In all circumstances the Permittee shall be responsible to ensure compliance with PROWAG, ADA and other applicable standards in accordance with 13-09-008-0006.

D. Equipment location should be inconspicuous. Equipment proposed in front of windows, doors, etc., requires alternative placement. Equipment should be positioned as close as possible to existing structures and property lines.

E. Equipment shall be placed in a manner that does not hinder the sight visibility triangle or clear view zone requirements outlined in Section13-10-006-0002 of these Engineering Standards; plans must show the sight triangle, including calculations where any equipment is proposed that is more than 36" higher than the adjacent roadway pavement surface elevation.

F. Equipment should maintain a minimum clearance of 50 feet from business and monument signs (or similar structures), based on equipment height, to prevent view obstructions.

G. Equipment cabinets with air-conditioning or fans (used intermittently or continuously) should be screened and set back at least twenty (20) feet from livable and residential property lines. Noise emitted should not exceed the ambient noise level of the surrounding rights-of-way, which can be confirmed with a noise analysis. For instance, such equipment should be as quiet or quieter than a typical, well-maintained residential air conditioning unit, or equivalent to 20 decibels, akin to whispering from five feet away.

H. Equipment that could generate audible noise beyond the property line must be enclosed or equipped with noise attenuation devices.

I. Shelters or shade structures will not be permitted in the rights-of-way or easements.

J. Three (3) photographs of the proposed equipment site are required, showing different viewpoints. (Google Earth or similar snapshots do not meet this requirement due to outdated imagery.) Provide one (1) photograph at a 90-degree angle and the other two at 45-degree angles on either side of the proposed location.

K. Photographs must clearly identify the location of all proposed structures. Mark the location using white paint, an orange traffic cone, or a similar method.

13-09-008-0004 Construction

A. The Permittee shall follow City of Flagstaff Standard Detail 9-08-004 for micro-trenching construction.

B. The Permittee shall visually inspect the condition of all locations proposed for micro-trenching construction methods to ensure that the adjacent curb and pavement are structurally sound without significant cracking, deflection or failures that would negatively affect the micro-trenching installation. It shall be the responsibility of the Permittee to replace any such existing infrastructure in order to prepare the location for micro-trenching or shall select a different installation method. The trench path may not be varied from those typical locations indicated in the standard details in order to avoid any areas of unsuitable curb or pavement.

C. All work performed under this standard shall be completed in compliance with the Uniform Standard Specifications and Details for Public Works Construction published by the Maricopa Association of Governments ("MAG") as amended, City amendments to MAG, Engineering Standards and the APL.

D. The Permittee shall retain an independent testing company, approved by City at its reasonable discretion, to test all materials used for restoring the rights-of-way. The testing company and materials

testing methods are subject to, and shall be done in accordance with MAG standards, City amendments to MAG. Material testing does not apply to materials that will be owned by Permittee.

E. The Permittee shall comply with MAG Standard 105.5 regarding a competent superintendent. The superintendent shall be authorized to receive and fulfill instructions from the City Inspector related to the requirements set forth in this section. No less than fourteen days prior to the scheduled/planned construction, the Permittee or contractor shall submit to the City Inspector the name and contact information of the superintendent.

F. Permittee shall prepare and distribute construction door hangers to each residential and commercial property prior to requesting AZ811 locates.

G. Ground-penetrating radar may be used as a secondary method of identifying existing utilities but will not replace the requirements, as set forth in A.R.S. § 40-360 et seq, to expose and uncover existing utilities in a careful and prudent manner. The Permittee shall cross-check the record drawings and plans with field locate marks to determine discrepancies before micro-trenching. The Permittee shall immediately notify the City inspector if existing utilities are damaged or unknown utilities are encountered. Subject to and in accordance with Arizona Revised Statutes §§ 40-360.21 et seq., if Permittee damages, disturbs, or alters the surface or subsurface of any Public Highway or adjoining public property, any public improvement, landscaping, or property of third parties, then the Permittee shall promptly, at its own expense, and in a manner reasonably acceptable to the City, repair and restore the damage or disturbance to a condition substantially comparable to its prior state.

H. Throughout the entire duration of the License Agreement, it is the responsibility of the Permittee to promptly safeguard and address any subsidence issues that are identified to have been caused by or resulting from the Permittee's construction activities. Vertical measurement is taken from the adjacent road surface, in accordance with MAG Section 336.2.4.1. It is the responsibility of the Permittee to identify any subsidence problems. Failure to initiate repair work in a timely manner could result in the City performing the repairs, with costs borne by the Permittee.

I. The contractor shall comply with MAG Specification 107.6.1.2 regarding Public Convenience and Safety.

J. It is the responsibility of the contractor to ensure the conduits do not shift horizontally or float vertically in the trench during CLSM application. Spot pour CLSM or use conduit restraints may be required due to shallow depth. Conduit restraints shall be placed at a maximum distance of 10 feet apart along the alignment to prevent the conduit from rising from the bottom of the micro-trench. No metal shall be placed in the trench to restrain conduit.

13-09-008-0005 Pavement Matching Modifications

A. The slurry seal coat, as required by MAG Specification 336 or chip seal fee in City of Flagstaff Municipal Code 13-10-009-0001, will not be assessed for the micro-trench path, 10-inch diameter or smaller core for junction with service lateral, and 10-inch diameter or smaller potholes that reside in the micro-trench path. The chip seal coat fee applied during the permit process will not be assessed due to the asphaltic sealant material, also known as the overband seal, placed over the entire top of the micro-trench, lateral service, and core holes. The overband seal must meet MAG Specification 337 to be exempt from MAG Specification 336.2.2 and the chip seal fee.

B. Potholes, bore pits, receiving pits, and excavations that adhere to MAG Specification 336 will incur the chip seal fee. This fee encompasses junctions with service laterals and pothole patches, exceeding 10-inch diameter.

C. All license holders electing to utilize micro-trenching within City of Flagstaff roadways will be responsible to warrant, maintain and repair micro-trench and mastic overband installations for the duration of the license and any renewals until such time that any roadway receives a mill and overlay or full depth replacement after the completion of the micro-trench installation.

13-09-008-0006 Citywide Maintenance Program

A. The City has a substantial governmental interest in ensuring that existing facilities do not cause harm to its citizens and public or private property. The safety of the general public and the ability of the City to provide City services is a priority. To that end, Permittee agrees to the following:

1. Maintain backfill and/or overband seal from subsidence in the pavement of ¼ inch or more, vertically measured from the adjacent road surface per MAG Section 336.2.4.1.

2. Maintain overband seal from deterioration, damage or failure due to ordinary use of the roadway including snow removal operations.

3. Protect curb and gutter, sidewalk, concrete structures, etc. from any damage, disturbance, or alteration caused or as a result of construction by the Permittee or their contractors.

4. Follow all the requirements of the permit when addressing temporary cables.

5. The Permittee will annually inspect facilities to determine compliance with the License Agreement and this Section. Permittee shall submit an annual inspection report and location exhibits identifying the maintenance activities within the City to the City Engineer without City prompting for report. If the Permittee determines that it must provide proprietary information in order to respond to the City's request for documentation and inspection, then it shall designate such documents as proprietary or confidential prior to its submittal to the City.

B. Upon receiving notice from the City about facilities failing to meet the requirements of this Division, the Permittee will address those conditions within a reasonable time following such notice. The Permittee shall reimburse the City for all documented costs incurred as a result of non-compliant conditions not cured after a reasonable time following notice. However, if non-compliant conditions damage the rights-of-way, damage City property, disrupted City services, or require the dispatch of emergency personnel, the Permittee shall reimburse the City for all documented costs incurred as a result. This includes but is not limited to: inspection fees identified on the City's Schedule of Fees, police and fire services, idled solid waste equipment, and repair of damage to the City's real and personal property.

13-09-008-0007 Relocations

If the Permittee is required to relocate its communications network facilities due to the construction of a public improvement, the City shall provide the Permittee with a minimum of sixty (60) calendar days' notice before any required action of the Permittee to relocate affected portions of the communications network. The City shall cooperate with Permittees to identify replacement and alternative public highways for the relocation of affected portions of the communications network. Promptly after receiving notice from the City, the City and the Permittee shall cooperate to agree on a removal schedule and alternative public highways for the relocation of the affected portions of the communications network.

13-09-008-0008 Alternatives

A. In accordance with 13-06-002 of the Engineering Standards, the City Engineer may, in their sole and absolute discretion, approve alternatives to the requirements and specifications contained herein based upon a specific finding that the proposed alternative:

1. Will provide an equivalent level of service for the health, safety, and welfare of the general public;

2. Adequately protects public and private property;

3. Would not reasonably increase the City's future maintenance or replacement costs; and

4. Is not otherwise contrary to the public interest.

13-09-008-0009 Citizen Complaint Resolution

A. The Permittee shall respond to all customer/citizen calls or complaints resulting directly or indirectly from this project within one business day of receipt and shall provide the City notice of any customer/citizen calls or complaints that cannot be resolved within 3 business days. The required door hangar shall provide contractor and Permittee contact information where citizens may contact for information and complaints. Failure to resolve citizen complaints in a timely manner will result in a reduction of the number of allowed active permits, or loss of authorization for micro-trench installation, as described in 13-09-008-0002.D.5.

B. The contractor shall comply with MAG Standard 107.9 regarding protection and restoration of property and landscape.

SECTION 3. Amend Title 13 Engineering Design Standards, Chapter 13-23: Standard Drawings; City of Flagstaff, to add Section 9-08-004: Micro-Trenching below:

CHAPTER 13-23

STANDARD DRAWINGS; CITY OF FLAGSTAFF

Sections:

3-02-070 Installation of Survey Monument

8-06-010 Standard Valley Gutter

9-01-010 Underground Utilities in Streets Typical Location and Trench Detail

9-01-011 Service Location

9-01-020 Tracer Wire

9-01-030 Trenching and Backfill (Existing Paved Street)

9-01-031 Trenching and Backfill (New Paved Street)

9-01-032 Trenching and Backfill (Unpaved Easement or Street)

9-01-033 Trenching and Backfill (Existing Paved Parking Lot)

9-02-080 Deep Sewer Service

9-02-092 Manhole Base Geometry

9-03-053 End-of-Line Temporary Blow-Off

9-03-054 End-of-Line Permanent Blow-Off

9-03-055 In-Line Blow-Off on Water Line 12" and Smaller

9-03-056 In-Line Blow-Off on Water Line Larger than 12"

9-03-060 Valve Box Adjustment

9-03-061 Valve Extension Stem

9-03-062 Ring, Frame or Cover Installation

9-03-070 Water Service Connection 3/4" and 1"

9-03-071 Water Service Connection 1-1/2" and 2"

9-03-080 Polymer Water Meter Box

9-03-080A Traffic Rated Water Meter Box

9-03-081 Multiple Meter Manifolds

9-03-082 Compound Meter 3", 4", 6"

9-03-083 Fire Service Meter 6", 8", 10"

9-03-100 Combination Air Release Valve 2"

9-03-101 Air Release Valve 1"

9-03-102 ARV Location and Standpipe Positioning

9-06-010 Water/Sewer Line Casing

9-06-030 Non-Shrink Slurry Backfill

9-06-071 Double Check Valve Assembly Installation

9-06-072 Reduced Pressure Assembly (RPA) Installation

9-06-073 Pressure Vacuum Breaker Assembly (PVBA) Installation

9-06-074 Air Gap Backflow Protection for Water Tanks

9-06-075 Fire Hydrant Meter Backflow Protection

9-08-004 Micro-Trenching

10-04-010 Urban Cul-de-sac

10-04-011 Rural Cul-de-sac

10-06-011 Standard Delineator

10-06-012 Stop Ramp Parameters

10-06-013 Detector Loops for Traffic Counters

10-06-014 Median with 90' or 60' Taper

10-06-015 Median Nose Signs

10-09-010 Pavement Structural Section for Streets and Off-Street Parking Lots

10-09-011 Structural Section for Private Driveways and Parking Areas

10-09-032 Arterial (Major or Minor)

10-09-034 Major Collector

10-09-035 Minor Collector

10-09-036 Commercial Local

10-09-037 Residential Local "Wide"

10-09-038 Residential Local

10-09-040 Major Arterial "Commercial Center"

10-09-041 Minor Arterial "Commercial Center"

10-09-042 Major Collector "Commercial Center"

10-09-043 Minor Collector "Commercial Center"

10-09-044 Commercial Local "Commercial Center"

10-09-045 Rural Arterial

10-09-046 Rural Collector

10-09-047 Rural Local

10-09-048 Rural Local "Narrow"

10-09-049 Shoulder Section

10-09-050 Residential Alley Cross-Section

10-10-010 Parking, Driveway and Aisle Slope Parameters

10-10-019 Bus Pullout

10-10-020 Right Turn Lane for Urban Driveway

10-10-031 Paved Turnouts

10-10-034 Sidewalk Ramp Detail (15' Radius Curb Return)

10-10-035 Bicycle Exit/Entrance Ramp

10-10-038 Apron Joints

10-10-040 Driveway Entrance – Retrofit

10-10-041 Return Type Driveways with Attached Sidewalk

10-10-042 Pavement Edge Tapers for Isolated Street Widenings

10-10-043 Detectable Warning Strip

12-05-010 Streetlight Installation Details

13-03-011 Fire Hydrant Assembly

13-03-012 Fire Hydrant Protection Post in Paved or Concrete Surface

13-03-013 Shoulder Widening at Fire Hydrants for Uncurbed Roads

13-03-014 Removable Bollard

13-03-015 Collapsible Bollard: Base

14-02-001 Flagstaff Urban Trails System: Paved Trail

14-02-002 Flagstaff Urban Trails System: Aggregate Trail

14-02-005 Flagstaff Urban Trails System: Expansion and Contraction Joints

14-02-010 Flagstaff Urban Trails System: Fencing

16-01-240 Concrete Paving Stone or Brick Sidewalk

16-01-241 Concrete Paving Stone or Brick Driveway

16-02-010 Traffic Signal Pole Design Requirements

16-03-010 COF No. 9 Pull Box

16-04-010 Typical Layout of Pedestrian CRFB

16-05-010 Street Name Signs

16-05-020 Traffic Signal Street Name Signs

16-05-030 Sign Post Detail

16-05-040 Street Name Sign Install Detail

16-06-010 Intersection Striping

18-03-050 Landscape Details

18-04-050 Conifer Tree Planting

19-01-020 Febco Backflow Assembly

19-02-001 Rotor Sprinkler Assembly

19-02-002 Pop-Up Sprinkler Assembly

19-02-003 Shrub Pop-Up Sprinkler Assembly

19-02-004 Drip Filter and Pressure Regulator

19-02-005 Emitter Flush Cap Assembly

19-02-006 Quick Coupler Assembly

19-02-007 Mainline Ball Valve 1-1/2" and Smaller

19-02-008 Ball Valve Detail

19-02-009 Mainline Isolation Gate Valve 3" and Larger

19-02-010 Master Valve/Flow Meter 3" and Larger

19-02-011 Irrigation Remote Control Valve

19-02-012 Single Outlet Emitters All Shrubs and Ground Covers

19-02-013 Irrigation Emitter Layout

19-02-014 End Line Flush

19-02-015 Master Valve/Flow Sensor Assembly 2" or Smaller

19-02-016 Maxicom Cable Pull Box

19-02-017 Maxicom Cable Splices

19-02-019 Drip Irrigation Remote Control Valve Assembly

19-02-021 Irrigation Wire Connection

19-02-022 Irrigation Wire Sleeving Chart

19-02-023 Schematic Layout

19-02-024 Solar Controller

19-02-025 Solar Controller and Backflow Preventer Enclosure

19-02-026 Maxicom CCU (6 or 28) - Wall Mount

19-02-027 Maxicom Esp-Sat Field Satellite Controller – Wall Mount

19-02-028 Maxicom Esp-Sat Field Satellite Controller Stainless Steel Pedestal

19-02-029 Maxicom Flow Sensor (PT1502)

19-02-030 Controller Enclosure

19-02-031 Grounding Rod Grid

19-02-032 Grounding Plate Design Layout

19-02-033 Weather Station External Wire Connection

19-02-034 Maxicom Variable Wind Speed Detection

19-02-035 Sleeve Trenching Detail

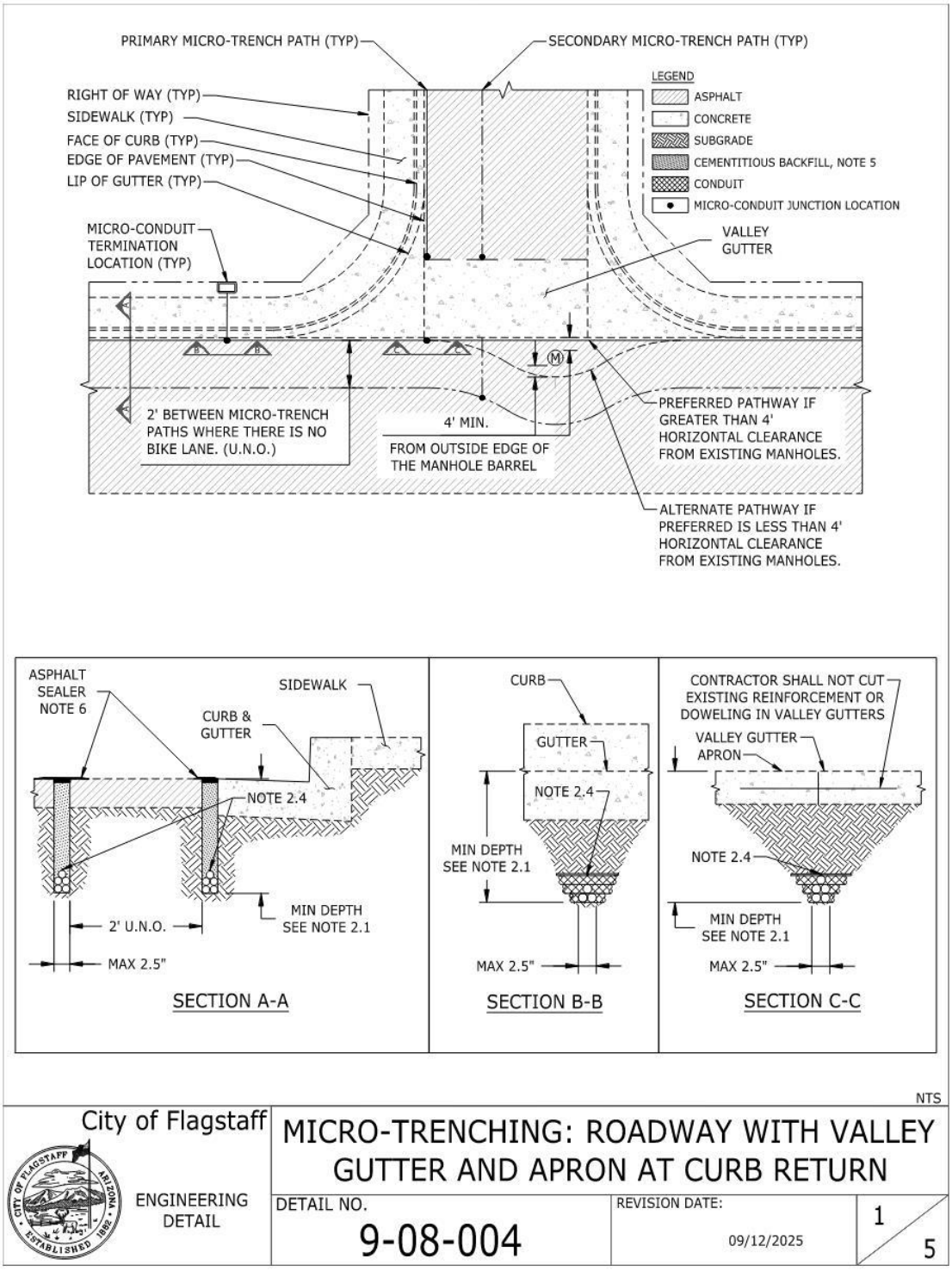
19-02-036 Irrigation Trenching

19-02-037 Irrigation Thrust Block

PW-50-001 Solid Waste Vehicle Access Requirements

PW-50-010 Single Trash Enclosure

PW-50-015 Double Trash Enclosure


PRIMARY MICRO-TRENCH PATH (TYP)
SECONDARY MICRO-TRENCH PATH (TYP)
RIGHT OF WAY (TYP)
SIDEWALK (TYP)
FACE OF CURB (TYP)
EDGE OF PAVEMENT (TYP)
LIP OF GUTTER (TYP)
LEGEND
ASPHALT
CONCRETE
SUBGRADE
CEMENTITIOUS BACKFILL, NOTE 5
CONDUIT
MICRO-CONDUIT JUNCTION LOCATION
MICRO-CONDUIT TERMINATION LOCATION (TYP)
VALLEY GUTTER
(M)
2' BETWEEN MICRO-TRENCH PATHS WHERE THERE IS NO BIKE LANE. (U.N.O.)
4' MIN.
FROM OUTSIDE EDGE OF THE MANHOLE BARREL
PREFERRED PATHWAY IF GREATER THAN 4' HORIZONTAL CLEARANCE FROM EXISTING MANHOLES.
ALTERNATE PATHWAY IF PREFERRED IS LESS THAN 4' HORIZONTAL CLEARANCE FROM EXISTING MANHOLES.
ASPHALT SEALER NOTE 6
SIDEWALK
CURB & GUTTER
NOTE 2.4
2' U.N.O.
MIN DEPTH SEE NOTE 2.1
MAX 2.5"
SECTION A-A
CURB
GUTTER
NOTE 2.4
MIN DEPTH SEE NOTE 2.1
MAX 2.5"
SECTION B-B
CONTRACTOR SHALL NOT CUT EXISTING REINFORCEMENT OR DOWELING IN VALLEY GUTTERS
VALLEY GUTTER APRON
NOTE 2.4
MIN DEPTH SEE NOTE 2.1
MAX 2.5"
SECTION C-C
NTS
City of Flagstaff
ENGINEERING DETAIL
MICRO-TRENCHING: ROADWAY WITH VALLEY GUTTER AND APRON AT CURB RETURN
DETAIL NO.
9-08-004
REVISION DATE:
09/12/2025
1
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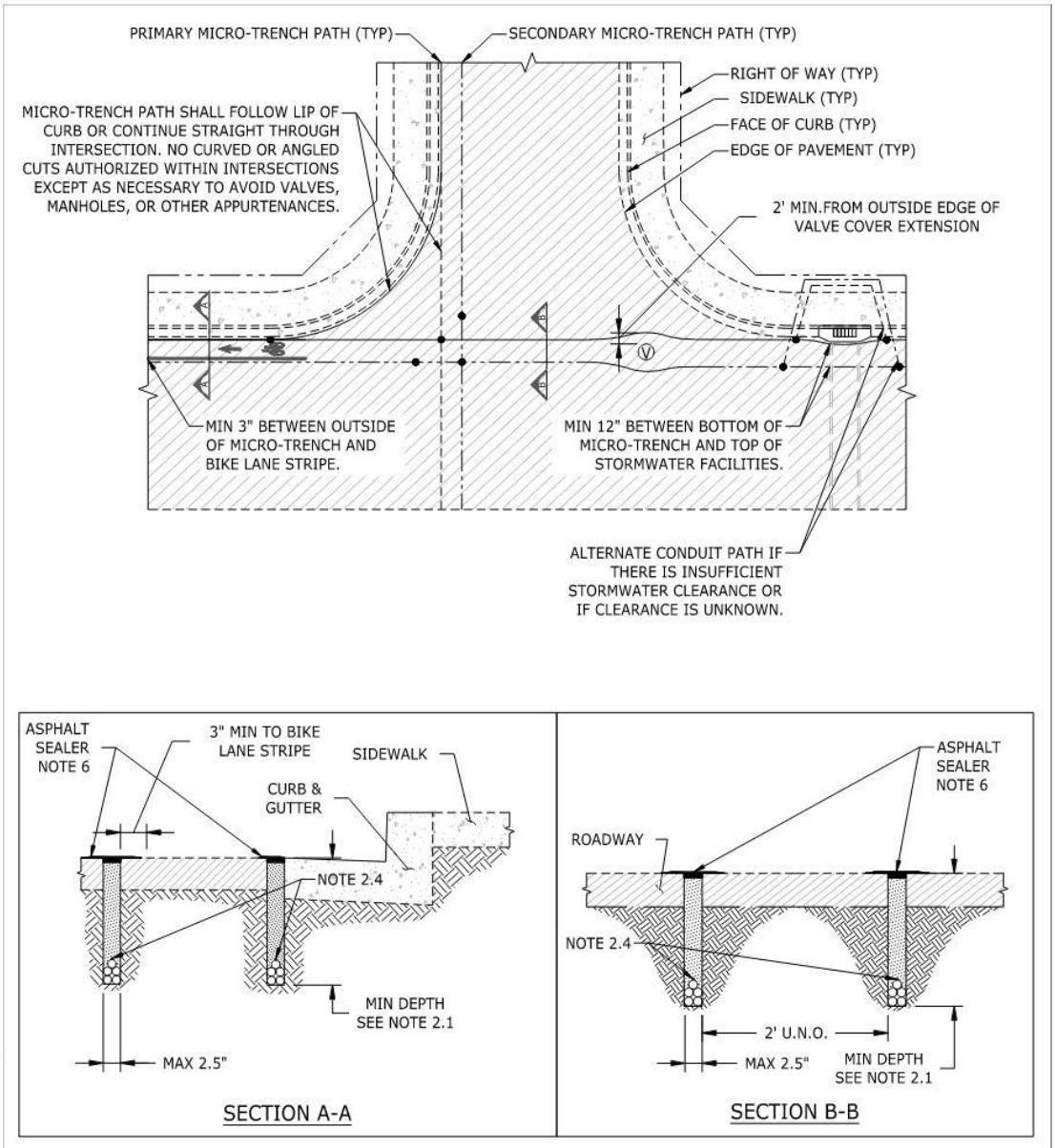
PRIMARY MICRO-TRENCH PATH (TYP)
SECONDARY MICRO-TRENCH PATH (TYP)
RIGHT OF WAY (TYP)
SIDEWALK (TYP)
FACE OF CURB (TYP)
EDGE OF PAVEMENT (TYP)
MICRO-TRENCH PATH SHALL FOLLOW LIP OF CURB OR CONTINUE STRAIGHT THROUGH INTERSECTION. NO CURVED OR ANGLED CUTS AUTHORIZED WITHIN INTERSECTIONS EXCEPT AS NECESSARY TO AVOID VALVES, MANHOLES, OR OTHER APPURTENANCES.
2' MIN.FROM OUTSIDE EDGE OF VALVE COVER EXTENSION
MIN 3" BETWEEN OUTSIDE OF MICRO-TRENCH AND BIKE LANE STRIPE.
MIN 12" BETWEEN BOTTOM OF MICRO-TRENCH AND TOP OF STORMWATER FACILITIES.
ALTERNATE CONDUIT PATH IF THERE IS INSUFFICIENT STORMWATER CLEARANCE OR IF CLEARANCE IS UNKNOWN.
ASPHALT SEALER NOTE 6
3" MIN TO BIKE LANE STRIPE
SIDEWALK
CURB & GUTTER
NOTE 2.4
MIN DEPTH SEE NOTE 2.1
MAX 2.5"
SECTION A-A
ASPHALT SEALER NOTE 6
ROADWAY
NOTE 2.4
2' U.N.O.
MAX 2.5"
MIN DEPTH SEE NOTE 2.1
SECTION B-B
NTS
City of Flagstaff
ENGINEERING DETAIL
MICRO-TRENCHING: ROADWAY WITH CURB AND GUTTER AT CURB RETURN
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NOTES

1. MICRO-TRENCHING IS NOT PERMITTED IN THE FOLLOWING AREAS:
   - 1.1. CONCRETE STREETS, DRIVEWAYS, SIDEWALKS, CURB AND GUTTER, APRONS, OR OTHER CONCRETE STRUCTURES.
   - 1.2. SPECIAL PAVEMENTS SUCH AS DECORATIVE PAVING, BRICKS, CONCRETE PAVERS, EXPOSED AGGREGATE CONCRETE, STAMPED ASPHALT, OR OTHER UNIQUE NON-CONCRETE OR NON-ASPHALT MATERIALS.
   - 1.3. LOCATIONS NOT CONSISTENT WITH THESE MICRO-TRENCHING DETAILS.
2. MICRO-TRENCHING MUST:
   - 2.1. HAVE A MINIMUM DEPTH OF 16 INCHES IN A COLLECTOR, OR 12 INCHES IN A LOCAL STREET.
   - 2.2. HAVE A MAXIMUM WIDTH OF 2.5 INCHES.
   - 2.3. BE RESTORED WITH PREAPPROVED CEMENTITIOUS BACKFILL.
   - 2.4. BE TRACEABLE WITH 14-GAUGE TRACER WIRE MINIMUM, PLACED DIRECTLY ABOVE THE CONDUITS AND CENTERED IN THE TRENCH.
   - 2.5. CONFORM TO SEPARATION REQUIREMENTS (HORIZONTAL AND VERTICAL) FROM EXISTING UTILITIES PER CITY OF FLAGSTAFF STANDARD DETAIL 9-01-010 OR THIS DETAIL, WHICHEVER IS GREATER.
   - 2.6. BORE OVER OR UNDER TRAFFIC LOOPS WITH A MINIMUM OF 6 INCHES OF CLEARANCE.
3. LOCATION OF TRENCHES:
   - 3.1. MICRO-TRENCHING IS APPROVED ONLY ON COLLECTOR AND LOCAL STREETS. MICRO-TRENCHING IS NOT AUTHORIZED ON ARTERIAL STREETS.
   - 3.2. MICRO-TRENCHING MAY BE UTILIZED ON EACH SIDE OF A STREET.
   - 3.3. TRENCHES MUST BE LOCATED AT THE EDGE OF LIP OF THE GUTTER OR IN AN ALTERNATE LOCATION APPROVED BY THE CITY.
   - 3.4. MICRO-TRENCHING SHALL BE CONSTRUCTED AND PHASED TO MINIMIZE INTERFERENCE WITH VEHICULAR TRAFFIC.
   - 3.5. MICRO-TRENCHING MAY EXTEND THROUGH AN INTERSECTION AND CONTINUE ADJACENT TO THE CURB ON THE OTHER SIDE OF THE INTERSECTION. MICRO-TRENCHING SHALL NOT CURVE, ANGLE, OR CHANGE DIRECTION WITHIN INTERSECTIONS EXCEPT TO FOLLOW THE LIP OF CURB, OR AS REQUIRED TO AVOID VALVES, MANHOLES, AND OTHER APPURTENANCES.
   - 3.6. PRIOR TO MICRO-TRENCHING OPERATION, THE CONTRACTOR SHALL MARK THE EXACT PROPOSED LOCATIONS OF THE MICRO-TRENCH PATH AND ALL GROUND EQUIPMENT. AFTER THE PROPOSED LOCATIONS HAVE BEEN MARKED, THE CONTRACTOR SHALL CALL IN AZ811 LOCATES. THE CONTRACTOR IS RESPONSIBLE FOR CROSS-CHECKING RECORD DRAWINGS AND PLANS TO VERIFY THAT ALL UTILITIES HAVE BEEN LOCATED, AND FOR VERIFYING RIGHT-OF-WAY AND EASEMENT DIMENSIONS. THE CONTRACTOR SHALL NOT MAKE ANY CUTS UNTIL ALL AZ811 LOCATE MARKS HAVE BEEN COMPLETED, AND THE MARKED PROPOSED LOCATIONS HAVE BEEN APPROVED BY THE CITY INSPECTOR.
4. PAVEMENT CUTS
   - 4.1. SAW CUTS SHALL BE STRAIGHT AND CLEAN.
   - 4.2. THE VERTICAL FACES OF THE TRENCH MUST BE CLEAN AND OIL FREE, WITH NO LOOSE MATERIAL.
   - 4.3. THE CONTRACTOR SHALL JACK OR PUSH CONDUITS DIRECTLY UNDER THE CURB AND GUTTER AND/OR VALLEY GUTTER.
   - 4.4. WHERE EXISTING CURB, VALLEY GUTTER, OR PAVEMENT IS DISPLACED OR DETERIORATED SUCH THAT THE FINISHED MICRO-TRENCH BRIDGING THESE SURFACES WOULD NOT MEET THESE STANDARDS AND DETAILS, THE CONTRACTOR SHALL REMOVE AND REPLACE SUCH EXISTING IMPROVEMENTS OR SELECT AN ALTERNATIVE METHOD OF FIBER PATH INSTALLATION SUCH AS DIRECTIONAL BORING.

City of Flagstaff ENGINEERING DETAIL	MICRO-TRENCHING NOTES		
	DETAIL NO. 9-08-004	REVISION DATE: 09/12/2025	3 5

5. BACKFILL PROCEDURES

THE BACKFILL MATERIAL MUST BE 1200-2000 PSI CONTROLLED LOW STRENGTH MATERIAL (CLSM) WITH SAND OR AN EQUIVALENT FLOWABLE-TYPE BACKFILL AS SPECIFIED IN MAG SPECIFICATION SECTION 604, 701.3, AND 728. MICRO-TRENCHING AND CORES SHALL BE BACKFILLED BY THE END OF THE DAY FOLLOWING THE INSTALLATION OF THE NEW FACILITY. THIS BACKFILLING PROCESS MUST ADHERE TO THE FOLLOWING REQUIREMENTS:

5.1. THE BACKFILL MUST BE PLACED IN A TRENCH FREE OF STANDING WATER.

5.2. REMOVE ALL LOOSE CONCRETE, ROCKS, TRASH, AND OTHER DEBRIS FROM THE EXCAVATION BEFORE PLACING ANY BACKFILL.

5.3. SAND BEDDING IS NOT ALLOWED.

5.4. THE BACKFILL MUST BE PLACED USING VIBRATORY CONSOLIDATION EQUIPMENT.

5.5. THE BACKFILL MATERIAL MUST ADHERE TO MAG SPECIFICATION 604.1, MODIFIED TO REPLACE COARSE AGGREGATE WITH FINE AGGREGATE (SAND), AS SPECIFIED IN MAG SPECIFICATION SECTION 701.3.

THE MATERIAL MUST ALSO:

5.5.1. FLOW FREELY TO THE TRENCH'S BOTTOM,

5.5.2. REMAIN STABLE UNDER TRAFFIC LOADS,

5.5.3. BE SUITABLE FOR THE ROAD ENVIRONMENT,

5.5.4. MEET PERFORMANCE TESTING PER MAG SPECIFICATION SECTION 604.4, AND

5.5.5. MEET ACCEPTANCE PER MAG SPECIFICATION SECTION 604.5.

5.6. THE BACKFILL MATERIAL MUST BE 100% CURED BEFORE APPLYING THE ASPHALT SEALANT.

5.7. CLSM SHALL BE PLACED NEARLY TO THE TOP OF THE TRENCH, LEAVING SPACE FOR THE ASPHALT SEALANT.

5.8. IF TESTS OR INSPECTIONS REVEAL THAT THE BACKFILL FAILS TO MEET THE REQUIREMENTS MENTIONED ABOVE, THE BACKFILL WILL BE CONSIDERED UNACCEPTABLE AND MUST BE REMOVED AND REPLACED. ALL COSTS RELATED TO CORRECTIONS AND SUBSEQUENT TESTING WILL BE THE RESPONSIBILITY OF THE CONTRACTOR IF THE BACKFILL IS DEEMED UNACCEPTABLE OR IF THE TRENCH IS BACKFILLED WITHOUT BEING INSPECTED BY THE CITY INSPECTOR.

6. ASPHALT SEALER/OVERBAND

6.1. THE ASPHALT SEALING MATERIAL (ALSO KNOWN AS AN OVERBAND) PLACED OVER THE TOP OF A MICRO-TRENCH, SHALL CONFORM TO MAG STANDARD 337 AND BE APPLIED ACCORDING TO THE MANUFACTURER'S RECOMMENDATIONS OR THE REQUIREMENTS OF THIS STANDARD, WHICHEVER IS MORE STRINGENT.

6.2. THE SEALANT SHALL OVERLAY THE GROOVE LEAVING A MAXIMUM OVERBAND APPEARANCE OF 3 INCHES (6-INCH WIDTH TOTAL) ON EACH SIDE OF THE EXCAVATION CENTERLINE. THE SEALANT SHALL NOT OVERLAP WITH BIKE LANE STRIPE.

6.3. WHERE THE TRENCH IS ADJACENT TO CURB AND GUTTER OR ANOTHER CONCRETE SURFACE, THE SEALANT SHALL OVERLAY THE GROOVE LEAVING A MAXIMUM 3-INCH WIDE OVERBAND ON THE ASPHALT SURFACE.

6.4. THE HEIGHT OF THE SEALANT ABOVE THE PAVEMENT SURFACE SHALL NOT EXCEED 1/8 INCH.

6.5. THE RESTORED SURFACE SHALL BE THOROUGHLY COMPACTED, SMOOTH AND TRUE TO GRADE AND CROSS-SECTION. IT SHALL BE FREE OF RUTS, HUMPS, DEPRESSIONS, OR IRREGULARITIES. THE SURFACE SHALL NOT VARY MORE THAN 1/4 INCH FROM THE LOWER EDGE OF A STRAIGHTEDGE PLACED ACROSS THE SURFACE BETWEEN THE EDGES OF THE EXISTING MATCHED SURFACES.

6.6. SUBSTRATE AND AMBIENT TEMPERATURE REQUIREMENTS MUST BE MET BASED ON THE MANUFACTURER'S REQUIREMENTS OF ANY OVERBAND MATERIAL IN THE APPROVED PRODUCT LIST. MICRO-TRENCH OPERATIONS MAY BE LIMITED DURING WINTER AND INCLEMENT WEATHER.

City of Flagstaff ENGINEERING DETAIL	MICRO-TRENCHING NOTES		
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7. SITE RESTORATION

7.1. THE CONTRACTOR IS RESPONSIBLE FOR SITE RESTORATION AND PROTECTION IN ACCORDANCE WITH MAG SPECIFICATION 107.9.

7.2. ALL TEMPORARY REPAIRS SHALL BE CLEARLY MARKED TO INDICATE THAT THEY WILL BE REPLACED.

7.3. CONVENTIONAL POTHOLE RESTORATION SHALL CONFORM TO MAG DETAIL 212, TYPE A PAVEMENT REPAIR.

7.4. RESTORATION WORK SHOULD BE CARRIED OUT PROMPTLY. UNSATISFACTORY RESTORATION OR DELAYED COMPLETION WILL LEAD TO A HALT IN ALL CONTRACTOR WORK ON THE OVERALL PROJECT. NO ADDITIONAL PERMITS WILL BE ISSUED UNTIL SATISFACTORY RESTORATION IS COMPLETED, INCLUDED PREVIOUSLY PERMITTED BUT UNFINISHED WORK.

City of Flagstaff ENGINEERING DETAIL	MICRO-TRENCHING NOTES		
	DETAIL NO. 9-08-004	REVISION DATE: 09/12/2025	5 5

ORDINANCE NO. 2025-20

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 13 ENGINEERING DESIGN STANDARDS AND SPECIFICATIONS FOR NEW INFRASTRUCTURE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED *"*2025 AMENDMENTS TO FLAGSTAFF CITY CODE, TITLE 13, ENGINEERING DESIGN STANDARDS AND SPECIFICATIONS FOR NEW INFRASTRUCTURE"; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

RECITALS:

WHEREAS, the Flagstaff City Code, Title 13, Engineering Design Standards and Specifications for New Infrastructure, contains engineering and design standards and specifications setting forth minimum acceptable design and construction practices, and these standards and specifications are routinely revised to reflect new and best practices, changes to related existing and/or new codes, as well as legal considerations and input from the community; and

WHEREAS, the Engineering and Capital Improvements Division in consultation with other Divisions has evaluated the construction methodology commonly known as micro-trenching for the installation of underground fiber-optic cabling within public streets and found that the method provides for more rapid deployment of new fiber-optic facilities with manageable impacts to existing public roadways; and

WHEREAS, the Engineering Section has recommended that the City Council adopt the proposed amendments to Title 13 of Flagstaff City Code; and

WHEREAS, the City Council has considered public comment and discussed suggested changes to the proposed revisions to Title 13; and

WHEREAS, the Mayor and Council have previously declared the proposed "2025 Amendments to Flagstaff City Code, Title 13, Engineering Design Standards and Specifications for New Infrastructure" to be a public record by Resolution 2025-52, three copies of which are on file in the City Clerk's Office;

ENACTMENTS:

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. That certain document known as "2025 Amendments to Flagstaff City Code, Title 13, Engineering Design Standards and Specifications for New Infrastructure", one (1) paper copy and one (1) electronic copy of which are on file in the office of the City Clerk of the City of Flagstaff, Arizona, has been declared a public record by Resolution No. 2025-52 of the City of Flagstaff, Arizona, is hereby referred to, adopted and made a part hereof as if fully set out in this ordinance.

SECTION 2. Repeal of Conflicting Ordinances

All ordinances and parts of ordinances in conflict with the provisions of the code adopted herein are hereby repealed.

SECTION 3. Severability

If any section, subsection, sentence, clause, phrase or portion of this ordinance or any part of the code adopted herein by reference is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 4. Clerical Corrections

The City Clerk is hereby authorized to correct clerical and grammatical errors, if any, related to this ordinance, and to make formatting changes appropriate for purposes of clarity, form, or consistency with the Flagstaff City Code.

SECTION 5. Effective Date

This Ordinance shall be effective thirty (30) days following adoption by the City Council.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 21st day of October, 2025.

_____
MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

Title 13 Amendments

Amending Engineering Standards to Allow Micro-Trenching

TEAM FLAGSTAFF

WE MAKE THE CITY BETTER

Micro-Trenching

Title 13 of City Code Regulates Construction and Infrastructure within Public Right-of-Way and Easements

TEAM FLAGSTAFF
WE MAKE THE CITY BETTER

- What is Micro-Trenching
  - A narrow, shallow trench cut into existing pavement to install conduit and fiber optic cable
  - Primarily located at the joint between curb and asphalt

Micro-Trenching

City of Flagstaff Trench Detail and Surface Patch

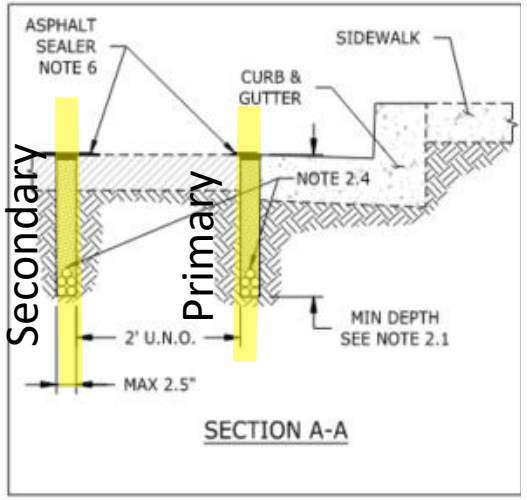
Up to 2.5” wide

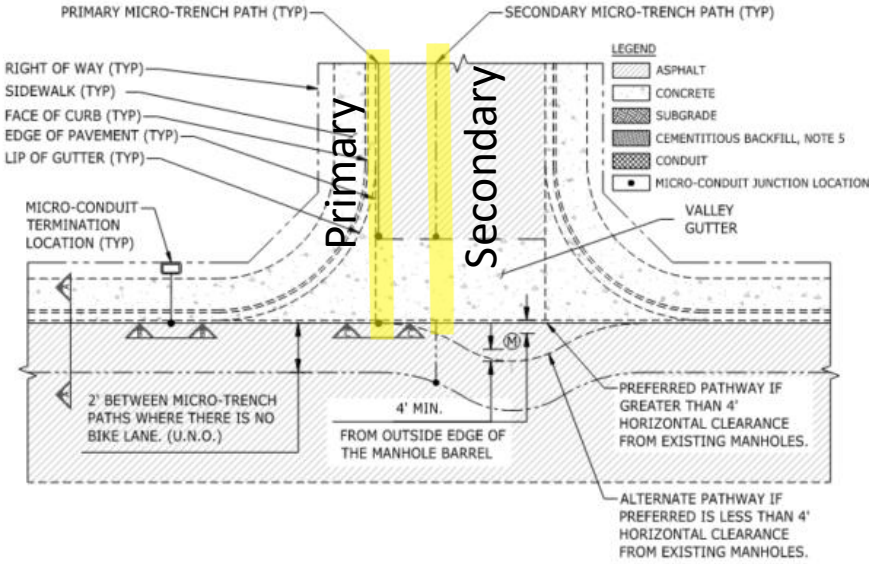
12” deep in local roads

16” deep in collector roads

TEAM FLAGSTAFF

WE MAKE THE CITY BETTER





Micro-Trenching

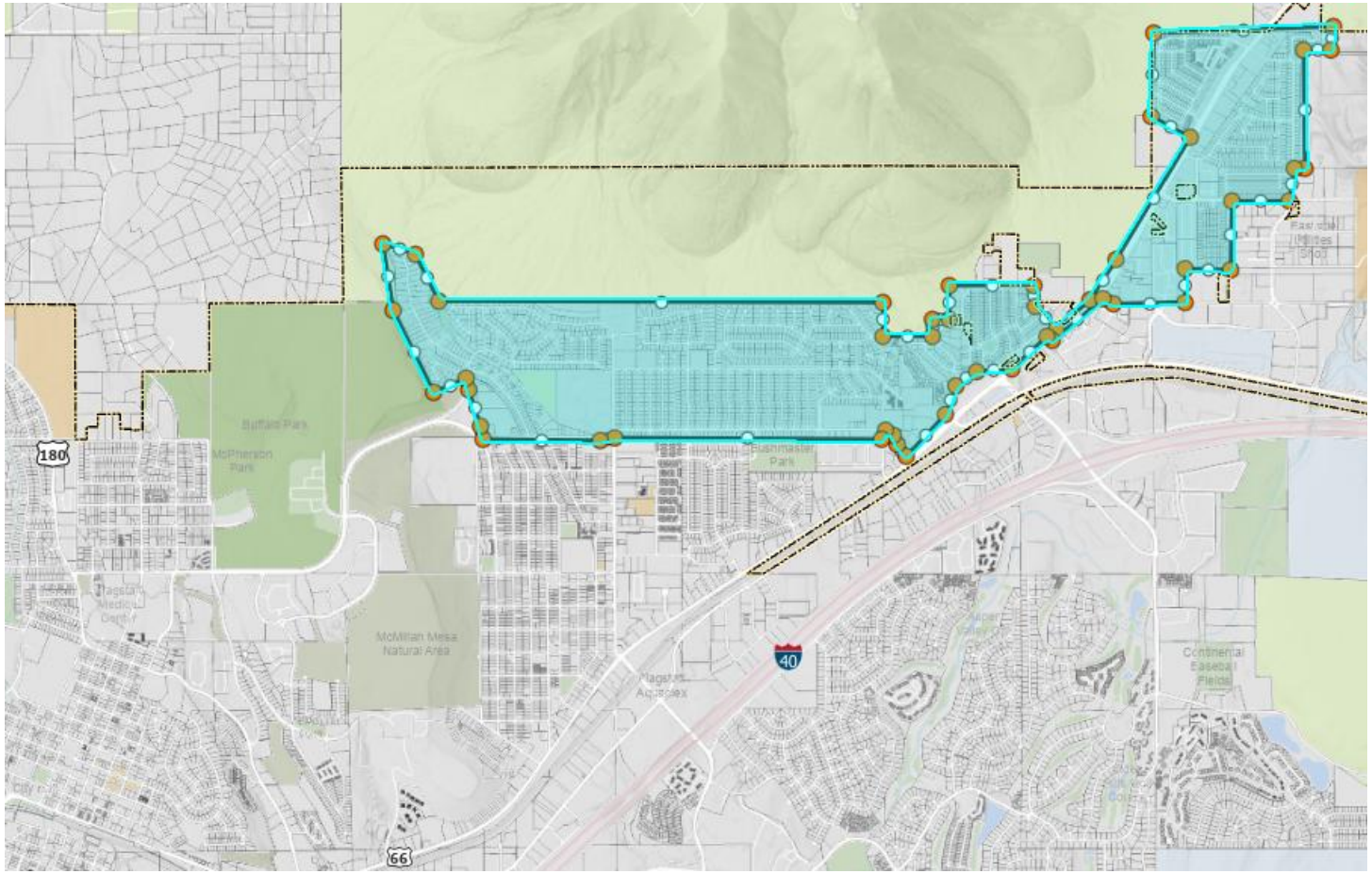
- Small Diameter Conduit Protects Fiber
- Flush-Mount Surface Splice Box
- Slurry Trench Backfill
- Mastic overband patch (cold climate rated)

Pilot Project

- Conducted spring & summer 2025
- Upon adoption of these standards, micro-trenching may be utilized by all fiber providers

Pilot Project Area

Shadow Mountain, Grandview, Swiss Manor, Upper Greenlaw, Mobile Haven, Mt Elden Foothills, Smokerise & Christmas Tree Estates



Pilot Project Construction

Pilot Project Finished Conditions

Typical finished micro-trench condition residential street

Finished trench with pothole patch at utility crossing

Finished trench with utility and stormwater crossings

Pilot Project Finished Conditions

Larger Vaults located at periodic splice points ordinarily behind curb or sidewalk

Smaller service junction boxes at property corners

Public Outreach and Feedback

- **These proposed standards were distributed to local representatives of existing providers, posted to City website and noticed via press release.**
- **Attached feedback expressed the following concerns:**
  - **Provider desire to increase number of concurrent permits beyond the 5 proposed**
  - **Provider concern relating to depth below frost line and uniform permitting standards**
  - **One provider indicated they currently have no plans to utilize this method based on previous experience in Maricopa County.**

Micro-Trenching Benefits

- **Reduced Disruption**: Smaller cuts can minimize impact on traffic, businesses, and residents.
- **Faster Installation:** Shorter construction timelines compared to traditional trenching or directional boring.
- **Lower Costs:** Less excavation, material removal, and pavement restoration required.
- **Shallower Excavation:** Avoids conflicts with many existing service lateral crossings.

Micro-Trenching Risks

- **Surface Integrity:** Even well-sealed cuts can weaken pavement structure compared to intact asphalt/concrete. Pothole locating of all existing utility crossings require additional asphalt removal
  - Mitigated by preferentially locating at existing curb joint.
- **Durability Concerns:** Mastic overband surface patch may fail or require increased maintenance
  - Mitigated by provider responsibility for trench and surface patch integrity until a re-pave or overlay of the affected street.
- **Newer Technology:** Experience with the long-term durability of this method is limited compared to open trenching or directional boring.

Community and Staffing Impacts

- **Rapid Deployment:** There will be staff and community impacts from widespread simultaneous projects.
  - Simultaneous large footprint and fast-moving projects require City Engineering staffing to process permits, manage community impact and inspect public infrastructure. Water Services staff are required to mark existing utility locations ahead of this work. This workload may strain staff project management, inspections and utility locate availability.
  - Larger simultaneous project footprint along with other unrelated projects will impact the community resulting in additional simultaneous traffic and neighborhood impacts.
  - Staff will request mid-year staffing addition for an additional Project Manager and Construction Inspector.

Questions?

Micro-Trenching Proposed Standards

Public Comments through September 12, 2025

Lumen (Centurylink) - My team placed a trial run fiber cable, fiber drops in asphalt using a sawcut/micro trench 10-15 years ago in the Anthem area of Maricopa County. It was difficult to place and keep the County happy. The County didn't like us sawcutting at lip & gutter so we were 6-8' out in the street. The transition from asphalt to concrete sidewalk was always difficult. The expansion of asphalt and concrete never occurs at the same rate and damaged some of the drops over time. Maricopa County choose not to permit any more micro-trenching jobs after that trial run. I do believe there are other municipalities in the valley that do allow it. Lumen chose not to work any more fiber jobs with micro-trenching, however we still saw cut streets for copper drops in some of the cities. Not trying to sway the City of Flagstaff either direction but CenturyLink/Lumen has chosen to stick with standard roll duct & fiber bored in at 3-4'.

Coconino County - John Carr Development Engineering Supervisor - I conferred with County Engineer Nate Reisner and Public Works Deputy Director Chad Auker, and we do not have any comments.

Wecom – Paul Fleming, CEO - One big issue we see is the 5-permit limit highlighted below. That will kill productivity and speed (as it is hurting us right now) and increase costs to the project. We would suggest this be 15 at minimum. There could be other restrictions around restoration time etc, but we really need this number higher (we actually need it higher right now in the pilot also). Can this please be adjusted?

Optimum – James Campbell, Vice President Government Affairs –

August 29, 2025

RE: Comments on Draft Amendments to Title 13 – Engineering Design Standards and Specifics for New Infrastructure.

Thank you for the opportunity to review and offer suggestions on the City of Flagstaff's draft amendments to Title 13 of the City Code, specifically regarding micro-trenching for broadband deployment. We appreciate the City's proactive approach in evaluating various

methods of broadband infrastructure deployment and its commitment to expanding connectivity for residents and businesses. In addition, we appreciate and encourage the City make any decisions recognizing that broadband deployment is extremely competitive to ensure fair treatment for all providers, regardless of the technology used to deploy such services.

Optimum commends the City's willingness to consider multiple deployment techniques as part of a comprehensive strategy to improve broadband access. This flexibility is essential for meeting diverse infrastructure needs across Flagstaff's unique terrain and climate.

We would like to highlight some concerns regarding micro-trenching, particularly in the context of Flagstaff's weather conditions, as well as bring forth other technical items that might benefit the City's effort. The region's freeze-thaw cycles pose a significant risk to the integrity of micro-trenched installations. Specifically, the slurry used to seal micro-trenches may be prone to popping out during winter months, potentially leaving behind numerous small holes that compromise road surfaces and public safety.

Depth Requirement Below Frost Line:

We recommend that all micro-trenching installations be required to extend below the frost line. This measure would help ensure long-term durability and reduce the likelihood of surface degradation due to seasonal temperature fluctuations.

Uni□orm Permitting Standards Across Deployment:

To promote fairness and efficiency, we suggest that the permitting process be standardized across all deployment methods – whether micro-trenching, directional boring, or aerial installations within the public right-of-way. A consistent permitting framework will help streamline project approvals and maintain equitable treatment of all providers in what is an incredibly competitive environment.

We appreciate the City's openness to feedback and its dedication to maintaining high engineering standards. Please feel free to contact us if further clarification or discussion would be helpful.

Summary of Microtrenching Best Practices

This is a summary of best practices from the MAG microtrenching research study and microtrenching working group. It combines lessons learned from peer agencies with local input to provide guidance and considerations for agencies considering or implementing microtrenching in their local jurisdictions.

Technical Considerations

Trench Width

The microtrench width should be no more than 2.5 inches.

Trench Location

Specify trench location within the street cross section. Locate microtrenching as close to the edge of pavement or gutter line as possible, avoiding wheel paths. In areas where there is no curb, place it at least six inches from the edge of pavement. Behind the curb is also acceptable, but the design details need to account for new driveways. Where there are bike lanes or routes, install microtrenching outside of the wheel path, such as at the lane line. Trenches should be placed to minimize roadway crossings. Ideally, trenches would be along both sides of the road with crossings only at intersections.

Minimum Trench Depth

Specify a minimum trench depth and separation from pavement structure. A microtrench depth with 12 to 16 inches of cover above the top of the conduit is ideal and should not be shallower than 10 inches from the top of the conduit to the pavement surface. Install conduit outside of the pavement for thick pavement sections.

Lateral Trench Separation

Require lateral trench separation. Include at least 12 inches of lateral separation between trenches.

Street Type

Consider which street types to allow microtrenching. Limit microtrenching primarily to residential streets where there are fewer conflicts with other utilities. Microtrenching should be limited to asphalt roads and trenched on both sides to avoid service lines crossing the street.

Local Considerations

Conduit installation and pavement restoration should be based on local considerations. Most cities have pavement cut policies or restoration requirements for pavement cuts that should be considered when evaluating whether microtrenching is a viable option for each local agency. Pavement restoration requirements are temperature/climate dependent. Specify materials in consultation with local pavement engineers. Considerations include:

1. Slurry backfill for all installations.
2. Epoxy seal for the first or a single trench in the pavement that is in good condition.
3. 18- to 24-inch mill and overlay for poor pavements in poor conditions or multiple trenches.
4. If trench is in bike lane, overlay entire lane.
5. Moratorium on pavement cuts based on the city's pavement management plan.
6. Utilize conduit stabilization such as anchors, staples or other weighting methods.

Permitting

Utility Owner as Permit Holder

Ensure the utility owner holds the construction permit and has a local contact to manage the work.

Permitting Fees

Permitting fees should cover agency costs. An agency may require supplemental staff for microtrenching projects. Establish permit and license fees that cover these and other project administration and monitoring costs.

Warranty and Bonding Requirements

Follow agency requirements on warranty and bonding, keeping it consistent for all utilities.

Maintenance and Repair Requirements

Consider and define maintenance expectations, repair requirements, and timelines.

1. The utility owner continuously blue stakes the fiber optic cable in accordance with local and state dig laws.
2. Specify expectations for repair such as: All damage, including trench reinstatement and any damage to city or private assets, must be repaired within seven days.

Agency Indemnification

Include a clause indemnifying the agency and its contractors for work inside the right of way in the installation agreement, license, or permit. Indemnification may include:

1. Utility owner is responsible for damage or destruction to their facilities during maintenance or installation activities.
2. Utility owner is responsible for relocation of facilities in conflict with agency maintenance or installation activities.
3. Examples include activities necessary to maintain stormwater infrastructure, water distribution, sanitary sewer, sidewalks, roadway, paving, signal installation or other activities at the discretion of the agency.

See the City of Henderson (NV) Microtrenching Guidelines for sample language to cover indemnifications.

Microtrenching Documentation

Require pre-construction and post-installation documentation for all projects.

1. At the time of permit application, a plan showing the proposed installation location and details.
2. The identification and location of existing utilities in the area (i.e., thorough investigation via blue staking) are included in the permit application.
3. Once conduit and/or fiber is installed, the permit holder submits electronic files including the geographic location of the facilities (i.e., KMZ files).

Project Management

Project Communications

Require project communications, such as door hangers, newsletters, social media posts, and updates to city leadership and elected officials.

Project Coordination

Include regular coordination meetings with the project owner to discuss the project schedule, progress, and issues. Keep the utility companies informed about proposed pavement management and capital improvement projects where they can take advantage of installing fiber optic cable and conduit without having to cut new pavement.

Other Considerations

Agency Communications Needs

Consider agency communications needs and infrastructure sharing options. Depending on agency need, request access to strands of fiber optic cable for city business or a spare conduit for the city's future use.

New Installation Methods

Track the viability of new installation methods. Nanotrenching may not be ideal due to challenges with shallow trench depth and a history of fiber damage. Monitor and evaluate newer methods of installation under development to understand the longevity of materials and effects on pavement management. Pavement condition heavily contributes to the success or challenges experienced during installation and future pavement management activities will require close coordination with the utility owner(s).

Multiple Trenches

Accommodate installation of microtrenched fiber optic cables by multiple service providers by including a minimum horizontal and vertical separation distance and more robust surface restoration, such as an 18-inch or 24-inch T-top mill and overlay.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Tamara Lawless, Water Conservation Manager

Co-Submitter: Stacey Brechler-Knaggs

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:

Consideration and Adoption of Resolution No. 2025-59: A resolution of the Flagstaff City Council, approving an Intergovernmental Agreement between the City of Flagstaff and University of Arizona for water education through Arizona Project Wet.

STAFF RECOMMENDED ACTION:

1. Read Resolution No. 2025-59 by title only
2. City Clerk reads Resolution No. 2025-59 by title only (if approved above)
3. Adopt Resolution No. 2025-59

Executive Summary:

This is a continuation and amendment of a previously approved Intergovernmental Agreement (IGA). The original IGA was approved in 2020 for a 5-year initial term, with the ability to renew for an additional 5-year term. This IGA will enter into another 5 year period of this agreement and will also provide a small amendment to the billing procedures for the next 5 year period.

Arizona Project WET (Water Education for Teachers) operates under the authority of the University of Arizona. Arizona Project WET provides water education throughout Arizona and has partnered with the City of Flagstaff on the annual Water Festival since 2005. Under this IGA, Arizona Project WET agrees to develop and deliver water-based K-12 educational content for Flagstaff schools, with guidance from the City of Flagstaff Water Conservation Program.

Financial Impact:

Project Name: Partnership with Arizona Project WET
Cost: $15,000 annually
Account Number Budgeted: 202-08-304-1062-0-4290
FY Budgeted Amount: Object code 4290 has $38,500 annually
Grant Funded: No
Funding Source: Water Services - Drinking Water Fund

Policy Impact:

Water eduction initiatives are a small component of our annual goals that contribute to the Water Conservation Strategic Plan.

Previous Council Decision or Community Discussion:

Council previously approved this IGA in November of 2020. Previous resolution was 2020-58, which is included in the attachments.

Options and Alternatives to Recommended Action:

Council could choose not to pursue another 5 year period for this IGA. The current first term of the agreement

will otherwise end in November of 2025.

Background and History:
This agreement was a formalization of an ongoing partnership between the City of Flagstaff Water Conservation Program and Project WET (via University of Arizoina). Project WET provides the annual 4th Grade Water Festival as well as other routine water outreach for Flagstaff K-12 schools.

We believe that the development and encouragement of a water ethic in the Flagstaff community is essential to achieving our water conservation goals, which are a critical component of our long-term water resource planning. Providing youth education on water conservation serves two purposes: first, it ensures that Flagstaff community members understand the value and importance of water from an early age. Second, students bring home information about water conservation from school back to their families. Outreach that occurs at school also ensures equity, since there are families in our community that do not have the ability to attend events where we would normally provide this type of outreach such as the Festival of Science or the annual Earth Day celebration.

The annual 4th Grade Water Festival is a wonderful collaboration between City staff, Arizona Project WET, and students from Northern Arizona University (NAU). NAU students and local teachers attend a free 6-hour workshop where they learn the water lessons from Project WET. This gives the students and teachers experience teaching the Project WET water units to the 4th grade students. Each year approximately 800 of Flagstaff's 4th grade students get the opportunity to attend the water festival.

Connection to PBB Priorities and Objectives:
This initiative contributes to the following Priority Based Budgeting areas of focus:

1. Environmental Stewardship
    - Teaches K-12 children about water and its importance, helping to foster a culture of water conservation from an early age
2. Inclusive and Engaged Community
    - Provides opportunities for most K-12 Flagstaff students to learn about water

Connection to Regional Plan:
N/A

Connection to Carbon Neutrality Plan:
N/A

Connection to 10-Year Housing Plan:
N/A

Attachments: Res. 2025-59
IGA Project WET Amendment
Original IGA Project WET COF Partnership

RESOLUTION NO. 2025-59

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN UNIVERSITY OF ARIZONA AND THE CITY OF FLAGSTAFF FOR WATER EDUCATION THROUGH AIRZONA PROJECT WET

RECITALS:

WHEREAS, the City wishes to collaborate with Arizona Project WET to educate K-12 students about water resources and their importance to Flagstaff's future; and

WHEREAS, effective water education lessons will also inspire students and their families to adopt water conservation practices; and

WHEREAS, Arizona Project WET is equipped to develop and deliver targeted programming for Flagstaff teachers and students on these topics that meet one or more of Arizona's science standards.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. In General.

The Flagstaff City Council hereby authorizes the Mayor to execute the Intergovernmental Agreement between University of Arizona and the City of Flagstaff, Arizona, attached hereto as Exhibit A.

SECTION 2. Effective Date.

This resolution shall be immediately effective upon adoption.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 21st day of October 2025.

_____
MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

Exhibits:
IGA

AMENDMENT TO INTERGOVERNMENTAL AGREEMENT

Flagstaff Water Education Program Between Arizona Board of Regents for and on behalf of University of Arizona and the City of Flagstaff

RECITALS

A. The City of Flagstaff ("City") and the Arizona Board of Regents (“University”) entered into an agreement regarding to collaborate on the Arizona Project Wet (APW) to educated K-12 students about their interconnected water resources and their importance to Flagstaff’s future. (the "Agreement").

B. The Agreement was intended to develop and deliver targeted programs relevant to the Flagstaff area that assist teachers in meeting one or more of the Arizona science standards, per targeted grade level, while providing real world relevancy for student engagement.

C. The parties wish to amend the Term of the Agreement to provide for a longer term to continue to provide these services. Also to amend the annual term to coincide with the University fiscal year.

D. The parties wish to amend the Manner of Financing to clarify the invoicing procedures from Arizona Project Wet.

NOW THEREFORE, the parties agree that the Agreement will be amended by striking Section 3 and replacing it with the following:

TERM AND TERMINATION

The Initial and Renewal Term will expire on November 12, 2025. The parties by mutual agreement wish to Amend the agreement for an additional five (5) years (“Amendment One”) to expire on **June 30, 2030,** to continue the services.
Year one: date of execution to June 30, 2026
Year two: July1, 2026 to June 30, 2027
Year three: July 1, 2027, to June 30, 2028
Year four: July 1, 2028, to June 30, 2029
Year five: July 1, 2029, to June 30, 2030

All other terms of the Agreement shall remain in effect unless in direct conflict with this Amendment.

MANNER OF FINANCING

Arizona Project Wet will submit invoices on a monthly and/or quarterly basis for reimbursement for delivering the annual Flagstaff Water Festival, teacher classroom assistance, teacher workshops, and/or STEM events for a total annual amount not to exceed **$15,000 per fiscal year**. Fiscal years are defined as the period between July 1st and July 30th.

City of Flagstaff

_____

Attest:

_____

Approved as to form:

_____

University of Arizona

_____

Attest:

_____

Approved as to form:

_____

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To:	The Honorable Mayor and Council
:	
Co-Submitter:	Erin Young, Water Resources Manager
Co-Submitter:	Stacey Brechler-Knaggs
Date:	09/30/2020
Meeting Date:	10/06/2020

TITLE:

Consideration and Adoption of Resolution No. 2020-58: A resolution approving an Intergovernmental Agreement between the City of Flagstaff and University of Arizona for water education through Arizona Project Wet.

STAFF RECOMMENDED ACTION:

1) Read Resolution No. 2020-58 by title only
2) City Clerk reads Resolution No. 2020-58 by title only (if approved above)
3) Adopt Resolution No. 2020-58

Executive Summary:

Approval of the Intergovernmental Agreement ("IGA") for the Flagstaff Water Education Program Between the Arizona Board of Regents for and on behalf of the University of Arizona and the City of Flagstaff will formalize the partnership between the parties. Arizona Project WET (Water Education for Teachers) operates under the authority of the University of Arizona. Arizona Project WET provides water education throughout Arizona and has partnered with the City of Flagstaff on the annual Water Festival since 2005. Under this IGA, Arizona Project WET agrees to develop and deliver water-based K-12 educational content for Flagstaff schools, with guidance from the City of Flagstaff Water Conservation Program. This agreement will begin upon full execution and will continue for a 5-year initial term, with the ability to renew for an additional 5-year term.

Financial Impact:

Water Services has an on-going budget of $15,000 per year in Water Fund, Water Resources Section account number 202-08-304-1062-0-4290 for educational content, as described in the scope of work Exhibit A. Grant funds and/or sponsorship dollars have historically reduced the annual cost to the City. The City agrees to waive indirect costs so that the total funding provides a greater direct benefit to the project.

Policy Impact:

Collaborating with Project WET supports Council Adopted Water Policy D 1.1 on Water Conservation Education

Connection to PBB Key Community Priorities/Objectives & Regional Plan:

Priority Based Budget Key Community Priorities and Objectives

Key Community Priorities: Environmental Stewardship
Key Community Objectives: Enhance community outreach and engagement opportunities; Provide environmental community outreach, education, and volunteer opportunities.

Regional Plan

Goal CC.5. Support and promote art, science, and education resources for all to experience

Has There Been Previous Council Decision on This:

There has not been previous council direction on this topic.

Options and Alternatives:

1. Approve the Agreement; or
2. Do not approve the Agreement and direct staff to support Arizona Project WET on an annual basis in a less formal manner.

Background/History:

Arizona Project WET has partnered with the City of Flagstaff Water Conservation Program on the annual Water Festival for 4th graders since 2005. During fiscal years 2017-2020, the two parties also partnered on additional water-based education for several FUSD schools, operating under a sole-source procurement. At the close of the fiscal year 2020, City staff proposed an IGA to formalize these programs under one umbrella, therefore eliminating the annual sole-source justification and scoping efforts.

Key Considerations:

This IGA formalizes the partnership that has existed between Arizona Project WET and the City of Flagstaff Water Conservation Program in some capacity since 2005. The execution of this IGA will clarify roles and responsibilities between the two parties and will streamline the annual provisioning of youth water-based education in Flagstaff schools on behalf of the Water Services Water Conservation Program. The annual Water Festival for 4th Grade students has served an average of 840 students a year in the 12 years of the program. The additional programming brings the Project WET curriculum to teachers in Flagstaff who request support in water resources and conservation education.

Expanded Financial Considerations:

This IGA specifies that up to $15,000 annually may be paid to Arizona Project WET for water-based educational outreach in Flagstaff area schools. The Water Conservation Program has helped to defray these costs in the past by providing the majority of the supplies for the annual Water Festival, by contributing staff time where appropriate, and by securing annual sponsorships of the Water Festival from local companies such as SCA Tissue and Fratellis Pizza. Additionally, Arizona Project WET received a grant last year through the Arizona Community Foundation that covered most of the additional programming funds to offer the Project WET K-12 teacher support. City staff and Arizona Project WET staff will continue seeking funds each year to offset the total cost.

Community Benefits and Considerations:

We believe that the development and encouragement of a water ethic in the Flagstaff community is essential to achieving our water conservation goals, which are a critical component of our long term water resource planning. Providing youth education on water conservation serves two purposes: first, it ensures that Flagstaff community members understand the value and importance of water from an early age. Second, students bring home information about water conservation from school back to their families. Outreach that occurs at school also ensures equity, since there are families in our community that do not have the ability to attend events where we would normally provide this type of outreach such

as the Festival of Science or the annual Earth Day celebration.

Community Involvement:

The annual 4th Grade Water Festival is a wonderful collaboration between City staff, Arizona Project WET, and students from Northern Arizona University (NAU). NAU students and local teaches attend a free 6-hour workshop where they learn the water lessons from Project WET and City staff. This gives the students and teachers experience teaching the Project WET water units to the 4th grade students. The actual day of the event will see from 50 to over 100 volunteers of parents, city staff, and local business representatives. Sponsorship and support have historically come from SCA Tissue and Fratelli Pizza. With the closure of SCA Tissue, City staff will be seeking a new sponsor for the Festival in 2021.

Attachments: Res. 2020-58
Arizona Project WET IGA
Exhibit A-Scope of Work

RESOLUTION NO. 2020-58

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF FLAGSTAFF AND THE ARIZONA BOARD OF REGENTS FOR AND ON BEHALF OF UNIVERSITY OF ARIZONA FOR WATER EDUCATION THROUGH ARIZONA PROJECT WET

RECITALS:

WHEREAS, the City wishes to collaborate with Arizona Project WET to educate K-12 students about water resources and their importance to Flagstaff's future; and

WHEREAS, effective water education lessons will also inspire students and their families to adopt water conservation practices; and

WHEREAS, Arizona Project WET is equipped to develop and deliver targeted programming for Flagstaff teachers and students on these topics that meet one or more of Arizona's science standards.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. That Arizona Project WET and the City of Flagstaff Water Conservation Program agree to collaborate on water-based K-12 educational content and instruction for a period of five (5) years, with the ability to renew the agreement for an additional five (5) years.

SECTION 2. That the City of Flagstaff Water Conservation Program will provide staff time to support this partnership along with funding of up to $15,000 annually to Arizona Project WET for the provision of these services.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 6th day of October, 2020.

_____
MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____

CITY ATTORNEY

Exhibits:
IGA

INTERGOVERNMENTAL AGREEMENT
Flagstaff Water Education Program Between Arizona Board of Regents for and on behalf of University of Arizona and the City of Flagstaff

THIS INTERGOVERNMENTAL AGREEMENT ("Agreement") is entered into this ____ day of _____, 2020, by and between the CITY OF FLAGSTAFF, a municipal corporation of the State of Arizona ("City"), and the ARIZONA BOARD OF REGENTS, a body corporate with perpetual succession pursuant to the laws of the State of Arizona, for and on behalf of University of Arizona, a public institution of higher education ("University").

RECITALS:

WHEREAS, the City has authority to enter into this Agreement pursuant to Arizona Revised Statutes ("A.R.S.") § 11-952 and the Flagstaff City Charter, Article I, Section 3; and

WHEREAS, the University has authority to enter into this Agreement pursuant to A.R.S. §§ 11-952 and 15-1625; and

WHEREAS, the City is wanting to collaborate with the University of Arizona, Arizona Project WET (APW) to educate K-12 students about their interconnected water resources and their importance to Flagstaff's future. Effective water education lessons will also inspire students to adopt water conservation practices; and

WHEREAS, the University of Arizona, Arizona Project WET program develops water stewardship and STEM literacy by providing teacher professional development that evolves instructional practice and deepens content knowledge, direct student outreach that delivers and extends classroom learning, and community engagement; and

WHEREAS, the parties intend to develop and deliver targeted programs relevant to the Flagstaff area that assist teaching in meeting one or more of the new Arizona science standards, per targeted grade level, while providing real world relevancy for student engagement.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties agree as follows:

The purpose of this Agreement is to cover the activities related to the Flagstaff Water Education Program.

TERM AND TERMINATION:

This Agreement will begin upon full execution and continue for five (5) years ("Initial Term"). At the end of the Initial Term, the parties will determine if an extended period of time is needed to gather information regarding the composition of the program, and may enter into an

amendment to renew the Agreement for one (1) additional five (5) years ("Renewal Term"). The Initial Term and Renewal Term, if exercised, will cover the duration of the pilot program period. At the end of the pilot program period, the parties will determine whether or not to enter into an agreement for a long term program which will establish the specific responsibilities, costs and payment obligations between the parties.

Notwithstanding the foregoing, either party may terminate this Agreement for convenience by providing the other party ninety (90) days' prior written notice.

RESPONSIBILITIES:

City shall be responsible for the following activities:

1. Provide funding in the amount of up to **$15,000** per year on a reimbursement basis for water education lessons facilitated through inquiry and exploration within the City of Flagstaff service area, see scope of work Exhibit A.
2. The City agrees to waive the indirect cost so that the total funding provides a greater direct benefit to the project.
3. Work with Arizona Project WET staff and others to ensure educational content is pertinent to the City of Flagstaff service area.
4. Analyze evaluation data and metrics collected by Arizona Project WET to ensure school district staff and participants find the Arizona Project WET trainings effective and helpful in meeting the Arizona science standards per targeted grade level.

University shall be responsible for the following activities:

1. Provide educator professional development that evolves instructional practice and deepens content knowledge.
2. Work with the Water Services staff and school district to identify grade level specific lessons for interested teachers.
3. Immerse educators in the use of Systems Thinking.
4. Deepen educator' understanding of Arizona's water resources and water science.
5. Provide an impactful STEM unit that enables educators to engage students in STEM learning focused their own water resources and protection of it.
6. Support educators in the delivery of STEM unites by assisting with the logistical planning and delivery of key curriculum components.
7. Direct student-directed learning experiences that extend classroom learning.
8. Evaluate student and educator knowledge and skill gains using assessment tools.
9. Engage the community in learning about water resource challenges and issues pertinent to the Flagstaff area.

10. The University agrees to waive the indirect cost so that the total funding provides a greater direct benefit to the project.

PERSONNEL:

Except for the purposes of A.R.S. § 23-1022 D., personnel of either party will not for any other purpose be considered employees or agents of the other party. Each party assumes full responsibility for the actions of its personnel while performing activities and services under this Agreement, and shall be solely responsible for their supervision, daily direction and control, payment of salary (including but not limited to withholding of income taxes and social security), workers' compensation and disability benefits.

INSURANCE AND INDEMNIFICATION:

1. University shall maintain adequate insurance (through the Arizona Department of Administration Risk Management Division, which is a self-insurance program) to cover any liability arising from the acts and omissions of University employees or agents participating in the pilot program. University shall not be responsible for maintaining insurance coverage for liability arising from the acts and omissions of City employees or agents.

2. City shall maintain adequate insurance (which may include a bona fide self-insurance program) to cover any liability arising from the acts and omissions of City employees or agents participating in the pilot program. City shall not be responsible for maintaining insurance coverage for liability arising from the acts and omissions of University employees or agents.

3. Each party (as "indemnitor") agrees to indemnify, defend, and hold harmless the other party (as "indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "claims") arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, indemnitor's officer, officials, agents, employees, or volunteers.

NONAPPROPRIATION:

If the City's performance under this Agreement depends upon the appropriation of funds by the City Council or the University's performance under this Agreement depends upon the appropriation of funds by the Arizona Legislature, and if the City Council or the Arizona Legislature, respectively, fails to appropriate the funds necessary for performance, then either the City or the University may provide written notice to the other party and immediately cancel this

Agreement without further obligation of either party. Appropriation is a legislative act and is beyond the control of the parties.

RECORD INSPECTION AND RETENTION:

The parties agree to retain all books, accounts, reports, files and other records relating to the Agreement and to make such records available at all reasonable times for inspection and audit by the University or Auditor General of the State of Arizona, or their agents, during the term of and for a period of five (5) years after completion of this Agreement.

CONFLICT OF INTEREST:

In accordance with A.R.S. § 38-511, this Agreement may be cancelled for conflict of interest within three (3) years after its execution, without penalty or further liability.

NON-DISCRIMINATION:

The parties agree to comply with all applicable state and federal laws, rules, regulations and executive orders governing equal employment opportunity, immigration, non-discrimination, including the Americans with Disabilities Act, sexual orientation, or gender identity or expression.

THIRD PARTY BENEFICIARIES:

This Agreement is intended for the exclusive benefit of the parties hereto. Nothing herein is intended to create any rights or responsibilities to third parties.

ASSIGNMENT:

Neither party shall have the right to assign this Agreement without prior written consent of the other party.

MANNER OF FINANCING:

Each party to this Agreement shall be responsible for its own costs and budgeting for performance of their respective obligations.

DISPUTES AND ARBITRATON:

In the event of a dispute between the parties to this Agreement, the parties shall attempt to resolve the disagreement on an informal, good faith basis. If that fails, pursuant to A.R.S. §12-1518, the parties acknowledge and agree that they may be required to make use of mandatory arbitration of any legal action that is filed in the Arizona Superior Court concerning a controversy arising out of this Agreement if required by A.R.S. § 12-133.

RELATIONSHIP AND USE OF MARKS:

Except as otherwise agreed in writing, the parties acknowledge that the relationship created by this Agreement is limited to a pilot program. Neither party shall make any representations stating or implying the parties engage in broader transactions or that a party is otherwise associated with the other without first obtaining express written permission from the other party. In addition, neither party shall use any trade name, trademark, service mark, logo, domain name, nor any other distinctive brand feature owned or used by the other party without its express written authorization.

NOTICES:

To City of Flagstaff:
City Manager
City of Flagstaff
211 W Aspen Ave
Flagstaff, AZ 86001

To University of Arizona:
Sponsored Projects & Contracting Services
University of Arizona
PO Box 210158, Room 515
Tucson, AZ 85721-0158

with copy to:

Water Conservation Specialist
City of Flagstaff
211 W Aspen Ave
Flagstaff, AZ 86001

GENERAL PROVISIONS:

1. Both parties agree to meet monthly during the term of this Agreement to discuss the quantity and quality of the material being delivered by the University, as well as the costs incurred under the pilot program.

2. No payments beyond those identified in RESPONSIBILITIES above will be exchanged between the parties during the term of this Agreement. If the determination is made to

enter into a long term program at the conclusion of the pilot program period, any costs associated with the long term program will be identified in a subsequent agreement between the parties.

COUNTERPARTS:

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

AMENDMENTS AND RELATED AGREEMENTS:

This Agreement constitutes the entire agreement of the parties relating to the subject matter hereof as of the date of execution. All amendments or modifications of this Agreement shall be in writing and approved by the parties.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties hereto have set forth their hands, through representatives duly so authorized, the day and date first above written.

ARIZONA BOARD OF REGENTS FOR AND ON BEHALF OF UNIVERSITY OF ARIZONA

_____ _____

Mark A. Drury, Contracts Manager Date
Sponsored Projects & Contracting Services

The undersigned has determined that the foregoing Agreement is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the Arizona Board of Regents.

_____ _____

Josh Estavillo, Associate General Counsel Date

CITY OF FLAGSTAFF

_____ _____

Coral Evans, Mayor Date

Attest:

_____

City Clerk

The undersigned has determined that the foregoing Agreement is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the City of Flagstaff.

_____ _____

City Attorney Date

Flagstaff Water Education Program

Exhibit A – Scope of Work

I. Purpose

The purpose of this partnership is to educate K-12 students about their interconnected water resources and their importance to Flagstaff's future. Effective water education lessons will also inspire students to adopt water conservation practices.

II. Goals

Develop and deliver targeted programs that assist educators in meeting science standards while providing real world relevancy for student engagement. Working with Flagstaff area schools, local non-profits and non-formal educators, Arizona Project WET will identify grade level specific lessons for interested teachers. Options may include:

- Water Scene Investigation Program - Classroom or virtual visits (with a homework assignment in between)
- 50-minute facilitated sessions on the groundwater system using flow models
- 50-minute interactive lesson on watersheds that includes forest and burned area runoff and retention
- Offer new school water audit opportunities to existing SWAP teachers to audit and retrofit new parts of their schools, other schools and or public buildings
- Other water conservation education lessons, including virtual lessons
- Annual Water Festival and accompanying classroom assistance for 4th graders
- STEM Events and/or Festivals

III. Objectives

This program will work to build understanding on the following objectives (not all students will meet the same objectives). Participating students will:

- see relationships between Flagstaff's interconnected water resources
- make connections to their water supplies and needs
- explore the watershed that they live in and how it functions in their lives
- construct explanations using evidence about regional and local water management
- examine evidence of drought impacts
- apply water conservation and efficiency strategies
- become water stewards and wise water users

IV. Background

Arizona Project WET develops water stewardship and STEM literacy by: 1) providing teacher professional development that evolves instructional practice and deepens content knowledge, 2) direct student outreach that delivers or extends classroom learning, and 3) community engagement. For over a decade, the APW Program has delivered effective water education that teaches water science and stewardship and inspires responsible decision making and water conservation.

V. Budget

APW will utilize $8,000 of the annual budget to fund a part-time hourly Instructional Specialist, and up to $7,000 for the annual Water Festival, teacher classroom assistance, teacher workshops and STEM events. The Instructional Specialist will report to the Director of APW and be a part of the statewide APW team but will be housed at the Coconino County Cooperative Extension Office. The Specialist will provide their own transportation, have a valid AZ driver's license and current vehicle insurance to travel within Coconino County.

Total Cost: up to $15,000 annually for in person and/or virtual water education lessons facilitated through inquiry and exploration within City of Flagstaff service area.

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Tamara Lawless, Water Conservation Manager

Co-Submitter: Stacey Brechler-Knaggs

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:

Consideration and Adoption of Resolution No. 2025-60: A resolution of the Flagstaff City Council, approving an Intergovernmental Agreement with Northern Arizona University for routine water fixture audits and retrofits

STAFF RECOMMENDED ACTION:

1. Read Resolution No. 2025-60 by title only
2. City Clerk reads Resolution No. 2025-60 by title only (if approved above)
3. Adopt Resolution No. 2025-60

Executive Summary:

This Intergovernmental Agreement (IGA) between City of Flagstaff and Northern Arizona University (NAU) formalizes an ongoing partnership through which staff from the Water Conservation Program audit the water fixtures at NAU buildings. During these audits, easily replaced fixtures such as faucet aerators, showerheads, and pre-rinse spray valves are retrofitted if found old or inefficient. Other more complex retrofits or repairs such as toilet replacements or ongoing leaks are noted and reported back to NAU staff. The goal of this partnership is to work through all NAU buildings by the end of 2026.

Financial Impact:

Project Name: Routine Water Fixture Audits at NAU
Cost: Approximately $8,000 annually in replacement aerators, showerheads, pre-rinse spray valves, and staff time
Account Number Budgeted: 202-08-304-1062-0-4349
FY Budgeted Amount: Object code 4349 (promotional materials) is budget for $30,000 annually
Grant Funded: No
Funding Source: Water Services - Drinking Water Fund

Policy Impact:

This initiative is part of the ongoing programming described in the 2020 City Council-adopted Water Conservation Strategic Plan. The adopted program includes a specific water consultation program for institutional sites and budget for institutional rebates.

Previous Council Decision or Community Discussion:

The Flagstaff City Council approved the Water Conservation Strategic Plan in 2020.

Options and Alternatives to Recommended Action:

N/A

Background and History:

Water Conservation staff have been partnering with NAU over the last several years to improve campus water

efficiency. This IGA formalizes the water audit and retrofit portion of that partnership.

Connection to PBB Priorities and Objectives:
This initiative provides benefits for the following areas of the Priority Based Budgeting:

1. Environmental Stewardship
    - Preserves natural resources through water efficiency investments
2. High Performing Governance
    - Is an efficient local government initiative (high return on investment)

Connection to Regional Plan:
Water conservation is an integral component of the City's long-term planning for the next 100 years of water supply for Flagstaff.

Connection to Carbon Neutrality Plan:
Water production, treatment, and transport is our municipality's top source of energy use (and therefore greenhouse gas emissions). Improvements in water use efficiency are a positive impact on the Carbon Neutrality Plan.

Connection to 10-Year Housing Plan:
N/A

Attachments: Res. 2025-60
NAU Water Fixture IGA 2025

RESOLUTION NO. 2025-60

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN NORTHERN ARIZONA UNIVERSITY AND THE CITY OF FLAGSTAFF FOR ROUTINE WATER FIXTURE AUDITS AND RETROFITS

RECITALS:

WHEREAS, Northern Arizona University (NAU) and City of Flagstaff desire to enter into an intergovernmental agreement for partnering on routine water audits and water fixture retrofits of Nau buildings; and

WHEREAS, the Parties are members of a cooperative procurement agreement known as the Flagstaff Alliance for the Second Century (hereafter the "Alliance") through an intergovernmental agreement dated November 19, 2020 (hereafter the "Alliance IGA"), formed to address area-wide issues in the greater Flagstaff area and better leverage the resources of Alliance members for the benefit of the community; and

WHEREAS, through the Alliance IGA, the Parties are permitted to enter into additional agreements for the purpose of using and sharing resources and facilities in a manner consistent with the terms set forth within the Alliance IGA; and

WHEREAS, City of Flagstaff City Council adopted the Water Conservation Strategic Plan in 2020 that includes fixture retrofits at schools and institutions as part of the Optimized Conservation Program, and

WHEREAS, City of Flagstaff City Council adopts an annual budget that supports the Water Conservation Program staff and budget for these programs, and

WHEREAS, City desires to provide materials and labor to upgrade water fixtures on NAU's Flagstaff campus to reduce water use and the Parties desire to enter into this Agreement in accordance with the Alliance IGA and therein define the resource, the purpose, and the responsibilities of the Parties in conjunction with the project or resource commonly referred to as water conservation; and

WHEREAS, the City has authority to enter into this Agreement pursuant to Arizona Revised Statutes ("A.R.S.") §§ 11-952 and 41-2632 and the Flagstaff City Charter, Article I, Section 3; and

WHEREAS, NAU has authority to enter into this Agreement pursuant to A.R.S. §§ 11-952 and 15-1625 and Arizona Board of Regents Policy 3-808.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. In General.

The Flagstaff City Council hereby authorizes the Mayor to execute the Intergovernmental Agreement between Northern Arizona University and the City of Flagstaff, Arizona, attached hereto as Exhibit A.

SECTION 2. Effective Date.

This resolution shall be immediately effective upon adoption.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 21st day of October 2025.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

Exhibits:
IGA

RESOURCE USE AND SHARING AGREEMENT

THIS RESOURCE USE AND SHARING AGREEMENT (hereafter "Agreement") is made and entered into this 5th day of March, 2025 by and between the CITY OF FLAGSTAFF, a political subdivision of the State of Arizona (hereafter "City") and ARIZONA BOARD OF REGENTS for and on behalf of NORTHERN ARIZONA UNIVERSITY (hereafter "NAU"). The City and NAU may be referred to in this Agreement individually as "Party" or together as "Parties," as the case may be.

RECITALS

A. WHEREAS, the Parties are members of a cooperative procurement agreement known as the Flagstaff Alliance for the Second Century (hereafter the "Alliance") through an intergovernmental agreement dated November 19, 2020 (hereafter the "Alliance IGA"), formed to address area-wide issues in the greater Flagstaff area and better leverage the resources of Alliance members for the benefit of the community; and

B. WHEREAS, through the Alliance IGA, the Parties are permitted to enter into additional agreements for the purpose of using and sharing resources and facilities in a manner consistent with the terms set forth within the Alliance IGA; and

C. WHEREAS, City of Flagstaff City Council adopted the Water Conservation Strategic Plan in 2020 that includes fixture retrofits at schools and institutions as part of the Optimized Conservation Program, and

D. WHEREAS, City of Flagstaff City Council adopts an annual budget that supports the Water Conservation Program staff and budget for these programs, and

E. WHEREAS, City desires to provide materials and labor to upgrade water fixtures on NAU's Flagstaff campus to reduce water use and the Parties desire to enter into this Agreement in accordance with the Alliance IGA and therein define the resource, the purpose, and the responsibilities of the Parties in conjunction with the project or resource commonly referred to as **Water Conservation**; and

F. WHEREAS, the City has authority to enter into this Agreement pursuant to Arizona Revised Statutes ("A.R.S.") §§ 11-952 and 41-2632 and the Flagstaff City Charter, Article I, Section 3; and

G. WHEREAS, NAU has authority to enter into this Agreement pursuant to A.R.S. §§ 11-952 and 15-1625 and Arizona Board of Regents Policy 3-808.

NOW THEREFORE, in consideration of the mutual obligations and covenants set forth herein, the Parties agree as follows:

AGREEMENT

1. TERM

This Agreement shall commence on June 1, 2025 and shall end on June 1, 2026 and may be terminated, with or without cause, upon ninety (90) days' notice to the other Party. This Agreement may be renewed through an addendum signed by both Parties so long as both Parties remain a Party to the Alliance IGA. This Agreement will terminate upon termination of the Alliance IGA.

2. PROJECT DESCRIPTION

a. City will be upgrading various water fixtures on NAU's Flagstaff campus including but not limited to sink aerators, showerheads, sprayer heads, and toilets with low water use fixtures to aid both Parties in water conservation efforts. Typical flow rates for these fixtures are as follows:

Sink aerators	0.5 gallons per minutes (gpm)
Showerheads	1.5 gpm
Pre-rinse spray valves	1.1 gpm

b. The City is providing all labor and materials at no cost to NAU since this project serves a dual purpose of helping the City's customers conserve water. NAU will provide the City with a targeted list of buildings that are known to have fixtures that are high in water use. Once the new fixtures are installed, the fixtures will require little to no maintenance and any future maintenance will be the responsibility of NAU.

c. The project will be ongoing during the term of this Agreement and the City is expecting to be on NAU's Flagstaff campus for two (2) hours every week working through a pre-planned schedule of buildings that need various water fixture upgrades. Scheduling will be mutually agreed upon by the Parties.

3. COSTS

The City shall be responsible for its costs for performance of its respective obligations under this Agreement which includes but is not limited to purchasing and provision of materials including the fixtures and related supplies, labor, and installation of fixtures. NAU shall be responsible once the new fixtures are installed for all future repairs, maintenance, inspection and replacement of these fixtures.

4. FIXTURES

The various water fixtures are described in the materials attached hereto as Exhibit A. City shall be responsible for the purchase and installation of the various water fixtures per manufacturer specifications. City will be responsible or liable for any damaged, missing, or stolen fixtures prior to such installation, regardless of the cause, including any damage to NAU property during such installation. NAU will reasonably assist City with any and all water shut-off necessary during installation.

5. INSTALLATION

a. Coordination. The City shall coordinate with NAU for installation of the fixtures.

b. Installation. The installation of new fixtures including any sink aerators, showerheads, sprayer heads, and toilets shall be the responsibility of the City. NAU shall be responsible for the maintenance and upkeep on the newly installed fixtures.

c. Damages. The City shall promptly notify NAU of any damages to NAU's property during installation. If such damage was due to an act or omission of the City, the City may repair such damages at the City's own cost or NAU may repair the property and send an invoice to the City for reimbursement NAU will determine in its sole discretion whether the City or NAU will make such repairs. Damages that occur due to NAU's property being faulty are excluded from this damage clause and shall be the sole responsibility of NAU to repair.

6. PERSONNEL

Each Party's personnel will not for any purpose be considered employees or agents of the other Party. Each Party assumes full responsibility for the actions of its personnel while performing activities and services under this Agreement, and shall be solely responsible for their supervision, daily direction and control, payment of salary (including but not limited to withholding of income taxes and social security), workers' compensation, and disability benefits. Each Party shall use qualified personnel in performance of work on installation of the new fixtures.

7. THIRD-PARTY BENEFICIARY

No person or entity, whether or not mentioned or referred to in this Agreement, other than City and NAU and each Party's permitted successors and assigns, shall be considered to be a third-party beneficiary of or entitled to assert any rights under this Agreement.

8. FORCE MAJEURE

Neither Party shall be held responsible for any losses resulting if the fulfillment of any terms or provisions of this Agreement are delayed or prevented by any cause not within the control of the Party whose performance is interfered with, and which by the exercise of reasonable diligence, said Party is unable to prevent ("force majeure event"), including but not limited to acts of God, epidemics, pandemics, war, civil disturbance, terrorism, disaster, fire, earthquakes, hurricanes, known or suspected threats of illness, or government regulation.

9. ENTIRE AGREEMENT, GOVERNING LAW, AND TERMS

This Agreement represents the entire agreement and understanding of the Parties with regards to this subject matter of this Agreement and supersedes any prior written or verbal agreements between the Parties. This Agreement and all claims arising out of or relating to this Agreement shall be governed exclusively by the laws of the State of Arizona. The terms and conditions of the Alliance IGA shall govern this Agreement and are incorporated herein by reference. All amendments or modifications of this Agreement shall be in writing and approved by the Parties.

(signature page to follow)

IN WITNESS WHEREOF, the Parties hereto have read and agree to the terms and conditions herein and have executed this Agreement as of the day and date first above written.

City of Flagstaff

_____

Dated: _____

Attest:

_____
City Clerk

Approved as to form and as to authority granted by law:

_____
City Attorney

Arizona Board of Regents for and on behalf of Northern Arizona University

_____
Emily McBride, Interim Director, Contracts and Risk Management

Dated: _____

Exhibit A

List of Fixtures

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Adriana Fisher, Housing Program Manager

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:

Consideration and Adoption of Resolution No. 2025-57: A resolution of the Flagstaff City Council, adopting the Community Homebuyer Assistance Program - Bond-Funded Expansion; authorizing use of bond funds for the program; providing for delegation of authority to implement the program; and establishing an effective date

STAFF RECOMMENDED ACTION:

1. Read Resolution No. 2025-57 by title only
2. City Clerk reads Resolution No. 2025-57 by title only (if approved above)
3. Adopt Resolution No. 2025-57

Executive Summary:

Staff are requesting City Council approval of program criteria for the expanded Community Homebuyer Assistance Program (CHAP), including proposed changes to the existing program parameters, and approval of a new Permanent Affordability Pilot program. The proposed changes aim to expand access to homeownership for local Flagstaff residents, promote long-term affordability, and foster a diverse range of housing options in all neighborhoods. These updates will also maximize the impact of $7 million in general obligation bond funds approved by voters through Proposition 442 in November 2022.

CHAP has historically supported first-time, mortgage-ready homebuyers with down payment and closing cost assistance. Between February 2024 and February 2025, the program assisted 11 households with $40,000 per household before exhausting its general fund allocation.

In anticipation of the depletion of funds, City staff conducted extensive research on potential opportunities for expansion throughout 2024 and held multiple brainstorming sessions with the Housing Commission. In October 2024, City Council reviewed the proposed criteria, provided recommendations, and directed staff to move forward with a competitive process to hire a program administrator. A Request for Statement of Qualifications (RSOQ) was launched in March 2025 to select a third-party administrator. Housing Solutions of Northern Arizona (HSNA) was selected and began administering the expanded, bond-funded program in August 2025. Since August, three households have closed, and three more households are currently under contract.

The updated program structure includes two distinct pathways for Flagstaff residents to choose from:

- Option 1: Financial assistance, up to $50,000, for first-time homebuyers earning up to 150% of Area Median Income (AMI), secured through a repayable loan.
- Option 2: A permanent affordability pilot that provides 30% of the home's purchase price in exchange for permanent affordability.

Together, these two options are designed to meet the needs of a broader range of Flagstaff households, increase homeownership opportunities citywide, and support inclusive, mixed-income neighborhoods.

Financial Impact:

The expanded CHAP program is funded with up to $7 million in general obligation bond funds authorized by voters under Proposition 442 (November 2022).

Policy Impact:
This program is being expanded to provide the increased level of financial assistance needed for Flagstaff households to achieve their first-time homeownership goals. The program's purpose is to assist eligible first-time homebuyers with upfront costs, such as down payments and closing costs, and to increase the inventory of permanently affordable homes in all areas of the City.

Previous Council Decision or Community Discussion:
In November 2022, Flagstaff voters approved Proposition 442, which included approximately $7 million to expand the Community Homebuyer Assistance Program (CHAP). Between January and September 2024, City staff researched opportunities for program expansion and held multiple brainstorming sessions with the Housing Commission. In October 2024, City Council reviewed the proposed criteria, provided recommendations, and directed staff to move forward with a competitive process to select a program administrator. A Request for Statement of Qualifications (RSOQ) was published in March 2025, and Housing Solutions of Northern Arizona (HSNA) was selected to administer the program. A limited version of the expanded CHAP program officially launched in August 2025 under HSNA's administration.

Options and Alternatives to Recommended Action:

1. Adopt the Resolution: Approve the proposed program changes and permanent affordability pilot as presented.
2. Adopt with Amendments: Approve the program changes and/or permanent affordability pilot with Council-specified modifications.
3. Deny Adoption: Do not approve the proposed program changes and/or permanent affordability pilot.

Background and History:
In 1998, the City of Flagstaff established the Community Homebuyer Assistance Program (CHAP) to help first-time homebuyers earning up to 125% of Area Median Income (AMI) with the upfront costs of homeownership. Funded through the City's general fund, CHAP has historically served moderate-income, mortgage-ready households who are often ineligible for traditional low-income housing assistance but still face significant barriers in Flagstaff's housing market.

In November 2022, Flagstaff voters approved Proposition 442, authorizing $20 million in general obligation bonds to support local housing efforts. Of this, $7 million was allocated specifically to expand CHAP.

Beginning in early 2024, Housing staff worked with the Housing Commission and community stakeholders to develop expanded program criteria. In August and September 2024, the Housing Commission reviewed and refined draft guidelines. On October 8, 2024, City Council provided additional direction and authorized staff to proceed with a formal procurement process to select a program administrator.

An RSOQ was published in March 2025, and Housing Solutions of Northern Arizona (HSNA) was selected to administer the expanded program. CHAP officially relaunched with a limited scope under HSNA's administration in August 2025. Since the relaunch, three households have successfully closed on their new homes, with three additional closings underway.

The below are key components of both of the options provided by the program, pending Council's approval:

Option 1: Home Purchase Assistance
This option supports first-time homebuyers with down payment and closing cost assistance through a repayable loan. Key criteria include:

- Household income up to 150% AMI ($152,820 for a household of three)
- Maximum assistance of $50,000, with a minimum buyer contribution of $2,500
- 10:1 matching structure (e.g., $5,000 in buyer funds = $50,000 in assistance)
- Need-based -- household must not have more than 8 months of total housing costs saved
- Home purchase price must fall below the jumbo loan limit ($806,500)
- Housing ratio between 25--35%, and debt-to-income (DTI) not to exceed 45%

- Repayment is required based on a shared appreciation formula; funds are recycled for future buyers

Option 2: Permanent Affordability Pilot Program
This pilot provides households with deeper assistance in exchange for making the home permanently affordable. Key features include:

- Household income up to 125% AMI ($127,350 for a household of three)
- Assistance equal to 30% of the home's purchase price
- Home purchase price limit of $600,000
- Property must be within Flagstaff city limits and owner-occupied
- No repayment required, but resale is limited to 25% of market appreciation
- The home must be sold to income-eligible buyers
- Affordability guidelines: housing ratio ≤ 35%, DTI ≤ 45% (up to 50% with City approval)
- Secured through a 99-year renewable ground lease or deed restriction

Eligible buyers will be permitted to choose either Option 1 or Option 2, but not both.

Connection to PBB Priorities and Objectives:

- **High Performing Governance:**
  - Implement innovative local government programs, new ideas & best practices; be recognized as a model for others to follow.
- **Safe & Healthy Community:**
  - Support social services, community partners & housing opportunities
- **Inclusive & Engaged Community:**
  - Ensure city facilities, services, & programs are accessible for all residents & representative of Flagstaff's diverse community
- **Robust Resilient Economy:**
  - Support & strengthen a more robust, diverse, & sustainable economy in ways that reflect community values & provides for affordable housing opportunities
- **Livable Community**
  - Actively support attainable & affordable housing through City projects & opportunities with developers???????
- **Environmental Stewardship**
  - Implement, maintain & further the Climate Action & Adaptation Plan (CAAP) with awareness of social inequities

Connection to Regional Plan:

- **NH.3.1.** Provide a variety of housing types throughout the City and region, including purchase and rental options, to expand the choices available to meet the financial and lifestyle needs of our diverse population.
- **NH.3.3.** Increase the availability of affordable housing for very low-income persons, through innovative and effective funding mechanisms.
- **NH.3.5.** Encourage and incentivize affordable housing.
- **NH.5.3.** Support and expand programs that prevent homelessness

Connection to Carbon Neutrality Plan:

- **HA-1:** Create housing options for households at all income levels and family sizes occupied by local residents.
- **HA-2:** Connect people to equitable housing solutions.
- **HA-3:** Preserve affordable housing.
- **HA-4:** Protect people from housing discrimination and remove housing barriers.

Connection to 10-Year Housing Plan:

- **Create 3.3:** Identify ongoing resource opportunities for the purpose of assisting households experiencing homelessness, households at risk of becoming homeless, first-time homebuyers, and affordable housing targeted to these populations.
- **Connect 2.4:** Utilize City of Flagstaff resources to educate the community about financing and housing opportunities with an emphasis on assisting low- to moderate-income households to advance through the housing continuum and to address past racial disparities.
- **Protect 2.2:** Encourage diversity of housing options in all neighborhoods, understanding that exclusive communities are incompatible with the City of Flagstaff's mission to protect and enhance the quality of life for all.

Attachments: Res. 2025-57
Exhibit A - Program Criteria
Presentation

RESOLUTION NO. 2025-57

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, ADOPTING THE COMMUNITY HOMEBUYER ASSISTANCE PROGRAM – BOND-FUNDED EXPANSION; AUTHORIZING USE OF BOND FUNDS FOR THE PROGRAM; PROVIDING FOR DELEGATION OF AUTHORITY TO IMPLEMENT THE PROGRAM; AND ESTABLISHING AN EFFECTIVE DATE

RECITALS:

WHEREAS, affordable housing in Flagstaff has been a documented need for more than 50 years and has reached crisis levels in recent years with data showing housing costs pushed higher by limited supply and external demand exceeding the buying and renting power of the local workforce; and

WHEREAS, in response to a citizen's petition, in December 2020, Flagstaff City Council adopted Resolution 2020-66 declaring a Housing Emergency for the City of Flagstaff, prioritizing affordable housing within City operations to create safe, decent and affordable housing opportunities for all community members; and

WHEREAS, on February 15, 2022, Council adopted Resolution 2022-03, approving the City of Flagstaff's 10-Year Housing Plan, which identifies a strategy to "Present 2022 Bond Measure to Council and Community for consideration for additional funding to be leveraged with local, state, and federal dollars" to fund the creation of affordable housing programs; and

WHEREAS, on November 8, 2022 a majority of the City voters voting in the General Election approved Proposition 442, authorizing the City to issue and sell $20 million in general obligation bonds to be repaid with secondary property taxes, for the purposes of: (i) redeveloping City owned housing to create additional affordable rental units, (ii) repurposing existing available buildings into rental units, (iii) incentivizing the private sector to incorporate affordable rental housing into new developments, and (iv) expanding the homebuyer assistance program; and

WHEREAS, the City desires to implement the bond measure approved by the voters, by adopting a Community Homebuyer Assistance Program – Bond-Funded Expansion and authorizing the expenditure of approximately $7 million for such program; and

WHEREAS, eligible first-time Flagstaff homebuyers seeking to purchase their first home within City limits may apply for assistance under this program.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. In General

The Community Homebuyer Assistance Program – Bond-Funded Expansion, a copy of which is attached as Exhibit A to this Resolution, is hereby adopted. This bond-funded program replaces

the prior program financed with General Fund monies.

SECTION 2. Financial Authorization

The City Council hereby authorizes the use of approximately $7 million in general bond funding for the Community Homebuyer Assistance Program – Bond-Funded Expansion, as contemplated by the publicity pamphlet for Proposition 442; provided, however, nothing herein requires the City Housing Division to use all such funding for the program and the City Council reserves the right to reallocate use of bond monies for any of the affordable housing purposes described in Proposition 442 at a future date.

Any General Fund monies returned to the City under the revolving loan provisions of the prior City Homebuyer Assistance program shall be applied and used under the new program adopted herein.

SECTION 3. Delegation of Authority

The Housing Director is hereby authorized to make minor programmatic and administrative changes to the Community Homebuyer Assistance Program with written approval of the City Manager.

City Housing staff are hereby authorized to take such other and further measures and actions as are necessary and appropriate to carry out the terms, provisions, and intents of this Resolution.

SECTION 4. Effective Date

This Resolution shall be immediately effective upon adoption.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 21st day of October, 2025.

_____
MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

Exhibits:
Community Homebuyer Assistance Program – Bond-Funded Expansion

Exhibit A

City of Flagstaff Housing Office
Program Criteria
Effective October 21, 2025

Community Homebuyer Assistance Program – Bond-Funded Expansion (CHAP-B)

OPTION 1: HOME PURCHASE ASSISTANCE

Program Purpose

Assist eligible first-time homebuyers in Flagstaff with the upfront costs of homeownership, such as down payment and closing costs.

Eligibility Criteria

1. Buyer Eligibility

   Eligible buyers must meet the following requirements:

   - Be a U.S. citizen or a legal permanent resident.
   - Have lived or worked in the Flagstaff Metropolitan Planning Organization (FMPO) boundary for at least one year. A map of the FMPO boundary is attached as Exhibit 1.
   - Must not have owned a home within the FMPO boundary within the last three years and be a "first-time homebuyer" in Flagstaff, Arizona, as defined by the Department of Housing and Urban Development (HUD) federal regulation 24 CFR 93.2: "An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property…" This includes:
     - "A single parent who has only owned with a former spouse while married."
     - "An individual who is a displaced homemaker and has only owned with a spouse."
     - "An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations."
     - "An individual who has only owned a property that was not in compliance with state, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure."
   - Must occupy the home purchased with assistance as their primary residence.
   - Must have a household income at or below 150% of the Area Median Income (AMI), based on household size, and as published by the City based on calculations from HUD annually.

2. Housing Unit Eligibility

   Eligible properties:

   - Must be located within the official City of Flagstaff limits.

- Include single-family detached homes, townhomes, condominiums, and FHA-compliant manufactured homes permanently affixed to and purchased with real property.
- Must not exceed the jumbo mortgage loan limit purchase price.
- Must be livable and meet lender occupancy and purchase guidelines.
- Must be purchased through an arms-length transaction.
- May have a home inspection by a licensed, professional, third-party inspector (highly recommended, but not required). The buyer must sign a Hold Harmless agreement at closing, ensuring that the buyer will not hold the program administrator or the City responsible for the condition of the home.

Assistance Levels and Lending Parameters

1. Maximum Assistance

   The maximum assistance provided through the program is as follows:

   - Maximum Assistance: Up to $50,000 per household, based on household contribution.
   - Buyer Contribution: A minimum of $2,500 through documented buyer funds. Additional contributions may come from documented gifts from immediate family or employers.
   - Matching Structure: The program will match household contributions to the home purchase on a 10-to-1 basis (i. e. $5,000 buyer funds = $50,000 program funds). The program will also match gifts from immediate family members, as documented.

2. Repayment

   The homeowner shall repay the program's financial assistance based on (1) a proportionate share of the home's appreciation using the Repayment Formula (below), unless (2) the home's future resale price is already restricted through the Affordable Homeownership Program, in which case the homeowner shall repay the original amount of the program assistance in full. Funds will NEVER be forgiven.

   - Triggers for Repayment:
     - The home is sold or there is a change in title;
     - The home is no longer owner-occupied;
     - The household refinances the home to access home equity (refinance with no cash-out is permitted and assistance will subordinate); or
     - Information provided to the program administrator or the City at the time of assistance is determined to be fraudulent.
   - Repayment Formula:
     - If the home resale price is not otherwise restricted, the future repayment of program assistance will be determined by the formula as follows:

       Borrower shall repay:

       (1) the principal sum that was borrowed (the City's financial assistance); plus

       (2) a proportionate share of the appreciation in the home's value from the time of purchase to the time when repayment is owed.

The proportion share is the percentage of City's financial assistance toward the total purchase price. For a $400,000 home, if City's financial assistance was $50,000, the proportionate share would be 1/8th, or 12.5%.

The appreciation in the home's value is the difference between the sales price less the original purchase price in an arms-length transaction. Or, if the property is not being sold, then the difference between the appraised value of the property at time of repayment less the original purchase price.

- Early Payoff Repayment Formula (if repayment occurs within 7 years from purchase date)**:**
  (1) Borrower shall repay the principal sum, plus 50% of the City's proportionate share of the appreciation.

3. Affordability Guidelines
   - Housing Ratio: Between 30-35% of gross monthly income (unless lender guidelines or layered assistance program have more conservative requirements). Exceptions to Housing Ratio requirements will be considered on a case-by-case basis, with recommendations from the program administrator, and based on compensating factors.
   - Debt-to-Income (DTI) Ratio: Not to exceed 45% of gross monthly income. Exceptions to affordability requirements may be made on a case-by-case basis, as recommended by the program administrator, and based on compensating factors. Committee approval of up to 50% DTI will be considered by the City.
4. Mortgage and Closing Requirements
   - Must be a 30-year fixed-rate mortgage with a competitive interest rate.
   - Closing costs must be reasonable and consistent with industry norms.
   - Program assistance will be recorded in the second lien position behind the primary mortgage, unless approved to subordinate behind another subordinate deed of trust.
   - Buyers must use their liquid financial assets to purchase the home prior to using program assistance. Liquid assets are defined as those that can be accessed without a penalty.
     - To ensure financial stability, clients may have up to eight (8) months of principal, interest, taxes, and insurance (PITI) in liquid assets after closing.
5. Discretionary Flexibility
   - The program administrator, with City staff approval, may vary slightly from the above loan parameters on a case-by-case basis to assist with a particular hardship or when doing so can derive some other program benefit.

Loan Terms

1. Program loan requires no payment and no interest unless and until repayment is triggered.
2. Lien Position
   - The City will subordinate to a second lien position to a primary mortgage lender, and at its own discretion, may decide to subordinate to a third lien position.
3. Refinancing

- Permitted to obtain a lower payment or lower interest rate, with no cash-out will be allowed. The City reserves the right to review each subordination as a lender.
- The program administrator offers refinance counseling and foreclosure mitigation counseling to past program buyers, at no charge to the client or City of Flagstaff, if the client would like to access these services. The City can refer these clients to the program administrator directly for housing counseling services.

Homebuyer Counseling and Education

1. All homebuyer aspirants, regardless of income, are required to complete the program administrator's homebuyer education course.
2. Clients are required to meet one-on-one with a HUD-certified homebuyer counselor who will help them navigate the homebuying process, determine their individual housing needs and wants, and overcome challenges to make homeownership feasible.
3. Financial Assistance Eligibility

   Program assistance is available on a first-come, first-served basis upon satisfying the following:

   - Have an accepted purchase contract with a closing date within 60 days (unless the home being purchased is a new construction home under the City's Affordable Homeownership Program);
   - Have loan approval from a lender, demonstrating their loan meets the program administrator's guidelines;
   - Have completed one-on-one homebuyer counseling and the required pre-purchase education class;
   - Have provided all required documentation to the counselor to determine eligibility.

   Once a client is determined eligible for financial assistance, the program administrator, comprised of experts in the lending field, will review the purchase, loan, and financial assistance package to determine if the client is eligible to receive financial assistance.

OPTION 2: PERMANENT AFFORDABILITY PILOT

Program Purpose

Increase affordable homeownership opportunities for local residents throughout the Flagstaff community by helping them purchase homes they can afford in neighborhoods of their choice. This option will also grow the City's stock of permanently affordable ownership units by lowering buyer acquisition costs through strategic city investments in exchange for permanent affordability.

Eligibility Criteria

1. Buyer Eligibility:

   Eligible buyers must meet the following requirements:

   - Be a U.S. citizen or a legal permanent resident.
   - Have lived or worked in the Flagstaff Metropolitan Planning Organization (FMPO) boundary for at least one year. A map of the FMPO boundary is attached as Exhibit 1.

- Must not have owned a home within the FMPO boundary within the last three years and be a "first-time homebuyer" in Flagstaff, Arizona, as defined by the Department of Housing and Urban Development (HUD) federal regulation 24 CFR 93.2: "An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property…" This includes:
  - "A single parent who has only owned with a former spouse while married."
  - "An individual who is a displaced homemaker and has only owned with a spouse."
  - "An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations."
  - "An individual who has only owned a property that was not in compliance with state, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure."
- Must occupy the home purchased with assistance as their primary residence.
- Must have household income at or below 125% of the Area Median Income (AMI), based on household size, and as published by the City based on calculations from HUD annually.

2. Housing Unit Eligibility

   Eligible properties:

   - Must be located within the official City of Flagstaff limits.
   - Must include single-family detached homes, townhomes, condominiums, and FHA-compliant manufactured homes permanently affixed to and purchased as real property.
   - Must not exceed a purchase price of $600,000.
   - Must be livable and meet lender occupancy and purchase guidelines.
   - Must be purchased through an arms-length transaction.
   - May have a home inspection by a licensed, professional, third-party inspector (highly recommended, but not required). The buyer must sign a Hold Harmless agreement at closing, ensuring that they will not hold the program administrator or the City responsible for the condition of the home.

Assistance Levels and Lending Parameters

1. Assistance Amounts

   The assistance provided through the program is as follows:

   - Assistance Amount: 30% of the home's purchase price.

2. Repayment

   Program assistance is not a loan. Instead, a deed restriction or ground lease will secure the City's investment in a permanently affordable unit.

   - Triggers for Resale:
     - The home is no longer owner-occupied.
     - Information provided to the program administrator or the City at the time of assistance is determined to be fraudulent.

3. Affordability Guidelines

- Housing Ratio: Not to exceed 35% of gross monthly income (unless lender guidelines or layered assistance program have more conservative requirements). Exceptions to Housing Ratio requirements will be considered on a case-by-case basis, with recommendations from the program administrator, and based on compensating factors.
- Debt-to-Income (DTI) Ratio: Not to exceed 45% of gross monthly income. Exceptions to affordability requirements may be made on a case-by-case basis, as recommended by the program administrator and based on compensating factors. The City will consider Committee approval of up to 50% DTI.

4. Mortgage and Closing Requirements
   - Must be a 30-year fixed-rate mortgage with a competitive interest rate.
   - Closing costs must be reasonable and consistent with industry norms.
   - A Ground Lease or Deed Restriction agreement will be recorded at the same time as the primary mortgage.
5. Discretionary Flexibility
   - The program administrator, with City staff approval, may vary slightly from the above loan parameters on a case-by-case basis to assist with a particular hardship or when doing so can derive some other program benefit.

Assistance Terms

1. The program assistance requires no repayment.
2. Ground Lease or Deed Restriction Terms
   - Provides a renewable 99-year lease term.
   - Limits the use of the land to residential purposes, not to include short-term rental use.
   - Dictates responsible use and compliance with all laws.
   - Requires owner occupancy of the home on leased land.
   - Specifies that all improvements are the homebuyer's property and provides parameters for construction and alteration.
   - Prohibits liens from being filed against the land.
   - Specifies the homebuyer's liability and the City's indemnification.
   - Requires the homebuyer to obtain and maintain casualty and liability insurance.
   - Preserves the right of first refusal of the City regarding purchase of the improvements.
   - Provides a mediation and arbitration process.
   - Limits the sale and resale of the home to eligible buyers.
   - Initial Affordable and Resale prices are to be determined utilizing the following formulas:
     - **Initial Affordable Purchase Price Formula:**

       Initial Purchase Price - City Assistance = Initial Affordable Purchase Price
     - **Appraisal-Based, Affordable Resale Price Formula:**

       (Initial Affordable Purchase Price) + [(Appraisal 2 - Appraisal 1) x 25%] = Affordable Resale Price

3. Refinancing
    - Refinancing will be allowed.
    - Refinancing with cash-out will be permitted, provided that the total first mortgage principal balance after refinance does not exceed the projected resale price of the home.
    - The program administrator offers refinance counseling and foreclosure mitigation counseling to past program buyers, at no charge to the client or City of Flagstaff, if the client would like to access these services. The City can refer these clients to the program administrator directly for housing counseling services.

Homebuyer Counseling and Education

1. All homebuyer aspirants, regardless of income, are required to complete the program administrator's homebuyer education course.
2. Clients are required to meet one-on-one with a certified homebuyer counselor who will help them navigate the homebuying process, determine their individual housing needs and wants, and overcome challenges to make homeownership feasible.
3. Financial Assistance Eligibility

    Program assistance is available on a first-come, first-served basis upon satisfying the following:

    - Have an accepted purchase contract with a closing date within 60 days;
    - Have loan approval from a lender, demonstrating their loan meets the City's guidelines for loan affordability;
    - Have completed one-on-one homebuyer counseling and the required pre-purchase education class;
    - Have completed the City's Affordable Homeownership Program orientation;
    - Have provided all required documentation to the counselor to determine eligibility.

    Once a client is determined eligible for financial assistance, the program administrator, comprised of experts in the lending field, will review the purchase, loan, and financial assistance package to determine if the client is eligible to receive financial assistance.

Employer Assisted Housing Program

Program Purpose

Support eligible City of Flagstaff employees who are first-time homebuyers with the upfront costs of homeownership, such as down payment and closing costs. It serves as both a homeownership benefit and a tool to attract and retain key personnel.

Eligibility Criteria

1. Buyer Eligibility

    Eligible buyers must meet the following requirements:

    - Employment:

- Must meet employment guidelines as established by the Flagstaff Housing Office.
- Must be a City of Flagstaff employee in an ongoing funded position classified by Human Resources as Employment Status Exempt (E), FT Tenure Eligible (TE), FT Tenure Granted (TG), PT Tenure Eligible (PE), or PT Tenure Granted (PG).
- Must have worked for the City in a non-temporary position classified by Human Resources as Contract (CN), E, TE, TG, PE, or PG for a minimum of the previous twelve (12) consecutive months.
- Must have the most recent performance evaluation demonstrating work performance meeting or exceeding expectations.
- Must not be on a performance work plan.

- Must not have owned a home within the FMPO boundary within the last three years and be a "first-time homebuyer" in Flagstaff, Arizona, as defined by the Department of Housing and Urban Development (HUD) federal regulation 24 CFR 93.2: "An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property…" This includes:
  - "A single parent who has only owned with a former spouse while married."
  - "An individual who is a displaced homemaker and has only owned with a spouse."
  - "An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations."
  - "An individual who has only owned a property that was not in compliance with state, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure."
- Must occupy the home purchased with program assistance as their primary residence.

2. Housing Unit Eligibility

   Eligible properties:

   - Must be a home located within a prescribed area of Flagstaff. The prescribed area shall be defined as a 12-mile radius from City Hall or 35 miles eastbound, westbound, and southbound from the 1-17 and I-40 exchanges with a five-mile-wide corridor (2 ½ miles on each side).
   - Include single-family detached homes, townhomes, condominiums, and FHA-compliant manufactured homes permanently affixed to and purchased with real property.
   - Must be livable and meet lender occupancy and purchase guidelines.
   - May have a home inspection by a licensed, professional, third-party inspector (highly recommended, but not required). The buyer must sign a Hold Harmless agreement at closing, ensuring that the buyer will not hold the program administrator or the City responsible for the condition of the home.

Assistance Levels and Lending Parameters

1. Maximum Assistance

   The maximum assistance provided through the program is as follows:

   - Maximum Assistance: Up to $20,000 per household, based on household contribution.
     - The first $10,000 is forgivable over a 10-year period.

- An additional $10,000 may be used in the form of a non-forgivable loan.

- Matching Structure: The program will match employee contribution to the home purchase on a 2-to-1 basis (i.e. $10,000 employee funds = $20,000.00 of program funds). The program will also match gifts from immediate family members, as documented.

2. Repayment

   Up to $10,000 of the program's financial assistance shall be repaid on a pro-rated basis. Any additional assistance is to be repaid in full.

   - Triggers for Repayment:
     - Employment with the City terminates for any reason;
     - The home is sold or there is a change in title;
     - The home is no longer owner-occupied;
     - The employee refinances the home to access home equity (refinance with no cash-out is permitted and program assistance will subordinate);
     - Information provided to the program administrator or City of Flagstaff at the time of assistance is determined to be fraudulent.

3. Affordability Guidelines
   - Housing Ratio: Must not exceed 35% of gross monthly income (unless lender guidelines or layered assistance program have more conservative requirements).
   - Debt-to-Income (DTI) Ratio: Must not exceed 45% of gross monthly income. Exceptions to affordability requirements may be made on a case-by-case basis, as recommended by the program administrator, and based on compensating factors.

4. Mortgage and Closing Requirements
   - Must be a 30-year fixed-rate mortgage with a competitive interest rate.
   - Closing costs must be reasonable and consistent with industry norms.
   - Program assistance will be recorded in the second position behind the primary mortgage, unless approved to subordinate behind another subordinate deed of trust.

5. Discretionary Flexibility
   - The program administrator, with City staff approval, may vary slightly from the above loan parameters on a case-by-case basis to assist with a particular hardship or when doing so can derive some other program benefit.

Loan Terms

1. The program requires no payment and no interest unless and until repayment is triggered.
2. Forgiveness and Repayment
   - The first $10,000 of program assistance will be forgiven on a pro-rated basis over a ten-year period. The Borrower will be issued a 1099-C annually upon forgiveness of debt. At the end of the first ten years, the City will record with Coconino County Recorder's Office a Deed of Release and Reconveyance for the first $10,000 of program funds utilized. Any additional program assistance is repayable.

- If repayment is triggered prior to the ten-year recapture period, the City will process payoff requests from the Title Company.

3. Lien Position
   - The City will subordinate to a second lien position to a primary mortgage lender, and at its own discretion, may decide to subordinate to a third lien position.
4. Refinancing
   - Permitted to obtain a lower payment or lower interest rate, with no cash-out will be allowed. The City reserves the right to review each subordination as a lender.
   - Prior to subordination, the borrower will complete housing counseling with the program administrator to ensure they understand the costs associated with the refinance. The program administrator will provide refinance housing counseling at no additional charge to the City.

Homebuyer Counseling and Education

1. All homebuyer aspirants, regardless of income, are required to complete the program administrator's homebuyer education course.
2. Clients are required to meet one-on-one with a HUD-certified homebuyer counselor who will help them navigate the homebuying process, determine their individual housing needs and wants, and overcome challenges to make homeownership feasible.
3. Financial Assistance Eligibility:

   Program assistance is available on a first-come, first-served basis upon satisfying the following:
   - Have an accepted purchase contract with a closing date within 60 days (unless the home being purchased is a new construction home under the City's Affordable Homeownership Program).
   - Have loan approval from a lender, demonstrating that their loan meets the program administrator's guidelines.
   - Have completed one-on-one homebuyer counseling and the required pre-purchase education class;
   - Have provided all required documentation to the counselor to determine eligibility.

   Once a client is determined eligible for financial assistance, the program administrator comprised of experts in the lending field, will review the purchase, loan, and financial assistance package to determine if the client is eligible to receive financial assistance.

Homebuyer Counseling & Education Program

Program Purpose

Ensure that potential first-time homebuyers in the City are educated about the homebuying process, have access to resources to overcome barriers to homeownership, and make informed decisions regarding their housing choices. Potential buyers will also be educated about financial assistance programs available in the community for first-time homebuyers.

Eligibility Criteria

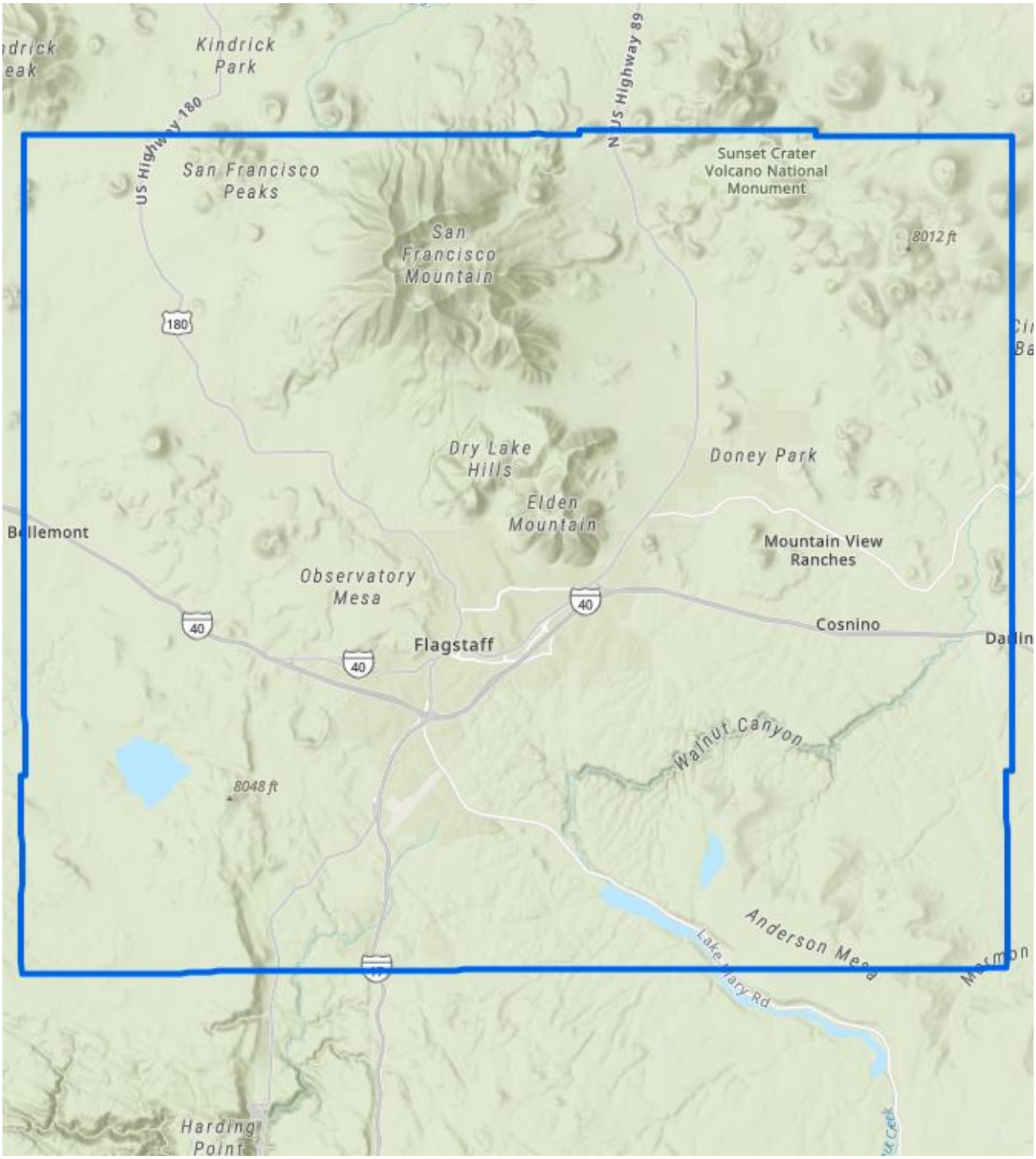
1. City of Flagstaff program eligibility criteria is as follows:
    - Must be a "first-time homebuyer", as defined by the Department of Housing and Urban Development (HUD) federal regulation 24 CFR 93.2: "An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property…" This includes:
        - "A single parent who has only owned with a former spouse while married."
        - "An individual who is a displaced homemaker and has only owned with a spouse."
        - "An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations."
        - "An individual who has only owned a property that was not in compliance with state, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure."
    - Clients must have a current address in the Flagstaff FMPO boundaries and have expressed an interest in living in the greater Flagstaff area.

Homebuyer Counseling and Education

1. All homebuyer aspirants, regardless of income, are invited to complete the program administrator's online Homebuyer Education Course.
2. Pre-purchase housing counseling is offered to clients in person or via telephone. The purpose of housing counseling is to address the specific questions, concerns, and barriers a household may face in purchasing a first home.
3. As required by HUD, all clients receiving one-on-one housing counseling will have documented follow-up.

Exhibit 1

Flagstaff Metropolitan Planning Organization (FMPO) Boundary



Source: arcgis.com

Community Homebuyer Assistance Program - Bond-Funded Expansion

October 21, 2025

Adriana Fisher, Housing Program Manager
Housing Office

TEAM FLAGSTAFF
WE MAKE THE CITY BETTER

Agenda

- Background
- CHAP Expansion Timeline
- Housing Market Overview
- CHAP Options:
    1. Home Purchase Assistance
    2. Permanent Affordability Pilot
- Next Steps
- Questions & Comments

Background - Bond

Proposition 442:

Creating rental and homeownership opportunities for residents of Flagstaff ($20 M)

Expanding the Homebuyer Assistance Program ($7 M)

Background - CHAP

Community Homebuyer Assistance Program (CHAP)

- **Purpose**: Financial assistance and education for first-time homebuyers
- **Launched**: 1998
- **Evolution**: Housing Market
- **Funding Source**:
  - City general funds through Feb. 2025
  - Bond funds starting Aug. 2025
- **Assistance Type**: Revolving loan (never forgiven)

CHAP Expansion Timeline

Mar - Jun 2025

RSOQ published

HSNA chosen

Jun - Jul 2025

Limited Professional Services Contract creation & execution

Aug 2025

Limited bond-funded program live

Sep 2025

Housing Commission review and recommendation for Council approval

2025 Housing Market Overview

Cost of Living:

21.2% Over National Average

Housing Costs:

51.6% Over National Average

Median Home:

$685,000

Average Days on the Market:

49

Housing Stock:

24% Under $500,000

Needs:

Dual Incomes, Financial & Family Support

2025 Home Prices

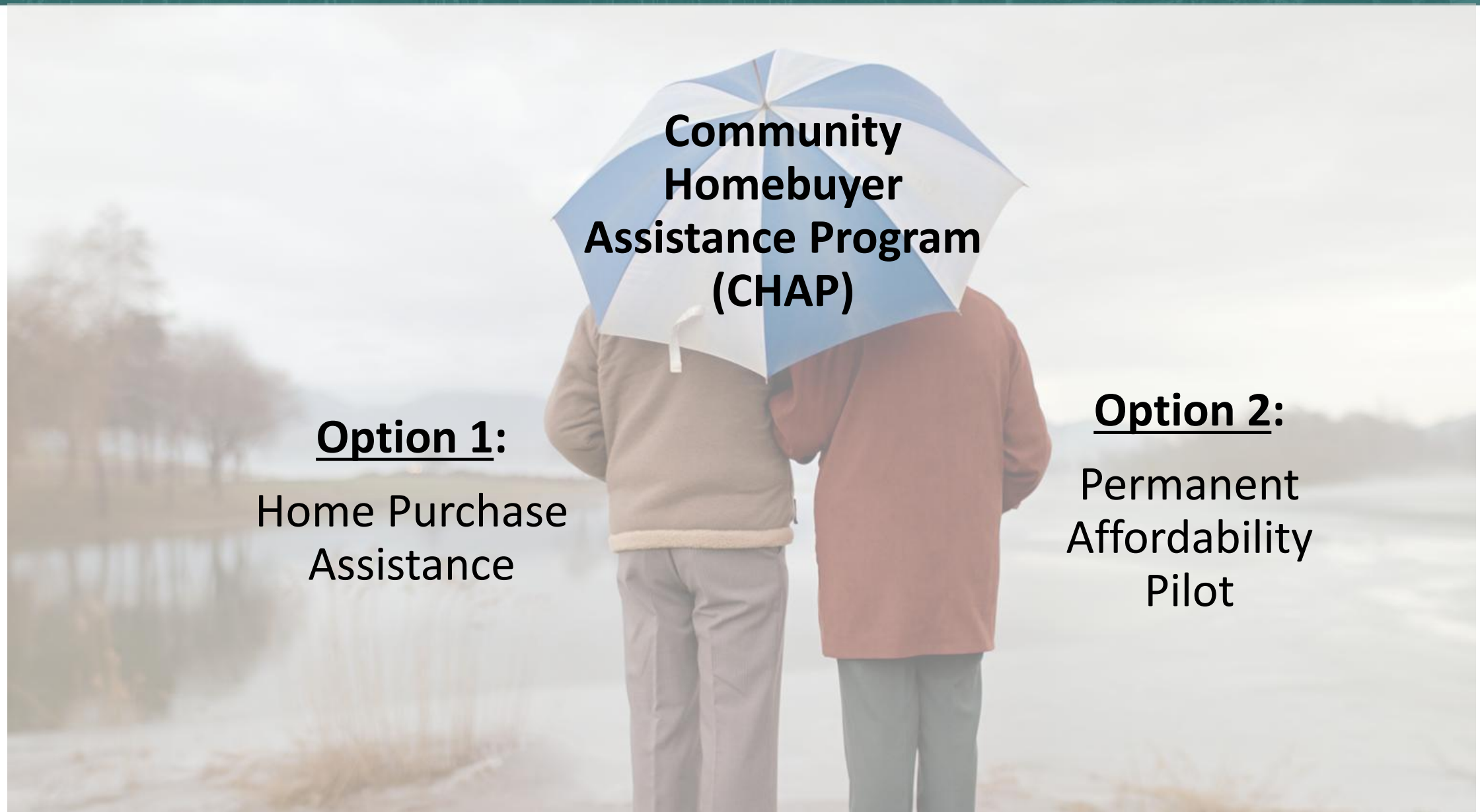
Condo - $345,000

- **Down Payment**: 3% ($10,350)
- **Interest Rate**: 7.125%
- **Debt-to-Income**: 45%
- **Housing Payment/Mo**: $3,078 (w/$250 HOA)
- **Income Needed**: $82,000-$95,000

Single-Family Home - $787,000

- **Down Payment**: 3% ($23,610)
- **Interest Rate**: 6.875%
- **Debt-to-Income**: 45%
- **Housing Payment/Mo**: $6,104
- **Income Needed**: $165,000-$177,000

CHAP Options



Community Homebuyer Assistance Program (CHAP)

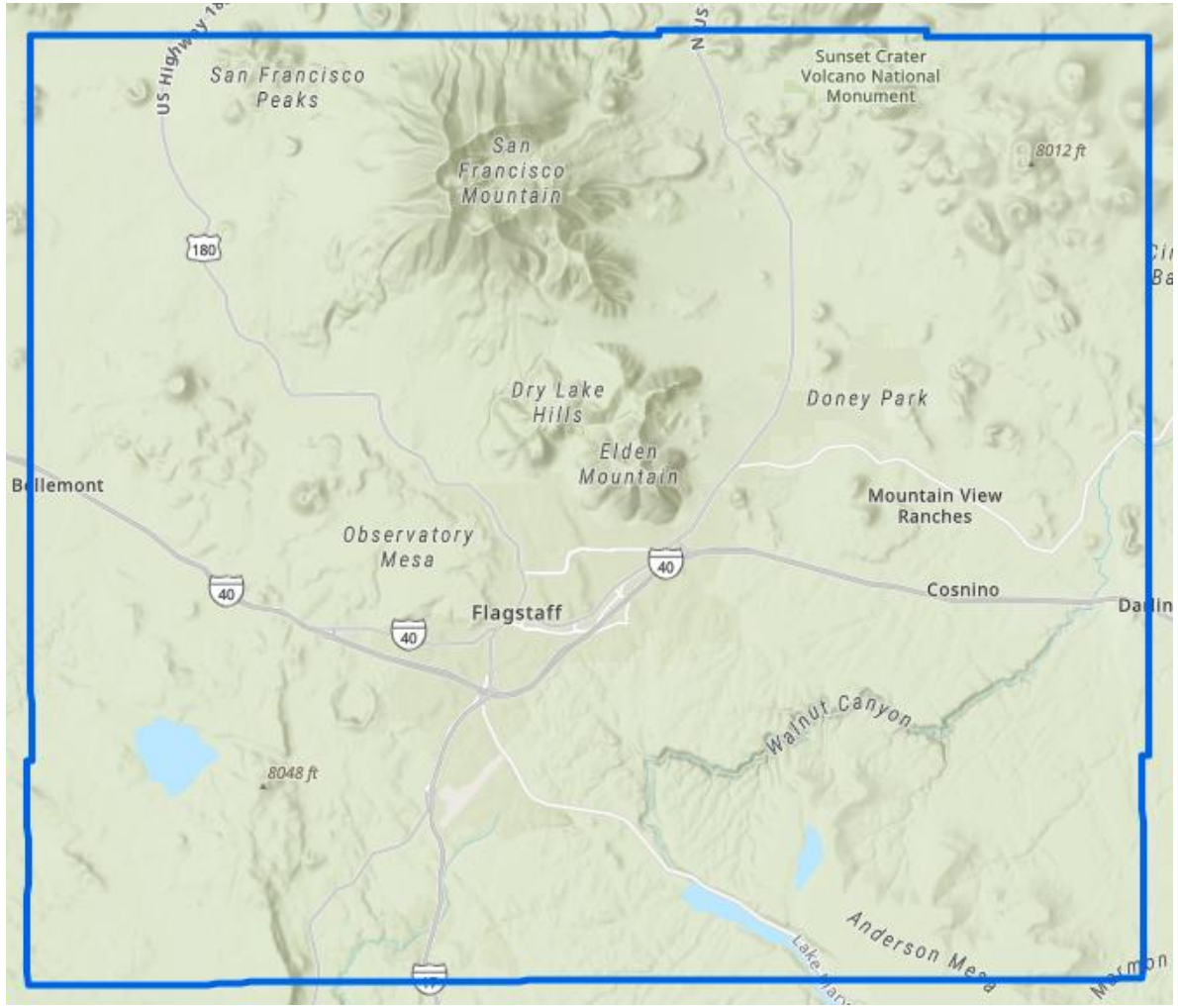
Option 1:

Home Purchase Assistance

Option 2:

Permanent Affordability Pilot

OPTION 1: Home Purchase Assistance



FMPO Boundary
Source: arcgis.com

Buyer Eligibility

- US citizen or legal permanent resident
- Live/work in FMPO x1 year
- First-time Flagstaff homebuyer
- Owner-occupancy
- AMI: 150% max ($152,820 HH of 3)
- Debt-to-Income: 45% max
  - **PROPOSED CHANGE**: Up to 50% if approved by City

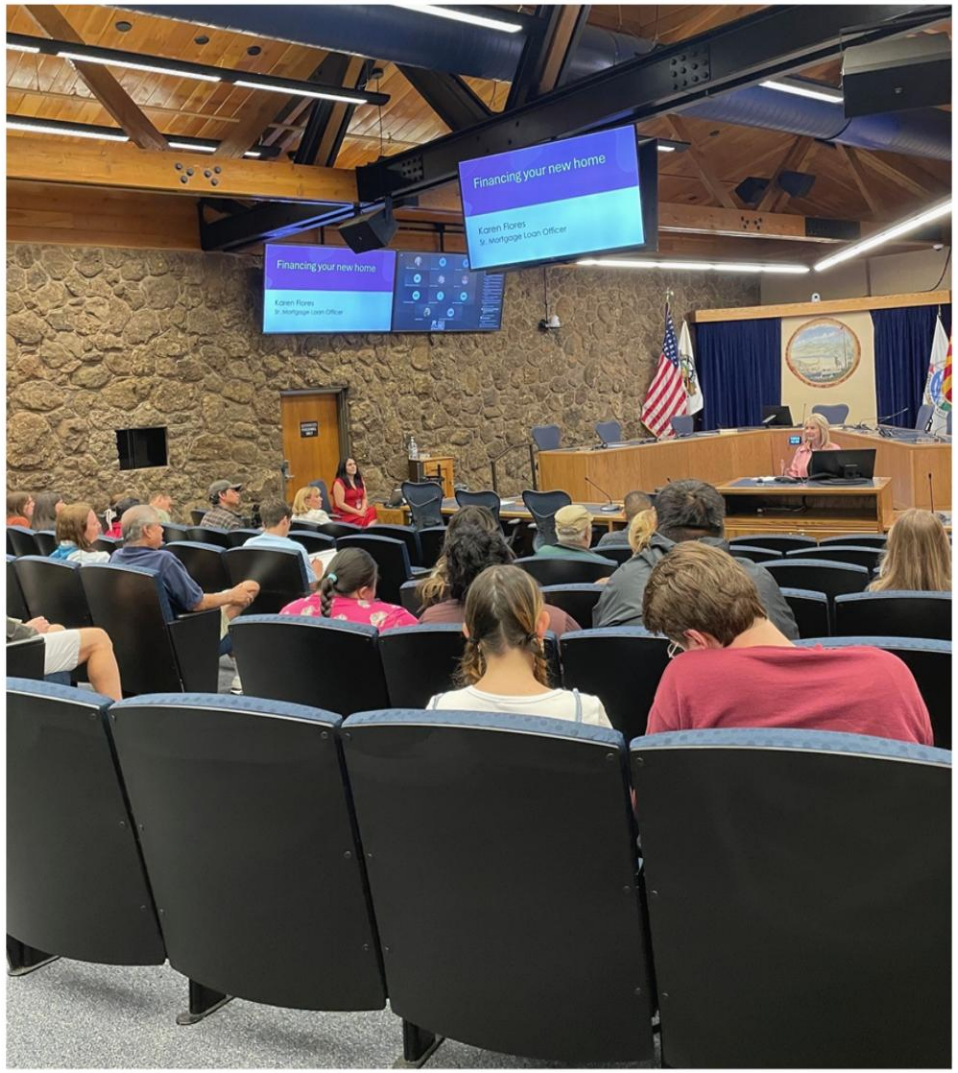
OPTION 1: Home Purchase Assistance

Unit Eligibility

- **Location**: City limits
- **Type**: Single-family, townhome, condo, manufactured (permanently affixed)
- **Loan**: 30-year, competitive rates, below jumbo limit
- **Guidelines**: Livable and meet lender occupancy/purchase guidelines
- **Home Inspection**: Recommended
- **Housing Ratio**: 35% max
  - **PROPOSED CHANGE**: 30-35%

$559,000 townhome in Country Club
Source: flagstaffmlssearch.com

OPTION 1: Home Purchase Assistance



Unlocking Homeownership Event, September 3, 2025

Assistance

- **Assistance Amount**: Up to $50,000
- **Assistance Type**: 10:1 matching loan
  - **Example**: $5,000 buyer funds = $50,000 CHAP assistance
- **Buyer Contribution**: $1,000 min.
  - **PROPOSED CHANGE**: $2,500 min.

OPTION 1: Home Purchase Assistance

Repayment

- No payment/interest until triggered
- **Repayment Triggers**:
  - Home is sold
  - No owner-occupancy
  - Refi. for cash-out
- **Loan Repayment**: Shared appreciation based on % assistance (*if not otherwise restricted)*
  - **PROPOSED CHANGE**: ½ shared appreciation if paid w/in 7 years

Example:

- **Purchase Price**: $500,000
- **Assistance Amount:** $50,000 (10% of purchase amt.)
- **Resale Value**: $550,000
- **Repayment Amount**: $55,000 (10% of resale value & $5,000 more than original assistance)

OPTION 2: Permanent Affordability Pilot

Eligibility same as CHAP - DPA, EXCEPT:

- **AMI**: 125% max ($127,350 HH of 3)
- **Home Price**: $600,000 max
- **Assistance**: 30% of purchase price - no match
- **Triggers for Resale**:
  - No owner-occupancy

$475,000 in NoHo
Source: flagstaffmlssearch.com

OPTION 2: Permanent Affordability Pilot

Crestview Homes

Assistance Terms:

- No repayment
- 99-year renewable Ground Lease/Deed Restriction
- Residential purposes (no STR)
- Parameters for construction/alteration
- No liens against land
- City has right of first refusal
- Sell to eligible buyer

OPTION 2: Permanent Affordability Pilot

Initial Purchase Price – City Assistance =

Initial Affordable Purchase Price

Example:

Initial Purchase Price	**$600,000**
City Assistance (30% of Initial Purchase Price)	**$180,000**

$600,000 - $180,000 = $420,000

OPTION 2: Permanent Affordability Pilot

(Initial Affordable Purchase Price) + [(Appraisal 2 - Appraisal 1) x 25%] = Affordable Resale Price

Example:

Initial Purchase Price:	**$420,000**
Appraisal 1 (at purchase):	**$600,000**
Appraisal 2 (at sale):	**$700,000**

(**$420,000**) + [(**$700,000** - **$600,000**) x 25%] = Resale Price

(**$420,000**) + [$100,000 x 0.25] = Resale Price

$420,000 + $25,000 = **$445,000**

Council's Options Today

1. **Adopt the Resolution**
   Approve the proposed program changes and permanent affordability pilot as presented.
2. **Adopt with Amendments**
   Approve the program changes and/or permanent affordability pilot with Council-specified modifications.
3. **Deny Adoption**
   Do not approve the proposed program changes and/or permanent affordability pilot.

Questions & Comments

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Stacy Saltzburg, City Clerk

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:

Consideration and Adoption of Ordinance No. 2025-22: An ordinance amending Flagstaff City Code, Chapter 1-18, Administrative Departments, to establish the Housing Division and rename the Community Development Division to the Planning and Development Services Division.

STAFF RECOMMENDED ACTION:

At the October 21, 2025 Council Meeting:
1. Read Ordinance No. 2025-22 by title only for the first time
2. City Clerk reads Ordinance No. 2025-22 by title only (if approved above)

At the November 4, 2025 Council Meeting
3. Read Ordinance No. 2025-22 by title only for the final time
4. City Clerk reads Ordinance No. 2025-22 by title only (if approved above)
5. Adopt Ordinance No. 2025-22

Executive Summary:

In accordance with City Charter Article IV, Section 1(a), the Council, by ordinance not inconsistent with the City Charter, shall provide for the organization, conduct, and operation of the several offices and departments of the City as established by the Charter, for the creation of additional departments, divisions, offices, and agencies, and for their consolidation, alteration, or abolition.

The City Manager has evaluated the organizational structure and has determined there is great benefit to having the Housing Section as a separate division and part of the City's Leadership Team. The Housing Section Director currently reports to the Planning and Development Services Director. Pursuant to the future proposed organizational chart the Housing Division would report to a Deputy City Manager.

In addition to the creation of the Housing Division the ordinance will update the name of the Community Development Division to Planning and Development Services Division.

Financial Impact:

There is budgetary impact when reclassifying the current Housing Section Director to a Division Director. Funding has been requested in the fiscal 2025-2026 personnel budget.

Policy Impact:

There is no anticipated policy impact for these changes.

Previous Council Decision or Community Discussion:

None

Options and Alternatives to Recommended Action:

Do not approve the creation of the Housing Division and name change for Community Development.

Connection to PBB Priorities and Objectives:

Priority Based Budget Key Community Priorities and Objectives

High Performing Governance: Enhance the organization's fiscal stability and increase efficiency and effectiveness.

Connection to Regional Plan:

N/A

Connection to Carbon Neutrality Plan:

N/A

Connection to 10-Year Housing Plan:

Overall support of the 10-Year Housing Plan

Attachments: Ord. 2025-22

ORDINANCE NO. 2025-22

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, CHAPTER 1-18, ADMINISTRATIVE DEPARTMENTS, TO ESTABLISH THE HOUSING DIVISION AND RENAME THE COMMUNITY DEVELOPMENT DIVISION TO THE PLANNING AND DEVELOPMENT SERVICES DIVISION; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

RECITALS:

WHEREAS, the City Council has authority to approve the reorganization of City Divisions pursuant to the Flagstaff City Charter, Article IV, Section 1(a); and

WHEREAS, the City Council has authority to approve alterations of City Divisions pursuant to the Flagstaff City Charter, Article IV, Section 1(a); and

WHEREAS, the City's needs are best met having a Housing Division; and

WHEREAS, the Community Development Division desires to rename the Division as the Planning and Development Services Division.

ENACTMENTS:

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

Section 1: Amend City Code 1-18-0001-0001

Flagstaff City Code Section 1-18-001-0001, Departments and Divisions Organized, is hereby amended as follows:

1-18-001-0001 DEPARTMENTS AND DIVISIONS ORGANIZED

DEPARTMENT HEADS: There will be two (2) departments and ~~thirteen (13)~~ FOURTEEN (14) divisions in the City government and the respective department heads shall be deputy city managers who report directly to the City Manager.

The ~~thirteen (13)~~ FOURTEEN (14) divisions shall be:

A. FIRE, headed by the Fire Chief.

B. POLICE, headed by the Police Chief.

C. PUBLIC WORKS, headed by the Public Works Director.

D. MANAGEMENT SERVICES, headed by the Management Services Director.

E. WATER SERVICES, headed by the Water Services Director.

F. ~~COMMUNITY DEVELOPMENT,~~ PLANNING AND DEVELOPMENT SERVICES, headed by the ~~Community Development~~ PLANNING AND DEVELOPMENT SERVICES Director.

G. ECONOMIC VITALITY, headed by the Economic Vitality Director.

H. INFORMATION TECHNOLOGY, headed by the Information Technology Director.

I. HUMAN RESOURCES/RISK MANAGEMENT, headed by the Human Resources/RISK MANAGEMENT Director.

J. CITY ENGINEERING, headed by the City Engineer.

K. PARKS, RECREATION, OPEN SPACE, AND EVENTS, headed by the Parks, Recreation, Open Space, and Events Director.

L. COMMUNICATION AND CIVIC ENGAGEMENT, headed by the City Clerk.

M. SUSTAINABILITY, headed by the Sustainability Director.

N. HOUSING, HEADED BY THE HOUSING DIRECTOR.

SECTION 3. Repeal of Conflicting Ordinances

All ordinances and parts of ordinances in conflict with the provisions of the code adopted herein are hereby repealed.

SECTION 4. Severability

If any section, subsection, sentence, clause, phrase or portion of this ordinance or any part of the code adopted herein by reference is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 5. Clerical Corrections

The City Clerk is hereby authorized to correct clerical and grammatical errors, if any, related to this ordinance, and to make formatting changes appropriate for purposes of clarity, form, or consistency with the Flagstaff City Code.

SECTION 6. Effective Date

This Ordinance shall be effective thirty (30) days following adoption by the City Council.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 4th day of November, 2025.

_____

MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Stacy Saltzburg, City Clerk

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE:

Consideration and Adoption of Resolution No. 2025-58: A resolution of the Council of the City of Flagstaff, Arizona ordering and calling a Special Election in and for the City of Flagstaff to submit to the qualified electors thereof a question with respect to ratification of the adoption of the Flagstaff Regional Land Use Plan 2045 as the new general plan for the City of Flagstaff

STAFF RECOMMENDED ACTION:

1. Read Resolution No. 2025-58 by title only
2. City Clerk reads Resolution No. 2025-58 by title only (if approved above)
3. Adopt Resolution No. 2025-58

Executive Summary:

Ratification of the Flagstaff Regional Land Use Plan 2045 has been placed on the agenda to call a Special Election for May 19, 2026. This resolution calls the election, indicating that it will be a Ballot by Mail election unless a polling place election is required for another ballot issue at the same election.

If Resolution No. 2025-58 is adopted calling the Special Election, a notice will be published inviting arguments for and against to be filed with the City Clerk's Office for inclusion in a Publicity Pamphlet which will be prepared and mailed to each household containing a registered voter within the City limits. This Publicity Pamphlet will include a description of the Regional Plan as required by ARS 9-461.06.

Financial Impact:

This election was budgeted in the FY2026 budget at an amount of $150,000 which will cover the costs associated with contracting with the County Elections Department for conducting the election, as well as preparation and mailing of the required publicity pamphlet.

Account Number Budgeted: 001-01-017-0016-1-4290
FY Budgeted Amount: $150,000

Policy Impact:

None

Previous Council Decision or Community Discussion:

The City Council adopted Resolution No. 2025-56 on October 9, 2025 which adopted the Flagstaff Regional Land Use Plan 2045.

Options and Alternatives to Recommended Action:

None

Connection to PBB Priorities and Objectives:

High Performing Governance

Inclusive & Engaged Community

Connection to Regional Plan:
None

Connection to Carbon Neutrality Plan:
None

Connection to 10-Year Housing Plan:
None

Attachments: Res. 2025-58
Exhibits A and B

RESOLUTION NO. 2025-58

RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, ORDERING AND CALLING A SPECIAL ELECTION IN AND FOR THE CITY OF FLAGSTAFF, ARIZONA, TO SUBMIT TO THE QUALIFIED ELECTORS THEREOF A QUESTION WITH RESPECT TO RATIFICATION OF THE ADOPTION OF THE *FLAGSTAFF REGIONAL LAND USE PLAN 2045* AS THE NEW GENERAL PLAN FOR THE CITY OF FLAGSTAFF

RECITALS:

WHEREAS, the Regional Plan Committee, with the assistance of the Community Development Division of the City of Flagstaff, prepared a draft of the proposed *Flagstaff Regional Land Use Plan 2045* (the “Regional Plan”); and

WHEREAS, the Planning and Zoning Commission has reviewed the draft Regional Plan, suggested changes, and recommended that the Flagstaff City Council adopt the proposed Regional Plan; and

WHEREAS, the City Council has reviewed the recommendations of the Regional Plan Committee and the Planning and Zoning Commission regarding the Regional Plan; and

WHEREAS, the City Council held work sessions on each element of the Regional Plan, received public comments, held two public hearings, and edited the draft Regional Plan; and

WHEREAS, the City complied with all statutory requirements, including the notice and hearing requirements set forth in Title 9 of the Arizona Revised Statutes; and

WHEREAS, on October 9, 2025, the Flagstaff City Council adopted Resolution No. 2025-56 adopting the *Flagstaff Regional Land Use Plan 2045* as the general plan for the City of Flagstaff; and

WHEREAS, in accordance with Arizona Revised Statutes §9-461.06(M) the City Council wishes to call a Special Election for May 19, 2026, to submit to the qualified electors a question with respect to ratification of the Regional Plan adoption.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA AS FOLLOWS:

SECTION 1. A special election of the qualified electors of the City is hereby called to be held on May 19, 2026, (hereinafter referred to as the "Election"), at which there shall be submitted to the qualified electors of the City the question of ratifying the adoption of the *Flagstaff Regional Land Use Plan 2045* as the new general plan for the City of Flagstaff.

SECTION 2. A notice of the Election shall be given by mailing an informational pamphlet (hereinafter referred to as the "Informational Pamphlet") to each household that contains a registered voter within the City not less than thirty-five (35) days before the date of the Election.

SECTION 3. The Clerk of the City is hereby authorized and directed to cause the Informational Pamphlet to be prepared and mailed according to law and the provisions of this resolution.

SECTION 4. The official ballot for the Election shall be in substantially the form hereto attached and marked Exhibit "A."

SECTION 5. The Clerk of the City is hereby authorized to request arguments for and against the subject matter of the Election for inclusion in the Informational Pamphlet by providing the notice in substantially the form attached and marked Exhibit "B" (hereinafter referred to as the "Notice for Arguments") by posting the Notice of Arguments at all places at which notices of meetings of the Council of the City are posted and publishing the Notice of Arguments once in the *Arizona Daily Sun*. The deadline to submit arguments shall be 5:00 p.m. MST on February 18, 2026.

SECTION 6. The election shall be a Ballot by Mail Election unless a polling place election is required for another ballot issue.

SECTION 7. The Election shall be held, conducted and canvassed in conformity with the provisions of the general election laws of the State of Arizona, except as otherwise provided by law, and only such persons shall be permitted to vote at the Election who are qualified electors of the City.

SECTION 8. All expenditures as may be necessary to order, notice, hold and administer the Election are hereby authorized, which expenditures shall be paid from current operating funds of the City.

SECTION 9. The City Clerk is hereby further authorized to take all other necessary action to facilitate the Election.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 21st day of October, 2025.

_____
MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

Exhibits:
A – Form of Official Ballot
B – Form of Notice for Arguments

EXHIBIT "A"

FORM OF OFFICIAL BALLOT

OFFICIAL BALLOT

QUESTION NO. 1

OFFICIAL TITLE: RATIFICATION BY THE VOTERS OF THE *FLAGSTAFF REGIONAL LAND USE PLAN 2045* AS THE NEW GENERAL PLAN OF THE CITY OF FLAGSTAFF, ARIZONA

DESCRIPTIVE TITLE: The *Flagstaff Regional Land Use Plan 2045* is a general plan establishing Flagstaff's land-use goals and policies, including all elements required by A.R.S. §9-461.06 to maintain and develop Flagstaff in accordance with the Plan's vision statement.

A **YES** vote shall have the effect of approving the *Flagstaff Regional Land Use Plan 2045* as the new general plan of the City of Flagstaff, Arizona	**YES**	☐
A **NO** vote shall have the effect of rejecting the *Flagstaff Regional Land Use Plan 2045*	**NO**	☐

EXHIBIT "B"

FORM OF NOTICE FOR ARGUMENTS

REQUEST FOR ARGUMENTS FOR AND AGAINST THE RATIFICATION BY THE VOTERS OF THE *FLAGSTAFF REGIONAL LAND USE PLAN 2045* AS THE NEW GENERAL PLAN OF THE CITY OF FLAGSTAFF, ARIZONA

Pursuant to a resolution adopted by the Council of the City of Flagstaff, Arizona (the "City"), on October 21, 2025 (the "Resolution"), a special election in and for the City was ordered and called to be held on May 19, 2026 (the "Election"). Notice of the Election will be given by mailing an informational pamphlet to each household that contains a registered voter, with such pamphlet to include arguments for and against the ratification by the voters of the *Flagstaff Regional Land Use Plan 2045* as the new general plan of the City of Flagstaff, Arizona to be considered at the Election. Any person interested in providing any such argument is hereby requested to provide the same to the City Clerk, before 5:00 p.m., Arizona time on February 18, 2026. If you have any questions about the foregoing, please contact Stacy Saltaburg, City Clerk, at 928-213-2076.

/s/ Stacy Saltzburg
Stacy Saltzburg, Flagstaff City Clerk

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: Stacy Saltzburg, City Clerk

Date: 10/15/2025

Meeting Date: 10/21/2025

TITLE

Future Agenda Item Request (F.A.I.R.): A request by Councilmember Aslan to place on a future agenda a discussion to consider adopting film regulations similar to those outlined in the federal EXPLORE Act and Phoenix's administrative regulation.

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 Aslan 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:

None

Attachments: